

**1. DEFINITIONS**

In the following sales and delivery terms:

- the "Seller" hereinafter stands for;
  - **SO.F.TER. US, INC.**, a Delaware corporation domiciled in the State of Tennessee with its principal office at 400 Innovative Way, Lebanon, Tennessee. SO.F.TER. US, INC. is a member of "SO.F.TER." Group;
- "*Client and/or Purchaser*" hereinafter stands for any physical person or legal entity which buys or is committed to buying products or goods from Seller;
- "*Order*" hereinafter stands for the Client's supply request followed by the "*Order Confirmation*" issued by the Seller to confirm the commercial and contractual terms and conditions of any and all deliveries;
- "*Agreement*" hereinafter stands for any contract or agreement entered by and between the Seller and the Purchaser concerning goods and/or products made and/or marketed by one of the companies of "SO.F.TER." Group;
- "*Goods and/or the Products*" are the "SO.F.TER" Group products that are subject of the Agreement;
- "*Parties*" to the contract hereinafter stands for Seller and Purchaser jointly.

**2. GENERAL TERMS**

The following general sales and delivery terms are an integral part of the Agreements. Any and whatsoever exception or deviation from the present general sales and delivery terms - in particular the implementation of the Purchaser's purchase terms - shall require for its validity the Seller's prior written consent.

**3. CONTRACT**

Information concerning prices and technical specifications in the Seller's price lists and brochures will be considered binding only if specified in writing to that effect between the Parties.

All purchase Orders made by the Purchaser shall be governed by these general sales and delivery terms which are integral part of the Order Confirmation issued by the Seller. Orders shall be considered as being accepted only when they have been confirmed by the Seller by means of Order Confirmations.

Order Confirmations and sales and delivery terms that are integral part of Order Confirmations shall have priority over Product Orders and shall be implicitly accepted by the Purchaser unless otherwise agreed upon in writing between the Parties.

Should the Purchaser ask for a short-term delivery without the Seller's written Order Confirmation and should the Seller accept it, the Purchaser shall agree that the invoice issued by the Seller and these general sales and delivery terms, are integral part of the Agreement.

The Seller reserves to itself the right to assign or delegate all credits and claims concerning rights and warranties deriving from the Agreement to third parties.

**4. DELIVERY AND DELIVERY PERIOD**

Unless otherwise agreed between the Parties, partial shipments and deliveries are allowed; every partial delivery or shipment shall be considered as a separate agreement.

Differences in terms of quantity of about  $\pm 10\%$  shall be allowed. Such percentage shall be calculated considering the overall quantity and not the quantity of individual partial deliveries.

However, the price shall be determined according to the quantity actually delivered.

The delivery date stated on the Order Confirmation is not binding, unless otherwise agreed upon in writing between the parties.

The Purchaser shall have no right to compensation for delays in deliveries due to force majeure or misadventure.

Possible missing goods, faulty or damaged products or packaging shall be noted by the Purchaser upon receipt of goods and indicated on the document of transport before the document is signed by the Purchaser and then countersigned by the carrier, otherwise any claims or defences to payment associated with same shall be considered waived.

**5. PACKAGING**

The Seller shall not collect packaging or transportation materials unless provided for under the Agreement. The Purchaser agrees to dispose of packaging materials at his own care and expense.

**6. PRICES AND PAYMENT TERMS**

Delivery terms and other pieces of information supplied in price lists, brochures or verbally shall not be binding, unless otherwise agreed upon in writing between the Parties and set forth in an Order Confirmation.

Transportation and insurance costs, customs duties and taxation in force when orders are received shall apply to all transactions; increasing or decreasing variations of such costs shall be charged/credited to the Purchaser. VAT and any other tax or government tax, where applicable, shall be charged and invoiced to the Purchaser in addition to the price agreed upon in the Order Confirmation.

The Seller shall issue invoices for the quantities of Goods and/or Products actually delivered to the Purchaser and at the price agreed upon in the Order Confirmation.

If compliance of Agreement becomes too onerous because of new external extraordinary and unforeseeable factors that determine an excessive economic imbalance for the Seller, the Seller shall have the right to renegotiate the Agreement terms and, without achieving an agreement, both Parties have the right to terminate the Agreement and shall notify the counterparty in writing.

Invoice payments shall be made by the Client in the agreed upon way and under the agreed upon terms.

In the event of non payment the Seller shall have the right, in accordance with the provisions of applicable laws, to the immediate return of the supplied goods if still at the Purchaser's premises; the Seller shall also have the right to stop or cancel any future delivery even for purchase Orders which have already been confirmed to the Client and to suspend processing any further Order by the Purchaser, until payment of the amount owed by the Purchaser has been recovered by Seller. Should Seller be required to retain counsel in the pursuit of payment or for Purchaser's compliance with any of the terms of any Agreement, it shall be entitled to the payment by Purchaser of its attorney's fees and court costs.

**7. WARRANTY**

Product technical specifications are not to be considered as guaranteed sales specifications. Seller warrants that its Products shall be free of material defect and shall comply with all technical information explicitly indicated and confirmed in the Seller's Order Confirmation.

Any claims concerning defects in Products supplied shall be forwarded to the Seller, under penalty of forfeiture, in writing within 8 (eight) days from Goods receipt.

The Purchaser shall inspect the Goods delivered for quality or functionality flaws before processing the Goods and shall immediately inform the Seller about the flaws detected. After the expiry of twelve (12) months from delivery the warranty remedy will be elapsed and the Product shall be considered as being approved. In any case, all claims will be waived timely written notice thereof is not provided; such notice shall include indication of the number and date of the document of transport and of the invoice, as well as the batch reference indicated on packaging and supporting documents (such as: supporting vouchers, samples and packaging check tags etc.).

In the event of latent defect, notice shall be provided within eight (8) days after defects are detected. In any case after 12 (twelve) months from Goods receipt the warranty remedy will be elapsed. The burden of proof of latent defects is carried by the Purchaser. After receiving notice of the defect, the Seller reserves to itself the right to inspect the Goods. Until then the Purchaser will ensure the access to the Seller and a suitable storage of the Goods and/or similar materials. Failure to provide timely notice of any claim(s) hereunder shall constitute a waiver of such claim(s) even if Seller is not prejudiced by such lack of notice. It is the Purchaser's encumbrance to prove that timely and complete nature has been provided.

At the sole discretion of the Seller the warranty of the Goods delivered shall be limited, alternately, to the replacement with another quantity of Goods corresponding for technical requirements or cancellation of the Agreement and refund of the price already paid or to price reduction. Unless otherwise provided for under the current law, the overall Seller's liability concerning warranty violations shall be limited to the reimbursement of the purchase price of faulty goods or - if so agreed by parties - to the replacement of goods.

The rejected Goods can be sent back only with the prior Seller's explicit consent.

EXCEPT FOR THE WARRANTY SET FORTH IN THE FIRST PARAGRAPH OF SECTION 7 AND ANY CONSUMER LIMITED WARRANTY INCLUDED IN THE PACKAGING OF PRODUCT FOR DELIVERY TO CONSUMERS, SELLER MAKES NO WARRANTY WHATSOEVER WITH RESPECT TO THE PRODUCTS, INCLUDING ANY (a) WARRANTY OF MERCHANTABILITY OR (b) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE OR USE OF THE PRODUCT, WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE. SELLER SHALL NOT BE LIABLE FOR ANY DAMAGE OR DEFECTS CAUSED BY ORDINARY WEAR AND TEAR, IMPROPER INSTALLATION TECHNIQUES OR MATERIALS, ABUSE OR MISUSE OF THE PRODUCTS, FAILURE TO FOLLOW SELLER'S INSTRUCTIONS AND ACCEPTED INDUSTRY PRACTICES REGARDING INSTALLATION AND APPLICATIONS OF THE PRODUCT IN ANY SETTING. SELLER DOES NOT WARRANT THAT ANY PRODUCT IS SUITABLE FOR A PARTICULAR USE OR INSTALLATION IN ANY APPLICATION SETTING CHOSEN BY THE PURCHASER, EVEN IN THE EVENT THAT SELLER SUGGESTED OR RECOMMENDED SUCH APPLICATION.

IN NO EVENT SHALL SELLER BE LIABLE TO BUYER OR ANY THIRD PARTY FOR ANY LOSS OF USE, REVENUE, PROFIT OR DIMINUTION IN VALUE, OR FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

IN NO EVENT SHALL SELLER'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE TOTAL OF THE AMOUNTS PAID TO SELLER FOR THE PRODUCTS GIVING RISE TO THE CLAIMS THAT WERE SOLD HEREUNDER.

**8. ACTS OF GOD/TERMINATION OF AGREEMENT**

Suspensions, for force majeure or misadventure, of the Parties' or third parties' operations, delivery delays, missed deliveries by suppliers, lack of raw materials or energy, traffic interruptions (if such events are unforeseeable) as well as wars, riots, strikes, lock-outs, official injunctions and other acts of God shall exempt the interested party from his duties and, in particular, from the duty to make or accept deliveries for the whole suspension period in so far as the party is involved in the suspension itself. If the above-mentioned circumstances that have made supply impossible should persist or continue for a period of time exceeding days 30 (thirty), both Parties shall have the right - subject to prior notification in writing - to terminate the Agreement without any compensation being due to the counterparty.

**9. RESTRICTIONS ON IMPORTS**

Unless otherwise agreed upon in writing, the Purchaser shall obtain import or use authorisations of Products at his own cost and risk. The Purchaser shall be bound by restrictions on imports and official regulations in this fields which will enter into force after the implementation of this Agreement.

**10. CONFIDENTIALITY AND PERSONAL DATA PROTECTION**

Every party agrees to manage all mutually exchanged technical and commercial pieces of information as private and confidential and not to disclose confidential information received to third parties, unless otherwise agreed upon in writing with the counterparty or unless otherwise provided for under the law. The Seller shall protect any personal data obtained as part of the Order processing and/or Agreement implementation process as required by statute including, without limitation, the Federal Trade Commission Act (15 U.S.C. 41-58), as and to the extent, applicable.

**11. APPLICABLE LAW AND JURISDICTION**

These general sales and delivery terms and the Agreement are interpreted and governed exclusively by Tennessee law.

The exclusive venue over any lawsuit which might arise between Parties concerning to the interpretation, application and enforcement of the Agreement shall be Davidson County, Tennessee.