

TERMS AND CONDITIONS OF SALE

The following are the terms of any contract of sale between Buyer and MAV S.p.A. (hereinafter "Seller"), and shall prevail over any inconsistent terms in a Buyer's order unless Seller expressly consents in writing to said terms.

1. Prices and Terms of Payment

- a. Only prices stated on the invoice are binding upon Seller, and are subject to change without notice in Seller's sole and absolute discretion. Orders calling for future delivery will be billed according to the price in effect at the time of delivery, unless otherwise set forth in a writing signed by the Seller. Written quotations expire automatically sixty (60) days from the date issued unless otherwise stated in a writing signed by the Seller and are subject to termination within that period by Seller in its sole and absolute discretion.
- b. The acceptance of orders is subject to the approval, in Seller's sole and absolute discretion, of Buyer's credit by Seller. Unless otherwise specifically agreed upon in writing, payment terms are net thirty (30) days from the date of invoice (shipping date). All payments are to be made in Euro currency. Delays in transportation will not extend payment.
- c. The purchase price does not include sales, use or other similar taxes applicable, paid, payable, or assessed in connection with any order unless specifically stated as being included in the purchase price. Such taxes shall be paid by the Buyer to the Seller, or if authorized by law, by the Buyer directly to the taxing authority.

2. Shipments

- a. All prices are ex works Seller's plant or warehouse in Bosentino (TN). Method and route of shipment are at Seller's sole and absolute discretion, unless the Buyer supplies explicit instructions.
- b. All shipments must be insured by the Buyer and are made at Buyer's risk. BUYER ACKNOWLEDGES AND ACCEPTS THAT SELLER DOES NOT AND WILL NOT CARRY INSURANCE WITH REGARD TO THE SHIPMENT AND DELIVERY OF PRODUCTS.
- c. Seller shall not be liable for failure or delay in delivery or performing any of its obligations hereunder if such failure or delay is occasioned by compliance with any governmental regulation, request or order, or by circumstances beyond the reasonable control of the Seller including, but not limited to, acts of God, war, acts of terrorism insurrection, hostilities, fire, flood, accident, labor strikes, work stoppage or slowdown (whether or not such labor event is within the reasonable control of the Seller), or inability to obtain raw materials, supplies, interruption at facilities, transportation difficulties, power or equipment necessary to enable Seller to perform its obligations hereunder (collectively, an "Act of Delay"). In the event of an Act of Delay, the delivery period shall be extended for a reasonable period of time equal to the delay.

3. Cancellation Prior to Delivery

- a. Custom Made or Special Order Products. In order to cancel custom made or special order products PRIOR TO DELIVERY, Buyer must: I. Provide Seller with express written notification of Buyer's intent of cancellation; II. Obtain Seller's written consent to such cancellation, which consent can be withheld in Seller's sole and absolute discretion; and III. Reimburse Seller for all of its expenses incurred in connection with such cancellation plus a termination fee equal to ten percent (10%) of the purchase price of the order being cancelled.
- b. Standard Stock Merchandise. In order to cancel standard stock merchandise PRIOR TO DELIVERY, Buyer must: I. Provide Seller with express written notification of Buyer's intent of cancellation; II. Obtain Seller's written consent to such cancellation, which consent can be withheld in Seller's sole and absolute discretion; and III. Pay Seller a termination fee equal to ten percent (10%) of the purchase price of the order being cancelled.

4. Returned Goods

- a. After delivery, only standard stock merchandise may be returned provided all of the following conditions are met. Specifically, Buyer must: I. Provide Seller with express written notification of Buyer's intent to return merchandise; II. Obtain Seller's written consent to such return, which consent can be withheld in Seller's sole and absolute discretion; III. Pay Seller a restocking charge equal to twenty percent (20%) of the purchase price of the merchandise being returned.
- b. Merchandise must be in saleable condition, as determined by the Seller in its sole and absolute discretion, and be returned freight prepaid. No returns will be accepted after ninety (90) days from the shipping date.

5. Dimensions and Specifications

The Seller reserves the right, in its sole and absolute discretion, to make changes and improvements in its products at any time without notice. Catalog dimensions are approximate, and if exact dimensions are required, certified drawings will be furnished without charge upon request. Since weights shown in Seller's catalogs and literature are approximate and do not include weight of packaging for shipment, they cannot be used to determine freight allowances. Freight allowances will be determined at the time of shipment, based on actual shipping weight.

6. Limited Warranty

Seller warrants to Buyer that all MAV products shall be free of defects in materials and workmanship, as determined by Seller in its sole and absolute discretion based on standards generally accepted in the industry, for a period of two (2) years from the date of delivery to the Buyer. ALL WARRANTY CLAIMS MUST BE SUBMITTED IN WRITING WITHIN TEN (10) WORKING DAYS OF DISCOVERY OR THE WARRANTY CLAIM SHALL BE DEEMED WAIVED. Seller's sole obligation under such warranty shall be to repair or replace (at the option of Seller) such defective materials and/or workmanship or to make such changes or corrections with respect to such items as may be required to cause the same substantially to conform to the foregoing warranty, ex works Seller's plant or warehouse; provided, however, this warranty shall not apply to any product that has been subjected to misuse, misapplication, neglect (including but not limited to improper maintenance and storage), accident, improper installation, modification (including but not limited to use of unauthorized parts or attachments), adjustment or repair. Moreover, identifiable items manufactured by others but installed in or affixed to Seller's products are not warranted by Seller. THE WARRANTIES AND REMEDIES SET FORTH IN THIS SECTION 6 CONSTITUTE THE ONLY WARRANTIES WITH RESPECT TO MAV PRODUCTS, AND THE EXCLUSIVE REMEDIES IF SUCH WARRANTIES ARE BREACHED; AND SUCH WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

7. Limitations on Liability

Seller's liability under this sales contract for any cause whatsoever, and regardless of the form of action (whether in contract, tort, negligence, product liability, or otherwise) will be limited to general money damages (and no other relief) in an amount not to exceed the aggregate purchase price. UNDER NO CIRCUMSTANCES WILL SELLER BE LIABLE FOR ANY LOSS OR PROFITS, ANY CLAIM OR DEMAND AGAINST BUYER BY ANY OTHER PARTY, OR SPECIAL, CONSEQUENTIAL OR INDIRECT DAMAGES OF ANY KIND WHATSOEVER. IN NO EVENT WILL SELLER BE RESPONSIBLE OR LIABLE FOR ANY DAMAGES DUE TO IMPROPER STORAGE OR HANDLING OF PRODUCTS. Buyer agrees to indemnify, defend and hold harmless Seller, its subsidiaries and affiliates, and their respective officers, directors, employees and agents, from and against any and all claims, demands, damages, liabilities, costs and expenses (including reasonable attorneys' fees) arising out of the direct or indirect use of Seller's products.

8. Patents

Seller shall pay costs and damages finally awarded (after all appeals, if any, are finally determined) in any suit against Buyer or its vendees to the extent that such costs or damages are based upon a final nonappealable judgement that the design or construction of the product(s) as furnished infringes an Italian patent (except infringement occurring as a result of incorporating a design or modification at Buyer's request) provided (a) that Buyer promptly notifies Seller in writing of any charge of such infringement within three (3) working days of knowledge by and/or notice thereof to Buyer, and (b) that Seller has the right, at its expense, to settle such a charge and/or defend and control the defense or assertion of any suit or claim based upon such charge, and (c) that Buyer use its good faith best efforts to cooperate with and assist Seller in connection with any such matter and provide all information required by Seller and/or its attorneys or consultants in connection therewith, including but not limited to making available all personnel of Buyer for interviews, discovery proceedings, affidavits and or trials at Buyer's expense. This paragraph sets forth Seller's exclusive liability with respect to patents.

9. Claims

- a. Buyer shall inspect goods upon arrival. Any rejections or claims except for damage during transportation must be made in writing to Seller within seven (7) working days from receipt of goods. After such notice Seller has the option of inspecting goods at the Buyer's or Seller's premises before allowing or disallowing any claims.
- b. Claims for damages incurred during transportation must be immediately filed with the delivering carrier and Seller immediately notified in writing.

10. Miscellaneous

- a. This sales contract shall be governed and interpreted in all respects by the laws of Italy without regard to conflict of law principles.
- b. No representative of Seller has any authority to waive, alter, vary or add to the terms hereof without the prior approval in writing by Seller.