

GENERAL SALES CONDITIONS

All sales carried out by Masterwood S.p.a. are governed by the general conditions indicated below. Any other clause inserted or mentioned in any form or manner by the client and third parties is to be considered null and invalid between the parties without the specific written agreement thereto by Masterwood S.p.A. The Purchaser shall submit the purchase order to Masterwood S.p.A., who shall have the power to confirm or refuse it.

ART. 1 - ORDERS

1.1 Orders, as well as subsequent variations requested in the prescribed manner and terms, are always intended as “being subject to final approval and confirmation by Masterwood S.p.A.”. Masterwood S.p.A. may be held responsible only for that which has been expressly included in the contract deriving from the order confirmation.

1.2 In any event the contract resulting from the Masterwood S.p.A. order confirmation is to be considered as being executed with the delivery of the goods.

ART. 2 – PRICES AND CONDITIONS IN THE SALES PRICE LISTS

The sales prices are always those indicated on the order confirmation, except when stipulated otherwise in writing, between the parties. Packaging costs for the entire supply are never included, except when otherwise agreed on in writing by the Parties. Masterwood S.p.A. reserves the right to modify the prices and conditions in the sales price lists, for any item or part thereof, even if already published as well as the terms of payment, at any moment, before concluding a contract, without the obligation to inform previously the holders of said price lists. In case of unusual circumstances, no matter what their nature, which do not allow to comply with the agreed conditions and terms of payment, Masterwood S.p.A reserves the right to modify the prices, the conditions in the sales price lists, for any item or part thereof as well as the terms of payment, at any moment, without the obligation to inform previously the holders of said price lists, conditions and terms of payment even after concluding the contract.

ART. 3 - DELIVERIES

3.1 The delivery dates indicated are indicative only, and are not to be considered binding for Masterwood S.p.A., except where otherwise agreed in writing for particular cases. In no case shall any compensation be granted to the Purchaser for delays in delivery, as long as said delay does not exceed 90 days.

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3.2 Masterwood S.p.A. does not accept any responsibility for the late delivery of goods in the case of strikes or other events falling under force majeure, and in these cases said company reserves the right to demand the partial or total annulment of the contract itself.

3.3 The delivery of the supply is undertaken, and must always be considered as being, ex-factory, in the ways and at the times indicated in the Incoterms 1990 version.

ART. 4 - TRANSPORT

The costs of transport and any other costs relating thereto and deriving therefrom are always at the complete expense of the Purchaser, except where otherwise agreed to in writing by the Parties. The goods and merchandise always travel at the Purchaser's risk even if forwarded ex-destination. The Purchaser must immediately check and control that the merchandise forwarded has not been damaged during transport. If there are any damages Masterwood S.p.A. must be informed by means of a registered letter with return receipt, as must the carrier, within a peremptory period not to exceed eight days from delivery of the goods. The Purchaser undertakes to furnish all the necessary documents and to carry out all that is required for the possible customs clearance of the merchandise where this is necessary.

ART. 5 TECHNICAL OPERATIONAL TESTS

5.1 Once the goods covered by the present contract have been delivered, Masterwood S.p.A. shall place at the Purchaser's disposal within a reasonable amount of time, in any case no longer than 60 days, staff for an appropriate control and technical test of the good functioning of these goods.

5.2 Upon the expiry of 60 days from delivery and in the absence of substantiated objections presented in writing, the goods will be considered as being unconditionally accepted and the technical tests for the good functioning is considered to have concerned technical reliability, safety, degree of resistance, and more generally, the excellent quality of the goods, as well as their complete compliance with those ordered.

5.3 Possible costs for sending specialised technicians for basic and service training are always at the Purchaser's expense, except where otherwise agreed on by the Parties.

5.4 The Purchaser undertakes to carry out technical tests for good functioning in the ways and at the times indicated by Masterwood S.p.A., within three days from the date indicated in writing by the latter.

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ART. 6 - GUARANTEES

6.1 Masterwood S.p.A. is not responsible for defects in conformity of the products and faults deriving, even indirectly, from designs, plans, instructions, software, components or anything else decided on, supplied or placed at disposal by the Purchaser, or by Third parties who act, in any capacity, on behalf of the latter.

6.2 The guarantee binds Masterwood S.p.A. within a period of 60 days from written notification from the Purchaser, but only for the repair or complete and free replacement of goods or part thereof which do not conform to the order or sample, or are in some way faulty. This guarantee excludes any transport and labour cost. Any other responsibility of a contractual and extra-contractual nature for either direct or indirect damages which could be experienced by objects or people, deriving from said defect or fault, is expressly excluded.

6.3 The conformity of the goods in the supply to those ordered must be understood as being in a general sense, therefore the Purchaser cannot contest and dispute the possible presence of so-called manufacturing variances and usual accepted tolerances either for product typology or for the type of work planned for the goods ordered.

6.4 Expressly excluded, for now and always, are all and any right to compensation for damages even in the case where the defects or faults are of an epidemic nature or result from the requirements of an imperative order, as laid down by laws which have subsequently come into effect.

6.5 The current guarantee is valid for 365 days from the effective date of delivery of the goods, i.e. from the day in which written notification is sent that the goods are at the disposal of the Purchaser. In the case of "ex works" sale, the effective date of delivery of the goods means when the goods go out of our plant.

6.6 The guarantee is not effective when: the Purchaser has autonomously carried out modifications or repairs that have not been authorised in writing by Masterwood S.p.A.; the products are installed on devices or goods other than those previously notified to Masterwood S.p.A., i.e. the goods are placed in operational conditions other than the contractual ones; the Purchaser is not up to date with agreed payments; the defects and faults are caused by faulty assembly, inexperience, overloading, wear due to lengthy use, improper use, or by lack of or inappropriate maintenance.

6.7 The guarantee furthermore is not effective in the case of the supply of dismantled machines, when the assembly at the Purchaser's premises is not carried out directly by Masterwood S.p.A. or at least under the supervision of the latter's specialised personnel, or is carried out by the Purchaser without explicit written authorisation from Masterwood S.p.A.

6.8 The Guarantee is excluded in any event when: the goods have been altered or modified by the Purchaser or by third parties in any way or form; the goods have not been submitted to an accurate

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general check of the structure and functionality; the faults and defects are due to normal wear for those parts which are, by nature, subject to rapid and continuous wear (eg. gaskets, belts, brushes and such like).

6.9 For certain goods explicitly so mentioned in the contract a guarantee period other than that mentioned in paragraph 6.5 may be established.

6.10 Hours of use of the goods exceeding 40 hours weekly shall lead to a proportionate reduction of the guarantee period.

6.11 In the case of application of the guarantee, a new guarantee time, with a duration equal to the one mentioned above will run automatically, exclusively for those parts of the goods and replaced components in the application of the present article.

The new guarantee shall not apply to other parts of the machine for which the guarantee shall be extended only by the period when the machine did not operate due the defects found on the basis of the present article.

6.12 For the utilisation of the guarantee laid down in the present article, the Purchaser must, without delay and no later than 15 days from the appearance of the malfunction or breakage, notify Masterwood S.p.A. in writing, of the faults and defects found, in detail, enclosing, where possible a technical report and any photographs, and shall arrange for anything deemed necessary in order for Masterwood S.p.A. to carry out the required inspections and repairs.

6.13 As regards electric, electronic, hydraulic and/or other individual equipment where the manufacturer may be identified, Masterwood S.p.A. is obliged only to grant the Purchaser the same guarantee it has received from the manufacturer of said parts, and at the same conditions that it would apply at the moment the defect is discovered.

6.14 At the time of delivery of the goods, the Purchaser can request the user and maintenance manual of the machine if he has not received it, and in the absence of such a request will be considered already to have received it.

ART. 7 – SOFTWARE PROGRAMMES AND MANUALS “as they are”

7.1 The Purchaser understands that the licensed software programmes on the machines and the user’s manuals are supplied “as they are”. Masterwood S.p.A. does not issue declarations or guarantees, be they expressed or implicit, including amongst others, marketing and suitability guarantees for a specific purpose, or that the programmes are able to satisfy the needs and that these operate in the combinations chosen by the final user, that they are immune from errors or that they have functions not mentioned in the specifications and user manuals, concerning the programme, concerning the written accompanying material and any other connected programme.

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7.2 The programmes installed on the machine always remain the exclusive property of Masterwood S.p.A. covered by its own copyright or those of third parties, who shall only grant a user's licence to the Purchaser, to be used exclusively and together with the same machine, and which therefore cannot be autonomously separated, assigned or alienated to third parties.

7.3 In no case can Masterwood S.p.A. be held responsible for any damage, be this direct or indirect, special or consequential, which could be experienced by the final user or anyone else, resulting from the use or non-use of the licensed programmes, such as loss of earnings, suspension of work, loss of information, or other financial losses resulting from the use of the programmes. The responsibility of Masterwood S.p.A. , if accepted on an exceptional basis, shall be limited to an amount equal to that effectively paid for the programme.

ART. 8 - LIMITS OF RESPONSIBILITY OF THE COMPANY

8.1 The present guarantee is the only one issued by Masterwood S.p.A.

8.2 The specific regulation of the aforementioned guarantee is considered by the parties as incorporating and replacing the one laid down by law, provided that in case of delivery to Italy, as the guarantee incorporates and replaces Italian law, or, in default, thereof, must be regulated by Italian law.

ART. 9 – TECHNICAL ASSISTANCE

Masterwood S.p.A., following explicit request by the Purchaser, can arrange to send workers, assemblers, demonstrators or technicians, not only to carry out an initial functional technical test, but also to furnish explanations, instructions, functioning demonstrations of the machines, or for practical working tests or for repairs and replacements not mentioned in the contractual guarantee. The cost of assistance arranged for these purposes shall be at the total expense of the Purchaser and shall be calculated on the basis of Masterwood's price list for technical assistance.

9.1 Helpline and remote internet assistance mean service supplied by Masterwood S.p.a. through telephone interviews, e-mails, remote access (in-house analysis activity, preparation, etc), skype, etc... namely all types of assistance but excluding the interventions on site.

The assistance service referred to above will be provided against payment for the machines whose shipment from Masterwood premises goes back more than 18 months.

ART. 10 – RETURNED ITEMS

Items may not be returned without prior permission and authorisation from Masterwood S.p.A.

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ART.11 - PROPERTY

11.1 The goods indicated in the contract drawn up between the parties shall fully remain the property of Masterwood S.p.A. when there has been no immediate total payment or in the case where payments in instalments has been permitted, whereby instalment payments include those by means of bills of exchange and/or authorised drafts with established maturity dates. Consequently Masterwood S.p.A. reserves property on the aforementioned goods until total payment has come about and nonetheless until the bills and/or bank cheques are honoured, even in accordance with art. 1523 cc. The risk of deterioration of the goods is always for the Purchaser's account, from the moment of transport carried out ex-factory, and includes all other risks from the moment of delivery, even if the price has not yet been settled in full.

11.2 The Purchaser cannot re-sell, cede, grant in guarantee, lease or grant for use to third parties under any circumstance, the purchased products, for any reason whatsoever, without having first paid for this in full to Masterwood S.p.A., and undertakes to insure the aforementioned goods and to preserve them from detrimental actions possibly proposed by third parties, in any event collaborating with Masterwood S.p.A. if necessary.

ART. 12 – PAYMENT

The payments are valid only if carried out in favour of Masterwood S.p.A. and at their domicile according to the conditions established in the order. For separate deliveries of accessories, payment must be carried out in advance to the nominated domicile or C.O.D. If the order does not succeed for reasons attributable to the customer, any downpayment paid by this customer will be kept by Masterwood as a penalty, without prejudice to any compensation for greater damages.

ART. 13 - APPLICABLE LAW

This contract is subject to the United Nations Convention of 11 April 1980 on Contracts for International Sale of Goods to the extent to which the parties have not agreed to waive its rules or have not modified them; and for matters not disciplined by this Convention or for cases where it is not applicable for an Italian purchaser this contract is subject to Italian law.

ART.14 – JURISDICTION

For any controversy deriving from the present contract or connected to the same, the Court of Rimini shall have sole jurisdiction. Nonetheless in alternative, Masterwood S.p.A. has the right to appoint any other competent Judge in accordance with The Brussels Convention concerning jurisdictional competence and the execution of decisions in a civil and commercial subject dated 27 September 1968, in the text currently in force.

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ART.15 - GENERAL SALES CONDITIONS VALIDITY

The general terms and conditions of sale in force are always to be considered those that are published on the website "www.masterwood.com", even if they differ, in whole or in part, from those printed in the proposal submitted to the customer". By countersigning the order proposal, the customer unconditionally accepts this clause, thus releasing Masterwood spa from any specific responsibility regarding the validity of the general terms and conditions of sale

Rimini, date of the postal stamp

Stamp and signature of the Purchaser
(indicate a physical entity and precise company position)

Stamp and signature
MASTERWOOD S.p.A.

The Purchaser declares to have specifically approved, in accordance with articles 1341 and 1342 Italian civil code, the agreements mentioned below:

1 (orders); 2 (prices); 3 (deliveries); 4 (transport); 6 (guarantees); 7 (software programmes and manuals "as they are"); 11 (property); 13 (applicable law); 14 (jurisdiction); 15 (general sales conditions validity) and therefore the agreements considered by Masterwood S.p.A. as being the most important;.

Stamp and signature of the Purchaser
(indicate a physical entity and precise company position)

Stamp and signature of
MASTERWOOD S.p.A.

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