

General Terms and Conditions of Sale

Definitions

The following definitions are used hereafter in this document: "Seller" refers to Faci S.p.A headquartered in Carasco, Via Privata Devoto, 36 and its subsidiaries

"Buyer" refers to the legal entity issuing the purchase order.

Scope of the agreement

The terms and conditions set out below will govern all the sales agreements between the seller and the buyer, from the date of the closing.

The particular conditions, if agreed in writing, will prevail.

The agreement is to be considered concluded in the place and at the date Seller will dispatch its acceptance as detailed at clause n.3.

Acceptance

All orders and contracts shall be subject to acceptance by Faci S.p.A or its subsidiaries and shall not be binding on the seller unless and until so accepted.

Purchase orders dispatched to Faci by letter, telefax or e-mail are considered accepted at the

moment and at the place seller will confirm its acceptance, or in lack of formal acceptance at the moment the manufacturing of the product is started and at the place Faci has its principal business centre.

Communications

Any communication made by the buyer connected and/or related to the present contract including any complaint, in connection with the purchase and/or delivery of the products, claim etc.. must be forwarded to Faci at the following mail address sales@faci.it and/or by letter at its principal place of business.

Delivery

Unless explicitly agreed otherwise in writing, all deliveries shall be made "free carrier factory" as per INCOTERMS ICC 2010.

In case the sale contract is concluded at different terms (f.e. CIF, DAP, DDP etc..) only the related costs (as per INCOTERMS 2010) are included in the sale price, but all risks arising from the carriage will remain on buyer's charge, excluding any liability by Faci side.

- Delivery dates shall not be of the essence.

Therefore in case of a late delivery, Faci must be formally declared to be in default and be granted a reasonable additional period of time to satisfy its obligations.

If this grace period is exceeded the buyer shall be entitled to dissolve the agreement and Faci shall not be liable for any damage resulting from.

Force Majeure

a) Faci shall not accept liability for non-performance or late or improper performance of its obligations if performance is wholly or partly, temporarily or permanently, delayed, obstructed or impeded by an event of force majeure, which shall include but not limited to:

- compliance with a regulation or request issued by a government body, port authority or local authority or any person acting on their behalf; impediments or restrictions on the production, manufacture and/or supply (inclosing any increase in distance of the supply routes) and/or importation of raw and auxiliary materials for the products sold and/or the manufacture of those products and/or their transportation to the place of delivery (including non-performance by suppliers);

Facts and/or circumstances the occurrence of which could not have been envisaged or need not reasonably have been foreseen by Faci and whose influence is such that, had it been aware of those fact and/or circumstances, Faci would not have concluded the delivery agreement or would only have done so on different terms.

b) the following occurrences shall in any case be regarded as situations of force majeure for Faci:

i) overall or partial disruption, restriction or cessation, for any reason whatsoever, of Faci's business operations; ii) discontinuation, limitation or reduction, for any reason whatsoever, of the supply to Faci by its regular suppliers of products governed by the agreement or of the raw materials for those products; iii) existing or threatening shortage of stock of the products to be delivered due to serious disruption of supply and demand on the market; iv) promulgation of regulations restricting, obstructing or effectively preventing the production, delivery, transport or unloading of the relevant products or the raw materials for those products; v) mobilization, war, hostilities insurrection, strikes lock-outs, worker conspiracies disruptions of transport by railway or

other means of transport or lack of transportation;
vi) shipwrecked, lost, damaged or impaired means of
transport, installations or equipment; vii)
failure, or late or improper operation of any
installations or equipment to be used in
implementing the agreement; viii) any export
prohibition with regard to the products.

c) if the period during which Faci cannot fulfill
its obligations exceeds or will exceed two months,
either party shall be entitled to terminate the
agreement without judicial intervention and without
any obligation to pay damages to the other party.

Packaging

Unless agreed otherwise the costs of the usual and
customary packaging of the products shall be
included in the price and the buyer shall acquire
ownership of the packaging concurrently with the
transfer of title to the product to the buyer.

If expressly requested in written Faci shall
furnish at buyer owns expenses, particular kind of
packages.

Faci shall not be obligated to take back or process
any packaging materials.

Product Quantity/Quality

Seller may supply an excess or deficiency of Product up to 5% of the weight ordered and Buyer shall pay for the quantity so supplied. Only differences in net weight, against invoiced quantity, in excess of 0,5% may be subject to quantity claims. Product shall conform to the specifications provided by Seller or, if not provided, as published by Seller. Seller makes no other warranty or representation of any kind concerning Product, whether of satisfactory quality, merchantability, fitness for any particular purpose or otherwise, and none shall be implied.

Seller shall measure, sample and test Product in its customary manner at the loading location to determine the quantity and quality of Product delivered.

The results of such measurement, sampling and testing shall be treated, in the absence of fraud or manifest error, as conclusive and binding as to the quantity and quality of Product loaded.

Payment

a) Payment for the product must be effected in the agreed currency, without any discount or set-off, and must be deposited into Faci's bank account

within the period for payment stated in the invoice.

b) The buyer shall within 14 days of the invoice date submit in writing any complaints concerning invoices dispatched by Faci, in the absence of which all of the buyer's relevant claims shall cease to exist.

c) Faci shall have the right to demand payment in advance or postpone subsequent deliveries as long as the previous deliveries remain unpaid or the buyer fails to provide adequate security. The buyer undertakes to provide at Faci's first request, any security which Faci may reasonably deem necessary for the payment of the buyer's debts to Faci.

d) If the buyer fails to meet any of its obligations, all extra-judicial costs reasonably incurred to obtain such payment shall be charged to the buyer. Such costs shall in any event include the costs of collection agencies, process servers and attorneys, These costs shall amount to no less than 15 percent of the outstanding amount.

e) If a court of law fully or substantially awards judgment against the buyer and its decision has become final, the buyer shall be under a duty to reimburse Faci for all judicial costs incurred at

trial appellate levels, including any amounts not awarded by the court.

Pricing

a) The invoiced price shall be the price previously confirmed in writing by Faci and valid on the date of dispatch, irrespective of the date of order.

Unless otherwise agreed to in writing, prices shall be based upon delivery FCA (Incoterms 2010) and shall be exclusive of sales tax (or VAT; value-added tax) and other levies.

b) if after the conclusion date of the agreement, circumstances occur which give rise to product price alterations, such as changes in raw material costs, alterations by the authorities of charges, duties and/or taxes and of other collective payments/levies on the product to be supplied, Faci shall have the right to increase or decrease its prices accordingly.

c) if the officially established value of the Euro in relation to foreign currency is altered, Faci may adjust its prices accordingly.

Warranty

Faci warranties the product sold corresponds to the released technical specification by Faci Quality department..

Exceptionally and only once prior agreed by the parties Faci can perform its sales based on pre-sample shipment acceptance. In this case after buyer approve the sample, Faci will ship the goods pertaining to the same production lot correspondent to the approved sample.

The buyer declares to be exclusively liable with reference to the conditions of use of the product particularly in order to obtain the forecast final result in the application.

Faci is NOT selling its products on "performance basis" but only on "specification basis" and consequently Faci is not granting any performance during the application of its product.

In case of resale, the buyer obliges itself not modify neither the product for the packaging and, moreover, to inform the third parties about the technical features and the normal use.

Liability and claims

a) Notwithstanding anything contained herein to the contrary, Faci's liability to the Buyer for defective products -whether or not arising from

negligence-or for any other claim shall be limited, at Faci's discretion, either to the products being replaced at the original point of delivery or to the sales price for the products to which the claim relates, including transportation costs and taxes, being refunded.

b) Having received the products, the Buyer shall be obliged to check the products for defects. In particular, the buyer shall ascertain that the right products have been delivered and their quantity and specifications conforms to that agreed upon. More particularly, the buyer shall, where applicable, ascertain that the labels or other documents relating to the products correspond to the products ordered.

c) Notwithstanding to the foregoing, if the buyer finds that the products do not conform to the agreement, the buyer shall so notify Faci in writing within thirty (30) days of receipt of the products and before any of the products have been consumed, altered or processed. Such notification shall provide detailed information as to the defect of shortage. The buyer shall afford Faci a reasonable opportunity to inspect the products.

d) If the variation in the products delivered as reported by the buyer remains within the laboratory specifications of Faci, such a variation shall not be regarded as a defect or constitute non-performance within the meaning of this Article. Accordingly, Faci shall not have failed in performing its obligations.

e) NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, FACI SHALL IN NO EVENT BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL.

OR CONSEQUENTIAL DAMAGE OF ANY NATURE WHATSOEVER SUFFERED BY THE BUYER OR ANY OTHER PARTY ARISING FROM THE NON PERFORMANCE OR IMPROPER PERFORMANCE OF FACI AND/OR FOR ANY WRONGFUL ACT.

f) the limitation of liability set forth in these General Terms and Conditions shall not apply if the damage is the result of an intentional act or omission or gross negligence on the part of Faci or its managerial or executive staff.

g) Non-compliance with the terms of this Article 11 shall constitute a waiver by the buyer of all claims based on any defect in or shortage of products, and shall be conclusive evidence that Faci has satisfactorily performed its obligations.

If Faci and the buyer are unable to settle any claim arising from the agreement or any breach thereof, the buyer must bring legal action within one (1) year of such cause of action having arisen falling within all relevant claims shall become barred notwithstanding period of limitations to the contrary.

Termination

a) Faci shall be entitled to suspend any (further) performance of the agreement or to dissolve the agreement, without prejudice to its right to claim alternative or additional damages, if any goods of the buyer are attached or the buyer is granted a suspension of payments or is declared bankrupt or the buyer defaults in complying with any of its obligations to Faci fears that the buyer is or will be unable to meet its obligations under the agreement and the buyer fails to offer adequate security for the performance of its obligations.

b) If any of the events referred to in this Article occur, all claims which Faci may have against the Buyer on whatever grounds shall immediately become due.

c) if any unforeseen circumstances arise with regard to persons and/or materials (customarily)

used by Faci in performing the agreement, and those circumstances are of such a nature as to render the performance of the agreement impossible or so burdensome and/or disproportionately costly that the compliance with the agreement cannot reasonably be required of Faci, it shall have the right to dissolve the agreement without being liable for damages.

Retention of Title

Delivered goods shall full remain our property (goods sold subject to retention of title) until all receivables, on whatever legal grounds, have been fully paid up.

Law and Forum

a) Subject to any written agreement to the contrary, all agreements concluded by Faci and any disputes arising from those agreements shall be governed by the laws of the Italy.

b) The competent Court in Genoa shall have exclusive jurisdiction to hear and deal with any such disputes, without prejudice to Faci's right to file the dispute with any other competent court.

Miscellaneous

Neither the buyer nor Faci may assign any of its rights or obligations arising from the agreement without the written consent of the other party.

The before written general terms and condition of sale are also published in the Faci website and, waiving any exceptions, well known by any contracting party.