

ARTEC SRL STANDARD SALES CONDITION

1 - SUBJECT AND SCOPE OF APPLICATION OF THESE STANDARD CONDITIONS

- 1.1 - These standard conditions shall govern all present and future contractual and pre-contractual relations between parties concerning the supply of pneumatic components, equipments and systems. They shall be coordinated with any special conditions agreed in writing by the parties or inserted in the ARTEC SRL's written confirmation of acceptance of order.
- 1.2 - Unless specifically approved in writing by ARTEC SRL, deviant general or special conditions included or referred to by the Customer in his communications to ARTEC SRL shall however be deemed null and void.

2 - FORMATION OF CONTRACT

- 2.1 - The supply contract comes into force upon written confirmation of acceptance of order by ARTEC SRL.
- 2.2 - However, if the conditions indicated in the Customer's order differ from those in the written confirmation by ARTEC SRL, the latter shall count as a new proposal and the contract shall be deemed completed at the moment in which the Customer starts to execute it or accepts the products supplied without express written reservation.
- 2.3 - Every further Supplier's offer shall be deemed valid only within the period of time it itself states and exclusively for the complete supply the offer rates.

3 - TECHNICAL DATA, DRAWINGS AND DOCUMENTS PERTAINING TO THE SUPPLIES

- 3.1 - The data and illustrations resulting from the catalogues, brochures, circulars or other illustrative documents from ARTEC SRL shall be of an indicative nature. This data shall have no commitment value unless expressly mentioned as such in the confirmation of order.
- 3.2 - ARTEC SRL reserves the right to make any modifications to his own products at any moment as he deems appropriate, giving notice to the Customer if they affect the installation.
- 3.3 - If the Customer proposes modifications so that it becomes compulsory to implement them, there shall be full written agreement between the parties on the variations which such modifications may cause to prices and delivery periods previously established. Moreover, the prices could vary in case the ordered quantities should be reduced or the Customer should ask for a more prompt delivery.
- 3.4 - The Customer shall expressly undertake not to use, for purposes other than those envisaged in the supply contract, the drawings, technical information and discoveries relating to the supply which shall remain the property of ARTEC SRL and which the Customer shall not be able to deliver to third parties nor reproduce without written permission.
- 3.5 - Should there be any particular normative law to respect in the Country of destination of the Supply, the Customer is bound to inform ARTEC SRL before the stipulation of the contract.

4 - EXCLUSIONS

- 4.1 - Unless otherwise agreed in writing, the plan of the system, the installation of equipment supplied, special testing, manuals and training courses, assistance with start-up and all services and costs not mentioned in the written confirmation by ARTEC SRL of acceptance of the order shall not be included in the supply.
- 4.2 - Likewise the costs of packing, taxes, stamp duties, customs expenses, duties and any other extra expenses shall not be included in the prices unless otherwise stated in the written confirmation of acceptance of order by ARTEC SRL.

5 - DELIVERY

- 5.1 - Unless there is agreement to the contrary, the supplies shall be deemed to be goods supplied ex works, without packing.
- 5.2 - With handover of the equipment to the Customer or carrier ARTEC SRL shall be released from the obligation to deliver and all risks on the equipment itself shall pass to the Customer even in the event where ARTEC SRL is responsible for the despatch or assembly for working.

5.3 - The delivery deadlines shall be regarded as an indication and shall be reckoned in working days.

5.4 - Unless otherwise agreed by the parties, the deadlines shall start to run from the moment of conclusion of the contract, unless the Customer has to meet part of the price on an account basis because then the elapse of the deadlines shall be suspended until he has paid this.

5.5 - It shall be understood that the delivery deadlines are automatically extended:

- 1) if the Customer does not supply in reasonable time the data or equipments necessary to the supply or requests changes during execution or, even, delays in meeting the request for approval of the drawings or working diagrams;
- 2) if causes independent of the goodwill and diligence of ARTEC SRL, including delays of subcontractors, impede or render excessively difficult delivery in the terms established.

5.6 - In the event the Customer is not in order with payments relating to other supplies, the elapse of the deadlines shall be suspended and the ARTEC SRL may delay delivery until the Customer has paid the sums due.

5.7 - It shall be understood that the delivery deadlines are set to favour ARTEC SRL; the Customer may not therefore refuse to take delivery of products before the date set.

5.8 - Unless prescribed under Art. 11 below, in the event of failure to take delivery of products by the Customer for reasons for which he is to blame or, in any case, for a reason independent of the goodwill of ARTEC SRL, the Customer shall bear the risks and expenses for their safe keeping.

5.9 - If the parties have agreed that, in the event of delayed delivery, ARTEC SRL is obliged to pay a sum as a penalty, the Customer may not ask for sums in excess of the penalty as compensation for damages suffered because of the delay.

6 - TESTING AND ASSEMBLY WORK

6.1 - Special testing which may be provided in the written confirmation of acceptance of order shall be carried out at the Customer's expense on the premises indicated by ARTEC SRL.

6.2 - Assembly and working testing, if requested, shall be carried out by ARTEC SRL at the Customer's expense as.

7 - PAYMENTS

7.1 - Unless otherwise agreed, payments shall be made by the Customer within the terms provided in the written confirmation of acceptance of order at the domicile of ARTEC SRL or with the Bank indicated by him: in the event of delay, the Customer shall be bound to pay interest on arrears, in any case reserving to ARTEC SRL the option to request compensation for greater damage suffered and termination of the contract as per Art. 11 below.

7.2 - Any disputes which may arise between the parties shall not release the Customer from the obligation of observing the payment terms and conditions.

8 - GUARANTEE

8.1 - ARTEC SRL shall guarantee conformity of the products supplied, which shall mean that they are without defects in their materials and/or processing and that they correspond to the provisions of the specific contract agreed to by both parties.

8.2 - The duration of the guarantee shall be twelve months counting from the delivery of the products and, for substituted products or components, from the day of their substitution.

8.3 - Within this period ARTEC SRL to whom the Customer has reported in writing the existence of evident defects no later than eight days from their delivery and the existence of hidden defects no later than eight days from their discovery shall undertake, at his choice, to repair or substitute free the products or parts thereof which have proved to be defective. The return of not conforming goods shall be always authorized in writing by ARTEC SRL and shall have to keep the original packaging.

8.4 - The substitutions or repairs shall as a rule be carried out ex-works: the costs and risks for transport of

faulty products shall be at the Customer's expense. However, if ARTEC SRL, in agreement with the Customer, deems it more appropriate to carry out the necessary work for substitution or repair on the Customer's premises, the latter shall bear the travelling and accommodation expenses of the technical staff made available by ARTEC SRL and shall supply all means and auxiliary staff requested for carrying out the operation in the quickest and safest way.

8.5 - The guarantee shall cease whenever products have not been correctly assembled or used, or have received insufficient maintenance or have been modified or repaired without the permission of ARTEC SRL. Moreover, ARTEC SRL shall not be held responsible for the conformity defects of the products caused by the ordinary wear of those parts which are normally subject to continuous and rapid wear.

9 - SUPPLIER RESPONSIBILITY

9.1 - ARTEC SRL shall be solely responsible for the good operation of the pneumatic equipment supplied as regards features and performances expressly indicated by himself. He shall not, however, assume any liability for any faulty operation of machines or systems made by the Customer or third parties with hydraulic and pneumatic components from ARTEC SRL even if the individual hydraulic and pneumatic equipment have been assembled or connected according to diagrams or drawings proposed by ARTEC SRL, unless such diagrams and drawings have been the subject of separate remuneration, in which case the liability of ARTEC SRL shall in any case be limited to what is contained in the above/mentioned drawings or diagrams.

9.2 - In any case, outside the strict and imperative cases provided by current legislation regarding the liability of the Supplier, and except what provided by the art. 1229 of the Italian Civil Code, the Customer shall not be able to request compensation for direct and indirect damage, loss of profits or production, nor shall he be able to claim entitlement to compensation of sums in excess of the value of the equipment supplied.

10 - RESERVATION OF OWNERSHIP

10.1 - ARTEC SRL shall retain ownership of the products supplied until full payment of the price agreed.

11 - TERMINATION CLAUSE AND RESOLUTORY CONDITION

11.1 - The contract for supply shall be terminated automatically, according to art. 1456 of the Italian Civil Code, through simple written declaration by ARTEC SRL that he wishes to avail himself of this express termination clause if the Customer:

- 1) omits or delays payments due;
- 2) delays or fails to take delivery of the products in the times provided under art. 5 above;
- 3) does not fulfil the obligations of confidentiality provided under art. 3.4.

11.2 - The contract shall be deemed terminated automatically if the Customer is put into liquidation or is subject to any bankruptcy proceedings.

12 - WITHDRAWAL BY AGREEMENT

12.1 - If the Customer reduces the guarantees he had given or does not provide the guarantees he had promised, ARTEC SRL shall have the option of withdrawal from the contract.

13 - LAW APPLICABLE

13.1 - Every supply contract entered into among the parties, even with foreign countries, shall be regulated by these standard conditions and governed by the Italian law.

14 - COMPETENT COURT

14.1 - For any dispute pertaining to the execution, interpretation, validity, termination or cessation contracts entered into between the parties, if the action is brought by the Customer, the Court of Ferrara exclusively shall be competent; if, however, the action is brought by ARTEC SRL, as well as the Court of Ferrara himself, any other Court established by law shall be competent.

Centro, luglio 2011

ARTEC SRL

THE CUSTOMER

