GENERAL TERMS AND CONDITIONS OF SALE OF RULLI RULMECA S.P.A.

1. Scope of application and completion of the contract

1.1 These general terms and conditions of sale (hereinafter, the “General Conditions”), together with the specific terms and conditions of sale provided in the order confirmation (hereinafter, the “Order Confirmation”) and in all the related documents shall constitute the sole discipline of the contract (hereinafter the “Contract”) between Rulli Rulmeca S.p.A., with head office in Almè (BG), via Toscanini, 1, VAT 00673810164, (hereinafter the “Seller”) and the buyer (hereinafter the “Buyer”), (the Seller and the Buyer are jointly defined as the “Parties” and individually as a “Party”) in relation to the production and supply of products (hereinafter the “Products”) as in detail described in the Order Confirmation. These General Conditions supersede any other term and/or condition in conflict with them which has been proposed orally or in a written form by the Buyer and which has not been explicitly accepted by the Seller.

1.2 The Contract between the Seller and the Buyer shall be considered executed when the Order Confirmation sent by the Seller is received by the Buyer.

1.3 Any integration or modification of the General Conditions, included in the Buyer’s purchasing order (hereinafter, the “Order”) or in any other document, is allowed and valid for the Parties only if it is contained in the Order Confirmation or if it is explicitly accepted in a written form by the Seller.

1.4 In the event of discrepancies between the Order and the Order Confirmation, the subscription or the restitution of the Order Confirmation or, alternatively, if it is not expressly refused or the performance of the Contract is executed, implies the acceptance of the particular terms and conditions provided in the Order Confirmation by the Buyer.

1.5 Unless otherwise agreed in the Order Confirmation, an Order of Products for a specific quantity shall be considered correctly processed with a tolerance of more or less 3% in the quantity of Products, save the price adjustment. The Buyer accepts from now this possible variation of the Contract.

2. Products’ characteristics – modifications

2.1 All details or information or technical specifications concerning Products, like weight, dimensions, capacity and performance included in catalogues and similar documents are binding for the Seller in relation to the warranty of article 7 to the extent that they are explicitly indicated as such in the Contract.

2.2 The Seller is allowed to make the changes to the Products that, without altering their main characteristics, it deems necessary or appropriate in relation to its production or commercial needs.

3. Delivery terms

3.1 The delivery terms provided in the Order Confirmation are approximate and do not include the transit time even if the freight is not included in the price.

3.2 Any delay caused by force majeure (as per article 8) or by acts or omission by the Buyer, like conditions of use, technical specifications, drawings and, in general, failure to provide information in order to supply the Products, shall not be ascribed to the Seller.

3.3 Save the case of gross negligence or fraud of the Seller, the payment of the amount referred in article 5 excludes any compensation for damages deriving from the delayed delivery of any Product.

3.4 The Seller is allowed to suspend in any moment its contractual obligations by written communication in cases provided by article 1461 of the Italian civil code (change of the property conditions of the parties) except that an appropriate guarantee is given.

3.5 If the Buyer delays the collection of Products by more than 7 (seven) days from the communication of Products ready for delivery, the Seller is allowed to invoice in advance those Products and the payment terms begin to run. In any case the Buyer bears all the costs and liabilities deriving from the warehousing and the custody of Products.

3.6 If the Buyer refuses to collect or to receive the Products or a specific lot, the Seller is allowed, at its own discretion, to terminate the Contract or to seek the specific performance, save the right to compensation and damages.

4. Return policy and shipping

4.1 Unless otherwise agreed, any supply shall be deemed to be made ex works at Seller’s premises (EXW Incoterms 2010), even if it is agreed that the shipment has to be carried out totally or in part by the Seller.

4.2 Unless otherwise agreed in writing, the risks shall pass to the Buyer when the Products are handed over to the first carrier at the Seller’s premises.

4.3 Any complaints concerning packing, quantity or outward features of the Products (apparent defects) must be notified to the Seller by registered letter with return receipt, within 8 (eight) days from receipt of the delivery of Products; failing such notification, the Buyer’s right to claim the above defects will be forfeited. Any complaints relating to defects which cannot be discovered on the basis of a careful inspection upon receipt (hidden defects) must be notified to the Seller by registered letter with return receipt within 8 (eight) days from discovery of the defects and in any case not later than 12 (twelve) months from delivery; failing such notification the Buyer’s right to claim the above defects will be forfeited.

4.4 It is agreed that any complaints or objections do not entitle the Buyer to suspend or to delay the payment of the Products as well as payment of any other supplies.

5. Prices

5.1 Unless otherwise agreed, prices are to be considered ex works at Seller’s premises. Any other services or accessory costs are not included in the price.
5.2 Rulmeca is allowed to make price adjustment in case of variation of raw materials, workmanship prices or any other cost which should occur during the contractual relationship until the shipping date, provided that a time period exceeding 90 (ninety) calendar days is foreseen between the Order accomplishment and its completion.

6. Payment conditions

6.1 If payment conditions have not been agreed the payment shall be made as per article 6.2.

6.2 If the Parties agreed a deferred payment, it shall be made, unless otherwise agreed, no later than 30 (thirty) days from the issuance of the invoice by bank transfer or bank receipt. All payments from Buyer to Seller shall be deemed to be duly made when Seller has actually received such payments on his Italian bank account. If Parties agreed that the payment is granted by a bank guarantee, the Buyer shall provide a bank guarantee at first demand, issued by a primary bank in accordance with ICC’s Uniform Rules for Bank Guarantees, within 30 (thirty) days from the Order Confirmation and no later than 15 (fifteen) days before the delivery date of Products, payable against the Seller’s declaration stating that no payment has been received within the agreed terms.

6.3 If the Parties agreed the advance payment without any further indication, it shall be presumed that it refers to the total price. Unless otherwise agreed, the advanced payment must be received on the Seller’s bank account within 30 (thirty) days from the Order Confirmation and in any case no later than 15 (fifteen) days before the agreed delivery date.

6.4 Unless otherwise agreed, any bank expenses and commissions owed in relation to the payment shall be borne by the Buyer.

6.5 In the event the Buyer fails to make any payment under this Contract, the Buyer shall pay overdue interest to the Seller on any due amount from the due date until the date of the Seller’s actual receipt of full payment, in accordance with Italian Legislative Decree no. 231/2002 as subsequently amended.

6.6 In case of delayed payment, Rulmeca is allowed: (i) to suspend the performance and/or any delivery of Products until the Buyer accomplish all its contractual obligations; (ii) to terminate the Contract and any other contract with the Buyer in case of receivables past due for more than 30 (thirty) days, without prejudice to the right to claim for compensation.

6.7 Unless otherwise agreed in the Order Confirmation, the payment shall be made in Euros and it is to be understood at the Seller’s seat, even if it is made by promissory notes.

6.8 The Buyer shall not in any case: (i) suspend or delay the payment of Products, also in case of defects, without prejudice to the right to claim back any undue amount (solve et repete); (ii) set-off any debts payable to the Seller with credits receivable from the Seller without Seller’s written consent.

6.9 The Seller may at any time set-off any debts payable to the Buyer with credits receivable from the Buyer whether under this Contract or otherwise.

7. Warranty

7.1 The Seller commits itself to remedy, in accordance with the following conditions and terms, to any such defects, lack of quality or non-conformity for which the Seller is liable, occurred within 12 (twelve) months from the delivery of Products, on condition that such defect has been promptly notified as per article 4.3.

7.2 The Seller makes no representations or warranties of any kind, express or implied, including that the Products conform to special specifications or technical features or that they are suitable for a particular use, unless and to the extent that such characteristics have been expressly agreed upon in the Order Confirmation or in documents attached to the Order Confirmation.

7.3 Except in case of fraud or gross negligence of the Seller, the Seller’s only obligation in case of defects, lack of quality or non-conformity of the Products will be that of replacing or repairing the defective Products. It is agreed that the warranty provided by this article 7 (i.e. the obligation to repair or to replace the Products in case of defects, lack of quality or non-conformity of Products for which the Seller is liable) is absorbing and replacing any other legal guarantee or liability provided by law and excludes any other Seller’s liability (both contractual or extra contractual) which may arise from the Products supplied (e.g. compensation of damages, loss of profits, etc). The repaired or replaced Products will be subject to the same warranty for a period of 12 (twelve) months from the repairing or replacing date.

7.4 The above mentioned warranty does not include: A) all the defects of the Products deriving from improper warehousing and/or incorrect use of them, included the unsobservance of the use and maintenance instructions by the Buyer, by third party or during their production process and/or, in any case, caused by third party; B) lack of conformity to special specifications or technical features or that they are suitable for a particular use, unless and to the extent that such characteristics have been expressly agreed upon in the Order Confirmation or in documents attached to the Order Confirmation.

7.5 In any case it is agreed that the Seller’s liability is limited to the price which the Buyer paid for defective Products.

8. Force majeure

8.1 Either Party shall have the right to suspend the performance of his contractual obligations when such performance becomes impossible or unduly burdensome because of events beyond his control, such as strikes, lock-outs, boycotts, fires, wars (either declared or not), civil wars, riots, revolutions, requisitions, embargo, energy black-outs, delay in delivery of components or raw materials.

8.2 The Party wishing to make use of the present clause must promptly communicate in writing to the other Party the occurrence and the end of such force majeure circumstances.

8.3 Should the suspension due to force majeure last more than 6 (six) weeks, either party shall have the rights to terminate the present Contract by a 15 (fifteen) working days writing notice to the other Party.

9. Property rights

9.1 Rulmeca is the sole owner of any trade-names, marks or other intellectual property right related to the Products of this Contract. Nothing herein contained may be construed as passing, even partially or temporarily, the ownership or giving the right of use of any such intellectual property rights and such ownership.
9.2 The Buyer undertakes not to assume any conduct which may affect any rights as per article 9.1 and to inform Rulmeca about any act or fact by third party which may affect those rights.

10. Jurisdiction – applicable law

10.1 Any dispute arising out of or in connection with the Contract (including, for example, dispute related to the Confirmation Order and/or any invoices) shall be referred to the exclusive jurisdiction and competence of the Tribunal of Bergamo, provided however that, as an exception to the above, the Seller may elect to waive the competence of the Tribunal of Bergamo and be entitled to bring an action before the competent courts at the seat of the Buyer.

10.2 The present Contract, Orders and Orders Confirmations are governed by Italian law.

11. Assignment

11.1 No assignment of this Contract or of any right or obligation accruing hereunder shall be made, in whole or in part, by the Buyer without prior written consent of the Seller.

12. Confidentiality

12.1 The Buyer undertakes to keep the information and the related data of the Seller acquired and/or handled for the purposes and/or the performance of this Contract strictly confidential (the “Confidential Information”) and not to disclose it to third parties, including but not limited to, formulas, manufacturing proceedings, technological know-how, ideas, various materials, documents on any format even electronic, products of any kind, as well as any information concerning processes, internal procedures, developments, experimental works, carrying out of projects, activities, industrial and commercial secrets, information, observations, knowledge, improving process and manufacturing advice and suggestions, which can be considered as being confidential and expressly qualified in this sense by the Seller, as well as to use the Confidential Information for the sole purposes of the performance of this Contract.

12.2 Any disclosure to third parties shall be expressly authorized by the Seller. For the purposes to fulfil the obligations set forth under this article, the Buyer undertakes to inform his employees and/or collaborators that this above indicated information is confidential and to bound them to comply with the same obligations of confidence undertook by the Buyer pursuant to this Contract.

12.3 Following the termination of the business relationship of the parties, for any reason whatsoever, the Buyer undertakes to return the Seller, or alternatively, to promptly destroy, any Confidential Information the Buyer owns (even on electronic format) without keeping any copy, neither for filing purposes.

12.4 This confidential undertaking will be effective until the expiration of the tenth year following the signing of this contract or, if later, until the moment in which the Confidential Information has to be reasonably considered confidential or owns commercial value.

13. Entire agreement

13.1 This Contract constitutes the entire agreement between the Seller and the Buyer and supersedes any previous agreement entered into by the Parties in relation to the content of the Contract. Each Party acknowledges that in entering into this Contract it has not relied on, and shall have no right or remedy in respect of, any statement, representation, assurance or warranty (whether made negligently or innocently) other than as expressly set out in this Contract. In case of contrast between the provisions contained in this General Conditions and those stipulated in the Order Confirmation, the latter shall prevail.

14. Final provisions

14.1 Failure, even if willful or express, to exercise right granted to the Seller by this Contract, or even the adoption of a conduct or the taking of measures inconsistent with the contents of the Contract, shall be considered each time as per se, single and exceptional and, therefore, shall not be considered as a constructive general waiver or forfeiture of any right arising from the Contract, nor as a contractual modification or permanent manifestation of a different contractual will.

14.2 The total or partial invalidity or unenforceability of any provision of the present Contract shall not affect the validity or the enforceability of the other provisions.

14.3 The titles of the articles of the Contract are merely for utility sake and shall, therefore, not be relevant for the correct interpretation of the Contract.

Date

The Buyer

Stamp and signature

Pursuant to articles 1341 and 1342 of the Italian civil code, the Buyer declares to have carefully read, well understood and to accept specifically the following clauses of the aforesaid General Conditions of Sale:

1.1, 1.2, 1.3 completion of the Contract;
3.4 right to suspend the performance;
4.3 complaints’ terms;
4.4 complaints and payments;
6.6 delayed payments and suspension of the performance;
6.8 solve et repete clause;
7.1 , 7.2, 7.3, 7.4, 7.5 warranty;
10.1 competent courts;
11.1 assignment of the Contract.

Date

The Buyer

Stamp and signature

Art 7.3

It is understood that this warranty is absorbing and replacing the warranties or liabilities provided by law and excludes any other Seller's liability (both contractual and non-contractual), however, originated from the Products provided (such as, for example, compensation for damages, loss of earnings, retreat campaigns, etc.).