

**FCS SYSTEM S.r.l.u.****GENERAL TERMS AND CONDITIONS OF SALE**

These general terms and conditions of sale (hereinafter referred to as the "GTCS") apply to all the sales of products (hereinafter referred to as the "Products") executed between FCS SYSTEM S.r.l.u. (hereinafter referred to as the "Seller") and the purchaser (hereinafter referred to as the "Purchaser"). The GTCS, together with the specific conditions contained in the order confirmation (hereinafter referred to as the "Order Confirmation") and in the documents attached to it, represent the entire agreement between the Purchaser and the Seller and replace any other and/or different term and/or condition in conflict with the same proposed by the Purchaser verbally or in writing and not expressly accepted by the Seller.

1. EXECUTION OF THE AGREEMENT

1.1 The sales agreement between the Seller, or its representatives, and the Purchaser is considered as executed only further to the sending of the Order Confirmation by the Seller to the Purchaser. Unless expressly indicated otherwise, the catalogues, estimates and technical documents are valid solely for information purposes and the quotes of the Seller are not binding without the Order Confirmation. **1.2** No addition to or amendment of the GTCS made by the Parties, specified either in the Purchaser's purchase order or in other documents, including the shipping documents, can be opposed to the Seller, unless included in the Order Confirmation and/or further to express acceptance. **1.3** In case of inconsistencies between the purchase order and the Order Confirmation, the signing and return of the Order Confirmation or, alternatively, the Purchaser's failure to expressly reject it within 24 (twenty-four) hours of its receipt, shall be understood as acceptance by the Purchaser of the contractual terms and conditions envisaged in the Order Confirmation. **1.4** The Purchaser's orders shall be understood to be firm for 10 (ten) days following receipt by the Seller. **1.5** The orders shall be considered accepted by the Seller solely under the terms specified in the Order Confirmation. Orders directly executed by the Seller shall also be deemed as confirmed. If an advance payment has been taken by the Seller on order, this shall not be construed as acceptance of the order. **1.6** The Purchaser shall specify or indicate the quantity of Products in the order, as well as the code assigned to them in the technical sheet or the code of the sample approved by the Purchaser, respectively in case of sale based on technical sheet or sample; technical features of the Products other than those of the sample shall be agreed upon in writing and approved in the Order Confirmation.

2. DELIVERY OF THE PRODUCTS

2.1 The delivery and the related transfer of the risks shall be understood to always take place EX-WORKS ("EXW" Incoterms® 2010) at the Seller's premises in Casale sul Sile (TV) - Italy, unless otherwise agreed in the Order Confirmation. **2.2** The delivery terms indicated in the Order Confirmation are not of the essence. If an advance payment is envisaged for the order, the delivery terms shall start to be applicable as from the date of receipt of the advance. **2.3** If the Purchaser delays the collection of the Products by more than 5 (five) days from notification that goods are ready for delivery, the Seller shall be entitled to issue the relevant invoices in advance with the related applicability of the payment terms. In any event, the Purchaser remains responsible for storage costs and any other liability or charge for storage and custody of the Products. **2.4** If the Purchaser refuses to accept the delivery of and/or collect the Products or any single lots, or delays collection by more than 15 (fifteen) days, the Seller shall have the right - at its own unquestionable discretion - to terminate the contract by law or to request the execution of the contract in a specific form, without prejudice to any right to compensation for damages. **2.5** Any delays by the Seller in the delivery of the Products will entitle the Purchaser to terminate the agreement only once 90 (ninety) days have elapsed from notice to perform. **2.6** If the Seller's delay is caused by strikes, unrest, trade union lockouts, fortuitous events, fires, scarcity or lack of raw materials, delays by carriers and/or suppliers, public authority measures, revolts, acts of war, natural events, embargoes, unforeseeable events or any other cause beyond the reasonable control of the Seller, the applicability of the deadlines will remain suspended until the circumstance which has led to the suspension ceases. The Seller cannot be held responsible for any consequence deriving from these events, not even in the case where it was already in delay with respect to the agreed deadlines. **2.7** If the impediment lasts for more than 120 (one hundred twenty) days, either party shall have the right to terminate the agreement, without prejudice to the Seller's right to payment for the deliveries made.

3. PRICE OF THE PRODUCTS

3.1 The price is understood for Products delivered according to par. 2.1, unless specified otherwise in the Order Confirmation, standard packaging included. **3.2** Unless expressly specified otherwise in the Order Confirmation, the prices are net of all the charges relating to taxes and costs for transport, insurance, shipping, storage, handling, demurrage and similar, which are payable by the Purchaser.

4. PAYMENTS

4.1 The payment terms are those stated in the Order Confirmation and shall be considered of the essence of the contract. **4.2** Any payment extension granted by the Seller needs to be specified in the Order Confirmation and/or in another written agreement signed by the Parties. Payments shall be made in Euros or other different currency resulting from the Order Confirmation and in any event shall be understood to be made at the Seller's headquarters. **4.3** In case of delay in payment, the Purchaser shall pay the Seller late payment interests computed at an annual rate equal to Euribor, plus 7 (seven) points as from the time the payment was due, without prejudice to any additional damages. **4.4** In case of delay in payment exceeding 15 (fifteen) days, or if the Seller has reason to doubt the solvency and financial credibility of the Purchaser and the latter does not intend to pay in advance or provide the Seller with the required guarantees, or if the Purchaser is subject to insolvency procedures of any kind, the Seller has the right to terminate the agreement or not to perform the part of the agreement not yet performed, with no need for the Purchaser's consent; furthermore, all the payments not yet due shall become immediately payable, with no need for placement in default. **4.5** It is understood between the Parties that the Products remain the property of the Seller until full payment of the price has been made pursuant to Article 1523 of the Italian Civil Code (*retention of title*). **4.6** The Purchaser shall have neither the right to delay or suspend the payment of the Products in any case, included the case of defective Products - without prejudice to the right to obtain the return of the undue sum paid (*solve et repete*) - nor the right to set off any credit, unless otherwise agreed in writing.

5. COMPLAINTS – WARRANTY

5.1 Any complaints relating to the state of the packaging, quantity, number, external features of the Products and/or non-conformity with the sample, if applicable (apparent defects), shall be notified to the Seller by means of registered letter with advice of receipt, under penalty of forfeiture, within 8 (eight) days of the date of receipt of the Products. Any complaints relating to defects which cannot be detected by means of a diligent check at the time of receipt (hidden defects) shall be notified by means of registered letter with advice of receipt, under penalty of forfeiture, within 8 (eight) days of the date of discovery of the defect and in any event within 12 (twelve) months of delivery. **5.2** The complaints shall have to expressly indicate the type of fault and/or defect detected, the number of Products found to be faulty and/or defective and the related codes and/or registration numbers, if any. **5.3** The Seller undertakes to remedy any fault/defect exceeding the normal tolerances, lack of quality or compliance of the Products attributable to the Seller and occurred within 12 (twelve) months of delivery of the Products, provided that the same has been notified promptly pursuant to par. 5.1. At its own discretion, the Seller may choose to reduce the price of the Products or replace the faulty/defective Products. The Products replaced under warranty shall be covered by the same warranty as from the date of replacement. **5.4** The warranty does not include: (i) all defects of the Products caused by unsuitable conditions of storage and/or bad or wrong or improper use by the Purchaser or its assignees or caused by their manufacturing process, and/or attributable to any third party, as well as the unauthorized use of non-original spare parts; (ii) the non-compliance of the Products with specific details or technical features or their suitability for specific uses, except in case these characteristics were expressly agreed upon in the Order Confirmation or in documents expressly referred to in the Order Confirmation for this purpose or result from the sample approved by the Purchaser, if applicable. **5.5** The Seller does not guarantee the suitability of the Products for particular uses, whose assessment remains the sole responsibility of the Purchaser. Images and drawings contained in the Seller's advertising and marketing materials and showing any use of the Products are for illustration purposes only and do not exempt the Purchaser from the obligation to carry out independent application tests. **5.6** It is understood that the aforementioned warranty (involving the obligation to reduce the price of or replace the Products) is all-embracing and replaces the warranties or the responsibilities envisaged by law and excludes any other liability of the Seller (both contractual and non) in any event deriving from the Products supplied (such as, for example, lack of earnings, loss of chances, withdrawal campaigns, etc.).

6. INDEMNITY

The Purchaser undertakes to hold harmless and indemnify the Seller and its agents, representatives, employees, subsidiaries, holding companies, affiliates, successors and assignees against all claims, actions, suits, proceedings, damages and liabilities (including legal expenses and consequent and indirect damages) deriving from death or personal injury or from damages to property, caused by the Products as a consequence of an action or omission by the Purchaser, its agents, representatives, officers, employees, collaborators, appointees or contractors.

FCS SYSTEM SRLU

Via Belvedere, 48 - 31032 Casale sul Sile (TV) - Tel. 0422.785518 - Fax 0422.786069
P.IVA e C.F. IT 03778970263 - Reg. Impr. TV 03778970263 - R. E. A.TV297821 - Cap. soc. Eur 1.000.000,00 i.v.
www.fcssystem.com - info@fcssystem.com

7. LIMITED LIABILITY

7.1 To the maximum extent permitted by any applicable law, the overall liability of the Seller under these GCTS or otherwise, for any damages, costs or expenses incurred by Purchaser in connection with any breach of the Agreement by the Seller shall not exceed the price of the Products paid by the Purchaser. In any event, the Seller will not be liable to the Purchaser for any loss of profits, indirect or consequential loss or damage or other costs or liabilities (foreseeable or not) including, but not limited to, loss of contracts or opportunities for business. **7.2** The Seller is not liable for any damage that might occur to persons or otherwise as a result of using spare parts of the Product not original or not purchased from the Seller.

8. INTELLECTUAL PROPERTY RIGHTS - CONFIDENTIALITY

8.1 The Purchaser acknowledges that the Seller is and remains the proprietor of the intellectual properties rights relating to the Products, including (but not limited to) technologies, commercial and industrial secrets, trademarks, rights on models, design, software, whether patented and/or registered or not (hereinafter jointly referred to as the "Intellectual Property") and nothing in this GCTS shall be construed as granting any rights relating to the Intellectual Property to the Purchaser. The Purchaser undertakes to abstain from all acts that may breach or compromise such rights. **8.2** The Purchaser undertakes not to disclose to any third party any Intellectual Property item or other confidential information that the Purchaser has become aware of during its activity, nor to file any application for the registration of any Intellectual Property item with the relevant authority.

9. TERMINATION

Without prejudice to the provisions set forth in other paragraphs of these GCTS, the Seller shall have the right to terminate the sale agreement for cause: (a) if the Purchaser does not fulfil the obligations provided for in par. 2.3, 2.4 (*Delivery of the Products*), 4.1, 4.2 (*Payments*), 8.1 (*Intellectual Property Rights*), 8.2 (*Confidentiality*); (b) in case of any material breach of the terms of these GCTS; a violation of the contractual obligations other than those listed in point a) may be considered a material breach if the Seller requests in writing that the violated contractual obligation be fulfilled and the Purchaser does not comply with such request within 15 (fifteen) days of receipt of the same.

10. PERSONAL DATA PROTECTION

10.1 Pursuant to Italian Legislative Decree 196/2003, personal data collected directly and/or through third parties by the Seller shall be processed in printed, computing and electronic form for the performance of contractual and lawful obligations as well as for the effective handling of business relations. **10.2** The non-submission of data, where not compulsory, will be evaluated from time to time by the Seller and the resulting decisions will take into account the importance of the required data in respect of the business relation management. **10.3** Data may be disclosed, strictly in accordance with the above-mentioned purposes, and consequently processed, only in relation to the said purposes, by other subjects, and in particular by: (i) agents organization; (ii) factoring companies; (iii) banks; (iv) credit recovery companies; (v) credit insurance companies; (vi) business information companies; (vii) professionals and consultants. In relation to the same purposes, data may be processed by the Seller's financial and commercial managers. **10.4** The Purchaser may exercise all the rights set forth in Article 7 of Italian Legislative Decree 196 /2003 (including the right to data access, updating, objection to data processing and cancellation).

11. APPLICABLE LAW AND JURISDICTION

11.1 These GCTS, as well as the sales governed by them, are subject to Italian law, with the exclusion of the 1980 Vienna Convention on the international sale of goods (CISG). **11.2** Any dispute concerning the application, execution, interpretation, termination of this GCTS or however connected to them, which is not amicably settled between the parties, shall be exclusively decided by the competent Court of place in which the Seller's registered offices are located. By way of departure from the above, the Seller shall nevertheless have the right to apply to the Court of the Purchaser, at its own discretion.

12. FINAL PROVISIONS

12.1 If one of the clauses of these GCTS is null or ineffective, the nullity or ineffectiveness of this clause shall not extend to the remaining contractual provisions. **12.2** Any notice between the Parties shall only be valid if made in writing. **12.3** In the case where the Seller neglects to exercise a right or a faculty recognized by these GCTS, this can neither be interpreted as a general waiver of this right or faculty, nor prevent the Seller from subsequently demanding the prompt and exact application of all the clauses contained herein. **12.4** These GCTS are written in English. The GCTS's text in Italian is available on the website www.fcssystem.com. In case of any discrepancy between the English text and the Italian version, the Italian text shall always prevail. **12.5** These GCTS shall be deemed agreed upon return of a copy thereof duly signed by the legal representative of the Purchaser. The failure to return them within 5 (five) days as of the receipt of the Order Confirmation to which these GCTS are attached shall imply the unconditional acceptance of these GCTS.

(place, date and signature)

the Purchaser
the legal representative

Having read par. 1.3 (*Execution of the Agreement*), 2.4, 2.5, 2.6, 2.7 (*Delivery of the Products*), 4.4 (*Payments*), 4.5 (*Retention of Title*), 4.6 (*Solve et Repete*), 5.1, 5.2, 5.3, 5.4, 5.5, 5.6 (*Complaints-Warranty*), 6 (*Indemnification*), 7.1 and 7.2 (*Limited Liability*), 9 (*Termination*), 11.2 (*Jurisdiction*) of these General Terms and Conditions of Sale, the Purchaser hereby declares that it accepts them unconditionally and without any reservation, where necessary also in accordance with Articles 1341 and 1342 of the Italian Civil Code.

(place, date and signature)

the Purchaser
the legal representative