

GENERAL CONDITIONS OF SALE

1. General provisions.

- (1.1) The terms and conditions here following (the "General Conditions of Sale") are integral part of the contracts agreed upon between the Seller ("PTC S.r.l.") and the Buyer (namely the subject proposing the purchasing order or accepting the offer made by the Seller) for the supply of the Seller's products (the "Products").
- (1.2) The General Conditions of Sale apply to all sales contracts of the Products entered into between the Seller and the Buyer, without these having to be specifically referred to each time.
- (1.3) Any condition or term different from what contained in these General Conditions of Sale will be applied only if agreed upon in written with the Seller.
- (1.4) The Seller reserves the right to amend, complete or modify the General Conditions of Sale, by enclosing said amendments to the offers or to any written communication sent to the Buyer.

2. Offers and Orders.

- (2.1) The Seller's offers (including the estimates quoted upon Buyer's request) are not to be considered binding with particular reference to quantity, prices and delivery terms.
- The Seller's offer is binding for the Purchaser upon its signature of the offer itself. The offers signed for acceptance by the Buyer are to be considered accepted by the Seller only if confirmed by written by the Seller itself through the order confirmation.
- (2.2) Orders made by the Buyer are binding on the Buyer. Such orders shall not be considered as accepted unless they have been confirmed in writing by the Seller. In the event that the Buyer is required to pay a deposit to the Seller, as per art. 1385 of the Italian Civil Code, the order will be only considered as accepted upon the payment of the deposit, regardless of any written confirmation on the part of the Seller.

3. Prices and Terms of Payment.

- (3.1) Payments must be made exclusively to the Seller's domicile and carried out according to the methods and terms set out in the order confirmation. The acceptance of payments made in other ways will not constitute an implied waiver of this term.
- (3.2) The Prices of the Products do not include VAT, which must be paid upon delivery or in compliance with the specific provisions set out in the invoice. The Prices refer to payment in cash and to delivery EXW (Incoterms 2000) PTC S.r.l.'s factories.
- (3.3) Except in the event of a different written agreement, all prices of the products indicated in any document or correspondence issued by the Seller do not include costs for packaging, transport, or any other accessory costs (collection costs, etc.).
- (3.4) Payment of the price indicated on the invoice must be made, without any form of reduction, no later than 30 (thirty) days from the date of receipt of the invoice on the part of the Buyer, except in the event of a different term agreed to in the order confirmation or indicated on the invoice. It is therefore agreed, in departure from any legal provision, that the Buyer has no right, with regards to the payment of the price, to make compensations, withholdings or reductions, except in the event that its claim for such request has been legally and definitively accepted by a sentence not subject to appeal.
- (3.5) Besides the legal remedies permitted by law and/or these General Conditions of Sale, the Seller reserves the right to apply interest on arrears on delays in payment occurring from the due date of payment until the date of effective full payment of the price, to the extent as per Legislative Decree 231/2002 and subsequent modifications and integrations.
- (3.6) In the event that the Buyer fails to pay within the terms and according to the methods indicated by the Seller, or in the event that the Buyer acts in a way that does not comply with ordinary business practice, the Seller shall have the right, at its own discretion, to suspend or cancel further orders and/or deliveries, and to declare any claim deriving from the business relationship with the Buyer as due with immediate effect, as well as to cancel contracts in force, withholding any sums received, in the form of a penalty, without prejudice to compensation for further damages. The Seller may, in such cases, request guarantees on the payments. For contractual purposes, conduct on the part of the Buyer that does not comply with ordinary business practice, is considered as: a) any change in balance sheet conditions that causes the Seller to have concern about the full payment of the prices; b) the issue, with regards to the Buyer, of writs of attachment or seizure, or of protests; c) delay in payments of more than 30 days after the agreed term; d) any event that reveals a state of crisis or insolvency; e) a request for agreements for company reorganisation or the restructuring of debts; f) a request for failure or bankruptcy proceedings.
- (3.7) In the event of cancellation of the contract on the part of the Buyer, the Seller shall have the right to be paid, as a penalty, a sum corresponding to 30% of the amount of the supply, without prejudice, in any case, to further damages.

4. Delivery Terms.

- (4.1) Unless otherwise agreed, delivery of the Products is considered as EXW (Incoterms 2000) PTC S.r.l.'s factories. The Buyer, therefore, shall arrange for transport and is responsible for its availability according to the agreed terms. The Seller must be immediately informed of any delay. Any costs arising from delay will be borne by the Buyer.
- (4.2) In all cases, the Products travel under the Buyer's care and responsibility and at their cost, regardless of the procedures for collection or shipment of the Products, also when the transport is organised by the Seller. The Buyer is obliged to take out adequate insurance that covers all the risks that may arise during the transport of the Products, in whatever way this is carried out, bearing the relative costs. This insurance must also cover the period in which the Products are assigned to installers, and must apply until full payment is made by the Buyer to the Seller.
- (4.3) Unless agreed to differently in writing, any delivery term indicated is not binding on the Seller. Except in the event of a different written agreement between the parties, the indicative term of delivery is that specified in the order confirmation.
- (4.4) The Seller is exempt from any responsibility for a delay in, or impossibility to execute, delivery as a result of causes of force majeure or any other events not attributable to the Seller - including, without any limitation, delays attributable to suppliers, provisions or delays relating to public administration and bodies responsible for carrying out controls and the issue of certificates etc. (for example delays in any necessary testing or approval procedures, the forwarding of documentation etc.), strikes, lock-outs, and export or import blockades. In such cases, therefore, the Seller is exonerated from the obligation to comply with any agreed delivery term, and the Buyer shall not have the right to any reimbursement and/or compensation.
- (4.6) The Seller is also freed from any undertaking relating to delivery terms should the Buyer fail to provide, within to the time periods requested by the Seller, all the information necessary for the execution of the supply and/or materials that the Buyer has undertaken to supply to the Seller.
- (4.7) With regards to the collection of the Products on the part of the Buyer, an essential and peremptory period is established of 15 days from their being placed at the Buyer's disposal, which shall be communicated by suitable means to the Buyer's address indicated on the order. The Buyer's failure to collect the goods within the aforementioned period shall give the Seller the right to issue a regular invoice for the price due and to demand its payment, without prejudice to a request for compensation for damages. Alternatively, the Seller shall have the right to cancel the contract, withholding what it has received as a deposit and/or down payment, without prejudice to any claim or action for compensation. In the event of delay in the collection of Products on the part of the Buyer, the Seller shall have the right to request from the Buyer the reimbursement of any costs for storage. Furthermore, the Seller may not be held liable for any damages that may be suffered directly or indirectly by the Products during storage.
- (4.8) In the event of cancellation of the contract on the part of the Seller, the latter may only be obliged to repay any sums received, with the exclusion of any request for compensation for damages and interests, which the Buyer expressly renounces upon their signing of these Conditions.
- (4.9) The Seller shall not be obliged to accept returns of the Products, except in the event that this has been expressly agreed to in writing. All relevant costs shall be borne by the Buyer.

5. Obligations regarding Inspection and Acceptance of the Products.

- (5.1) Upon the collection of the products, the Buyer must immediately and on penalty that its claims will automatically considered as "null and void":
- (a) check the quantity and packaging of the Products and formalise any exceptions in writing; (b) carry out controls on the conformity of the Products in accordance with what is indicated in the order confirmation and to formalise any exceptions in writing.
- (5.2) In the event of reporting defects, the Buyer must, on penalty that its claims will automatically considered as "null and void", comply with the following procedures and terms:
- (a) notification must be given within and not later than 3 (three) working days starting from the received delivery of the Products on the part of the Buyer. In the event that the notification relates to a defect that was not detected despite the initial inspection, the notification must be made immediately after the discovery of the defect and, in any case, must be received at the Seller's offices no later than 2 (two) weeks from the receipt of delivery of the Products;
- (b) the notification must be sent to the Seller according to the above terms by fax and subsequently confirmed by registered post with acknowledgement of receipt. Any communication made by other means (e.g. telephone, e-mail or ordinary post) will not be accepted or considered as valid for the purpose of compliance with the aforementioned terms;
- (c) the notification must contain specific and detailed information on the type of defects found for single Products;
- (d) the Buyer undertakes, as from this moment, to make the contested Products available for checking. The Seller shall check the Products directly or through experts appointed for the purpose.
- (e) Failure, on the part of the Buyer, to comply with the above terms and procedures for notifying defects shall imply the automatic acceptance of the Products.
- Once the time periods as per point 5.2 (a) have elapsed without the Seller having received any communication, the goods shall be considered as accepted by the Buyer without reserve.
- Claims may not, in any case, give rise to requests for compensation for damages or the cancellation of the contract on the part of the Buyer, but exclusively the restoration of the goods.

6. Terms of Guarantee.

- (6.1) The Seller guarantees that the products it manufactures are free from defects and comply with the technical specifications declared by the Seller. For Product parts not manufactured by the Seller, only the relative supplier's guarantee shall apply.
- (6.2) The Products are guaranteed for a period of 12 (twelve) months from delivery date. The guarantee will immediately expire in case of:
- a) improper, abnormal use or over-use of the Products;
- b) use not compliant with the Seller's instructions;
- c) modifications or repairs carried out on the Products by the Buyer or persons not authorized by the Seller.
- (6.3) The guarantee only covers the replacement or repair of Products featuring manufacturing faults acknowledged by the Seller, with the exclusion of any further and different obligation. The Product will be repaired by the Seller at their premises, branch or authorized dealer. The Buyer shall send the defective Product to the premises, branch or authorized dealer as indicated by the Seller, at their own charge. The Seller will dispatch the new Product or the repaired one to the Buyer.
- (6.4) The components subject to wear and the consumable materials are expressly not covered by the guarantee.
- (6.5) In the event that this contract relates to a used vehicle, it shall be considered as supplied, unless stipulated otherwise in the contract, with the clause "seen and approved" and with explicit renunciation on the part of the Buyer of any form of guarantee.

- (6.6) Any delays in the performance of the guarantee shall not give the Buyer the right to compensation for damages of any kind. In none of the situations provided for by guarantee regulations may the Buyer demand the cancellation of the contract, a reduction in the price, or compensation for damages of any kind, including the stoppage of the vehicle. Any defect or malfunctioning of the Products may, in no circumstances give rise to the suspension or delay in payments, which must be made in accordance with the established terms.

7. Limitation of Liability.

- (7.1) The Buyer is not acknowledged any further right or remedy except for cases of just claims made in compliance with the provisions of paragraph 5 above. Specifically, the Seller is not liable for any compensation requested for contractual breach or non-fulfilment, for any direct or indirect damage, for loss of profit suffered by the Buyer as a result of the use, failed use, or installation of the Products into other products, with the exception of cases covered by the guarantee set out in paragraph 6, or in cases of fraud or gross negligence on the part of the Seller.
- (7.2) The Seller shall do all in its power to deliver the products in accordance with any agreed terms, but in no case may be called to answer for damages directly or indirectly caused by a delay in the execution of a contract or a delay in the delivery of the Products.
- (7.3) The Seller's catalogues, price lists or other promotional material are only an indication of the type of products and prices, and the indications contained therein are not binding on the Seller. The Seller does not assume any responsibility for errors or omissions contained in its price lists or in its promotional material.

8. Reservation of Ownership.

- (8.1) The products supplied shall remain under the full ownership of the Seller until the date on which the Buyer makes payment for the entire price of the products and of all sums owed to the Seller. Until that moment the Buyer shall keep the products as the Seller's fiduciary owner, and must keep the products suitably stored, protected and insured, with the exception of the provisions set out in art. 8.4 below.
- (8.2) The Seller reserves the right, with regards to a Buyer with offices in Italy, to record the retention of title agreement in the special register in the competent Office of the Court's Clerk.
- (8.3) In the event that the Buyer is located outside of Italy and administrative or legal formalities are necessary for the reservation of ownership in favour of the Seller to be valid, such as, purely by way of example, registration of the Products in public registers, or the affixing of special seals on the products, the Buyer undertakes, as from this moment, to cooperate with the Seller and to carry out all actions necessary to permit the latter to obtain valid right with reference to reservation of ownership.
- (8.4) The Buyer shall have the right to store the Products supplied to them or to use them in processes during the ordinary course of its business activities. In this case, the proceeds from the sale or processing of the products shall be transferred to the Seller until the payment of the price owed by the Buyer to the Seller for the supply of the Products.
- (8.5) The Buyer's right to store the Products or to use them during the course of ordinary business activities shall be forfeited in the circumstances set out in art. 3.6 above. In this case, the Buyer must make the Products available to the Seller, which may gain access to the Buyer's premises in order to take possession of the Products.
- (8.6) In the event of lawsuits brought by third parties with regards to the Products under reservation of ownership, the Buyer, as fiduciary owner, must notify the third parties that the products are the property of the Seller, and must immediately inform the Seller of this lawsuit. The Buyer shall bear all the costs relating to each case.

9. Technical data and changes in construction.

- (9.1) The data declared for the Products relating to weight, capacity and other technical data are considered as indicative, and therefore not binding.
- (9.2) The Seller may carry out changes in the construction and in the choice of components for the Products by virtue of its own technical-production requirements, without the obligation to notify the Buyer. The Buyer shall remain, however and in any case, obliged to purchase the products ordered, renouncing, as from this moment, any objection.
- (9.3) Any requests for modifications, on the part of the Buyer, with regards to the characteristics of the ordered Products defined in the contract shall not be taken into consideration unless approved by the Seller in writing and countersigned for acceptance by the Buyer. Any agreed changes may give rise to increases in the agreed prices and in the delivery terms, which must be countersigned for acceptance on the part of the Buyer.

10. Test

- (10.1) The Buyer, unless the application of previous art. 5, has the right, if requested not later than 15 days from the expected delivery date, to have tests and testing and manufacturing verifications made by an inspector designated by the Seller, in the Buyer's presence or person in charge, before collecting the Products. The expenses borne in such occasion are at the Buyer's charge only.
- (10.2) If the Buyer collects the goods without exercising the right of checking the goods, only the provision as previous art. 5 can be applied.

11. Liability

- (11.1) In the event that the contract provides for the purchase of a vehicle, the Buyer-reseller shall be bound to ascertain the existence of the compulsory insurance for civil liability with regards to the vehicle sold, upon its delivery to the final user customer, refusing to deliver it in the event that the final user customer fails to present a valid document.

12. Duties, Taxes and costs

- (12.1) Taxes, duties and other costs, including type-approval and registration and, in any case, all present and future costs relating to the sale and use of the vehicles, shall be borne exclusively by the Buyer.
- (12.2) Specifically, the obligation and costs for registration and transcription in the registers of the Office of the Court's Clerk, notarial registers and any other register necessary for this contract, falls to the Buyer, with possible penalties for delay or omission.

13. Limits of use

- (13.1) The Buyer engages not to use the Products for uses different than those they are intended to and not to modify their manufacturing, operation and appearance.

14. Exchange

- (14.1) The value of any exchange indicated in the contract is that existing upon the undersigning of the contract. The Buyer expressly accepts a reduction in the value of the vehicle given in exchange, to be agreed upon with the Seller, in proportion to the wear and tear suffered by the vehicle in the period elapsing between the date of this contract and the effective delivery date of the vehicle to the Seller.

16. Processing of Personal Data.

- (16.1) The Buyer's personal data shall be processed according to the provisions of Italian law with reference to the processing of personal data (Legislative Decree 196/2003). The Seller informs the Buyer that the former is the owner of the processing and that the Buyer's personal data shall be collected and processed exclusively for the execution of this agreement. In accordance with article 7 of Legislative Decree 196/2003, the Buyer has the right to request from the Seller the updating, correction, integration and cancellation of the data and its transformation into anonymous form.

17. Applicable Law.

- (17.1) If the Buyer is an Italian subject or a subject resident in the European Union, these General Conditions of Sale and all the contracts entered into by the latter with the Seller are governed by the Italian law.
- (17.2) If, on the other hand, the Buyer is a subject with a different nationality than above, these General Conditions of Sale and all the contracts entered into by the latter with the Seller must be integrated by the Vienna Convention of 1980 on Contracts for the International Sale of Goods, for any issue not prescribed.

18. Competent Court.

- (18.1) Any dispute that may arise between the parties following the interpretation, validity or execution of these General Conditions of Sale and relevant contracts entered into will be transferred to the exclusive competence of the Court of Reggio Emilia.
- (18.2) The parties agree that only the Seller, at its own discretion, may waive the competence of the exclusive Court as established by previous article 19.1 to take a judicial action against the Buyer, at their place of abode and the competent Court.

19. Final Provisions.

- (20.1) The invalidity, in whole or in part, of a single provision of these General Conditions of Sale, does not affect the validity of the remaining provisions.
- (20.2) These General Conditions of Sale are drawn up both in Italian and in English. In case of any doubt concerning their interpretation the Italian version shall prevail.

Stamp and signature of the Buyer

The following clauses and undertaking are specifically approved in conformity with art. 1341 and 1342 Italian Civil Code: 2, 3, 4, 5, 6, 7, 8, 9, 10, 17, 18 and 19

Stamp and signature of the Buyer
