Declaration for the supplier	
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This Declaration is a document intended to regulate legal relations in the field of purchasing products from suppliers by our Company (group of companies) and to bring to a common denominator the requirements for products purchased by our companies, including, but not limited to, requirements for packaging, quality of materials, including possible deviations and defects, requirements for transportation, storage, loading, unloading of products, for documents, etc.

Suppliers hereto shall strictly comply with the requirements and standards when dealing with our companies.

1. General provisions

As a general rule, one of the group companies enters into a contract with a supplier, which sets out general provisions regarding the purchase of products from a certain supplier. The document is a framework contract, the work shall be performed according to appendices executed for the purchase of a specific batch of products from the supplier. The work shall be performed under the appendices that indicate the component list, the name of the stone or other purchased material, dimensions, other characteristics, and price. In exceptional cases, if it is objectively impossible to enter into a contract, work shall be performed on the basis of issued invoices. However, any supplier hereto shall comply with the rules set out in this Declaration when dealing with a company operating under the brand VeneziaStone.

2. Sections of the Declaration:

- 2.1. Product quality requirements compliance with product characteristics by type of material.
- 2.2. Product packaging requirements
- 2.3. Labelling requirements
- 2.4. Loading rules and plan.
- 2.5. Document package requirements
- 2.6. Requirements for reimbursement in the event of a claim, claim submission period (90 days for the supplier), requirements for penalties.
- 2.7. General provisions on acceptance
- 2.1. Product quality requirements General provisions and compliance with product characteristics by type of material.

2.1.1. PRODUCT QUALITY

- 2.1.1.1. The Seller guarantees that the quality of the Products supplied hereunder shall comply with sanitary and epidemiological standards and requirements, as well as safety requirements established in the Buyer's country.
- 2.1.1.2. The parties have agreed on the Product quality requirements by signing this Declaration.
- 2.1.1.3. The parties have agreed on the requirements for Product packaging by signing the Declaration. All costs for Product packaging for transportation for export shall be borne by the Seller.
- 2.1.1.4. The Buyer shall reserve the right to independently organise the Product quality inspection before shipment and cancel the delivery in the event of non-compliance with the quality requirements for the products stipulated by this Declaration.

2.1.2. PRODUCT QUALITY REQUIREMENTS

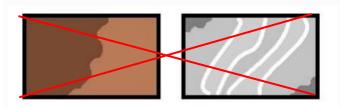
This appendix shall impose the following standard requirements for product quality (natural stone):

2.1.2.1. Granite and labradorite - TILES

Tiles and other stone products having certain geometrical dimensions and shapes. Length and width deviations: no more than 1 mm from the declared ones. Thickness deviations: for thickness of 18 and 20 mm (no more than +/-2 mm); for thickness of 30 mm (no more than +/-3 mm). Subject to observance of geometrical parameters (right angles, absence of concavity and convexity of working surfaces): deviations from the right angle shall not exceed 0.2% of the tile length. The maximum deviations from the flatness of modular and thick slabs shall not exceed 0.2% of the tile length. The thickness of all tiles shall be the same. There are no chips on the corners and edges (no more than one or two chips up to 3 mm in size are allowed). There are no cavities, cracks (including healed ones) or scratches on the working surface of the tiles. There are no traces of grinding or untreated areas on the tile surface. There are no large dents and indents on the rear side of the tiles. The rear side of the tiles shall (must) be clean.

2.1.2.2. Granite and labradorite - SLABS AND STRIPS

Slabs and strips: There are no open cracks, cavities, tooling holes and other similar defects, including healed ones, on the working surface of the slabs. There are no traces of grinding or unpolished areas on the working surface of the slabs. The shipped material corresponds to the agreed photographs. There are no large areas of uncharacteristic colour, uneven zoning in colour and texture. A tone that is uncharacteristic for a particular type of stone is not allowed on more than 10% of the total area of the slab/strip. There are no contrasting spots, uncharacteristic for this type of stone, in the central and middle parts of the slabs, affecting the aesthetic appearance of the material.



There is no unevenness in thickness. The thickness is uniform at all points of the slab. The difference in thickness is no more than 1 mm (there shall be no discrepancies in thickness of more than 1 mm on 1 sheet). There are no plane deviations (curvature or concavity of the working surface): curvature shall not exceed 1 mm per 1 linear meter along each of the two axes. There are no large dents and indents on the rear side of the slab (the depth is more than ¼ of the slab thickness and the size is more than 50 mm). For relief surfaces (heat treatment, antique, "leather" and other unpolished treatment, etc.): homogeneity of the relief, absence of polished areas.

2.1.2.3. Quartzite, marble, limestone, travertine, onyx - TILES

Tiles and other stone products having certain geometrical dimensions and shapes. Length and width deviations: no more than 1 mm from the declared ones. Thickness deviations: for thickness of 18 (no more than +/-2 mm); for thickness of 30 mm (no more than +/-3 mm). There are no open cracks, cavities, tooling holes and other similar defects. For travertine, open cavities, as well as mastic-sealed cavities are allowed. There are no traces of treatment with porous mastics, which are difficult to polish and also deteriorate the aesthetic appearance of the stone.

Angle - strictly 90%.

Any healed areas shall be well polished (properly treated by the manufacturer, in accordance with the type of the front surface of the slabs) and not stand out in colour and texture against the general background of the stone. There are no chips on the corners and edges (no more than one or two chips up to 3 mm in size are allowed). There are no large dents or chips on the rear side of the tiles (the depth is more than ¼ of the slab thickness and the size is more than 50 mm). There are no traces of grinding on the surface.

2.1.2.4. Quartzite, marble, limestone, travertine, onyx - SLABS AND STRIPS

There are no open cracks, cavities or tooling holes on the working surface of the slabs. There are no traces of treatment with porous mastics, which are difficult to polish and also deteriorate the aesthetic appearance of the stone. Any healed areas shall be well polished (properly treated by the manufacturer, in accordance with the type of the front surface of the slabs) and not stand out in colour and texture against the general background of the stone (not impair the decorative, strength and performance properties of the stone). For travertine, open cavities, as well as mastic-sealed cavities are allowed. For translucent slabs, inclusions and healed cracks shall not deteriorate the appearance (opaque spots, unaesthetic glue colour, etc.). There are no large areas of uncharacteristic colour, uneven zoning in colour and texture (e.g., one part of the slab significantly differs from the other one). There are no contrasting spots, uncharacteristic for this type of stone, in the central and middle parts of the slabs, affecting the aesthetic appearance of the material. There are no uncharacteristic contrasting spots in the central and middle parts of the slabs. A tone that is uncharacteristic for a particular type of stone is not allowed on more than 10% of the total area of the slab/strip.



There is no unevenness in thickness. The thickness is uniform at all points of the slab. The difference in thickness is no more than 1 mm (there shall be no discrepancies in thickness of more than 1 mm on 1 sheet). There are no plane deviations (curvature or concavity of the working surface): curvature shall not exceed 1 mm per 1 linear meter along each of the two axes. There are no large dents and indents on the rear side of the slab (the depth is more than ¼ of the slab thickness and the size is more than 50 mm). For relief surfaces (heat treatment, antique, "leather" and other unpolished treatment, etc.): homogeneity of the relief, absence of polished areas.

2.1.2.5. The parties agreed that the Supplier's Product shall comply with the quality requirements set out in this Appendix. This application will prevail when considering the Buyer's claims regarding inadequate quality of the products and other defects.

2.2. Product packaging requirements

- 2.2.1. This paragraph imposes standard requirements for Product packaging if the Supplier's responsibility includes Product loading for further transportation in 20-foot sea containers by road or rail.
- 2.2.2. Packaging shall ensure the safety of facing slabs (strips) during transportation and handling.

Besides, during handling and transportation, measures shall be taken to protect products from contamination and damage.

- 2.2.3. Each packaged item shall contain slabs of the same size, made of the same type of rock (same type of stone) with the same type of face.
- 2.2.4. For slab packaging, wooden frames conductors (ties) bundles (packs) are used. At the manufacturing plant, slabs are laid **on a long edge** in bundles to form transport package, and the safety of slabs during transportation and handling shall be ensured.
- 2.2.5. Slabs are laid with their front surfaces facing each other. The first and the last slabs shall face inward
- 2.2.6. Plastic film or other materials are placed between the front surfaces of the slabs to prevent scratching (damage) to the stone.
- 2.2.7. The bundle shall be made of dry wooden beams with a cross-section of at least 75x75 mm
- 2.2.8. The guides at the base of the bundle, on which slabs are directly laid, shall be made of dry boards with a cross-section of at least 120x40.
- 2.2.9. The base of the vertical fasteners (frames) shall also be reinforced with a beam with a cross section of at least 75x75

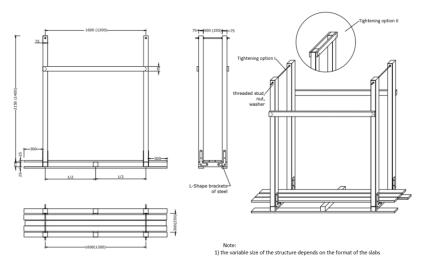
For slabs less than 2.80 m long, the bundle structure shall have at least 3 horizontal supports, metal angles, and a tie according to Scheme 1.

The vertical fasteners (frames) shall be secured on top with transverse crossbars made of a wooden board with a cross-section of 100x25, or with metal ties fastened with 4 nuts on both sides of each support. The tie can also be reinforced with plastic or metal packing tape.

For additional fixation of the upright posts along the long side of the bundle, there shall be a horizontal beam connecting the two upright posts to each other, on each side of the bundle. A beam with a cross-section of at least 75*75 shall be used and placed horizontally not lower than the middle of the slab.

For ease of unloading slabs from the bundle structure, the front and rear edges of the slabs shall be left free, 40 cm on each side

Scheme 1

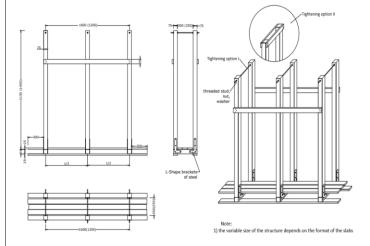


If the length of the slabs is more than 2.8 m, the structure shall correspond to scheme 2 (with an additional pair of upright posts).

The bundle shall consist of at least 3 pairs of upright posts, fastened at the top with metal or wooden ties. The structure shall have at least 3 horizontal supports, metal angles, and a tie according to Scheme 2

For ease of unloading slabs from the bundle structure, the front and rear edges of the slabs shall be left free, 40 cm on each side

Scheme 2:



- 2.2.12. The bundle size is selected in proportion to the slabs packaged.
- 2.2.13. Slabs packed in bundles are loaded upright into a container in the longitudinal direction
- 2.2.14. Bundles shall be loaded into the container in such a way as to prevent the possibility of the wooden bundles from catching on each other. The adhesion of bundles makes it much more difficult to unpack the container, as well as increases the risk of cargo damaging during unloading.
- 2.2.15. Bundles in the container are usually placed in two rows.
- 2.2.16. Bundles placed in a row shall be rigidly fastened to each other. Each row of bundles in the container shall be secured in such a way as to exclude the possibility of longitudinal and lateral displacement during transportation.
- 2.2.17. To ensure the possibility of longitudinal displacement of the slabs, locking wedges or bars are placed in the longitudinal direction at the base of the bundles to the bottom of the container on both sides.
- 2.2.18. Depending on the possibility of lateral displacement, transverse spacers and inflatable damping pads are placed between the bundles and the walls of the container.
- 2.1.19. A protective screen (wooden shield) shall be installed on the container doors.
- 2.1.20. The parties hereby also establish requirements for packaging tiles in boxes if packaging is within the Supplier's responsibility:
- 2.1.20.1. The wooden box shall ensure the safety of the tiles during loading, transportation and storage.
- 2.1.20.2. The tiles shall be tied (tightened) with the packing tape inside the box.
- 20.1.20.3. Expanded polystyrene at least 10 mm thick shall be laid between the walls, bottom of the box and tiles.
- 2.1.20.4. The tiles shall tightly fill the entire space of the wooden box.
- 2.1.20.6. If it is not possible to tightly fill the space of the box with tiles, the empty space of the box shall be filled with elements made of wooden beams so that the tiles are well laid out inside the box this will ensure that the tiles are tightly fixed inside the package. To separate/divide tiles in the box, no grinding wheels and other similar products shall be used.
- 2.1.20.6. Rows of tiles shall be separated by sufficient spacer material to prevent chipping on corners and edges of the tiles. Two wooden slats at least 10 mm thick can be used as a material.
- 2.1.20.7. Polished tiles shall be laid face to face (with polished surface inward).
- 2.1.20.8. A thick film shall be applied to the polished surface of the tiles. The film shall cover the entire area of the polished surface.
- 2.1.20.9. The tiles shall be clean (free from industrial dust and dirt), not only on the front side, but also on the rear side, including the edges.
- 2.1.20.10. The top of the tiles is covered with a sheet of polystyrene foam, and the box is closed with a wooden lid.
- 2.1.20.11. The outside of wooden boxes shall be tied with high-quality packing tape in at least four places: 2 straps around the box lengthwise, 2 straps around the box crosswise.
- 2.1.20.12. Boxes in the container shall be placed with the wide side perpendicular to the container to ensure that the forks of a forklift can be used to unload the container. The position of the boxes relative to each other and the walls and sides of the container shall not prevent their free unloading from the container individually.

2.3. Requirements for labelling slabs

2.3.1. The supplier shall label the slabs in accordance with the established rules:

- barcoding,
- hand labelling of the slabs,
- printed information on the A4 sheet or a label of another format;
- labelling slabs in a bundle;
- a label on a wooden crate;

The labelling format shall be as follows: Block number / bundle number / slab number.

The block or bundle (pack) number can be specified:

- on the rear side of one of the slabs corresponding to a specific bundle;
- on a wooden crate;
- on the front side of the first slab in a bundle in the form of a sticker (label) containing information about all slabs in a particular package

Slab numbers shall be specified on the edges of the slabs.

2.3.2. Compliance of labelling on the product and in packing lists:

Labelling shall be specified in detailed packing lists to ensure identification of a specific slab (bundle of slabs). Labelling on the slab shall fully comply with the information specified in the detailed packing list. It is important that the information specified on the bundles of slabs/on the slabs fully complies with the information specified in the detailed packing lists.

If the supplier uses both a block number and a bundle number in its labelling system, this shall be clearly specified on both the slabs (or bundles) and in the detailed packing list.

2.3.3. Labelling restrictions:

- If the supplier uses a combination of letters and numbers in labelling, the letters shall be only Latin (hieroglyphs and Arabic script cannot be used).
- Labelling of slabs from European countries and Turkey shall be **WITHOUT indicating** the name of the manufacturer, country of origin, as well as the code of the country of origin of the product (EU, ES, GR, IT, TR...).
- Slab sizes may not be specified on the slabs.

2.4. Loading rules and plan

2.4.1 Tiles loading rules and plan

2.4.1.1. Loading rules and plan: Boxes shall be made of high-quality wood at least 18 mm thick. The wood shall be treated with insecticides and water-repellent chemicals. The boxes and their packaging shall ensure durability, ease of storage, transportation and safety of products. For this purpose, three bars with a cross section of 50x100 mm shall be used as the base of the box to ensure lifting of the box with a forklift. - the bottom of the box shall be reinforced with additional boards, - there shall be diagonal brackets on the four vertical sides — tension band along two axes, two on each. - the box shall have a lid. - all joints of the box shall be secured with at least two nails.





2.4. 1.2 Inside the boxes, the tiles shall be placed upright on a long edge. It is better to lay short rectangular slabs in two rows. The floor, the walls of the boxes, as well as the space between the rows shall be covered with foam sheets or other damping material. The tiles shall be placed close to each other, with thin foam sheets or plastic film placed between them. After placing

the tiles inside the boxes, they are secured with packing tape. A foam sheet is also placed on top, under the lid.



2.4.1.3. The boxes inside the container shall be placed in such a way that the forklift forks can be placed under them without additional manipulation. For this purpose, the boxes shall be placed with the long side perpendicular to the length of the container.



2.4.2. Slab loading rules and plan:

2.4.2.1 The bundle crate shall be made of high-quality wood. The cross-section of the bars shall be at least 100 mm. The wood shall be treated with insecticides and water-repellent chemicals.



2.4.6. Bundles in the container shall be packaged, placed and secured in such a way as to prevent the displacement of slabs relative to each other, and the displacement of bundles inside the container. Brackets nailed to the floor of the container shall be installed in front of and behind the bundle to prevent the bundle from moving along the container. The bundles in each row shall be fastened with transverse spacer beams that prevent the bundles from falling out. This structure shall be robust enough to support the weight of the package if it tips over or falls along the road. Similar spacers shall be placed between the side walls of the container and the bundles at the end of the row.





In front of the rear wall and in front of the container doors, it is necessary to place a wooden lattice made of vertical and horizontal boards, preventing the longitudinal displacement of the slabs. The grilles themselves are attached to the walls of the container.

2.4.7. Horizontal boards on which slabs are laid in a bundle shall be no more than 2/3 of the length of the slabs.





2.4.8. Packages of the first and second rows may not be placed close to each other or overlap when the slabs of two packages adjoin. It is also necessary to avoid contact between the slabs and the walls of the container. For ease of unloading, bundles in a row shall not be placed close to each other, or to the side walls of the container. The slabs in bundles shall face each other, and a plastic film shall be laid between the slabs. The end slabs in each package shall face outward to avoid contact of the front working surface of the stone with the unloading equipment. The slabs in bundles shall be approximately the same height. If there is a difference in height, the slabs shall be placed in ascending order of size. In addition, significant height differences between adjacent slabs (more than 10 cm) shall be avoided.

It is not allowed to place inside the package the slabs smaller than those outside the package, as well as to place slabs with chips and voids on the top and bottom edges of the slab and their corners inside. Failure to comply with this rule may result in cargo damaging during transportation or unloading of the container.

2.5. Document package requirements

2.5.1. The Seller shall provide the following documents to the Buyer or another person at the Buyer's direction with the following documents:

Invoice,

Packing list,

Detailed packing list,

Photos of slabs, which are specified in the detailed packing list

Photos of container loading,

Certificate of origin.

Export declaration,

Bill of lading (a draft for inspection and an original after shipment, SWB or way bill – ORIGINAL or TELEX RELEASE) Detailed packing list in the Buyer's format;

Requirements for photos – photographs for documents shall be clear, sent in a file by email, accompanied with the documents. Photographs shall reflect the actual condition of the batch or slab.

2.6. Requirements for reimbursement in the event of a claim, claim submission period (90 days for the supplier), requirements for penalties.

2.6.1. PROVISIONS ON PENALTIES

- 2.6.1.1. In the event of failure to comply with the delivery schedule stipulated by the Agreement, the Seller shall pay the Buyer a penalty in the amount of 1% of the cost of the undelivered products for each day of the delay. The Buyer shall submit a claim to the Seller to receive a penalty.
- 2.6.1.2. The period of quantity claim submission to the supplier is 14 calendar days from the date of receipt at the warehouse.
- 2.6.1.3. The period of quality claim submission to the supplier is 90 calendar days from the date of receipt at the buyer's warehouse.
- 2.6.1.4. The period of claim consideration by the supplier is 10 days from the date of filing the claim.
- 2.6.1.5. In case of violation of deadlines, damage or incomplete delivery of products, the Seller shall reimburse for all costs for the export of products by issuing a credit note.
- 2.6.1.6. In the event of a quality complaint, reimbursement shall be provided by issuing a credit note.