

GENERAL CONDITIONS OF SALE

1. Preamble

1.1 These general conditions of sale shall be applied to any contract entered into between the Seller and the Purchaser (i.e. any written agreement or any product sale requested by accessing the website www.zippasindustries.com). The general conditions of sale of the Purchaser, if any, may not be applied, not even partially, unless expressly accepted by the Seller in writing.

1.2 The contract and its annexes contain and summarise any and all obligations actually undertaken by and binding upon the Parties. Their performance will be used to check the correct compliance with the contractual duties and obligations that shall be fulfilled in good faith, honesty and with fairness.

1.3 Any reference to commercial terms (such as EXW, CIP, etc.) shall be deemed as a reference to the text of the Incoterms of the International Chamber of Commerce in force on the date of the supply delivery.

2. Formation of the sales contract - Quantities - Prices

2.1 Should the Seller confirm in writing any order received or, if immediate deliveries or changes were required, should such deliveries start or changes be accepted, the sales contract shall be deemed to be executed.

2.2 Quantities shall be deemed to be accepted with a tolerance equal to +/- 10%.

2.3 The prices agreed upon shall be deemed to be "ex-works" according to the Incoterms of the International Chamber of Commerce and do not include any ancillary charge or service offered (such as VAT, packaging, freight, installation and/or assembly fees, etc.). In case of supplies provided on a continuous basis or partial deliveries, the Seller reserves the right to modify the prices according to any increase in raw material and labour costs or in tax charges that may occur during the supply. Under these circumstances, the Seller shall give the Purchaser a prior notice of thirty (30) days.

2.4 The Products are delivered to the Purchaser "ex-works" at the Seller's plant and the risk is transferred to the Purchaser upon the goods being made available at the Seller's premises. Regardless of the delivery term agreed upon, the goods are forwarded to the Purchaser at the latter's exclusive risk also in the case in which the carrier is chosen and appointed by the Seller as the latter is released from any liability upon making the goods available at its own premises or, at the latest, upon delivering them to the carrier. Such delivery shall be deemed, to all effects and purposes, to have been carried out by hand by the Purchaser itself.

2.5 The delivery date agreed upon is merely indicative. Should delivery be delayed up to sixty (60) days at the Seller's fault, the Purchaser shall not be entitled to refuse the supply, ask for the contract to be terminated or claim any compensation for damages. Should instead the delay in the delivery exceed sixty (60) days, the Purchaser shall be entitled to ask for the order to be cancelled and to be refunded of any advance payment made by sending a registered letter with return receipt. In any case, the Seller shall be under no obligation to indemnify the Purchaser against any direct and/or indirect damage of any nature whatsoever arising from a delay in or failure to carry out the sale.

3. Retention of title

The Purchaser acquires ownership of the goods only by paying the supply invoiced price in full, but assumes the relevant risks upon delivery.

4. Features and conditions of use of the products

4.1 Unless otherwise expressly agreed upon by the parties in writing, the product functional parameters correspond to those stated (both nominal value and tolerance) in the Seller's drawings and technical specifications. The quality levels of the products supplied correspond to the Seller's standard levels indicated in the relevant specifications.

4.2 The Purchaser shall identify and communicate to the Seller the product conditions of use before the relevant technical definition is carried out. In particular, should the Purchaser request the supply of products whose functional parameters differ in any way and to any extent whatsoever from those indicated in the Seller's drawings and technical specifications, the Purchaser shall provide the Seller with the drawings, technical specifications and any other necessary instruction in writing. It is hereby understood that the Seller will be under the obligation to provide such products only if it has confirmed the requested changes in writing. Under no circumstances shall the Seller be obliged to deliver products suitable for a specific use, unless expressly agreed upon by the parties in writing. Should the Purchaser not provide any specific instruction, the product conditions of use shall be deemed to be those indicated in the Seller's drawings and technical documentation.

4.3 The products provided by the Seller comply with both the law of the country where the Seller's registered office is located and EU applicable law. Unless otherwise expressly agreed upon by the parties in writing, the Seller does not guarantee the compliance of the products supplied with regulations in force in non-EU countries. Therefore, the Purchaser shall be held exclusively liable for any use of the products in any non-EU country and undertakes to indemnify and hold the Seller harmless against any damage and negative effect that may arise if the products do not comply with the regulations in force in such country.

5. Warranty

5.1 The Products supplied carry an eighteen (18)-month warranty against defects in material and/or manufacture starting from the date marked on the products themselves. During the abovementioned warranty period, the Seller shall replace free of charge any product returned and acknowledged to be faulty due to original defects or, at its own discretion, shall issue credit to the Purchaser for an amount equal to the invoiced price of the products in question, provided that the latter has promptly notified the Seller of such defects. Any other right of or claim by the Purchaser, also by way of compensation for any direct and/or indirect damage suffered or refund of any cost incurred by the latter (including, without limitation, costs for any reworked supply, technical support, recall, etc.) is hereby expressly excluded and waived.

5.2 The Purchaser shall notify the Seller, in writing and in detail, of any defect or instance of non-compliance detected in the products within eight (8) days from receipt of goods and within the abovementioned warranty period. Failure to do so will result in the warranty becoming null and void. Moreover, the Purchaser shall notify the Seller, in writing and in detail, of any latent defect in the products within eight (8) days from the date such defect is detected and within the established warranty period. Also in this case, failure to do so will result in the warranty becoming null and void.

5.3 The warranty will not cover any detected defect attributable to the Purchaser's negligence and/or use of the products not compliant with the technical instructions provided by the Seller, incorrect design or manufacture of the device in which the products are installed, incorrect installation and/or assembly of the products by the Purchaser, failure to comply with the Seller's warnings, incorrect maintenance, improper cleaning methods or materials, incorrect storage, handling and transport, improper or careless use of the device by the user or to any other circumstance not related to defects in manufacture attributable to the Seller.

5.4 Under no circumstances shall the Purchaser be entitled to suspend or withhold any payment due to the Seller as well as to offset it against any amount purportedly owed to the Purchaser, also on the grounds of any dispute concerning the products.

5.5 The Seller declines any liability for any defect and flaw in the products arising, also indirectly, from the products being resold by or on behalf of the Purchaser to any third party for any reason whatsoever or from the Seller's products being integrated in complex products sold by the Purchaser to any third party. Moreover, the Seller declines any direct liability towards such third-party purchasers, who shall exclusively contact the Purchaser for any warranty claim, refunds or any other matter. The Purchaser shall be held exclusively liable for any difference between the warranty under this article and the warranties provided by it to any third party.

6. Obligations of the Purchaser

6.1 The Purchaser shall immediately take delivery of the products at the Seller's plant on the date indicated on the notice of readiness to deliver. Should product pickup be delayed at the Purchaser's fault for a period exceeding ten (10) days, the latter shall pay the Seller, in addition to the price and by way of compensation, 1% of the invoiced amount per each day of product storage, without prejudice to the latter's right to claim compensation for greater damage.

6.2 The Purchaser shall make the payments according to the methods and within the dates agreed upon by the parties. Prices are in Euro and shall be paid in the currency that is legal tender in the Seller's country on the payment's date and according to its nominal value. Interests equal to the interest rate of the main refinancing instrument, raised by seven percentage points, of the European Central Bank applied to its latest main refinancing operation carried out on the first calendar day of the relevant semester (as per the Directive 2000/35/EC) shall be applied, automatically and with no need for issuance of a formal notice of default, to any late payment, without prejudice to any other right of the Seller including the right to terminate the Contract. In case of delay in payments, the Seller shall be entitled to immediately suspend any supply also if under any other contract entered into with the same Purchaser. In any case, should the Purchaser fail to comply with the payment terms agreed upon, any amount owed by the latter shall become immediately due and payable in full.

7. Industrial and intellectual property

7.1 The Seller is and shall remain the sole and exclusive owner of any and all intellectual and industrial property rights related to the products supplied, including their individual parts, documentation, drawings, projects, manuals, as well as any trademark the Seller put on such products. Under no circumstances shall the Purchaser be entitled to use and/or exploit for any purpose other than the sale, as well as to reproduce, copy or send to any third party the Seller's drawings, documents and/or technical information without the latter's prior written consent.

8. Force majeure

8.1 Should the Seller be unable to comply with the contract provisions due to a force majeure event or any other circumstance beyond its control, the time provided for carrying out the supply shall be automatically extended by a period equal to the entire duration of the effects of the force majeure event or such other circumstance. Should they continue for more than six (6) months, either party shall be entitled to ask for the contract to be terminated. Under this circumstance, the Seller shall refund the Purchaser any advance payment made, with the exception of any further amount charged to the latter.

9. Disputes

9.1 Any dispute between the parties concerning the formation, validity, construing, performance, change or termination of the contract shall be settled according to and through the application of the law of the country where the Seller's registered office is located. In any case, the parties shall promptly confer and make their best efforts to effect any change necessary to maintain and safeguard the economic benefits ensuing from the contract.

9.2 The Court having jurisdiction over the country where the Seller has its registered office shall have exclusive jurisdiction in settling any dispute arising from or connected to the contract. Nonetheless, in derogation from what provided for above, the Seller shall be entitled to bring any judicial proceedings against the Purchaser in the Court having jurisdiction over the country where the Purchaser has its registered office.

9.3 Before starting legal proceedings in front of the competent judge, the parties undertake to appoint two experts, who shall submit, within ninety (90) days, a joint report containing all the elements presented by the parties as the grounds for the dispute arisen between them. Should the experts be in disagreement with each other, each expert shall state the reasons for such disagreement by submitting a written report undersigned by both.

9.4 Should the parties have not reached an agreement upon expiration of the abovementioned ninety (90)-day term, any and all disputes regarding the contract, or any further agreement related to it, shall be settled by the competent Judge (as identified under article 9.2 above) and, if the Purchaser's registered office is located in a country other than that of the Seller, also through the application of the Vienna Convention on Contracts for the International Sale of Goods. It is hereby understood that, if such Convention fails to provide any instruction on the matter, the dispute between the Seller and the Purchaser shall be governed and settled by the law of the country where the Seller's registered office is located.