

ANNEX 1 - GENERAL PURCHASE CONDITIONS

rev. June 2022

Intellectual Property and Exclusivity Rights

This document is a binding annex of Ratti's General Terms And Conditions For The Purchase Of Material/Subcontracting and it shall apply to all the orders placed by Ratti. With the order confirmation - or once the execution of the order has begun - all the conditions contained therein shall be deemed as accepted by the Supplier, according to the latest version published on the website <https://www.ratti.it/en/general-purchasing-terms/> and/or sent to the Supplier.

1. In the event that Ratti consigns to the Supplier (alternatively or cumulatively) products, designs, fabric varieties, models, sketches, samples, technical information, industrialisation files, tracing papers, physical and/or computerised printing tools, fabrics, finished garments, know-how, tools bearing trademarks (registered or not) and/or other information that may have strategic and/or commercial value (hereinafter, more shortly, "Ratti Assets"), the Supplier shall: (i) acknowledge that all intellectual property rights, copyrights, rights of economic exploitation and registration relating to Ratti Assets belong exclusively to Ratti, or to any third parties qualifying as Ratti's /customers; (ii) acknowledge that the information on Ratti Assets is delivered to the Supplier for the sole purpose of executing Ratti's orders and that any use for any other purposes not authorised by Ratti would result in a unlawful act.
2. Should Ratti place orders with the Supplier that involve (a) the realisation and/or development of (alternatively or cumulatively) products, designs, fabric varieties, models, sketches, samples, technical information, industrialisation files, tracing papers, physical and/or computerised printing tools, finished garments, know-how to be created by the Supplier specifically for Ratti, or (b) the improvement (alternatively or cumulatively) of products, drawings, fabric varieties, models, sketches, samples, technical information, industrialisation files, tracing papers, physical and/or computerised printing tools, finished garments, know-how and/or any tool bearing (registered and unregistered) trademarks which are pre-existing and consigned by Ratti or pertaining to the Supplier's archive (all these elements - referred to in points (a) and (b) above - shall be hereinafter more shortly referred to as "Creations"), the Supplier shall: (i) acknowledge that all intellectual/industrial property rights, copyrights, rights of economic exploitation and registration pertaining to the Creations are assigned to Ratti once the order has been executed and, in particular, that one third of the price agreed for the order is paid as consideration for the transfer to Ratti of all the aforementioned rights on the Creations (except that Ratti and the Supplier agree in writing - separately - a specific fee for the transfer of the rights on the Creations); (ii) therefore, the Supplier undertakes not to use the Creations (and related tools and technical know-how) on subsequent occasions, except for further orders submitted by Ratti; (iii) and the Supplier shall warrant that the Creations are new and original, that it can legitimately transfer to Ratti the intellectual property and exploitation rights on the same, and the Supplier thereby undertakes to indemnify Ratti from any claim for damages/compensation by third parties, or other adverse consequences that may arise as a result of the use and/or marketing of the Creations; (iv) the Supplier also undertakes to deliver to Ratti all physical and computer tools containing the Creations and, upon request, to make the appropriate statements aimed at certifying Ratti's title of ownership to the Creations.
3. Should Ratti order pre-existing products, designs and/or fabric varieties taken from the Supplier's archive/catalogue - i.e. not created/modified specifically for Ratti (hereinafter shortly referred to as "Supplier's Products"), the Supplier shall: (i) acknowledge that the Supplier's Products (including all the physical and computer equipment and tools required for printing) ordered by Ratti are granted to Ratti as exclusive items for a period of 3 years, starting from the date of the first order, and that they shall not be either offered and/or supplied to third parties during this period of exclusivity; (ii) undertake to inform Ratti in case the Supplier's Products have been sold to third parties in the past; (iii) declare to be the legitimate owner of the intellectual property rights and rights of exploitation of the Supplier's Products, and it undertakes to indemnify Ratti from any claim for damages/compensation by third parties, or other adverse consequences Ratti may suffer as a result of their use and/or marketing.
4. The Supplier undertakes to keep strictly confidential all the information of any nature concerning Ratti Asset and/or the Creations or, more generally, Ratti or Ratti's business and customers, which has been transferred by Ratti or which otherwise regards the latter's activity, committing to use

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Via Madonna, 30
22070 Guanzate
(CO) ITALY



this information exclusively for the purpose of executing the orders placed by Ratti. The Supplier is expressly prevented from using or exploiting any information transmitted by Ratti with the intention of directly acquiring orders from Ratti S.p.A.'s customers, taking them away from Ratti itself.

5. This Agreement shall in no way constitute an exclusive relationship, and it shall not guarantee that Ratti will place any minimum volume of orders with the Supplier, nor can this Agreement be understood as a guarantee of the continuation of the relationship with Ratti.
6. The provisions of this Agreement - if relevant to the products, services and/or processing activities - shall apply to all orders placed by Ratti with the Supplier, and they shall be valid indefinitely from the date of execution - and/or from the date of the implicit acceptance of the Supplier - subject to any updates notified/published by Ratti. Either party may exercise the right of withdrawal subject to a minimum six-months' notice by registered letter with return receipt, save the subsequent effectivity of certain provisions as stated in the following article 7. In any case, any withdrawal by the Supplier could result in the immediate interruption of further business relationships with Ratti.
7. After the end of the legal effects of this Agreement due to any reason or cause, the undertakings contained in the following clauses shall remain binding in any case, until their legal or contractual expiration: art. 1 - Ratti's intellectual property rights on Ratti Assets; art. 2- with reference to the Creations ordered by Ratti within the date of termination of the effects of this document; art. 3 - exclusive right on the Supplier's Products ordered by Ratti within the date of termination of the effects of this document; art. 4 - up to 5 years after the termination of the effects of this document and/or, more generally, of the business relationship between Ratti and the Supplier.
8. In accordance with Ratti's General Terms And Conditions For The Purchase Of Material/Subcontracting, of which this Agreement is a binding annex, this Agreement shall be governed by Italian law exclusively; the Court of Como shall have sole jurisdiction for any dispute.

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22070 Guanzate
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Approved by the Supplier

Company Name and fiscal Id. number:

Signed by (Name and Surname):

In their capacity as:

Signature:

Company stamp:

Place and date:





Pursuant to and for the purposes of sections 1341 and 1342 of the Italian Civil Code, the Supplier expressly approves the clauses referred to in the following articles: 2(i) - Price inclusive of the consideration for the assignment of intellectual property rights; 2(iii) - indemnification; 3(i) - exclusive arrangements; 3(iii) - indemnification; 4 - confidentiality; 7 - extension of effectivity; 8 - exclusive jurisdiction.

Approved by the Supplier

Company Name and fiscal Id. number:

Signed by (Name and Surname):

In their capacity as:

Signature:

Company stamp:

Place and date:

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