

GENERAL CONDITIONS OF SALE

ART. 1 DEFINITIONS

1.1 In these General Provisions the following words and expressions shall have the meaning ascribed to them hereinafter:

- "the Seller" means TORRINI SRL - MANIFATTURA ORAFA
- "the Purchaser" means the person, firm or company to be supplied with the Products by the Seller;
- "the Products" means the products, materials and/or other items to be supplied pursuant to the Contract;
- "the Contract" means the contract for sale and purchase of the Products made between the Seller and the Purchaser to which these conditions apply;

ART. 2 SCOPE

2.1 These Conditions apply to the Contract and shall prevail over any inconsistent terms or conditions contained or referred to in the Purchaser's order or in correspondence or elsewhere unless specifically agreed in writing by a Director on behalf of the Seller and any conditions or stipulations to the contrary are hereby excluded or extinguished.

ART. 3 CONCLUSION OF THE CONTRACT

3.1 The Contract shall be deemed to have been entered into when, upon receipt of the order, the Seller has mailed his acknowledgement of such order. If by virtue of the order, or as a result of practices which the Parties have established between themselves, or of a usage, the Seller may accept the order by performing an act without notice to the offeror, the Contract is concluded when the performance of the act begins.

3.2 If the acceptance of the Seller, in reply to an order, contains additional or different terms, it nonetheless constitutes an acceptance, unless the Purchaser, without undue delay, objects in writing to the discrepancy.

3.3 An order may be revoked if the revocation reaches the Seller before he has dispatched his acceptance, or in case of acceptance by conduct, before the Contract has been concluded under art. 3.1.

3.4 It is agreed that any information relating to the goods and their use, such as weights, dimensions, prices, and other features contained in catalogues, prospectuses, circulars, advertisements, illustrations, price-lists of the Seller, shall not take effect as terms of Contract unless expressly referred to in the Contract.

3.5 The Seller may make any changes to the products which, without altering their essential features, appear to be necessary or suitable.

ART. 4 PRICES

4.1 Unless otherwise agreed in writing, all prices quoted are in Euro or in Italian Lire and do not include Value Added Tax. The price is to be considered as the net price and any type of discount requires a price agreement upon such in writing.

4.2 If no price has been agreed, the Seller's current list price at the time of conclusion of Contract shall apply.

4.3 The price indicated under 4.1 (Contract price) includes any costs which are at the Seller's charge according to the Contract.

ART. 5 PAYMENT CONDITIONS

5.1 Unless otherwise agreed upon in writing, or implied from a prior course of dealing between the parties, payment of the price and of any other sums due by the Purchaser to the Seller shall be on PAID AT SIGHT HERAFTER THE DELIVERY OF THE ITEMS OR REPAIR, from the date in which the Seller has mailed his acknowledgement of the order. The amounts due shall be transferred, unless otherwise agreed, by teletransmission to the Seller's bank in the Seller's country for the account of the Seller and the Purchaser shall be deemed to have performed his payment obligations when the respective sums due have been received by the Seller's bank in immediately available funds.

5.2 In case of delay in payment with respect to the stipulated date, the Purchaser shall pay to the Seller interest equal to the discount rate of the country of the Seller, increased by three points, starting from the date on which payment was due.

5.3 If the Purchaser fails to make payment in the time and manner specified by the Seller or becomes insolvent or has a receiver appointed or passes a resolution for winding up, the Seller may suspend, at its option, further deliveries and may be entitled to terminate the Contract by giving notice in writing. On being asked to do so by the Seller, the Purchaser must return to the Seller any goods that have already been delivered and reimburse the latter for the depreciation of the goods in addition to defraying all expenses properly incurred by the Seller in the performance of the Contract. As regards goods which have not yet been delivered, the Seller shall be entitled to place the finished or unfinished parts, as the case may be, at the disposal of the Purchaser and debit the Purchaser's account with the corresponding share of the selling price.

5.4 If payment is delayed and some kind of discount was stipulated, such discount shall be considered as no longer being applicable due to the inexact fulfilment of the Purchaser which thus shall be obliged to pay the price in full.

5.5 It is agreed that any complaints or objections do not entitle the Purchaser to suspend or to delay payment of the products as well as payment of any other supplies. The Purchaser is not entitled to withhold payment because of claims of warranty or other counter-claims not recognised by the Seller as being valid.

5.6 Unless otherwise agreed, any expenses or bank commissions due with respect to the payment shall be for the Purchaser's account.

ART. 6 TERMS OF DELIVERY

6.1 Except as otherwise agreed, the Seller shall deliver the Products "Ex Works" (INCOTERMS IN COURSE)

6.2 The Seller shall deliver the goods within a reasonable period after the conclusion of the Contract, if a date was fixed, by mutual agreement between the Parties, this is not to be considered as a binding deadline. The Seller shall not be under any liability to the Purchaser in respect of any delay in delivery howsoever arising. In any case the delivery terms will begin as from the day in which the Buyer's instructions with regard to the Product's contents and features have reached the Seller.

6.3 Any complaints relating to packing, quantity, transit damages, number or exterior features of the goods (apparent defects), must be notified to Seller, by registered letter with return receipt, within 7 (seven) days from receipt of the Products; failing such notification the Purchaser's right to claim the above defects will be forfeited. In absence of claims within these time limits, the Products shall be deemed to have been properly delivered.

6.4 Where the Purchaser does not take delivery of the Products at the place and the time provided for by the Contract, the Seller shall be entitled to store, at the risk and charge of the Purchaser, any Products which the Purchaser refuses or fails to accept and the Purchaser shall, in addition to the invoice price, pay all costs of such storage and any additional costs of carriage incurred as a result of such refusal of failure. Where the Purchaser does not take delivery of the goods at the place and time provided for by the Contract for any reason other than an act of commission or omission of the Seller, the latter shall be entitled to either claim specific performance or, after granting a reasonable period of time for taking delivery, to withdraw from the Contract.

6.5 If, for any reason for which the Seller is not responsible, the Purchaser fails to accept delivery within the delivery time, as established in paragraph 6.4, the Seller may by notice in writing terminate the Contract in whole or in part. The Seller shall then be entitled to compensation for the loss he has suffered by reasons of the Purchaser's default.

6.6 Any delay caused by force majeure (as defined in art. 9) or by acts of omissions of the Purchaser (e.g. the lack of indications which are necessary for the supply of the Products), shall not be considered as a delay for which the Seller is responsible.

ART. 7 RETENTION OF TITLE

7.1 Until such time as full payment has been received by the Seller for all products whatsoever supplied, all products shall remain the property of the Seller to the extent that such retention of property is valid under the applicable law.

7.2 If the Purchaser does not perform his obligations under the Contract, especially if payment is delayed, the Seller, after giving prior notice, shall be entitled to recover the goods and the Purchaser shall return the same.

7.3 The Purchaser shall neither pledge the goods nor transfer the title of them for the purpose of securing a debt. In the case of seizure, attachment, or other measures taken by a third party he shall inform the Seller forthwith.

7.4 The Purchaser undertakes not to process, incorporate, give as security or resell the goods sold as long as the price has not been paid in full, without formal advance authorisation from the Seller. The Purchaser, however, already assigns all debts (receivables) arising out of the resale to customers or third parties of the goods to which title is retained by the Seller equal to the amount of the goods invoiced on which property is retained.

ART. 8 TERMS OF WARRANTY

8.1 The Seller warrants that all the Products supplied in virtue of the present Contract are in conformity with the intrinsic characteristics indicated in the order.

8.2 The Seller's liability is limited to the terms indicated in art. 8.1. The Purchaser shall examine the products as soon as possible after their arrival at destination and shall notify the Seller in writing of any lack of conformity of the Products within 8 (Eight) days from the date of receipt of the goods. The notice shall contain a description of the defect. If the Purchaser does not notify the Seller of a defect within the time-limits set forth in this Clause, he shall lose his right to have the defect remedied.

8.3 Where products are non-conforming (and provided the Purchaser, having given notice of the lack of conformity in compliance with paragraph 8.2, does not elect in the notice to retain them), the Seller shall repair the defective products or the defective parts.

8.4 Where the Seller has defective products or parts returned to him for repair, the Purchaser should, unless otherwise agreed, bear the cost and risk of carriage. The Seller has fulfilled his obligations in respect of the defects when he delivers to the Purchaser a duly repaired part. The Products repaired under the warranty will be considered in conformity with their intrinsic characteristics.

8.5 Where Products are made to order by the Seller in accordance with design and construction specifications, drawings or models supplied by the Purchaser, the liability of the Seller does not extend to the correctness of the design but to its execution in accordance with the instructions of the Purchaser.

8.6 Products will be deemed to conform to the Contract despite minor discrepancies which are usual in the particular trade or through course of dealing between the parties.

8.7 It is agreed that the above mentioned guarantee or liability (i.e. the obligation to repair the Products) is in lieu of any other legal guarantee or liability with the exclusion of any other Seller's liability (whether contractual or non-contractual) which may anyhow arise out of or in relation with the Products supplied (e.g. compensation of damages, loss of profit, recall campaign, etc.).

8.8 The Seller does hereby represent and guarantee that the Products shall comply with the rules and regulations, if any, of the European Union (EU) which are applicable to such Products.

ART. 9 FORCE MAJEURE

9.1 The Seller shall not be liable to the Purchaser for any loss or damage which may be suffered by the Purchaser as a direct or indirect result of the Seller being prevented, hindered or delayed in the performance of its obligations under the Contract by reason of any force majeure circumstances.

9.2 In these Conditions force majeure circumstances shall mean: industrial disputes and any other circumstance beyond the control of the parties such as fire, war, extensive military mobilisation, insurrection, requisition, seizure, embargo, restrictions in the use of power and defects or delays in deliveries by sub-contractors caused by any such circumstances referred in this paragraph.

ART. 10 TRADEMARK

10.1 The Seller is the exclusive owner of know-how, Trade-Marks and Trade-Names relating to the Products named Torrini. The Trade-Mark constitutes the Insignia of Torrini in Florence and is registered and deposited through OMPI as the Trade-Mark

which represents Torrini's production, in the country of destination of goods, as indicated from Madrid Convention.

10.2 The Name and Trade-Mark are given in use to Torrini's Authorized Dealers exclusively for the publicity of Torrini products.

Any use, different from that stated above, is not permitted unless authorized by Torrini. The Name and Trade-Mark may not be exhibited in such a manner so as to cause confusion with the Authorized Dealers' insignia or any other insignia.

10.3 It is absolutely forbidden to counterfeit or confuse Torrini's Name and Trade-Mark with other similar products on display.

10.4 Torrini's Name and Trade-Mark must no longer be used when commercial relationships between the parts terminate, whatever the reason may be.

All advertising material must be returned to Torrini.

10.5 Torrini has the right to demand the return of all material, which carries its registered Trade-Mark and Trade-Name and to inhibit its use and exhibition at any time during the commercial relationship.

10.6 The Purchaser recognizes the value and the goodwill created by the Seller in the Trade-Mark. The Purchaser warrants that he neither has nor will acquire or represent that he has any right in or to the Trade-Mark nor their registration.

ART. 11 TERMINATION

11.1 The Seller shall have the right to terminate the Contract, if the Purchaser commits a material default of any of its obligations under the agreement, provided always that prior to termination hereof the Seller shall notify the default in writing to the Purchaser, stating a reasonable time, at all events not exceeding 15 (fifteen) days from the date the notice is received, within which the Purchaser shall have to remedy said default.

11.2 Should said default remain unremedied for the reasonable period stated in the above mentioned written notice, the Seller may terminate the agreement at the end of said reasonable period upon giving written notice to the Purchaser, saving always the right of the Seller to claim damages from the Purchaser.

11.3 In any case, the Seller shall be entitled to terminate the Contract, at any time and without notice, if the Purchaser is declared bankrupt or becomes insolvent or makes an assignment for the benefit of creditors, or the Purchaser enters into liquidation, either voluntary or involuntary, or the Purchaser is acquired by or merges with or transfers its assets to a competitor of the Seller.

ART. 12 APPLICABLE LAW

12.1 Any questions relating to the Contract and to these General Provisions which are not expressly or implicitly settled by the provisions contained in the Contract itself (i.e. these General Conditions and any specific conditions agreed upon by the Parties) shall be governed :

- a) by the United Nations Convention on Contracts for the International Sale of Goods (Vienna Convention of 1980, hereafter referred to as CISG), and
- b) to the extent that such questions are not covered by CISG, by reference to the law of the country where the Seller has his place of business with the exception of art.

7 of these General Conditions which, instead, shall be governed by the law in force at the place where the Product sold by the Seller might have been located.

ART. 13 JURISDICTION

13.1 Any dispute between the Parties that cannot be settled by mutual agreement, concerning the interpretation, the performance of the obligations, breaches, termination, or enforcement of the Contract or which arises in connection with these General Conditions shall be settled by the competent Court of the place where the defendant has his registered office.

END.