



GENERAL SALES CONDITIONS

SCOPE OF APPLICATION

Unless differently provided by written agreement between the Parties, these general terms and conditions of sale shall govern any and all offers, proposals, purchase orders and contracts entered into by COMPOMAC S.p.A. (hereinafter "COMPOMAC") with Customer. General terms and conditions of purchase issued by Customer shall not be valid and enforceable between the Parties. The Italian text shall always prevail on the English translation.

OFFERS - ORDERS - ORDER CONFIRMATIONS

Offers made by COMPOMAC shall, unless otherwise specified in writing in the same, be valid for 30 days from the date of transmission to Customer. Any and all purchase orders from Customers (hereinafter "Orders") shall be formalized in writing and sent by fax or email to COMPOMAC's head office. For Orders for less than €100.00, COMPOMAC shall charge Customer with the additional sum of €20.00 as administrative charges. The contract shall be deemed entered into between the Parties as of the date of receipt by Customer of the written Order Confirmation by COMPOMAC.

DOCUMENTS - PRICE LIST

All information and data indicated in COMPOMAC's catalogues, leaflets, price lists and other informative documentation (hereinafter "Documentation") shall be deemed purely indicative and may be subject to change at any time, except where expressly confirmed in writing by COMPOMAC upon conclusion of contract. Customer is expressly forbidden to reproduce the Documentation by any means whatsoever and disclose its contents to any third party.

DELIVERY

Terms of delivery, where agreed, are purely indicative. Any delays in delivery shall not entitle Customer to termination of contract and to compensation for any direct or indirect damage, except in case of malice or gross negligence by COMPOMAC. Products will be delivered Ex works (EXW) our factory in Castel Maggiore, and will be considered as delivered at our factory when materially collected by the Customer or a carrier. Delivery, if requested, will be made on behalf of the Customer and at Customer's risk and cost. COMPOMAC shall have no liability whatsoever for any damage to or losses of Products occurring during transport, therefore the related risk shall remain exclusively with Customer. Customer shall, on pain of forfeiture, verify the integrity of packaging and check the quantity of Products upon their receipt, making the appropriate written reserves with the carrier and promptly notifying COMPOMAC, if need be. Customer shall in any case be obliged, even in case of objection, to receive the Products delivered to the same and keep them with the utmost care. COMPOMAC may make partial deliveries. In any such event the agreed terms of payment shall run for each lot as from the date of its delivery.

PRICES - TERMS OF PAYMENT

The Prices of the products and services shall be those stated in the corresponding Order Confirmation. Prices are indicated net of: (i) VAT and any other applicable tax; (ii) packaging expenses; (iii) shipping and transport costs. Payments may be made by credit titles only if this mode of payment has been specifically agreed, and acceptance of said credit titles by COMPOMAC shall always be deemed subject to final payment. Any covenant to the contrary is expressly excluded. Customer may in no event and on no account delay, suspend or omit any payments due. Any claim or title Customer may have shall be enforced by a separate action, it being expressly understood that Customer shall not be entitled to set off any sums due by the same against

any of its credits or claims. In case of failure by Customer to pay any amount due by the same within the agreed deadlines, COMPOMAC shall be entitled to:

- Suspend performance of the corresponding contract and/or any other contracts in place with Customer, including any warranty obligations;
- Interest in arrears as per Legislative Decree 231 of 9 October 2002;
- Immediate payment of all sums payable by Customer, on any ground, even under other contracts, all such sums becoming immediately due;
- A refund of the expenses sustained to recover the sums not promptly paid by Customer;
- Compensation for any further damage.

In any case, any and all sums payable by Customer shall become immediately due whenever one of the following circumstances occurs:

- Customer becomes insolvent;
- The guarantees provided are diminished;
- The promised guarantees are not provided.

Where Customer has several debts to COMPOMAC, the latter may decide from time to time to which debt any payment by Customer is to be allocated.

WARRANTY AND RETURNS

Warranty against defects shall have a maximum validity of one year from the date of delivery of the products. With reference to products manufactured or supplied by third parties, COMPOMAC shall be liable to Customer for any defects of the same only within the limits of COMPOMAC's warranty rights against said manufacturers or suppliers. Any apparent defects of the products shall be reported by Customer in writing, on pain of forfeiture, within eight (8) days of receipt of the products. Any hidden defects of the products shall be reported by Customer in writing, on pain of forfeiture, within eight (8) days of their discovery. COMPOMAC's warranty against defects shall no longer be effective whenever:

- Customer or any third party make any repair or change to the products supplied by COMPOMAC without the prior written consent of the latter;
- Customer or any third party alter or misuse the products;
- Customer does not allow COMPOMAC or its authorized agents to carry out any and all reasonable control on the products declared to be defective;
- Customer fails to promptly return the defective products to COMPOMAC, where so required by the latter.

Subject to COMPOMAC's prior written authorization, defective or non-complying products may be returned by Customer who shall send them to COMPOMAC's head office at its own expense. In any such event, returned products shall be accompanied by the return authorization form duly issued by COMPOMAC as well as by a specific description of the products and of the defects encountered in the same, with the specification of the indicative number of products as well as the date of the relative sale invoice. If, upon due verification of the products returned, COMPOMAC establishes the existence of the alleged defects and applicability of the warranty, COMPOMAC, at its sole discretion, shall either repair the products at its own charge and expense; or replace the defective products. It is expressly understood that repair or substitution of defective products shall be the sole remedies available in relation to the warranty obligations provided for hereunder. Whenever the products are to be assembled with, connected to or in any case linked to third party components and/or incorporated in products to be marketed by Customer and/or by third parties (final products), Customer shall solely be responsible for verification of compatibility of said products with said components and/or final products and for the necessary trials of both the products sold by COMPOMAC and the final products; trials must be proportional to the value, the destination and the use of the final products, as resulting from adequate documentation. Furthermore, it shall be Customer's exclusive duty to indicate the country of destination of the final products in the related Order. Otherwise, Customer shall solely be responsible for any discrepancy between the products and the provisions applicable in the related countries of destination of the final products, including but not limited to provisions regarding quality, hygiene, safety and security, and environment protection. In no event shall COMPOMAC, its representatives,

employees and/or agents be liable for any damages, consequential or indirect, arising from defects in the products or on any other ground, including but not limited to damage deriving from loss of information and data, disassembling and/or withdrawal of products, stay of activity or business and loss of opportunities.

PRODUCT LIABILITY

Should Customer and/or its assignee be declared liable for any damage deriving from products sold by COMPOMAC, Customer since now waives the right of recourse against COMPOMAC provided for under D.Lgs. 206 of September 6, 2005, Section 131. Where Customer markets products outside the European Union, Customer shall be obliged to exclude vis-à-vis its own customers all liability for damage deriving from the products, to the extent permitted by the laws applicable from time to time in the countries of destination. Conversely, Customer shall be bound to hold COMPOMAC safe and harmless from any and all product liability that may derive therefrom. In the light of the above and at Customer's request, COMPOMAC may, at its sole discretion, replace the products, it being understood that all costs connected with the collection and restitution to COMPOMAC of the products to be replaced as well as all expenses of shipping and delivery of the new products, shall remain at the charge of Customer.

PRIVACY INFORMATIVE NOTE

Customer declares to have read the Privacy Informative Note on Personal Data Processing provided according to Section 13 of D.Lgs. no.196 of June 30, 2003, posted on COMPOMAC website www.compomac.it and to acknowledge its rights under Section 7 of said Decree. By signing these Terms and Conditions, Customer gives its consent to the treatment of his personal data in compliance with said Decree, for the purposes and by the means indicated in the above mentioned Informative Note.

FINAL PROVISIONS

Customer elects domicile at the address reported in the Order Confirmation. Customer shall notify COMPOMAC in writing of any change in its elected domicile. In default, communications and deliveries to be made by COMPOMAC to Customer shall be deemed validly made to the elected domicile known to COMPOMAC. In the event that any of the provisions of any contract or of these General Sales Conditions becomes invalid or unenforceable in any respect under any law, the validity and enforceability of the remaining provisions shall not in any way be affected or impaired. Any and all derogation from these General Sales Conditions shall be agreed in writing by the Parties, and its validity and effectiveness shall in any case be limited to the specific contract in relation to which said derogation has been agreed. Contracts entered into with Customer and these General Sales Conditions shall be governed by the laws of Italy. For any and all disputes or claims arising out of or in connection with the interpretation, performance, validity or enforceability of any contract and/or these General Sales Conditions, the Parties hereby consent to the exclusive jurisdiction of the Courts of Bologna.