

## GENERAL CONDITIONS OF SALE

- 1 - It is understood that orders placed with our Agents are taken in our name, and on our account, "subject to our approval". Negotiations, offers, sales, exactions, discounts, transactions etc. made by our agents or intermediaries are not valid unless confirmed by us. Partial processing of the order does not imply the Company's approval of the entire order.
- 2 - **DELIVERY** - The goods, even if sent "freight paid" or delivered free to the customer's premises, are transported at the customer's risk and responsibility; our responsibility ends when the goods are delivered to the carrier. After the buyer has inspected the goods, any claims should be made to the carrier. The unloading of the goods from the means of transport is at the customer's expense. All shipments by rail and road will be consigned carriage forward. Shipments by sea or by land regarding supplies abroad are made on the basis of the conditions chosen for each specific case as specified in the "Incoterms" approved by the International Chamber of Commerce in 1953.
- 3 - **PERCENTAGES** - Requests for specific percentages of grades will be understood as simple indications since we reserve the right to make changes according to the availability of stock at the time of shipment.
- 4 - **TERMS OF DELIVERY** - The delivery date must be mutually acceptable to both parties. In the absence of specific clauses, this date is to be considered purely indicative and not binding. In the event that the contract is modified, the delivery date will be extended for a period equal to that initially agreed upon. Delivery will be suspended in case of conditions of force majeure, for the entire duration of the event. Delays in delivery, due to any documented cause, even if not expressly provided for, will not entitle the buyer to request the termination of the contract, compensation or damages.
- 5 - **GUARANTEE AND CLAIMS** - The guarantee is limited to first choice materials with a tolerance of approximately 5%; it therefore explicitly excludes the second and third choice materials or stock. Any differences in shades of colour cannot be considered material defects. Any complaints regarding obvious defects can only be made before the materials are laid and in any case according to the law. The shades of colour of the samples and reproductions are to be considered purely indicative and not binding. Any faults or quality defects of the goods, if reported in accordance with the law, and ascertained or recognised by us, will only entitle the purchaser to the replacement of the faulty materials. Under no circumstances can the contract be considered null or void, nor can claims for damages be made. Under no circumstances will we be held responsible for the suitability of the material for the use to which the buyer intends to put it, even if we provide suggestions or instructions regarding its installation and use. No expert opinion can be made on our materials unless we have previously received the expert appointment order and in sufficient time for us to be present when the inspection is carried out.
- 6 - **CHANGES IN PRICE** - We reserve the right to modify the prices of goods, by giving prior notice to customers, if there is an increase in the cost of labour and / or raw materials of more than 10% between the order being placed the date of delivery.
- 7 **RETENTION OF TITLE** - It is understood that the ceramics referred to in this order shall remain the property of the seller until full payment is received.
- 8 - **PAYMENTS** - All goods, also for accounting purposes, will be invoiced according to the actual quantity supplied. All payments must be made in the currency specified on the invoice. Our acceptance of bills of exchange, promissory notes, endorsed bills or cheques is always intended as "subject to collection" and without assignment of debt. Payment is to be remitted to our head office also when bills of exchange of bank drafts are issued and payable in other places are accepted. Delayed payment, even if partial, of our invoices beyond their due date shall entitle us to the immediately charge interest on arrears calculated at the official bank lending rate. Moreover, all delays in setting our invoices, for whatever reason, shall entitle us, without prejudice to any other action, to request payment in advance for all pending orders or entitle us to suspend or cancel the contract and cancel the processing of any other contract, without the purchaser having the right to claim compensation, indemnity etc.
- 9 - **COMPETENT COURT** - For supplies in Italy, the regulations that apply to the interpretation and fulfilment of our supply contracts are those of Italian law and customs in Modena. For disputes of any kind, the local jurisdiction is exclusively that of the court of the town in which the head offices of Vallenga & Co. S.r.l. are located.
- 10- **ARBITRATION CLAUSE** - As regards supplies abroad, all contractual disputes will be decided according to the conciliation and arbitration regulations of the International Chamber of Commerce by one or more arbitrators appointed according to said regulations. Without prejudice to the general conditions above, the applicable substantive law will be Italian law and the competent court will be that of Modena.