

General conditions of sale

1. General information

- 1.1. The following general conditions of sale regulate exclusively the sale of all goods, hereinafter referred to as the "Products", by New Elfin S.r.l., hereinafter referred to as "The Seller".
- 1.2. The Products can be supplied to the Purchaser, if the sale is made through a written order either by letter, fax or any electronic system (e-mail).
- 1.3. These conditions represent the entire agreement on this sale between the Purchaser and the Seller. Collecting or accepting the delivery of any Product ordered or purchased in compliance with the terms contained herein means acceptance of these general conditions of sale. No addition or amendment to the present general conditions of sale shall be binding for the Seller, unless accepted in writing by one of its authorised representatives.
- 1.4. The Seller will not accept the terms or conditions provided for by the Purchaser and mentioned on its purchase order, if they alter or do not comply with the general conditions of sale specified herein and/or referred to.

2. Terms of payment

- 2.1. Payments shall be made as agreed on the quotation and confirmed on the sales invoice. The Seller shall determine the level of continuous credit extended to the Purchaser.
- 2.2. The Seller can issue invoices for partial amounts and request for split payments.
- 2.3. The Seller reserves the right to send electronic invoices and receive payments by wire transfer.
- 2.4. Commercial invoices are deemed accepted, unless rejected by the Buyer within 8 (eight) days from their receipt. The Seller will reserve the right to suspend any supply and service in compliance with these general conditions of sale or other terms, if the Purchaser fails to pay any amount on the due date for payment. No compensation will be paid. The Purchaser shall be liable to pay an interest on overdue invoices at the rate of 1.5% per month (or subject to the current legal rate of interest).

3. Delivery

- 3.1. Delivery is made EX-Works by the Seller or according to the different terms agreed in writing in the Seller's quotation.
- 3.2. The Products are always transported at Purchaser's expense and are not insured against transport risks, unless expressly indicated in the Purchase Order by the Purchaser, who is going to bear the relevant cost.
- 3.3. Before accepting the goods and before signing the relevant acknowledgment receipt, the Purchaser is obliged to check the parcels for integrity and indicate any shortage/tampering/damage on the delivery note. Copy of this document is to be sent to the Seller.
- 3.4. The Carrier and the Seller shall be informed by e-mail of any damage, that cannot be noticed on delivery, within 8 (eight) days from the receipt of the Products, otherwise the Purchaser will lose its rights.
- 3.5. The title to the goods is transferred to the Purchaser just after the Products are delivered by the Seller to the Purchaser's or to the first carriage operator, whichever is

the earlier. In all cases the title to all intellectual property rights of the Products shall remain with the Seller.

- 3.6. The quoted delivery time of (7) seven working days from the receipt of the purchase order shall be considered approximate only and is based on the scheduled manufacturing process in normal conditions. In any case, the agreed delivery time will be delayed, if the Purchaser does not fulfil its contractual obligations without delay, specifically:
 - 3.6.1. if the Purchaser does not provide the data necessary for the preparation of the supply in due time;
 - 3.6.2. if the Purchaser requests some changes during order processing;
 - 3.6.3. if unexpected events may occur independent of the Seller's goodwill or diligence, or force majeure circumstances.
- 3.7. The delivery times can also be postponed by the Seller, in case the Purchaser failed to pay any amount due for other supplies.
- 3.8. Under no circumstances shall the Seller be liable for the nonfulfillment of the delivery terms of the Products.

4. Warranty

- 4.1. The Seller guarantees that the new Products are free from defects in material, workmanship and design for eighteen (18) months from the invoice date.
- 4.2. According to this article the Products replaced under warranty are also guaranteed for six (6) months from the date of shipment to the Purchaser or for a longer period, depending on the residual duration of the original guarantee for that specific Product.
- 4.3. The warranty shall apply provided that the Seller's inspection of the Product proves that the claimed defect was not caused by improper use, negligence, wrong installation and/or maintenance or that the goods have not been accidentally mishandled and/or damaged by anyone except the Seller.
- 4.4. Warranty on damaged/not compliant/missing Products shall apply provided that the Seller is promptly informed in writing by e-mail within eight (8) days from the date of receipt of the goods.
- 4.5. No product return will be accepted no later than thirty (30) days after the last delivery. Products must be returned in compliance with Seller's instructions. The return of unused, resaleable, out-of-warranty Products bringing about a credit are subject to the Seller's relevant instructions in force at that time, including warehouse handling fees and other applicable conditions.
- 4.6. All Products to be returned under warranty shall be suitably packaged and sent to the premises indicated by the Seller. Shipping boxes shall be correctly marked according to Seller's instructions and the shipment is at the Purchaser's expense.
- 4.7. The warranties specified herein replace any other express guarantee, including any tacit guarantee on the marketability or suitability for a particular use, guarantees on results or application to the fullest extent permitted by applicable laws.
- 4.8. At the Seller's choice the services resulting from the above guarantees are limited to the replacement, repair

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and issue of a credit note for the purchase price of the Products involved and, where applicable, only after returning the said Products according to Seller's instructions.

- 4.9. The Products to be replaced can be brand-new, reconditioned or reassembled at Seller's discretion. Time, travel and any other expenses relating to the services to be performed under warranty at Purchaser's premises will be charged to the Purchaser. The above covers the service to be carried out solely in case the warranty obligations provided for by these general conditions of sale or by relevant agreements have not been met.

5. Exclusions and limitation of liability

- 5.1. The Seller shall not be liable, to the fullest extent permitted by applicable laws, for the interruption of operations, **loss of earnings**, loss of profits, loss of materials, loss of cost savings, loss of data, loss of market opportunities, loss of start-up or similar damages (direct and indirect) or for any other type of incidental, indirect or subsequent damages.
- 5.2. Under no circumstances Seller's maximum cumulative liability for any claim or obligation, including compensation liabilities, with or without an insurance cover, cannot exceed the cost of the Products, subject of the claim.
- 5.3. Any Seller's liability is excluded in relation to information or assistance, which the Seller may have provided free of charge, although it was not obliged to by these conditions.
- 5.4. Any legal action against the Seller must be proposed within eighteen (18) months from the date of the right of action. Limitations and exclusions of liability specified herein prevail over any other provision to the contrary contained in these general conditions of sale and apply to any contractual or noncontractual action (including fault or objective responsibility) or any action of other nature.
- 5.5. Any provision specified herein limiting the liability or excluding the compensation for damages is independent and unrelated to any other clause and can be applied separately.

6. Intellectual property rights

- 6.1. Except the exclusions set out in these general conditions of sale, the Seller will intervene in any lawsuit and dispute against the Purchaser for any claim that the concept or the manufacture of the Products, sold or licensed by the Seller under this provision, violate patent and copyright rights, including patents on trademarks licensed or registered in the country, where the Seller has shipped the Products to, provided that:
- 6.1.1. the Purchaser promptly notifies the Seller in writing of such a lawsuit, dispute or action;
- 6.1.2. the Purchaser grants the Seller the exclusive right to defend itself in relation to the said lawsuit or dispute at Seller's cost;
- 6.1.3. the Purchaser provides all information and assistance necessary for this defence or transaction;
- 6.1.4. the Purchaser/Buyer does not take any action against the Seller in relation to this claim

- 6.2. In case the Seller is obliged to defend itself against this lawsuit or dispute, the Seller will pay directly all the expenses and damages connected to such a claim - either judicially ascertained or recognised for this transaction.
- 6.3. According to this article Seller's obligations are fulfilled, if at its own choice and cost the Seller alternatively:
- 6.3.1. gains the right for the Purchaser to continue using the Products;
- 6.3.2. replaces the Products with other ones having a function similar to that of the Products, which do not violate the intellectual property rights, or
- 6.3.3. modifies the Products so that they maintain their function without violating these rights any longer, or
- 6.3.4. refunds the Purchaser the purchase price of the Products when it is returned to the Seller, if the actions set out under items 6.3.1 to 6.3.3 are not commercially practicable.
- 6.4. The Seller is in no way obliged to provide for the defence and has no liability:
- 6.4.1. for lawsuits or disputes admittedly based on or arising out of configurations or modifications made to the Products by the Purchaser, or made by the Seller upon Purchaser's instructions or request;
- 6.4.2. if the Products are used in processes or applications stated, requested or controlled by the Purchaser or by third parties;
- 6.4.3. if the Products are used in combination with equipment, software or materials other than those supplied by the Seller.
- 6.5. For the purposes of this article, "Products" mean exclusively the standard items of the Seller which are generally available on the market, except any equipment bearing the third parties' trademarks. This article replaces any other warranty or declaration that there is no legitimate complaint - expressly or tacitly - by third parties about the violation of the intellectual property rights or similar for the Products.

7. Resale of products labelled with third parties' trademarks

- 7.1. Regardless of the application of any other provision specified herein, the Seller does not issue any statement, does not give any refund (for the violation of the intellectual property rights or others rights) and rejects the issue of any express or tacit warranty on goods labelled with third parties' trademarks resold by the Seller as separate goods or services in compliance with these general conditions of sale.

8. Packaging and labelling

- 8.1. Packaging and labelling as requested by the Purchaser may require additional charges not included in the sale price of the Products.

9. Weight and dimensions

- 9.1. The weight and the dimensions stated or advertised are approximate and not subject to warranty.

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10. Prices

- 10.1. Prices and other information in the Seller's publications (including catalogues and brochures) are subject to change without prior notice and shall be confirmed with a precise quotation. These publications shall not be considered as sales quotations but as general information only. Prices do not include duties and taxes on sale, use, customs clearance, import, added value or similar levies.

11. Modifications and replacements

- 11.1. Any modification made to the orders by the Purchaser including type, function and delivery of the Products must be received in writing and approved earlier by the Seller; price, delivery and other terms of the orders so modified may be revised by the Seller, as well, depending on the Purchaser's change.
- 11.2. Anyway, the Seller reserves the right to refuse any change that may affect safety, be technically unfeasible or not in compliance with the basic principles of engineering or quality or incompatible with the Seller's design or manufacturing features.
- 11.3. Furthermore, the Seller reserves the right to replace the previous Products with the new series of Products having shape and functions similar to the previous ones.

12. Order cancellation.

- 12.1. The Purchaser may cancel an order, provided that the order cancellation is notified in writing before the shipment of the Product and against the payment of reasonable charges for cancellation and warehouse handling, including the reimbursement of the direct costs.
- 12.2. The cancellation charges for orders of Products customized or manufactured in compliance with Buyer's specifications may match with the actual sale price of the Products.
- 12.3. The Seller reserves the right to cancel an order for a good reason at any time with a prior written notice to the Purchaser and to charge the Purchaser with all cancellation and warehouse handling expenses as specified above.

13. Force majeure

- 13.1. The Seller shall not be liable for losses, damages or delays in the services expected to be at its cost (or at its sub-suppliers' cost) owing to any circumstances beyond Seller's reasonable control, including natural events, acts or omissions of the Purchaser, acts of civil or military authorities, fires, strikes, floods, epidemics, quarantine periods, wars, riots, terrorist attacks, transport delays, embargoes. If such delays occur, the Seller will reasonably postpone the date of order fulfilment in order to catch up such delays accordingly.

14. Contracts and conditions with public bodies

- 14.1. General specifications or single clauses provided for by public bodies or the present General conditions of sale may apply to the Product prior to the examination and consent by a Seller authorised representative at the Seller's premises.

15. Export controls

- 15.1. The Products and the connected materials supplied in compliance with these general conditions of sale may undergo various export regulations and laws. It is the exporter's responsibility to comply with such laws and regulations
- 15.2. Notwithstanding the foregoing, in cases where the Italian laws or any other Country's provide for an authorisation to export or re-export any Product or any associated technology, no delivery can, however, be made, until this authorisation has been received, regardless of the promised date of delivery.
- 15.3. If the authorisation for export is denied, the Seller shall be relieved of any further service connected with the sale and the delivery of the Products, and the Seller or anyone else has no responsibility for such a denial.

16. Disputes

- 16.1. The contracting parties shall try in good faith to immediately settle any dispute, that may arise from these general conditions of sale, through settlement negotiations between their respective representatives who are entitled to resolve the dispute. If an agreement cannot be reached, the parties will try again to settle the dispute in good faith through the mediation of a third party with a non-binding effect and the relevant expenses and fees will be equally borne by both parties.
- 16.2. A dispute not solved by transactions or mediation may then be devolved to the competent Court stated below. The above procedures represent all possible ways to settle a dispute between the parties.

17. Law and jurisdiction

- 17.1. These general conditions of sale are governed by and interpreted in accordance with Italian law. Any dispute which may arise in connection with these general conditions of sale or from the provisions included herein shall be submitted solely to the exclusive jurisdiction of the Court of the City of Turin, Italy.