

GENERAL TERMS AND CONDITIONS OF SALE OF PAYTEC PRODUCTS (2018)

These General Terms and Conditions apply to the supply of Paytec products and are valid throughout 2018 and until amendment. Besides being published on Paytec website (www.paytec.it), they are also sent to customers upon approval of price conditions and referred to in all trade communications as an integral part of the Contract.

1 - DEFINITIONS

1.1 For the purposes of these general terms and conditions the following words, in alphabetical order, shall have the following meanings:

Contract means the individual Supply accepted by means of the Order Confirmation and subject to both specific terms and conditions and the General Terms and Conditions below, even if not subscribed (see art. 3 below);

Customer means the legal entity purchasing the Products;

Customer Offer means Paytec formalization of the prices relating to the products requested by the Customer which is the basis for the Purchase Order;

Factory means Paytec factory situated at Rovellasca (Como);

Order Confirmation means the formal acceptance by Paytec of an individual Purchasing Order from the Customer;

Parties means Paytec and the Customer collectively;

Paytec means Payment Technologies S.r.l.;

Price list means the price list used by Paytec relating to Products listed from time to time;

Products means the goods included in Paytec price list from time to time that are requested or purchased by the Customer;

Purchase Order/s means any Products order sent by the Customer in either a documented or electronic format;

Supply means all the Products ordered by the Customer and, in case of acceptance by means of Order Confirmation, delivered by Paytec.

2 – ORDER PLACEMENT PROCESS

2.1 All Purchase Orders sent by Customers must be in writing and based on the Customer Offer.

2.2 Paytec reserves the right to accept the Purchase Order within 20 (twenty) days from receipt by sending the Order Confirmation to the Customer.

2.3 Any amendment after the Purchase Order has been issued shall be notified in writing to Paytec and shall be deemed to be accepted upon specific approval in writing from Paytec.

3 - CONCLUSION OF CONTRACT

3.1 Price conditions and the Supply delivery obligations shall be deemed to be definitively agreed upon when Paytec sends the Order Confirmation by post, fax or e-mail.

3.2 In any event, if the Products are received by or delivered to the Customer at the Factory premises without further indications or new arrangements, the terms and conditions included in the Order Confirmation and these general terms and conditions shall apply to the Supply.

4 - PRODUCTS CHARACTERISTICS

4.1 Without prejudice to the provisions of clause 10.1, since Products are subject to continued innovations and improvements, the manufacturing characteristics and design may be subject to change even during the Supply process.

5 - DELIVERY TERMS AND CONDITIONS

5.1 Unless otherwise agreed between the Parties, Products are delivered ex works by Paytec to the Customer on the date indicated on the Order Confirmation. Carriage costs and risks shall be borne by the Customer.

5.2 Paytec delivery terms are merely indicative and have a 90 (ninety) day tolerance, unless the parties agree that time for delivery is of the essence; in the meanwhile, any indemnity obligation is excluded.

5.3 After 2 (two) months have elapsed from the date of Paytec notice regarding Products availability at the Factory premises without any response from the Customer, Paytec, at its discretion, shall be entitled to dispose freely of the Products, also with regard to third parties, and to make a substitute delivery to the Customer even in case of partial and/or advance payment; the new delivery term shall be extended for such a period as the one indicated on the Order Confirmation, while the purchase obligation remains. In case the same Supply is not collected twice, Paytec shall be entitled to terminate the contract and to claim damages.

5.4 If delivery of Products is postponed beyond the aforementioned 2 (two) months upon express request of the Customer, Paytec shall reserve the right to indicate the new delivery terms without consulting the other party on the basis of production and in accordance with the list prices in force at the date of the new delivery.

5.5 In any case of delay or deferral of the delivery of the Products already made available for collection from the Customer, the latter shall hold harmless and indemnify Paytec for any third party storage costs incurred and any financial charges accrued on the capital invested in the Products the delivery of which has been postponed. Storage costs at the Factory premises amount to 1% of the list price of the Products the delivery of which has been postponed, for each month of delay.

6 - RETURNS POLICY

6.1 Paytec shall not accept any returns application or procedure 12 (twelve) months after the date of delivery of the Products to the Customer.

6.2 Returns must be previously checked, agreed upon and authorized in writing by Paytec. They must be received by Paytec within 30 (thirty) days from the date of authorization. After such term has expired, any returns arrangement or authorization shall cease to have effect.

6.3 Any returns costs are at the charge of the Customer only.

7 - PRICES

7.1 The prices of the Products are those specified in the Price List in force as at the date of the Order Confirmation and are ex works and do not include VAT and any other cost such as packaging, carriage, insurance and installation.

7.2 Paytec shall at its own discretion be entitled to change the prices set out in the Price List and the items listed in it at any time. Changes shall be valid from the date of the relevant notification to the Customer.

7.3 Changes to the Price List do not apply to the Purchase Orders that have already been accepted by Paytec through an Order Confirmation.

8 - PAYMENT TERMS AND CONDITIONS

8.1 Payment of the price of the Products must be made upon delivery or within the term indicated on the Order Confirmation.

8.2 In any case, Paytec shall retain ownership over the Products, even if already delivered or collected, until full payment is received, whereas the risk of destruction, loss or damage (even as a result of force majeure or unforeseeable circumstances) is fully borne by the Customer.

9 - EXPRESS TERMINATION CLAUSE

9.1 Failure to pay and/or refusal to receive or collect the Products, after the Customer has received a notice requiring performance, shall result, at Paytec discretion and through simple statement by Paytec on its intention to rely on the express termination clause, in the automatic termination of the contract.

9.2 The failure, even on a repeated basis, to enforce this clause does not constitute a waiver to enforce it in the future but must be understood as mere tolerance.

9.3 The Customer's default under this clause shall result in both the payment of a penalty equal to 15% of the invoice amount and the obligation to refund all carriage and storage costs incurred by Paytec, without prejudice to Paytec's right to claim greater damages.

10 - WARRANTIES AND LIABILITY

10.1 Paytec warrants that the Products delivered to the Customer shall be free from defects and shall correspond as for quality, technology and safety standards to the technical specifications included in Paytec's catalogue on the date of receipt of the Order.

10.2 Products are only sold ex works Paytec premises with the benefit of the manufacturer's warranty covering only components manufactured by Paytec that may prove to be defective due to faulty material or workmanship in the Product manufacturing process or wrong assembly of the components carried out at the Factory.

10.3 The warranty does not cover defects of third-party components used for the manufacturing and assembling of the Products.

10.4 Warranty for Type 98 PIT Keys and Auto-programmable PIT Keys is valid for a 7-year period starting from the delivery date of the Product to the Customer.

10.5 Warranty for EAGLE, EAGLE Plus, EAGLE Premium, EAGLE Smart, FOUR, FOUR Plus, FOUR Premium e FOUR MDB-only systems is valid for 24 months from the delivery date.

10.6 Warranty is not valid in the following cases:

- a) if third parties have reported and/or been entrusted with Product repairs;
- b) if all maintenance, installation and/or operation specifications and/or instructions set out in the user's manual have not been followed;
- c) if the Product has been tampered with;
- d) if any defect is due to incorrect and/or careless use and/or misuse of the Product;
- e) if the serial number has been (even partially) cancelled and/or tampered with;
- f) if any defect, malfunction and/or unexpected coin output are due to third party intentional and/or fraudulent conduct, Customer and/or third party Product tampering or carelessness, lack of updating, wilful misconduct or gross negligence on the part of the Customer, its customers, their employees and/or collaborators and/or assigns.

10.7 In all above cases Paytec accepts no liability for any loss or damage of whatsoever nature suffered by the Customer and/or its assigns and/or any third party, including end users.

11 - LIABILITY AND INDEMNITY

11.1 Except in the case of wilful misconduct or gross negligence on the part of Paytec that must be evidenced in writing, indemnity for damage arising from the Products shall not exceed 10% of the sum paid by the Customer for the individual Product that caused the damage.

11.2 In case the Customer requires Products with outdated hardware and/or software technology (e.g. MIFARE® Classic technology) or releases previously issued, even if still included in the price list, Paytec shall not be liable for damage or failure that the Customer or third parties could suffer as a result of any hardware or software unauthorized access, intrusion or modification.

11.3 Paytec may, at its absolute discretion, accept personalized programming of the Products (e.g. activation of a PIN code that can be provided by the Customer); once the Products have been personalized and made available to the Customer, the latter is required to continuously update them and to protect the personalized codes. In any event, the Customer shall hold Paytec harmless against any claim for damages, compensation and/or refunds brought by anybody arising from malicious interception of codes or other protection elements and/or wrong use or misuse of the personalized Products.

12 - GOVERNING LAW AND JURISDICTION

12.1 Unless expressly provided for by these general terms and conditions of sale, the provisions of the Vienna Convention of 11 April 1980 on the international sale of goods shall apply or, failing that, the Italian law on the sale of movables. All disputes arising from or connected to this Contract, its performance or interpretation shall be subject to the exclusive jurisdiction of the Court of Como.

13 - SEVERABILITY

13.1 The invalidity or unenforceability in any respect of one or more clauses hereof shall not affect the validity or enforceability of the whole Contract.

14 - PARTICULAR CONDITIONS

14.1 In case of conflict between these general conditions and the particular conditions agreed between the Parties, the latter shall prevail provided that they are in writing, expressly accepted and signed by duly authorized representatives of the Parties.

15 - NOTICES

15.1 Without prejudice to the statutory provisions prescribing mandatory forms of notice, all notices or other communications required or authorized hereunder shall be sent by registered mail, fax or e-mail to the following addresses:

- (a) Payment Technologies S.r.l. | Via XX Settembre 49 | 22069 Rovellasca (CO) Italy | Fax 0039 0296961414 | e-mail info@paytec.it
- (b) Customer: registered office.

15.2 Each Party is required to notify without delay the other Party of any change of the addresses above.

STAMP AND SIGNATURE AS ACCEPTANCE

The following clauses of the General Terms and Conditions of Sale 2018 are hereby specifically approved: 2 (Orders); 3 (Conclusion of Contract); 5 (Delivery terms and conditions); 6 (Returns policy); 7 (Prices); 8 (Payment Terms and Conditions); 9 (Express Termination Clause); 10 (Warranties); 11 (Liability and Indemnity); 12 (Governing Law and Jurisdiction); 14 (Particular conditions).

STAMP AND SIGNATURE AS ACCEPTANCE