

ATTACHMENT TO YOUGO OFFERS**GENERAL TERMS AND CONDITIONS OF SALE****1. SCOPE**

The present terms and conditions (hereinafter "T&Cs") constitute an integral part of the offer(s) (hereinafter "Offer(s)") made by YOUGO SRL (hereinafter "YOUGO") to its customer(s) (hereinafter "Customer(s)") for the sale of YOUGO products, the related spare parts and/or their accessories specified in the Offer (hereinafter "Goods"). These T&Cs shall prevail on any standard terms and conditions contained in the Customer's Purchase Orders.

2. SUPPLY OF THE GOODS

YOUGO will supply Goods to the Customer according to the purchase order issued by the Customer ("Order") and accepted by YOUGO in writing. The Order shall be issued by the Customer at least X days before the requested delivery date (the X number will be specified in the Offer of YOUGO under the title "execution time" or "lead time") and in each case shall be subject to the approval of YOUGO, and shall specify the type and quantity of the Goods ordered, the prices applicable in accordance with the Offer, the requested delivery date, shipping instructions and the Order number.

YOUGO, if possible, will accept the Orders in writing within 5-10 days of its receipt.

Orders shall not be considered accepted by YOUGO unless and until YOUGO has given its acceptance in writing to the Customer. Orders accepted by YOUGO cannot be deleted or modified by the Customer without prior written approval of YOUGO, if not Customer shall have to pay the price specified in the Order itself.

3. DELIVERY OF GOODS

The Goods shall be delivered Ex-Works ("EXW") YOUGO facility in Bollengo, Italy; as EXW is defined by Incoterms 2010. In the event that Customer fails to take delivery of the Goods within three (3) days from the date specified in the purchase order accepted by YOUGO (unless such failure is due to a delay in delivery), the Customer shall pay, in addition to the price of the Goods, an extra of five percent (5%) per each month of delay, to be applied on a pro-rata basis for fractions of month, for warehousing costs and financial interests (in lieu of the late payment fee referred to in paragraph 6), and YOUGO may issue at any time an invoice to Customer for such price and extra. In addition in the event the Goods are not collected and remain in Italy the Customer must pay the 22% VAT, or other % valid at time, on the value of the invoice.

4. PASSAGE OF TITLE

Title to the Goods shall pass to the Customer only upon full payment of the purchase price to YOUGO. YOUGO may at any time in case of delay in payment, repossess the Goods even at the premises of the Customer or any third party.

5. PASSAGE OF RISK

Risk of loss or damage of the Goods, due to any reason, shall pass to the Customer upon YOUGO' delivery of the Goods to the Customer's carrier, or according to Ex-Works terms, as per the internationally recognized Incoterms.

6. TERMS OF PAYMENT

An advance payment in the amount as set forth in YOUGO' Offer shall be made by the Customer. YOUGO' receipt date of the above mentioned advance payment shall constitute the starting point of the lead time for delivery of the Goods as specified in the Offer. YOUGO shall be entitled to retain such advance payment in the event that the Customer fails to take delivery of the Goods when delivered by YOUGO, or for any reason

YOUGO Srl

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should decide to cancel the Order. The payment of the balance shall be due prior to ex-works delivery of the Goods unless otherwise stated in YOUGO' Offer. Invoices shall be issued by YOUGO in Euros and shall be paid by the Customer in Euros.

In case of delayed payment, a Euribor interest will be added in relation to the amount due at the time of payment, plus 3%. This is not however to be interpreted as authorization for delayed payment. All Orders for price values lower than 250 Euros will be processed with an additional fee of 200 Euros. No credit card payment is accepted.

7. TAXES

All taxes, duties and government assessments (for example import duties, customs duties, VAT...) as well as banking costs in connection with sale of the Goods hereunder shall be paid by the Customer. The Goods' price quoted by YOUGO is intended as a net price and is the net amount that YOUGO will receive.

8. INSPECTION OF GOODS

YOUGO shall perform, or have performed by its manufacturing contractors, final quality inspection on the Goods at the manufacturing facility before delivery in accordance with YOUGO' quality procedures. The Customer may attend such inspection, provided it has notified YOUGO in writing at least ten (10) working days prior to the scheduled delivery date of its intention to perform such inspection.

9. WARRANTY

YOUGO warrants that all Goods delivered to the Customer:

- at the time of the passage of their property title to Customer (pursuant to Section 4 above) will be free and clear of all liens, encumbrances, security interests or other claims, and privileges;
- will comply with the YOUGO' specifications in force at the time of their delivery and free from defects in materials and/or workmanship for the warranty period described below.

Any defects shall be communicated in writing within 8 days from the date of discovery. The warranty lasts one year (12 months) from the date of delivery of Goods EXW.

Enforcement of the warranty by the Customer is subject to Customer's compliance with the payment terms and any other contractual condition, including without limitation compliance with the RMA Procedure attached hereto.

10. RETURNED GOODS

Before returning to YOUGO a Product (or the subassemblies thereof) claimed to be defective in the period of warranty, the Customer shall obtain YOUGO written authorization, as provided in the attached RMA Procedure.

The costs and risks of transport of the defective Goods or components, as well as those of their replacements (repaired or replaced), will be charged to the Customer.

Returned Goods shall be shipped by the Customer at his own expense, to YOUGO Bollengo in the original packaging, unless otherwise communicated in writing by YOUGO and always with prior written authorization by YOUGO.

YOUGO shall repair or replace at its sole option any Goods, or the subassemblies thereof, that are confirmed by YOUGO to be defective and for which a written warranty claim is made by the Customer within the afore-said warranty period in line with industry standards and best practices, provided that the defect is not due to situations that are listed in the warranty exclusion of the following article 11.

11. WARRANTY EXCLUSIONS & LIMITATIONS OF LIABILITY

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The foregoing warranty is excluded and YOUGO shall have no obligation, responsibility or liability, for those Goods which have been subjected to improper storage, installation, use, maintenance or to any repair, modification, alteration or accident occurred after their delivery to the Customer and not because of Yougo. The warranty and remedies set out in these T&C are given for the sole benefit of the Customer and do not extend to third parties.

The YOUGO obligations set out in Section 10 are the sole and entire obligations of YOUGO and the sole remedies of the Customer under the warranty expressed in these T & C and any other obligation or remedy is hereby expressly excluded by YOUGO and waived by the Customer.

The warranty stated in these T&C is the only warranty given by YOUGO for Goods and all the others warranties whether express or implied under any applicable laws, including, without limitation, any warranties of merchantability or fitness for purpose, are hereby expressly excluded by YOUGO and waived by the Customer.

Except in case of YOUGO'S fraud or gross negligence and/or other mandatory provisions of applicable law, in no other case shall YOUGO be liable for any direct, indirect, incidental, special or consequential damages, loss of profit or loss or revenues arising out in connection with the sale of any Good to the Customer hereunder or any defect or non compliance of said Good, and in any case the maximum liability of YOUGO with respect to each Good shall not exceed the amount paid by the Customer for said Good.

12. AFTER SALES SERVICES

The Customer will provide warranty and repair services for the Goods to its own subsequent purchasers and customers of the same, unless the Customer is an end user, in which case it will make an agreement with a company reasonably acceptable to YOUGO for to supply of said services.

So, the Customer must make sure that its technicians, or any said company entrusted to provide said services, attend training courses about use and maintenance of Goods made available by YOUGO at the then current YOUGO's prices, and acquire and maintain (or make sure that the company that provides the after sales service acquire and maintain) a suitable stock of spare parts.

YOUGO will make available to the Customer, or any said company appointed by the Customer for said services, at the then current YOUGO prices spare parts necessary to maintain any Good purchased by the Customer during the shorter of the following periods: (i) three years from the date of delivery to the Customer of said Good or (ii) until the date of discontinuation of the production of the related spare part.

The execution times for orders for spare parts will be specified in the YOUGO Offer, having as object a purchasing plan to be agreed between the parties on an annual basis.

YOUGO will use reasonable efforts to inform the Customer 6 months in advance of said discontinuation date in order to allow the Customer to make a final purchase order of the related spare parts.

13. INTELLECTUAL PROPERTY

The sale of Goods does not grant the Customer any rights to YOUGO' intellectual property, including any patents, trademarks, copyrights, trade secrets and know-how. The Customer shall not reverse engineer the Goods or try to copy the Goods.

Technical information transmitted by YOUGO to the Customer on the Goods, including without limitation technical manuals, schematics and service information, as well as information obtained through disassembling of the Goods or visits to YOUGO' facilities, shall be considered confidential know-how of YOUGO, shall not be disclosed by the Customer to any third party without the prior written authorization of YOUGO, and shall not be used by the Customer other than for the purpose of using and servicing the Goods,

The Customer shall cause its technical personnel to comply with the covenants contained in this Section,

14. FORCE MAJEURE

YOUGO shall not be liable for any delay or failure to meet any of its obligations pursuant to Customer's purchase orders accepted by YOUGO to the extent such delay or failure is due to circumstances beyond its reasonable control, including without limitation war, act of terrorism, strike, acts of failure to act of any authorities or epidemics, fire, flood, storm, earthquakes and other acts of God.

15.

APPLICABLE LAW AND JURISDICTION

The sale of Goods by YOUGO to the Customer shall be governed by the Italian law, without giving effect to the conflict of laws principles thereof. Any dispute, proceeding or action arising out of or relating to such sale must be brought in the Court of Ivrea, Italy.

..... the

Read, Approved, Signed

YOUGO

The Customer

The clauses 1 to 15 are approved for the purpose of unfair nature (within the meaning of articles 1341 and following. C.C.) claiming to have read, understood and accepted in their entirety.

..... the

YOUGO

The Customer

ATTACHMENT**NEW RMA PROCEDURE**

Goods sent to YOUGO for repair must be sent together with a valid document for customs.

It should not be issued a commercial invoice but it will be sent a pro-forma document that match the list of parts with the serial number of the YOUGO piece and the value of the specified items subject to repair.

This document will have to be sent in advance to the repair service, for control of the data and to obtain a RMA number before of the shipping of the material.

The return of the repaired goods, from YOUGO to the Customer, will require a pro-forma document valid only for the Customs named "ENHANCED LIST" with the same information listed above.

The steps above will not produce registration for the purposes of charges or costs, so there will be no changes in the debit / credit reports. Of course, there will be an invoice for the repair costs if the material is repaired outside the warranty period or in case of warranty exclusion.

CUSTOMER: _____

RMA authorization **Rif. Num.** _____

Product description or YOUGO code	Qt.	Defect description
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