

GENERAL TERMS AND CONDITIONS REGULATING FUTURE FACTORING OPERATIONS**DEFINITIONS**

Factoring Company means	in addition to UBI Factor S.p.A., also the foreign factoring companies or the partner company which the same uses or which it may use in order to provide its services internationally;
Client means	the client company of the Factoring Company, that is the other party to the factoring contract;
Debtor means	the individual or legal person – Italian or foreign – obliged to make payment to the Client of one or more credits;
Credit means	a) the pecuniary credits which have arisen or may arise from contracts concluded or to be concluded by the Client when carrying on its business, and hence the sums which the Client has, or will have, the right to receive from the Debtor as payment for goods and/or services; b) the sum which the Client has the right to receive as payment from the Debtor on other grounds;
Assignment means	the contract by which the Client transfers to the Factoring Company its existing and/or future credits, as defined above; the credit assignments indicated under point a) are also governed by law No. 52/91, whilst only Articles 1260 and following of Italian Civil Code apply for credits falling under point b);
Consideration means	an amount equal to the nominal value of the assigned credits after deduction of sums withheld by the Debtor on any grounds in relation to any credit notes issued by the Client, discounts, rounding off, price rebates, deductions, off-setting and or any other sums which the Debtor withholds on payment, including those not authorised;
with recourse means	that for specific credits assigned, the Factoring Company has not waived the guarantee of Debtor solvency provided by the Client;
without recourse means	that for specific credits assigned, the Factoring Company has waived the guarantee of Debtor solvency provided by the Client, accepting the risk of non-payment by the Debtor in accordance with Article 10;
Credit limit means	the quantitative limit of the risk held by the Factoring Company of non-payment by the Debtor, in accordance with the terms and conditions contained in Section IV;
Maturity means	the Factoring Company's faculty to pay the Consideration to the Client, on a pre-determined date, with the possibility for the Factoring Company to grant the Debtor a payment deferral for the assigned Credits beyond the term of their original expiry, accompanied by acceptance by the Debtor of the relative interest and costs.

Article 1 - Object

The purpose of this contract is the regulation of the factoring relationship between the Factoring Company and the Client, and shall involve the assignment of credits (individual or bulk) towards Debtors which the Client shall arrange in favour of the Factoring Company.

This contract, in addition, regulates the services which the Factoring Company will carry out for the Client, as specified below:

- reminders and/or dunning letters to each Debtor in order to obtain payment and collection of the assigned credits, including legal action for judiciary recovery, as well as the registration in the accounts of the Factoring Company of the credits and administrative and management acts relating to it, up until collection;
- the advance payment, in whole or in part, of the consideration for the assigned credits, according to the procedures and subject to the provisions of Article 8 below;
- the acceptance, in whole or in part, of the risk of payment default by each Debtor due to the insolvency of the Debtors (including where not certified by the courts), according to the provisions contained in Article 9 and following of this contract.

The Factoring Company may moreover, on request by the Client, provide other services such as the assessment of potential Italian and foreign clients, the acceptance of the risk of delayed payment by each Debtor, the granting of additional payment deferrals to each Debtor, etc.

The Client will have to pay the Factor for the performance of the mentioned services and for the relevant costs and risks the fees specified in greater detail in the title page of this contract entitled, "Summary document" and any subsequent updates. By the express agreement between the Factoring Company and the Client, the summary document is to be considered an integral part of this agreement.

Section I – CONDITIONS GOVERNING THE ASSIGNMENT**Article 2 – Terms and procedures for concluding the credit assignments**

Unless agreed otherwise, the Client shall propose to the Factoring Company the assignment *en masse* of all of its credits against any Debtor; where the prerequisites are satisfied, the future credits shall be transferred pursuant to third and fourth paragraph of Article 3 of law N. 52 dated February, 21, 1991, or otherwise, according to the provisions of the Civil Code, when they come into existence. It shall be the responsibility of the Client to notify the Factoring Company of the issuing of the Credit, according to the procedures previously agreed. Where an agreement is reached about the assignment of each individual credit, the Client will have to propose the assignment within the term of thirty days from the issue of the invoice relevant to the assigned credit. At Client's care and expenses, and in the most appropriate ways indicate by the Factoring company, the Debtor shall be notified by the Client of each individual assignment accepted by the Factoring Company. The Client in any case hereby authorises the Factoring Company to forward such a communication to the Debtor, undersigning it on its behalf; with promise of full ratification and approval. The assignment, anyway, will have to be evidenced in a notice placed on the invoices relating to the assigned credits. The Client will deliver the Factoring Company a copy of the invoices relating to the assigned credits, together with the entire probatory representative and accessory documents constituting the credits, within 30 days after the date of issue

Where the Factoring Company and the Client agree not to notify the Debtor of the assignment of the credits, the relationship shall be governed by a separate agreement.

For any credits which may arise from contracts already concluded or currently subject to implementation, the Client shall hand over to the Factoring Company a copy of the contract, order, order confirmation and related invoice plan.

Credits are considered to be assigned together with the preference rights, personal and real guarantees and other ancillary rights. Any promissory notes or other securities shall be handed over to the Factoring Company, duly endorsed by the Client where possible. For these securities, the banking regulations in force governing the collection, discount and acceptance of promissory notes shall apply to the Client and to third parties. In the event that the payment procedures for the credits provide for the issue of collection orders, the Factoring Company shall issue the orders and send them for collection.

The Factoring Company shall pay the Client the consideration for the assignment on the agreed date or, in the absence thereof, at the moment of the collection of each credit. In case of assignment without recourse, where the Debtor fails to pay, the consideration shall be paid by the Factoring Company, within the limits of the credit limit granted, 300 days after the average expiry indicated in the invoices constituting the assigned credits. The Factoring Company and the Client may agree that the Factoring Company makes this payment in advance.

Client Stamp and Signature

Factoring Company Stamp and Signature

Article 3 – Client’s guarantees on assigned credits

Without any further confirmation, it is understood that, at the time of each assignment, the Client guarantees, hereby waiving any right to raise objections in this regard:

- a) that the credits assigned are or, for assignments of future credits, will be certain, liquid and payable on due;
- b) that the amount of the assigned credits is or, for the assignment of future credits, will be indisputably due by the Debtor to the Client as consideration for provided goods or property actually or performed services;
- c) that it has complied with or will comply exactly and precisely with the contracts under which the credits arose or may arise;
- d) that it is or, for the assignment of future credits, will be the only legitimate and absolute holder of the credits covered by the assignment, which are or will be legitimately transferable, not subject to seizure, attachment or any other burdens in favour of third parties;
- e) that, on assignment, each Debtor does not have credits which may be offset, either in whole or in part, against the assigned credits, and that the goods, property or services covered by the contracts concluded between the Client and the Debtor, as well as any related documentation, are not subject to pledge or privileges nor at any other burden in favour of third parties;
- f) the solvency of the Debtor, except in cases provided for under Article 9 of this contract;
- g) that the assigned credits originated or, for the assignment of future credits, will originate from contracts for supplies governed by Italian law, unless expressly specified otherwise by the Factoring Company;
- h) that the supply contracts do not contain damaging provisions for the Factoring Company.

Section II – CLIENT’S OBLIGATIONS**Article 4 – Information**

The Client will have to previously submit to the Factoring Company a complete list of all of its clients, indicating for each name the current and expected turnover, also specifying the existence of any other temporary and/or ongoing factoring relationships, as well as any other information which the Factoring Company may consider appropriate to request concerning the status of the relationship with the Debtor, also in order to assess an eventual waiver of the guarantee of solvency provided by the Client.

During the course of the relationship, the Client will have to bring the Factoring up-to-date in due course about the possible acquisition of new clients and the commencement of other factoring relationships.

The Client undertakes to make available to the Factoring Company or its agents all documentation and informations relating to the qualitative characteristics of the assigned credits and the business relations from which the credits arose, with regard, for example, to the procedures followed when examining and assessing its customers and the documentation pertaining contracts, supplies, etc. The Client is further obliged to update regularly the aforementioned documentation and information, permitting the Factoring Company to verify in full the fulfilment of said obligations.

Article 5 – Relations with Debtors

The Client undertakes to ensure that the contracts for supplies are performed in accordance with tax, currency and customs regulations, and to ensure that the payments for the credits assigned are actually made by each Debtor exclusively to the Factoring Company, refraining from any initiative directed at obtaining collection of the credits. In the event that payments are mistakenly made by a Debtor to the Client, the latter is obliged to transfer immediately the sums, any securities duly endorsed and stocks received to the Factoring Company; where the securities are non transferable, the Client shall refrain from negotiating them; in this latter case, on signature of this contract, the Client grants to the Factoring Company full powers to endorse such securities for collection on its own accounts.

The Client may not modify, with any Debtor, the conditions of sale and/or for the provision of the services, may not grant rebates, price reductions, nor accept payment deferrals, the return of goods, or reach settlements with any Debtor, without the written consent of the Factoring Company.

The Client must promptly notify the Factoring Company of the issue of any credit notes in favour of each Debtor, forwarding them for their bookkeeping.

Article 6 – Cooperation

The Client is obliged to cooperate in all ways with the Factoring Company, providing on its own initiative all significant information in its possession concerning the solvency of each Debtor, every exceptions, requests, claims, judicial or extra judicial petitions filed by each Debtor, even if it is not relevant to the business relationship.. In addition, it will have to communicate the existence of prior relations with every Debtor proposed for assignment and any disputes currently in progress.

On request by the Factoring Company the Client shall provide, at its own expense, copies and extracts, including true copies, of the accounts registrations that are in any way relevant for the factoring relationship, as well as sign any document which attests and proves the assignment of the credits and any guarantees, that may be useful for the collection of the credits and any ancillary sums, both through the courts and out of court.

The Client is obliged to notify the Factoring Company of any contract or agreement in existence with every Debtor setting out different arrangements for the treatment of interest on arrears – and specifically the interest rate agreed with the Debtor – with respect to the current existing regulations on the matter.

For this purpose, , and if necessary, the Client shall cooperate with the Factoring Company in acquiring legal or contractual documentation signed by every Debtor and/or any third parties. Failing this communications by the Client, the Factoring Company is hereby authorised to apply to the Debtor the interest rate on arrears provided for by law for business transactions pursuant to legislative decree No. 231/02.

Section III – FACTORING COMPANY’S SERVICES**Article 7 – Registration and collection of assigned credits**

The Factoring Company shall arrange the collection of the assigned credits, by sending reminders to each Debtor who are late or irregular with payments, as well as the registration of the assigned credits in specific accounting registers, regularly notifying the Client of the subsequent activities carried out.

Client Stamp and Signature

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Article 8 – Advance payment of the consideration

On request by the Client, the Factoring Company may assess whether to pay in whole or in part the considerations due for the assigned credits, also before the actual collection of the same. In this case interest will be accrued on the sums paid in advance according to the rate determined in the Summary Document as subsequently updated in accordance with applicable statutory provisions, until the time when the credits are collected by the Factoring Company or any different date agreed to by the parties.

Without prejudice to the provisions of Article 9 below, the Client guarantees the solvency of the Debtor. Accordingly, where the assigned credits are not collected on maturity and on request by the Factoring Company, without any requirement for the latter to exercise its right of withdrawal, the Client will have to return to the Factoring Company any sums received as advance payment of the consideration, in addition to the interest accrued up until the time of reimbursement plus expenses. The Client is moreover obliged to return such sums at any time and at Factoring Company's request, also where the guarantees provided by the Client in relation to the assigned credits are not honoured, or whenever situations come to light in which the Debtor unfulfills its obligation towards third parties or falls in arrears (such as, for example, reports in the Risks Office [*Centrali Rischi*], including private databases, protests, etc.) or towards the Factoring Company itself within the ambit of relationships different from the one in progress with the Client.

After the return of the considerations advanced and any other sums due, the assignment shall be considered to be resolved, unless the Client asks the Factoring Company, and the latter accepts, to carry out at the expense of and on behalf of the Client the actions necessary in order to recover the credit.

Where the Client fails to return the advanced considerations, the Factoring Company shall have the right to take action both against the Client and against the Debtor in order to recover the sums due, and may also reach settlements with the Debtor and undertake any other initiative considered useful or appropriate to this end. Any total or partial waivers of the assigned credits resulting from settlements reached by the Factoring Company for the purposes of this sub-section shall entail an identical reduction in the consideration due by the Factoring Company to the Client, which hereby unconditionally accepts this reduction, hereby ratifying any settlement agreements reached by the Factoring Company.

Article 9 – Acceptance by the Factoring Company of the risk of non-payment by the Debtor

The Factoring Company, acting exclusively on the express request of the Client, may waive the guarantee provided by the latter on the Debtor's solvency, by accepting the risk of payment default by the Debtor; in such an eventuality the assignment of the credit will be considered to be operative in the form without recourse. The above shall occur within the limits of the credit limit determined in advance by the Factoring Company, which will apply in accordance with the procedures set laid down section IV concerning the "Terms regulating the acceptance by the Factoring Company of the risk of non-payment by the Debtor".

Section IV – REGULATION OF THE ACCEPTANCE BY THE FACTORING COMPANY OF THE RISK OF NON-PAYMENT BY THE DEBTOR**Article 10 - Grant, limits and effects of the acceptance of risk by the Factoring Company**

A Client who intends to request the Factoring Company to accept the risk of payment default of a specific Debtor, will have to fill in a specific written request to this effect, according to the procedures indicated by the Factoring Company. The latter shall inform the Client in writing of its conclusions in this regard, indicating the amount of the credit limit granted and any additional conditions. The said communication shall be considered to be the only document attesting the decisions of the Factoring Company.

Within the limits of the credit limit granted, the Factoring Company will undertake the risk of payment default of the amount for principal of the credits, without prejudice to the provisions of Article 13 below, with the following hence being expressly excluded:

- any sums due by the Debtor as indemnity, penalty, or interest for late payment;
- any rounding off, discount, rebate, deduction, etc., which the Debtor makes on payment, including where not authorised, as a deduction from the amount specified in the invoice;
- the assigned credits included in the in the context of the mass assignment, which have not been communicated within the term of thirty days from the issue of the invoice relevant the assigned credit;
- for individual assignment, the credits pertaining to supplies or performance of services which have not been assigned within the term of thirty days from the issue of the invoice relevant the assigned credit;
- the credits relating to supplies or the provision of services which were carried out before the date on which the credit limit was granted;
- credits with payment terms longer than those defined in the communication in which the Factoring Company accepted the risk;
- credits with payment procedures constituting a risk greater than those indicated in the communication in which the Factoring Company accepted the risk, taking into account the following decreasing order or risk: direct remittance, bank receipt, electronic means of payment (e.g. direct debit, collection order, payment against notice), simple or authorised draft, portfolio assignment, accepted draft or promissory note.

In addition, acceptance of risk by the Factoring Company is expressly excluded in those cases in which the payment default is due to the occurrence of an event of force majeure, such as: a declared or undeclared state or war, hostilities and their consequences, revolutions, riots, total or partial insurrections, general and particular periods of grace, natural disasters as well as explosions or radioactive contamination, as well as laws, decrees, ordinances and any other measures of the Authorities of the States in which the Debtor, the Client or the Factoring Company is based.

The acceptance of the risk in relation to each Debtor shall entail the mandatory obligation upon the Client to assign indiscriminately all its credits against the Debtor, starting from the date of validity of the credit limit granted.

Any credits which exceed the amount of the credit limit granted either in full or in part at the time of assignment will be considered to be accepted as assigned without acceptance of risk by the Factoring Company, without prejudice to the provisions of Article 11 below in relation to the revolving nature of the credit limit.

Article 11 – Characteristics of the credit limit

The validity of the credit limit shall commence from the date of communication by which the Factoring Company notifies the Client of its decision to grant the credit limit, or from any different date expressly indicated therein.

The credit limit on the Debtor is revolving, so whenever the limit has been totally utilized, any payment by the Debtor or by third parties relating to assigned credits in existence and guaranteed, as well as every credit note issued in relation to the same, shall render the credit limit available for the same amount. It follows that within the limits of this availability the credits that have not entered in the credit limit shall automatically enter into it in order of the date of issue and invoice number, starting from the oldest.

Article 12 - Cancellation and reduction of the credit limit

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The Factoring Company shall have the right to revoke or reduce at any time, without any requirement to give reasons, the credit limit granted, notifying the Client thereof in writing by the means considered most rapid and efficient; to this end the Client hereby authorises the Factoring Company to send that communication also by simple email message; the cancellation or reduction takes effect from the date of receipt of the communication by the Client (*ex nunc*), and therefore any retroactive effect is considered to be excluded.

The cancellation of a credit limit automatically cancels the "revolving nature" of the credit limit. The cancellation of a credit limit that is either partially or totally unused will not however prevent credits from being guaranteed for an overall amount equal to the unused sum on the date when the measure became effective, provided that the issue date of the relative invoices is earlier than the date when the measure became effective and that those invoices relate to goods delivered or to services provided before the same date. It follows that, upon the cancellation, the credits exceeding the credit limit granted or which do not satisfy the prerequisites for being guaranteed shall be considered as definitively not guaranteed by the Factoring Company.

Where the credit limit is cancelled, the Client will be obliged to assign to the Factoring Company the credits arising from supplies made to the Debtor after the cancellation and not to amend to the detriment of the Factoring Company the payment terms and procedures compared to those provided for the guaranteed credits until the Debtor has paid in full the credits guaranteed on the date of revocation. Where this does not occur, the credit limit shall be considered as if it had been never granted and the credits will be considered not to have been guaranteed *ab initio*.

Where a credit limit is cancelled, solely for the purposes of the internal relations between the Client and the Factoring Company, all payments made by the Debtor or by third parties, along with any credit notes issued by the Client, shall be ascribed on the basis of the issue date and the number of the relative invoice, starting from the oldest one, irrespective of the payment reference indicated by the Debtor, in such a way that these payments will be allocated on a priority basis to the share of credits in relation to which the Factoring Company accepted the solvency risk of the Debtor. Vice-versa, it is understood that payments made following allocation under bankruptcy procedures to which the Debtor may be subject shall be divided on a proportional basis between guaranteed and non guaranteed credits in existence on the date of revocation of the credit limit, whilst any recoveries and/or payments made by third parties shall be allocated on a priority basis to the guaranteed credits in existence.

Where the credit limit is lowered, the revolving basis shall continue within limits of the lower amount only after payment of any guaranteed credits which may exceed the new limit.

Article 13 - Re-undertaking of the risk by the Client

The risk accepted by the Factoring Company through the waiver of the guarantee of solvency provided by the Client may be transferred back to the latter, limited to each individual credit, where one of the guarantees provided by the Client and indicated in Article 3 lapses. In such cases, the Client will be required to repurchase the relative credit, paying to the Factoring Company an amount equal to the total consideration already received, plus interest and expenses.

In the event of failure to comply with the obligations specified in Article 2, and specifically that to assign to the Factoring Company all credits entertained against each Debtor, as well as a failure to comply with the obligations indicated in the Section "Client's Obligations", the Client shall be required to remedy its own breach within 15 days of receipt of the notice to that effect sent to it by the Factoring Company.

Where the breach involves an amount equal to or greater than 30% of the overall value of the credits assigned regarding the same Debtor, the credit limit shall be considered to have been cancelled entirely, with the resulting re-acceptance by the Client, with retroactive effect, of the guarantee of solvency for all of the credits covered by the assignment and falling within the credit limit, in such a way that such guarantee is to be considered to have never been granted by the Factoring Company as a result of the breach by the Client.

Where on the other hand the breach involves an amount of credits lower than the 30% specified above, the guarantee of solvency provided by the Factoring Company shall be transferred to the Client within the limits of the breach and the Client shall moreover be required to pay to the Factoring Company a penalty as compensation at the level of 3% of the amount of the credits affected by the breach, unless the damages caused were greater.

The Factoring Company may declare the termination of the guarantee of those credits for which the Client is in breach towards the Factoring Company regarding the payment of sums due from it, on any grounds, despite the Factoring Company has set a term for it not shorter than fifteen days to remedy its own breach.

Article 14 - Suspension of guarantee of Debtor solvency

Considering that the Client is responsible for the existence and enforceability of the assigned credits, where the Debtor states as grounds for its failure to pay:

- breaches of contract by the Client,
- claims on supplies,
- offsetting against credits toward the Client,

the guarantee relating to the contested credits shall be considered to be automatically suspended, and the Client must reach an amicable settlement of the dispute with the Debtor within 60 days of the date on which it becomes aware of the Debtor's objections. Where no amicable settlement is reached, the Client shall repurchase the credits, paying to the Factoring Company an amount equal to any payments already received, plus interest and expenses insofar as applicable. Should this occur, the Client hereby acknowledges to the Factoring Company that such a situation will imply the lapse, *ab initio*, of the guarantee of solvency provided by the Factoring Company on the assigned credits.

Section V – GENERAL TERMS AND CONDITIONS

Article 15 – Accounting

All credit and debit items which may arise under the terms of the factoring relationship shall be registered by the Factoring Company in one or more accounts, which may also be structured into sub-accounts.

The Factoring Company shall regularly send the Client statements of account which shall report: at Client's credit and on the date of acceptance, the amount of the considerations for the assignments of credits with recourse, which will be made available following their collection, and of credits without recourse, the amount of which shall also be made available after their collection or, where the Debtor fails to pay and where the other contractual requirements are satisfied, within the term specified in Article 2; at Client's debits and on the date of disbursement, the amount of the advance payments by the Factoring Company and of the interest accrued at the level and subject to the conditions agreed to separately.

This documentation may be transmitted by the Factoring Company by email to the address which the Client has communicated to the Factoring Company, signing the specific communication in this regard.

If within sixty days of their receipt the Client does not challenge their contents by registered letter with proof of delivery, then the statements of account, the communications relating to the accounts documentation regarding the relationship in existence and any other information regarding the management of the assigned credits shall be considered to have been approved, and shall count as full evidence against the Client.

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Article 16 – Voluntary offsetting

The Factoring Company shall have the right to withhold sums and to offset its own debts of any nature with the Client against its own credits entertained on any grounds against the same, including credits by third parties against the Client in relation to which the Factoring Company acted as assignee or otherwise acted as guarantor.

Where the Client breaches any one of the payment obligations towards the Factoring Company, the latter may consider the credits liquid and enforceable irrespective of their respective maturity

Article 17 - Terms and conditions regulating transparency within the relationship

The Client acknowledges that it has been fully informed by the Factoring Company, during the stage prior to the conclusion of this contract, of the characteristics and costs of the service offered by the Factoring Company, also acknowledging that it has received appropriate documentation in this regard, in accordance with the transparency requirements in force from time to time concerning banking and financial operations and services.

The Factoring Company may vary the level of agreed fees unilaterally and to the detriment of the Client, notifying the Client thereof in writing, also by fax or email attachment. The proposal for unilateral modification of said conditions must reach the Client with prior notice of at least two months and must indicate the grounds justifying the modification. The proposal may be rejected by the Client within the starting date of the proposed unilateral modification, by withdrawing from the contract maintaining the economical conditions in force prior to the date of dispatch of the proposed amendment formulated by the factoring company.

Where the Client exercises its right to withdraw from the contract, the Factoring Company and the Client shall liquidate the relationship (closure of the relationship), according to the procedures specified under Article 20.

The regular communications provided for under applicable terms and conditions regulating Transparency shall be made to the domicile of the Client by post or by any other appropriate form or communication agreed between the parties, by dispatch of a specific summary statement of the conditions actually applied. If the Client is dissatisfied with the services of the Factoring Company, it may make a claim either by registered letter with proof of delivery or by email to the address of the Factoring Company included in the pre-contractual documentation, already known to the Client. The Factoring Company must respond to the claim within 30 (thirty) days of its receipt. If the Client is not satisfied with the response from the Factoring Company or if it has not received any response, before seizing the competent courts it may contact the Banking and Financial Arbitrators (ABF – *Arbitro Bancario Finanziario*). The Customer can address the Arbitrator in Banking Disputes also in absence of previous claims.

Article 18 – Duration – Withdrawal

This contract shall be of unlimited duration. Both the Client and the Factoring Company shall have the right to withdraw from the same without notice, provided that they are not in breach, giving notification by registered letter or fax: this communication may be sent in advance by email message with an attachment in “PDF” format to the email addresses known to the Client and the Factoring Company. In this last situation, the effectiveness of the withdrawal shall commence from the date of transmission of the advance communication by email. The notification of withdrawal may be addressed both to the registered offices or administrative base of the Client and the Factoring Company, as well as the domicile/residence of their legal representatives, as reported in extracts/certificates from the Chamber of Commerce, Industry, Crafts and Agriculture.

Article 19 – Cancellation

Both the Factoring Company and the Client may request the cancellation of the contract. The Factoring Company may moreover exercise its right to cancel the contract pursuant to Article 1456 of the Civil Code, notifying the Client thereof by registered letter in the event of the violation of any of the obligations provided for under Articles 3 (**Client’s guarantees on assigned credits**), 4 (Information), 5 (Relations with Debtors), 6 (Cooperation) or 8 (Advance payment of the consideration) of this contract. This communication may be sent in advance by email message with an attachment in “PDF” format to the email addresses known to the Client and the Factoring Company. In this last case, the cancellation shall become effective from the date of transmission of the communication in advance by email. The notification of the cancellation may be addressed both to the registered offices or administrative base of the Client and the Factoring Company, as well as the domicile/residence of their legal representatives, as reported in extracts/certificates from the Chamber of Commerce, Industry, Crafts and Agriculture.

Article 20 – Effects of termination

The termination of the contract shall be without prejudice to the validity and efficacy of the credit assignments, including those relating to future credits already concluded, which shall continue to be regulated by this contract and for which all of the obligations and ancillary guarantees provided by the Client shall be effective. In the event of termination, unless agreed otherwise, the Factoring Company and the Client shall close the relationship with 15 (fifteen) days from the time when all the credits assigned to the Factoring Company arising up until the date when the withdrawal or cancellation becomes effective have reached maturity, without prejudice in any case to the provisions of paragraph 2 of Article 8 about the obligations to reimburse upon the Client and further without prejudice to the right of the Factoring Company to carry out the aforementioned closure of the relationship also where not all of the credits that have already arisen have reached maturity. Within the same time limit of 15 (fifteen) days the Client shall be obliged – without any requirement for a prior notice of arrears – to return to the Factoring Company any considerations received as advances against credits assigned with recourse and not yet collected, plus the interest accrued up until the date of return plus expenses. All the legal expenses incurred by the Factoring Company shall be charged by the latter to the Client on its account held with the Factoring Company, for which the provisions contained in Article 16 shall apply. After return of the said considerations, the assignments of the relative credits shall be considered to have been resolved to all effects. In the event of delays to comply with the obligation to return, interest on arrears shall accrue on the sums due at the level agreed.

Where the Client does not honour its own obligations to reimburse specified above within the term of 15 (fifteen) days of the request made by the Factoring Company, the Client shall be automatically considered to be in default and interest on arrears shall be charged on the overall sums owed to the Factoring Company at the level provided for under Article 5 of legislative decree 231/02, starting from the sixteenth day after the request for reimbursement made by the Factoring Company.

Article 21 – Procedures for concluding the contract and registration

This contract is performed by exchange of business correspondence and therefore each Party shall deliver to the other a complete copy of the contract, any annexes thereto and of the Summary Document (title page of the contract), duly signed.

Client Stamp and Signature

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The contract may also be finalised with the exchange of the contractual documentation in pdf format via electronic mail or fax.

The exchange of the original copies of the contract duly signed by both parties will follow.

The costs of the eventual registration of this contract and the resulting credit assignments shall be borne exclusively by the Client

Article 22 – Choice of domicile

For the purposes of this contract the Client elects domicile, also for its successors and holders at any title, at its registered offices.

Article 23 – Applicable law, Jurisdiction and Competence.

This Agreement shall be governed by and construed in accordance with the Laws of Italy. The Client accepts the exclusive jurisdiction of the Italian courts in connection with any matter arising under this Agreement, and agrees that it will not raise any objection to proceedings being brought in the Italian Courts. The competent Court over any disputes arising under this Agreement or in connection with it about the validity, interpretation and implementation of this Agreement, and the resulting credit assignment, shall be the Court of Milan.

Client Stamp and Signature

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Pursuant to and in accordance with Articles 1341 and 1342 of the Civil Code the Client hereby declares that it specifically approves the following clauses:

- Article 3 Client's guarantees on assigned credits;
- Article 4: Information;
- Article 5: Relations with Debtors;
- Article 6: Cooperation;
- Article 8: Advance payment of the consideration;
- Article 10: Granting, limits and effects of the acceptance of risk by the Factoring Company;
- Article 12: Cancellation and reduction of the credit limit;
- Article 13: Re-undertaking of the risk by the Client;
- Article 14: Suspension of guarantee of Debtor solvency;
- Article 16: Voluntary off-setting;
- Article 17: Terms and conditions regulating transparency within the relationship;
- Article 19: cancellation;
- Article 20: Effects of termination;
- Article 21: Procedures for concluding the contract and registration;
- Article 22: Choice of domicile;
- Article 23: Applicable law, Jurisdiction and Competence.

Client Stamp and Signature

The Client attests that a copy of this contract, including the supplementary schedules to the same and the Summary Document, in the title page to this contract (which form an integral part of the same by express agreement with the Factoring Company), have been given to the same.

Client Stamp and Signature

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Factoring Company Stamp and Signature
