

FRAMEWORK AGREEMENT
RELATED TO THE SUPPLY OF GOODS BETWEEN

NC Componenti S.r.l, head office in Cascine Vica Rivoli (TO), Via F. Raimondo 11/B, (VAT. Nr. 04629860018)

AND

....., head office in.....

(VAT nr.....) Afterwards called customer or buyer.

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WHEREAS

- The Parties intend to sign purchase or supply contracts
- This framework agreement settles the entire legal and regulatory framework of future single contracts between the parties.
- This agreement is stipulated for a period of 5 years and will be automatically renewed if the supplier does not get any written notice within 3 months before the due date.
- Any change to this framework agreement that should be possibly agreed between the parties shall be effective on the single agreement only and shall not affect the specific performance of the present framework agreement on future contracts.

1. AGREEMENT

The agreement is completed only when the customer's order is accepted from NC Componenti S.r.l.. The order has to be understood as accepted only after the sending of the written Acknowledgment note from NC Componenti S.r.l or, in case of verbal orders, only after NC COMPONENTI S.R.L Acknowledgement note signed by the customer is received by NC Componenti S.r.l. Until the agreement is not completed, any offer and/or estimate issued by NC Componenti S.R.L has not to be considered binding. NC Componenti S.r.l the right to change details of the received order- proposal in its Acknowledgement note. In this case the Acknowledgement note and its changes are understood as accepted if the buyer does not declare in writing to NC COMPONENTI S.r.l. the refusal of them within the terms 8 days from its receipt. In case of lack of communication within this term, the agreement has to be understood as completed with the condition indicated in the Acknowledgment note of NC COMPONENTI S.r.l. Any change required by the buyer does not undertake NC COMPONENTI S.r.l., unless it is not clearly accepted in written by the latter one.

2. ASSIGNEMENT

The buyer shall not assign this agreement to third parties without prior written consent of NC COMPONENTI S.r.l.

3. PRICES - PAYMENT TERMS

Prices and payment conditions are shown in the acknowledgement note. In case the acknowledgement note foresees one or more payments to be settled before the delivery, the lack of payment within the agreed deadlines allows NC COMPONENTI S.r.l. to break off the supply and/or any activity, without prejudice to NC COMPONENTI S.r.l right to the compensation for the damages. The minimal order amount is euro 400,00; if the order amount is lower additional expenses of the amount of euro 40,00 will be charged or of euro 30,00 for payment before the delivery.

4. DELIVERIES

Except otherwise agreed, the delivery term mentioned in the acknowledgement note is just indicative and not essential. The fulfilment of the agreed delivery term presupposes also the fulfilment of each contractual commitments by the buyer. In any case, the delivery term has to be understood as respected when the object of the contract has left the plant within the agreed term, or as soon as the buyer has been informed that it is ready for delivery. NC Componenti S.r.l is allowed up to now to carry out partial shipments. The delivery term could be delayed because of special events independent from the will of NC Componenti S.r.l, such as strikes, fires, floods, production activities break off, delays of the sub-suppliers, lack of driving force in the plants as as due to the circumstances beyond one's control. At any time NC Componenti S.r.l. shall have the right to partially or completely delete the agreement and/or the supply, without requirement of any kind of remuneration or compensation from the buyer.

5. SHIPMENT

Unless otherwise agreed in written, NC Componenti S.r.l. delivers the goods at buyer's risk and expenses. The risk is transferred to the buyer in the moment when the goods are given to the one who is charged for the transport, and at the latest at the moment of the departure from NC Componenti's plant when the goods are delivered by NC Componenti S.r.l itself. When the goods are collected from the buyer, the risk is transferred to this one as soon as he receives the notice of goods ready for delivery.

6. APPROVAL

NC Componenti S.r.l. and the buyer will carry out the test the supply at the plant of NC Componenti S.r.l. when foreseen by the nature of the supply or by the acknowledgment note. The positive result of the test means the final acceptance of the supply by the buyer as well as the loss of the possibility to notify defects and faults.

7.WARRANTY

NC Componenti S.r.l warrants goods' good functioning for 12 months from delivery date. NC Componenti S.r.l undertakes to substitute or repair the object of the contract or single components when failures or malfunctioning or defects related to manufacturing defects are found within its use and within the time limits mentioned in the above paragraph, and they make it no more suitable for its use. The warranty duties expires when the buyer breaks off or delays the agreed payments. The damaged warranted component should be sent for reparation or replace from the buyer ex works to NC Componenti S.r.l. During the warranty period the labor costs related to the repair service are on NC Componenti expenses. Transport and travel costs are on buyer's expenses. According to this warranty the buyer | 2 undertakes to inform NC Componenti S.r.l about any goods defect or damage within 30 days from defect/damage discovery under penalty of expiration of the warranty and allows NC Componenti S.r.l. to carry out any kind of inspection, intervention and repair that NC Componenti S.r.l. thinks is necessary. As foreseen in the present clause the warranty duty shall be considered fulfilled with the delivery to the buyer of the part duly repaired or replaced. This warranty doesn't cover defects or damages caused by the buyer because of a careless use or use not in accordance with goods purpose, damages related to repair, wrong storage of goods, replacement of single components, servicing of persons not authorized from the supplier or by any other circumstances independent from malice or negligence of the supplier. The warranty does not include: inadequacy or defects due to the normal use of those components subject to swift and constant wear, defects related to tools use, fittings, equipment not supplied from NC Componenti S.r.l. Any compensation for other direct or indirect damages and above all for damages due to lack of production is expressly not due. If trade/hallmarks or distinguishing signs of the products are removed, the warranty will cease immediately.

8.VICES OR DEFECTS

The buyer has to check the received goods immediately and report the evident defects within 8 days from the delivery itself. Moreover, within this date the buyer has to pass on possible mistakes related to the supply, quantity and model. Any dispute or notification has to be issued through written documentation and sent only to NC Componenti S.r.l. Moreover the buyer has to notify, always in written, possible defects or quality faults within 8 days from their discovery, according to what shown above.

9.RETURN OF GOODS

Goods have to be returned ex works, freight and customs prepaid after previous written authorization from NC Componenti S.r.l.. Returned goods have to be intact and NC Componenti S.r.l, after checking it, will consider a min. reduction of 20% (twenty pro cent) from invoice. In case of goods returned for restoration the buyer has to pay the restoration costs before the delivery back.

10.JURISDICTION AND APPLICABLE LAW

All disputes, controversies or claims which may arise out of or relating to the present framework agreement shall be exclusively subject to the Italian Court of Torino. This framework agreement, its execution and each dispute that could arise out of it is settled by the Italian law, with express exemption of law-courts conflicting norms, and above all of the discipline made up from Wien Convention in 1980 about international goods sale and Aja Convention in 1955. This framework Agreement is drawn-up in two copies, one in Italian and the other one in English. The Italian version is valid.

Turin, date.....

NC COMPONENTI S.R.L

THE CUSTOMER for acceptance

(Stamp and signature)

I declare I have carefully read and well understood as well as accepted the above framework agreement of supply and specifically all the clauses of this contract here below reported: 1-Agreement, 2-Assignment, 3- Prices-payment terms, 4- Deliveries, 7- Warranty, 10- Jurisdiction and applicable law.

THE CUSTOMER for acceptance

(Stamp and signature)