

These general conditions of sale and startup (hereinafter the "General Conditions") govern all the sales of Products (as hereinafter defined) made by VS Srl (hereinafter the "Company") to any purchaser (hereinafter the "Customer"). Unless otherwise expressly agreed in writing, these General Conditions will prevail over any other conflicting clause contained in forms or other documents used by the Company and/or the Customer (hereinafter, jointly referred to as the "Parties").

Order") and must reach the Company by mail, e-mail or fax. Following the receipt of the Change Request, the Company will formulate the relevant Offer (hereinafter, the "Amendment Offer"), in which possible changes to the Primary Order may be indicated as a result of the consequent requested changes. Similarly to what described in article 2.3, the Amendment Offer will be deemed accepted and, consequently, the Agreement amended – upon receipt via fax or e-mail by the Company of the order (hereinafter, the "Amendment Order") sent by the Customer, the contents of which entirely correspond to those of the Offer of Amendment formulated by the Company. In the event that no Amendment Order is received or if it even partially differs from the Amendment Offer, the original Agreement will remain unchanged and binding between the parties.

possible greater damages. A further payment equal to 60% of said total price must be paid immediately after the production of the first parts obtained from the Dies, with the remaining 10% balance of the price immediately upon issue by the Customer of the "Approval Statement" of the Dies and, in any case, before collection of the same. With exclusive reference to Die Parts: payment of the Order must be totally effected within 30 days from the date of the invoice.

## SECTION I – SALE

### 1. PRODUCTS

1.1 Object of the sales governed by these General Conditions are the products realized by the Company upon the request and measurement of the Customer, belonging to one of the following categories:

a) shearing dies, deep-drawing, progressive dies, transfer dies, mixed machining and their progressive parts and accessories ("Dies"); b) details obtained through sheet metal forming (**Die Parts**) (hereinafter jointly also referred to as the **Products**). When a provision contained in these General Conditions refers to the "Products", such provision will apply to both the contracts having as object the supply of Dies and to the contracts having as object the "Die Parts"; *vice versa*, when a provision only refers to the term "Dies" or "Die Parts", such provision will only apply to contracts having as object the supply of "Dies" or the supply of "Die Parts" respectively.

1.2 The catalogs or the information contained in the Company's website do not constitute a formal offer by the Company, which remains free to modify the same at any time and without notice. Any information or data on the characteristics and/or technical specifications of the Products contained in the catalogs or in other illustrative material of the Company will be binding only to the extent that such data will be recalled in the Offer (as defined below) and confirmed in the Order (as defined below).

1.3 The Company may make changes to the Products that result necessary or appropriate, without, however, altering their essential characteristics.

1.4 The Company will have the right to retain off-cuts and scraps obtained after the processing of materials, which may be delivered by the Customer for the processing of the Products, provided that the Company attends to the disposal or recovery of such materials.

### 2. REQUEST FOR OFFER, OFFER, ORDER AND ORDER CONFIRMATION

2.1 The Customer may validly present its Request for Offer transmitting it to the Company via fax or e-mail. The Request for Offer must be precise and detailed, must contain all the technical information necessary to enable the Company to adequately assess its feasibility and must be complete of the order specifications, which contains the punctual and precise description of all the Customer's requests, such as delivery time, materials to be used, details of the part to be obtained through the ordered Die, particulars of the Die Parts and any other technical specification of what ordered. In the event that the Customer directly attends to the design, it must give precise indication thereof in the Request for Offer, in the absence of such indications the Request for Offer will be deemed as inclusive of the design. In the absence of a specific Request for Offer, this will not include the startup at the Customer's site nor the related testing; if the Customer intends to avail itself of such services it must submit a specific request, in return for which the Company may issue a special Offer. Other than in these General Conditions, such additional services are regulated in the "Die Startup" section.

2.2 Further to the receipt of the Request for Offer, the Company will formulate its Offer, complete with details of the Products, prices and the estimated time of delivery when requested, and send it to the Customer via fax or e-mail. The Company, in the event that the Products requested by the Customer in its Request for Offer are not feasible, it will be entitled to propose alternative solutions. The Offer will be valid for three months, unless otherwise indicated in the Offer.

2.3 The Offer will be deemed accepted – and, consequently, the sale and purchase agreement completed (hereinafter the "Agreement") – upon receipt by mail, fax or e-mail by the Company of the Order from the Customer, the contents of which must entirely correspond to those of the Offer formulated by the Company. In the event that the Order differs even partially from the Offer, it shall be deemed as a counterproposal, to which a new Offer may follow, subject to the same execution process of the agreement mentioned above. The Company reserves the right to check even after receipt of the Order, the feasibility of the Products and if necessary propose changes to it and withdraw from the Agreement – without no charge upon any of the parties – in the event that such changes proposals are not accepted by the Customer within 15 days from their sending.

2.4 Possible requests for changes of the Order occurring after the conclusion of the Agreement (hereinafter, the "Change Request") must contain an explicit reference to the Order to which they refer (hereinafter, the "Primary

2.5 Unless otherwise agreed in writing between the Parties, the terms of delivery will be merely indicative and not of the essence. In any case, such terms shall be considered automatically extended: a) in case of delay by the Customer in corresponding the advance payment provided under article 4.1, b) in case of changes to the supply requested by the Customer further to the execution of the Agreement.

2.6 In the event that the Customer cancels the order after 5 or more days following the execution of the Agreement or fails to collect the products ordered, the Customer will be liable to pay as a penalty the following amounts, without prejudice to the right of the Company to claim the compensation of additional damages:

- (a) 10% of the total sale price, if cancellation is received by the Company within 15 days from the execution of the Agreement;
- (b) 30% of the total sale price, if cancellation is received by the Company after arrival at the latter's facilities of the materials necessary for the realization of the Products;
- (c) 50% of the total sale price if cancellation is received by the Company after the completion of machining of the Die ordered; 70% of the total sale price, if cancellation is received by the Company after the realization of the first part obtained with the Die ordered;
- (d) 100% of the total sale price, if cancellation is received by the Company after the issue of the Approval Statement of the Die ordered, or if the Customer, without cancelling, refuses to collect the Die Parts object of the Agreement;

2.7 The delivery of a quantity of Die Parts, which exceeds or is lower by 10% than the ordered and accepted quantity is deemed as compliant to the Order.

2.8 Without prejudice to the execution of the Orders already confirmed, the Company may suspend and/or cease at any time and without notice the production of the Products without the Customer being entitled to any claim whatsoever.

### 3. SALE PRICES

3.1 The prices of the Products (hereinafter, the "Prices") are those indicated in the Offer.

3.2 The Prices are in Euro (€).

3.3 With exclusive reference to Dies: the prices indicated in the Offer do not include laser cut parts, support for laser cutting, part deliveries, measurement supports, measurement reports, mechanization, transportation, conveyor technologies, punching units, start-ups at the Customers facilities as well as the testing; any requests relating to these services must, therefore, be made by using an appropriate Request for Offer, followed by a special Offer. The prices indicated in the Offer do not include the material necessary for the die trials and for delivery of the parts.

With exclusive reference to the Die Parts: the prices indicated in the Offer include the manufacturing material and processing upon the express request of the Customer, the Company may use the material put at the disposal of the customer; in this case the prices indicated in the Offer include only the processing.

3.4 The Price of the Products is net of all taxes and any cost or expense for packing, loading, unloading, transportation and insurance, which the Customer is liable to pay in addition and under the same terms and conditions of payment of the Products.

### 4. CONDITIONS OF PAYMENT

4.1 With exclusive reference to Dies: upon placing of the Order, the Customer must pay the Company a deposit equal to 30 (thirty) % of the total price indicated in the Offer, against receipt of the relevant invoice from the Company. Failure to pay within 7 days from receipt of the invoice constitutes termination of the Agreement in favor of the Company, with the right for the Company to the penalties provided for in article 2.6, as well as the

4.2 Any payment will be deemed executed or due at the headquarters of the Company. In the event of delivery of promissory notes or cheques, payment will be deemed effected only upon the successful receipt of payment. The Customer will, in any case, bear the costs of stamping and the relative bank expenses.

4.3 If payment must be made by Letter of Credit it must be issued in accordance with the "Uniform Customs and Practices of the International Chamber of Commerce for Documentary Credits" in force at the time of the Order, must be irrevocable and confirmed by a primary credit institution, with headquarters in Italy and approved by the Company, as well as transferable in whole or in part, payable on the due date stated in the Order Confirmation and enforceable upon presentation of the documents stated therein. If the Company does not request confirmation of the Letter of Credit, payment and enforcement thereof will, in any case, be invoked at the counters of the issuing credit institution.

### 5. NON-PAYMENT OR DELAYED PAYMENT

5.1 Without prejudice to the penalties provided for in article 2.6, in the event of total or partial delay in payment, the Customer is required to pay to the Company the default interest provided in article 5 of Legislative Decree 231/2002, accrued on the amount due.

5.2 The Company, in the event that the Customer totally or partially delays payment also with regard to previous supplies, it can suspend any delivery in progress, terminate the Agreement and retain as compensation any amount paid in advance up to the amount of the damages suffered, without prejudice to the right to claim further damages.

5.3 In the event of payment of the price by installments, failure by the Customer to comply thereto, even in relation to only one installment, will automatically determine forfeiture of the benefit of the term with reference to any amount due to the Company by the Customer, also with reference to any previous supply.

### 6. RETENTION OF TITLE

6.1 The Products will remain in the property of the Company until full payment of the Price of all the supplied Products and, in the event of payment by promissory notes or cheques, until actual payment thereof. Nevertheless, the Parties agree that all risks deriving from loss or damage of the Products for any cause whatsoever will pass to the Customer at the time of delivery FCA (Incoterms 2010, production facilities of the Company).

6.2 The Customer will sustain all costs required for the registration of the retention of title.

6.3 The Customer must notify the Company, within 24 hours, any executive action or precautionary measure executed by third parties on the Products subject to retention of title. In such an event, the Customer will be liable towards the Company for any cost or damage suffered by the latter as a consequence of such deeds.

### 7. APPROVAL OF THE PRODUCTS

7.1 With express reference to Dies: Within 14 working days from notice by the Company to the Customer of completion of the Dies, the latter undertakes to send its technical manager to the production facilities of the Company, where the Dies are kept, to verify, in the name and on behalf of the Customer, the proper functioning of the Dies object to the Agreement. The technical manager of the Customer will participate to the Die trials, will examine the relevant measurement reports and tolerances and, after having verified the correspondence thereof to the technical characteristics indicated in the Offer, will issue, in the name and on behalf of the Customer, the relevant approval to the shipment thereof by signing the Approval/Non Approval Statement.

7.2 With exclusive reference to Dies: Any possible error in the execution, defect, imperfection or non conformity of the die, occurred during the above tests, must be contested in writing in the Approval/Non Approval Statement under penalty of forfeiture.

7.3 With exclusive reference to the Die Parts: Before starting the production of the Die Parts a sample of each Die Part must be submitted to the attention of the Customer for



its approval. Within 14 working days of the notice sent by the Company to the Customer that the said samples are ready, the later undertakes to send its technical manager to the production facilities of the Company in order to verify, in the name and on behalf of the Customer, the quality and the measurements of the sample. The Customer's technical manager, once having verified the quality and the measurements of the sample to the technical characteristics indicated in the Offer, will issue, in the name and on behalf of the Customer, the relevant approval to the production by signing the Approval/Non Approval Statement. If requested, the sample checks can be carried out by the Customer at its facilities provided the transport costs will be charged to the Customer.

been notified in writing to the Company within 8 (eight) days from delivery or, if hidden, from their discovery and only for the case of operational failure, within 8 days from discovery thereof.

With exclusive reference to the Die Parts: Unless otherwise agreed in writing between the Parties, the Company undertakes to remedy the defects of the Die Parts attributable to it, provided that: (i) such defects are not due to normal wear and/or inappropriate use and/or improper maintenance by the Customer and (ii) such defects have been notified in writing to the Company within 8 (eight) days from delivery or, if hidden, from their discovery.

9.3 With exclusive reference to Dies: in case of defects of the Dies, the Company will only be required to repair the same. The right of the Customer to demand the termination of the Agreement and/or compensation of damages is, however, excluded.

With exclusive reference to Die Parts: in case of defects of the Die Parts, without prejudice to what stated in article 9.1 the Customer must send at its own expense a sample suspected to be defective to the Company. If the sample results defective, the Company shall at its sole discretion; (i) replace the defective Die Part, or (ii) issue a credit note and reimburse the Customer the part of the price corresponding to the Die Part. The right of the Customer to demand the termination of the Agreement and/or damages is, however, excluded.

9.4 Such warranty will be valid for a period of 12 (twelve) months after delivery of the Products (hereinafter, the "Warranty Period") and will in no case be suspended or extended as a result of non use of the Product by the Customer, even if due to repair interventions under warranty.

9.5 The above warranty (obligation to repair or replace the Product) is in lieu of any other warranty or liability (both contractual and non-contractual) provided by law in relation to the Products supplied, remaining expressly excluded any liability of the Company for any direct, indirect, incidental, consequential damages that may result from defects and/or non-compliance of the Product.

9.6 Any complaints or claims notified by the Customer with regard to the Products will not entitle the Customer to suspend or, in any case, delay payment of the Products under dispute, nor of other supplies.

9.7 With exclusive reference to Dies: the Customer forfeits any right, guarantee, action and exception for faults, defects, imperfections or non-conformity of the Products, proper functioning which, according to ordinary diligence, could be discovered with the Approval/Non-Approval of the Products, unless they were specifically contested in writing in the relevant report, during or immediately after the same.

## SECTION II – START-UP OF THE DIES

### 10. START-UP

In addition to the provisions of Section I, the provisions contained in this Section shall apply every time that the Parties decide to include in the Sale Agreement the putting into operation of the Dies at the Customer's facilities (hereinafter, the "Start-up")

### 11. TYPES OF START-UP

11.1 The Customer must indicate in the Order the type of Start-up chosen.

11.2 The Customer may chose among (i) the delivery of the Dies without any start-up; (ii) Start-up performed by personnel made available by the Customer, under the Company's supervision; (iii) complete Start-up by the Company's technicians.

11.3 Once the Start-up has been completed, the Company will verify that it has been executed in accordance with the agreed technical specifications; if successful, it will send the Customer the relevant test report (the "Test Report") that must be signed for acceptance within 3 (three) working days from receipt thereof (the "Deadline for Acceptance") and returned to the Company. Any error in the execution of the Start-up, fault, defect, imperfection or non-compliance with the Die, which occurred during or immediately after the testing of the Die, must be specifically contested in writing in the Test Report.

11.4 Upon signing of the Test Report by the Customer, the Start-up will be deemed complete and the Die accepted; from that moment the Warranty period will begin to run.

11.5 **The Testing must be deemed to have taken place even in the event that, within the Deadline for Acceptance, the Customer has not returned to the Company a signed copy of the Test Report nor contested in writing the compliance of the Start-up or of the Die; in such event, the Warranty Period will commence to run from the day following the Deadline for Acceptance.**

### 12. WARRANTY OF THE WORKS

12.1 The customer forfeits any right, guarantee, action and exception for faults, defects, imperfections or non-conformity of the Products, as well as any defect in the execution of the Start-up which, according to ordinary diligence, would have been discovered with the Die Testing, unless they had been specifically contested in writing in the Test Report, during or immediately after the test or the put into operation thereof.

12.2 Unless, for the nature of the defect, it will be necessary to carry out the repair on site, the Customer will send to the Company the defective parts for their repair or replacement. In this case, the warranty obligation of the Company will be considered fulfilled with the delivery to the Customer of the duly repaired parts or of the replaced parts.

12.3 The delivery of the repaired or replaced parts is understood to be FCA (Incoterms 2010) production facilities of the Company.

12.4 **This warranty is further regulated by article 9 of these General Conditions**

## SECTION III: MISCELLANEOUS

### 13. APPLICABLE LAW AND COMPETENT JURISDICTION

13.1 These General Conditions are governed by Italian law, with express exclusion of the Wien Convention on Contracts of International Sale of Goods (except as provided by articles 8 and 11 of the Convention, which shall prevail over any other conflicting provision of Italian law).

13.2 Any dispute arising between the Parties in relation to the General Conditions and the Agreements governed by the same will be submitted to the exclusive jurisdiction of the Italian Forum, with the Court of Venice (Italy) having territorial jurisdiction.

### 14. MISCELLANEOUS

14.1 The fact that the Parties do not at any time exercise the rights recognized to them by one or more clauses of these General Conditions or of the agreements governed by them, cannot be construed as a waiver to such rights, nor can it prevent to claim for subsequent compliance thereof.

14.2 If any of the clauses of these General Conditions are declared invalid, illegal or ineffective by the competent court, the remaining conditions will continue in full force and effect for the party not affected by such clause.

14.3 Any communication between the Parties must be made through registered letter with acknowledgement of receipt, e-mail or fax and will take effect from the date of receipt thereof.

## 8. DELIVERY

8.1 Unless otherwise agreed in writing between the Parties, the delivery of the Products is understood to be FCA (Incoterms 2010 – to the Company's Facilities). Within 7 working days from the notice of goods ready for delivery sent by the Company to the Customer, the latter undertakes to appoint a forwarding agent or carrier for collection of the Products. The Company reserves the right to split the delivery in separate batches and to distribute them.

8.2 In the event that the Customer does not appoint a forwarding agent or carrier within the above mentioned period or the forwarding agent or carrier appointed by the Customer does not timely take delivery of the products, the Customer is required to pay the Company, as compensation for the deposit in stock, an amount equal to 0.5% of the price of the purchased Products indicated in the invoice, calculated per week of deposit up to a maximum amount corresponding to 3% of the value of the Order, without prejudice to the duty of the Customer to pay the penalties provided for in article 2.6.

8.3 If the Customer fails to collect the Products within 3 months from the notice of goods ready for delivery, the agreement will be considered automatically terminated due to serious breach by the Customer and the Company may proceed to the disposal of the Products by charging the relevant costs to the Customer, without prejudice to the Customer's obligation to pay the full price of the Products, subject to the Company's right to claim additional damages suffered.

8.4 The compensations stated in article 8.2 will apply also in the event that, having terminated the necessary processing, the Customer despite the written request of the Company omits to collect the equipment and/or materials belonging to it that had been temporarily sent to the Company for the manufacture of the Products. In case of delay in collecting the equipment and/or materials exceeding 90 days from the written notice by the Company, the latter will be entitled to proceed to the disposal of the Products, charging the relevant costs to the Customer.

## 9. WARRANTY OF THE PRODUCTS

9.1 The Company guarantees – on the condition that the Customer is not in arrear with payments – the absence of defects in material and workmanship of the Products within the use tolerances, their compliance with the specifications contained in the Agreement as well as the proper functioning of the Dies, in any case, within the terms and limits hereinafter specified.

9.2 With exclusive reference to the Dies: Unless otherwise agreed in writing between the Parties, the Company undertakes to remedy the defects of the Dies attributable to the same, provided that: (i) such faults and defects are not due to normal wear and/or inappropriate use and/or improper maintenance by the Customer, (ii) the Products have not been subject to repair, modification or disassembly by unauthorized persons of the Company, or the Dies have not been put into operation with methods or in conditions (including environmental) different from those indicated by the Company and (iii) such defects have