

FRABO S.p.A.
GENERAL CONDITIONS OF SALE

1. PARTIES TO THE AGREEMENT

Selling Party

The selling party (hereinafter referred to as “Seller”) means the company FRABO S.p.A who supplies the materials in question, who will issue an invoice for said materials.

Buying Party

Buying party means the party to whom the invoices concerning the materials in question are addressed. Effectiveness

The clauses of these general conditions of sale are effective for all the agreements that will be drawn up between the parties.

SUPPLY RELATIONSHIP

Exceptions to the general conditions of sale

The supply relationship is exclusively governed by the stipulations as at these general conditions of sale. The parties can agree on any modifications, integrations or exceptions to the aforementioned general conditions of sale, which must be made in writing on the documents containing the sales offer request by the buying party and the relative acceptance by the selling party.

Commercial Offers

The commercial offers, whether they are issued by the selling party or its representatives or legally authorized agents, are considered binding for the company within the terms specified therein and are subject to acceptance within the time limit indicated therein, or should there be no such indication, within thirty days of the issue date. Once said deadlines have passed, the Seller will be free from any obligation previously undertaken.

ORDERS

Order Confirmation

The orders directly or indirectly sent to the Seller will be definitively valid only when the order confirmation is sent by the Seller within five working days of receiving the order. The Seller can make use of telematic means for sending the order confirmation.

Minimum Order Value

The acceptance of the orders is subject to the observance of the minimum purchase quantities for each individual product.

A minimum order threshold of € 250.00 is also established. In the absence of notification to state otherwise, orders for less than the amount established can be tacitly accepted by the Seller through the issue of the order confirmation. Otherwise the Seller undertakes to provide appropriate instructions for the modification/variation of the order within five working days of the date of receiving the order.

Modifications/Cancellations

The Buyer has the right to modify or cancel an order by sending timely written notification to the Seller, within ten days of the date of receiving confirmation. The modification or cancellation will be accepted and confirmed by the Seller as long as the order has not already been dispatched.

Prices

The prices applied, excluding VAT, are those shown on the reference list issued by the Seller and in force when the order is received, that is those shown in the corresponding commercial offer as long as it is still valid.

Invoices

Notwithstanding agreements otherwise, the invoices will be issued by the Seller when the goods are sent and will be in electronic format. The Seller can make use of telematic means for sending them.

DELIVERY

Material Delivery and Shipping Terms.

The Seller undertakes to respect the delivery terms indicatively stipulated. However, the terms agreed for the deliveries are not binding. Any delay does not give the Buyer the right to cancel the order, or to claim compensation for damage or the payment of interest. In any case, the delivery terms will have effect once the order has been fully finalized and the Seller has issued the order confirmation.

Events that prevent or delay the shipment of the materials such as, by way of non-limiting example, supply delays of raw materials, import bans, strikes (even within the company) and other events that prevent or delay the production and/or processing, are conventionally considered causes of force majeure and the Seller cannot be held responsible for the delivery delay. In the cases mentioned above, the Seller can defer the delivery of the materials for the entire duration of the cause of the delay.

Material Stopping and Storage.

Once the notification has been received that the goods are ready for shipping or for testing, the Buyer must collect the materials ordered, or, in the event of carriage paid delivery, ask for them to be sent. Otherwise, the materials may be stored, with the Seller being held harmless from all liability, with forfeiture of all the guarantees and the moving and storage costs being charged for; the Seller also reserves the right to send the materials to the port assigned to the Buyer, or to store them in a depot at the expense of the latter.

However, after notification of the goods being ready, a regular invoice will be issued and the payment terms will have effect. Any stopping, storage or waiting fees are to be borne by the Buyer, also in the event that the goods are sold with carriage paid delivery and the transport is provided with the Seller's vehicles or ordered by the Seller.

Material Delivery and Checks

The Buyer is obliged to check the materials upon delivery.

Any shortages must be reported upon delivery, under penalty of forfeiture of the right to complain, by making a note on the transport document.

Complaints regarding lower or incorrect quantities delivered will be ineffective if they are made once eight days have passed from the delivery date.

TESTING

Conformity with the Specifications

The Seller guarantees that the supply of the materials corresponds to the characteristics and conditions specified in the Order Confirmation and the processing tolerances correspond to those shown on the relative technical documentation.

Testing Request

Any product test must be expressly requested by the Buyer when ordering and expressly accepted by the Seller in the Order Confirmation; this can only take place in the Seller's premises before sending or being delivered for shipping. The positive test of the materials frees the Seller from any guarantee obligation.

Testing Costs

The fees of the external testers (official organizations or organizations appointed by the customer) are to be fully borne by the Buyer, unless otherwise indicated.

Material Preparation

The Seller's factory will notify the Buyer that the product has been prepared for testing, so that the Buyer can give timely instructions to the Organization it has chosen.

Term Start Date

When the test must be conducted by whoever the Buyer has appointed and is not started within fifteen calendar days of the notification that the materials are ready, it is considered that the Buyer has waived its right to test the materials, which have therefore been tacitly accepted. In that case, the Seller is authorized to carry out the relative shipment.

Material Non-conformity

Any product rejected during testing constitutes the Seller's obligation to replace it as quickly as possible without the Buyer being able to claim any compensation or refund for the costs borne for any reason.

Test Suspension

Should the test need to be suspended due to the Buyer's requirements, and in the event that such a suspension is accepted in writing by the Seller, the Buyer will be charged for all the extra costs deriving from such suspension (storage, passive interest, etc.).

PAYMENTS

Terms

The payment of the invoices must be made according to the terms stipulated at the agreed expiry date at the administration office of the Seller (FRABO S.p.A. - Via Cadorna, 30, 25027 Quinzano d'Oglio - BS). Once the established deadline has passed, the moratory interest at the rate envisaged by Legislative Decree 231/2002 will be charged. In the event of a payment delay, even partial, the Seller reserves the right to consider the sales agreement totally or partially terminated and to cancel the production or shipment of any remaining parts of orders in progress, without the Buyer being able to make any related claims for compensation or indemnity whatsoever or alternatively reserves the right to ask for advance payment for the materials still to be sent.

Property Reserve

It is expressly stipulated that the supply of materials remains the property of the Seller until full payment has been made.

The payment terms will be specifically indicated in the offers and in the commission copies.

Failure to observe the terms established contractually will lead to the application of moratory interest.

Failure to pay one instalment (for deferred payments) will lead to the acceleration clause coming into effect, whereas in deferred delivery supply and sales agreements, it will automatically lead to suspension of the supply in progress without any prior warning. The acceptance of bills of exchange or other debt instruments only takes place with recourse.

GUARANTEE

General Guarantee Conditions

All the goods sold by the Seller comply with the technical specifications stated and are free from material and manufacturing faults. The Seller will eliminate, by repair or replacement, at its own discretion, any faults or defects that emerge during normal use, care and maintenance that are notified to the Seller within twelve calendar months of the goods being sold.

Hidden Faults

Within the insurance of liability, FRA.BO S.p.A., recognizes to the installers using its products a guarantee for hidden defects for a period of 10 years from delivery, except as specified below in connection with forfeiture of warranty terms.

The express or tacit acceptance of the materials holds the Seller harmless from any liability for differences or faults, if upon acceptance they were made known to the customer or easily recognizable, as long as in this case they were not maliciously hidden.

Complaints

The defective materials and/or materials with any differences in size outside the normal manufacturing tolerances that are noted after shipment must be returned carriage paid to the factory of origin within eight days from the goods being received.

After receipt and checking, the Seller reserves the right to replace the returned parts or to refund the relative amount invoiced. The action expires within a year of delivery.

Return Procedures

The return of the goods, regardless of the cause, must be expressly agreed with the Seller who, upon authorization, will notify the Buyer of the operative terms (return number, shipping address, any charges to the Buyer).

Commercial Return

In the event of the Buyer making a request, the Seller can accept a return of goods, at its discretion, as long as the material is still included in the current price list and the conditions of the material and packaging are identical to those of the new material. The Seller reserves the right to apply a restocking charge of 25% of the value of the goods, which will be dictated by the current price list when the return is accepted.

Induced Damage

The Seller will not in any case be liable to the Buyer for any loss of profits, contractual opportunities, usability of goods, information or data, or any consequent damage or direct or indirect loss, or for any loss or damage of any kind, that may arise, be made against, or suffered by the Buyer in anyway.

Forfeiture of Warranty Terms

Warranty declines in the following cases:

- Materials used improperly, for applications other than those for which it was provided, or for technological processes non complying with chemical, physical and mechanical characteristics granted.
- Failure or incorrect, even if partially, installation and assembly instruction provided by FRABO SpA
- Use of spoiled and/or unsuitable material
- FRABO SpA products not installed and tested "to perfection" by qualified installer according to the law.

Materials that display clear faults must not be used by the Buyer; otherwise the Buyer forfeits all rights to the guarantee.

Certifications

Particular guarantees and/or certifications can be issued, if requested specifically by the Buyer, when the order is placed.

FORCE MAJEURE

Any strikes, wars, epidemics, absence or shortage of wagons or hire vehicles, railway interruptions, lack of materials, breakdowns to the machinery or any other cause that may force the Seller to partially or totally stop the work in its workshops (such as for example fires, earthquakes, foods), must be considered causes of force majeure, which authorize the suspension of the implementation of the

agreements in progress.

APPLICABLE LEGISLATION – COMPETENT COURT

Any controversies or legal disputes, even with non-Italian parties and/or for goods supplied abroad, will be governed by Italian legislation in force and subject to the judicial expertise of the Court of Brescia, that is as an exception to the provisions of articles 32, 35 and 36 of the Code of Civil Procedure, since the Buyer cannot call upon the authorities of another place, not even to enforce a guarantee or for connected proceedings. However, the Seller reserves the right – as the plaintiff – to take legal action in the place of residence of the Buyer in Italy or abroad.

COMPULSORY ENFORCEMENT

In the event of contractual non-fulfilment by the Buyer, the Supplier has the express right to proceed with enforcement in accordance with art. 1515 of the Civil Code, despite any verbal tolerance of the non- fulfilment.

ACCEPTANCE OF THE GENERAL CONDITIONS OF SALE

All the conditions contained herein (available on the website: www.frabo.com) are considered to have been acknowledged and unconditionally accepted by the Customer when the order is placed in any form, with the exclusion of any other general or special conditions made by the latter.

This proposal must be considered a sales agreement for all legal purposes and is considered tacitly accepted when the Buyer receives order confirmation from the Seller.

ORGANISATIONAL MODEL AS PER LEGISLATIVE DECREE 231/2001

The signing of the order also leads to the unconditional acceptance of the behavioural principles adopted by the Seller with its own Organizational Model as per Legislative Decree 231/2001, which can be consulted on the website: www.frabo.com.

SAVING CLAUSE

If one or several of these conditions should be ineffective, the validity of the remaining provisions shall not be affected.

PERSONAL DATA PROCESSING

By sending the order, the Buyer expressly confirms that it has read the information notice on personal data processing as per Legislative Decree 196/2003, published on the website: www.frabo.com.