

## GENERAL CONDITIONS EQUIPMENTS SUPPLY

### WARRANTY

The manufacturer guarantees the good working of the equipment he produced during a period of 12 (twelve) months from the date of the purchase certified by the invoice at the conditions below-mentioned.

- The warranty includes, of course, the change or the free repair of the parts of the equipment that have production defects and not damages due to bad maintenance or improper use of the equipment.
  - The manufacturer can decide unquestionably on any issue about complaints and defects.
  - In the hypothesis of improper use or bad maintenance and/or in case of violation of the equipment from users not authorized by manufacturer, the customer will lose all the rights of assistance under warranty.
  - The manufacturer is not responsible for eventual damages that, directly or indirectly, could arrive to people or things for the missed observance of the instructions indicated on the "manual" and, especially, referring to the installation, safety, use and maintenance indications. Moreover this warranty does not include any compensation for the equipment inefficiency or for any stop period of the machines.
  - The equipment will be repaired in FABER-COM s.r.l. or in the nearest after sale authorized centre. Costs and risks of the transport from and to the assistance centre will be charged to the customer. Please consider that all the expenses concerning equipment repair and/or change, as for instance (but not only this) FABER-COM s.r.l. people travelling expenses, will be completely charged to the Customer.
  - Every defective piece replaced not under warranty will become ownership of the customer.
  - Every defective piece replaced under warranty will become ownership of the manufacturer.
- All the costs concerning any assistance or request without a well precise fault and all the expenses for the installation or the explanation of the system use rules, already explained in the "manual", are charged to the buyer.
  - If required, for every repaired component, it will be given a copy of the technical relation with problem description, type of intervention and the description of added or replaced parts. If the repair is not possible or could be more expensive than the sale price of the new component, the sales department will contact the customer for a new offer and the defective material will be sent back without repairing it.

### COMMERCIAL CONDITIONS

#### 1. CONTRACT

The supply contract is accompanied by the written confirmation of acceptance of the order by the Supplier: the supplies only comprise what was explicitly specified in the confirmation of acceptance and they are ruled by these general conditions, except any dispensation ensuing from an explicit written agreement. Eventual variations or communications during the period of the supply will not constitute novation of the contract.

#### 2. PRICES

Prices are to be intended according to the conditions explicitly specified in the confirmation; they do not include any service or duty not mentioned. Except any different agreement, prices are ex-works, excluding packaging, taxes, stamps, duties and any other additional burden.

#### 3. PAYMENTS

The payment of the supply will be done, in the form explicitly specified in the confirmation, at the Supplier's domicile; the transmission of the amount will remain at the Customer's risk, whatever means will be chosen. No rounding up or down is allowed. The Customer can never differ the payments later than the established term, particularly after delayed delivery of the goods, delayed assembly or any type of protest. On eventual delayed payments, also on bill payments, interests at the official current discount rate

increased by 3 points will be calculated, being us completely entitled to do it and without any default action; that does not mean that the Customer has the right to differ payments.

#### 4. PROPERTY

The Supplier remains the owner of the goods he supplies until they are completely paid and any action by the customer, without any explicit written agreement by the Supplier, which prevents the Supplier from exerting his right to sell the material will be legally sanctioned.

#### 5. DELIVERY AND TRANSPORT

The delivery period starts from the day of the agreement on each detail of the contract and it does not start before the payment of the first instalment of the order, if payment by instalment has been established.

The period is legally extended in the case the customer does not perform the duties of the contract and particularly:

- If payments are not punctual.
- If the Customer does not provide us soon enough with the necessary details for the delivery and if he does not readily give the approval of the design and of the execution plan, if required.
- If the Customer requires variations during the execution of the order.
- If the Customer does not provide us soon enough with the eventual material that he must supply.
- If there are causes which do not depend on the good will and diligence of the Supplier, any delay provoked by the sub-supplier included.
- If the delay is provoked by an act of God.

The delivery, according to the art. 1510 Civ. Cod., is standard ex-works and the goods are to be considered as delivered when the customer or the carrier picks up them, even if the price includes the transportation or if the Supplier takes charge of the assembly. However, if, for any reason, even if the goods are ready, the transaction does not take place because of a fact which does not depend on the Supplier, the delivery is to be considered accomplished with the simple announcement that the merchandise is ready.

When the delivery is completed all the risks on the materials are transferred to the Customer; the Supplier has the right

to charge the Customer, in the case of delayed transaction because of a fact which does not depend on him, with the expenses concerning storage, maintenance, custody, insurance, etc. The goods, even if free customer's factory, travel at the Customer's own risk. Every breakdown during the transportation must be notified by the Customer to the Transporter. At the moment of the stipulation of the contract the Customer will be able to ask the eventual application of a sanction for the delayed delivery. This sanction is the maximum compensation that the Customer can demand in contract to the Supplier, excluding in that way any compensation for damages directly or indirectly caused by the delayed delivery. The sanction will be 0,25% of the net amount of the part of the supply whose delivery was delayed, for each complete week delay (at most 5% of the net amount above-mentioned); the Customer has not the right to breach the contract.

The Customer cannot require the payment of the sanction:

- If the goods have temporarily been substituted by the Supplier with other goods lent to the Customer.
- If the fact that the delayed delivery damaged the Customer cannot be proved.
- If the Customer is not ready to receive the goods. The day from which the Customer wants the sanction to have effect must be communicated in writing to the Supplier; no retroactive effective date from the day in which the respective letter arrives is allowed.

The supplier can do partial deliveries or deliveries before the final term. Even in the case of supply with cash on delivery, or equivalent form, the Supplier keeps the right to chose the transporter. Packing is invoiced on the real cost and not returnable. Eventual complaints must be written and they must be done by 8 days from the day in which the goods have been received.

#### 6. TECHNICAL DATA AND DESIGN

The equipment must correspond to the technical data explicitly written in the contract. Other pictures and data taken from catalogues, reports, newsletters or brochures by the Supplier are to be considered as supplementary and they do

not bind the responsibility of the Supplier in the case of eventual mistakes. The weights are always to be intended as informative data, except in the case of supply whose pricing refers to its weight. The Supplier has the right to modify his products with no substantial modifications which he considers profitable, informing the Customer if they concern the installation. If the Customer proposes technical modifications to what the Supplier's offer and design originally provided, it is required a written agreement by the parties about the variations concerning the price and the delivery period that these modifications could cause, so that the application of the above-mentioned modifications becomes binding: the proposal of modification does not suspend the contract. The Customer cannot use, except for the reasons that the contract provides: designs, technical information and documents concerning the supply, which remain property of the Supplier and which the Customer cannot give to other people, nor copy without any written authorization.

#### 7. TESTS AND ASSEMBLY

The eventual request for testing must be included in the contract. Test is done in the place suggested by the Supplier, according to the working timetable and at the Customer's own expenses if it involves particular or additional operations or if the test is longer than what is normally fixed; the conditions are to be decided. Eventual bill or transfer of the testers must be paid by the Customer. The test is done only if established by a particular agreement and at the Customer's own expenses and risk. If the test shows that the supply does not correspond to the essential characteristics established by the contract and the Supplier cannot fulfill them, he has the right to renounce the supply, being obliged only to take back the goods which have already been delivered and to give back the payments which he has already received, without interests; the Customer cannot claim any compensation nor indemnification. Assembly is, as a rule, not included in the supply. If the supply includes the on-site assembly, the Supplier will provide the Customer with the workforce of his staff according to the rate arranged with the Customer. If the Customer withdraws the goods without exerting the right to the test, the same goods are considered as unconditionally accepted, seen and appreciated.

#### 8. LIMITATIONS

The Customer must use the goods he bought only according to the limitations given by the Supplier, which he declares to know. Moreover, the Supplier will provide the Customer with the instructions concerning the functioning and the maintenance of the same product, if the Customer requires it.

#### 9. LIABILITY

The Customer must do all the necessary operations and tests in order to preserve the perfect functioning of the product. The Supplier disclaims all responsibility concerning damages to people or things while using the products he furnished or caused by them or by the missed maintenance which might provoke the wrong functioning of the product. In any case the Supplier's liability is limited to the free substitution of the parts which were recognized as defective by the Supplier by six months (maximum) from the delivery date (art. 5), excluding any other type of compensation. The Supplier's liability is limited to the good functioning of the hydraulic and electronic parts which he supplied. In particular the Supplier's liability cannot be extended to the eventual defective functioning of systems and machines made by the Customer using the hydraulic, electronic and pneumatic parts supplied by the Supplier, even if the single hydraulic, electric and pneumatic equipments have been assembled and linked according to the Supplier's designs in a no expressly paid cooperation. Only in the case the eventual application design is separately paid, the liability will be extended to the entire hydraulic, electronic and pneumatic system, but limited only to this system.

#### 10. WARRANTY

The Supplier guarantees the products he sells during one year from the delivery date (art.5) and as long as the equipment and every single part and accessory are original or directly controlled or adopted by him. The warranty is limited to the ex-works substitution of the defective parts. The warranty service does not cause any renewal nor extension of the same warranty. The analysis of the defects or their causes will always be done at the Supplier's plant or in workshops which he authorized. The expenses concerning the workforce involved in warranty services are to be charged to the Customer. In case of delay, the Customer has no right to any compensation nor extension of the warranty validity. The warranty is no more valid if the products are used not

according to the instructions received by the Supplier or if they are modified, repaired or dismantled, entirely or partially, in a workshop which is not the one of the Supplier or is not authorized by him. In no one of the cases presented in this article the Customer can require the ending of the contract nor any compensation. The warranty service depends on the respect of the payment conditions by the Customer. The Customer has no right to any compensation for the period during which the equipment did not work. The substituted parts are property of the Supplier and the Customer must send them to the Supplier, carriage free. All the transportations concerning the warranty services are at the Customer's own expenses and risk.

#### 11. ENDING THE CONTRACT

The Supplier has the right to end the contract and he can require a proper compensation for the damages he suffered:

a) In the case of insolvency by the Customer or if the Customer diminishes the pawn he gave or if he has not given the pawns he promised.

b) If the Customer has not made the previous payments.

c) In the case of death or bankruptcy of the Customer.

d) Because of acts of God.

#### 12. CONTROVERSIES

Contracts, even if they are stipulated with foreigners or if they concern goods supplied abroad, are ruled by the current Italian law. The only competent courts are the ones which have jurisdiction in the registered office of the Supplier, even exceeding art. 32 and following articles Cod.Proc.Civ.; the Customer in no case can resort to any other tribunal in any foreign country; the Supplier, as the plaintiff, can resort to the courts in the Customer's place of residence, in Italy or abroad. In the case of disputes, the Customer anyway has to follow the established payment conditions and no extension of the fixed terms is allowed. The contract, its registration and the eventual transcription are at the Customer's own expenses.