



JOB PROCESSING SUBCONTRACT

1. Contract documents

These General Conditions of Contract govern and are integral part of all contracts concerning job processing works by Laminati Cavanna S.p.A. (Supplier) with registered office in Milan, Piazzale Cadorna 6, Administrative offices and production site in Zona Industriale Ponte Trebbia Via Bologna 9, 29010 Calendasco (Piacenza) (Tax ID/VAT Reg. No. 08431680159) on behalf of Clients (Customers), on raw materials and/or semi-finished products (Materials) supplied by them and according to the technical specifications issued by them.

Laminati Cavanna S.p.A. issued these General Conditions by:

- making them available at their offices for viewing or providing a copy to any requesting Customer;
- publishing them on the website <http://www.laminaticavanna.com/>;
- reproducing the full text on all order forms.

In addition to these General Conditions, each Job Processing Contract is governed by the special terms and conditions given in the Order Confirmation and in the technical processing sheet, which all constitute an integral part of every single Job Processing Subcontract.

In case of contrast between Special and General Conditions, the latter will prevail, unless otherwise expressly and specifically indicated in the special conditions.

2. Contract object

By accepting the order, the Supplier undertakes to perform, on behalf of the Customer, the Processing works described in the Order Confirmation and relevant technical processing sheets, on the raw materials and/or semi-finished products (Materials) supplied by the Customer and according to its technical specifications.

3. Conclusion of the Contract

Every single order is subject to the written approval of the Supplier, therefore each Processing Contract will be deemed concluded, when:

- (a) The Job Processing Order proposed by the Client is confirmed, approved and signed by the Supplier for acceptance; or
- (b) When the Supplier starts to perform the Job Processing Contract, following the order received from the Client.

The issue of an order or any other contractual proposal by the Client concerning any Job Processing always implies the full acceptance of these General Conditions.

4. Delivery terms and conditions

The processed goods will be delivered exclusively EX-WORKS at the Supplier's factory of in Via Bologna 9, Zona Ind. Ponte Trebbia, 29010 Calendasco, Piacenza, which shall be considered the place of delivery.

The processed goods shall be delivered under the responsibility and at the expense of the Customer.

The Customer shall collect the processed goods within 15 (fifteen) days from receiving the written notice of completion of the process.

The delivery terms are purely indicative and will not bind the Supplier; the delivery terms start from the date of receipt at the Supplier's factory of the Materials to be processed.

5. Delivery and storage of the Materials and Processing goods at the Supplier's factory

The Customer undertakes to deliver to the Supplier the Materials to be processed in an appropriate quantity and quality for the requested processing works, under his own responsibility and at his own expense, to the Supplier's factory in Piacenza.

The Supplier will receive the Materials and facilitate the loading and unloading operations in the smoothest possible manner on the dates established by the Customer on a case by case basis.

The Supplier will reserve a part of his warehouse in Piacenza for the storage of the Materials to be processed as delivered by the Customer and for the processed goods (Storage area).

The Supplier will keep the Storage Area available for the storage of the processed goods for a period of 90 days from notification of completed process.

After such period will be applied a storage fee of € 5.00/pallet per week until the effective collection of the Processed goods.

In case of prolonged storage of the Processed goods beyond a 12 months period from the date of notification of completed process, the Supplier is hereby authorised by the Customer to remove and dispose of both the Materials and the Processed goods, subsequently charging the Customer for the costs of such removal and disposal.

The Materials and the Processed goods will remain in storage in the Storage Area at the risk of the Customer, who shall independently take out an insurance policy against fire, theft and civil liability, covering all risks linked to the storage of the Materials and Processed goods.

The Supplier shall not in any way be liable for the deterioration or damage of the Materials and Processed goods.

The processing waste of the Materials shall remain the property of the Customer, also for the purposes of correct disposal, recovery and/or reuse.

6. Liability

The Supplier undertakes to perform the Processing according with the common art rules, in conformity with the instructions issued by the Customer, and shall be liable for any Processing defects which may be consequent to his own works.

Laminati Cavanna will be liable for any damage to the Materials caused by his incorrect processing if claimed no later than the cutting phase and within the purchase materials cost.

The Supplier reserves a 5% excess on the total weight of the processed materials.

The Customer, the sole to know the purpose and destination of the processed goods, shall be responsible for the Materials delivered to the Supplier to be processed, and therefore for their suitability, lack of defects and correspondence to the technical processing specifications.

The Customer, sole owner of the executive designs, of the technical and technological knowledge, models and prototypes, takes the responsibility for the instructions and technical processing specifications issued to the Supplier for the purpose of the Processing, and therefore the correspondence of the Processing to the final purpose of the processed goods.

The Customer will also be responsible of the final product in which the Processed goods will be incorporated or used, both in terms of contractual compliance of the product that of civil responsibility for the damage.

The Customer undertakes to hold the Supplier harmless of all claims made by anyone towards the Supplier.

7. Payment and payment terms

The amounts due for the Processing, the terms and methods of delivery are indicated in the price list and specifically agreed in the order confirmation.

The breach of the payment terms by the Client shall lead to the application of the acceleration clause, and the Supplier will have the faculty to demand immediate payment of the whole price from the Client. Without prejudice to what stated above, in the event of late or non-payment, the Supplier will also have the right to terminate the Supply Contract pursuant to article 1456 of the Italian Civil Code, withholding any advance payment as a penalty, without prejudice to greater damages.

Without prejudice to the provisions of art. 1462 of the Italian Civil Code, under no circumstances may the Client make any exception in order to avoid or delay the payments due.

8. Testing Inspection and acceptance of the Products

Any claims regarding the quality and conformity of the goods to the technical processing specifications shall mandatory be reported to the Supplier in writing within fifteen days from the delivery of the processed goods, and in the event of hidden defects, within eight days of their discovery.

Unless otherwise stated in the Special Conditions, at the time of delivery of the Processed goods, the Customer shall immediately:

- 1) check the quantity and packaging of the products and record any objections on the delivery note;
- 2) check the conformity of the Products to the instructions given in the Special Conditions and record any deformities on the delivery note.

The signature without reserve of the delivery note shall be deemed as full acceptance by the Client of the Processed goods.

Shall the Customer not be present at the delivery time or for any reason not sign the delivery note, or shall the above checks not be performed or completed due to any fact attributable to the Customer, the Processed goods will be deemed accepted to all extents and purposes.

In any case, the Processed goods shall be deemed to be accepted following the payment, even partially, of the first instalment of the amount of the supply, due immediately following the performance of the inspections.

All costs and expenses for the inspections shall be solely for the Client's account.

9. Inspections

The Customer will have free access to the Supplier's production sites, via persons appointed by him whose name shall be notified in writing to the Supplier in advance, with the purpose to check the correct performance of the contractual obligations and to check the Product tests. The inspections and checks shall not raise and free the Supplier from his responsibilities. The Customer undertakes to ensure full confidentiality over the processing methods and processes, the equipment and generally all information concerning the Supplier's organisation, which he may become aware of by means of access to the Supplier's facilities.

10. Industrial property

The Client shall maintain industrial property rights over the ownership, designs, technical instructions and any other proprietary information provided by him to the Supplier for the performance of or for the purposes of the execution of this contract, and the Supplier shall use such information exclusively for the Processing to which the contract refers; the Supplier shall also abstain from any acts, including the submission of patent applications for inventions or models which may imply the disclosure of the Customer's know-how.

The Supplier shall maintain industrial property rights over the ownership, technical instructions and any other information concerning the processing works performed by him.

Industrial and intellectual property rights developed by the Supplier during the performance of this contract may be freely transferred to third parties against payment.

The Customer shall hold the Supplier harmless of any claims or actions of third parties due to the breach of patents or industrial property rights generally or the breach of rights over the know-how or confidential information or industrial secrets, regarding to goods, processes or techniques released by the Customer to the Supplier.

11. Jurisdiction

Any disputes which may arise from this contract shall be referred exclusively to the Courts of Piacenza.

12. FINAL PROVISIONS

For any matters not expressly provided for or derogated from by this contract, the provisions of the Italian Civil Code, special laws and Italian Law no. 192 of 18 June 1998 shall apply.