



GENERAL CONDITIONS OF SALE

- 1. GENERAL INFORMATION.** The following general conditions of sale discipline, on an exclusive basis, the sale by New Elfin S.r.l., hereinafter referred to as "The Seller", of all the goods, indicated below as the "Products". The Products can be supplied to the Purchaser if the sale is stipulated with a written contract also by fax or by other forms of electronic data exchange (e-mail). These conditions contain the entire agreement between the Purchaser and the Seller referring to the specific sale. The collection or the acceptance of the delivery of any Product ordered or purchased, governed by these conditions, signifies acceptance of these general conditions of sale. No additions or modifications to the present general conditions of sale shall be binding on the Seller if not approved in writing by his authorised representative. The Seller will not accept terms or conditions expressed by the Purchaser and mentioned on the purchase order, as additions and not conforming to the general conditions of sale herein defined and/or referred to.
- 2. CONDITIONS OF PAYMENT.** Payments are due in the form agreed on in the offer phase and confirmed on the sales invoice. The Seller shall determine the level of continuous credit of the Purchaser.
The Seller can issue invoices for partial amounts and request fractionalised payments. The Seller reserves the right to send invoices by electronic transmission and receive payments by the electronic transfer of funds. Commercial invoices not contested by the Buyer within eight days from their receipt are understood as being definitively accepted. The Seller reserves the right to suspend all further supplies and services under these general conditions of sale or other conditions, if the Purchaser does not make his payments by the agreed deadline. No compensation shall be acknowledged. Default interest at the rate of 1.5% per month (or subject to the maximum limits imposed by law) shall be applied to overdue invoices.
- 3. DELIVERY.** Delivery is ex-works of the Seller, or according to different terms agreed on in writing in the purchase offer of the Seller. In all cases, the title to the goods is transferred to the Purchaser at the moment when the Products are delivered by the Seller to the Purchaser, or when they are consigned to the first operator for carriage to the Purchaser's premises, depending on which of the two hypotheses occurs first. The title to all the intellectual property rights incorporated in the Products remains in all cases property of the Seller. The delivery dates notified to the Purchaser, which are seven (7) working days from receipt of the purchase order, are, in any case, to be considered indicative; they are based on the scheduling of the manufacturing process in normal conditions. In any case, the delivery times agreed on shall be considered extended if the Purchaser does not punctually fulfil his contract obligations, specifically:
 - if the Purchaser does not provide in due time the data necessary for the preparation of the supply;
 - if the Purchaser requests variants during the preparation of the order;
 - if problems arise independent of the will or of the diligence of the Seller, or causes of force majeure.The delivery time can also be postponed by the Seller if the Purchaser has defaulted in his payments, also of sums due for other supplies. In no case shall the Seller be held responsible for not respecting the delivery terms of the Products.
- 4. WARRANTY.** The Seller guarantees that the new Products object of the supply, are free of defects of material, workmanship and design for a period of one (1) year from the invoice date. Products replaced under the warranty, as per this article, are also guaranteed for the period of six (6) months from the date of shipment to the Purchaser, or if longer, for the residual duration of the original guarantee for the particular Product.
The warranty is valid and effective only:
 - (a) if the Seller is promptly informed in writing by registered letter, telegram, e-mail or fax of the warranty request within eight (8) days from receipt of the goods; and
 - (b) if the Seller's inspection of the Product shows that the claimed defect was not caused by improper use, negligence, incorrect installation and/or maintenance, or that the goods have been accidentally mishandled and/or damaged by anyone except the Seller.No returned products will be accepted after thirty (30) days from the last delivery. Products must be returned in compliance with the instructions of the Seller. The restitution of Products not covered by warranty, unused and resalable, with the attribution of a credit, is subject to the relative directives in effect at the time of the Seller, therein included the expenses for handling, storage and other applicable conditions. All Products returned under warranty must be appropriately packaged and sent to the offices indicated by the Seller. The containers used for the shipment must be correctly marked following the Seller's instruction and the shipment is at the expense of the Purchaser. The warranties specified herein substitute any other expressed guaranties, including any tacit guaranties on the marketability or suitability for a particular use, guaranties of results or of application, within the most ample limits permitted by applicable laws. The actions resulting from the warranties claims described above are limited, depending on the Seller's choice, to the replacement, the repair, the issue of a credit note equal to the purchase price of the Products in question, and where feasible, only after the restitution of said Products, complying with the instructions of the Seller. The replacement products can be new, reconditioned or reassembled depending on the Seller's decision. The time, the transfer and other expenses connected to these warranty operations requested in loco by the Purchaser shall be charged to the Purchaser. The above comprises the exclusive actions and services in case of default of the warranty obligations provided by these general conditions of sale or by agreements based on them.
- 5. EXCLUSIONS AND LIMITATION OF LIABILITY.** Within the widest limits admitted by applicable laws, the Seller shall not be held responsible for the interruption of operations, ceased lucre, loss of profits, of materials, of cost savings, of data, of market opportunities, of start-up or similar damage (direct and indirect), or for any other type of damage, incidental, indirect or subsequent of any type. The maximum and cumulative responsibility that can be charged to the Seller for any claim or obligation; including the obligations for other compensation commitments, and whether or not there is insurance coverage, can in no case exceed the cost of the Products object of the claim. All Seller's liability is excluded in relation to free information or assistance, which the Seller himself, though not obliged by these conditions, might have provided. Any legal action against the Seller must be proposed within eighteen (18) months from the beginning of the right to take action. The limitations and exclusions of responsibility specified herein prevail over any other contrary measures contained in these general conditions of sale and they apply to any type of action, regarding the contract or outside of the contract (there included fault or objective responsibility) or of any other nature. Any measure herein specified that foresees a limitation of the responsibility, or excludes compensation for damages, is independent and autonomous of any other clause, and can be separately applicable.
- 6. INTELLECTUAL PROPERTY RIGHTS.** Unless excluded in these general conditions of sale, the Seller will intervene in any lawsuit and controversy brought against the Purchaser deriving from any claim that the ideation or the manufacture of the Products sold or granted in license by the Seller under the provisions of this agreement, violate an author's patent right; this includes patents on trademarks granted or registered in the country to which the Seller has shipped the Products, provided that:
 - (a) the Purchaser promptly notifies the Seller in writing of such a suit, controversy or action,
 - (b) the Purchaser, at the expense of the Seller, grants the exclusive right to handle the defence in said lawsuit or controversy,
 - (c) the Purchaser provides all information and assistance necessary for this defence or transaction, and that
 - (d) the Purchaser Buyer does not undertake any initiative contrary to the Seller in relation to this request.



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In cases in which the Seller is obliged to defend this suit or controversy, he shall pay all the expenses and compensation legally ascertained or any compromise recognised that are directly connected to such a claim. The obligations of the Seller, under the present article, are fulfilled if the Seller of his own choice and at his expense, alternatively:

- (I) procures for the Purchaser the right to continue to use the Products,
- (II) substitutes these with equipment having functions similar to those of the Products, that do not violate intellectual property rights, or
- (III) modifies the products so that they maintain their functions and no longer violate these rights, or
- (IV) if the options expressed in points (I), (II) and (III) are not commercially practicable, he will reimburse the Purchaser of the purchase price of the Products in question, following their restitution. The Seller is in no way obliged to provide for the defence and does not assume any responsibility:

[a] for lawsuits or controversies admittedly founded on, or deriving from configurations or modifications incorporated in the Products by the Purchaser, or executed on instructions or by request of the Purchaser,

[b] if the Products are used in processes or applications indicated, requested or controlled by the Purchaser or by third parties,

[c] if the Products are used in combination with other equipment, software or materials not supplied by the Seller.

For the purposes of this article, the term "Products" is to be understood exclusively as the standard articles of the Seller generally available on the market, expressly excluding any equipment bearing the trademarks of third parties. This article substitutes any other warranty or declaration relative to the absence of legitimate claims by third parties concerning the Products, founded on the violation of intellectual property rights or similar rights, expressed or tacit.

- 7. THE RESALE OF PRODUCTS WITH THIRD-PARTY TRADEMARKS.** Regardless of the application of any other provision specified herein, the Seller does not issue any statement, does not grant any compensation (deriving from the violation of intellectual property rights or other rights), rejects the issue of any warranty of any type, either expressed or tacit, relative to any goods bearing the trademarks of third parties resold by the Seller as separate goods or services under what is established in these general conditions of sale.
- 8. PACKAGING AND LABELLING.** The packaging and labelling requested by the Purchaser may entail additional charges not included in the original sale price of the Products.
- 9. WEIGHT AND DIMENSIONS.** The weight and the dimensions quoted or advertised are to be understood as approximate and are not an object of the warranty.
- 10. PRICES.** The prices and other information presented in the Seller's publications (including catalogues and advertising brochures) are subject to changes without prior notice and must be confirmed with a precise quotation. These publications are not to be considered offers of sale and are prepared only for purposes of general information. The prices do not include duties and taxes on the sale, on the use, on the customs clearance, on the importation, on the added value or similar levies.
- 11. MODIFICATIONS AND SUBSTITUTIONS.** Modifications made to orders by the Purchaser, including those regarding the type, the functions and the delivery of the Products, must be documented in writing and approved in advance by the Seller. The orders modified in this way can be further changed by the Seller in terms of the price, the delivery and other conditions that are affected by the change requested by the Buyer. In any case, the Seller reserves the right to refuse any modifications that he believes to be contrary to safety, technically unfeasible or not conforming to the basic principles of engineering and of quality, or non-conforming to the characteristics of the design or the fabrication of the Seller. The Seller also reserves the right to make substitutions using more recent editions or series of Products that have substituted the previous ones and having the form and functions comparable to the ones substituted.
- 12. ORDER CANCELLATION.** The Purchaser can cancel an order only if the cancellation is notified in writing before the shipment of the Product, and with the payment to the Seller of reasonable charges for the cancellation and the warehouse handling, there included the reimbursement of direct costs. The cancellation charges for orders of Products custom made for the Purchaser or manufactured especially to specifications of the Buyer may be equal to the effective sale price of the Products. The Seller reserves the right to cancel an order for justifiable reasons at any moment providing written notification and maintaining the right to debit to the Purchaser all the cancellation and warehouse handling expenses specified above.
- 13. FORCE MAJEURE.** The Seller shall not be held responsible for losses, damage or delays in the services herein specified, charged to him (or to his sub-suppliers), due to causes beyond his reasonable control; these include among others: natural events, acts or omissions of the Purchaser, acts of civil or military authorities, fires, strikes, floods, epidemics, quarantines, wars, revolts, acts of terrorism, delays in transport, embargos. If such delays occur, the term of fulfilment of the agreement by the Seller shall be postponed for a time reasonably necessary to compensate for the delay.
- 14. CONTRACTS AND CONDITIONS WITH PUBLIC BODIES.** The application of general specifications or of single clauses requested by public organisms for the Products or for these general conditions of sale shall be subject to the prior examination and consent of an authorised representative of the Seller at the premises of the Seller.
- 15. EXPORT CONTROLS.** The Products and connected materials supplied under these general conditions of sale may be subject to various export regulations and laws. It is the exporter's responsibility to comply with all such laws and regulations. However, in spite of what is specified above, in cases where Italian laws or those of any other Country require authorisation for the export or the re-export of any Product or associated technology, no delivery can be made until this authorisation has been obtained, regardless of the promised date of delivery. If the authorisation for export is denied, the Seller shall be exonerated from any further service relative to the sale and the delivery of the Products, and all liability of the Seller is excluded, or of anyone else with reference to such a denial. The Seller will not accept any requests for boycotts, if not admitted by the Italian Law.
- 16. CONTROVERSIES.** The contracting parties shall seek in good faith to immediately settle any controversy that may arise from these general conditions of sale, with transactions between the respective representatives who have the power to conciliate the controversy. If this fails, the parties will try again, in good faith, to settle the controversy with the mediation of a third party, with non-binding effects, of which each party will sustain in equal measure the expenses and the charges. A controversy not solved by transactions or with mediation may then be devolved to the competent tribunal identified below. The procedures described above complete all the possible means for the resolution of controversies between the parties.
- 17. APPLICABLE LAW AND COMPETENT TRIBUNAL.** These general conditions of sale are disciplined and interpreted according to Italian law. In case of controversies or disputes related to these general conditions of sale or deriving from the provisions presented herein, the competent forum shall be exclusively the Court of the City of Turin, Italy.