

FB Balzanelli Srl General Terms of Sale

1 Definitions

1.1 The following expressions assume the meanings indicated when used in these general terms of sale:

General conditions means the terms of sale set down herein

Seller means FB Balzanelli Srl;

Customer means the party that purchases products and services from FB Balzanelli Srl;

Products means the products and services supplied by the Seller

Order means the purchase order for products or services transmitted by the customer to the Seller;

Order confirmation means the confirmation of the order by the Seller to the Customer;

Contract means a contract for the sale of products between the Seller and Customer;

2 Subject of the contract

2.1 The contract is regulated by the following general conditions;

2.2 Any agreements that are in conflict with these general conditions will take effect only if explicitly accepted by the seller in writing;

2.3 The contract is completed with the order confirmation transmitted by the seller or with acceptance by the customer of an order confirmation that is different from the order. The order confirmation defines all the conditions and the final contents of the contract;

2.4 If the order confirmation differs from the order in that it contains additions or changes, the consent of the customer is construed as being automatically given unless a written rejection is sent to the Seller within 7 working days from the date of receipt of the nonconforming order confirmation.

2.5 The subject of the contract is exclusively the products specified in the description given in the order confirmation. The technical specifications of the products are the specifications given in the order confirmation or in the file attached to the order confirmation, if it is transmitted digitally by means of certified e-mail.

2.6 In the case of used products the expression "used" must be clearly indicated in the order confirmation and the products are sold in their existing state "as seen".

3 Reserved ownership and contract termination rights

3.1 If it is agreed that the payment be made either entirely or partially in instalments after delivery, the products consigned to the customer will remain the property of the Seller until the entire price has been paid, in compliance with article 1523 et seq. of the Italian civil code.

3.2 Failure to make the payment in the agreed terms, even of a single instalment of value in excess of 9.50% of the price, or failure to pay two instalments, whether or not consecutive, will automatically entitle the seller to terminate the contract as from the time of written communication to this effect sent to the customer; it is also the faculty of the seller to impose an acceleration clause and demand immediate payment of the entire amount of the residual amount receivable. In this case, as in the case of contract termination due to causes attributable to the customer, the seller shall be entitled to the immediate return of the products consigned and to withhold, by way of compensation for use of the products by the customer, the instalments already collected and the deposit already received, without prejudice to compensation for greater damages.

3.3 The customer undertakes not to transfer the products, even temporarily, to third parties nor to loan them or lease them to third parties or to remove or relocate them without the prior written permission of the seller.

4 Price and payment

4.1 The price owed by the purchaser for the products is the price indicated on the order confirmation and it is intended as always and exclusively stated in euro (€), excluding VAT. All payments must be made in euro. The terms of payment are always binding.

4.2 Unless otherwise agreed, the price is net of the costs of: packing, loading and unloading, insurance, transport, installation, travel, board and accommodation of the technician for installation, materials, tools and machinery required for installation of the machine. If said costs are incurred by the seller, they will be charged back to the customer.

4.3 Payment of the agreed price must be made at the domicile indicated by the seller.

4.4 If the customer is in breach of the aforementioned terms of payment, the seller shall be entitled to charge interest on the unpaid amounts without a formal notice of default, without prejudice to all other rights or remedies (see art. 3 contract termination rights). Unless otherwise agreed in writing between the parties, the rate of interest applied to overdue payments is the rate established by

art.5 of Italian legislative decree D.lgs. 9 October 2002, no. 231 to be calculated from the due date up to the date of effective payment.

- 4.5 Any disputes that arise in relation to the service rendered by the seller shall not entitle the customer to suspend, delay or extend the payments due either for the goods or for the associated services

5 Delivery terms

- 5.1 Delivery must take place within the term specified in the order as accepted in the order confirmation or, if the term is not specified in the order, within the period of 120 days from the first working day after the confirmation of each individual order. The delivery terms are guideline and they are not binding terms pursuant to the provisions of art. 1457 of the Italian civil code and, in any case, they do not include the times required for transport or for installation.
- 5.2 Unless otherwise specified in the Order and/or in the Order confirmation, delivery will be EX WORKS (2010 Incoterms).
- 5.3 The products will be made available for packing and/or delivery after the test performed on the seller's premises or after all subsequent dismantling operations that may be required on the seller's premises.
- 5.4 The date of delivery indicated in the order confirmation is to be construed as the date of availability of the products for testing at the seller's premises, as communicated in writing by the seller to the customer.
- 5.5 If the customer waives the final testing procedure at the seller's premises by means of a written communication to this effect, the date of delivery will be the same as the date of availability of the goods for transport, which will be communicated to the customer by the seller in writing.
- 5.6 The envisaged delivery term, unless otherwise specified in the order confirmation, will start from the day on which the seller receives payment of the advance amount indicated in the order confirmation, together with all the administrative and technical documentation duly signed for acceptance. If any requests for amendments to the order are made by the customer the envisaged delivery term will run from the date of acceptance of such requests by the seller;
- 5.7 If the delivery of products cannot be materially carried out due to causes beyond the control of the seller, after 20 days from the communication to the customer that the products are ready for testing, the seller will be entitled to charge the customer late payment interest starting from the date of receipt of the products availability communication, at the 12 month Euribor 365 rate in force on that date, increased by 2%.
- 5.8 In case of lateness in excess of 90 days from the time of reception of the products availability communication, the seller will be entitled to unilaterally terminate the contract and withhold, by way of compensation, any amounts already paid by the customer, without prejudice to the entitlement to claim compensation for greater damages. The seller anyway retains the right to use all means provided by law in relation to the contractual breach of the Purchaser
- 5.9 If any lateness of performance on the part of the seller should be protracted beyond 90 working days, the customer shall be entitled to request the termination of the contract and claim reimbursement of the amounts it has paid. To exercise this right, the request for contract termination must be sent to the seller in writing.
- 5.10 Unless otherwise agreed in the order confirmation, no compensation shall be due for any whatsoever reason in the case of lateness of delivery.

6 Force majeure

- 6.1 If construction and delivery or installation, where agreed, of the Products is prevented, obstructed or delayed by fire, war, earthquakes, floods, civil unrest, strikes, lockouts, industrial action, shortages of raw materials or fuel, unforeseeable labour shortages, breakdowns of machines or plants, government orders or regulations, late deliveries by subcontractors - all of which outside the reasonable control of the seller, the delivery term of the product will be suspended until cessation of the prohibitive conditions listed above. The seller must notify the purchaser of any event of Force Majeure as rapidly as possible and in any case no later than 10 days from the occurrence of such an event.
- 6.2 In the case of the occurrence of such events lasting for a period in excess of 90 days the parties shall have the faculty to terminate the contract.

7 Packing and Transport

- 7.1 Unless otherwise agreed packing of the products is not included and must never be construed as included in the agreed price and will therefore be charged to the customer.
- 7.2 Packing, transport and installation can be entrusted to third parties at the sole discretion of the seller.

- 7.3 The packing will be construed as executed correctly if it is accepted without reserve by the carrier, whether the carrier is chosen by the seller or by the customer.

8 Installation of the products

- 8.1 Unless otherwise agreed, installation of the products must never be construed as included in the agreed price and therefore, if this service is required, it will be charged separately to the customer.
- 8.2 Installation can be carried out also by qualified external personnel authorised by the seller.
- 8.3 The date for installation must be requested by the customer, which must guarantee full functionality of the line and also completion of compressed air and electrical power hook-up operations
- 8.4 After installation, the seller will consign to the customer the Operating and maintenance manual of the machine in its final version, inclusive of any modifications carried out during the installation procedures.
- 8.5 If installation is not completed due to causes attributable to the customer, the next installation procedure will be carried out under the sole responsibility of the customer.

9 Design amendments and advances in know-how

- 9.1 The seller reserves the right to introduce any modifications it deems fit at any time into the products without giving any grounds for the customer to raise objections.
- 9.2 All product drawings, software and operating manuals remain the sole property of the seller and cannot be disclosed to third parties or reproduced without the prior written authorisation of the seller.

10 Duration and contents of the warranty

- 10.1 The machine is covered by a 12 month warranty that runs from the date of delivery. The warranty is not applicable to parts subject to wear and tear or in the case of faults caused by incorrect use by the customer.
- 10.2 Parts replaced under warranty will be supplied free of charge and transport costs will be paid by the seller up to the maximum amount of fifty euro (50€).
- 10.3 If the customer requests installation on its premises of the parts supplied under warranty, unless otherwise agreed it must anyway pay the expenses for travel, board, accommodation and travel allowance of the technician provided by the seller. The labour costs of the technician will be at the expense of the seller.
- 10.4 The warranty will lapse if the customer makes any changes to products without the written authorisation of the seller, and if assembly and commissioning of the products are not carried out by the seller's personnel.
- 10.5 Moreover, the warranty will also lapse if the customer is in breach of the agreed terms of payment. No compensation shall be due to the customer in respect of the time during which the plant cannot operate due to any repairs or replacements that may be required.
- 10.6 On pain of invalidation, the warranty is subordinate to reporting of the relative defect to be communicated in writing by the customer to the seller within 8 days from the time at which the customer has discovered the defect, and to an express request for a warranty intervention.
- 10.7 The seller will not be held liable, without prejudice to irrevocable statutory limits, for damage caused by any defects of its products and any additional damages shall anyway be excluded from the terms of the warranty, including damages deriving from lost or reduced production, indirect and consequential damages, or damages deriving from termination of the contract. The technical downtime required for repair of products under warranty shall not give rise to payment of any damage compensation to the customer.
- 10.8 If it is necessary to supply replacement parts, the delivery of such materials will be dependent on their delivery to the seller by its suppliers. The seller anyway undertakes to use its best efforts to minimise the delivery time, proposing any possible interchangeable materials or technical solutions. In this case the customer must accept such modifications in writing.
- 10.9 The products utilised are purchased as seen, so no form of warranty can be offered for such replacements.

11 Software

- 11.1 The software supplied with the products is not subject to the terms of this contract and is not available for purchase.
- 11.2 The customer is licensed for exclusive use of the software for the purposes indicated in the order confirmation, but it is not authorised to violate the software, to copy it, or to share it with third parties, without the prior written permission of the seller.

- 11.3 The software is consigned in the latest available version or the latest version applicable to the machine that is the subject of the contract.
- 11.4 In order to reduce any possible machine downtimes, by means of a specific software function the machine can be equipped with remote diagnostics or remote assistance. Such remote assistance via modem is free of charge for one year on the condition that the customer purchases the relative proposed instruments with the machine (Modem or Ethernet card).
- 11.5 If the customer requests a copy of the software, any such copy shall be construed as a back-up, i.e. a passive and uneditable copy, without comments and hence without the relative source codes.

12 Court of jurisdiction and applicable law

- 12.1 For any whatsoever dispute that may arise in relation to this contract the exclusive contractual jurisdiction for settlement lies with the Law Court of Milan and this contract shall be exclusively governed by the articles of Italian law.

13 Data protection (Italian legislative decree D.Lgs. 196/2003 "Privacy Code - Italian data protection act")

- 13.1 The seller processes personal data supplied by the customer or otherwise acquired also from third parties, utilising computerised and/or manual techniques and the relative procedures are decided in accordance with the processing aims. The data are processed to execute and/or complete the contract, to enforce or defend a right, and to comply with statutory legislation. Supplying personal data for the execution of this contract is required and obligatory by law; refusal to supply personal data will make it impossible to execute this contract. The seller's assigned personnel and the data Manager, if appointed, are provided with access to the data; the customer can request an updated list of the Managers and parties to whom the data are disclosed, including: authorities, public institutions, banks, collaborators, third parties for technical and organised services utilised for the aforementioned aims, other group companies, legitimate recipients in compliance with the law, who process the data as Data controllers, Data managers, or Data processors, on a case by case basis, for the aims indicated above. The customer can exercise its right at any time pursuant to art. 7 of the Italian data protection act by contacting the Data controller, for example to obtain confirmation of the existence of the data, to check the contents, the origin, and the accuracy, and to request additions, updates, corrections, deletion, conversion to anonymous form, blocking further to infringement of the law, or to oppose data processing for legitimate reasons. The Data controller is FB Balzanelli via Teglio 11, 20158 Milan. For data processing that is necessary in order to comply with legal requirements or to enforce a right and to execute this contract of sale, consent of the data subject is not necessary (art. 24 of the Italian data protection act).

The Seller

The Purchaser

After having read them carefully, specific written approval is given of clauses (2) Subject of the contract (3) Reserved ownership, (4) Price and payment, (5) Terms of delivery, (9) Design amendments and advances in know-how, (10) Duration and contents of the warranty, (12) Court of jurisdiction and applicable law

The Seller

The Purchaser
