

General Conditions of Sale
of ECSA ITALIA SRL Società con Unico Socio

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Tax/VAT no. 00222470130

Article 1 - Object and the Formation of Contracts of Sale

1.1 These General Conditions of Sale regulate the sale of goods distributed by ECSA Italia srl Società con Unico Socio "Seller".

1.2 Any purchase order that the Seller may receive from the Buyer shall be regulated by these General Conditions of Sale and any additional specific conditions that may be agreed. In any case, it is understood that purchase orders received shall not bind the Seller unless they are expressly accepted in writing by the Seller's legal representative, or until such time as the orders are wholly or partially executed. Therefore, whenever the Buyer orders or accepts Seller's products, or gives instructions for delivery of goods, the resulting sales contract shall be regulated by these General Conditions of Sale.

1.3 Any understanding reached between the Buyer and the Seller's assistants or staff shall not bind Seller. Seller shall only be bound by written agreement signed by its legal representatives. Any modification to these General Conditions of Sale and/or any additional specific condition and/or any expressed warranty shall be valid only if expressly approved in writing by a legal representative of the Seller. Any annotations, notes, specifications or requests that may be added to a purchase order that are in contrast with the General Conditions of Sale shall not be binding for the "Seller" unless expressly accepted and notified in writing. Initial execution of a purchase order shall not imply order acceptance.

Article 2 – General Terms and Conditions.

2.1 The goods that are subject to these General Conditions of Sale are bought for deployment in the industrial sector in which the Buyer operates.

2.2 Any description of the Products and any indication regarding the Products' technical characteristics, properties, shape, colour and smell as well as any associated diagram related to the performance of the Products that may be featured in Product catalogues, list price publications, brochures or any other material that may be distributed or in any case made available by the Seller, or resulting from, or implied by any statement made by Seller's assistants or staff and or any information made available by them, shall be deemed to be purely approximate and as such is not binding for Seller, unless such indications are supported by an express warranty that must, in any case, be provided in writing by a legal representative of the Seller. The only applicable product characteristics shall be the "technical schedule".

2.3 No sales contract regulated by these General Conditions of Sale shall be deemed to be a "trial sale" or "try and buy" contract unless such trial sale conditions have been expressly agreed in writing.

2.4 The Buyer shall abide by all applicable laws and fulfil all obligations to obtain and keep up to date all import licences, customs procedures, foreign exchange checks and other authorizations and permits that may be necessary to purchase the goods.

Article 3 – Prices.

3.1 Prices and delivery terms shall be set in Seller's order confirmation or, in its absence, in the offer which shall be valid for the term specified in the offer itself. Unless otherwise agreed by the parties, prices shall be deemed to include packaging and transportation and delivery costs excluding VAT, customs fees and other taxes and expenses. Unless otherwise agreed in writing by the parties, the Buyer shall not apply any deductions or offsets and shall pay within 20 days from the end of the month of the invoice date. Any alternative terms of payment agreed between the parties must be indicated on the invoice, failing which such terms shall not be deemed valid.

3.2 In the event that following closure of a sales contract the Buyer requests an earlier delivery of the goods, the Seller may accept such request in conjunction with an increase in price. Seller's acceptance of an earlier delivery date shall be notified to the Buyer by the second working day following the date when the request for an earlier delivery was made. In the event that acceptance by the Seller is not notified by the end of such period the request shall be deemed to have been rejected and the Product delivery date shall remain as originally agreed. The Buyer shall have the right not to accept the increase in price associated with an earlier delivery in which case the Product delivery date shall remain as originally agreed.

Article 4 – Terms of Delivery and Transfer of Risk.

4.1 Goods shall be deemed delivered as of the date when the goods are delivered to the shipping agent or carrier chosen by the Seller at Seller's discretion or, in the event that the goods are transported by the Seller, as of the date when the goods are delivered to the Buyer's premises or any other location as agreed between the parties or, in the event that the goods are transported by the Buyer, as of the date of the "goods ready for collection" notification which will be sent via fax or e-mail.

4.2 As of the date of delivery of the goods to the shipping agent or carrier, or (in the event that the goods are transported directly by the Seller) the date when the goods are ready to be shipped, or (in the event that the goods are transported directly by the Buyer) the date of the "goods ready for collection" notification, the risk of loss, deterioration, damage, alteration, tampering, theft and/or any other damaging event that may be caused by chance or Force Majeure shall pass to Buyer. Any claims or actions undertaken by Seller against the shipping agent or the carrier shall be deemed to be undertaken if applicable also on behalf of the Buyer. The Seller reserves the right to make staggered and/or partial deliveries. Delivery times shall be deemed to be approximate and not material for the purposes of the contract. The

Seller shall endeavour to respect delivery times but shall not be liable for any losses or damages resulting from not fulfilling the specified delivery times, unless the parties specifically agree otherwise in writing.

Article 5 – Reservation of ownership - Payment.

5.1 Risk of loss shall pass to the Buyer upon delivery as determined pursuant to Article 4.1 above.

5.2 Buyer shall pay the amount due in full within the agreed terms of payment. The expiry date indicated in the invoice is intended to be the latest date for crediting the payment and not the date for initiating the payment process.

5.3 In the event that payment as provided in 5.2 above is delayed, interest shall be due at the rate provided in Paragraph 2 of Article 5 of the Legislative Decree No. 231/2002, in any case without prejudice to the remedies available to the Seller by Law.

Article 6 – Quality Assurance Tests and limitation of Liability.

6.1 The Buyer shall be committed to perform the quality assurance tests indicated in the specific conditions that regulate the individual sales contracts, as well as any other quality assurance test that may be necessary or appropriate in relation to the specific way in which the Buyer intends to use the purchased goods before they are actually deployed in the Buyer's production process. The quality assurance tests shall be carried out by a third party of recognized professional standing.

6.2 In the event that the quality assurance tests provided in the preceding Article 6.1 are not performed, or not performed to the required standard of diligence, then the Seller can not be held in any way liable for any damage that may be caused to the Buyer as a result of using the goods, due exception being made for the case of fraud or gross negligence.

Article 7 – Warranties and the Reporting of Defects.

7.1 Provided that the goods are kept and processed according to the instructions specified in the technical schedules, ECSA Italia srl Società con Unico Socio, guarantees that up to the expiry date indicated on the CoE for the delivered goods, (or any other date expressly specified in writing), the goods shall conform to the Specifications and any Seller's Written Declaration and that they were produced in accordance with the laws and regulations that regulate the production of such goods in the reference country. ECSA Italia srl Società con Unico Socio also warrants that the purchased goods do not infringe any third party patent, trademark, registered design, or graphic right (but such warranty does not cover the use that the Buyer intends to make of the goods after purchasing them from ECSA Italia srl Società con Unico Socio).

7.2 In the event that the goods are in default of the warranties provided in 7.1 above, ECSA Italia srl Società con Unico Socio, shall substitute the goods (or re-perform the services) without any additional charge or reimburse the price of the goods provided that:

- (a) the Buyer performs an integral inspection of the products as soon as reasonably possible after delivery and that Buyer does not modify the products or mix them with other materials or introduce them into a production process when Buyer knew, or should have known, that said goods were in default of the warranties provided in 7.1 above;
- (b) the Buyer reports the warranty default in writing within 8 days of becoming aware of it
- (c) the Buyer has used and kept the goods in conformance with the instructions included in the Specifications;
- (d) at the discretion of ECSA Italia srl Società con Unico Socio., the goods are either made available to ECSA Italia srl Società con Unico Socio for inspection or returned to ECSA Italia srl Società con Unico Socio at Buyer's expense.

7.3 Except as specified in these General Conditions of Sale, all other warranties (express or implied) are excluded, and specifically:

- (a) warranties related to a satisfactory quality or conformance to the requirements of a specific use and (b) any aspect related to performance, composition or characteristics of the goods other than those expressly set forth in the Specifications or in a Seller's Written Declaration. In the event that faults and defects are confirmed within 15 days following the return of the defective goods, the Seller may, at its exclusive discretion, substitute the merchandise with manufacturing defects or other defects due to imperfections in the raw materials used to produce the goods, or refund the price following the return of the defective goods, provided that the defects were reported within 8 days of being discovered. In the event that substitution as described above is not possible, then the Buyer shall have the right to claim a refund of any monies paid.

7.4 No claim for substitution, refund or damage shall be entertained for goods that exhibit defects caused by Buyer's improper or imprudent use or by Buyer's negligence in storage or transportation.

Article 8 – Seller's Limitation of Liability.

8.1 Without prejudice to the provisions of Article 6.2 the Seller shall be liable for any damages suffered by the Buyer as a result of the goods defects provided that the defects are reported within 8 days of being discovered and, in any case, up to a maximum amount which is the lesser of (a) the overall price of goods purchased by the Buyer from the ECSA Italia srl Società con Unico Socio during a period of six (6) months before the date of delivery of the goods that gave rise to the liability and (b) € 10.000,00 (ten thousand Euros).

8.2 With cases of fraud and gross negligence duly excepted, the Seller shall not in any case be liable for :

- (a) damage caused by any delays in delivery;
- (b) lost business or lost profits;
- (c) any damage caused to third parties.

8.3 In any case, Seller shall not be liable for any indirect damages.

Article 9 – Express Termination Clause.

9.1 Should the Buyer not perform the obligation to pay the price of the goods as per the provisions of Article 5.2, the Seller shall have the right to terminate the contract pursuant to Article 1456 of the Italian Civil Code, without prejudice to other remedies available by Law and the payment of damages.

Article 10 – Changes in Buyer's Net Worth.

10.1 In the event that there are any changes in the Buyer's Net Worth after the signature of a contract of sale to such an extent as to consider in good faith that the Buyer may not be able to fulfil its obligations, then the Seller may suspend the execution of the order until such time as an adequate security is provided pursuant to the provisions of Article 1461 of the Italian Civil Code.

10.2 The Buyer shall have the obligation to promptly notify the Seller of any event that may bring about the application of the provisions of this Article 10. In the absence of notification, the Buyer shall be liable for damages.

Article 11 – Buyer's Obligation to Perform and Limitation of Exceptions.

11.1 The Buyer's obligations and in particular the obligation to pay the price of the goods may not be deferred in any way, not even in the event of any disputes related to warranties, or in the event of any dispute raised by the Buyer claiming non-performance on the part of the Seller or any other reason in the widest interpretable sense.

11.2 No law suit or counter-claim or any exception shall be actionable against the Seller unless Buyer has paid all amounts due.

Article 12 – Miscellaneous.

12.1 This contract is based on and regulated by Italian Law and it must be interpreted in accordance with Italian Law.

12.2 The court of competent jurisdiction for all disputes arising out of, or in any case related to, this contract or any single sale that is regulated by this contract, shall be the court of the city of Como, Italy.

In accordance with and pursuant to Articles 1341 and 1342 of the Italian Civil Code, the parties here to expressly approve the following clauses: Article 2 – General Terms and Conditions; Article 5.1 – Reservation of ownership; Article 6 – Quality Assurance Tests and limitation of Liability; Article 7 – Warranties and the Reporting of Defects; Article 8 – Seller's Limitation of Liability; Article 9 – Express Termination Clause; Article 10 – Changes in Buyer's Net Worth; Article 11 – Buyer's Obligation to Perform and Limitation of Exceptions; Article 12 – Miscellaneous - Jurisdiction.