

GENERAL TERMS AND CONDITIONS OF SALE

1) Scope Of Application

1.1 These General Terms and Conditions of Sale ("General Conditions") shall apply to any and all supply of products ("Products") from VALPAINT SPA, with registered office in Italy, 60020 Polverigi (AN), Via dell'Industria n. 80, VAT n. 01108220425 ("SELLER"), to any purchaser of the products ("CLIENT"), even if they are not expressly referred to or mentioned from time to time.

1.2 No provisions deviating from these General Conditions shall be binding on SELLER unless included in the purchase order of CLIENT ("Order") accepted by SELLER as per paragraph 3.3 below.

1.3 In no case shall any general conditions of contract of CLIENT be binding on SELLER.

2) Products – Modifications

2.1 Any description or data relating to the Products, even if included in websites, price lists or other documents of SELLER is purely informational and will be binding on SELLER only if it has been expressly referred to in these General Conditions or in the Order accepted by SELLER as per paragraph 3.3 below.

2.2 Before placing the Order, it is the responsibility of CLIENT to make sure that the Products are suitable for their specific purpose and/or intended use and, in addition, that they also comply with the laws and regulations applicable in the place where CLIENT will import, distribute or use them in any way.

2.3 SELLER may make any changes to the Products which, without altering their essential features, it deems necessary or convenient, even after acceptance of the Order.

3) Offers – Orders – Orders Acceptance

3.1 Written or verbal offers or quotations issued by SELLER are not to be taken as valid contractual proposals.

3.2 CLIENT shall place its Order in writing and shall submit it to SELLER by fax or email. The Order shall include all the information relating to the Products (description, quantity, price per unit, terms and conditions of delivery, payment terms, etc.) as well as the fiscal data of CLIENT to be included in the relative sale invoice.

3.3 The Order shall be binding on CLIENT from the time it is received by SELLER. The Order shall be considered accepted by SELLER and binding on it ("Confirmed Order") if and when SELLER:

- expressly accepts it by sending its written order confirmation to CLIENT;
- proposes in writing modifications to the order within the above-mentioned term of 10 (ten) days from the receipt of the Order and CLIENT does not object in writing thereto within the following 20 (twenty) days.

3.4 All supplies of Products will only include what is expressly indicated in the Confirmed Order.

4) Packing – Delivery term – Delivery time

4.1 The Products will be packaged and readied to ship in compliance with the standard protection methods generally adopted by SELLER for the Products in question, in consideration of the agreed mode of transport.

CLIENT shall expressly request to SELLER any special packaging or supplementary protection it deems necessary, and in such event CLIENT will bear all related costs thereof.

4.2 Unless otherwise provided for in the Confirmed Order, the Products shall be delivered to CLIENT in accordance with the ICC Incoterms® 2010 rule Ex-Works (EXW) – premises of SELLER, Polverigi (AN), Via dell'Industria n. 80, Italy.

CLIENT authorizes SELLER to undersign, in the name and on behalf of CLIENT, any and all documents which shall be signed at the time of collection of the Products at the premises of SELLER, such as the CMR.

4.3 In the event that the ICC Incoterms® 2010 rule agreed between the parties provides that CLIENT shall take care of the transportation of the Products outside the territory of Italy:

a) in case of an Intra-EU supply, CLIENT shall send SELLER an original or a copy of the international transportation document CMR or of another transportation document, undersigned at destination by CLIENT, along with a declaration of receipt of the Products issued on the basis of the form attached to these General Conditions as Annex -1-;

b) in case of an Extra-EU supply, CLIENT shall:

i) submit the custom export declaration (SAD-EX + EAD) and execute the validation of the MRN (Movement Reference Number) at the customs of the UE territory of exit of the Products, within 90 (ninety) days from the date of delivery of the same in Italy;

ii) send SELLER, within ___ (____) days from _____, documents proving the exportation of the Products (custom export declaration SAD-EX + EAD + certification of exit)

iii) notify SELLER, in writing, as soon as such submission is accomplished and provide the SELLER with any other document proving the execution of such formalities as well as the exit of the Products from the UE Territory.

4.4 In case CLIENT is in breach of its obligations under paragraph 4.3 above, CLIENT shall reimburse SELLER all the amounts paid by SELLER for Italian VAT and/or for fines and interests due for not having applied the Italian VAT.

4.5 SELLER shall deliver the Products within the delivery date provided for in the Confirmed Order, in a single delivery or in partial deliveries. Except in case of wilful wrongdoing or gross negligence, SELLER will not reimburse possible damages, either direct or indirect, suffered by CLIENT as a result of delay in the delivery of the Products.

In no case of delay in the delivery of the Products shall CLIENT be entitled to cancel the Order or to terminate the sale contract in question.

4.6 Upon receipt of the Products, CLIENT must report possible damages, shortages, anomalies or defects occurred during the transport, by notifying details of such events on the transportation document, and must also:

a) have such notification countersigned by the carrier; and

b) immediately inform SELLER thereof, in writing, and send SELLER a copy of the countersigned document by and no later than 5 (five) days from the date of receipt of the Products.

Should this not be the case, SELLER shall not be responsible for possible losses, theft or

damages of the Products occurred during the transport, even if transport risks were, in whole or in part, upon SELLER.

5) Prices – Payment – Late Payment

5.1 The Products shall be supplied at the prices agreed in the Confirmed Order or, should no prices be mentioned in the Confirmed Order, at the prices resulting from the price list of SELLER in force when the Order is placed.

Unless otherwise indicated in writing, the prices of the Products included in SELLER's price lists and/or offers are in Euro, net of VAT and for delivery according to the delivery term Ex-Works (EXW) - premises of SELLER, Polverigi (AN), Via dell'Industria n. 80, Italy - Incoterms[®] 2010, and therefore net of custom charges, tariffs or taxes of any kind, and of any additional charges such as special packing, transportation, insurance or similar cost. Therefore, should a different delivery term be agreed upon between the parties, the invoiced amount shall be adjusted accordingly.

5.2 CLIENT shall pay for the Products in accordance with the payments methods and terms provided for in the Confirmed Order or otherwise agreed upon in writing between the parties.

5.3 If CLIENT is delinquent in its payment obligation, SELLER may, upon written notice to CLIENT, withhold ongoing and future deliveries until all delinquent amounts and late payment interest are paid.

If delinquent amounts and late payment interest remain unpaid 15 (fifteen) working days after such written notice, then SELLER may also, in addition to any other right or remedy available at law or pursuant to these General Conditions, terminate the sale contract in question and/or any other sale contract that may have been executed between the parties.

5.4 CLIENT cannot claim any breach of contract by SELLER, nor can CLIENT start any lawsuit or action against SELLER, until any amount resulting due to SELLER under paragraph 5.3 above has been paid in full.

6) Warranty

6.1 SELLER warrants that the Products will conform to the Confirmed Order and will be free from manufacturing defects.

The following are expressly excluded from the warranty:

- failure to store the Products strictly in compliance with the instructions specified on the Products or otherwise communicated by SELLER and/or with the diligence required by their nature;
- use of the Products for purposes different from the standard use or outside the operating limits, guidelines and/or instructions specified on the Products or otherwise communicated by SELLER;
- failure to perform the entire application cycle of the Products;
- use of products of third parties in combination with the Products (for example: use of blends and/or mixtures or use of accessories that are not provided by SELLER).

6.2 The warranty period of any Product will expire on the "best-before period" marked on the Product. Such period shall accrue from the date of production of the Products, at the premises of SELLER, indicated on the same.

6.3 Without prejudice to the provisions of paragraph 4.6 above, CLIENT shall notify SELLER of non-conformities or defects of the Products, by fax or email, within and no later than the following terms; failing to do so will result in the lapse of the warranty and the unenforceability of the warranty rights:



DETTAGLI DI DESIGN



ISO 9001:2008 ED ISO 14001:2004
Certificato Nr. 52691

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- a) differences in type or quantity with respect to type or quantity agreed as well as other patent non-conformities or defects: 5 (five) days from the delivery of the Products at the premises of CLIENT;
- b) hidden non-conformities or defects: 5 (five) days from the discovery of the same and, for avoidance of doubt, within the warranty period above.

6.4 SELLER shall have the right to examine or to have examined the Products which CLIENT claims to be non-conforming or defective. In the event that the Products are ascertained by SELLER as actually non-conforming or defective, CLIENT will be entitled to obtain, at SELLER's discretion, either:

- a) replacement of the non-conforming or defective Products at no costs to CLIENT; or
- b) full exemption from payment of their price or reimbursement of the price already paid.

In the event of replacement or reimbursement of the price, the non-conforming or defective Products shall become the property of SELLER. In such case, CLIENT shall, at SELLER's discretion, return, or dispose of, the non-conforming or defective Products. The expenses to be incurred for the restitution or the disposal of the non-conforming or defective Products shall be borne by CLIENT.

6.5 The remedies described in paragraph 6.4 above are the sole warranty rights and remedies granted to CLIENT in case the Products are ascertained as non-conforming or defective. To the fullest extent permitted by law, any other liability of SELLER, whether contractual or non-contractual, which may in any way arise from or in relation to the supply of non-conforming or defective Products, including, but not limited to, compensation for direct, indirect, consequential damages or for loss of profits, is expressly excluded.

6.6 The warranty set forth in this article 6 is in substitution for, and excludes, any other warranty, either express or implied, set forth by the law or otherwise.

7) Intellectual property rights of SELLER

7.1 CLIENT undertakes not to modify or remove the trademarks marked by SELLER on the Products and not to add trademarks different from those marked by SELLER on the Products.

7.2 CLIENT accepts and agrees that no clause within these General Conditions may be interpreted as granting to CLIENT any rights of ownership or of use of the trademarks, names and any other distinctive signs of SELLER, which are and shall remain exclusive to SELLER.

7.3 CLIENT shall not register or have registered by others trademarks, trade names or distinctive signs of SELLER, or trademarks, trade names or distinctive signs which are similar to, or which can be mistaken for, those of SELLER.

In addition, CLIENT shall not use the company name, the trademarks or any other alphanumeric word referred or referable to SELLER or to the Products for the purpose of registering a domain name under any extension or for the purpose of performing any activity on social networks and social media such as, for example, Facebook, Twitter, Google+, LinkedIn, Instagram, Weibo, Vkontakte, YouTube and the like.

7.4 Should CLIENT have registered, register or have registered by others any trademark, trade name, other distinctive sign or any domain name whatsoever of SELLER, in breach of the previous article 7.3, said registrations and rights shall be immediately transferred from CLIENT to SELLER. Therefore, CLIENT shall start and complete, in the shortest possible time, all the necessary procedures required to render the transfer of such rights definitive from CLIENT to SELLER. CLIENT shall not be entitled to compensation nor to reimbursement of costs and expenses borne.

7.5 CLIENT shall notify SELLER of any infringement whatsoever of the trademarks, trade names and distinctive signs of SELLER.

8) Force Majeure

8.1 SELLER shall not be liable or responsible for failure or delay in performing or fulfilling any obligations undertaken in reference to the supply of Products when such failure or delay is due to the occurrence of an event of force majeure such as wars, fires, earthquakes, floods, tsunamis, strikes, labor or employment difficulties, shortage of raw materials, restriction on the use of power, acts of public authorities or any other event or cause whatsoever, similar or dissimilar, which cannot reasonably be forecast or provided against and which cannot be overcome by SELLER with reasonable diligence.

9) Applicable Law – Dispute Resolution

9.1 These General Conditions and all the sale that will occur on the basis on the same will be governed by the United Nations Convention on Contracts for the International Sale of Goods (Vienna Convention of 1980) and, with respect to matters not covered by such Convention, by Italian laws.

9.2 Any dispute arising out of or in connection with these General Conditions or in connection with a sale occurred on the basis on the same shall be settled in accordance with the following provisions:

- a) In case CLIENT has its registered office within the European Union, in Switzerland, in Norway or in Iceland, the dispute shall be subjected to the jurisdiction of the Italian courts and shall be exclusively referred for its resolution to the Court of Ancona (Italy).
- b) In any other case, the dispute shall be exclusively referred to and finally resolved by arbitration, by a sole arbitrator, in accordance with the Rules of Procedure of the Arbitration Chamber "Leone Levi" of the Chamber of Commerce of Ancona. The seat of arbitration shall be, and the award shall be delivered in, Ancona (Italy). The language to be used in the arbitral proceedings shall be English.

Irrespective of the above, SELLER shall have the exclusive right to initiate legal proceedings under the jurisdiction of CLIENT, before the competent court.