

General Conditions

1. Subject

- 1.1. The Buyer hereby agrees to purchase from the Seller, and the Seller hereby agrees to sell and provide to the Buyer, the Product having the technical specifications set forth in the Agreement, as well as to provide the engineering, installation and start-up services described in article 7 subject to the terms and conditions set forth herein.
- 1.2. The Buyer guarantees to purchase the Product only for a lawful and legitimate civil use and to be the end user of the Product. The Parties acknowledge that no other use is authorized and that the Buyer shall be fully and solely liable for any violation hereof. The Seller is relieved of any responsibility for failure to comply with technical standards and regulations by the Buyer or third parties.

2. Changes in the Machinery and Technical Specifications

- 2.1. The Seller shall be entitled, at any time prior to shipment, to amend the Technical Specifications in the Seller's reasonable discretion and the Buyer cannot assert any right on it.

3. Delivery Terms

- 3.1. The Seller agrees to deliver the Product to the Buyer according to the conditions set forth in "Delivery Terms" of the Agreement.
- 3.2. The time schedule set forth in "Delivery Terms" specifies the dates for the performance by the Parties of the relevant obligations under the Agreement and the General Conditions.

4. Payment Terms and Guarantees

- 4.1. Payment of the "Purchase Price" shall be effected by the Buyer to the Seller in the invoice currency in accordance with the payment conditions set forth in "Payment Terms" of the Agreement to the bank account indicated by the Seller in writing. The payment shall be deemed made to the Seller only at the time when the sum in question has been unconditionally credited to said bank account of the Seller.
- 4.2. Should the Buyer does not comply with the payment terms set forth in the Agreement, then the Seller shall be entitled, in its sole discretion and without incurring any liability for damages:
 - i. to terminate the Agreement and to retain the portion of the Purchase Price already paid by the Buyer, by way of partial compensation for the expenses incurred by the Seller in connection with the Agreement, and to claim further damages, if any;
 - ii. to refuse to deliver, in whole or in part, the Product not yet delivered or to postpone delivery until such time as all sums owed to the Seller by the Buyer have been paid.

5. Title to the Product

- 5.1. Except as otherwise provided by applicable rule of law, which rule of law is absolute and may not be varied by contract, title to the Product shall pass to the Buyer only

upon payment in full of the Purchase Price of said Product.

6. Performance Certificate

- 6.1. When the Product is ready to perform the Seller agrees to inform the Buyer who has the possibility to betake oneself to the place of construction indicated by the Seller in order to check that the Product is ready.
- 6.2. In accordance with the article 6.1 the Buyer shall sign the Performance Certificate provided by the Seller and the Seller agrees to start the delivery pursuant to the conditions established in the “Delivery Terms” of the Agreement.

7. Installation and Start Up

- 7.1. Following delivery of the Product established in “Product Description” of the Agreement in compliance with Article 2 herein above, and within the terms set forth in the Agreement, the Seller agrees to provide its operators to go to the site of installation of the Product to assembly, installation and start up.
- 7.2. The number of Seller’s persons and periods of stay will be indicated by the Seller according to the estimated need, it being understood, that the Seller shall in no event be required to provide the Buyer, at the Seller’s expense, with additional personnel in numbers or for periods of time exceeding those which the Seller deems reasonable, based on the Seller’s experience in the industry.
- 7.3. The Buyer shall be responsible for providing suitable foundations, buildings, lifting gear, skilled and other labour, water, power and effluent connections, raw materials and all other material, labour, services and facilities which are reasonably necessary to permit the Seller operators to perform installation and start-up of the Product.
- 7.4. The Buyer shall fully cooperate with the Seller throughout the installation and start-up processes and provide all the facilities required for the installation and start-up of the Product. If the Buyer fails to provide the above facilities for the Installation and Start-up processes, then the Seller will evaluate the decision deemed appropriate and the Buyer will undertake all the relative costs.
- 7.5. The installation and the start-up of the Product shall be carried out in accordance with the procedures indicated in the Manual provided. With the term “start up” is intended the stage during which the Product is put into function. The Parties shall co-operate fully with one another to this end till the Seller believes that the Product is ready for production.
- 7.6. At the end of installation and start-up period, the Seller will provide the Buyer with:
 - i. the Certificate of Correct Installation to be signed by both Parties;
 - ii. the Manual, inclusive of the technical and performance descriptions of each single component and the relative recommended use and Commercial Warranties.The documentation above shall be provided exclusively in Italian and/or English.

8. Warranties

- 8.1. The Seller warrants and guarantees to the Buyer that:
 - i. subject to the provisions of Article 5 above, title to the Product shall pass to the Buyer free of any liens or encumbrances;
 - ii. for a period of twelve (12) months from the date of the release of the Certificate of

Correct Installation (hereafter the “Warranty Period”) any manufacturing defects arising during this Warranty Period will be corrected by the Seller, in accordance with the terms of the Legal Warranty, as follows.

- 8.2. The Seller shall repair or replace, in its sole discretion, any defective parts covered by the Legal Warranty. The Legal Warranty concerns single defective parts or parts in compliance with the description of “Product Description” and of this Agreement only. The Seller shall have the right to choose between delivery of replacement parts, repair at Buyer’s site or repair at Seller’s workshop.
- 8.3. The Seller shall examine the part to determine whether it is defective and whether the Seller is responsible for the defect; in the latter case, the cost of delivery of the replacement part or the cost of transportation of the part of the Product to be repaired to the Seller’s workshop for Warranty repair and back to the Buyer’s site shall be borne by the Seller. In respect (and only in respect) of parts replaced by the Seller under the Warranty, a new Warranty period shall commence and be effective for six (6) months following the delivery of said new part. Should the Seller be in breach of this Legal Warranty, the Seller’s entire liability and the Buyer’s exclusive remedy shall be equal to the cost of replacement of the defective Product part, free of charge to the Buyer.
- 8.4. This Warranty does not extend to works, repairs or replacements carried out by the Buyer, or by third parties. Any intervention, including the potential dismantlement and re-installation in case of re-sale during the Warranty period by third parties unauthorized by the Seller will invalidate the said Warranties.
- 8.5. The Buyer acknowledges and agrees that the Seller’s warranty is expressly limited to manufacturing defects and the Warranty shall not extend to defects resulting from other causes, including, without limitation, defects caused in whole or in part by damage in transit, by improper use, handling or maintenance of the Product and all other actions not explicitly included in the Manual, by actions that are implemented in violation of the law, by any work done or changes made to the Product by the Buyer or any third parties without the Seller’s prior consent in writing.
- 8.6. This Warranty is exclusive and in lieu of any other warranty, whether written, oral or implied.
- 8.7. Any claim relating to defects in the Product must be made to the Buyer in writing within fifteen (15) days following the discovery of said defect and, in any case shall be deemed waived if not made on or before the later of the following deadlines:
 - i. twelve (12) months following the date of delivery of the Product;
 - ii. the expiration of the Warranty Period.
- 8.8. For purposes of this Article 9, fax messages and certified e-mail communications with acknowledgment of receipt shall be deemed to constitute written notices.
- 8.9. Once the terms of the Legal Warranty are expired, any assistance will be charged to the Buyer and the related expenses will be agreed between the Parties in written.

9. Limitation of Liability

- 9.1. The Seller’s warranties, guarantees and liability under and in connection with the Agreement are limited to those expressly set forth in the Agreement. Except as provided expressly herein or by applicable rule of law, which rule of law is absolute and may not be varied by contract, the Seller shall have no liability with respect to the Product. In no event shall the Seller be liable for loss of profit, incidental or consequential damages, direct or indirect losses of any kind (including personal injury and damage to property) or for any loss or damage resulting from mere recommendations given to the Buyer by the Seller.

- 9.2. The Product shall be designed and manufactured in accordance with the legislative requirements if any in force in the country of the Seller at the date of signature of the Agreement and in accordance with “Product Description”. The Seller makes no representation or warranty as to the compliance of the Product with the applicable laws, safety regulations and/or technical standards of the country in which the Product is finally installed and set-up pursuant to Article 7 above (the “Destination Country”).
- 9.3. The Buyer alone shall be responsible for ensuring that the Product complies with said laws, regulations and standards. The Buyer shall indemnify the Seller and hold the Seller harmless from and against any and all claims against the Seller and/or costs to the Seller arising out of or relating to any failure by the Buyer to ensure that the Product complies with the applicable laws, safety regulations and/or technical standards of the Destination Country.

10. Taxes, Duties and Authorizations

- 10.1. All taxes, duties, dues and fees incurred or owing in connection with the Seller's deliveries and services under the Agreement or in relation thereto, due to the authorities in the Seller's country shall be paid by the Seller. The Seller shall make its best efforts in order to obtain any authorizations which may be required by the government of its country in connection with the Agreement.
- 10.2. All taxes, duties, dues and fees incurred or owing in connection with the Seller's deliveries and services under the Agreement, or in relation thereto, due to any authorities outside the Seller's Country, including, without limitation, the authorities of Destination Country, shall be paid by the Buyer. The Buyer shall be responsible for obtaining any authorizations which may be required by the government of the Destination Country in connection with the Agreement.

11. Training and Maintenance

- 11.1. At the Buyer's request, the Seller shall provide training courses for the Buyer's personnel on the use, maintenance and repair of the Product. All costs and expenses relating to the organization and holding of such courses shall be borne exclusively by the Buyer and the Seller's rates for such training courses shall be those currently charged by the Seller for such activities at the time of the Buyer's request.
- 11.2. At the Buyer's request during the Warranty Period, as defined in Article 8.1 herein above, the Seller shall supply the Buyer with technical assistance in relation to the Product, at the rate currently charged by the Seller for such services at the time of the Buyer's request. All reasonable travel and living expenses incurred by the Seller's personnel in providing technical assistance pursuant to this Article shall be borne exclusively by the Buyer.

12. Force Majeure and Hardship

- 12.1. Neither Part shall be responsible to the other Part for any failure to perform, including, without limitation, late delivery or failure to deliver, which failure to perform is caused by occurrences beyond said Part's reasonable control (“Force Majeure Event”), including, but not limited to, late delivery or non-delivery of materials by suppliers, suspension of or difficulties in transportation, strikes, lock-outs, labor disputes of any kind, fires, accidents, earthquakes and other natural events, riots, war, uprisings, delay of carriers, government seizures, embargos, laws or regulations of any political subdivision or agency or any government (whether declared or non-declared).
- 12.2. As soon as practicable after the Force Majeure Event and its effects on the first Part's ability to perform become known to the same Part, the said Part shall give written

notice to the other Part of such impediment and its effects of the first Part's ability to perform. Notice in writing shall also be given when the Force Majeure Event ceases.

12.3. Failure to give either notice makes the Part thus failing liable for damages and losses which otherwise could have been avoided.

12.4. If the Force Majeure Event continues for more than twelve (12) months, either Part shall be entitled to terminate the Agreement upon written notice to the other Part.

12.5. By way of exception to the foregoing, it is understood that should the Agreement be terminated pursuant to this Article due to an embargo and/or legislative or governmental or administrative act having equivalent effect in the Destination Country, then the Seller shall be entitled to retain the portion of the Purchase Price already paid by the Buyer, by way of partial compensation for the expenses incurred by the Seller in connection with the Agreement.

12.6. If at any time during the term of the Agreement:

- i. continued performance by the Seller of its obligations hereunder becomes excessively onerous due to an event beyond the Seller's reasonable control, which the Seller could not reasonably have been expected to have taken into account at the time of the signature of the Agreement;
- ii. the Seller could not reasonably have avoided or overcome said event or its consequences;

the Parties shall, within thirty (30) days following written notice by the Seller to the Buyer to that effect, negotiate alternative contractual terms in order to alleviate or mitigate the effects of such hardship of the Warranty Period.

12.7. If the Parties are unable to reach an agreement as to said alternative contractual terms, the Seller shall be entitled to terminate the Agreement and to retain the portion of the Purchase Price already paid by the Buyer, by way of partial compensation for the expenses incurred by the Seller in connection with the Agreement.

13. Applicable Law - Expertise and Arbitration

13.1. The Agreement shall be governed by and interpreted in accordance with the laws of Italy and, in particular, the United Nations Convention on Contracts for the International Sale of Goods signed in Vienna on April 11, 1980.

13.2. In the event of any dispute or disagreement arising out of, or in connection with, the Agreement, which cannot be resolved pursuant to other provisions of the Agreement, the Parties agree to submit the matter, in the first instance, to administered expertise proceedings in accordance with the Rules for Expertise of the International Chamber of Commerce.

13.3. Any such dispute or disagreement which has not been resolved through such Rules, shall the notification of the termination of the Expertise proceedings be finally settled under the Rules of Arbitration of the International Chamber of Commerce by three (3) arbitrators appointed in accordance with said Rules. The place of arbitration shall be Lugano, Switzerland. The language of arbitration shall be English. The arbitration award shall determine the Part or Parties required paying the cost of arbitration. Any such decision shall be final and binding upon the Parties and may be entered as a final judgment in the jurisdiction of domicile of either Part or any jurisdiction in which such Part has assets.

14. Notices

14.1. Any and all notices required under the Agreement shall be in writing and shall be sent

to the Parties by registered letter or courier or fax or certified email, all with return receipt requested, at the addresses set forth above or at such other addresses as the Parties may subsequently designate by written notice.

15. Confidential Information

- 15.1. Any and all information disclosed by the Seller to the Buyer under the Agreement and relating to Product design or manufacturing, financial plans, Product development, forecasts or the like and any document or other material marked “Confidential” or “Reserved” shall be treated by the receiving Part as confidential information and the receiving Part shall take all reasonable precautions to ensure that it is treated as such by the receiving Part’s personnel. All such confidential information shall be used by the receiving Part and its personnel only as shall be strictly necessary for the performance of the Agreement and all documents and other materials containing confidential information shall be promptly returned to the disclosing Part or destroyed, at the option of this latter, upon written request and, in any event, upon the termination of the Agreement.
- 15.2. The provisions of Article 16 of the Agreement is understood as binding from the effective entry into force of the Agreement until 4 (four) years after the expiration of the Legal and/or Commercial Warranty Periods.

16. Miscellaneous

- 16.1. Neither Part shall assign any right or delegate any obligation arising out of the Agreement without the other Part’s prior written consent.
- 16.2. The Agreement and the General Conditions are the entire Agreement of the Parties hereto with respect to the subject matter hereof, and supersedes all other prior oral and written agreements and all prior correspondence in respect of the subject matter hereof.
- 16.3. The Agreement and the General Conditions are written and signed in the English language and the English language text is the only authentic text hereof.
- 16.4. Any amendments to the Agreement and the General Conditions shall be valid only if made in writing, signed by the duly authorized representatives of both Parties and marked explicitly as amendment.
- 16.5. The invalidity or un-enforceability of any provision of the Agreement and the General Conditions shall not affect the validity and/or enforceability of the remainder of the Agreement and the General Conditions.