

GENERAL TERMS OF SUPPLY

1 General Notes

The following general terms of supply are understood to be valid and applicable in all commercial practices of C.Matic with reference to all products manufactured or sold by C.Matic. These general terms constitute the legal basis for every contract entered into by C.Matic except where, in specific orders or agreements, they are expressly waived in writing.

These terms prevail over any purchase terms of the Customer and constitute an essential part of the supply contract implemented by C.Matic in favour of the Customer.

The general terms of supply set out below, therefore, relate to all contracts and all orders implemented even if not expressly confirmed by the Customer.

These general terms of supply, in any case, are understood to be automatically accepted by the Customer and, therefore, an integral part of the order, upon C.Matic's Product first being made available to the Customer and, in any case, upon the implementation of the order by C.Matic.

2 Scope of application of the contract

The following will be an integral part of the contract entered into by C.Matic :

- a) these general terms of supply, which are understood, in any case, to be applicable irrespective of express written acceptance by the Customer.
- b) every technical document, study, report, in any capacity sent by C.Matic to the Customer.
- c) the order confirmation
- d) the delivery note
- e) the invoice

Advertising documents, sales brochures, samples, catalogues, price lists and anything else used or sent by C.Matic prior to or during implementation of the supply will not be considered, unless it is expressly agreed in written, essential elements of the contract.

3. Orders and Contract Formalization

Any quotation of C.Matic is subject to, and shall not become binding upon C.Matic until (i) actual receipt by C.Matic of customer's written order based on all the terms and conditions stated herein, and (ii) C.Matic's written acceptance of such order at its main office.

Order means any document containing the identification details of the supply to be made, such as quantity, product type and price. The order is understood to be transformed into a finalized contract both in the case of express acceptance by C.Matic by any written means (fax, e-mail, etc.) or upon implementation of the first supply to the Customer.

Implementation of the supply means the material made available to the Customer as provided at point 7.2 below.

Even in the presence of discrepancies between the offer, the order received from the Customer and the order acknowledgment sent by C.Matic, the contract will in any case be understood to be established and finalized for the purchasing party.

C.Matic may, at its sole discretion and at any time, not accept orders from the Customer or interrupt or suspend, with sufficient prior notice, the execution of planned orders.

3.1 Closed order

Closed order means that order in which the quantity of the product, price, delivery methods and timescales are expressly identified.

3.2 Blanked or planned order

"Blanked" order means that order which, having established the type of Product and unit price of the same, in general, indicates the quantities of product estimated as consumable by the Customer in the period of time expressly indicated and agreed between C.Matic and the Customer (week/month/year). C.Matic and the Customer will determine the quantities that the Customer irrevocably buys within the agreed timeframe to get the fixed price. C.Matic shall modify the price of the Products in case the Supplier doesn't reach, within the fixed period, the agreed volume of sales.

The liability of C.Matic in any case is limited to the quantity agreed or, in case the order includes a minimum and a maximum quantity, to the minimum.

C.Matic is not required to guarantee the supply of additional quantities of Product or to comply with more burdensome delivery time than those expressly accepted by C.Matic itself.

If the customer ask to modify the content of any order C.Matic shall not be obligated to satisfy that request, but will make every effort to satisfy the request made by the Customer. In case of acceptance, C.Matic shall be allowed to modify the price of the Products.

For this purpose C.Matic shall communicate to the Customer the difference in price of the Product: that variation is understood to apply in the case of express acceptance by the Customer or will be considered to be "in force" commencing from the first delivery of the product after C. Matic's communication.

3.3 Changes to orders

Any request to change the contract made by the Customer shall be subject to express acceptance by C.Matic. In the absence of express acceptance by C.Matic, the contractual conditions previously agreed will be understood to be unchanged, subject, in any case, to the applicability of these general terms of supply.

3.4 Cancellation of closed order or reduction below the minimum quantities of blanked orders

In no case, except in circumstances of force majeure, the Customer may cancel the closed order or reduce the minimum quantities of any type of orders.

If the Customer intends to proceed in that sense, it must notify its request in writing to C.Matic which, in the following 30 days, may accept or refuse the request made or indicate to the Customer the cost for acceptance.

Failing that, the Customer will be required to collect and pay for the product in accordance with what was agreed or in accordance with the maximum quantities indicated or agreed in the blanked orders.

In the indication of the cost for the cancellation or reduction, depending on the contract, of the open or blanked order below the minimums, C.Matic may take account of all costs incurred and being incurred for procurements also of raw materials and provisions, equipment and specific or other tools, research and design costs and, in any case, all costs and/or direct and indirect consequences that have for any reason economic significance for C.Matic.

C.Matic may retain, on a final basis, and on account of anything due in addition, any sums received from the Customer paid for any reason.

4 Preparatory and/or accessory works relating to the order

4.1 Designs and requirements

All documents, designs, estimates, technical reports, evaluations, offers, analyses and, in any case, any information or document that, in any capacity, the Customer and C.Matic have exchanged prior to or during the implementation of the order, are understood to be sent only for the specific use for which they are intended without that transmission involving a transfer of ownership or usage rights.

The recipient may not in any case use what is received for other purposes.

The Customer and C.Matic will reciprocally maintain all property rights, including intellectual, on the documentation being exchanged. The Customer and C.Matic are understood to be bound to the strictest confidentiality and secrecy, as agreed at point 6 below, in relation to the existence and content of the documents being exchanged.

In cases of use other than what is permitted or what has been planned for the material being exchanged, the injured party will be entitled to compensation for damages. The Customer acknowledges, in any case, the exclusive ownership of what is received in any capacity from C.Matic and that it constitutes C.Matic 's know-how.

4.2 Return of samples

All samples, prototypes, pre-series or semi-finished products or in any case artefacts sent by C.Matic to the Customer are and shall remain the property of C.Matic and the Customer may use them only for the purposes set out in the contract entered into with C.Matic . The Customer will be liable for the custody of what is received and undertakes to return all the material received upon termination of the contract or within 15 days from C.Matic making an express request for the same.

The Customer shall use what is received in the strictest secrecy and confidentiality and may not in any way utilize, even to perform tests, directly or indirectly, anything received from C.Matic without the prior written consent of the latter.

If any sample or model is shown or delivered to the Customer , the Customer acknowledges that such sample or model was used merely to illustrate the general type and quality of goods and not to represent that the goods would necessarily comply with the sample or model.

In cases of breach of this clause, C.Matic may suspend the supplies and claim compensation for damages.

4.3 Conservation of equipment

The equipment even subject to wear, necessary to create the Product for the Customer, is understood, unless otherwise agreed in a written deed, to be under the exclusive ownership of C.Matic . The tools for production will be designed by C.Matic or by a company instructed by the same, and will take account of the working methods, systems and equipment normally used by C.Matic .

C.Matic may ask the Customer to contribute to the costs for what is indicated above. That cost may even not be expressly specified, but included in the price of the product being delivered. Even in that case, the tools necessary for production will remain under the exclusive ownership of C.Matic without any contribution guaranteeing for the Customer rights of use or ownership, even only intellectual or by

way of know-how.

C.Matic , unless otherwise agreed by written deed, may freely use the equipment and, in general, any work tool, even for productions other than that intended for the Customer and also in the case of production created exclusively for the Customer.

5 Characteristics and condition of ordered Products

5.1 Use of Products

C.Matic undertakes to produce the Product in the respect of the technical specifications agreed with the Customer (special products) or as specified in the catalog (standard product) . The Product will also be compliant with the safety rules in force in EU in that regard. The Customer will be solely liable for the use of the Product.

The Product must be used exclusively in accordance with what is indicated in the catalog or agreed in writing with C.Matic.

C.Matic shall not be liable for the consequences of any unauthorized, incorrect or different use of the Products with reference to what it's stated in C.Matic's catalog or that is different from what is authorized in writing by C.Matic .

Where the Customer must use the Product in a manner other than that agreed, it must provide specific information thereof to C.Matic .

C.Matic , upon receiving the request, will have 30 days to confirm its willingness to satisfy the request of the Customer also providing an indication of the timescales and the new price; the Customer shall confirm in writing the acceptance of the communication received from C.Matic.

Except where previously agreed or in any case known to C.Matic , the Product supplied may not be stored in locations in which materials are stored, including potentially explosive, polluting or flammable materials, or in rooms where the moisture or temperature levels are not compliant with the type of Product being delivered.

The Customer accepts, hereby waiving the right to make any claim or complaint, that the quantities indicated by C.Matic are always understood to be with an allowance of +/- 5%.

The Customer undertakes, in any case, to accept even partial supplies of Product.

5.2 Product Packaging

C.Matic shall supply the product packaged in accordance with its standards and compliant with existing regulations in relation to safety.

The Customer, by sending the order, expressly declares to be aware and to have accepted the type of packaging used by C.Matic and to deem the aforementioned "standard" to be suited to its requirements, to transportation, handling, deposit and storage; all activities that will occur at the care and expense of the Customer.

The Customer will be solely liable for the correct deposit and storage of the Product, activities that must be implemented in such a way as to allow for the correct conservation of the technical and functional characteristics of the Product supplied. No liability may be attributed to C.Matic in the event of use of different packaging to that used by C.Matic or for deposit, storage or handling of the product performed in a manner not compliant with the product characteristics.

5.3 Transmission of information relating to the Product

The Customer undertakes to make its purchasers aware of the technical-functional characteristics of the Product.

6 Intellectual Property Rights and Confidentiality Clause

6.1 Intellectual property rights and on technical know-how

C.Matic is the only owner of rights relating to any information, data, design, characteristic, process, chemical composition, functional feature and for all and any element relating to the Product. The ownership of those rights will remain even after the delivery of the Product. The implementation of the supply contract will not constitute, in any case, transfer of industrial property rights or licence to use the know-how relating to the Product and/or to the production process, C.Matic, as owner of the rights set out above, reserves the right to use for its own purposes, the results of verifications, tests or experiments performed in any way on the Product, even after delivery.

6.2 Confidentiality clause

The Customer, during the supply relationship and for 5 years after its conclusion, will be required scrupulously to respect the confidentiality and secrecy of everything of which, on the occasion of implementing or preparing the contract, it becomes aware (documents, data, characteristics, elements, technical information, prices, designs, graphics, reports, outlines, notes, etc.).

The Customer undertakes to store all the material received from C.Matic with the same care and in respect of the most scrupulous secrecy as though what was received or exchanged were its own exclusive property.

C.Matic and the Customer must only allow persons involved in the implementation of the supply to have access to the data, documents and all material received.

The Customer expressly declares to be compliant with the procedures for the respect of privacy as provided by existing regulations.

If necessary, C.Matic and the Customer will appoint, notifying the other of his/her name, a person responsible for managing any sensitive data that may be transmitted.

The confidentiality and secrecy obligation shall not apply in the case of:

- information that is in the public domain or in any case was already known at the time of entering into the contract.
- information already in possession prior to entering into the contract.
- disclosure obligation of information when required by a Judicial Authority or a Public Authority in general.

Any breach of this clause will entitle C.Matic to claim compensation for damages and/or the termination of the contract.

6.3 Guarantee against counterfeiting

Where the Product is custom-made, or produced in accordance with indications or information provided by the Customer, the latter will be solely liable for any infringement, even relating to the production process, of rights of third parties in relation to industrial property and it undertakes to hold harmless C.Matic from each and any direct or indirect consequence that the availability or use, in any capacity, of that information or the Product itself may cause, directly or indirectly, to C.Matic or to third parties. The Customer will, finally, bear directly or in any case will keep C.Matic indemnified for all direct

and indirect damages and for all costs, including of legal support or any other professional reason, even technical, including the fees of Professionals instructed by C.Matic in the event of legal or extrajudicial action or for mediation, brought against C.Matic or by it due to any infringement of the obligations set out in this clause.

7 Delivery, transportation, verification and acceptance of Product

7.1 Delivery term

C.Matic will make any effort to respect the delivery term agreed with the Customer.

In no case, however, may the delivery date be deemed as mandatory and binding for the correct implementation of the order. The Customer expressly waives the right to make any claim for damages or reimbursement in any capacity or to request the termination of the contract in cases of failure to respect the delivery term of the Product.

As stated above all delivery dates are approximate and C.Matic shall not be responsible for any damages of any kind resulting from any delay .

C.Matic reserves the right to communicate, by any means, to the Customer any changes to the delivery term when the change is of particular significance. The Customer may request that C.Matic makes its best efforts to improve the delivery but in no case it may refuse to pay for the Product.

C.Matic reserves the right to suspend, indefinitely, the delivery of the Product in the event of non-payment of the supplies. Similarly, in any case of non-fulfillment, C.Matic may, if existing, deem the exclusivity of the product reserved to the Customer to be terminated and no longer in existence.

7.2 Delivery terms (Ex-works)

Unless otherwise agreed, the delivery of the Product will be made "Ex-works" and is understood to be executed on the day and time on which the loading of the goods on the vehicle used by the carrier or shipping agent is completed or, in any case, from the communication made by C.Matic of the availability of the goods.

From the above date, the Customer will be transferred all rights and responsibilities relating to the Product even if physically still stored at C.Matic 's plant.

The Customer is required to collect the Product directly or indirectly within 5 days from the notification of availability of the goods. In the event of a delay in collecting the goods beyond the aforementioned term, C.Matic will charge to the Customer all costs and disbursements that are necessary for storage, deposit and handling of the goods.

C.Matic will issue for that reason the corresponding invoice which must be paid before collecting the Product and in any case by the terms set out in point 10.1.

Once 10 days have elapsed from the notification that the goods are ready for delivery, C.Matic may, at its sole discretion, subject to the obligation for the Customer to pay the costs as indicated above, sell the Product to third parties, destroy it at the expense of the Customer, or reuse it, charging to the Customer all consequent costs. The invoice issued for that reason is understood to be payable immediately. Similarly, in the event of non-collection of the Product, by the term indicated above, C.Matic may deem any exclusivity, if existing, granted to the Customer terminated, even with reference to the continuation of the contract with the Customer.

C.Matic shall in good time send to the Customer or to the conveyor the "goods ready for delivery" notification. The Customer, or the conveyor under Customer's responsibility, shall collect the Product

at the date and time indicated in the "goods ready for delivery" notification as received from C.Matic. Where the goods are not collected in accordance with what is stated in the "goods ready for delivery" notification, the Customer shall bear any cost, disbursement or expenditure for any reason (deposit, insurance, handling, storage, use of space, etc.) incurred by C.Matic as already specified above.

7.3 Transportation, customs charges, insurance

Unless otherwise expressly provided in the order, the transportation will always be performed at the care and expense of the Customer which shall, if deemed necessary, and under its exclusive liability, insure the Product during transportation.

Where C.Matic takes responsibility for shipping the Product to the destination, the transfer of risk will occur when the Product is delivered to the first shipping agent or the first haulier.

The Customer shall always bear, unless otherwise agreed, the customs charges, freight and costs of storage at destination, proceeding, if due, to fulfill the shipping, loading, unloading and customs clearance procedures, irrespective of the means of transport chosen by the Customer.

The Customer shall offer to C.Matic proof of the customs clearance of the product and its receipt.

C.Matic, however, will never be required to insure the Product irrespective of the agreed delivery methods.

7.4 Check of quantities and type of Product delivered

The Customer shall check quantities and weight of the Product by way of its own personnel, the conformity of the Product with the order terms; that check will be conducted at the cost of the Customer and under its exclusive responsibility as soon as the delivery is made.

Any dispute or reservation relating to clear defects of the Product shall be noted immediately on the consignment docket, CMR, way bill or transportation document. A copy of the consignment docket, way bill or transportation docket with the respective reserves or disputes shall be sent for information to C.Matic which, in any case, will not be liable for any shortages and will not be liable for reserves made by the Customer except where it is proven that the defect subject to the reserve was already existing at the time of delivery of the product at the plant of C.Matic. In the absence of reserves noted on the consignment docket, CMR, way bill or transportation document, the Product, from the perspective of type and quantities, will be understood to be accepted on a final basis, with express irrevocable waiver for the Customer of the right to claim in any venue, for that reason, rights of any nature.

7.5 Dispute in relation to existence of defects

C.Matic is required to deliver the Product free from defects and compliant with the order.

The quality of the Product is understood to refer to the "standard" of C.Matic, as well-known to the Customer.

The Customer, in the case of defects existing in the Product, shall, under penalty of forfeiture within 10 calendar days from the delivery, dispute the Product supplied, sending to C.Matic an appropriate written communication containing the list of defects or faults, the number of items on which the same have been identified, the methods by which the checks were performed, the batch number and any useful evidence to allow C.Matic exactly to identify the Product subject to dispute.

The Customer, if requested by C.Matic, shall return, at the care and expense of the Customer, the Product subject to dispute.

C.Matic, at its sole discretion, and without this constituting any acknowledgement of any liability, may repair the product, sending it back to the Customer. In that case, C.Matic will bear the transportation costs.

Where C.Matic does not identify the presence of the disputed defects or faults, it can invite the Customer to its own plant to jointly assess the results of its investigations, after which the Product will be sent back to the Customer at its expense.

C.Matic, however, may, at its sole discretion, and without this constituting any acknowledgement of liability, proceed to replace the disputed Product, sending a new one to the Customer.

In no case may the Customer suspend payment of the Product even if it is subject to total or partial dispute. Similarly, even in the case of total or partial dispute of the supply made, the Customer may not suspend the payment of any sum for any reason due to C.Matic.

The Customer may not, for any reason, autonomously perform or have performed by third parties processes or interventions on the Product. In that case the Product will no longer be guaranteed, meaning, in addition, that the Customer irrevocably waives the right to claim in any venue any liability by C.Matic.

Where the Customer, in the presence of clear defects or faults, decides not to inform C.Matic of them and uses, assembles or sells the Product, it will lose any right to the replacement or repair of the Product.

Similarly, the guarantee provided by C.Matic, in accordance with point 7.6 below, is also understood to be terminated.

In any case, subject to an indication to the contrary sent by C.Matic, the Customer shall take exclusive responsibility for the activity and cost of disassembly, storage, disposal of the Product subject to dispute and the activity and cost of assembling the new, reworked or re-sent Product by C.Matic to the Customer.

Any complaints or disputes do not exonerate the Customer from the obligation of honouring any obligation accepted towards C.Matic, irrespective of the reason for which the obligation was contracted.

7.6 Guarantee - duration

C.Matic, unless otherwise agreed, guarantees the Product supplied for a period not exceeding twelve months. The guarantee is understood to commence from the "goods ready for delivery" notification or from the day of the ex-works delivery.

The guarantee shall be effective in the case of correct use of the Product and when the malfunctioning of the same or the defect identified in the Product is not also indirectly or partially attributable to the Customer or to the end user or in the case of inconsistent or unauthorized use of the Product.

7.7 Acceptance

Once the term of 10 days has elapsed from delivery of the product and in the absence of disputes, the Product supplied will be understood to be definitively accepted and the Customer will have forfeited the possibility of making any claim, protest or request whatsoever.

In no case after the acceptance has been made will C.Matic be required to replace or repair the Product supplied or bear any cost or disbursement even by way of damages.

8 Adversity clause and causes of force majeure

8.1 Conditions for changing the prices of the Product

C.Matic may change the prices of the Product even after acceptance of the order and conclusion of the contract. C.Matic shall notify the Customer in writing the new price, indicating the reasons for which that change is necessary. The new price will be binding for the Customer commencing from the first delivery after the communication or in any case once 10 calendar days have elapsed from the communication sent to the Customer.

C.Matic, where exceptional events occur that make the implementation of the order particularly burdensome, may terminate or withdraw at any time from the contract, cancel the order or delivery program, without the Customer being able to claim, with that right being understood to be irrevocably waived, any reimbursement or compensation.

8.2 Causes of force majeure

C.Matic may suspend its supply obligations and, in any case, the contractual commitments with the Customer in any case of Force Majeure. Where C.Matic intends to invoke that right it must promptly inform the Customer in writing, indicating the invoked cause of Force Majeure and, if possible, the expected duration of the suspension of the contractual obligations assumed. If the cause of suspension protracts for more than 90 working days, the Customer may, temporarily, source the Product it requires from another supplier, subject to the commitment, for the Customer, once the cause of Force Majeure has ended, to repurchase the Product from C.Matic.

C.Matic undertakes to communicate in writing to the Customer the termination of the cause of Force Majeure, also indicating the date of first delivery of the Product after the Force Majeure event.

The Customer is required to accept those deliveries. If the case of Force Majeure protracts for more than 90 days, C.Matic and the Customer will meet in order to assess the possibility of deeming the supply contract to be terminated.

In any case, the Customer shall collect and pay for all the Products in storage at C.Matic, the cost of the semi-finished products, raw materials, paper and anything that was specifically purchased or produced by C.Matic to implement the supply. C.Matic may also invoke Force Majeure in all cases where its performance becomes particularly onerous or impossible. The following circumstances constitute Force Majeure, by way of an indicative but not comprehensive list:

- natural disasters (earthquakes, fires, floods, storms, etc.).
- armed conflicts, wars, disputes, attacks, uprisings, terrorist acts.
- trade union or labor conflicts or disputes, lock-outs, general and industry strikes or strikes at the plant of C.Matic or C.Matic s of the same.
- trade union conflicts or disputes, general or industry or plant strikes or lock-outs, even if relating to C.Matic s of C.Matic, hauliers, service companies, shipping agents, post offices in general or, in any case, all those involved in the production process.
- orders of judicial, government or public authorities in general.
- prohibitions on import, embargoes, blocks on production imposed by the health or public authority in general.
- accidents at work, seizures, machine faults, explosions, power shortages and any and every event that might limit or exclude the possibility of production.
- shortages or excessive cost of raw materials.

Where the Customer intends to invoke cases of Force Majeure, it must promptly inform C.Matic.

In that case, the Customer shall also indicate to C.Matic the methods by which the Product may be collected, possibly even in a different location to that agreed, with the Customer, in that case, bearing the greater cost that C.Matic will indicate.

In no case may the Customer invoke Force Majeure to suspend the payments of supplies

"9 Definition of prices"

The prices indicated by C.Matic are all understood to be net of taxes, rates, duties on the Product. Unless otherwise agreed, the prices are in any case understood to be "ex works". Unless otherwise agreed, the prices will always be expressed in Euros.

10 Payments

10.1 Payment Terms

The payment of supplies, unless otherwise agreed, shall occur, at the domicile of C.Matic, irrespective of any disputes, upon receipt of the pro-forma or of the invoice in advance. C.Matic may allocate the payments received at its sole discretion, providing information thereof to the Customer.

C.Matic shall not be required to agree any discount in cases of early payment of the Product.

10.2 Payment Delay

Subject to what is indicated in this contract, in cases of non-payment of the Product within the term identified in point 10.1, interest will accrue in favour of C.Matic amounting to the rate established by Italian Legislative Decree 231/2002.

C.Matic is authorized to issue an invoice for interest in accordance with the methods set out in this point and to send it to the Customer.

The invoice will also include the costs that C.Matic has incurred for that activity. The Customer must immediately proceed with the payment of what is due. Where an invoice is issued for interest and/or costs for delayed payment, C.Matic may, at its sole discretion, allocate all payments subsequently made by the Customer to settle the invoice for interest and costs and, only for any residual amount, to payment of the Product supplied.

C.Matic may also, in the case of non-payment, suspend the delivery of the Product, refuse the request for further deliveries and/or deem the contract terminated or also the commitment made to process any subsequent orders of the Product.

Similarly, C.Matic, in the case of non-payment by the payment date of even just one supply, may deem any "exclusivity", if existing, of the product no longer to apply. The invoice issued in accordance with this article shall, in any case, be paid by the Customer prior to collecting the Product.

10.3 Changes in the financial or corporate situation of customers

Any event or conduct that might lead to doubts about the solvency of the Customer or its desire or possibility to pay or collect the Product supplied may be considered a reason for the suspension of the supply of the Product by C.Matic. C.Matic, in that case, must send to the Customer a specific communication. From receipt of the aforementioned communication, all debts of the Customer towards C.Matic shall be understood to be immediately due and the sums all collectable, and this is in derogation of any agreement to the contrary that may have been made with the Customer. C.Matic will also be entitled to take the Product supplied but not paid from the warehouses or plants of the

Customer. The Customer hereby authorizes C.Matic to request and obtain from the judicial authority and also as a matter of urgency any measure required.

From the date of sending the communication referred to in this paragraph, the Customer will be required, irrevocably, to pay, in advance, any sum requested for subsequent supplies of the Product, and this is in derogation of both existing orders, even if accepted by C.Matic, and any supply condition even if agreed and in existence between C.Matic and the Customer, subject in any case to C.Matic's right to suspend the deliveries and terminate the existing contract.

Where the Customer is subject to insolvency proceedings (arrangement with creditors, receivership, bankruptcy, forced liquidation, special administration, debt restructuring agreement, etc.) C.Matic may, in compliance with the specific regulations in relation to recovery of credits, suspend the further supplies, deem the contract terminated and revoke any exclusivity, if existing, of the product. The Customer is required to communicate to C.Matic any significant change to its corporate structure or its managerial-administrative organization or the signature of deeds of sale or rental of the business or branches of the same even by way of preliminary agreement. C.Matic, having assessed that information or where the same has been acquired autonomously, may communicate to the Customer its intention not to continue the relationship, also suspending the implementation of orders already accepted. In that case, all credits of C.Matic shall be understood to be immediately due and the exclusivity, if existing, of the product revoked.

C.Matic may in any case retain, by way of greater damages, the advances or anything collected up until that time.

10.4 Credits of the Customer

The Customer may not, for any reason, even in cases of dispute recognized by C.Matic, issue, without the consent of C.Matic, debit notes or invoices for credits even ascertained to be due to it or in any case charge C.Matic sums of which the latter has not, expressly and in writing, acknowledged to be the debtor of. The Customer may not, in any case, except with written authorization, offset or retain sums due for any reason to C.Matic against its own alleged or ascertained credits; in that case, C.Matic may claim interest for non-payment or delayed payment and suspend the subsequent supplies.

10.5 Retention of Title

The Product is supplied with the formula and guarantee for C.Matic of "Retention of Title", such that the product will remain the property of C.Matic until the Customer has fulfilled every obligation for any reason existing towards C.Matic.

The Customer shall implement every measure necessary for the protection and safeguarding of the right of "Retention of Title" and will be liable for any consequence that might derive to the product itself. The "Retention of Title" does not imply a derogation of what is provided at points 7.2 and 7.3 in relation to transfer of risk and liability for transportation and custody of the product itself.

The Customer is required to implement every useful measure so as not to confuse C.Matic's product with another possibly similar product of other C.Matic's, and it must store the product in spaces appropriately separated and easily identifiable.

The Customer is required to inform its customers, particularly in the case of processing performed on behalf of third parties, of the existence of the "Retention of Title" guarantee in favour of C.Matic, expressly authorizing the latter, in the case of non-payment by the Customer or a request by the same for admission to insolvency proceedings, arrangement with creditors or similar, to recover, even by

urgent judicial measure, and at the expense of the Customer, the Product supplied and not yet paid for in full. Similarly, the Customer must consent to the amicable collection of the Product by C.Matic , where requested by it, except where the Customer has fulfilled every obligation in place with C.Matic and paid every debt for any reason existing towards C.Matic .

11 Liability

11.1 Definition of liability of C.Matic

C.Matic will be liable for the correct production of the product and for complying with the characteristics provided in the order. The Product will be produced in compliance with existing EU legislation. It will be the responsibility of the Customer to communicate in good time any specific regulatory or administrative provision outside the Italian national territory or that may relate to the production or packaging of the Product.

C.Matic will never be liable for defects of the Product when these are attributable to:

- materials supplied by the Customer or by third parties indicated by the customer.
- design or planning errors when those activities are implemented by the Customer or by third parties indicated by the Customer.
- use of equipment indicated or provided by the Customer or by third parties indicated by the Customer.
- treatments, manipulations, transformations, surface treatment, or processing performed on the Product without the written consent of C.Matic .
- non-compliant, non-permitted, anomalous, atypical or particular use.
- poor storage, transportation, conservation or handling.
- normal wear of the Product or deterioration of the same attributable to events referable to the Customer or to third parties.
- lack of compliance with recommendations, indications or suggestions of C.Matic in relation to maintenance, conservation or use of the product itself.

11.2 Limits of Liability

The liability of C.Matic , except as stated hereinafter, will in any case be limited only to direct damages caused to things or persons of the Customer or used by the same due to faults or defects of the Product recognized by C.Matic as attributable to the same. Any liability for indirect damages, loss of image, loss of income, loss of earnings, costs, loss of business, of profit, costs for production shutdowns even of third parties or in any case as an indirect consequence of the defect of the product, even where the defect is recognized by C.Matic , is excluded. Similarly, C.Matic may never be liable for damages that the product may have caused to third parties once the Product is assembled, sold autonomously or together with the product of the Customer.

In no case C.Matic will be liable for lack of performance in addition to those indicated in the catalog. The Customer, upon delivery of the product, irrevocably waives the right to take action against C.Matic for any other claim that is outside the liability of C.Matic , the extension of which is that limited to what is stated in this paragraph. Similarly, any liability of C.Matic is excluded in the case of infringement of any property rights of third parties except where the Customer can prove the knowledge by C.Matic of the existence of patents or property rights.

In any case, the limit of liability for C.Matic is understood to be fixed at the value of the product

supplied, and accepted as defective by C.Matic . C.Matic may be exempted from any liability by offering to the Customer a replacement product of the same type and with the same technical characteristics. The Customer waives, in any case ,with the delivery or receipt of confirmation of the availability of the product , the right to make any other or additional claims than those indicated herein, being understood that the Customer irrevocably waives the right to claim damages or compensation of any nature.

12 Jurisdiction

The supply of the product and any consequence deriving from implementation of the contract or, in any case, any fact connected to or aimed at the conclusion of the contract and/or the order, will always and in any case, mandatorily be submitted to Italian jurisdiction and to the laws in force in Italy, with the validity and applicability of foreign jurisdictions or regulations being excluded.

C.Matic may, at its sole discretion, deem applicable, even foreign jurisdictions, to protect its rights of credit or those consequent to the supply.

13 Court with Jurisdiction for Disputes

C.Matic and the Customer undertake to make all their best efforts to settle amicably any disputes that might arise between them for any reason that is connected to or results from the supply of the product. In any case, any dispute that might arise in relation to the relationship between the parties or for any other reason or consequence that is connected to or results from the supply of the Product, or the interpretation or execution, even partial, of the contract in place between the Customer and C.Matic , shall be understood to be devolved, unless decided differently by C.Matic as a result of the right set out in the previous paragraph, to the exclusive and mandatory jurisdiction and responsibility of the Court of Monza.

In the event of any litigation arising herefrom, C.Matic shall be entitled to recover all reasonable attorney's fees , cost and expense incurred by C.Matic in enforcing any C.Matic's right hereunder.