

PROGETTO GOMMA S.r.l.

GENERAL TERMS

Design and production of rubber items for technical and industrial uses

Art. 1) General provisions

Every order or job order submitted to Progetto Gomma S.r.l. (hereinafter the "Seller") by the Purchaser shall imply the unconditional acceptance of these general terms of sale and the Purchaser's waiving of its own general terms of purchase. Any changes or exceptions to these general terms will only be enforceable if specifically agreed in writing between the Parties and explicitly accepted by the Seller and providing that they are formulated with reference to all the agreements existing between Progetto Gomma S.r.l. and its Purchasers relating to the design and production of rubber items for technical and industrial uses (the "Products"), as well as any other supply of goods and/or services by Progetto Gomma S.r.l.. These general terms of sale can be found online by checking the website of Progetto Gomma S.r.l. at: www.progettogomma.it/doc/condizioni-general-di-vendita.pdf.

Art.2) Performance and scope of the contract

These General Terms regulate the sale and the design of rubber items for technical and industrial applications (the "Products") between Progetto Gomma S.r.l. and any Purchaser. The contract shall be deemed entered into at the headquarters of the Seller. Every Order issued by the Purchaser is subject to a written acceptance (the "Confirmation") by the Seller and the sale contract (the "Contract") is understood to be entered into by, and binding on, the Parties when the relevant Confirmation is received by the Purchaser. Every Order/Job order issued by the Purchaser must be preceded by the submission of samples of the Product followed by the Purchaser's Approval notified in writing to the Seller. In the event of failure to receive a written notification of approval from the Purchaser, any orders subsequent to the delivery of samples to the Purchaser shall be made in accordance with the viewed samples - such samples being automatically intended as accepted and approved. The Confirmation sent by the Seller will define and specify all the final and binding terms and contents of the Contract, fully superseding the earlier Order. If the Confirmation contains any additions, restrictions or any other changes with respect to the Order, the Purchaser's consent to such changes will be intended as automatically obtained, unless a written objection thereto is submitted to the Seller within 48 working hours from receipt of the Confirmation.

Art.3) Prices and Payment Terms

The price of the Products will be fixed by the Seller and stated in the order Confirmation. This price may be subject to changes due to increases in the cost of raw materials and workmanship. Progetto Gomma S.r.l. reserves the right to amend at any time the price of its supplies, upon written notice to the Purchaser (in which the calculation leading to the cost increase must be indicated), in the event of increases in the costs of raw materials, workmanship or any other factor causing a significant increase in overheads. Payments will be made according to the method chosen by the Seller and will be valid only if made directly to Progetto Gomma S.r.l. or another person expressly appointed by same in writing, subject to any other provisions specified in the invoice. The Seller may accept payment in the form of drafts, bills, bank checks, which, however, will not imply the novation, however partial, of this Contract or of any of the clauses contained herein and should exclusively be considered instruments aimed at facilitating the parties' dealings. The Purchaser hereby accepts that the Seller may appoint a third party as the only entity lawfully entitled to receive payments by way of full settlement, whose details will be promptly notified in writing to the Purchaser.

Art.4) Moulds

Progetto Gomma S.r.l. offers a one-stop designing service for moulds and any auxiliary equipment necessary for specific machining cycles. Subject to any other agreement between the parties, the amount charged to the Purchaser for the construction of the Moulds will be paid as a non-refundable charge included in the total cost. The Moulds ordered by the Purchaser or made available to same for the fulfilment of the order are the exclusive property of Progetto Gomma S.r.l. and the Purchaser will not be able to claim any rights to same.

Art.5) Quality control

Quality control is ensured according to a statistical test method based on attribute monitoring in compliance with ISO 2859- 1:1999. Subject to any other agreements between the Parties, ordinary type testing (Level I) is applied, with a plain sampling mode and a LQA=1.5.

Art.6) Withdrawal and contract termination

In the event of a delay in payments with respect to the due dates mentioned in the invoices, the Purchaser will be automatically declared in default and the Seller will be entitled to charge to the Purchaser default interest at the rate established by the Legislative Decree 192/2012 and subsequent amendments. In the event of contract non-fulfilment by the Purchaser, or in the event of failure to pay the agreed price or even just a fraction thereof (including payment of the advance sum or the submission of adequate payment guarantees), the Seller, instead of a formal injunction to comply, may opt for lawful contract termination, even in the course of contract performance, for the intents and purposes of art.1453 and following articles of the Italian Civil Code, by a simple written notification sent to the Purchaser. Contract termination will implement the acceleration clause regarding all earlier and subsequent supplies and will also be applicable to any issued drafts, bills, promissory notes, cash orders or any other securities. Consequently, the Seller will have the right to request the immediate payment of all amounts owing by the Purchaser, without any prejudice to any further claim for damages. Any partial payments made by the Purchaser or any further extensions granted by the Seller will not imply the termination of the acceleration clause already in effect.

Art.7) Termination clause

The Seller may also immediately terminate this Contract, by a simple written notification with which the Seller notifies its intention to avail itself of this clause, in the case that the Purchaser is involved in insolvency proceedings, i.e. in the case of substantial changes in the Purchaser's financial situation, such as to clearly affect the likelihood of obtaining the expected performance from that party (by way of example but not limited to: attachments for substantial amounts, default, protested bills etc.)

Art.8) Sale by instalments with retention of title

In the event that payment wholly or in part by instalments after delivery has been agreed, the Products delivered to the Purchaser shall remain the property of Progetto Gomma S.r.l. until full payment of the contract price (i.e. payment of the last instalment), according to Article 1523 and following articles of the Italian Civil Code. Failure to pay in accordance with the agreed terms even just one instalment that exceeds one eighth of the price, or failure to pay two, even non-consecutive instalments, shall imply the right for the Seller to terminate the Contract - effective from the time of written notification of the Purchaser, as well as the right for the Seller to implement the acceleration clause and expect from the Purchaser the immediate payment of all amounts still owing. In the event of contract termination for reasons attributable to the Purchaser, the Seller will have the right to obtain the immediate return of the delivered Products and to retain, by way of compensation for any use of the Products by the Purchaser, the payments already collected and the advance sum already received, without any prejudice to its right to claim further damages. All of the above without prejudice to the Seller's option to expressly waive in writing the provisions contained in this article.

Art.9) Shipping and delivery of the goods

Delivery of the goods to the Purchaser shall be intended as performed at the time of handing over to the forwarder. The agreed lead time, although indicated for guidance only, shall start from the date of Confirmation by the Seller, with a tolerance of thirty working days for deliveries in Italy and of sixty working days for deliveries in other countries. In the event of a delay in delivering, the Purchaser waives any right to claim compensation or even partial repayment of the price. The products shall travel at the Purchaser's own risk even if shipped on a carriage paid basis or by a forwarder appointed by the Seller. The costs of loading, unloading, packaging, transport and customs clearance are to be borne by the Purchaser. The Purchaser hereby accepts all responsibility for damages caused to the Seller or to third parties or to its own employees or agents, arising from the operations of loading and unloading, packaging and transport. In the event of failure to deliver by the time limit set in the order confirmation, the Purchaser may not terminate the contract before having warned the Seller by sending a notice, granting it a term of at least thirty days from the date of receipt of such notice. The Purchaser shall accept all risks connected with the destruction or deterioration of the products as they are delivered by the forwarder.

Art. 10) Failure to collect the goods

If goods ready for collection cannot be collected for causes not ascribable to the Seller, after two weeks from the notice informing that the goods are "*ready and on hold*" sent in writing to the Purchaser, the Seller shall have the right to charge the Purchaser default interest applicable from the date of receipt of such notice. In the event of a delay exceeding sixty days from the receipt of the notice of "*goods ready and on hold*", the Seller has the right to unilaterally terminate the contract and to retain, by way of compensation, any amounts that may have already been paid by the Purchaser, without any prejudice to any possible further claims for damages. All of the above subject to the Seller's right to apply any remedy provided for by law in relation to the Purchaser's non-fulfilment.

ART. 11) Defects guarantee

The Purchaser commits to immediately checking the state and the quality of the products, as soon as they are delivered by the forwarder. The risk of defects shall be transferred to the Purchaser as soon as moulding or production is approved, providing the observed defects are not exclusively ascribable to the production process following such Approval or originating from gross negligence or wilful misconduct of the Seller. In any case, the Seller's guarantee on defects is limited to the exclusive replacement of the faulty parts, whose defectiveness must have been reported in written form by registered letter with R/R sent to the Seller's headquarters, under penalty of forfeiture, within 8 days from the time of defect detection by the Purchaser and in any case, within six months from delivery. In the event of any dispute or claim in regard to the reported defects, the Purchaser is requested to submit a detailed complaint to the Seller within a maximum term of three days from receipt of the goods or from the detection of the defect, by registered letter, and by sending, at the same time, one piece of the defective item and stating the number of faulty pieces. The Purchaser also accepts to allow Seller's representatives to visit its premises during opening hours to inspect the pieces reported as defective. In the event of expressed or implied refusal by the Purchaser to allow the Seller to carry out the aforementioned inspections, or in the event of a complaint not in compliance with the provisions of this Article, the Purchaser's guarantee shall no longer be valid. Any tampering with the product by the Purchaser shall also void the guarantee of any effect. Any claims regarding the performance of this Contract and/or to the quality and quantity of the supplied goods shall not entitle the Purchaser to suspend or delay payments beyond the agreed deadlines. The Purchaser hereby accepts supplies of the ordered goods that exceed or fall short of the ordered quantity by no more than 5 %.

ART. 12) Goods returns

Except as provided in the previous article, any product returns are only possible if previously authorised in writing by the Seller. In this case the costs of loading, unloading, disassembling, packaging, transport and customs clearance will be entirely at the Purchaser's expense and will be in accordance with the terms and methods of delivery preliminarily agreed with the Seller. Any stock and inventories costs deriving from unauthorised returns shall be entirely at the expense of the Purchaser, without prejudice to the Seller's right to claim damages.

Art. 13) Hold harmless clause

Except as indisputably provided by law, the Seller accepts no responsibility for any direct and indirect damages to people and/or property that may arise from the use, and even improper use, of the product by a recipient, whether it is the Purchaser or a third party. The Seller shall not be in any way responsible for the use of its product made by the recipient, nor for any damage directly or indirectly attributable to the use of the product. The guarantee, however, will not include any further damages, including those arising from down-time or reduced production time, as well as any indirect or consequential damages, or damages deriving from Contract termination. All of the above without any prejudice to the Seller's responsibility in case of events attributable to same through intent or gross negligence.

Art. 14) Purchaser's representations

The Purchaser declares to be aware of the basic functional features of the goods and services covered by the contracts entered into with Progetto Gomma S.r.l. and accepts the risk that they may prove, in practice, not in line with its needs or requirements. The Purchaser declares to be suited and have the necessary technical skills to install and assemble the Seller's products and use them correctly, without needing to obtain any other information and/or instructions from the Seller.

Art. 15) Industrial property rights

The Purchaser shall hold the Seller harmless from claims regarding breach of copyright, trade marks or patents and the like, subject to the case where the project of a supplied item and/or the data supplied come from Progetto Gomma S.r.l.. The Purchaser undertakes to provide drawings, designs or samples for the implementation of the Product that do not infringe third party industrial or commercial property rights and, consequently, declares to be the owner of the rights of duplication and reproduction of the documentation delivered. The Purchaser hereby releases the Seller from any harmful consequence caused by failure to comply with said obligation.

Art. 16) Force majeure

The Seller shall not be liable in cases in which the processing of an order has become impossible or excessively burdensome due to unforeseeable circumstances or force majeure. Force Majeure shall mean any circumstances outside the control of the Seller, including, but not limited to, the following events that may occur in the State of either the Purchaser or the Seller: wars or other hostilities, invasions, requisitions, embargo, radiation or radioactive contamination, explosions, rebellions, revolutions, insurrections, coups, civil wars, riots or strikes. The Seller will have the right to put on hold or cancel orders in progress, if, in its own judgement, sufficient Purchaser solvency guarantees no longer exist or if the case of force majeure should continue for more than thirty days.

Art. 17) Applicable law and place of jurisdiction

These Terms and Conditions and all supply contracts involving the Seller are exclusively governed by the Italian law, irrespective of the nationality of the Parties, and of the goods' collection or delivery venues. For all disputes relating to the sale/supply of the Products, Moulds and/or anything else mentioned in an Order Confirmation by the Seller, including any actions to be performed to collect any sums owing by the Purchaser as the price to pay for supplies of goods or as damages, the exclusive jurisdiction of the Court of Bologna is hereby established.

Art. 18) Privacy

All information related to the processing of the Purchaser's personal data can be obtained by referring to the Privacy Policy section

THESE GENERAL TERMS OF SALE SHALL APPLY WITHOUT DISTINCTION TO ALL PURCHASERS, SUBJECT TO PROVISIONS THE APPLICABILITY OF WHICH IS EXPLICITLY RESERVED FOR CONSUMER PURCHASERS ONLY. THE CONTRACT ENTERED INTO BY PROGETTO GOMMA S.R.L. AND A CONSUMER PURCHASER IS REGULATED BY, AMONG OTHERS, THE SPECIFIC RULES LAID DOWN IN SECTION II ("DISTANCE CONTRACTS"), ARTICLES 50 TO 61, AS WELL AS SECTIONS III ("COMMON PROVISIONS"), ARTICLES 62 TO 63, AND IV ("RIGHT OF WITHDRAWAL"), ARTICLES 64 TO 67 OF THE LEGISLATIVE DECREE N. 206 OF 6 SEPTEMBER 2005 ("CONSUMER CODE").