



GENERAL CONDITIONS OF SALE OF PRODUCTS DESTINED TO THE AFTERMARKET

1. Scope of Application

These contract general conditions apply to the sale of products for the spare parts market only. The contract entered into between the parties by means of the acceptance of the order in writing on the part of single-member company Dayco Europe S.r.l. (hereinafter "Dayco") shall be governed solely by these general terms and conditions of sale, with any departing or specific terms and conditions agreed in writing in the order and/or separate document, which the Purchaser states that they are aware of and accept in their entirety, expressly waiving their general conditions of purchase.

2.Orders

Orders shall be effective upon the Purchaser receiving their written acceptance by Dayco.

Orders shall be accepted by Dayco on condition that the Purchaser signed all the relevant sections of these general conditions of sale.

3.Prices

Prices shall be the ones stated in the official price lists of Dayco applicable upon acceptance of the order, if any, or standard prices applied by Dayco.

4.Delivery

Delivery shall be at the address specified by the Purchaser and shipping and/or transportation costs shall be borne by one of the parties in accordance with the order; lacking any indication in the order, shipping and/or transport costs shall be borne by the Purchaser.

Unless otherwise agreed in writing, any claims concerning the quantity and/or the type of the products sold shall be notified in writing to Dayco within 15 days of their delivery; lacking such notice, the products shall be deemed definitively accepted by the Purchaser, who shall forfeit its right to raise claims on the quantity and/or type of delivered products.

5. Payments

The terms of payment indicated in the invoice are compulsory.

Upon expiry of the term of payment, the Purchaser may not raise objections of any kind in order to avoid or delay the service due, in accordance with art. 1462 of the Italian Civil Code.

Failure to pay and/or delayed payment with respect to the terms indicated in the order shall result in, without requiring a formal notice of default, (i) expiry of any "till discount" indicated on the invoice, (ii) the application on the unpaid amounts, including the "till discount", of interest for delayed payment

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equal to the ECB interest rate (refi rate) increased by 7 percentage points; without prejudice to the right of Dayco, after 30 days have elapsed from expiry of the term of payment, to (i) suspend supply and fulfilment of orders (ii) to alter the conditions of payment and (iii) to suspend and/or cancel all bonuses envisaged. In any case, the right of Dayco to compensation for any greater losses borne shall remain unaffected and without prejudice to the right of Dayco to consider the contract rescinded by right pursuant to art. 1456 of the Italian Civil Code.

6. Retention of Ownership

Dayco, in accordance with art. 1523 of the Italian Civil Code, retains ownership of the products sold up until complete payment of the price on the part of the Purchaser, who assumes, conversely the risk from the moment of delivery.

7. Warranty

The warranty on Dayco products shall be effective for two years starting from their installation.

If a manufacturing defect of the product is detected, Dayco shall at its sole discretion return the sale price or replace the products within a reasonable time limit.

Dayco shall bear shipping and installation costs for the new replacement product, and any indemnification obligation shall be excluded.

The warranty shall not apply:

- if the defect results from standard wear and tear caused from using the product for its intended use after a mileage corresponding to the mileage indicated by the vehicle manufacturer and provided that the power transmission components involved in the movement are in standard operating conditions; or
- if other power transmission components of the vehicle caused the defect of the product on account of insufficient and incorrect maintenance; or
- if the product was not used for its intended purpose: not applied on the model(s) of engine indicated in the catalog, used on competition engines, etc.; or
- if the product was not installed by following the recommendations of the vehicle manufacturer for the specific model and/or the instructions enclosed with the product by Dayco; or
- if the product was not stored, transported or handled appropriately; or
- in case of accident.

Within two months of detecting the conformity defect, not only shall the retailer or fitter send Dayco the defective product or allow its technicians to inspect the product, but it shall also provide Dayco with the following information in writing:

- product type/code;
- product installation date, vehicle's mileage at the time of installation and at the time the defect was detected;
- vehicle's data (model, cylinder capacity, engine code, year of manufacture);
- documents giving proof of purchase of the product (invoice or receipt);
- name and address of the end user;

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- description of the detected defect;
- irregularity reported by the end customer.

If the retailer or the fitter fails to send the documents and/or information required under the previous paragraph by the abovementioned time limits, the warranty shall not apply and therefore Dayco shall not be held howsoever liable for the detected defect.

8. Intellectual property rights and industrial property rights

If the products and relevant packing delivered to the Purchaser bear the Dayco trademark, or other trademark lawfully used by Dayco, the Purchaser shall not remove and/or delete it.

The Purchaser represents that it does not hold any right on the Dayco trademark and on the technical and business information connected with the sale of the products possibly disclosed to it by Dayco, including but not limited to drawings, catalogs, technical or business documents.

The Purchaser shall not use trademarks or distinctive signs capable of generating confusion with the trademarks and distinctive signs used by Dayco.

9. Confidentiality

Unless otherwise agreed in writing, the Purchaser shall regard as “Confidential” all technical or business information or information of any other nature which it acquires knowledge of in connection with the performance of the order. In particular, all technical information related to the products sold to the Purchaser shall be regarded as Confidential.

All information defined as Confidential by Dayco, including by simultaneous written statement or by notice sent to the Purchaser within 30 days of its disclosure, shall also be treated as Confidential; prior to the expiration of this time limit, any information which Dayco discloses to the Purchaser shall remain provisionally Confidential.

The Purchaser shall keep confidential and consequently shall not disclose Confidential information to third parties for the entire duration of the contractual relation and for 10 years after its termination and/or expiration howsoever occurred.

For the entire term of the contractual relation, the Purchaser shall keep Confidential information and any document related thereto, allowing consultation only by its staff who need such information for the sale of products purchased from Dayco.

The Purchaser shall be entitled to use freely the technical information received from Dayco, provided that it gives written evidence that:

- it was already known to the public upon disclosure; or
- it was lawfully disclosed to it by third parties authorized to disclose it; or
- upon disclosure, it had already been independently developed by its staff through the processing of data known to the public.

Upon expiration of the contractual relation with Dayco, or upon the latter's request, the Purchaser shall return to Dayco all documentation relating to Confidential information stored under this article.

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10. Force majeure

Dayco shall not be liable for nonperformance of the obligations set out in the contract and in these general terms of sale if such nonperformance is caused by events that are out of its control, or that are unforeseeable or unavoidable, including but not limited to: wars, whether or not declared, natural catastrophes, explosions, fires and destructions, boycotting, strikes and lock-outs of any kind, acts by the public authorities whether lawful or not.

If force majeure or its effects last for more than 120 days, then each party shall be entitled to withdraw herefrom by sending simple written notice to the other party, with no obligation of a notice period and no further amount being due to the other party either as consideration for withdrawal or as compensation for damages.

11. Causes for withdrawal from the contract and suspension of supply

Dayco shall have the right to withdraw from the contract through written communication to the Purchaser, without prior notice and without anything being due to the latter in consideration of the withdrawal or as compensation for damages, in the event of:

- (i) interruption or suspension or cessation of the production activity of the Purchaser; or
- (ii) total or partial transfer of the business unit.

Dayco shall have the right to suspend the execution of orders and supply governed by these General Terms and Conditions, in addition to the cases referred to above in art. 5, also upon the occurrence of any event liable to result in decreased guarantees of solvency of the Purchaser or an alteration in their financial conditions or acquisitions / mergers such as evidently put the payment at risk, unless a suitable guarantee is provided to the satisfaction of Dayco and within limits that do not contradict binding regulations.

12. Governing Law

These general conditions of sale shall be governed by the laws of Italy.

In case of discrepancy and/or conflict between the Italian and English versions, the Italian text shall prevail.

13. Competent Court

All disputes shall be referred to the exclusive jurisdiction of the Court of Chieti, however, Dayco reserves the right of recourse to any other court of justice under the jurisdiction of the Italian civil code.

Place _____ Date _____ The Purchaser _____



Specific approval of clauses

The Parties declare to have expressly negotiated and carefully read and understood every clause of the general conditions of sale and declare, as far as required, to approve expressly, pursuant to articles 1341 and 1342 of the Italian Civil Code, the following clauses:

Art. 4 (terms of delivery and forfeiture of the right to raise claims); Art. 5 (payments and interests); 6 (retention of ownership and risks); Art. 7 (warranty and limitation on liability); Art. 11 (right to withdraw); Art. 12 (applicable law); Art. 13 (departure from the jurisdiction of the judicial authority).

Place _____ Date _____ The Purchaser _____

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