

LAMBRETTA SCOOTERS LIMITED

2 Pedigree Farm Barns, Althorp, Northants, NN7 4HE
Tel: 08707 503076 – Fax: 08707 503077

15th November 2011

Messrs
Motom Italia Spa
Foro Bonaparte 63
20121 Milano
ITALY

By registered letter
Anticipated by fax 0039 02 69868620
And e-mail info@motom.com

RE: LAMBRETTA SCOOTERS LIMITED / MOTOM

Dear Sirs,

I write you in my capacity of legal representative of Lambretta Scooters Limited, the exclusive sublicensee of Fine White Line Limited, a company which since 1998 exclusively holds the licensing rights of Scooters India Limited and is the rightholder of additional autonomous and independent trademark registrations, concerning the LAMBRETTA distinctive sign.

With reference to the trademark license agreement signed by Motom Italia Spa and Lambretta Scooters Limited on March 31st 2010, please note the following.

Through its legal counsels, LAMBRETTA Scooters Limited informed you of the termination of the abovementioned agreement by a termination letter dated December 16th 2010.

Notwithstanding the above letter Motom Italia Spa has always denied the termination of the contract and has always kept on using the Lambretta trademark.

Even more surprisingly, during the oral hearing of last September 29th 2011 (in the proceeding 39115/2011 Court of Milan, IP Specialized Section), your lawyer, Mr Spolidoro, clearly declared that MOTOM did not intend to fulfill any longer the obligations of the license agreement in reference.

Now, without prejudice to the validity of the previous termination letter and the grounds of it and even if we grant for the sake of the arguments that according to the contract clauses and to Italian law the non-fulfillments complained did not lead to the termination of the agreement, the behavior kept by Motom Italia Spa lately does not leave any ground to interpretation.

Cont.../

In fact, if Motom Italia Spa considered the agreement still valid and in force, should have complied with the royalty payment and the other clauses of the agreement.

In particular, Motom Italia Spa:

- a) **should have paid the royalty according to clauses 5.4.1, clause 5.4.2 and Schedule 2;**
- b) should have sent the report of the quantity of the Licensed Products sold during all the year and all the other information, according to clauses 5.5.1 and 5.5.2 and
- c) should have submitted to the Licensor's approval the choice of new distributors according to clause 4.4.

None of the above obligations have been complied with by Motom Italia Spa.

According to clause 22.2.2 the Licensor [Lambretta Scooters Limited] may terminate immediately the agreement giving notice to the Licensee [Motom Italia Spa] if the Licensee fails to pay the royalties with the interest due to the Licensor within 45 days from the date the royalties falls due for payment.

The above term expired on November 15th 2011.

Lambretta Scooters Limited has received no payment nor any offer of payment, neither report whatsoever.

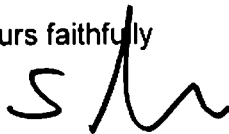
Therefore, all that being stated, being the behavior of Motom Italia Spa a clear breach of contract, the undersigned, Steven Wilch, in his capacity of legal representative of Lambretta Scooters Limited and on behalf of the latter company, once again formally gives notice to Motom Italia Spa of the

IMMEDIATE TERMINATION

Of the trademark license agreement signed by the parties on March 31st 2011 (should said agreement be considered still in force notwithstanding the former non fulfillments of Motom and the termination letter sent on December 16th 2010).

Lambretta Scooters Limited reserves the right to claim all the damages deriving from the breaches committed by Motom Italia Spa.

Yours faithfully



Steven Wilch
(on behalf of Lambretta Scooters Limited).

c.c. *Attn.: Ms Marianna Gurrado*
Attn: Mr Alberto M. Tedoldi
Studio Legale Giani Tedoldi

Via Podgora, 12/a
20122 Milano
Italy

*by fax 0039 02 5456243
and e-mail: marianna.gurrado@gtlex.eu*

c.c. *Attn.: Mr Marco S. Spolidoro*
Studio Legale Spolidoro
Via Daverio, 6
20122 Milano
Italy

*by fax 0039 02 55196490
and e-mail: spolex@spolex.it*

c.c. *Attn.: Mr Niccolò Ferretti*
Studio Legale Casucci
Corso Italia, 6
20122 Milano
Italy

*by fax 0039 02 87389452
and e-mail: nferretti@casucci.biz*