

GENERAL TERMS AND CONDITIONS OF SALE

1. Purpose of this document

- 1.1. This document wants to set the general business' rules between Ellamp S.r.l. (in the following "Ellamp") and each his Customer (in the following "Purchaser").

2. Exclusive validity and acknowledgement of Ellamp General Terms and Conditions of Sale

- 2.1. Ellamp offers are based on this General Terms and Conditions of Sale. The acceptance of all purchase orders is subject to these terms and conditions. Any other General Terms and Conditions of the purchaser or regulations by the purchaser which are not in conformance with the present General Terms and Conditions of Sale or agreements, shall only be binding if they have been expressly acknowledged by Ellamp in writing.
- 2.2. Upon placement of the order or acceptance of delivery, the Purchaser shall acknowledge the validity of Ellamp General Terms and Conditions of Sale, both for the particular transaction in question, as well as for the future transactions.

3. Offers – Subsidiary Agreements – Content of Agreement

- 3.1. Ellamp offers shall be without obligation, meaning that an agreement shall only come into existence at the time when Ellamp accepts the purchase order. Ellamp may accept or reject the purchase order. Ellamp may accept or reject purchase orders within a time period of three weeks after receipt of same.
- 3.2. Ellamp products sale must be confirmed before it shall become valid.
- 3.3. Ellamp could withdraw the acceptance without any charge, contract obligation and/or pre-contractual obligation if the Purchaser will not countersign this present "General Terms and Conditions of Sale".
- 3.4. Orders from Purchaser can be cancelled within and no further five days from issue date.

4. Prices

- 4.1. Ellamp prices shall apply for the delivery ex-works or ex-warehouse excluding freight, packaging, insurance, customs and other fees and excluding value added tax, unless Ellamp has expressly indicated that a specific price shall include one of the previous items.
- 4.2. The confirmed prices are based on the applicable wage, material and energy costs at the time the agreement is entered into. Should these costs increase before the time at which the order is actually carried out, Ellamp reserves the right to charge a price that has been respectively increased over the stipulated price, based on the percentage share of these costs.
- 4.3. Price is defined following minimum quantity agreed with the Purchaser. The quantity has to be respected, otherwise Ellamp will charge the value of the material in warehouse already bought and the selling price will be updated.

5. Shipping

- 5.1. Unless Ellamp receive special shipping stipulations, the products shall be shipped in accordance with the shipping method deemed most appropriate in Ellamp estimation. The product shall be shipped to the account and at the risk of Purchaser. If products are to be shipped to the Purchaser upon the purchaser's request, any risk of incidental destruction or incidental deterioration or loss of the product shall be transferred to the Purchaser upon delivery of the product to the company commissioned to handle the shipment, at the latest however upon leaving the plant or warehouse, regardless of whether the shipment is carried out from the place of fulfilment, or whether the supplier carries out the shipment through the services of a vicarious agent and regardless of who is responsible for the transportation costs. If the product is ready for shipment and if the shipment or the acceptance of shipment is delayed for reasons falling outside Ellamp area of responsibility, then the risk shall be transferred to the Purchaser at the time of receipt of notice that the order is ready for shipment.
- 5.2. Ellamp will charge extra warehouse costs if the products will be not picked up from the Purchaser within 15 days after the receipt of notice that the order is ready for shipment.
- 5.3. Shipping is settled by "Incoterms 2000".

6. Delivery dates and deadlines

- 6.1. Agreed delivery dates and deadlines for Ellamp deliveries are just as an indication and shall not be absolute, nor they represent a legal obligation if not expressed otherwise weight by Ellamp.
- 6.2. The delivery date shall be extended even within the time period of a delay in delivery. Revisions to the delivery agreement, which impact the delivery date, shall affect an appropriate extension to the delivery date. The delay of the delivery indicated on the Order Confirmation shall not be entitle to an indemnity and the purchaser shall not withdraw the contract.
- 6.3. For standard series production (layout approved):
 - 6.3.1. 6-7 weeks from order receipt if Purchaser can give to Ellamp a 4 months forecast production. The forecast must be confirmed and updated every month. (reliability of forecast +/- 10%).
 - 6.3.2. 8-9 weeks (ELLAMP standard delivery without any information of forecast), if Purchaser cannot give to Ellamp any forecast production. The delivery date will be given with order confirmation from ELLAMP.
 - 6.3.3. Ellamp will inform the Purchaser about any modification of delivery date in case there are some raw material and components (for example melamine) that have a longer lead time)
- 6.4. Prototype: Delivery will be defined after section freeze.
 - 6.4.1. Deliberation of prototype must be gave from Purchaser within 6 month from date of delivery of prototype. Ellamp will not accept claims on products delivered after the prototype if the prototype will be not frozen in the time requested.
- 6.5. Non Standard layout: Delivery will be defined after section frozen.

7. Modification and new layout / Phase Out

- 7.1. Modification will be evaluated every time the Purchaser will request and will be discussed with new commercial offer. For the new layout (length, position of seats...) Ellamp will charge the cost drawing modification.
- 7.2. Purchaser must inform Ellamp on time in case of production phase out (6 months in advance) in order to give Ellamp the possibility of managing the purchase of raw material in order to avoid extra cost of warehouse that will be charged to Purchaser.

8. Liability for Defect /Warranty

- 8.1. The Purchaser shall notify us immediately in writing upon discovery of any defects in the delivered products. The notification period for defects is a maximum of 30 days from the receipt of the product by the purchaser. If the purchaser should fail to provide immediate or timely notification of a defect, or if the product is modified after the defect has been detected or could have been detected, the purchaser shall thereby lose all warranty rights.
- 8.2. The defect of a portion of the delivered products does not entitle the purchaser to reject the entire delivery.
- 8.3. In cases where a duly reported notification of defect is justified and if requested by us, the purchaser shall return the rejected product at his expense. In this case Ellamp shall deliver a replacement product in flawless condition, but only after Ellamp has received said returned product.
- 8.4. The warranty is 24 months from the date of delivery, Defective parts shall be claimed to Ellamp within 30 days from material receipt. Missing parts shall be claimed to Ellamp within 45 days from material receipt.
- 8.5. Claims are analysed by Ellamp only if the Purchaser will send complete information (in Italian or in English) for each of the following items:
 - 8.5.1. Document of Delivery (number and date)
 - 8.5.2. Invoice's number or order's number
 - 8.5.3. Pictures of the possible problem
 - 8.5.4. Precise description of the possible problem
 - 8.5.5. Codes involved
- 8.6. Claims regarding packaging and transportation will be taken in consideration only if there are not in the EX WORKS delivery terms. These claims shall be provided with picture and BL.
- 8.7. Return of the goods, restore of the product, must be authorized from Ellamp Quality Service.
- 8.8. Debit notes issued by the Purchaser regarding stuck of production, delay, quality of the product will be not accepted without a previous written agreement between the Purchaser and Ellamp. The Purchaser cannot deduct from the invoices' payment the value of the debit note.

9. Invoicing – Payment

- 9.1. Ellamp issues invoices as soon as the ordered products are ready for shipment or ready to be picked up. For non recurring costs, invoices will be issued after the acceptance by the purchaser of the first piece out of the moulds; if not otherwise agreed in writing.
- 9.2. Ellamp invoices shall be due as indicated in the Order Confirmation.
- 9.3. If the Purchaser fails to pay by the due date, Ellamp may:
 - 9.3.1. Charge interest in the amount of the costs of the current credit of Ellamp house bank of the prime rate ABI, up to a maximum 5 percentage points above the current basic interest rate of the European Central Bank.
 - 9.3.2. Stop each delivery, and each work in progress for the orders received from the Purchaser within the total overdue will be not settled.
 - 9.3.3. In case of deferred delivery orders - to be made on the basis of one single contract - Ellamp will have the right to suspend the supply, even in the case where the Purchaser misses just one of the scheduled payment deadlines.

10. Documents setting

- 10.1. Every change or derogation to the agreement not provided in this contract shall be stipulated in writing and shall be accepted by Ellamp.
- 10.2. In case of discrepancy in the contents between this General Terms and Condition of Sales and the Commercial Offer the second document (Commercial Offer) has the precedence.

11. Secrecy & Property

- 11.1. All technical information, advice, know-how drawings designs specifications and other things communicated or supplied by Ellamp shall remain the property of Ellamp and shall not, without the Ellamp express and written consent be disclosed or shown to a third party and shall be used solely for the purpose of this contract. This order shall be treated as confidential and shall not be disclosed to any third party, without the consent of Ellamp.
- 11.2. The ownership of the good remain at Ellamp until the Purchaser conclude the whole payment of it.

12. Charge and Expense

- 12.1. Every charge and duty is paid by the purchaser, included the transcription of the pact of reserve of property, tax and duty.

13. Place of Performance – Place of Jurisdiction – Applicable Law

- 13.1. The exclusive place of jurisdiction for all disputes from and regarding the agreement, as Ellamp as for bill and check procedures, shall be the tribunal of Varese (Italy).

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