

The acceptance of any purchase order of EMER S.p.A (EMER) products is expressly made conditional on the customer's (Customer) acceptance of these "General Terms and Conditions of Sale" (the Conditions of Sale). Any terms and/or conditions provided in purchase orders, or other documents pertaining to any such order, regardless of their wording or when received by EMER, which are in conflict or inconsistent with or in addition to these Conditions of Sale, will not be applicable and will not become a part of any contract of sale between EMER and the Customer (a Contract) which will be executed upon acceptance by EMER of a purchase order placed by the Customer.

1. PREMISES

1.1 The premises set forth herein are hereby incorporated into the terms of the Conditions of Sale.

2. PRODUCTS

2.1 The EMER products which may be ordered by the Customer shall be those described in EMER'S catalogues (the Products). Sending catalogues shall not constitute an offer by EMER and, therefore, the Products therein indicated may be modified, changed, or withdrawn from the market by EMER at any time without warning.

3. ORDERS

3.1 Purchase orders concerning the Products shall be issued by the Customer in writing and may also be sent by fax and/or e-mail. If in verbal form, they shall subsequently be confirmed in writing. Each purchase order shall indicate the list of the ordered Products with the detail of the ordered quantity for each product.

3.2 These Conditions of Sale shall bind also the reorders and any other contract of sale between EMER and the Customer, unless EMER expressly modifies these Conditions of Sale.

3.3 EMER shall notify the Customer in writing its acceptance or rejection of any purchase order within 4 (four) working days from the arrival date of such purchase order which is duly received by EMER.

3.4 No purchase orders will or could be deemed as automatically accepted by EMER in lack of (or before) the issuance by EMER of the relevant purchase order confirmation. Orders shall be considered accepted and, therefore, binding on EMER upon receipt by Customer of the purchase order confirmation. The orders received by EMER shall be firm up to the expiration of the aforesaid 4 (four) working days term for their acceptance by EMER.

3.5 Any request for cancellation or variation of purchase orders already accepted by EMER must be submitted in writing and will be subject to EMER'S acceptance. In the event the request is accepted in writing by EMER, EMER shall have the right to be compensated for any expenses, losses, damages incurred as a consequence of the cancellation or variation of the purchase order.

4. CONFIRMATION

4.1 The purchase order confirmation and/or a possible sale agreement shall indicate the Products' volume, prices, payment conditions, delivery term and transport conditions.

4.2 Should the order confirmation contain modifications in respect of the purchase order, such modification shall be considered tacitly accepted by the Customer unless the Customer communicates to EMER in writing its disagreement within 5 (five) working days of receipt of the purchase order confirmation.

5. PRICES

5.1 The prices are those which appear on the purchase order confirmation and/or on a possible sale agreement. If not differently specified in the purchase order confirmation and/or in a possible sale agreement, all prices are inclusive of costs of packing, loading of Products onto transport means at EMER'S premises. Shipment, VAT and other taxes, duties or charges which may be levied on the Products in Italy, or in the country where the Products are delivered shall be entirely paid by the Customer and on its responsibility.

5.2 Prices, if not differently specified in the purchase order confirmation and in a possible sale agreement, are not inclusive of transport, insurance and exportation and importation costs.

5.3 Should the prices specified in the sale agreement be in contrast with those listed in the purchase order confirmation, the latter shall prevail.

6. CURRENCY

6.1 The invoiced prices of the Products shall be expressed in Euro, if not different specified.

7. PAYMENT

7.1 Payment terms shall be indicated in the purchase order confirmation and/or in a possible sale agreement.

7.2 Should payment be provided for by a letter of credit (L/C), the letter of credit shall be confirmed by a primary bank having an office in Brescia (Italy),

unless otherwise provided in writing by the parties. The letter of credit shall be irrevocable.

7.3 Should payment be provided for upon presentation of documents, EMER shall present the documents provided by these Conditions of Sale at the bank indicated by the Customer.

7.4 Should payment be provided for by direct remittance, such remittance shall be made by money transfer – value date for EMER the day on which payment of the Products is due – at the bank indicated by EMER on the purchase order confirmation (or pro-forma invoice), unless otherwise provided in writing by the parties.

7.5 When provided for in the purchase order confirmation, EMER shall be entitled to issue a banker's receipt for the sum indicated on the invoice, payable upon the date on which payment of the invoice is due. Said banker's receipt shall be payable at the bank indicated by the Customer.

7.6 In the event of total or partial delay in payment, without prejudice to EMER'S right to terminate the Contract and to recover damages suffered therefrom, the Customer shall pay, on the unpaid sum, a conventional interest as set forth in Article 5 of the Italian Legislative Decree n. 231/2002, further legal adjustments excepted.

7.7 In any case, if the Customer does not pay the invoices at terms and conditions agreed upon between the parties, EMER is entitled to automatically suspend the deliveries of Products, to withhold the amount already cashed, to claim the due amount, and to recover damages suffered therefrom, unless EMER'S right to terminate the Contract.

7.8 Title to all Products sold hereunder shall remain with EMER until payment in full thereof is made by the Customer.

7.9 Should the terms of payment specified in the sale agreement be in contrast with those specified in the purchase order confirmation, the latter shall prevail.

8. DEFAULT

8.1 If in EMER'S judgement, the Customer's financial conditions at any time do not justify continuance of production or shipment on the terms and conditions originally agreed, EMER may require full or partial payment in advance. In the event of the Customer's bankruptcy or insolvency or in the event any proceeding is brought against it (at the initiative of the Customer of any other party) under any bankruptcy or insolvency laws, EMER shall be entitled to cancel any order then outstanding and receive payment of the relevant cancellation charges.

9. DELIVERY

9.1 The delivery terms indicated in the purchase order confirmation and in a possible sale agreement shall not be of the essence and any delay shall not entitle the Customer to request termination of the Contract and/or to claim for damages.

9.2 Without prejudice to Clause 7, whereby passage of title on the Products shall occur only upon full payment of the Products, delivery of the Products, and relevant transfer of risks on the Customer, shall be considered as effected, irrespective from any agreement of the parties regarding transport costs, at EMER'S premises, upon the loading of the Products onto the relevant mean of transportation, on the date which shall result from the transport documents, unless otherwise provided in writing by the parties.

9.3 The Products shall travel at the Customer's own risk.

10. FORCE MAJEURE

10.1 As long as EMER or Customer are prevented from performing their contractual obligations due to fire, flood, war, riots, lock outs, accidents of any kind, lack of or delayed delivery on the part of suppliers, interruption or suspension of transports or energy, unavailability or scarcity of raw materials, strikes or labour disputes, or any other circumstances outside their reasonable control, such obligations shall be suspended, and the affected party shall not be responsible therefor, from the day in which any party to the Contract notifies their existence to the other in writing.

11. SHIPMENT

11.1 Without prejudice to Clause 9, should a sale with transport cost to be borne by EMER have been agreed, EMER shall designate the shipping agent, giving notice thereof to the Customer.

11.2 Without prejudice to Clause 9, should a sale with transport cost to be borne by the Customer have been agreed, EMER shall inform the Customer that the Products are ready for shipment and the Customer shall, within 5 (five) working days of such communication, designate the shipping agent. If no such designation is made within the aforesaid term, EMER shall make the designation, giving notice of the terms and conditions of transport to the Customer.

12. INSURANCE

12.1 Without prejudice to Clause 9, should a sale with insurance cost to be

borne by EMER have been agreed, EMER shall provide for the execution of the relevant policy in favour of the Customer with an insurance company selected by EMER.

Without prejudice to Clause 9, should a sale with insurance cost to be borne by the Customer have been agreed, EMER, if requested, shall execute the relevant policy in favour of the Customer and at the Customer's expense.

13. INSPECTION AND ACCEPTANCE OF THE PRODUCT BY THE CUSTOMER

13.1 The Products shall be fully inspected by the Customer immediately after their arrival. Claims for alleged incomplete or wrong deliveries or concerning Products not corresponding to the contractual Products or for Product damages shall be reported in writing with pictures enclosed by the Customer to EMER within and not later than eight (8) days from the date of their delivery, under penalty of forfeiture. If by such above eight (8) days term EMER does not receive a written detailed claim from the Customer, as to the quality or quantity of the delivered Products, such Products shall be considered as finally accepted by Customer and can not longer be subject to claims, except for claims possibly made under the Clause "Warranty and Claim" of these Conditions of Sale.

13.2 If upon inspection of the Products the Customer (within the term provided for under the clause 13.1) notifies EMER in writing of any claim concerning a material defect of the Products, upon EMER'S prior written approval, Customer shall be entitled to return such Products to EMER.

14. WARRANTY AND CLAIMS

14.1 EMER warrants that the Products supplied to the Customer under these Conditions of Sale shall be compliant with the technical specifications laid out by EMER. EMER also warrants that the supplied Products shall be free from defects in materials and workmanship and in compliance with the applicable Italian and EU legislation. It has been understood that the Customer shall obtain any other approval required by the country where the Products shall be commercialized, and inform EMER thereof.

14.2 The Customer shall promptly notify EMER in writing of any event which may entail a claim under this Clause "Warranty and Claims". The Customer will detail all the data necessary for the identification of the Products, the Products identification number, the date of production, the date of delivery and installation, the equipment on which the Product have been installed and the description of the defects found.

14.3 Upon any warranty claim, if so requested by EMER, the Customer shall promptly return to EMER any allegedly defective or non conforming Product in order to allow EMER a full inspection. If restitution of the Product is not requested by EMER, the Customer shall store it in a separate area of its warehouse, available for any possible control or inspection by EMER, for as long as the relevant warranty claim is not finally accepted or rejected.

14.4 Possible repairing shall be done at EMER's premises. Transportation cost related to the return of the alleged defective parts and/or system of the Products as well as to the return of the repaired Products to the Customer, shall be borne by the Customer itself, unless otherwise agreed by the parties in writing.

14.5 The warranty covers exclusively defective parts from manufacturing. Therefore, claims under this Clause "Warranty and Claims" shall be accepted by EMER only if relevant to defects and/or non conformities which are entirely attributable to EMER'S responsibility and which could not have reasonably detected upon the inspection which the Customer must conduct on all the Products pursuant to Clause 13 of these Conditions of Sale.

14.6 Nonetheless, without prejudice to the terms indicated in paragraph 14.11, EMER, at its discretion, may operate on and/or replace parts of the Products and/or the Products even though the alleged defect has not been verified and/or determined. The replaced parts of the Products and/or the Products shall not be sent back. Hidden defects which cannot be detected immediately after arrival of the Products shall be reported by the Customer to EMER without delay after discovery, and in any case within and not later than the terms specified under clause 14.8, under penalty of forfeiture.

14.7 Upon receipt of any warranty claim from the Customer, and provided that such claim is in compliance with the provisions and limitations of this Clause "Warranty and Claims", EMER shall, at its discretion, either repair (where possible) or replace free of charge any defective and/or non conforming Products and/or their parts.

14.8 EMER shall be entitled to reject any Customer warranty claim within thirty (30) working days from the date on which it receives the Products to which the claim relates. In addition EMER shall be in any case relieved from any and all obligations and liabilities under this Clause "Warranty and Claims" (a) if Customer fails to notify EMER in writing about any defect within thirty (30) days from the date on which said defect becomes known to the Customer, and/or (b) in any case where the applicable warranty period provided for under this Clause "Warranty and Claims" has expired.

14.9 EMER shall also be relieved from any and all obligations and liabilities

under this Clause "Warranty and Claims" in the event that the defect of any Product is the consequence of (i) normal wear and tear, and/or (ii) improper use, storage or maintenance of the Products (including the use, storage or maintenance of the Products which is not in compliance with EMER'S instructions), and/or (iii) any repair, disassembly, modification, or tampering of the Products made by Customer or third parties without the prior written authorization of EMER.

14.10 Furthermore, no warranty claim can be made by the Customer or any third party in respect of those Products returned incomplete or on which the Product Identification Code has been damaged and/or cancelled and/or on which the batch number of the Product and/or the certificate of origin included is altered.

14.11 EMER'S obligations under this Clause "Warranty and Claims" shall continue as to each delivered Product for a period of six (6) months since the date of the installation written on the circulation booklet of the vehicle, and in any case for a period not exceeding twelve (12) months from the production date of such Product, unless otherwise agreed by the parties in writing.

14.12 The remedies provided herein shall be the sole and exclusive obligations and liabilities of EMER pursuant to the warranty provisions hereunder. The Customer consequently waives all other rights and remedies which may be provided in its favour under the Law governing these Conditions of Sale.

14.13 The Customer specifically waives its right to claim against EMER provided by Article 131 of the Italian Decreto Legislativo n. 206/2005.

14.14 The warranty is exclusively limited to the replacement and/or repairing of the part and/or system.

14.15 No claim made under this Clause "Warranty and Claims" shall entitle the Customer to suspend any payments due to EMER under a Contract.

14.16 It is further understood that the Products shall be employed exclusively for their proper use to CNG and LPG automotive scope.

15. GOVERNING LAW

15.1 Contracts executed under these Conditions of Sale shall be governed by, construed and enforced in accordance with, the laws of Italy.

16. EXCLUSIVE JURISDICTION

16.1 The Court of Brescia (Italy) shall have exclusive jurisdiction over any dispute arising out of or in connection with these Conditions of Sale or any Contract executed hereunder.

16.2 Without prejudice of the above, EMER expressly reserves the right, at its sole discretion, to sue the Customer before the competent Courts where the latter's offices are located.

17. INVALID CLAUSES

17.1 In case one or more provisions of this Contract should be held illegal or without effect in any jurisdiction, the validity of the remaining provisions of the Contract shall not be effected thereby.

18. PRIVACY

18.1 Each party commits itself to treat, pursuant to D.Lgs. n. 196/2003, as strictly confidential all calculation, data, studies and other elements provided by the other party and hereby consents to the processing and communication of its personal data for the purposes of executing the Agreement. Based on these sale conditions customer has to sign for approval.

19. LANGUAGE

19.1 Should the English version be in contrast with the Italian version of the these Conditions of Sale, the Italian version shall prevail. Pursuant to Articles 1341 and 1342 of the Italian Civil Code, the Customer hereby acknowledges that it has specifically read and approved the following Clauses of these Conditions of Sale: 3 (Orders), 4 (Confirmation), 7 (Payment), 8 (Default), 10 (Force Majeure), 11 (Shipment), 13 (Inspection and Acceptance of the Product by the Customer), 14 (Warranty and Claims), in particular 14.8, 14.9, 14.10, 14.11, 14.12, 14.13, 14.14 and 14.15, 15 (Governing Law), and 16 (Exclusive Jurisdiction).

Place, date:

Buyer stamp and sign: