



GENERAL SALES CONDITIONS

In the following text Nav-System is called "the Seller" and the buyer "Buyer". The "value of the supply" is the total amount.

1- SUPPLY: The supply includes only the material specified in the sale proposal drafted by the Seller; what is not expressly listed is excluded. It's up to the Buyer to verify that the quantities stated by the Seller meet all the actual requirements. By accepting the order, the Buyer agrees to take full responsibility for the quantities and sizes of the ordered materials.

2- RIGHT TO WITHDRAW: The Seller is entitled to withdraw from this agreement, even without cause, before it starts to be executed. The right to withdraw may be exercised also after advance and/or down payments have been made; in this case the sums paid shall have to be returned. In any case, nothing shall be due as a compensation in the event of withdrawal.

3- TERMS OF DELIVERY: The terms of delivery are intended merely as an indication and they are only provided as guidelines, with no commitment for the Seller. In the event of strikes, fires, failure of the machinery, import bans, power cuts and interruption of the supply of combustibles, fuels or raw materials, due to causes which are independent of any action by the Seller, and in any case of force majeure which prevents or hinders the normal production process, the Seller is entitled to reduce the amount of the goods to be sold, to postpone their delivery or to cancel the sale in its current condition, without the Buyer being entitled to any compensation or to claim damages.

In the event that, for reasons outside the control of Nav-System S.p.A., the delivery has to be postponed more than three weeks with regard to what agreed, the Seller reserves the right to update the prices of the ordered products based on the price-list in force on the actual date of delivery.

4- DELIVERY: The products, even if they are sold carriage paid, always travel at the risk and expense of the Buyer. Once the delivery deadlines stated in the agreement have expired, no later than 15 calendar days after receiving the notice that the goods are ready, the Buyer shall collect the goods, or – in case of delivery at destination – request their dispatch. After such a deadline, the Seller is exempted from any responsibility and the Buyer will be charged with the storage expenses, previously calculated as 10% of the value of the sale, for every week during which they are kept in stock. The Seller also reserves the right to send the products to the Buyer freight collect, or to deposit them, at his expenses, in a public warehouse. In any case, eight days after sending a notice informing that the goods are ready, a regular invoice will be issued and the terms of payment shall start to elapse.

As an alternative to the aforesaid provisions, the Seller, 15 calendar days after sending the notice stating that the goods are ready, is entitled to inform the Buyer of his intention to terminate the agreement unless the goods are delivered within the following 15 days; in this case of withdrawal, the Buyer shall be levied a penalty amounting to 35% (thirty-five percent) of the value of the sale.

Delivery on container: the Buyer is required to check all the single steps while loading the container. In the absence of a supervision by a representative of his

company, the Buyer will take any risk deriving from a bad loading or anchorage which might damage the goods.

5- PACKAGING: Goods are generally delivered with a standard or basic packaging and with a protective film on both faces (one protective film only in case of single sheet products). A different packaging can be provided exclusively on the Buyer's request and invoiced accordingly. In case the Buyer asks for one protective film only or no protective film at all, the Buyer shall accept the risk of any possible damage caused by missing protection.

6- TOLERANCES: The Buyer accepts the following tolerances: $\pm 0,1$ mm as to the thickness of the metal sheets and $\pm 15\%$ kg/m³ regarding the density of the foam. The Buyer accepts the handling and unloading regulations specified in the Seller's catalogues, as well as the instructions for use, assembling and maintenance and the technical and safety sheets provided by the Seller, of which the Buyer declares to be fully aware.

7- PAYMENTS: All the payments have to be made to Nav-System S.p.A. in Piazzale Sraffa 45, Cesena. In case of delayed payments, interests on arrears amounting to 14% (fourteen percent) will be charged starting from the agreed expiry date.

8- PURCHASES FROM THIRD PARTIES: Nav-System S.p.A. is authorised to buy, on behalf of the Buyer, the materials subject of this contract from other subsidiaries and/or related companies which will invoice them directly to the Buyer. In any case Nav-System S.p.A. will guarantee that the whole supply and the total cost shall be the same as agreed herein.

9- ACCELERATION CLAUSE: In the event of failure to pay a bill or invoice, the Seller can invoke the acceleration clause against the Buyer. The Seller is therefore authorised to suspend the execution of this agreement, as well as of other undertakings between the parties. The same right is granted in the event that the Seller should become aware of existing protested securities, as well as of judicial monetary proceedings, insolvency proceedings, also out of court, against the Buyer, or of any information concerning the reduced solvency of the latter.

10- EXPRESS TERMINATION CLAUSE: Nav-System S.p.A. is entitled to transfer without recourse the credits in its favour referring to this agreement to a factoring company. It is hereby agreed that, if the said transferee, while the agreement is being executed, should revoke the insurance cover related to the Buyer, this shall constitute a reason to terminate the agreement according to the art. 1353 c.c. from the moment that the Buyer is notified thereof by the Seller; in the latter case, the Buyer shall have to pay the materials supplied until that date, based on the prices and terms of payment stated in the agreement.

11- INADMISSIBILITY OF ACTIONS AND OBJECTIONS: No claim can be raised by the Buyer, either as action or as objection, unless the price instalment or any other expired debt (interests, VAT and other accessory charges) have been paid.



12- DOWN PAYMENT: Unless otherwise provided, any sum paid by the Buyer upon signing the agreement and/or before starting its execution, should be considered as a down payment; the Buyer, however, is not entitled to claim twice the amount of the down payment in the event of default or withdrawal by the Seller.

13- RETENTION OF TITLE: It is hereby agreed that the goods sold are subject to the retention of title provided by the art. 1523 C.C.; this means that the Seller remains their exclusive owner until the whole price has been paid. If the agreement is terminated due to default by the Buyer, the Seller is entitled to claim any sum already collected as indemnity.

14- WARRANTY AND COMPLAINTS: Any claim or complaint about flaws shall be made to the Seller in writing by registered mail with return receipt no later than seven days from the delivery of the goods. After this deadline the Buyer shall have no more rights to any warranty about flaws and/or quality defects and/or discrepancies of the goods sold.

In case of organic coated products, the guarantee pertaining to this coating may be implemented, at the discretion of the Seller, in the following way: through repair works by the Seller, or by contributing to the repair expenses up to an amount no higher than three times the original price of the defective organic coating; the amount of the contribution to the expenses, as defined above, shall be reduced proportionally to the period during which the product delivered has been used. No warranty is given for the metal surfaces without organic coating, apart from being compliant with the standards in force; the Seller is therefore exempted from any responsibility related to the onset of oxidation phenomena, being a likely event. No repaired part shall be covered by the renewed warranty. It should be noted that Nav-System S.p.A. usually does not supply panels with flat surfaces having a sheet thickness lower than 0,6 mm. Consequently, in case of flat panels manufactured, upon demand of the Buyer, with thinner sheets, the Seller will be exempt from any responsibility in case of defect/non conformity of the sheets.

If the complaint is timely and well-founded, the obligation of the Seller is limited to the replacement of the non-compliant goods in the same place as the original delivery, after returning the defective goods, excluding any right on the part of the Buyer to apply for the termination of the agreement or to claim damages. Any complaint for visible flaws or shortcomings shall be reported directly to the driver or to the carrier and listed in the transport document upon receiving the goods. Those goods which have visible flaws are not to be used by the Buyer, otherwise the latter shall lose the right to any warranty. The Seller takes no responsibility and the product warranty lapses if, while the materials are stored, handled and used, the technical instructions and specifications by the Seller are

not followed –which the Buyer declares to be aware of– as well as the normal uses and procedures most appropriate in each case. In addition, The Seller shall not be held responsible in case of mere aesthetic defects of the goods which do not affect their quality. Any replacement shall be made ex-works Italy, excluding all transport/customs duties and anything else which may be necessary to send the goods to the worksite. If the complaints should prove to be unfounded, the Seller shall charge all expenses for the inspections and any expert surveys also by third parties.

15- WITHDRAWAL BY THE BUYER: The cancellation of the order involves a compensation to be paid by the Buyer which is calculated in advance as 35 % (thirty-five per cent) of the “sale value”, notwithstanding the right to ask for more if the Seller has already purchased specific materials or produced, even in part, the goods.

16- CHANGES TO THE AGREEMENT: This agreement cancels and replaces any other previous arrangement between the Seller and the Buyer on the same subject; it is an integral expression of the agreements between the parties. Any change or integration thereto shall be null and void unless it is made in writing.

17- ARBITRATION CLAUSE: This agreement is regulated by the Italian law. Any dispute arising between the parties regarding the validity, effectiveness, interpretation, lapse, execution of this agreement or its change, shall be based on the following criteria: • if the initiative is taken by Nav-System S.p.A. the latter is entitled to choose, according to its undisputable judgement, whether to bring the case before the Arbitration Board or before the ordinary Judicial Authority; • if the initiative is taken by the Counterpart, the latter shall refer to an Arbitration Board; also in this case it is the right of Nav-System S.p.A. to accept the Arbitration Board or to resort to the ordinary Judicial Authority notifying the Counterpart within 20 days from the receipt of the written communication whereby the Counterpart informs about its intention to establish an Arbitration Board. If an Arbitration Board is established, the latter shall rule in accordance with the C.P.C. procedure. The Board shall have its offices in Cesena and consist of three members, one for each of the parties and the third chosen by the two arbitrators thus appointed; if there is a disagreement as to the designation of the third arbitrator, the latter shall be appointed by the President of the Court of Forlì.

18- JURISDICTION: If Nav-System S.p.A. should decide to refer to the Judicial Authority, in cases where the arbitration clause cannot operate and/or is ineffective, as well as on every occasion where it is impossible in practice to conduct arbitration, the Court Forlì-Cesena shall have exclusive jurisdiction.