

SALES AGREEMENT

General terms and conditions of KERNEL Sistemi s.r.l.

The terms and conditions of this sales Agreement are agreed between KERNEL Sistemi s.r.l., having its principal place of business in Modena, Italy, hereinafter also "the Supplier" and, having its principal place of business in, hereinafter also "the Buyer"

Article 1 Scope

- 1.1 The Parties agree that all future orders concerning the supply of that the Buyer sends to the Supplier are subject to the terms and conditions indicated in this Agreement.
- 1.2 Any condition contained in the Buyer's order shall not apply if not confirmed in the Supplier's order confirmation.
- 1.3 The Parties are free to depart from all or part of these terms and conditions provided that they are agreed in writing.

Article 2 Offer, documentation and acceptance of orders

- 2.1 An agreement is concluded when the Buyer has placed an order with the Supplier and the Supplier has confirmed the order in writing to the Buyer (order confirmation).
- 2.2 All technical advice, figures, numbers etc. supplied by the Supplier constitute an approximate guide and shall only be binding insofar as these have been explicitly confirmed in writing by the Supplier.

Article 3 Prices and payment

- 3.1 Any quotation given by the Supplier shall remain open for a period of 30 days from the date of its first issue if not differently indicated in writing. All prices in the order confirmation refer exclusively to the net price of the Product if it is not expressly stated differently.
Unless explicitly agreed otherwise, all prices provided by the Supplier are exclusive of Italian VAT and exclusive of any other costs such as – but not limited to – transport costs, packaging costs etc.
- 3.2 Except as otherwise from time to time agreed upon in writing by the Parties, payment of Products purchased by the Buyer hereunder shall be made in accordance with the terms indicated at art. 11.2

Article 4 Transport

- 4.1 In the event that the Buyer arranges the transport, the Buyer shall collect the products or have the products collected within eight (8) days after the Supplier has informed the Buyer that the products are ready for collection.

Article 5 Insolvency and bankruptcy

- 5.1 Should a petition be filed for the institution of any insolvency proceeding against the assets of the Buyer, the Supplier shall be entitled to withdraw from the contract and to demand the immediate return of the product delivered if the Buyer is not in a position to provide adequate security.

Article 6 Terms of Supply

- 6.1 The Supplier shall honour its delivery terms as far as possible. The delivery terms specified by the Supplier shall be estimates only, and only provide an indication as they are based on circumstances applicable at the time of the conclusion of the agreement. Accordingly, it is intended that delivery term is not of the essence. If not differently agreed, any order received is intended for ex-works (ICC incoterms) delivery.

Article 7 Passing of risk, pre-delivery inspection

- 7.1 Unless otherwise agreed in writing in the Contract, all risks shall pass to the Buyer at the time and place when the products to be supplied have been placed at the disposal of the Buyer at the place where the Product was manufactured, irrespective of whether the Supplier has assumed the shipment costs or other performances, such as delivery, installation and set-up.

Article 8 Warranty and liability

8.1. Subject to the conditions set out below the Supplier warrants that the Products shall correspond with their specifications at the time of delivery and shall be free from defects in material and workmanship for a period of 1 (one) years from the date of delivery.

Only for ST electronic string controls, ST0, ST1, ST1N and ST2 series, the period of warranty is extended to 5 (five) years from the data of delivery.

The Supplier shall at its discretion repair or replace the defective parts. The parts replaced under warranty will be supplied free of costs and delivered ex-works the Supplier's premises.

8.2 The above warranty is given by the Supplier subject to art. 9 and to the following conditions:

a) the Supplier shall be under no liability in respect of any defect arising from wilful damage, negligence, abnormal working conditions, failure to follow the Supplier's instructions on installation and maintenance, misuse or alteration or repair of the Products without the Supplier's approval, unsuitable building ground, chemical, electrochemical or electric influences, even if produced by natural events, insofar as the Supplier has not expressly assumed responsibility for these, and when the Buyer or a third party has improperly reworked or made modifications to the object of delivery without obtaining prior consent from the Supplier.

b) Any liability for defects of products, whether claimed or not, shall lapse if the Buyer has not reasonably taken the measures required by the Supplier and by the usual knowledge of a skilled technician, including measures to limit damage to the Products.

c) The Buyer shall cooperate with the Supplier to allow the investigation on the reasons of the defect.

d) The warranty is valid if the defective product returns the manufacturing label.

8.3 The Supplier shall under no circumstances whatsoever be liable for any consequential or indirect loss suffered by the other Party.

Article 9 Inspections and complaints

9.1 Any complaints of the Buyer concerning visible quality defects and/or any kind of obvious non-conformity must be reported properly by the Buyer in writing at the Supplier's office within 48 hours following the reception of the products supplied. Failure to do so will result in the loss of the Buyer's rights.

9.2 Defects that could not be discovered under art 9.1 must be reported properly by the Buyer in writing at the Supplier's office, immediately following discovery and in any case no later than 8 days after discovery. The claim shall indicate the defect claimed and shall contain a copy of the invoice and serial number of the Product. Failure to do so will result in the loss of the Buyer's rights against the Supplier.

ART. 10 Applicable Law - Disputes resolution

10.1 This Agreement shall be governed by and interpreted in accordance with the laws of Italy.

10.2 Any dispute, controversy or claim arising out of or in connection with this contract, or the breach, termination or invalidity thereof, shall be finally settled by arbitration with a sole arbitrator. The proceeding shall be administered by the Arbitral Chamber of Milan (CAM) following the Rules of Arbitration of said Arbitral Chamber. The language of the proceeding shall be English.

10.3 Any such decision shall be final and binding upon the Parties.

Article 11 Counterparts and amendments

11.1 This agreement was duly negotiated between the Parties and was executed in two counterparts written in English, and both counterparts are deemed to be original.

11.2 The following details were agreed between the Parties and shall prevail on any different term or condition contained in this Agreement:

A) price:

B) payment conditions:

C) delivery: (Incoterms ICC 2010), delivery date

Modena,, 2017

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KERNEL srl

the Buyer