

GENERAL CONDITIONS OF SALE

The General Conditions of sale herein govern all current and future contracts of sale between the parties. Any amendment to the present General Conditions if sale shall be agreed between parties in writing.

Definitions.

For the purposes of this document, the following terms will be defined thus: Seller: the company 'PRATI SRL', via Deruta, 2, 48018 Faenza (Ravenna) – Italy. Buyer: the person/company/society who buys the Goods sold by Seller, pays directly or indirectly the price of goods agreed between parties and accepts the General Conditions of Sales herein. Details of Buyer, such as name, address, references and other, shall be indicated into the contractual documents shares between parties. Contract: this document in its entirety and all the contractual documents Seller and Buyer shall share between them in the present and future operations of sales, such as Offer, Purchase order, Order confirmation, Proforma invoice, etc. Date of effectiveness of the contract: the date of the acceptance of the contract and Buyer's correct fulfillment of payment conditions. Price and Currency: the amount and the currency, times by times, agreed between Seller and Buyer and stated in the Contract. Parties: the seller and the Buyer. Property: means the product (machinery and accessories) object of the Contract between Seller and Buyer. Terms of delivery: all references to commercial terms in this contract are made with reference to the corresponding Incoterms® 2010 rule, publication n. 715 of the International Chamber of Commerce, Paris (ICC)". Shipment date: the date of shipment of goods is to be considered the date of shipment stated in the transport document.

Offers.

Both parties undertake to maintain strict secrecy and reserve and not to divulge to third parties, in any form, any information or technological knowledge exchanged in the fulfilment and management of the contract, however acquired. All rights of industrial and intellectual property relative to the product supplied are, and will remain the exclusive property of the seller. Offers are valid for a period of 30 days from the date of issue unless otherwise stated in the Offer .

Purchase and Sale.

Subject to the Terms contained herein, the Seller agrees to sell, assign, transfer and delivery to the Buyer and the Buyer agrees to purchase from the Seller the machinery and accessories sold to the Buyer and specified in the Seller's order confirmation or Proforma invoice (the "Property").

Language.

The only language to be considered authentic and official between parties is the English one. In case documents and/or communications shared between parties are written in different languages, the English version shall prevail.

Form of the contract.

Any price lists or material describing the products sent by the seller not explicitly containing the term 'offer' or an equivalent terms, is not valid as an offer. After Buyer's acceptance of the Offer and his submitting of a Purchase order to Seller, the contract will be considered complete and binding upon parties only when Seller sends the Buyer an Order confirmation and/or a Proforma invoice. With accepting of the offer and then submitting a purchase order, the contract, unless cancelled in writing within seven days of receipt, is considered effective and binding, requiring the observance of the general conditions of sale specified herein.

Product characteristics.

The products ordered by the Buyer will be manufactured as defined, times by times, in the Contract. The Buyer shall be solely responsible for securing any and all permits necessary to comply with all laws, regulations and municipal by-laws (including all safety, health and sanitation laws, ordinances and regulations) related to the installation and operation of the Property. Any information contained in catalogues, prospectuses, circulars, advertisements, price lists or any other illustrative documentation by the Seller, and any of the characteristics of samples or models sent by the Seller to the Buyer, is not binding unless expressly specified in the contract.

Guarantee for the goods and limited responsibility.

The Seller guarantees that its products will comply with the specifications expressly agreed upon at a prior date by both parties in the “Technical characteristics” and accepted as such by the Buyer. The guarantee covering defects is limited to product defects due to manufacturing or material faults attributable to the Seller. The guarantee does not cover machine parts subject to normal wear, such as: rubber sleeves and expansion grips for chucks, drive belts, etc. For the silicone coated rollers, the guarantee only covers the adhesion of the coating to the metal. The guarantee is only applicable to original replacement parts. The Seller, furthermore, is not bound by the guarantee in the event of faults, malfunctions and/or reduced performance due to any external factors, such as, for example: tampering, modification or repairs by persons not authorised in writing, incorrect voltage in power supply lines, no conformity with the predispositions required, radio interference or any other form of interference, mains line disturbances, negligence, failure to conduct maintenance as specified in the manual containing the instruction to comply use of the Products that representing on integral part of Contract, user incompetence, fire, natural phenomena and war.

All shipments of products and/or any type of replacement part, whether as replacements under guarantee or otherwise, samples, etc. will be adequately packed and protected both internally (with shock protection filler) and externally (robust, sealed boxes) to prevent damage during transport rendering inspection difficult and/or requiring repair.

When returning electronic material (boards, devices, Eprom chips and all other components, whether under guarantee or otherwise) the Buyer must return the component in its original or equivalent packaging and must only use anti-static bagging or packaging in contact with the device (boards, etc.). The use of any inappropriate packing voids the guarantee, resulting in the full price of the goods being invoiced to the Buyer.

The guarantee is considered void in the following cases: 1. if parts returned as defects are found to have been tampered with, or inappropriately or incorrectly repaired without

the authorisation of the Seller; 2. in the event of non-payment, whether total or partial, for the goods. Unless otherwise specified in the Contract, the guarantee has a validity of 12 months/2000 working hours starting from the shipping date as stated in the related transport document, and a validity of 6 months for replaced parts, subject to the receipt of a correctly compiled complaint from the Buyer, in compliance with the following article, and subject to the express request for services covered by the guarantee received by the Seller in writing from the Buyer. In response to the aforementioned request, after considering the nature of the complaint and within a reasonable period of time, the Seller is bound to (at its own discretion) either: a) provide the Buyer free of charge with the same type and quantity of replacements for the parts considered

defective or non-compliant with the agreed terms; in this event, the Seller may demand the return of said defective parts, which will become the Seller’s property; b) at its own expense, repair parts considered defective or modify parts that do not comply with the agreed terms.

Defective materials must be reshipped, at the Buyer’s expense, to the Seller for replacement within 15 days of receipt of the goods. In the event of inobservance of the above, the catalogue price for the replacement parts applicable at the time of replacement will be charged to the Buyer. Replacement material will be shipped to the Buyer’s address or to the dealer at the expense of the Seller. If, upon inspection of the returned material, the Seller determines that the case is not subject to the conditions of guarantee, the full price of the material shipped will be invoiced to the Buyer, in addition to the shipping costs incurred. In the event of technical assistance performed under guarantee at the premises of the user, labour costs will be at the expense of the Seller, whereas all expenses for transfer, board and lodgings will be at the expense of the Buyer.

Seller’s obligation under said warranty is limited to replacing or repairing at Seller’s option and upon examination by Seller, any part or parts of such Property which have been promptly reported by Buyer in writing as having been defective in material workmanship. Seller’s obligation under this warranty is limited, at its option, to correction of the defective parts if any, or removal of the Property at the Seller’s expense, in which latter case Seller will refund payment theretofore made by Buyer hereunder.

Except for the express warranties set above, seller disclaims all warranties, including, but not limited to, a warranty of the quality, utility, merchantability, fitness for any particular purpose or any other characteristic of the Product. Without in any way limiting the generality of the foregoing, Seller’s liability for damages, regardless of the form of action, whether based on proprietary rights, contract or tort, shall not in any circumstances whatsoever exceed the aggregate of all amounts theretofore paid by

Installation and limited responsibility.

The Seller agrees to furnish a competent person to supervise the installation of the Property and training of personnel following the conditions stated in the documents shared between Buyer and Seller, such as Offer, Purchase order, Order confirmation, Proforma invoice, etc.. Buyer agrees to furnish a suitable foundation on which the Property is to be located and to hold Seller harmless from any loss or liability to Buyer's employees or others by reason of personal injury arising out of Buyer's negligent installation, operation or maintenance of the Property, or from the operation of the Property by Buyer while it is connected to another machine or device not approved by Seller.

Improvements.

It is agreed that Seller shall have the right to make changes or improvements in design or construction of its machinery or equipment without being obligated to install or retrofit the changes or improvements on the Property purchased hereunder or other machinery previously sold to the Buyer. Buyer further agrees not to copy, reproduce, reverse engineer, allow access to the Property for such purpose by any other parties, or disassemble the Property other than to the minimum extent required for routine maintenance.

Form and terms of claims.

Complaints regarding the compliance of the products must be made in writing and must indicate in detail the defects and/or non-compliances contested within 30 days from the shipping date stated in the related transport document.

Delivery and shipping.

Delivery, shipment and installation dates are estimated dates only, and unless otherwise stated, are calculated from the date of receipt by the Buyer of all required technical data and information. Delivery.

Shipment and installation dates are subject to extension for delays caused by fire, accidents, labour disputes, striker or stoppages of any sort, failure or delay in obtaining materials or parts, Acts of God, force majeure or change to the order. The Seller shall not be liable for any losses or damages, whether direct, indirect, special or consequential which may arise from delays caused by any of the above.

Unless otherwise specified in the Contract, the goods will be delivered according to the Incoterms® 2010 CPT (Carriage paid to...) rule. The place of destination will be agreed between parties. It is understood that delivery and shipping of goods are at the risk of the buyer, even when shipped by, and at the expense of, the Seller. The delivery of products is subject to Buyer's correct fulfilment of contractual obligations, in particular, the ones concerning the payment of Goods. The Seller has the right not to deliver any goods ordered by Buyer in case previous Buyer's order has not already been paid. The Seller cannot be held responsible for delays due to causes beyond its control.

Price and terms of payment.

The Buyer is bound to pay the sum concerning each order provided. Payment of goods shall be made in accordance with the modalities and through banks agreed, times by times, in the documents shared between Buyer and Seller, such as Offer, Purchase order, Order confirmation, Proforma invoice, etc. In case the Buyer, in order to fulfil all his payment obligations, will have to provide a documentary credit, or a payment guarantee or a standby letter of credit, such instruments shall be provided following the conditions stated in the documents shared between Buyer and Seller, such as Offer, Purchase order, Order confirmation, Proforma invoice, etc. Both parties agree that the delivery of goods is subject to Buyer's correct fulfilment of payment conditions.

In the event of a default by Buyer hereunder, Seller, at its option, may declare the entire unpaid portion of the purchase price to be immediately due and payable, retain all sums paid by buyer and take immediate possession of the equipment, without notice, demand or legal process, and without liability to Buyer in damages for so doing.

Conditional sale.

In the event of a part or the entirety of the payment remaining unpaid after delivery, the delivered goods will remain the property of the Seller until the full price agreed has been paid.

Causes beyond the Seller's control and limited liability.

In the event of fire, building failure, floods, missed supplies, transport disturbances, delays by suppliers or transport agents, strikes, lock-outs or any other event beyond the control of the Seller, which impedes or significantly reduces production and/or causes delays in delivery, the party affected (Seller) has the right to be granted a sufficient extension (to be defined from case to case) of the terms of delivery, or for the collection of returned products, provided that it informs the other party of the aforementioned causes beyond its control in good time. Once the extended terms described above have elapsed, should the conditions beyond the Seller's control continue, the other party may cancel the contract, informing the breaching party in writing by registered mail with return receipt. In this case, the latter party will not be liable for damages.

Interpretation, modifications.

Any interpretation of the general conditions of sale may only be made with reference to the wording herein. Any modification or amendments to these general conditions of sale made by either party to the contract must be made in writing. Inobservance of this term cancels the contract. The exemption of any one or more of the terms of these general conditions does not extend or apply to any other term and does not implicate an intention to waive the general conditions as a whole. This Agreement is non-cancelable by the Buyer. In addition to any other rights and remedies of the Seller set forth herein or available at law, If Buyer cancels the contract at any time prior to delivery of the Property, Buyer shall at Seller's option pay all reasonable cancellation charges incurred by Seller, which shall include expenses already incurred, the cost to Seller of canceling it and Seller's anticipated profit which the Buyer and Seller agree is a genuine pre-estimate of Seller's liquidated damages and are not a penalty.

Contractual law.

In the absence of any other agreements between the parties, all sales contracts and the general conditions for sale herein will be subject to the Vienna Convention on the sale of moveable goods, dated 1980, henceforth referred to as the VCMG. All matters not expressly regulated by the VCMG will be subject to Italian law.

Resolution of disputes.

Any disputes arising out or in connection with the herein Contract and with all current and future contracts of sales between the parties shall be settled with conciliation procedures. In case such conciliation procedures fail to carry to a satisfactory solution for both parties, in absence of any other agreement between the parties, the courts of Ravenna (Italy) shall have exclusive jurisdiction.

All liabilities and obligations of Seller under this agreement terminate 12 months after date of shipment of the Property. The foregoing warranties are in lieu of all other warranties express or implied, and of all obligations or liabilities on the part of Seller for damages arising out of or in connection with the use or performance of the Property. This Agreement expressly supersedes any other terms and conditions relating to the sale of the Property to the Buyer hereunder, excepting that terms respecting purchase price and terms of delivery listed set out in the order acknowledgment for the sale of the Property shall be incorporated by reference herein.

The Seller reserves the right to submit the dispute for deliberation to the competent judicial authority for the domicile of the Buyer. The aforementioned conditions regulate all dealings, pertinent to the supply of goods in response to your orders and subject to our confirmation, conducted between our company (Seller) and yours (Buyer).