

1. PREMISES

These general sales conditions (from now on "General Conditions") govern the sale between ALKÉ S.r.l. (from now on "ALKÉ") and the client (from now on "Buyer") of the vehicles manufactured by or on behalf of ALKÉ (from now on "Products") and distinguished by ALKÉ's trademarks (from now on "Trademarks"), which General Conditions nullify and replace entirely the general conditions of purchase drafted by the Buyer, if any, and prevail on the provisions of the purchase order and of the order confirmation, if conflicting. Any modification, addition, waiver and annulment of the General Conditions must be exclusively agreed between ALKÉ and the Buyer in written form and expressly accepted by ALKÉ.

The adhesion to the General Conditions, as well as all contracts and the successive behaviours of the parties which are governed by these General Conditions – except if agreed otherwise in written form – do not entail the conferment of any exclusivity right to the Buyer, nor the establishment of any of the following relations: distributorship, franchising, commission, agency or similar, with or without representation.

2. QUOTATION AND INVITATION TO MAKE AN OFFER, PURCHASE ORDER, ORDER CONFIRMATION AND PERFECTION

At the request of the Buyer, ALKÉ will transmit to the Buyer the quotation of the Products and the invitation to make an offer (from now on "Quotation"), containing the codes of the Products, the prices of the Products, terms of payment and any other element necessary for the Buyer to draft and submit the purchase order. The Quotations of the Products issued by ALKÉ will be valid for 30 (thirty) days from the issuance, except for any extension of the validity of the Quotations by ALKÉ. An ALKÉ Quotation will be considered irrevocable only if qualified as such by ALKÉ in writing.

On the basis of the Products' Quotation, the Buyer will transmit to ALKÉ the Products' purchase order. The Products' purchase order shall be considered valid only if transmitted by the Buyer to ALKÉ in written form and compliant with the Products' Quotation sent by ALKÉ.

If the Buyer possesses ALKÉ's official price lists, the Buyer shall be entitled to transmit the Products' purchase order to ALKÉ, even in absence of a previous ALKÉ's communication of the Quotation. In this particular case, the purchase order shall contain details about the Products' codes, quantities and any other information necessary and useful to the definition of the purchase order.

The Products' purchase order will become binding for ALKÉ - with the consequent perfection of the sale and purchase agreement of the Products between the Buyer and ALKÉ - following the issuance by ALKÉ of the relevant order confirmation in writing, in the form of a *pro forma* invoice or in any other written form (such as e-mail, fax, etc.).

For confirming the purchase order, ALKÉ shall be entitled to ask the Buyer to pay an amount not less than 30% (thirty per cent) of the Products' price as a deposit or down payment. The deposit or the down payment will be attributed to the price payment in case the Buyer fulfils the obligations while it will be kept as a penalty in case of non fulfilment of the obligations, save in any case for the compensation of further damages ALKÉ suffered because of Buyer's non fulfilment.

Any amendment of the Products' purchase order shall be received by ALKÉ within 24 (twenty-four) hours from the moment the order was transmitted to ALKÉ's sales departments. Once this term has expired, ALKÉ will not accept any modification of the purchase order.

The Products' purchase order shall always contain the relevant Product's standard or special code number of each Product, the latter as indicated in the relevant Product's Quotation issued by ALKÉ or in the official ALKÉ's price lists.

As far as the Products supplied are concerned, ALKÉ shall not be liable for the non compliance of the same Products to Buyer's expectations if this is originated by Buyer's errors or inaccuracies in indicating the codes of Products ordered.

ALKÉ reserves the non disputable right to perform on the Products, in any moment and without notice, all amendments deemed appropriate for the manufacturing and qualitative improvement, as well as for improving the Products' performance.

3. SUSPENSION OR CANCELLATION OF AN ORDER BY THE BUYER

In the event of the suspension or cancellation by the Buyer of the Products' purchase order, the latter shall be charged, as penalty, with the expenses incurred by ALKÉ for the performance of the order, which expenses shall be calculated in proportion to the status of performance of the order, plus an amount equal to 10% (ten percent) of the difference between the total amount of the order cancelled or suspended and the amount of the expenses first mentioned, save for the compensation of further damages suffered by ALKÉ because of this non fulfilment. If the Buyer paid an amount as deposit or down payment, ALKÉ, as a penalty for the suspension or cancellation of an order, will keep the deposit or down payment, save for the compensation of further damages suffered by ALKÉ because of this suspension or cancellation.

4. DELIVERY TERMS

Delivery terms indicated in the Quotations, in the purchase order, in the order confirmation or elsewhere, are not of essence but only approximate. For this reason, ALKÉ is entitled to reasonably anticipate or postpone the delivery of all the Products or just part of them and this shall not constitute ground for the Buyer to cancel the order, to ask for the total or partial termination of the sale and purchase contract and/or of any other supply contract existing between the parties, if any, nor claim towards ALKÉ the compensation for damages or indemnities nor ground for claiming liability of ALKÉ for direct or indirect damages originated by delays in deliveries or for any other reason, except for ALKÉ's gross negligence or malice.

If the Buyer refuses to accept the delivery of all the Products or just part of them in the delivery place, as defined according to Incoterms® 2010, within the terms communicated by ALKÉ, the latter shall be entitled to, at its sole undisputable choice, ask the performance of the contract or terminate, totally or partially, the contract, keeping the deposit or the down payment referred to in article 2. The ALKÉ's right for compensation for damages suffered by ALKÉ shall be safe. Any liability of ALKÉ for any risk and expenses originated by, or inherent to, in whatsoever manner, to the stock of the Products is expressly excluded.

5. RETENTION OF TITLE

It is expressly agreed that the Products supplied shall remain in the exclusive ownership of ALKÉ until the complete and full payment by the Buyer of all debts arising from the execution of the sale and purchase agreement and/or of any other contract effective between the parties, if any, including interests on late payments and the costs incurred by ALKÉ for the compulsory credit recovery. The Buyer must notify ALKÉ immediately of any actions of seizure, attachment or of any other measure requested by a third party on the Products subject to the retention of title. That notification shall be done in such time to allow ALKÉ to claim towards the third party its right on those Products, save for Buyer's liability towards ALKÉ if the action of the third party compromises ALKÉ's right on the Products. In the event of becoming subject to bankruptcy or insolvency proceedings or in the event of contract termination, according to article 14, the Buyer undertakes to allow ALKÉ to enter Buyer's premises and to take possession of the Products subject to the retention of title without any previous notice and all the expenses connected to the withdrawal of the Products shall be borne by the Buyer. The Buyer shall refrain from any activity or behaviour that may hinder ALKÉ to identify the Products that are of ALKÉ's ownership by virtue of the retention of title and shall execute all insurance policies necessary to keep ALKÉ harmless from possible damages to the Products and/or third parties. Any ALKÉ's delay in exercising its rights arising from this article 5 shall in no event be considered and interpreted as a waiver of these rights in favour of the Buyer.

6. PACKAGING

In absence of instructions and specifications by the Buyer in the purchase order, the packaging of the Products will be performed by ALKÉ, at its own discretion, in the most appropriate way and without additional costs charges. In the event of specific requests by the Buyer with regard to the packaging, the packaging of the Products not corresponding to the standard packaging ALKÉ shall be charged on a

actual cost basis incurred by ALKÉ. Save for malice or gross negligence of ALKÉ, in no event and for no reason ALKÉ shall be liable for direct or indirect damage arising from the choice of the packaging.

7. TRANSPORT AND SHIPMENTS

Unless otherwise agreed by the Buyer and ALKÉ and confirmed by ALKÉ in writing, the Products will be delivered Ex-Works (Incoterms® 2010) ALKÉ's plant in Padua. In case of terms of delivery belonging to group C or to group D of Incoterms® 2010, and in absence of specific Buyer's written instructions in the purchase order, the shipment shall be performed with the transport mean deemed most appropriate and by charging the cost in the invoice, and this shall not entitle to complaints.

8. WARRANTY

ALKÉ warrants that the Products are free from defects in material or in assembling due to ALKÉ's actions or omissions for a period of 12 (twelve) months or of 1.000 (one thousand) working hours or of 15.000 (fifteen thousand) kilometres run, depending on which condition occurs first, starting from the delivery of the Product to the Buyer.

The warranty includes the sole reparation or replacement, at ALKÉ's unquestionable choice, of the Products' components that turned out to be faulty.

Reparation or replacement activities, if any, do not extend the original warranty duration, which always runs from the date the Product was delivered to the Buyer.

Components replaced during the warranty period are of ALKÉ's ownership and shall be returned to the latter within 30 (thirty) days from replacement.

The warranty does not include and cover components of Products that turned out to be non conform because of:

- fire, accident or theft;
- wrong use or negligence or inexperience in using the Product;
- overload of the Product with respect to the parameters indicated in the user's manual;
- use of the Product in particularly hard driving conditions, for example: torn roads, streets covered with snow, the approaching of curbs, road humps and pavements in high speed, imbalanced loads, vertical overload on the towing attachment, very high number of daily stop&go etc.;
- reparations or replacements carried out on the Product by unauthorized staff;
- installation of non original replacing components or of replacing components of quality not equal to the original;
- alterations, tampering, and/or modifications carried out on the Product that change the original technical characteristics, including the installation of non original accessorises;
- use of unsuitable fuel;
- incorrect power supply (electric overload or sudden changes in the power voltage) while the Products' batteries are charging;
- chemical products transported by the air, deposits-resins coming from the trees, debris in the street (stones, gravel etc.), salt, hailstones, flooding, windstorms, bird excrements, lightning and other weather conditions, riots and wars;
- damages due to the use or transportation of abrasive or aggressive products as well as chemical/corrosive substances;
- effects due to water contamination or corrosion originating from total or partial immersion in the water.

Warranty does not include and does not cover, except if it proven that it is a defect in workmanship, the following events: discoloration/fading of textiles and plastics, breaking of glasses and crystals, regulation of the limber geometry, pneumatic tires balance, brake discs wear and brake pads wear, shock absorbers wear.

The present warranty neither includes and covers checking and maintenance of the Products. Scheduled checking and maintenance activities (also called service) carried out in the warranty period shall be at Buyer's expenses, as well as any other checking and maintenance activity due to wear, accident, driving and driving conditions which do not conform to the indications set forth in the user's manual.

Maintenance activities include, for example but not limited to, checking carried out on the engine, regulations, liquids and filters replacement,

lubrication, cleaning, spark plugs and fuses replacement, screen wiper's brushes replacement, auxiliary belts replacement, brake pads replacement, brake shoes replacement, clutch's friction material replacement and electric engines' brushes replacement.

Warranty shall not be valid and hence shall lose any effectiveness in case of tampering of the odometer or of any other control units of the Products, carried out directly or indirectly by the Buyer with malice, negligence and inexperience, with the aim of impeding the exact determination of the kilometres run or of the real working hours of the Products and, as a consequence, the real and effective maintenance activity carried out on the Product.

For the warranty to be valid and effective, all of the following conditions shall be fulfilled:

- the Buyer must have reported the defect of the Products to ALKÉ within 10 (ten) days from its discovery, sending the warranty application form (available at the following web address www.alke.com/warranty) correctly filled in and signed, accompanied by the relevant supporting photographic or video material clearly showing the Product's defect, and, if expressly asked by ALKÉ, also the faulty component, at Buyer's expenses;
- the Buyer must have been using the Product according to the indications contained in the user's manual, and in any case according to the use the Product itself was designed and built for;
- the Buyer must have been carrying out the scheduled maintenance activities of the Product (service) according to ALKÉ's instructions contained in the user's manual and must have been keeping all the relevant necessary documents;
- every maintenance and reparation activity must have been performed by ALKÉ's authorized staff using only the original spare parts or those suggested by ALKÉ.

In addition to the above general provisions, the following particular provisions shall apply:

- a) In the case of direct sale of the Product to a Buyer who happens to be also the final user of the Product, for aims inherent to business, commercial, hand-craft or professional activity carried out by the Buyer, the reparation and the replacement of the faulty components, if any, will be carried out by ALKÉ in its plant or in a service centre indicated by ALKÉ. In this case, the Buyer shall transport the Product, by itself and at its own expenses, to ALKÉ's plant or to service centre indicated by ALKÉ. In the latter case, ALKÉ will ship the replacing components to the indicated service centre free of charge, except for the case that the service centre is located in a place considered by the main shipping companies isolated or remote, in which case the Buyer shall be charged with additional shipping costs applied by the shipping companies for the shipment of the components in those area. The costs of the labour for the reparation or replacement by ALKÉ or by the service centre of the faulty component will not be separately charged. If the Buyer does not intend to avail itself of the support provided by ALKÉ's service centres, ALKÉ will ship the replacing components to Buyer's address free of charge, except for the case that Buyer's address is located in a place considered by the main shipping companies isolated or remote, in which case the Buyer shall be charged with additional shipping costs applied by the shipping companies for the shipment of the components in those area. In the latter event, the Buyer will not be reimbursed for labour costs incurred for the reparation or replacement of the faulty Product's component, being the labour solely on Buyer's expenses.
- b) In the case of direct sale of the Product to a Buyer who happens to be also a reseller, the following terms and conditions shall apply. For the duration of the warranty, ALKÉ will ship the replacing components to the reseller free of charge, except for the case that reseller's plant is located in a place considered by the main shipping companies isolated or remote, in which case the reseller shall be charged with additional shipping costs applied by the shipping companies for the shipment of the components in those area. The cost of the labour for the reparation or replacement of the Product's faulty component shall be borne by the reseller, except in the case the reseller is required to perform warranty

interventions on the Products purchased by the final users mentioned above in point a), in which case ALKÈ will refund the reseller of the labour costs for warranty interventions. Those costs will be valued on the basis of ALKÈ's internal charts, according to the activity performed.

In addition to the warranty provided for in this article 8 to the benefit of the reseller, ALKÈ plans to grant a direct warranty towards end users not consumers to whom the reseller sold directly the Products. In the latter event, the reparation and replacement of defective components of Products shall be performed by the reseller from whom the user has purchased the Products, being understood that all claims towards ALKÈ and relating to these warranty interventions shall be made according to this article 8 being the right of recourse expressly excluded.

ALKÈ may grant to the reseller an extension of the warranty period for maximum 30 (thirty) days in respect to what is specified in paragraphs (i) and (ii) of article 8 in the event the reseller puts the Products temporarily in stock before the resale to final users.

In order to obtain the extension of warranty the reseller shall send to ALKÈ – within 15 (fifteen) days from its issuance – copy of the invoice or other document having tax validity in which the purchase date of the Products by the user is shown.

After the expiry of the warranty period all expenses necessary (labour and components) to perform warranty interventions on behalf of ALKÈ ex general conditions of warranty for end users not consumers shall be borne exclusively by the reseller.

9. EXCLUSION OF LIABILITY

The warranty set forth in article 8 here above absorbs and replaces any other legal or conventional warranty and excludes any other ALKÈ's liability towards the Buyer. For this reason, no charge or compensation for damages may be claimed by the Buyer towards ALKÈ for loss of profits, for any other direct or indirect damage suffered due to Products' defects. This exclusion of liability shall not be effective in case of ALKÈ's malice or gross negligence. Furthermore, ALKÈ declines any liability for damages that may arise, directly or indirectly, to people, things and animals because of Buyer's failure to comply with the instructions of the user's manual.

10. VALUE OF THE CATALOGUES

Characteristics, quality, materials, colours and other figurative data displayed in the catalogues, prospects, newsletters, advertisements, illustrations, price lists and every other ALKÈ's illustrative document, as well as characteristics of the models sent by ALKÈ to the Buyer, are to be qualified merely as approximate information and not subject of the warranty according to article 1497 of the Italian Civil Code.

11. PRICES AND PAYMENT TERMS

The Products' prices are those indicated in the Quotation and, in absence of the latter, those indicated in the price list effective at the moment the Buyer submitted the purchase order, as successively confirmed in the order confirmation.

Payment terms are those agreed by the parties in accordance with article 2 and indicated in the invoice.

Upon expiry of the agreed deadlines, ALKÈ shall be automatically entitled to charge interests on late payments adding to the legal interest rate, calculated on daily basis and for each day of delay, additional 8 (eight) points, as well as to suspend the performance of existing orders or to terminate the contract as set forth in article 14.

The Buyer shall be obliged to entirely pay the price of the Products also in case of claim or litigation. The set-off with credits, originated in whatsoever manner, towards ALKÈ, if any, is not allowed.

12. INVOICES

The invoices are deemed to be entirely accepted if not rejected within 5 (five) days from their receipt.

13. PRICE LISTS

The prices indicated in the price lists may be subject to variations due to market needs or to variations of the cost of raw materials, without any

advance notice to the Buyer. Prices variations shall not apply to the purchase orders already accepted by ALKÈ according to article 2 of the General Conditions.

14. ALKÈ'S RIGHT TO SUSPEND THE PERFORMANCE OF THE ORDER AND TO TERMINATE THE CONTRACT

ALKÈ reserves the right to suspend or cancel the performance of the order, even if the latter has been confirmed, or to render the delivery of the Products subject to advance payment in full of the price and of any other sum that may be due, or to presentation of adequate guarantees, should there be any failure or delay in compliance by the Buyer, either with regard to previous orders or to the order in question. ALKÈ will also be entitled to proceed as above in the event of a change in the person of the Buyer, in its company structure or situation, in its financial or property situation or in its commercial image, as well as in the event of protests, executive or precautionary proceedings, suspension, difficulties or delays in fulfilling third party obligations and, in any case, should the Buyer be found to be in a state of insolvency or subject to composition procedures. All deliveries of Products suspended and/or conditioned for grounds referred to in this paragraph will be deferred until a first useful date for ALKÈ subsequent to the cessation of the situation that determined the suspension of the performance of the order and/or to the fulfilment of the condition. Should the situation that determined the suspension of the performance of the order and/or of the non-fulfilment of the condition last for a period longer than six (6) months, the ALKÈ shall be entitled to declare the total or partial termination of the contract. Any delay by ALKÈ in exercising its rights under this article 14 shall not be interpreted as a waiver of them in favour of the Buyer.

15. PRODUCTS' TRACEABILITY AND RECALL

In the event of resale by the Buyer of the Products to a third party, the Buyer shall guarantee a full traceability of Products and, in case of procedures of mandatory and/or voluntary recall of Products for serial defects, shall provide the utmost level of cooperation to ALKÈ and comply to any initiative ALKÈ decides to undertake. Should ALKÈ decide to withdraw the Products from the market, the Buyer shall be entitled to obtain the replacement of the Products or, alternatively, the reimbursement of the price already paid. In no event shall ALKÈ be liable for compensation of any other direct or indirect damage, such as but not limited to: loss of profit and loss of image/commercial reputation.

16. INDUSTRIAL PROPERTY RIGHTS

The adhesion to the General Conditions, as well as all contracts and successive behaviour governed by these General Conditions - except if agreed otherwise in written form - do not grant the Buyer the right to use, in any form, the industrial property rights owned by or licensed to ALKÈ.

Any reproduction or use of the Trademarks or of any other distinguishing sign put by ALKÈ on the Products is strictly forbidden, save if previously authorized in writing by ALKÈ. It is also strictly forbidden for the Buyer to remove, cancel or alter the Trademarks, labels or distinguishing signs from the Products, as well as to put on the Products new trademarks, labels or any symbol of whatsoever nature.

17. PROCESSING OF PERSONAL DATA

The data of the Buyer collected through the issuance of the purchase order will be kept in the database of ALKÈ (Data Controller) and may be used not only for executing the contract or other obligations provided for by the law (such as accounting obligations) but also for commercial purposes, such as sending advertising material or commercial offers.

The consent to the processing of data is mandatory for the purpose of executing the contract and other obligations set forth by law, while it is optional in all other cases. The communication of the data will occur exclusively within the company group of ALKÈ and the relevant subsidiaries or affiliated companies.

In any case, the Buyer shall be always entitled a) to know about the existence of the processing of his personal data b) to know the place in which the data are kept c) to obtain from the Data Controller confirmation as to whether or not personal data concerning him exist and the communication of such data and of their source, as well as the

ground and purpose justifying collection and recording of the data d) to have them erased, made them anonymous or stop the use or object to their processing, in all or in part, for lawful reason.

18. INTERPRETATION

In case of any discrepancies between the Italian and the English version of the General Conditions, the Italian version will prevail.

19. EXCLUSIVE JURISDICTION AND APPLICABLE LAW

For any dispute that may arise between the Buyer and ALKÈ both with reference to the General Conditions and to each contract executed between said parties, also of extra-contractual nature, it is hereby agreed that the court of exclusive jurisdiction shall be that of Padova.

These General Conditions and contracts executed by the Buyer and ALKÈ shall be subject wholly and exclusively to Italian law. The applicability of the Vienna Convention 1980 on the International Sale of Goods is hereby expressly excluded.