

GENERAL PURCHASING CONDITIONS

1. Each order will be considered accepted, if within ten days from transmission, the supplier returns to purchaser copy of order duly signed for acceptance, or if ten days have already passed and the supplier has omitted such restitution but does not expressly refuse the order, then it means that he has implicitly accepted it. In the event the supplier makes any modifications or cancellations to the order, these will not be considered accepted if the purchaser does not issue a prior written acceptance of the modifications or cancellations.
2. Delivery terms will be as established for each individual order. Such terms are to be intended as essential for the purchaser. In the event that the contractual delivery date is not met, the purchaser reserves the right to cancel the order and to claim the right for compensation. The purchaser can claim a penalty of 1% of the value of the goods delivered with delay for each day of delay, except in the case of any circumstances beyond the supplier's control and only if the supplier has communicated such event within ten days from its occurrence.
3. Goods must have the characteristics as described on the order; contrarily, the purchaser reserves the right to contest, at any time, goods which do not conform to the quality requested or any defects of the goods either visible or non-visible which cannot be noticed until the time of processing due to the production characteristics of the supplier. In the case of recognition, both conventional and jurisdictional, of the purchaser's claim for goods not conforming to the order or for the presence of defects, the supplier will arrange the substitution of the quantity of goods contested, or will reimburse or credit the corresponding amount from the total invoiced and this will include all the expenses borne by the purchaser for the acceptance and return of the goods. As expressly agreed, the purchaser reserves the right to claim for damages caused as a result of defective goods.
4. Goods travels under the responsibility of the seller/supplier. In the event that the purchaser opts to collect the goods using his own transportation means, the loading and the handling of the goods will be under the responsibility of the seller.
5. Invoices must be mailed to the Administrative offices of the purchaser showing the exact shipment details (date, vehicle, registration numbers, number and weight of parcels or cartons), number of Purchase Order and confirmation of agreed payment terms.
6. The supplier declares to be totally unaware and free of obligation of any eventual controversy which could arise regarding patent rights, exonerating the purchaser from any eventual responsibility on the matter and explicitly declares that the price includes all patent right duties due for any eventual patents regarding any persons, whoever he/she may be, and therefore even for patent rights which refer to product variations and to items of goods supplied.
7. In the case of procurement of fabric, the relative drawings become exclusive property of the purchaser, who reserves the right to register the patent and therefore the manufacturer cannot release or sell to a third party (neither directly, nor through a representative, or through intermediary companies or agents) fabric manufactured using the same drawings, without prior written authorization of the purchaser by registered mail. This present obligation will remain valid and operational without any time limit, even if for any reason the purchaser temporarily or permanently renounces a determined drawing in order to purchase new drawings, as also in the case should the working relationship between purchaser and seller cease. The same applies to the projects, the models or the tooling / molds consigned by the purchaser to the supplier and/or vice-versa for the sales administration of the actual order.
8. For any eventual controversy that could arise, the parties exclusively elect the Tribunal of Naples, without exception, even for warranty issues or connection and constitute the Italian Law (trial and substantial) as ruling. The supplier commits not to carry out any competitive activity related to purchaser activity and/or not to undertake any similar relationships with those competitive companies having to do with purchaser activity.
9. The supplier commits to return to the purchaser, upon simple and unquestionable request and immediately after such request, all projects, tooling and molds concerning the production of the present order and however, all the products manufactured by the supplier belonging to the purchaser even if it is manufactured by the supplier and even if it is not related to the production of the part mentioned in the present order . This is also applicable to raw materials and finished products. The restitution cannot be refused for any reason whatsoever and should be carried out even in case of a dispute and/or

controversy between the parties, and even if it concerns payment, reasons for cancellation and other.

10. The purchaser can choose to communicate variations to the confirmed delivery dates and cancel the ordered material, both partially or totally, within a maximum of 60 days without any penalties for the purchaser.

11. The information transmitted through this document and any attachment are for the addressee only and must be considered as strictly confidential. Any disclosure including use in legal proceedings is strictly prohibited unless otherwise authorized. The disclosure of privileged information by a person who is not the addressee is strictly prohibited according to the Italian Law (i.e. Italian Penal Code, article 616, and D.L. 196/036). If this document or any attachment is erroneously received by any person who is not the addressee, then you kindly requested to delete it and to inform the sender by return fax, mail or e-mail.

12. All the above indicated conditions remain valid and applicable even if there is a current supply contract between the parties.

13. Pursuant to the effects of Art. 1260 of the Italian Civil Code, the transfer of credit arising from this order and from subsequent orders therewith related is forbidden. The company does not make payment by cash orders.