

GENERAL CONDITIONS OF SALE

1 | Definitions

- 1.1 For the purposes of these general terms of sale (hereinafter referred to as "Terms of Sale"), the following terms shall be defined as follows:
- «Seller» or «Label»: shall indicate Label S.p.A.
 - «Purchaser»: shall indicate any company, organisation or legal person who is purchasing Products from the Seller;
 - «Products»: shall indicate the goods produced and/or assembled and sold by the Seller;
 - «Order(s)»: shall indicate any proposed purchase of Products sent from the Purchaser to the Seller via fax or email;
 - «Sale Agreement(s)»: shall indicate any contract of sale entered into upon receipt of the Purchaser's written acceptance of each individual Order, issued by the Seller.

2 | Scope of application

- 2.1 These Terms of Sale shall apply to all Sales Agreements for Products throughout the world. In the event that the Seller and the Purchaser both agree to special conditions, signed by both Parties and in writing, which deviate from these Terms of Sale, then those special conditions either shall take precedence over and replace or shall incorporate the provisions set forth in these Terms of Sale.
- 2.2 The Seller reserves the right to add, amend or eliminate individual provisions from these Terms of Sale, with it being understood that such additions, amendments or eliminations shall apply to all Sales Agreements entered into beginning on the thirtieth day following the date on which the Purchaser was informed of the new Terms of Sale.

3 | Orders and Sales Agreements

- 3.1 The Purchaser must send Orders to the Seller either via email to the address ordini@labelspa.it, or via fax to the number [+39 0521 675222], providing clear and specific indication of: the expected date of delivery; a description of the Products; the desired quantity; the price; and terms of delivery.
- 3.2 All orders received by Label shall be processed and (i) accepted by means of issuance of an order confirmation or (ii) rejected by means of issuance of a refusal report. It is understood that, in the event of a discrepancy between the delivery date indicated on the Order and the delivery date specified in the order confirmation, the latter shall take precedence as valid.
- 3.3 The Seller shall be entitled, for specific reasons associated with its own production needs or its market, to fulfil the Purchaser's order through any other company belonging to the Label Group.
- 3.4 The Sales Agreement shall be considered concluded, in accordance with the terms and conditions laid down in the Order, when the Purchaser receives from the Seller a written confirmation (said confirmation may also be sent via email, fax or other electronic means) or, in the absence of a written confirmation, at the time when the Products are delivered to the Purchaser.
- 3.5 Orders duly accepted by the Seller cannot be cancelled by the Purchaser without the Seller's written consent.

4 | Product Price

- 4.1 The Product prices shall be those indicated on the Seller's price list in effect at the time when the Purchaser places its Order. Otherwise, in the event that the Product is not listed on the price list or the price list is not available, then the prices shall be those indicated in the Order and confirmed by the Seller in writing in the Order confirmation. Prices shall be calculated Ex Works (ICC INCOTERMS 2010), net of VAT and of any discount.
- 4.2 The Seller reserves the right to unilaterally modify the prices listed in the price list. Notice of said modification shall be provided to the Purchaser and shall apply to all Orders received by the Seller after the date in which notice of the modification was provided to the Purchaser.
- 4.3 Any Sales Agreement for Products shall be subject to the terms and conditions of warranty set forth in Article 8 below.

5 | Delivery

- 5.1 Delivery of the Products shall be carried out Ex Works (ICC INCOTERMS 2010). Risks related to the loss of the Products shall be transferred to the Purchaser when the Products are delivered to the Purchaser at the Seller's premises. The means of transport shall be chosen by the Seller, taking into account their suitability to the specific Products to be delivered.

6 | Payments

- 6.1 The Seller shall issue the invoices associated with an Order at the time of said Order's acceptance.
- 6.2 Payments must be made in EUR and within 30 days of the last day of the month in which the invoice was sent from the Seller to the Purchaser.
- 6.3 The Purchaser's failure to make payment within the agreed upon time frame shall entitle the Seller to: (i) demand that the Purchaser pay default interest at the rate established by Italian Legislative Decree 231/02 and its subsequent amendments and additions; (j) suspend delivery of the Products and (ii) cancel each individual Sales Agreement that has been entered into. The suspension of Product delivery or the cancellation of all Sales Agreements shall not entitle the Purchaser to claim any damages.

- 6.4 The Seller shall maintain ownership of the Products until their price has been paid in full. The Purchaser must ensure that all necessary local legal requirements are met in order that this retention of ownership clause be made valid and enforceable against all third parties; the Purchaser must also ensure that this retention of ownership is recorded in the proper registers, where required under local law.

- 6.5 Sums owed by the Purchaser to the Seller may not be applied as compensation for sums owed by the Seller to the Purchaser and vice versa.

- 6.6 No complaint regarding the Products and/or their delivery may be used to justify a suspension of or delay in payment.

7 | Non-conformity

- 7.1 The Purchaser must report, in writing, any discrepancy between the Products delivered to the Purchaser and the type and quantity listed in the Order within five days of Product delivery. If said report is not made within the timeframe stated above, then the Products delivered shall be considered to be as ordered.

8 | Warranty

- 8.1 Unless the Parties should come to a different agreement, the Seller hereby warrants that the Products shall be without flaws/defects for a period of 24 months following the issuance of the invoice by the Seller.
- 8.2 The warranty shall not apply to those Products whose defects arise from: (i) a lack of maintenance or improper use; (ii) failure to follow the Seller's instructions regarding Product operation, maintenance and preservation; (iii) repairs or modifications performed by the Purchaser or third parties without the Seller's prior written consent.
- 8.3 Provided that the Purchaser's claim is covered by the warranty, the Seller shall, at its discretion, either replace or repair each Product or the parts thereof that present flaws or defects.
- 8.4 The shipment, from the Purchaser to the Seller and from the Seller to the Purchaser, of the Products that are the object of the claim shall be carried out at the cost and expense of the Purchaser, unless the Parties have come to a different agreement.
- 8.5 Without prejudice to that which is set forth in Article 8.3 above, and barring cases of wilful misconduct or gross negligence, the Seller shall not be liable for any damages to persons or property arising from and/or associated with flaws in the Products, except in cases where said liability is mandatory under applicable law. In any event, the Seller shall not be held liable for indirect or consequential damages of any nature, such as, for instance, losses arising from downtime or loss of earnings.
- 8.6 In any event, the Purchaser's right to compensation for damages shall be limited to a maximum amount equal to the value of the Products presenting flaws or defects.

9 | Intellectual Property Rights

- 9.1 Label is the sole owner of the intellectual property rights relating to the Products. Their transmission or use within the framework of these Terms of Sale does not grant the Purchaser any right or claim to them. The Purchaser hereby undertakes not to take any action that would conflict with the ownership of said intellectual property rights.
- 9.2 Delivery of the Products in no way signifies the transfer of the relative copyrights. Copyrights for the Product remain the exclusive property of the Seller. The Purchaser shall in no way imitate or copy the Products or any essential part of the trademarks, designs, models, patents and, in particular, of the software or firmware.

10 | Confidentiality

- 10.1 The Purchaser undertakes to maintain the confidentiality of and refrain from disclosing to third parties any and all information either revealed to the Purchaser by the Seller or which may come into the Purchaser's possession before or after a Sale, regardless of whether or not it is classified as "Confidential Information"; this includes but is not limited to trademarks, technical documentation, designs, know-how, data and correspondence.
- 10.2 The Purchaser undertakes to put in place all measures necessary to protect the confidentiality of said Confidential Information and to disclose it solely to its own employees only insofar as is necessary for the fulfilment of the obligations set forth in these Terms of Sale.

11 | Legal domicile, applicable law and jurisdiction

- 11.1 The Seller has designated its head office as its legal domicile.
- 11.2 These Terms of Sale and each individual Sales Agreement shall be subject to and interpreted in compliance with Italian Law. The 1980 Vienna Convention on the International Sale of Goods is expressly excluded.
- 11.3 Any and all disputes arising from or related to these Terms of Sale and/or to any individual Sales Agreement shall be subject to the exclusive jurisdiction of the Courts of Parma.
- 11.4 Without prejudice to that which is set forth in Article 11.3 above, the Seller reserves the right, when acting in the role of claimant in a legal action, to bring that action against the Purchaser in the Purchaser's place of residence, whether in Italy or abroad.