

These **General Terms and Conditions of Sale** (hereinafter GTS) govern the relationship between:

ALFAZERO S.p.A. (hereinafter "ALFAZERO") and each person, firm or company issuing orders for the supply of goods manufactured or provided by ALFAZERO, subject to ALFAZERO's acceptance of them (hereinafter "the Purchaser"),

each of them also "Party" or collectively also "Parties"

The GTS are binding on Parties upon and starting from acceptance by ALFAZERO of the Purchaser's Order/s.

The latest version of the GTS is published on www.alfazero.com, is available for download and is attached to each Proposal.

1. DEFINITIONS AND GENERAL PRINCIPLES

These GTS shall apply to Goods manufactured and/or provided by ALFAZERO to a Purchaser.

Any Proposal or Supply made between ALFAZERO and the Purchaser shall be governed by these GTS which, unless expressly otherwise agreed in writing, shall prevail in the event of a discrepancy with any other written or oral agreement between the Parties.

The terms included in these GTS shall have the following meaning:

- a) "Delivery Date" means the date on which the Goods are to be delivered as agreed upon in the Order and accepted by ALFAZERO;
- b) "Documentation" any specifications of the Goods provided for in technical or commercial documents of ALFAZERO;
- c) "Goods": means all products, materials, equipment, spares, components and other goods offered by the ALFAZERO to the Purchaser under the Proposal;
- d) "Intellectual Property" means all intellectual or industrial property rights on intellectual property, industrial inventions, know-how, software, proprietary information without limitation, included, but not limited to, drawings, samples, gauges, dies, models and specifications;
- e) "Order" means a purchasing order issued to the ALFAZERO by the Purchaser, including the GTS and any other document containing an indication of what the Purchaser requires from the Supplier (eg. a Proposal);
- f) "Order Price" means the total price to be paid by the Purchase to the ALFAZERO under the Proposal or any resulting Purchase Order.
- g) "Proposal" means the offer for the Sale of the Goods together with the relevant Documentation issued by the ALFAZERO to the Purchaser.
- h) "Special Conditions" includes all the special provisions that may be included in each Order, regulating particular, specific and operational aspects of the relationship between the Supplier and the Purchaser;
- i) "Supply": the combination of Goods covered by the Order.

2. CONTRACTUAL SOURCES

The Order consists of the following documents with the order of precedence illustrated here:

1. The Order;
 2. Contracts or Framework Agreements, where applicable;
 3. GTS;
 4. Documentation;
 5. Any other document capable of producing indications of what the Purchaser intends to require from the Supplier (eg.a Proposal). Special Conditions shall therefore prevail over any other document indicated in paragraphs 2 to 5 of this article.
- Any amendments to the GTS and/or to the Special Conditions shall have no effect unless expressly agreed in writing by the Purchaser and the Supplier.
- Nullity, partial or total invalidity of each clause of the Order shall not mean invalidity of the entire Order.

3. APPLICABILITY

- 3.1 GTS shall apply to any Order issued by the Purchaser to the Supplier for the execution of the Supply.
- 3.2 The Order is to be considered finalized and submitted to the GTS, upon the Purchaser's receipt of the Order confirmation, including explicit acceptance by the Purchaser of GTS, without any changes or reservations whatsoever.
- 3.3 By accepting these GTC the Purchaser waives any of its own.

4. PRICES / TRANSPORT

The Order Price of the Goods shall be the price listed in the Order, as duly confirmed by ALFAZERO.

Unless otherwise stated, all prices are ex-works (Incoterms 2010). Special methods of transportation will be used upon Purchaser's request and at Purchaser's additional expense, provided reasonable notice of Purchaser's transportation requirements are given by Purchaser to ALFAZERO before shipment is organized.

5. TAXES

Order Prices do not include any kind of tax. Accordingly, in addition to the Order Price, the amount of any present or future sales, use, value-added or similar tax applicable to the Supply shall be paid by Purchaser to the entire exoneration of ALFAZERO.

6. DELIVERY

- 6.1 Delivery: delivery of Goods shall be made by ALFAZERO ex works meaning the Purchaser will organize the transport of Goods at its own risk and cost.
- 6.2 Delivery dates: Delivery dates given by ALFAZERO, whether in the Proposal, acknowledgment or acceptance of Purchase Order or otherwise, are given in good faith and ALFAZERO will endeavour to meet those dates, but they shall be treated as estimates only and ALFAZERO will not be liable for any delay in Delivery.
- 6.3 Partial Delivery: Where the Goods are delivered by a number of several consignments, the Purchaser shall not be entitled to refuse to accept delivery of later consignments by reason of a breach or alleged breach of Purchase Order in respect of an earlier consignment. If any payment has become due and is unpaid, ALFAZERO shall be entitled to suspend delivery of Goods under all Purchasing Order.
- 6.4 Storage: ALFAZERO storage costs 1% of total value of the Order Price per month or part thereof. Insurance of Goods is a further 1,25% of invoice value per month.



6.5 If the Purchaser fails to take Delivery of the Goods or any part of them on the Delivery agreed date and or fails to provide any instruction, document, licences, consent required to enable the Goods to be delivered on the Delivery date, the Purchaser shall be entitled to arrange for storage, the risk in the Goods shall pass to the Purchaser, Delivery shall be deemed to have taken place and the Purchaser shall pay to ALFAZERO all costs according to the Par. 6.4.

7. FORCE MAJEURE

ALFAZERO shall not be responsible or liable for any loss or damage incurred by the Purchaser or third parties resulting from causes beyond the reasonable control of ALFAZERO including, but without limitation, acts of God, war, invasion, insurrection, riot, the order of any civil or military authority, fire, flood, weather, acts of the elements, delays in transportation, unavailability of equipment or materials, breakdown, sabotage, lock-outs, strikes or labour disputes, faulty castings or forgings, or the failure of ALFAZERO' suppliers to meet their deliveries.

8. SHIPMENT/DAMAGES OR SHORTAGES IN TRANSPORT/RISK

Except for obligations stated under "Warranty" herein, ALFAZERO' responsibility for Goods ceases upon delivery to the carrier. In the event of loss or damage during shipment, Purchaser's claim shall be against the carrier only. ALFAZERO will, however, give Purchaser any reasonable assistance to secure adjustment of Purchaser's claim against the carrier provided immediate notice of such claim is given by Purchaser to ALFAZERO. Claims for shortages must be made in writing within ten (10) days after receipt of Goods by Purchaser. If ALFAZERO does not receive written notification of such shortages within such ten (10) days, it shall be conclusively presumed that the Goods were delivered in their entirety.

Unless agreed upon otherwise in writing, ALFAZERO reserves the right to make partial Deliveries and to submit invoices for partial Deliveries.

9. EXPORT of GOODS

When placing the Order the Purchaser must advise ALFAZERO in writing of any special, legal, administrative or regulatory requirements applying in the territory in which the Purchaser is to import, use or sell the Goods.

The Purchaser shall be responsible for complying with any legislation or regulation governing the importation of the Goods into the country of destination and for the payment of any duties thereon.

10. TITLE

Title to the Goods or any part thereof shall not pass from ALFAZERO to Purchaser until all payments due hereunder have been duly made. If default is made in any of the payments herein, Purchaser agrees that ALFAZERO may retain all payments which have been made on account of the Order Price as liquidated damages.

11. DOCUMENTATION AND INTELLECTUAL PROPERTY RIGHTS

All Intellectual Property Rights, including, without limitation, patents and/or the relevant applications, relating to the Goods are and shall remain the property of ALFAZERO or its licensors.

The Documentation of ALFAZERO are of an indicative nature only and are not contractually binding. The rights on the Documentation provided to the Purchaser remains the exclusive property of ALFAZERO and may not be communicated, copied or reproduced by the Purchaser.

Subject to the GTS and for the time necessary to execute the Order, the Purchaser is granted a non exclusive, non-transferable and non-assignable right to use the Documentation.

12. LIMITATION OF LIABILITIES

ALFAZERO's total liability in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, arising in connection of the performance or contemplated performance of the Order, shall be limited to the Order Price.

ALFAZERO shall not be liable for loss of profit, loss of business, depletion of goodwill or otherwise, whether direct, indirect or consequential, arising out or in connection with the Order.

Nothing in these GTS shall anyway be construed or interpreted as a limitation to the right of ALFAZERO to claim for compensation of damages howsoever caused by the Purchaser.

13. WARRANTY

Goods sold hereunder are covered by a warranty against defects in material and workmanship provided the Goods are subjected to normal use. The applicable warranty period is twelve (12) months from the date of Delivery, or any other warranty period otherwise agreed in writing by ALFAZERO under each Order. For components not supplied by ALFAZERO, the original manufacturer's warranty shall apply to the extent assignable by ALFAZERO. The obligation under this warranty is limited to the repair or replacement, at ALFAZERO's option, of defective parts ex works point of shipment, provided that prompt notice of any defect is given by Purchaser to ALFAZERO in writing within the applicable warranty period and that upon the Purchaser's return of the defective parts to ALFAZERO or, if designated by ALFAZERO, to the location where the works are made, properly packed and with transportation charges prepaid by Purchaser.

ALFAZERO makes no warranty other than the one set forth herein. All other warranties, legal, expressed or implied, including but not limited to any expressed or implied warranty of merchantability, of fitness for the intended use thereof or against infringement are hereby expressly excluded. The applicable warranty ceases to be effective if the Goods are altered or repaired other than by persons authorized or approved by ALFAZERO to perform such work. Repairs or replacement deliveries do not interrupt or prolong the term of the warranty.

The Warranty ceases to be effective if Purchaser fails to operate and use the Goods sold hereunder in a safe and reasonable manner and in accordance with any written instructions from the manufacturers.

14. RETURNED GOODS

No Goods may be returned to ALFAZERO without ALFAZERO prior written permission. ALFAZERO reserves the right to decline all returns or to accept them subject to a handling/restocking charge.

Credit for returned Goods will be issued to Purchaser only where such Goods are returned by Purchaser and not by any subsequent owner of the Goods. Goods will be considered for return only if they are in their original condition and packaging.

15. TERMS OF PAYMENT

Unless otherwise provided for, The Purchaser shall pay ALFAZERO for the Supply in accordance with the following schedule:

a) thirty percent (30%) of the total Order Price, as advance payment, by wire transfer within fifteen (15) days from the acceptance of the Order.

(b) seventy percent (70%) of the portion of the Order Price relevant to Goods, by wire transfer within thirty (30) days from the Delivery, against presentation of the relevant pro-quota invoice.

Title to the Goods shall pass on payment in full of the Order Price.



ALFAZERO will exercise its statutory right to claim interest and compensation under the late payment legislation, if ALFAZERO is not paid according to agreed terms.

Should payment not be made to ALFAZERO when due, ALFAZERO reserves the right, until the Order Price has been fully paid, to charge Purchaser with interest on such overdue payments at the rate of six-months Euribor plus four (4) % per annum. The charging of such interest shall not be construed as obligating ALFAZERO to grant any extension of time in the terms of payment.

Notwithstanding the foregoing, should the Purchaser fail to make any payment within the due date, ALFAZERO shall be entitled to cancel the relevant Order and/or suspend any other delivery or provision of Goods to the Purchaser.

16. ASSIGNMENT

The Purchaser shall not be entitled to assign the Order or any part of it to any person, firm or company without the prior consent of ALFAZERO.

ALFAZERO may assign its credit towards the Purchaser to a person, firm or company, in its entirety or partially and at its own discretion.

17. CHANGES AND CANCELLATION

Orders accepted by ALFAZERO are not subject to changes or cancellation by Purchaser, except with ALFAZERO's written consent. In such cases where ALFAZERO authorizes changes or cancellation, ALFAZERO reserves the right to charge Purchaser with reasonable costs based upon expenses already incurred and commitments made by ALFAZERO, including, without limitation, any labour done, material purchased and also including ALFAZERO's loss of profit.

18. RELATIONSHIP BETWEEN THE PARTIES

Each Party is acting hereunder as an independent contractor. Except as set forth in this Agreement neither Party is granted any express or implied right or authority to assume, or to create, any obligation or responsibility, or to execute any agreements or to make any commitments verbally or in writing for or on behalf of, or in the name of, the other Party in any manner or thing whatsoever without the other Party's express written consent.

19. CONFIDENTIALITY

The Purchaser will regard as confidential all information obtained by ALFAZERO and will not disclose to any third party such information without ALFAZERO's prior written consent, provided that this undertaking shall not apply to information which is in the public domain other than that by reason of the Purchaser's default.

20. THE AGREEMENT

An acceptance and confirmation of Purchaser's Order by ALFAZERO shall constitute the complete agreement, subject to the terms and conditions of sale herein set forth, and shall supersede all previous proposal, orders or agreements.

Relationship between Purchaser and ALFAZERO and all documents with contractual value shall be governed and construed according to the laws of Italy.

Any dispute concerning the interpretation, execution and/or termination of these GTS and the relevant Orders shall be referred to the exclusive jurisdiction of the Courts of Florence.