

GENERAL TERMS AND CONDITIONS OF PURCHASE

1) Nature, validity and effectiveness of the general terms and conditions

1.1 These general terms and conditions govern the purchase of products by **MONT.EL** **Apparecchiature Elettroelettroniche S.R.L.**, TIN and VAT no. 10695790153, registered headquarters at 31/B Mazzini Road, 25057 Sale Marasino (BS) Italy (referred to hereafter as MONTEL).

All contracts covering the purchase of products by MONTEL from third parties (SUPPLIERS) are governed by these General Terms and Conditions of Purchase, which form an integral and essential part of any inquiry or product purchase order, regardless of whether specific reference is made to them.

1.2 Any derogations, modifications to or departures from these General Terms and Conditions of Purchase by the SUPPLIER must be specifically authorized in writing by MONTEL.

1.3 The SUPPLIER cannot invoke or refer to terms and conditions other than those contained herein and/or in the purchase order. Therefore, conditions specified by the SUPPLIER attached to or written on the order confirmation will be deemed null and void. The SUPPLIER shall remain bound by these General Terms and Conditions of Purchase regardless of whether the SUPPLIER's order confirmation is subject to conditions in conflict with those set out herein or they have been explicitly rejected by MONTEL.

2) Quotations

All quotations shall be submitted by the SUPPLIER in writing at no charge for MONTEL. All costs incurred for drawing up the offer (e.g., trips and drawings) shall be paid by the SUPPLIER.

Quotations shall contain full details allowing immediate identification of the contents, including MONTEL's inquiry number (if provided) and the name of the employee handling it.

All the documents, materials and other items supplied by MONTEL (e.g., drawings, sketches, calculations, samples, models and data recording means) are and will continue to remain its exclusive property and shall not be placed at the disposal of third parties without MONTEL's prior written approval, nor shall they be used by the SUPPLIER for purposes other than those for which they were supplied. The SUPPLIER shall return all documents and materials immediately on termination of the contract or on MONTEL's request.

3) Purchase orders and confirmations

3.1 Purchase orders issued by MONTEL are governed by these General Terms and Conditions of Purchase and contain the order number and date, a description of the product, the quantity required, the price, the date and place of delivery, the conditions of payment, and the transport and packaging costs.

3.2 MONTEL's purchase orders must be confirmed by the SUPPLIER by e-mail to alberto.savoldini@montel.it or by fax to +39 030 9867069.

3.3 By confirming the order, the SUPPLIER waives its own general and special conditions of sale, even if attached to the quotation and/or the order confirmation or contained in brochures, catalogued, websites, drawings, invoices or the like, only these General Terms and Conditions of Purchase being applicable and binding on the parties.

4) Delivery and execution

4.1 The methods for delivering products ordered by MONTEL are specified on the purchase order.

4.2 The product delivery times and dates specified on the purchase order and acknowledged by the SUPPLIER are essential and binding, and hence cannot be modified. The SUPPLIER agrees to inform MONTEL immediately in writing if it becomes aware that it is unable to comply with the delivery terms for part or all of the order.

4.3 If the SUPPLIER delivers products with a delay of more than 5 working days, regardless of the reason, MONTEL is entitled not to accept the goods, terminate the contract at no charge to it and demand compensation from the SUPPLIER at a standard rate of 10% of the value of the goods for each week of delay, reserving the right to claim for further damage suffered.

4.4 Product consignments by the SUPPLIER must be limited to the quantity ordered. Excess quantities will not be accepted unless authorized. The SUPPLIER shall collect rejected products at its own expense.

5) Prices and payment

5.1 Prices are considered firm and shall not be revised or increased by the SUPPLIER.

5.2 Invoices will be paid as and when agreed by the parties and specified on the purchase order confirmed by the SUPPLIER.

5.3 If the SUPPLIER claims a credit on MONTEL for the purchase of products, this credit is not transferable to another person in any case.

6) Warranty and liability

6.1 All products delivered by the SUPPLIER shall be covered by a performance warranty for at least 24 (twenty-four) months as from the date of delivery, except for longer warranty periods provided by law.

6.2 The SUPPLIER warrants that all products delivered are free from flaws and defects and comply with the applicable legal and statutory requirements, as well as the agreed technical specifications in terms of capacity and utility.

6.3 Product defect claims by MONTEL will be deemed as duly reported if received by the SUPPLIER within two weeks of receipt of the goods, for apparent defects, or of the date on which MONTEL becomes aware of the defects, for hidden ones. If any products are found to be faulty, MONTEL is entitled to demand that the SUPPLIER repair them or alternatively replace them with non-defective products. In either case, the SUPPLIER shall sustain all repair or replacement costs.

6.4 The SUPPLIER is the sole party liable for damages and costs sustained for any claims raised by any party against MONTEL in connection with product liability (including, for instance, the cost of withdrawing products from the market), delay in delivering the products (including, for example, halts in production, the inability to supply customers or contract penalties) or any damage, defect or malfunction that can cause or has caused damage to third parties. The SUPPLIER shall indemnify and hold MONTEL harmless for and against any monetary claims received.

In this regard, the SUPPLIER agrees to take out a liability insurance policy for a suitable sum, notwithstanding MONTEL's right to claim further damages.

7) Confidentiality

All documents (e.g., sketches, drawings, samples, models and computer data and programs) that MONTEL consigns to the SUPPLIER are and will continue to remain the sole property of MONTEL and shall be treated by the SUPPLIER as strictly confidential and returned on demand. Documents may only be used by the SUPPLIER in connection with its work for MONTEL.

Information disclosed for executing orders, especially when connected with research and

development and commercial activities, shall be treated by the SUPPLIER as confidential both during and after execution of the order.

Any components or prototypes provided by MONTEL are and shall remain the exclusive property of MONTEL, and shall be handled by the SUPPLIER on MONTEL's behalf.

Any tools, equipment and dies paid for partly or entirely by MONTEL and used to make the products are or become the sole property of MONTEL and will be considered as on loan to the SUPPLIER, which is responsible for storing, using and maintaining them properly, and shall, on request, return them intact and in perfect working order.

8) Jurisdiction

8.1 Any disputes arising out of or in connection with these General Terms and Conditions of Purchase, including disputes over their existence, execution, interpretation, validity, breach or termination shall be put before Italian courts, which have sole jurisdiction.

8.2 In the event of a dispute arising out of or in connection with these General Terms and Conditions of Purchase, including disputes over their existence, execution, interpretation, validity, breach or termination, an attempt will be made to reach an amicable settlement by arbitration, pursuant to Italian Legislative Decree no. 28 of 4th March 2010 and Ministerial Decree no. 180/201 as amended. If the dispute is not settled within 90 days of the request for mediation, or such other term as may be agreed in writing by the parties, it will be put before the Court of Brescia (Italy), which has sole jurisdiction.

9) Applicable law

These General Terms and Conditions of Purchase are governed by and shall be interpreted in accordance with Italian law.

10) Handling of personal data

Pursuant to Italian Legislative Decree n. 196/2003, MONTEL and the customer/SUPPLIER hereby acknowledge they have been informed of and agree to the fact that the personal data collected to formalize the supply contract governed by these General Terms and Conditions of Purchase will be entered in the file of customers/SUPPLIERS for the fulfilment of statutory and fiscal formalities and for operational, statistical, business and marketing purposes.

11) Final clauses

11.1 The original text of these General Terms and Conditions of Purchase is drawn up in the Italian language and it is the only version binding upon the parties.

11.2 Subject to the provisions of point 11.1 above, the original text of these General Terms and Conditions of Purchase drawn up in Italian may be translated by MONTEL into foreign languages for the sole purpose of facilitating the dissemination of the contents among its customers, without this affecting the exclusive validity of the text drawn up in Italian.

11.3 These General Terms and Conditions of Purchase supersede and replace any previous written and verbal covenants, agreements or understanding between MONTEL and the customer/SUPPLIER.

11.4 Even if any of the clauses in these General Terms and Conditions of Purchase or the Order Confirmations are cancelled or declared null and void pursuant to the law, this will not affect the validity of the remaining clauses.

11.5 Failure by either party to exercise any of the provisions, rights or faculties envisaged herein shall not preclude or affect its right to exercise subsequently said provisions, rights or faculties, or any other provision, right or faculty attributed by these General Terms and Conditions of Purchase.