



GENERAL CONDITIONS OF SALE AND WARRANTY

A) SUBJECT OF THE SUPPLY:

The supply includes exclusively the items described in the order confirmation. Any variations from these general conditions of sale must be expressly requested at the time of order placement; we reserve the right to expressly approve them.

Any clauses added by the client to orders, notes or correspondence shall not be valid without the vendor's express written approval.

B) EXCLUSIONS FROM THE SALE

1 – Models, drawings, illustrations and instructions for the construction and installation of the goods supplied are not included in the sale and are the exclusive property of the vendor.

2 – Copies of such may be handed over merely as an act of courtesy. Such copies shall not be duplicated or disclosed to third parties.

C) ORDERS AND ADVANCE PAYMENTS

1 – Where advance payment of part of the price is indicated in the order confirmation, this acts as a deposit (art. 1385 of the Italian Civil Code)

2 – Advance payments are not interest-bearing.

3 – In the event of the order confirmation being rescinded due to breach by the client, any advance payments shall be withheld by the vendor as compensation, without prejudice to the right to claim for greater damages.

D) DELIVERIES

1 – The delivery term stated in the order confirmation is not binding and is given merely as an approximate indication. A tolerance of two months from the date of shipment is permitted, without prejudice to the provisions of point D3.

2 – Delayed delivery shall in no way lead to the right to compensation or indemnity of the client, nor shall it be cause for termination of the contract.

3 – In the event of force majeure or other fortuitous events, the delivery term will automatically be postponed by a period of time equal to that of the fortuitous event.

4 – Goods are delivered at the warehouses of the vendor. The vendor may deliver the goods to the shipper for transport to the client on behalf of and at the charge of the client; in such case the vendor is exempt of all liability.

E) TRANSPORT – INSURANCE – PACKAGING

1 – The goods travel at the risk and peril of the client, who shall therefore check the goods on arrival and in the event of damage claim to the transporter or shipper.

2 – The goods are not insured for transportation unless otherwise specified in the order confirmation.

F) FEATURES

1 – The client confirms his knowledge of all the features of the goods supplied, as described by the vendor in the catalogues, price lists, offers, etc. in force at the time of order confirmation, and confirms that he has received a copy thereof prior to the order.

2 – All technical data given in the catalogues concerning yield, production, consumption, speed, flow rate, weight etc. are indicative only. The product identification codes are given to refer the goods to the technical features described in the vendor's catalogues.

3 – The vendor reserves the right to deliver the ordered goods with any technical modifications deemed necessary or useful.

G) TESTING – INSTALLATION

1 – The goods will be tested at the vendor's workshop prior to delivery, after which the equipment is deemed to be accepted by the client with exemption of all liability on the part of the vendor.

2 – At the request of the client, the vendor may send installation and testing staff for the installation of the equipment at the client's premises. These services will be charged by the

vendor to the client according to the Assofluid tariffs in force on the date the service is requested.

3 – The client is liable for the storage of the equipment or materials, spare parts, clothing and personal property of the installation and testing staff.

4 – The costs of any installation and/or testing at the client's premises shall be paid immediately, at the conditions laid down in the order confirmation.

H) COMPLAINTS AND DISPUTES

1 – To be accepted, complaints concerning faults or deformities must be made in writing by registered letter within eight days from the date of delivery or, in the cases provided for in article E, from the date of arrival of the goods at destination, or for hidden defects, from the date in which the hidden defect was discovered. Hidden defect refers solely to faults that a full and accurate quality control by the client could not detect.

2 – All claims shall in any case be accepted only within three months of delivery, after which term, if no case has been brought before the courts, no further complaints shall be valid, in derogation of the provisions of the Italian Civil Code.

3 – The vendor's liability is in any case limited to the replacement of any faulty parts, excluding all rights to reimbursement or reduction of the price and all other compensation for damages.

4 – The months of warranty covering the goods are intended for the use of the equipment in working shifts of eight hours per day. Any usage for longer periods shall lead to the reduction of the warranty to three months from the date of delivery.

I) WARRANTY – LIMITS – EXCLUSIONS

1 – The vendor provides a warranty for the normal mechanical operation of the supplies for a period of one year (without prejudice to the provisions of point H 4) from the date of delivery.

2 – The warranty is limited to the replacement of faulty parts due to the poor quality of the materials or construction. It shall not cover defects resulting from natural wear or improper use or negligence by the client or pieces which due to their material composition or nature of their usage are subject to rapid deterioration.

3 – Faults or defects must be notified by registered letter within eight days of their discovery, otherwise they shall not be deemed to be valid. When acknowledging the existence of the defect, the vendor undertakes to replace the faulty parts, provided that they have not been tampered with in an attempt to repair them and have not been modified by the client (or third parties), and provided that the client has duly fulfilled all contractual obligations, particularly concerning payments which, if not made in the agreed terms, shall lead to the invalidity of the warranty and the right of the vendor not to carry out the replacements.

4 – All other indemnities and requests for compensation, also by third parties, or for damages due to the client's production stoppages, are expressly excluded.

5 – The parts to be replaced shall be sent at the expense of the client to the vendor's premises. The vendor will replace the parts as promptly as possible and deliver them to his own workshop. The replaced parts belonging to the client remain at his disposal for eight days, during which time they may be collected; after such time the vendor is authorized to consider them as scrap of his own property, with no indemnity whatsoever.

6 – The investigation of the faults and their causes will take place at the vendor's workshops and all relative costs shall be for the client's account. The client shall also bear the costs of all inspections which may be requested in any circumstances. Under no circumstances may the client demand the termination of the contract.

7 – The warranty is not transferable and is valid only for the party to whom the invoice is addressed.

8 – The warranty shall not be valid in the event of any of the following conditions:

- a) payments not made by the client according to the agreed terms
- b) tampering with the supplies without the explicit authorization of the vendor
- c) improper use of the supplies
- d) lack of maintenance
- e) assembly, modification or replacement of parts of the supply

L) PRICES

- 1 – The prices laid down in this order confirmation are ex-works, vendor's premises, net of VAT.
- 2 – Any variation of more than 5% in the cost of labor or materials during the period of production up to the time of delivery shall be passed on to the client, who hereby declares his acceptance.

M) INVOICES – PAYMENT CONDITIONS

- 1 – Invoices that are not disputed within eight days of issue shall be deemed to be accepted.
- 2 – Payments shall be made directly to the vendor or other person with regular mandate to collect payments, or in the manner indicated in the order confirmation and the invoice.
- 3 – Claims concerning the execution of the order shall not give the right to the client to suspend payments, and no claims concerning the supply shall be accepted if the client has not complied with the payment terms.
- 4 – Modified as per point 7.
- 5 – In the event of the non-payment of even one installment the client shall be held in default with the consequent termination of the contract without formal notice.
- 6 – The breach of the payment terms shall lead to the right of the vendor to suspend the execution of his contractual obligations and to rescind the contract by written notice and to claim for damages.

N) EXEMPTION OF RESPONSIBILITY

- 1 – The vendor shall not be liable in the event of damage, due to climatic events, break-ins, theft, fire or any other unforeseen event or force majeure, to sold goods which are held at the vendor's premises except for the normal guarantees to third parties, excluding in any case any greater liability.
- 2 – The vendor guarantees that the goods supplied have been checked and inspected prior to sale and that the delivered goods are therefore free from defects.
- 3 – The construction techniques are the most advanced and assure the production of the highest quality, cutting-edge goods.
- 4 – The client undertakes as a consequence to notify the vendor immediately of any defects found, also by third parties, in order to allow the prompt verification of the defects on the product.
- 5 – As this supply concerns the sale of components to be incorporated in other goods, the client undertakes to follow the procedure laid down in Italian Presidential Decree (DPR) no. 224 of 24/05/88 and immediately notify the vendor.
- 6 – Concerning the exclusion of the vendor's responsibility, refer to the provisions of art. 6 of DPR no. 224 of 24/05/1988.

O) ORDERS TO REPRESENTATIVES

- 1 – Orders made to representatives are subject to the approval of the vendor, the availability of the goods at the time of order receipt, the existence of market conditions and the solvency of the client.

P) COMPETENT LAW COURT

- 1 – Any disputes shall be referred to the courts of Milan. Bills of exchange, acceptance of payment, elected domicile for bills of exchange, shipments with and without check, debt collection by specifically appointed persons, shall not in any way modify such jurisdiction