

# GENERAL CONDITIONS FOR THE SUPPLY OF OLEODYNAMIC AND PNEUMATIC MACHINERIES

## 1 SUBJECT MATTER AND SCOPE OF THESE GENERAL CONDITIONS

- 1.1 These general conditions regulate all the current and future contractual and precontractual relations between the parties relating to the supply of oleodynamic and pneumatic machineries. They must be coordinated with the special conditions as may be agreed in writing by the parties or included in the written confirmation of order acceptance of the Supplier.
- 1.2 Unless they have been specifically approved in writing by the Supplier, we shall instead consider void the different general and special conditions listed and referred by the Client in his communications to the Supplier.

## 2 ESTABLISHMENT OF THE CONTRACT

- 2.1 The supply contract is concluded with the written confirmation of order acceptance of the Supplier.
- 2.2 However, if the conditions specified in the Client's order are different from those in the written confirmation of the Supplier, the latter are valid as a new proposal and the contract is considered concluded in the moment in which the client begins to implement it or he accepts the supplied goods without any written reservation.

## 3 EXCLUSIONS

- 3.1 Unless otherwise agreed in writing, what follows is not included in the supply: the system's project, the installation of supplied machineries, particular tests, manuals and training courses, the installation aid and all services and duties that are not mentioned in the written confirmation of order's acceptance of the Supplier.

## 4 TECHNICAL DATA, DRAWINGS AND DOCUMENTS RELATED TO THE SUPPLY

- 4.1 Data and illustrations resulting from catalogues, circular charts or other illustrative documents of the Supplier have indicative nature. These data haven't demanding values, unless they are expressly mentioned as such in the order confirmation.
- 4.2 The Supplier reserves the right to modify at any moment his products, if he considers these modifications appropriate, by giving information to the Client if they are relevant for the installation.
- 4.3 If the Client was supposed to suggest modifications so they become mandatory execution, it shall exist a full written agreement between the parties on the variations that such modifications were supposed to lead to on prices and on delivery period that were previously established.
- 4.4 The Client expressly undertakes not to use, for different reasons than those expected in the supply contract: of drawings, of technical informations and of discoveries related to the supply, which remain the property of the Supplier and which the Client can not give to any third part or duplicate without a written authorization.

## 5 DELIVERIES

- 5.1 Unless agreed otherwise, the supplies are for returned goods ex works, without packaging.
- 5.2 With the referral of materials to the Client or to the courier, the Supplier is free of the constraint of delivery and all the risks on materials are of the Client even when the Supplier is responsible for the shipment and the assembly work.
- 5.3 Delivery terms are approximate and shall be reckoned in working days.
- 5.4 Unless otherwise agreed to by the parties, they begin to pass from the contract's conclusion, except if the Client should not remit part of the price as advance payment, because at that time the effective date of terms is suspended as long as he has not provided for it.
- 5.5 Delivery terms are adequately and automatically extended:
  - 1) if the Client fails to provide timely data and materials necessary for the supply or he requests variations in operation or, even, he delays in answering the approval request of drawings and executive schemes;
  - 2) if reasons beyond good will and diligence of the Supplier; including delays of subcontractor, prevent or make excessively onerous the delivery within the stipulated period.
- 5.6 In case if the Client is not in compliance with the payments relating to other supplies, the effective date of terms is suspended and the Supplier may delay deliveries as long as the Client has paid out the amounts due.
- 5.7 The delivery terms are established in favor of the Supplier, so the Client can not refuse to take over the products at the fixed date.
- 5.8 Except as provided in article 11, in case of failure to take over the products by the Client for facts imputable to him or, anyway, for reasons beyond the Supplier's control, the Client will bear risks and costs for their custody.
- 5.9 If Parties have agreed that, in the event of late delivery the Supplier shall be required to pay an amount as penalty, the Client can not ask for sums exceeding the penalty as compensation for damages suffered due to the delay.

## 6 TESTS AND INSTALLATIONS

- 6.1 Special tests, which may be provided for in the written confirmation of order's acceptance, will be executed at the expense of the Client in the establishment designated by the Supplier.
- 6.2 Proof test and installation, if required, will be executed by the Supplier at the expense of the Client according to rates and conditions for services of staff off-site of Assofluid, who must be considered an integral part of these general conditions.

## 7 PAYMENTS

- 7.1 Unless otherwise agreed, payments must be made by the Client within the time allowed in the written confirmation of order's acceptance at Supplier's domicile or at the bank indicated by him; in case of delay the Client shall pay interests for late payments that will be counted at its own right and without need of formal notice to the extent of the official discount rate, raised by 3 points, except that the Supplier has the right to claim immediately a compensation for greater damage and the dissolution of the contract pursuant to the following article 11 in any case.
- 7.2 Any disputes that may arise between the Parties, shall not release the Client from the compliance with payment's conditions and terms.

**8 GUARANTEE**

- 8.1 The Supplier warrants the compliance of supplied products, meaning that they correspond for quality, quantity and performance from what has been agreed upon the contract.
- 8.2 The guarantee period is 6 months starting from the delivery of products and, for what concern the products or parts replaced, from their replacement date.
- 8.3 Within this period the Supplier to whom the Client, no later than 8 days after their discovery, has reported in writing the existence of defects, undertakes by his choice to repair or replace for free products or parts of them that were resulted defective.
- 8.4 Replacements or reparations are usually made Ex Works: costs and risks for the transportation of defective products shall be borne by the Client. However, where the Supplier, in agreement with the Client, considered more appropriate to carry out the work required for the replacement or reparation at the Client, the latter will bear the travel and subsistence costs of technical personnel provided by the Supplier and will procure all the means and auxiliary personnel required to carry out the task as quickly and as safety as possible.
- 8.5 The guarantee will be void whenever products have been installed or used incorrectly, or have received insufficient maintenance or have been modified or repaired without the Supplier's authorization.

**9 SUPPLIER RESPONSIBILITY**

- 9.1 The Supplier is exclusively responsible for the smooth running of the hydraulic and pneumatic equipments supplied in regard to the characteristics and performances by him clearly identified. He assumes, instead, no responsibility for any malfunction of machineries or systems realized by the Client or by third parties with hydraulic and pneumatic components of the Supplier, even if the individual hydraulic and pneumatic equipment have been assembled or connected according to diagrams or drawings suggested by the Supplier, unless such diagrams or drawings have been the subject of separate remuneration, in which case the Supplier's responsibility will still be limited to what is included in these drawings or diagrams.
- 9.2 In any case, save the hypothesis disciplined by D.P.R. May 24, 1998, n. 224, and except as provided for in the Article 1229 of the Civil Code, the Client can not neither claim compensation for indirect damages, lost profits or production's loss, nor demand in compensation amounts exceed the value of supplied equipments.

**10 RETENTION OF TITLE**

- 10.1 The Supplier retains the ownership of products supplied until the complete payment of the agreed price.

**11 EXPRESS TERMINATION CLAUSE AND RESOLUTIVE CONDITION**

- 11.1 The supply contract will be automatically terminated pursuant to Article 1456 of the Civil Code, as a result of the simple written statement of the Supplier desiring to avail himself of this express termination clause, if the Client:
- 1) omits or delays the payment due
  - 2) delays or fails to take over products within the time allowed in the previous article 5
  - 3) does not observe the confidentiality obligations stated in article 4
- 11.2 The contract shall be automatically terminated in the event that the Client will be put into liquidation or he is subject to any insolvency procedure.

**12 CONVENTIONAL WITHDRAWAL**

- 12.1 In the event that the Client reduces the guarantees that he had given or he does not procure the promised guarantees, the Supplier shall have the power to rescind the contract without prior announcement.

**13 APPLICABLE LAW**

- 13.1 The supply's contracts between the parties are disciplined by Italian law.

**14 COURT OF JURISDICTION**

- 14.1 Any litigation concerning the execution, interpretation, validity, termination or cessation of supply's contracts between the parties, where the action is brought by the Client, the court in charge is the one of the Supplier; where instead the action is brought by the Supplier, the court in charge is, in addition to the one of the Supplier, also any other court established by law.