

Telecomunicazioni Elettroniche Milano srl

HEAD OFFICE: Via Copernico, 11 20082 Binasco, Milano - ITALIA
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VAT Nr. IT05837360964



GENERAL TERMS AND CONDITIONS OF SALE

art. 1 – Definitions

1.1 For the purpose of this contract the terms stated below shall have the meaning attributed thereto save where otherwise indicated:

- **TEM:** the company Telecomunicazioni Elettroniche Milano srl VAT no IT05837360964, with registered office at Via P. Tamburini n.6, 20123 Milano, (IT);
- **Client:** the party sending the Order and intending to enter into the sale and purchase contract;
- **Incoterms:** Incoterms 2000 issued by the International Chamber of Commerce;
- **Order/s:** the purchase offer/sent by the Client;
- **Product:** any equipment, hardware or software produced and/or sold by TEM, the relevant documentation for use, the data and instructions therein incorporated;
- **Software:** the software contained within the Product, whether owned by TEM or by third party manufacturers.

art. 2 – Scope

2.1. The sale of the Product is governed by these general terms and conditions, by the Incoterms that as herein referred to form an integral and substantial part of the contractual relationship, and by the provisions of law and conventions applicable to the relationship.

art. 3 – Order - contents

3.1. TEM will only accept Orders signed by the legal representative of the Client company;

3.2. The Client shall obligatorily indicate in the Order:

- a. the exact company name of the Client, with indication of the full address (registered office where a company or the owner's address in case of an individual business entity);
- b. the name of the legal representative, his/her telephone number and email address where possible;
- c. the address to which the goods are to be delivered only if different from the address stated at a) above
- d. the payment conditions agreed;
- e. the bank details including IBAN number.

art. 4 - Conclusion of contract

4.1. The contract will be considered as having been entered into only following the express acceptance in writing by TEM of the Order.

4.2. The Order may not be deemed, in any manner, as binding for TEM until such time as it has stated its express acceptance. TEM, having received the Order reserves the right to verify the availability or otherwise of the Products ordered;

4.3. TEM will fill the duly accepted Order in the shortest possible time in accordance with the conditions of manufacture. The time indicated by TEM for fill the Order is purely as an indication. In any case, no liability will arise to TEM in case of delay in completion of the Order.

art. 5 – Delivery of Product in Italy

(Risks and costs)

5.1. The Product will be delivered to Client ex works (EXW) at the premises of Telecomunicazioni Elettroniche Milano srl , Via Copernico n.11, 20082 Binasco, Milano (IT);

5.2. If requested by the Client, TEM may contract for shipping at the Client's risks and expense. No liability may be attributed to the latter for any cause or reason, in relation to damage that may occur during said transport.

In said case the Product will be delivered free carrier (FCA) to the address agreed with Client and the Product will travel at the risk and cost of the Client.

5.3 In all cases, by handing over the Product to the shipper for transport, TEM shall be freed from any further risks or liability. The Product will always travel at the risk and cost of the Client. The costs of transport, and any accessory or additional costs, including those for packing, loading and unloading, taxes or duties that may be requested will be borne by the Client, and the sum will be charged in the invoice.

5.4. In all cases, the Client will be obliged to verify the compliance with the indications stated in the waybill with the effective number of packages and the apparent state of the goods or their packaging at the time of delivery by the shipper, and insert - in case of any difference – the relevant reserves in the waybill.

art. 6 – Delivery of Product outside Italy

(Risks and costs)

6.1. The delivery of Products outside Italy is governed by Incoterms.

6.2. All sales entered into by TEM are deemed ex works (EXW) at the premises of Telecomunicazioni Elettroniche Milano srl , Via Copernico n.11, 20082 Binasco, Milano (IT);

6.3. In case of delivery of Products outside Italy clauses stated at art. 5.2, 5.3, 5.4, 5.5 above shall also apply.

Art. 7 – Prices

7.1. Product prices are always indicated net of VAT where applicable, and may be changed at any time;

7.2. Each supply will be invoiced to the Client on the basis of prices in force at the time of delivery.

Art. 8 – Payments

8.1. The Client shall make payment to TEM with value in currency as indicated in the Order and relevant invoice, at the due date agreed at the time of the Order. VAT will be added where applicable;

8.2. The following payment methods are accepted: bank transfer, credit card, PayPal.

8.3. In case of delays in payment due, TEM will be entitled to request termination of the contract and the Client will in any case be charged, without need for prior formal notice and without any prejudice to any other rights, late interest on the sum not timely paid at Euribor plus seven points.

8.4. Payments made as capital and interests will be attributed first to interest, commencing from the oldest invoices.

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art. 9 – Retention of title

9.1. TEM shall retain title to Products until such time as full payment of the agreed price has been made according to art. 1523 *et seq* Italian civil code.

9.2. The Client may not transfer the Product to third parties until such time as it has acquired full title to the same.

art. 10 – Returns

10.1. Any request for returns must be authorised by TEM.

The products must be sent at the premises of Telecomunicazioni Elettroniche Milano srl , Via Copernico n.11, 20082 Binasco, Milano (IT);

The Products so returned must be shipped delivered duty paid - DDP (costs and risks of transport being borne by sender). Any Product returned with costs of transport to be paid by the addressee will be rejected.

10.2. Client is obliged to make shipment in packaging adequate so as to guarantee the content's protection.

Art. 11 – Guarantee

11.1. TEM guarantees its Product, for a period of 24 (twenty four) months from the date of purchase as indicated in the invoice delivered to (hereinafter the "Guarantee Period").

Defects or malfunctioning must be notified within and not later than 5 working days from their discovery.

11.2. TEM undertakes to carry out, during the Guarantee Period, at its own care, all the actions necessary to maintain or return the Product to normal working conditions. The guarantee is in any case limited to malfunctions or manufacturing defects or defects in the materials used.

11.3. TEM, at its complete discretion shall be free to proceed with the repair or replacement of the Product and/or of any of its components or parts thereof. The guarantee shall not apply when TEM's technical department fails to identify the alleged defect. The Product, components or parts of the Product repaired or replaced shall be subject to a new guarantee effective from the date of return to the client and to a term and extent identical to those of the original guarantee.

11.4. The guarantee shall not apply to components subject to wear and tear if the fault is attributable to normal use and wear and tear and not to an intrinsic manufacturing defect.

11.5. The guarantee shall not apply in case of :

- Mishandling of the Product by Client or third parties;
- Removal of the guarantee seal;
- Installation that does not conform to the technical specifications of TEM or the manufacturer where this is not TEM;
- accidents, such as by way of example electrical discharges and/or tensions not in line with Product specifications;
- erroneous installation or use of the software and/or hardware or that is not compatible with the documentation provided by TEM or the manufacturer where this is not TEM;
- use of improper packaging;
- damages, accidents and breakdowns caused by transport effected by Client.

11.6. This guarantee will expire at the end of the Guarantee Period.

11.7. With respect to repairs to be made during the Guarantee Period the Product must be returned by Client to TEM delivery duty paid (DDP) to TEM's premises according to the terms and conditions of Incoterms.

The Product will always travel at the risk and cost of the Client.

11.8 Each Product returned by the Client, still within the Guarantee Period that functions will be charged at a fixed fee of fifty euros (plus VAT where applicable) for the research as to the presumed fault and will be returned to the Client free carrier (FCA) (*costs of transport being borne by addressee, i.e. the Client*).

11.9 If the Product is no longer in the Guarantee Period TEM will prepare a costs estimate. If the same is not accepted by the Client, the Client will in any case be charged the sum of fifty euros (plus VAT where applicable).

Said sum will also be charged to the Client if the Product cannot be repaired and the damage was caused by the Client.

Art.12 – Back up of data

12.1. Prior to any actions, repair and/or replacements of the Product or any component or part, the Client shall be obliged to make a back up copy of all the data contained on the Product or the component being the object of the repairs.

12.2. TEM undertakes no liability for any personal data of the Client that is finally damaged, modified, lost or destroyed during the repair works.

Art. 13 – Safeguarding of the Product software

13.1. The Client may not, directly nor indirectly through third parties:

- reproduce, permanently or temporarily, in whole or in part, broadcast to the public by any means, distribute, alter, transform, translate, or adapt the Software and/or the relevant instruction manual;
- develop – utilising the principles, ideas or source code for the Software – programmes, software or products (including derivative software or works) having characteristics or functions that are identical or similar to those of the Product;
- carry out (a) *reverse engineering*, decompilation or decodification of the Software, (b) assembly or incorporation of the Software or its components with other software products or effect their separation or disassembly;
- identify or copy the source code for the Software;
- use the Product in any manner other than in accordance with these conditions or the instruction manual.

13.2. The Client may not, directly nor indirectly through third parties, lend, loan or grant under sub-licence or in any other manner deal with, free of charge or otherwise, the Software and the rights in the Software.

art. 14 – Express termination clause and penalty

14.1. Any breach, even *de minimis*, by the Client of its obligation as contained in arts. 8, 9 and 13 of this contract shall result in the immediate termination at law of this agreement according to and for the effects of art. 1456 civil code, subject to simple notice by TEM of its intention to rely on this express termination clause.

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14.2. TEM may further rely on the express termination clause if the Client:

(i) fails to pay any one installment as may have been agreed for payment of the Product/s. In said case TEM may require that Client returns the Product and makes payment of a fair amount for its use in the amount of one hundred euros for each month of part thereof of use until the date of effective return, plus damages suffered, in the amount of five hundred euros for each month following the return until the date agreed for the expiry of the last installment. TEM shall also be entitled to claim any additional damages suffered by it.

TEM may set off the installments already paid against its accrued credit a) for the use of the Product/s and b) for damages as indicated above. By signature of these terms and conditions the Client agrees to the set off stated above. TEM, save always its retention of title ex art. 1523 *et seq* civil code in its favour, may act also in summary proceeding, for the enforced recovery of the Product.

In case of termination as above that is not followed by the return of the Product, TEM will be entitled to retain the sums already paid by way of installments, plus damages herein quantified as twice the sum unpaid by Client for the purchase of the Product/s. TEM shall also be entitled to claim any additional damages suffered by it.

(ii) is placed in liquidation or declared bankrupt or otherwise subject to an arrangement with creditors. In said case TEM may require that Client returns the Product and makes payment of a fair amount for its use in the amount of one hundred euros for each month of part thereof of use until the date of effective return, plus damages suffered, in the amount of five hundred euros for each month following the return until the date agreed for the expiry of the last installment.

TEM shall also be entitled to claim any additional damages suffered by it.

TEM may set off the installments already paid against its accrued credit a) for the use of the Product/s and b) for damages as indicated above. By signature of these terms and conditions the Client agrees to the set off stated above. TEM, save always its retention of title ex art. 1523 *et seq* civil code in its favour, may act also in summary proceeding for the enforced recovery of the Product.

In case of termination as above that is not followed by the return of the Product, TEM will be entitled to retain the sums already paid by way of installments, plus damages herein quantified as twice the sum unpaid by Client for the purchase of the Product/s. TEM shall also be entitled to claim any additional damages suffered by it.

art. 15 – Competent court

15.1. Any controversy arising in relation to the interpretation, performance and application of this contract will be the exclusive competence of the Court of Milano, also in case of connection.

art. 16 – Applicable law

16.1. This contract is subject exclusively to Italian law.

art. 17 – Amendments

17.1. Any amendment to the terms and conditions of this contract shall be made in writing and shall not otherwise be valid.

art. 18 – Other contracts

18.1. No other Product or service from among those rendered by TEM under any separate contracts and with a separate charge may be ordered by the Client and provided by TEM in the absence of a written contract that will in any case be subject exclusively to the conditions indicated therein and that shall not modify the obligations of the parties hereunder, excluding any type of connection between this Contract and or its individual clauses and any other contracts and or their clauses.

18.2. It is noted that this Contract contains the full extent of all rights and obligations of TEM and the Client as far as regards the sale of the Product, and therefore any other previous agreement or understanding whether written or verbal between the parties regarding the object are deemed as annulled and without effect even for the purpose of interpretation.

Art. 19 – Data protection and confidentiality

19.1. In compliance with the obligations contained in the Contract TEM, according to the rules regarding data protection contained in D.lgs. n. 196/2003, undertakes to treat as confidential the information, including personal data subject to protection under said law, relating to the business of the Client that it may become aware of in performing the services requested and governed by this contract.

19.2. TEM undertakes on behalf of its staff or personnel so appointed so that they treat as confidential such information and in particular that containing personal data subject to protection.

19.3. The Client states that it has viewed and is fully aware of the information regarding the processing of its personal data issued by TEM according to D.lgs n.196/03.

19.4 The Client undertakes to provide its personal in a correct and truthful form and to timely notify any variations therein, assuming all responsibility connected with the communication of incorrect or inexact data. As a result the Client undertakes to hold harmless and indemnify TEM from any prejudicial consequence connected with or deriving from the communication of inexact or incorrect data.

art. 20 – Miscellaneous

20.1. Any tolerance, even repeated or lengthy by TEM of breaches and non compliance by the Client with the clause of the Contract shall not be deemed as a precedent and shall not affect the validity and efficacy of the clauses so breached or of the remaining clauses. Any such tolerance shall not affect the rights of the party entitled to act under this Contract in case of the relevant breach.

20.2. The nullity, voidability or inefficacy of one or more clauses of this contract shall not affect the remaining clauses.

20.3. Any matters not specially provided for herein will be subject to the terms of the Italian civil code.

20.4. The annexes form an integral and substantial part of this contract.

According to and for the effects of art. 1341, paragraph II civil code, the parties, following careful reading, specifically approve in writing the following clauses: 4) conclusion of contract 5) Delivery of Product within Italy, 6) Delivery of Product outside Italy, 8) payments, 9) retention of title; 10) returns; 11) guarantee; 14) express termination clause and penalty; 15) competent court, 16) applicable law.