



GENERAL TERMS AND CONDITIONS

1. DEFINITIONS

In these General Sales Conditions the following expressions shall have the following meanings:

“Conditions” means the sales conditions here embodied

“Seller” means Italvacuum Srl

“Purchaser” means the party who purchase Goods and Services from the Seller

"End user" means the final user of Goods and Services

"Goods" means all the Seller supplies that include the installations, accessories and spare parts

“Services” means all the Seller assistance interventions

“Order” means a purchase order of Goods/Services sent from the Purchaser to the Seller

“Order confirmation” means the validation of the Order from the Seller and sent to the Purchaser

“Contract” means an agreement for the sale of Goods/Services, stipulated by the Seller with the Purchaser

“Days” means the working days.

2. GENERAL

The Purchaser is bound by these Conditions which will be applicable to any Contract. These Conditions apply under all circumstances and take precedence over any other conditions that the Purchaser may try to impose unless otherwise agreed in writing by both Parties. In case of discrepancy between the different documents of the Contracts, the priority order shall be as follows:

- a) Seller’s Order Confirmation
- b) Seller’s Specifications
- c) Purchaser’s Order
- d) The Conditions herein contained.

The Purchaser’s Orders will have to be drawn up in writing and sent by e-mail or fax. Such Orders shall be considered approved only if confirmed in writing by the Seller. The Seller can confirm the Order in full or just in part at his own discretion. In any case the Seller can reject the orders improperly edited and not undersigned. If the Order Confirmation includes modifications or additions to the Order, the Contract shall

be considered concluded unless the Purchaser expresses his disagreement or rejection in writing within 3 days from the receipt of the Confirmation.

3. EXECUTION OF THE CONTRACT

The Seller will execute the Contract in accordance with his standard procedures and documents to the extent that this not conflict with any provisions contained in the Order Confirmation. The Purchaser shall obtain all the permits, approvals and/or licenses necessary for the installation and use of the equipment. Besides the Purchaser shall assist the Seller in ascertaining the nature of any laws, regulations, orders and customs of the country in which the Goods/Services will be used, which may affect the Seller in his performance of his duties under the Contract. The Seller shall not make any change to the Goods/Services without the written agreement of the Purchaser ("Change Order") in the framework of an approved procedure.

4. PRICE AND PAYMENT

All the offers are drawn up on the basis of the current prices, excluding applicable taxes, including, but not limited to VAT, federal, state and / or local consumption taxes, sales taxes or taxes on use, customs duties and taxes of any kind applicable to the Products / Services.

The offers remain unchanged for the duration of the validity period, without prejudice to any changes made in supply, price and payment terms. Unless otherwise agreed in writing, all the amounts shall be in Euro and all the payments shall be made in Euro.

The price the Purchaser shall pay for Goods and Services is the one shown in the Order Confirmation.

The payment terms shall be deemed to be always essential.

The Seller reserves the right to ask the Purchaser an irrevocable letter of credit issued by the bank more suitable for the Seller.

In case the Purchaser is in default on the above mentioned terms of payment, the Seller shall be entitled to claim an interest on any outstanding balance without declaration of default, with the exception of any other right or remedy (cf Paragraph 12: 'Right of withdrawal' in case of 60 days in arrears in payments). Unless otherwise agreed with the Parties, the interest rate applied on the outstanding balance is the rate established by the art.5 of the D.lgs. 9 October 2002, n. 231 to be calculated starting from the expiry date to the date of the actual payment.

In case of cancellation of the Order, that shall be communicated through registered letter with return receipt, the Seller shall hold back the down payments already received and the Purchaser shall pay a penalty equal to 20% of the amount of the order, unless the compensation of the further injury.

5. DELIVERY TERMS

The prices of Goods and Services are valued on the basis of the delivery according to the INCOTERMS in force, that are integral part of these Conditions. Unless otherwise specified in the Order and/or in the Order Confirmation, the delivery the Goods shall be delivered EX WORKS. The Goods as a rule shall be available for the packaging and/or the delivery following the completion of the FAT or of every succeeding disassembly that can be requested in such a place.

6. PACKAGE AND TRANSPORT

The package shall be charged to the Seller and invoiced at cost price. Unless otherwise specified the transport cost shall be charged to the Purchaser. In this case, the Goods shall travel at Purchaser's risk.

7. TRANSFER OF RISK

The transfer of risk to the Purchaser / End User is made on the basis of the principles established by INCOTERMS in force.

8. RETENTION OF TITLE

The ownership of the Goods shall not be transferred to the purchaser until the payment of the amount shown in the Order Confirmation is not fully cashed in by the Seller (according to art. 1523 c.c. and following modifications and / or additions).

9. CLAIMS

The Purchaser or the End User shall inspect the Goods immediately and with accuracy as soon as they arrive at his site. In case of any loss or damage due to the transportation, this one shall be communicate in writing to the Seller within 8 days after the receipt of the Goods.

If the loss or damage is not communicated within 8 days, the Goods shall be in any case considered as in accordance with what has been fixed on the Contract and the Purchaser shall be required to accept the delivery. The liability of the Seller according to this clause is limited to the replacement or repair (at the only discretion of the Seller) of the Goods of which it has been demonstrated the loss or damage during the transportation.

10. WARRANTY AND DEFECTS LIABILITY

The Seller guarantees the good construction and the good quality of the Goods and he undertakes to repair or replace them (at its own discretion), for free and as soon as reasonably possible those parts that within the warranty period showed acknowledged defects of materials, of construction or of workmanship that made them not fit for the use for which they were intended.

Where the intervention of the Seller's technicians is necessary, the travel and out-of-pocket expenses shall be charged to the Purchaser according to the current price list.

The Goods manufacturing defects and/or the ones of the materials shall be reported in writing from the Purchaser to the Seller within 8 days from their discovery.

The warranty shall be invalid if: the Purchaser doesn't respect, even just once, the payment terms; the defects has been caused in full or in part by an improper use, by an inadequate maintenance or by an overload; use of inappropriate fuels or lubricants; the defect is due to the use of non-original spare or wear parts; the Purchaser does the repairs and/or modifications in the Goods by himself or makes them do by a third party, without the prior written consent of the Seller.

For those parts of the supply that the Seller purchased from subcontractors, towards the Purchaser shall apply exclusively any warranty established by the subcontractors.

The warranty shall not apply to spare and wear parts.

10. LIMITATION OF LIABILITY

10.1 Duty to mitigate

A Party claiming a breach of Contract or the right to be indemnified in accordance with the Contract shall take all reasonable measures to minimize the loss or damage which has occurred. If such Party fails to take such measures, the other Party's liabilities shall be correspondingly reduced.

10.2 Seller's Liability During supervision of Installation / commissioning / SAT acceptance test

The Seller's liability shall be limited to supervising the Purchaser's staff and to the supply of consultancy services. The Seller shall have no liability for any damage, loss or injury to the Purchaser / End-user or any other party or for any delays unless such injuries or delays are solely attributable to advices given by the Seller's staff that are not in accordance with good engineering practice.

10.3 Seller's Liability for Consequential Losses or Damages

Except in cases of fraud, criminal action, gross negligence or willful intent, neither the Seller nor his subcontractors nor their respective staff shall be liable to the Purchaser / End-user or any third parties, for any loss or indirect damage including any loss of profit, loss of use, loss of product or raw material, loss of opportunities or for any financial or economic loss however arising.

10.4 Maximum Liability

The total liability of the Seller for default in the execution of the Order shall in no case exceed the contract price of the Goods/Services shown in the Order confirmation.

10.5 Foreseen damages

Where either the Purchaser or the Seller becomes liable to pay damages to the other, such damages shall not exceed the damages which the party in default could reasonably have foreseen at the date of the Contract.

11. FORCE MAJEURE

In the event that manufacture, delivery, installation or commissioning of the Goods/Services is prevented, hindered or delayed by fire, war, earthquake, flood, civil commotion, strikes, lock-outs, industrial disputes, shortage of raw material or fuel, sudden shortage of labour, orders or regulations of government, breakdown of plant and machinery, late receipt of Purchaser's specifications or other necessary information – cause that are beyond the reasonable control of the Seller and notwithstanding that the Seller has taken all the precautionary steps to procure the same performance indicated in the Order confirmation - the time for the delivery of the Goods/Services shall be extended by a reasonable period of time. In order to obtain such extension, the Seller shall notify the Purchaser as soon as possible of any Force Majeure event, and in any case within 14 days of the occurrence.

12. RIGHT TO TERMINATE

12. 1 The Purchaser shall not terminate the Contract or change the Conditions without the written consent of the Seller and without terms and conditions acceptable by the same. Termination of the Contract by the Purchaser will only be agreed to by the Seller on condition that the Purchaser pays immediately to the Seller the Termination Amount which is defined as the Contract price less any cost savings accruing to the Seller by reason of such Termination and less all sums previously paid to the Seller

12. 2 If the Purchaser shall become bankrupt or unable to pay its debts or compound with its creditors or in the event of a resolution being passed or proceedings commenced for the administration or liquidation of the Purchaser, the Seller shall be entitled to Terminate the Contract in whole or in part by giving 14 Days' notice in writing without prejudice to any right or remedy accruing to the Seller. Upon such Termination the Termination Amount shall become immediately payable.

12. 3 If the Purchaser fails to pay any undisputed amount due to the Seller under the Contract within 60 Days after the amount becomes payable, then the Seller shall be entitled, at his option, to either Terminate the Contract in whole or in part, or to cease work on the Contract, in either case by giving 14 Days' notice in

writing without liability or prejudice to any right or remedy accruing to the Seller. Upon such Termination the Termination Amount shall become immediately payable.

12. 4 In the event of a Force Majeure situation (as described in clause 11) lasting more than 120 Days either Party shall have the right to Terminate the Contract by giving 14 Days' notice to the other. Upon such Termination the Termination Amount shall become immediately payable.

13. INTELLECTUAL PROPERTY RIGHTS

All drawings, documents, data and other confidential records supplied by the Seller to the Purchaser are Intellectual Property of the Seller. The Purchaser shall not without the prior written consent of the Seller disclose, exchange or deal with any such items or copies thereof or use them in any way except in connection with the Contract. No license is granted to the Purchaser to copy or use drawings or information supplied by the Seller in order to make or have made spare parts for the Goods. The Seller shall be bound to protect the Purchaser's Intellectual Property rights.

14. SETTLEMENT OF DISPUTES

Any disputes shall be settled by amicable discussion and agreement. Failing this the dispute shall be referred to mediation on terms and conditions to be agreed between the Parties. If mediation is unsuccessful the dispute shall be referred to binding arbitration according to the nationality of the Purchaser:

- if the Purchaser has registered office in EU countries any disputes arising shall be transferred to the exclusive jurisdiction of the Court of Turin.
- if the Purchaser has registered office in non-EU countries any disputes arising shall be arbitrated in the country of the Seller by the arbitration Chamber of Piedmont (Turin) or in any other place agreed by the Parties, through ordinary arbitration.

15. APPLICABLE LAW

These Conditions shall be interpreted under the laws of Italy.