

#### GENERAL TERMS OF SUPPLY

1. **GENERAL TERMS** – This supply is subject to the General Terms set forth hereinbelow, unless otherwise by special terms expressly specified in the order.  
Acceptance by the supplier of all terms included therein will be presumed, irrespective of the subscription thereto by the supplier, such terms being considered substantial part and parcel of the contract of supply. Accordingly, any clause affixed by the supplier, even in print, to his invoices, memos and correspondence, contrary or however in addition to general and special order terms, shall be deemed not to have been written at all.
2. **DELIVERY TIME** – Delivery times shown in the order, with express or implied acceptance thereof by the supplier, shall be binding. Any change thereof requires a written authorization by METALSCATOLA. In the event of default in delivery times, even for just a part of the order, on the expiry of two weeks of grace from the scheduled delivery date and subject to duly evidenced contingencies beyond the supplier's control to be promptly notified by the latter in writing, METALSCATOLA reserves the right at its option:
  - a) to hold the order firm. In such event METALSCATOLA may apply to the supplier a penalty equal to two percent (2%) of the value of non-delivered material for every week of delay, up to an aggregate of fifteen percent (15%) of the overall value of the goods, without prejudice to its right to indemnification for extra damages if any;
  - b) to consider the order canceled by right. In which event it will suffice for METALSCATOLA to notify the supplier accordingly, METALSCATOLA being released from the offer in pursuance of Paragraph 1 Art. 1517 of the Civil Code;
  - c) to procure elsewhere, at any time, the material under supply (even out-side of te cases provided for by Art. 1516 of Civil Code), charging the supplier for the difference between the expense sustained for the purchase thereof and the price agreed in the order.
3. **DELIVERY WARRANTS** – Materials shall be accompanied at all times by bills of parcel, showing – the provisions by the law standing firm – order number, code, design and accurate specification of the materials delivered.
4. **CONSIGNMENT OF THE GOODS** – Consignments for which the above formalities have not been complied with, may be refused acceptance by warehouses. Any material consigned prior the returning this purchase order, duly subscribed to, shall be deemed to be consigned solely for holding, without any responsibility on METALSCATOLA's part or, at the receiver company's option, for irregular storage with the sole engagement by METALSCATOLA's to pay for the material effectively used, its value curtailed by custody and delivery charges if any. Unless otherwise agreed upon, goods are always deemed to be delivered free METALSCATOLA's warehouse (quantity or weight to be acknowledged by METALSCATOLA; even when the freight is for METALSCATOLA's charge, the consignee's risk shall pass on at time of receipt by METALSCATOLA only.
5. **MATERIAL CONSIGNED IN EXCESS** – METALSCATOLA assumes no liability whatsoever for any material supplied in excess of the quantities specified in this order, even when such excess material may have entered its warehouse. METALSCATOLA shall thus have the right to return such quantities to the supplier at the latter's expense and perf.
6. **GOOD'S APPROVAL** – The mere delivery to our reception personnel shall not constitute acceptance of the goods which shall be subject to verification of terms, quantities and quality. Such verification is solely pertaining to METALSCATOLA's quality control services, whose official judgement shall be binding for the acceptance of the material. The time required for carrying out such verification and any exception by the supplier to the assessment by METALSCATOLA's quality control services, which may cause and extended stoppage of the material at METALSCATOLA's plant shall under no circumstance be considered as implied acceptance of the delivered goods.  
METALSCATOLA is deemed to be released from the consequences as provided by, the last Paragraph of Art.1513 of the Civil Code, where it had not demanded from Court Authorities that the quality and condition of the thing sold be verified in pursuance of Art. 696 of the Code of Civil Procedure.
7. **NON-CONFORMITY OF GOODS WITH TERMS AGREED – PROPER OPERATION GUARANTEE** – Any fault and defect of the foods delivered shall be always notified in writing to the supplier. For such notice, METALSCATOLA shall not be bound to comply with the terms as per Art. 1495 and 1667 of the Civil Code. Notice of such faults and defects, event apparent ones, since the supply shall be deemed to be made under the suppliers' statement that the thing supplied is free from defects of any nature, may always be given by METALSCATOLA at any time after receipts of the goods, even though the same should have already been processed or assembled into the Company's products and the invoices covering such goods paid for. The order shall deemed to have been fulfilled on delivery to our warehouse of the material quantity ordered and positive outcome of the inspection. Where on inspections rejects be found, METALSCATOLA shall have the right to demand their replacement under the same contract terms or to refuse the rejects, without prejudice to damage compensation. METALSCATOLA shall be entitled to refuse the whole supply, even when it would have to be made by subsequent performances, and thus to consider the order canceled, at liberty to withhold any material previously delivered and ascertained non-complying with those ordered, without prejudice, in any event, to damage compensation. METALSCATOLA shall further have the right to procure the supply material elsewhere as provided by Paragraph c) of Section 2 hereof. Unless otherwise covenanted under special order terms, the suppliers warrants the proper operation of the goods sold, pursuant to Art. 1512 of the Civil Code, for a period of twelve (12) month from delivery thereof to METALSCATOLA.
8. **INVOICES** – Invoices must show:
  - 1) Order number and relevant bills of parcel(s) number(s);
  - 2) Listing of materials after the serial progression specified in the order, under the same denomination and reference shown in the order.
9. **PAYMENTS AND NON-PERFORMANCES** – Prices agreed shall be absolutely fixed, unless expressly agreed otherwise.  
Ascertained non-performance on the supplier's part shall entitle METALSCATOLA to withhold payments falling due for previous services, even not related to the order, as quarantine against consequences of the supplier's non-performance. This without requiring any action by Court Authorities. The supplier is expressly prohibited, unless otherwise agreed in writing, from drawing drafts on bank receipts for payment of his invoices. Where drafts or bank receipts be however drawn, in the absence of agreement thereon they will not be taken up and the supplier shall be held liable for any damages deriving from such non-clearance.
10. **BAN ON TRANSFER** . This order is non-transferable. It is hereby expressly agreed that the credit deriving from this supply may not be transferred or assigned in any form.
11. **MANUFACTURE ON DRAWINGS, SPECIFICATIONS OR DESIGNS** – No drawing, design or specification being METALSCATOLA's its licensors's property may be copied by the supplier or handed on to third parties, or exploited by him for purposes other than the performance of the supply. Manufacture of material on drawings, designs or specifications shall be restricted by the supplier to the quantities to be delivered to METALSCATOLA and the supplier agrees to destroy any rejects. The supplier admits any manufacture and sale, outside of the supply, of material manufactured on drawings, designs or specifications of METALSCATOLA or its licensors, both for productions use and for stock, spares and accessories of whatever nature, either manufactured or offered for sale with or without reference to METALSCATOLA's trade name, trademarks or distinguishing symbols, to be unlawful.
12. **SUPPLY OF PROPRIETARY ITEMS** – By the acceptance of this order the suppliers undertakes in respects of METALSCATOLA full guarantee that the materials have and shall not be manufactured by infringing patent or franchise right and warrants to METALSCATOLA free and legitimate use and marketing of such materials both in Italy and abroad.
13. **BAN ON ADVERTISING** – The supplier is hereby expressly prohibited from any advertising, in his own or third parties interest to the supplies made to METALSCATOLA or to any business relationship existing therewith. In departure therefrom, special authority may be granted from time to time by the METALSCATOLA Management, in its sole discretion. In such event, the supplier agrees to stick to the advertising from and to any other terms imposed on him.
14. **COGNIZANCE** – Any dispute shall fall under the cognizance of the Bergamo Court Authorities and the governing law shall be Italian law.