

GENERAL TERMS OF SUPPLY

Version: November 11, 2024

These General Terms of Supply govern the contractual relationships for the supply of machines and related components (the "Products") between the company Cy Laser (hereinafter referred to as the "Supplier") and its customers (hereinafter referred to as the "Customer"), which are implemented through the signing of the Supply Proposal.

1. Effectiveness of the General Terms.

- 1.1 These general terms of supply apply even if not expressly referenced or signed in individual orders.
- 1.2 Any provisions deviating from these terms will only be effective if expressly agreed to in writing by both parties.
- 1.3 These general terms shall remain in effect until expressly revoked by the Supplier or replaced by new terms, which shall become effective upon their signing.

2. Orders.

- 2.1 Upon the Customer's expression of interest, Cy Laser will send a Supply Proposal valid for 60 days from the date of receipt by the Customer.
- 2.2 Upon signing the Supply Proposal, the contract is considered concluded and the Customer expressly accepts these general terms of supply, unless specific exceptions are provided in the Proposal.
- 2.3 If the Customer requests a machine with any modifications compared to those listed in the Supplier's catalog (or requests a customized machine), they must submit in writing all drawings, technical documents, data, and any other instructions. Based on this information, the Supplier will prepare an executive design to be countersigned by the Customer. In such cases, delivery terms will be specified case by case by the Supplier.
- 2.4 By signing the executive design, the Customer assumes full responsibility for the chosen technical specifications and shall hold Cy Laser harmless from any third-party claims regarding incorrect, inappropriate, or flawed specifications.

3 Delivery Terms and Conditions.

- 3.1 Delivery is set at 180 working days from receipt of the first payment or the leasing contract (if the Products are purchased via a leasing company).
- 3.2 Delivery terms are not essential. Delays in production or delivery shall not entitle the Customer to compensation or constitute grounds for contract termination.
- 3.3 Delivery will occur only after in-house testing by the Supplier (as per Article 6).
- 3.4 Unless otherwise agreed in writing, delivery is CIP (Carriage and Insurance Paid to) the Customer's site according to INCOTERMS 2000.

4 Payment Terms and Methods.

- 4.1 Upon signing the Supply Proposal, the Customer shall pay 30% of the Product price by bank check as a deposit pursuant to Article 1385 of the Italian Civil Code.
- 4.2 If purchase is via leasing, payment will occur through the chosen leasing company within 15 days after the Supplier submits the required documents.
- 4.3 If payment is by bank transfer, it shall follow this schedule:
 - 30% upon signing the Supply Proposal;
 - 60% after in-house testing (and in any case before delivery);
 - 10% upon testing at the Customer's site.
- 4.4 If the purchase depends on financing, this must be noted in the Supply Proposal and will be treated as a suspensive condition. The deposit will be considered an advance and refunded without interest if financing is denied.
- 4.5 Unless otherwise agreed, prices exclude VAT, duties, insurance, and any other financial or tax burdens.
- 4.6 Payment must be made at the Supplier's registered office under the contractual terms.
- 4.7 The Customer may not suspend or delay payment due to disputes regarding execution or quality.
- 4.8 The Supplier may suspend or terminate the contract if the Customer fails to meet payment obligations.
- 4.9 The Supplier may terminate the contract immediately if the Customer becomes insolvent or undergoes significant negative financial changes.
- 4.10 The Customer must verify that payment details match those of the Supplier, particularly in case of any notification of changes.
- 4.11 Acceptance of checks or promissory notes is for facilitation purposes only and does not affect payment terms.
- 4.12 Late payments will incur default interest as defined in Article 5 of Legislative Decree 231/2002, without prejudice to further damages.

5 Retention of Title

- 5.1 If payment occurs in whole or in part after delivery, ownership of the Products remains with the Supplier until full payment.
- 5.2 Failure to pay even one instalment exceeding one-eighth of the total price, or two missed instalments, allows the Supplier to terminate the contract and demand immediate return of the Products.
- 5.3 Until full payment is made, the Customer shall not lease, transfer, or relocate the Products without prior written consent.
- 5.4 Risk passes to the Customer upon delivery as defined in Article 7.
- 5.5 The Customer must ensure the delivered Products until full payment is made.

6 Testing at the Supplier's Site

- 6.1 Initial testing takes place at the Supplier's facility in Schio (VI) with standard cutting tests using Supplier's materials.
- 6.2 The Customer will be notified of the test date in advance to allow attendance.
- 6.3 The Customer is expected to attend the test either in person or remotely, at their own cost.
- 6.4 If the test fails, the Supplier will fix the issues and delivery will be postponed accordingly.
- 6.5 Any second test will only address the previously identified defects.
- 6.6 Any further tests will focus only on unresolved issues from prior tests.
- 6.7 The Customer may not reject the Products for minor deviations within normal tolerance limits.

7 Transport, Unloading, and Installation

- 7.1 Installation, unloading, commissioning, and training are regulated in Annexes A and B.
- 7.2 Warranty is void if third parties not authorized by Cy Laser conduct these activities or if they do not follow annex guidelines.

8 Technical Start-Up and On-Site Testing

- 8.1 After installation, Cy Laser technicians will conduct standard cutting tests at the Customer's site and prepare a signed test report.
- 8.2 The Customer must ensure the site meets all requirements in the "Installation Preparation Instructions" document before installation begins.
- 8.3 On test day, the Customer must provide power, water, lubricants, materials, and install all required infrastructure.
- 8.4 Testing must occur within 20 working days of delivery. If delayed by the Customer, the Product is deemed accepted and warranty begins.
- 8.5 Failure to comply with obligations in 8.3 will result in additional charges for Cy Laser personnel.
- 8.6 Only Cy Laser personnel are authorized to install and commission the system.
- 8.7 All system connections must be made by qualified technicians authorized by the Customer, who must also certify compliance with safety standards.
- 8.8 Any defects must be recorded in the test report; otherwise, the Product is deemed free of apparent defects.
- 8.9 Warranty period starts upon test report signature or 20 days after delivery, whichever comes first.

9 Training.

- 9.1 Operator training includes usage and routine maintenance. Operators must have completed software training within a week prior.
- 9.2 Training is held by Cy Laser personnel post-final testing and payment. Certification is granted to those scoring 6/10 or higher.

10 Compliance and Warranties

- 10.1 The Supplier guarantees the Products are as agreed and free of material defects for 12 months from on-site testing.
- 10.2 Automation systems also carry a 12-month warranty.

- 10.3 Apparent defects must be reported in the test report or within 8 days of test completion.
- 10.4 Hidden defects must be reported in writing within 8 days of discovery using the form in Annex C.
- 10.5 Warranty does not cover consumables listed in Annex D.
- 10.6 Warranty is valid only if original parts are used and maintenance is performed by authorized personnel.
- 10.7 Defective parts will be repaired or replaced at the Supplier's discretion.
- 10.8 Replacement parts are delivered DDP.
- 10.9 Travel costs for on-site interventions are covered by the Customer; labor costs are covered by the Supplier unless misuse is confirmed.
- 10.10 In case of misuse, all related costs are borne by the Customer.
- 10.11 Remote support requires internet access at the Customer's cost.
- 10.12 The Supplier's liability is limited to the value of the defective Product.
- 10.13 Warranty is void if the Customer is not up to date with payments.
- 10.14 Warranty excludes damage from misuse or unauthorized modifications.
- 10.15 Warranty does not cover damage due to external factors as listed in Annex D.
- 10.16 Warranty extensions may be purchased at 4% of the agreed price per year, up to 5 years.

11 Arbitration and Applicable Law

- 11.1 These terms are governed by Italian law.
- 11.2 The Court of Vicenza has exclusive jurisdiction.

12 Confidentiality and IP Rights

- 12.1 All documents, including price lists and catalogs, are the exclusive property of the Supplier and may not be reproduced without consent.
- 12.2 Unauthorized use of trademarks, models, or product designs is prohibited.
- 12.3 All intellectual property rights remain with the Supplier.

13 Miscellaneous

- 13.1 If any provision is found unenforceable, the remaining terms remain in force.
- 13.2 Data in offers, catalogs, and advertisements are indicative only and not binding.

Location _____, Date _____

Customer (stamp and signature of legal representative)

Supplier (stamp and signature of legal representative)

X.....

The Customer expressly declares to accept the following clauses: 1. Effectiveness of the general terms and conditions; 2.3 and 2.4 Project approval; 3.2 Non-essential nature of delivery deadlines; 4. Terms and methods of payment; 5. Retention of title; 7. Transport, unloading, and mechanical installation; 8. Technical start-up and testing at the Customer's premises; 10. Compliance and Warranties; 11. Arbitration clause – applicable law.

Customer (stamp and signature of legal representative)

X.....

ALL INCLUSIVE MACHINE PACKAGE

The ALL INCLUSIVE PACKAGE includes: insured transport, unloading assistance, installation, commissioning, testing, and operator training. These phases are considered standard working days as shown below:

Plant dimensions	CY2D3015	CY2D4020	CY2D6020	CY2D2512	VISO3015	VISO4020	VISO6020
Mechanical installation at the user's premises	CY2D3015	4 days – 2 persons	2 days – 1 person	3 days – 1 person	9 days	CY2D3015	4 days – 2 persons
Start-up and testing at the end user's site	CY2D4020	4 days – 2 persons	2 days – 1 person	3 days – 1 person	9 days	CY2D4020	4 days – 2 persons
Operator training	CY2D6020	5 days – 2 persons	2 days – 1 person	3 days – 1 person	10 days	CY2D6020	5 days – 2 persons
Total working days at the user's premises	CY2D2512	3 days – 2 persons	2 days – 1 person	3 days – 1 person	8 days	CY2D2512	3 days – 2 persons

The ALL INCLUSIVE PACKAGE INCLUDES:

- Mechanical installation at the customer site: includes unloading assistance (staff present during unloading and monitoring), positioning the system as per layout agreed with the customer, and completing mechanical assembly (alignment, enclosure installation);
- Commissioning and testing: includes technical commissioning by Cy Laser personnel, completing all preliminary operations to make the machine operational, and final testing mirroring factory tests. Subsequent phases begin only after signed approval;
- Operator training: includes theoretical and practical training, including cutting tests on customer materials and drawings. At the end of training, Cy Laser's technician assigns a score (1–10). A certificate is issued if the score is ≥ 6 . Otherwise, additional paid training may be proposed.

THE ALL INCLUSIVE PACKAGE DOES NOT INCLUDE:

- Insured transport from Cy Laser to customer site (Incoterms 2000 – CIF);
- Crane/forklift rental if customer equipment is insufficient;
- Additional days beyond the table above, charged per the rate card below (includes travel and accommodation costs);
- Extra assembly time due to customer site issues (e.g., layout changes, floor problems, missing info);
- Extra operator training requested by the buyer;
- Assembly/start-up/training of accessories such as auto-loading systems is excluded.

Cy Laser Rate Card:

Descrizione	Importo
Specialized mechanic	90,00 €/h
Laser technician	120,00 €/h
Travel Time	75,00 €/h
Mileage reimbursement	0,70 €/km
Travel/meals/lodging	At cost

ALL INCLUSIVE AUTOMATION PACKAGE

The ALL INCLUSIVE AUTOMATION PACKAGE INCLUDES:

- Mechanical installation at the user site: includes unloading assistance (Cy Laser staff present during all unloading and movement phases), positioning of the system at the designated spot per the layout agreed with the customer, and completion of mechanical assembly (alignment, enclosure installation);
- Commissioning and testing at the end user's site: includes technical start-up of the new system by Cy Laser technical personnel. During this phase, all preliminary operations are completed to make the machine operational. At the end of this phase, testing is formalized at the customer site by replicating the factory tests. The next phase begins only after successful testing is signed;
- Operator training: includes usage and routine maintenance training. The course is divided into a theoretical part and a practical part, with handling tests using customer materials. At the end of training, Cy Laser's technician will assign a score from 1 to 10. Certificates will be issued for scores ≥ 6 . If the score is < 6 , the course is considered failed and an additional paid training day may be proposed.

THE AUTOMATION PACKAGE DOES NOT INCLUDE:

- Insured transport from Cy Laser to the customer site (Incoterms 2000 – CIF);
- Rental of equipment needed for unloading and installation if customer equipment lacks required capacity or features;
- Additional days beyond those listed in the supply proposal, charged per the rate card in Annex A, including travel and accommodation costs;
- Extra installation time due to issues caused by the end user (e.g. late layout changes, poor flooring, missing info, installation area access problems, or delayed arrival of handling vehicles);
- Additional operator training days requested by the buyer and related Cy Laser personnel travel expenses.

Notice of defects

1. Product Information			
Machine Model:		Serial Number:	
Power:		Date Completed:	

2. Buyer's Company Details			
Company Name:			
Address:			
Phone.:		E-mail:	
Contact Person:		Mobile:	

3. Installation Site <u>(if different from above)</u>			
Company Name:			
Address:			
Phone.:		E-mail:	
Contact Person:		Mobile:	

4. Reported Anomaly			
Description of the anomaly:			
Operating conditions prior to the anomaly:			
Attachments (photos, reports, or analysis of the issue):			

Location, date _____

Customer _____

The following consumable items are excluded from warranty for all CY2D, VISO, and CYTUBE systems:

- Nozzles
- Optical components (lenses, protective glasses, optical fiber), excluding lenses warranted for 30 calendar days post-installation
- All air/gas/oil filtration elements
- Worktable tips and counter tips (CY2D)
- Lower protective shields on laser head
- Capacitive sensor terminal (insulator, sensor, ceramics, seals, nozzle holder, thermal shield, locking rings)
- Capacitive sensor cable
- Collision control board cable
- Anti-crash board (collision control)
- Protective glass for Servo Piercing photocell
- Focus drive screw and nut (limited to 1 year)
- Fume extraction filters and cartridges including spark trap
- Extraction hatch seals
- Nozzle cleaning brush
- Felt lubrication gears for axes
- Light signaling elements (lamps, buttons, internal LEDs)
- Rechargeable and non-replaceable batteries
- Spring or mechanical compression elements
- Fuses or electrical protections
- Sliding components subject to friction (e.g., Teflon, bronze, or polyethylene guides)
- Cleaning and maintenance tools supplied with the system

The following consumables are excluded from warranty for all AUTOMATION systems:

- Air treatment or filtering elements
- Suction cups
- Non-centralized lubrication grease and oil
- Fork prongs and related components (shafts, bearings, straps)
- Light signaling elements (lamps, buttons)
- Rechargeable and non-replaceable batteries
- Spring or anti-vibration mechanical elements
- Fuses or electrical protections
- Sliding components subject to friction (e.g., Teflon, bronze, polyethylene)
- Cleaning and maintenance tools
- Blowing/separating nozzles for sheets
- Sheet separation metal brush
- Hardened locking inserts for tower drawers and elevator stops (if present)]

Location _____, Date _____

Customer (stamp and signature of legal representative)

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