

GENERAL CONDITIONS OF SUPPLY

I. Area of application

These general conditions governing the purchase by Fly Electronics Ltd. (hereinafter FLY) of goods and / or services and / or products from third parties (hereinafter, the Supplier). Each contract and / or supply agreement is governed by these general conditions of purchase, which will prevail in case of discrepancy on the conditions of sale of the Supplier, except as otherwise expressly stated in the purchase order from FLY. In addition, any conditions of supply provided in the purchase order dissimilar than these general conditions will prevail over the latter.

II. Purchase Orders and refinement of the individual supply agreement

1. Following the presentation by the Supplier of specific technical offer / quote, will be drawn up by the fly and faxed to the Provider a purchase order in writing that will contain the following elements:
 - order number;
 - detailed description of the goods and / or services required, where necessary making reference to annexes and technical documents;
 - quantities applied for;
 - date, place of delivery, indicating any penalty provided for the delay and if the transport costs are borne by FLY (carriage) or payable by the Supplier, as the sender (postage paid);
 - mode of transport (by land, on wheel and rail, sea, air);
 - unit price and total amount of each good or service to be provided;
 - terms and method of payment;
 - term of validity of the order, which must be received by the acceptance by the Supplier or the future performance of the order by the Supplier.
2. Each individual supply agreement will be concluded when the Supplier will send a copy of his order confirmation.
3. The purchase order shall be deemed also accepted past 7 days of the same
4. Any written communication of the Supplier on the order must always report the reference to the purchase order number.

III. Obligations of the Supplier

1. In the delivery the Supplier shall use employees, collaborators and / or consultants (hereinafter, in charge) qualified, equipped with specific technical skills and proven experience in relation to the type of goods and / or services ordered.
2. Subject to the approval of FLY Provider may rely in part to subcontractors (the subcontractors) eligible and suited to the production of goods and / or services to be supplied, under their own direction and exclusive responsibility.
3. The Supplier shall undertake to fulfill the obligations of a regular salary, contributory (social security and welfare) and its related tax charge and guarantees pursuant to Article 1381. civ. that its suppliers do the same, keeping FLY harmless and free from any and all liability for any departure from the Supplier and / or persons in charge and subcontractors by the same employees.

4. The Supplier agrees to deliver to FLY the technical documentation for the supplies, which a certificate of conformity of the products and the manual for installation, use and maintenance of goods and / or services provided.

IV. Price

The agreed prices and given in the purchase order have been defined as a result of conducting commercial negotiations between the fly and the Supplier, which recognizes that they are competitive when compared to the national and international market, and profitable to its full satisfaction.

V. Scope of supply

1. They will make part of the delivery, in addition to individual goods and / or services carried out by order of FLY:
 - the purchase by FLY ownership of all documents and technical drawings made by the Supplier and / or any of its subcontractors with respect to the specific project or product mentioned in the purchase, as well as all other documents required for assembly, maintenance and use of goods and / or services provided or still required as part of the supply;
 - the broadest rights of use in favor of FLY, transferable to third parties, the industrial property rights of the Supplier (trademarks, inventions and designs) related to the goods and / or services provided by the Supplier, including related methods and processes production;
 - the right to fly to perform or have performed repairs or modifications of the goods or documents provided, as well as to bring or produce any spare parts.
2. The order quantities are binding. FLY reserves the right to refuse any surplus in full and sole responsibility of the Supplier.

VI. Quality system

1. The Contractor undertakes to adopt, implement and implement a system of quality defined - in view of its activities and needs - in accordance with the latest regulations. The Supplier will maintain an archive of documents relating to internal and external audits and make it available to those in charge of FLY n if requested. The Supplier shall also make available to allow the fly to perform at any time access, surveys and inspections in the offices and factories of the Supplier and / or any subcontractors, by officers of the fly to verify the compliance of the quality system.

In any case, regardless of the fact that the quality system of the supplier has been or not certified by a certifying body authorized, the Supplier will use, both in the operating practices of production in the midterm or final goods produced, only tools test, measurement and control properly calibrated with valid calibration and certified by authorized body. The relevant certificates with evidence of the maturity date will be made available on request to FLY.

VII. Terms of delivery

1. The delivery dates indicated in the purchase order are binding for the Supplier and are considered essential for the proper execution of the order.

2. FLY also reserves the right not to accept the delivery of goods and / or services in case of deliveries made in advance of the date set and to demand delivery in accordance with the terms specified in the order.
3. he Supplier shall in every case promptly inform in writing FLY in cases of difficulty of execution, impediments and / or incident that may cause a delay in deliveries of the ordered.

VIII. Transportation and goods receipt

1. The valid address for delivery is that indicated in the purchase order. The Supplier is released from the obligation of putting the goods delivery to FLY in the place indicated in the purchase order. Any additional costs arising from the delivery made in a place other than that indicated in the purchase order will be charged to the Supplier.
2. The transport documents (DDT) accompanying the goods must always report n ° of order of reference, as a condition necessary and essential for the payment of invoices of the Supplier: failing that no bills will be paid. Each DDT should contain a detailed list of assets, which will be described as shown in the corresponding order line. In the absence of the above, FLY reserves to refuse delivery of the goods, or, at its discretion, to charge the Supplier the costs incurred for the identification of the same goods.
3. Each piece neck or delivered shall be identified by a label bearing the minimum necessary to ensure that the good can be clearly identified and mapped to its relative order line (usually: n. The order, product code)
4. For each shipment / delivery of goods, direct to FLY and / or third parties by the same specified in the purchase order, the Supplier shall promptly issue an invoice and send or do still have to fly - in the case of delivery to a third party - its DDT signed for receipt and indicating the date and place of receipt. As a rule, the delivery of goods will be done at once; in case of partial deliveries (if these are accepted by FLY) every DDT should specify delivery or partial balance.
5. Hazardous materials must be packaged by and under the responsibility of the supplier in accordance with applicable laws and regulatory requirements; the packaging must bear the labeling required by international safety standards for the transport of such materials, taking into account the type of transport foreseen as defined in the purchase order (land / sea / air). Any applicable requirement concerning the documentation for the handling, storage and safe transport of goods, the capacity and the type of container to be used and the protection to be provided must be satisfied by the Supplier and charges. In the case of rail transport will be by the Supplier to issue documentation of transport in the form required by the carrier. Any damage resulting from negligence in regard to the above will be borne by the Supplier. The Supplier shall FLY harmless and free from any prejudice that may derive from the above obligations imposed on the Supplier.

IX. Revocation of the order and termination by FLY

FLY may at any time revoke the purchase order and / or terminate the supply in case of revocation of the order by the end customer to FLY, FLY or if it considers appropriate to interrupt the supply to seize opportunities in the market, giving prior written notice to Supplier, with a notice of at least 10 (ten) days, by email or fax; the receipt of such notice, the Supplier shall immediately suspend all activities related to the purchase order.

X. Billing and payments

1. Payments will be made in the terms provided in the purchase order, regardless of any advances in delivery than the date set.
2. In the absence of other indications in the purchase order, the supplier invoices will be paid 90 days from invoice date later this month by bank transfer to the completion of the supply after issuance and transmission by the Supplier of the invoice
3. In each invoice must refer to the serial number, the missing invoices of such data and / or incomplete information will be rejected.

XI. Contractual guarantee of compliance - termination clause

1. The supplier is obligated to deliver to FLY and / or third parties by the same customers indicated goods / services provided meet the requirements in the purchase order and / or in the supply agreement, free from defects or malfunctions , suitable for normal use and / or the particular use to which they are designed and manufactured in compliance with applicable laws and regulations.
2. The contractual guarantee of compliance provided by the Supplier of a total duration of twenty four (24) months with effect from completion of delivery, except in cases where the purchase order and / or in the supply agreement is expected to test operational verification and acceptance of the goods, in which case the warranty period starts from the date of passing this test and acceptance of the supply by FLY. Any approval by FLY drawings or documents produced by the Supplier as well as any acceptance of the goods / services provided in anyway not relieve the Contractor from its responsibilities assumed by the acceptance of the purchase order on the assurance of conformity paid.
3. Any defects or faults found by FLY must be reported in writing to the Supplier within 2 (two) months after its discovery, indicating the precise description of the defect. The complaint is not required if the Supplier has acknowledged the existence of the defect or has concealed
4. FLY may request, at its option, the Supplier to repair the goods or to replace them at no cost in either case. The Supplier will carry out repairs or replacements required as quickly as possible, bearing all the burdens resulting including any additional expenses (cost of transport, labor and materials).
5. 5. In case of an emergency or non-compliance / untimeliness by the Supplier when carrying out repairs or replacements under this warranty, FLY will to do so on their own initiative by charging the related expenses to the Supplier, which will be required to replace a simple request, on production of supporting documents. This power does not affect in any case the right to fly to request an appropriate reduction of the price, to rescind the purchase order or to terminate the supply agreement when the repair and replacement are impossible;
6. The parts replaced under warranty by the Supplier will enjoy an equal warranty period, from the date of replacement.

XII. force Majeure

1. The Supplier shall not be held responsible for any failures and / or delays due to force majeure, meaning those events and / or exceptional circumstances and / or unpredictable as war, revolution, sabotage, epidemics, fires, explosions, earthquakes, floods, strikes and national

category, impediments caused by specific legislative or other impediments to equal gravity beyond the control of the parties and having the character of unpredictability.

2. Are not considered acts of God, by way of example, delays:
 - stop and / or suspension of the Supplier imposed by the Authority for breaches of safety regulations by the Supplier;
 - or delays in the supply of materials of the Supplier and / or services;
 - delays in the deliveries of subcontractors of the Supplier;
 - strikes limited to the locations and employees of the Supplier, including the micro conflicts, states of agitation, as well as participation by employees of the Supplier to strikes of any nature that are not national or category..
3. The occurrence of force majeure must be promptly reported in writing by the Supplier within 24 (twenty-four hours) from the occurrence of the event. The communication must be provided with sufficient explanation on the cause of force majeure and the expected duration. FLY reserves the right to require the Supplier, in addition to the above written statement, a certification of the Chamber of Commerce of the place where the supplier carries on business, or other authority recognized by FLY, attesting to the veracity of the facts outlined in the statement.
4. If the force majeure persists, or if they are expected to persist for a period longer than 15 (fifteen) days, the fly and the Supplier will meet to define the criteria to be applied for the continuation or termination of the supply. In the case of persistence of the event the force majeure for more than 30 (thirty) days, or for the most different term agreed between the parties, FLY will have the right to terminate the supply agreement under Article XIV. In any case, the Supplier shall commit When preparing all possible remedies in order to reduce the harmful effects caused to fly by the force majeure.

XIII. Advertising ban - obligation of confidentiality

1. Any reference to the purchase order or to the relationship between fly and Supplier in promotional materials produced by the Supplier or communications to third parties by the latter must be previously approved in writing by the Buyer.
2. The Supplier agrees, for itself and for its own staff and subcontractors, worth damages suffered by FLY, not to disclose news information, data, documents relating to the products, plans, activities, methods and processes production, organization, trade relations and contractual FLY with third parties (hereinafter, confidential Information), of which he has knowledge during delivery to the same commissions, regardless of whether the information is confidential or not been made available by FLY.
3. Confidential Information shall include all actions and activities carried out by the supplier to arrange the supplies ordered from FLY. Not caught between the Confidential Information for which the supplier can prove that:
 - They were already in its possession or in the public domain at the time they were notified by FLY

- after being notified, becomes public for reasons that have nothing to do with a failure of the Supplier and / or employees and / or subcontractors by the same employees, respect the rules of confidentiality laid down by these general conditions of purchase.
4. The Supplier shall, with respect to its representatives and / or subcontractors:
 - a) to consider the Confidential Information as strictly confidential and to take all necessary steps not to jeopardize the confidentiality of such information;
 - b) not to use the Confidential Information in any way that may cause harm to FLY;
 - c) not to disclose Confidential Information, except in cases where the disclosure meets a legal necessity or fulfillment of directives of a Surveillance Authority, or to the Officers, subcontractors, agents, professionals and agents in which knowledge of such information is strictly necessary for the execution of the supplies, the firm commitment of the Supplier to inform such persons about the obligation of confidentiality and limitations of use of Confidential Information..
 5. The obligations of confidentiality will remain valid for 10 (ten) years from the completion of the supply.
 6. All documentation made available to the Supplier for the performance of the order remain the property of FLY and must be returned at the simple request of FLY.

XIV. Resolution of the supply agreement

1. FLY may terminate the supply agreement under dell"art.1456 cod. civ., in the following cases:
 1. non-compliance and / or violation of the technical specifications provided by FLY and indicated in the purchase order;
 2. delay in the delivery by the supplier more than 10 (ten) days, subject to the right to require the Supplier the payment of damages for the delay, regardless of the forecast of a possible penalty contained in the purchase order;
 3. if the Supplier fails to repair and replace the goods;
 4. if the events of force majeure provided for in Article XII, paragraph 4 persist for a period longer than 30 (thirty) days or more different period may be agreed between the parties on a case by case;
 5. violation by the Supplier of the existing rules of remuneration of its staff, contributions to social security and welfare and provisions on accident prevention;
 6. for late payment of the debts of the Supplier towards its subcontractors;
 7. insolvency of the supplier, it subject to voluntary liquidation, a court settlement, bankruptcy or other insolvency proceedings provided for in RD March 16, 1942 267, or in the presence of unique clues such as to suggest that the supplier is to be subjected to such procedures;
 8. The resolution of the supply agreement will be communicated via the Supplier immediately by email or, at the option of FLY, it will be preceded by prior notice to comply, by a formal notice in writing to the Supplier to remedy the alleged offenses within the period of 15 (fifteen) days), after which the supply agreement with the Supplier shall be deemed terminated automatically and the fly will be entitled to compensation

9. In the cases provided for in paragraph 1 FLY will still be entitled to exercise the option to withdraw the raw materials or semi-finished products or other materials of interest, providing for the payment of a fair fee.

XV. Change purchase order

Any changes in orders will be valid only if agreed upon and proven in writing, on pain of nullity ex art.1352 cod. civ., and still not affect the validity of the remaining conditions is not subject to change.

XVI. Severability clauses

Any nullity, cancellation and / or ineffectiveness of one or more provisions of these terms and conditions of purchase will not affect the validity of the remaining provisions, which still retain their validity and effectiveness.

XVII. Processing of personal data

The Supplier declares to have read the dell"art.13 under the Legislative Decree no. 196 of 30 June 2003 (Privacy Code) and the rights under article 7 of Decree no.196 / 2003, authorizing the processing of their personal data, by its staff and subcontractors and their communication to the subjects listed in the information for the purposes specified therein.

XVIII. Right of access

Authorization to access information, registrations, structures of the supplier by the organization, the Customer, Regulators Authority proposed to the control;

XIX. Acceptance of terms

After 15 days from sending these conditions, they are deemed to be accepted globally by the supplier and no changes will be accepted.

XX. Applicable law and exclusive jurisdiction

The supply of goods and services will apply Italian law.

Any dispute arising between the fly and the Supplier in relation to the interpretation and / or execution of these general conditions of purchase and each supply agreement governed by the same, shall be referred exclusively to the Court of Milan.



A handwritten signature in black ink, appearing to read "Muller", is written below the logo.