

GENERAL CONDITIONS OF SALE

1. General Provisions

- 1.1 These General Conditions of Sale have been drawn up in order to be applied to Dana Brevini S.p.A.'s (hereinafter referred to as "Seller") sales agreement (hereinafter referred to as "Agreement/s") of its products (hereinafter "Product/s") agreed upon in writing with the purchasers (hereinafter referred to as "Purchaser/s").
- 1.2 Any exceptions or additional conditions shall only held to be valid if agreed expressly in writing between the parties hereto.
- 1.3 Any reference made to delivery terms is understood to be made to the terms contained in Incoterms 2010, published by the International Chamber of Commerce of Paris, in force since 1 January 2011.

2. Orders

- 2.1 Orders of Products (hereinafter referred to as "Order/s") gathered by the Seller's agents and/or employees or which in any way may arrive at the attention of the former, shall not be held to be binding upon the Seller until the same are not fully or partially confirmed in writing, either by fax or email.
- 2.2 The Seller, further to receiving the request of the Order by the Purchaser, shall transmit the latter a saleoffer (hereinafter referred to as "Sale Offer") containing the technical specifications, prices, quantities of Products, subject to the Agreement. The Sale Offer shall be valid for ten (10) days from its forwarding, except a different term is provided for by the Sale Offer itself. The Order shall be binding upon the Purchaser as well as the General Conditions of Sale shall be deemed being accepted, once the Purchaser receives the written acceptance of the Sale Offer. The General Conditions of Sale shall prevail over any other conditions of purchase applied by the Purchaser. The Order shall be confirmed in writing by the Seller to the Purchaser with the confirmation order (hereinafter referred to as "Confirmation Order").
- 2.3 The Seller shall have the right to at any time modify the prices specified in the Sale Offer and/or in the Confirmation Order when changes in the costs of material, raw material and/or production may occur.
- 2.4 The Seller shall have the right to suspend and/or cancel, either fully or partially, the processing of Orders, even if they have been already accepted by the Seller, when their processing is rendered impossible or made too burdensome by the occurrence of a Force Majeure Event.
- 2.5 Moreover, the Seller shall have the right to suspend and/or cease production of particular Products, should market and/or production requirements so demand.

3. Products' characteristics

- 3.1 Any information on Products' dimension, models and any other technical characteristics, on the usage of the Products as well as any other data contained in brochures, prospectus, news letters, advertisement, illustrations or price lists of the Seller shall only be held binding to the extend said information has been explicitly quoted in the Agreement.
- 3.2 It is hereby understood that the Seller shall be the sole proprietor of any technical documentation or drawing of the Products sent to the Purchaser before the execution of the Agreement. The Purchaser, therefore, shall not use or copy, reproduce or inform any third parties of such documentation without receiving the Seller's prior written authorisation.
- 3.3 The Seller is entitled to make those changes to Products without the latter changing their essential characteristics, but which may be retained to be necessary or opportune.
- 3.4 Notwithstanding the applicability of all the provisions of the General Conditions of Sale, the Parties hereto agree that on producing special pieces - meaning by that products that are made further to Purchaser's specific request and that require particular investments in their study and production (hereinafter referred to as "Special Pieces") - shall agree in writing specific undertakings pertaining thereto which shall include but not be limited to, and are hereby already accepted, payment by the Purchaser of costs (a) for the initial projecting and study phase and (b) the Seller's warehousing of Special Pieces, to be calculated according to the declarations rendered by the Purchaser on placing the order. The production of Special Pieces shall be carried out in compliance with the written agreement entered between the parties and indicated in the Offer and/or in the Confirmation Offer.

4. Installation - Test

- 4.1 Whenever agreed by the Parties, Products shall be tested before their production by the Seller with the Purchaser's authorised representatives. The results of the tests and any existing comments, shall be written in specific reports. The failure by the Purchaser to challenge the results of the tests performed, shall be construed as a full acceptance of the prototype of the Products subject to the Order and as authorisation to produce the Products.
- 4.2 Excepting where agreed otherwise with the Purchaser, Products shall not, therefore, be submitted to any further testing while functioning.

5. Delivery Terms

- 5.1 Any delivery date supplied by the Seller shall merely be considered to be indicative. The Purchaser, therefore, shall not claim any contractual penalties or any other moratorium issues due to the overcoming of the delivery times.
- 5.2 It is understood that the Purchaser by forwarding an Order accepts that delivery time is not of the essence and hereby waives to any request for damages or delays in delivery or cancelling the Order.

6. Delivery

- 6.1 Unless otherwise agreed upon in writing, the sale is understood to be made Ex-Works, (Incoterms 2010), via Luciano Brevini, 1/A 42124 Reggio Emilia , Italy or other Seller's premises; this occurs even when it has been agreed that the consignment or part of the same is dealt with by the Seller.
- 6.2 Unless the Seller explicitly accepts different conditions in writing, (i) the risk of loss or damage to Products shall be transferred upon the Purchaser when the Seller delivers the Products to the carrier, suitably packaged for transportation (ii) the Seller shall not be bound to provide any insurance cover for the Products sent (iii) any provisions adopted by the Seller, on the Purchaser's request, with carriers or shipping agents, with reference to the consignment, shall be exclusively carried out on behalf of the Purchaser and exclusively at the expense and risk of the latter.
- 6.3 **For non-EU Purchasers:** the Seller, in compliance with art. 8 paragraph 1 lett. a) Decree of the President of the Italian Republic No. 633/72, is required to prove the Financial Public Administration that Products are exported by exhibiting the pertaining documentation issued by Customs, duly filled out and validated. Therefore, it is hereby understood that any non-EU Purchaser shall timely send the Seller said documentation by registered mail with return receipt, and anyhow no later than fifteen (15) days from the date the Seller has requested them in writing. In the absence of said documentation or in case the Purchaser fails to send it, the latter hereby undertakes - any exceptions already waived - to reimburse the Seller for any sanction imposed by the Public Financial Administration.

- 7.1 **7. Price and Payment Conditions** Prices are understood to be expressed in Euro - VAT excluded - and shall not include packaging costs. Prices are understood to be fixed only in the case in which they are indicated to be so by the Seller.

7.2 Excepting where agreed otherwise in writing, the Prices are understood to be for Products delivered Ex-Works, unpackaged, it being understood that any further expenses or charges shall be attributed to the Purchaser and invoiced to the latter.

7.3 Payment shall be made in compliance with the conditions contained in the Confirmation Order and/or invoice.

7.4 Except where agreed otherwise in writing, Products shall be paid in advance by wire transfer to be made - free of bank charges - in the Seller's bank account ten (10) days before the delivery date or the date of the commencement of the delivery period. The Purchaser shall fax the Seller copy of the bank receipt evidencing the payment made, within the same term.

7.5 It is hereby understood that in the case in which the Purchaser fails to comply with the terms of payment, the Seller shall be immediately entitled to claim any payments, including those who are not due yet, in accordance with article 1186 of the Italian Civil Code..

7.6 In case of late payment of the Products by the Purchaser, the Seller shall be entitled to suspend any delivery of Products and may, at its sole discretion, terminate the Agreement.

7.7 The Seller is entitled to apply moratorium interest set forth by the Italian Legislative Decree No. 231/2002.

8. Retention of title

8.1 Products supplied shall remain at the Seller's property until the latter has received full payment thereof.

9. Complaints - Warranties for defects

9.1 Any complaints in connection with the Products' state of packaging, quantity, numbers or exterior characteristics, must be notified immediately to the carrier in the pertinent transportation documentation and then sent in good time to the Seller by registered mail, in order to avoid forfeiting his rights in merit, within eight (8) days from receipt of the Products, using the form (hereinafter referred to as "Form"). The Form shall be filled out with the following information: (i) date of purchase of the Product (ii) name and address of the final client the Product is sold to (iii) registration number of the machinery the Product is installed on (iv) number of hours of work dedicated to the machinery the Products is installed to.

9.2 Any complaints in connection with to defects that cannot be detected after careful checking when Products are received, must in any case be brought to the attention of the Seller by means of registered mail with return receipt, at the risk of forfeiting his rights in merit, within eight (8) days from discovery of the defect and, in any case, no later than twelve (12) months after delivery, using the Form. The Form shall be filled out with the following information: (i) date of purchase of the Product (ii) name and address of the final client the Product is sold to (iii) registration number of the machinery the Product is installed on (iv) number of hours of work dedicated to the machinery the Products is installed on.

9.3 It is understood that any complaints or disputes shall not entitle the Purchaser from suspending or, in any case, delaying payment of the Products, subject to dispute, nor payment of other supplies.

9.4 Except as otherwise agreed upon in writing between the Seller and the Purchaser, the Seller undertakes to remedy any defect, lack of quality or conformity found in the Products, which may be attributable to himself, that arises within twelve (12) months from the Products' delivery, as long as the same has been communicated in good time in compliance with art. 9.2 and its existence has been ascertained by the Seller himself.

9.5 The Purchaser shall bear any transportation costs for those Products the Purchaser claims to be defective or lacking of quality or conformity. Those parts of Products that are subject, due to their nature and use, to wear and tear or deterioration shall not be included in the warranty as well as those Products the defect of which is due to misconduct or negligence of the Purchaser and/or final customer and anyhow due to the use non in compliance with the Seller's instructions.

9.6 Excepting cases of misrepresentation or gross negligence, the Seller, in the case of faults, lack of quality or defect of conformity of Products, may choose to repair or replace the Products or reimburse the price paid for the faulty products. It is understood that said warranty absorbs and replaces the guarantees and liabilities foreseen by law, and excludes any other liability attributable to the Seller that might arise out of the Products supplied (for example, compensation of damages, loss of earnings, recall campaigns, etc). The Products that are replaced or repaired under warranty shall be covered by the same twelve-month warranty from the date of their replacement.

9.7 No Product whatsoever may be returned by the Purchaser unless he has received the Seller's prior written authorization.

9.8 The Seller does not guarantee the Products' meeting particular specifications or technical characteristics or their suitability for use and/or particular use, except for in the measure that said characteristics have been explicitly agreed upon in the Agreement.

10. Applicable Law – Exclusive Jurisdiction

10.1 The Agreement shall be exclusively governed by Italian Law, under the exclusion of the United Nation Convention on the International Sale of Goods and under the exclusion of conflict of law rules.

10.2 Any dispute arising from the Agreement or connected to the same or in any way related to the Products, shall be exclusively submitted to the Court of Reggio Emilia, Italy. However, in exception of that which has been established foregoing hereto, the Seller is always entitled to shave the dispute submitted to the competent judge where the Purchaser is domiciled.

11. Force Majeure

11.1 The Seller may suspend the execution and/or withdraw from the Agreement if performance is objectively impossible or unduly burdensome because of unforeseeable events beyond its control, such as, for example, strikes, labor disputes, accidents, explosions, boycott, lockout, fire, war, civil war, riots, revolutions, requisitions, embargo, energy, flood, acts or omissions of law or government, acts of terrorism, delay or failure to supply of its suppliers, equipment or essential equipment breakdowns, and other causes similar to those listed above (“Force Majeure Event/s”).

12. Final clauses

12.1 Any eventual partial or total invalidity of a clause contained in these General Conditions of Sale shall not lead to the invalidity of the entire clause of the General Conditions of Sale.

12.2 The Seller’s tolerance to the Purchaser’s breach of one of the provisions hereto shall not be construed as a waiver of the same nor shall ever prevent the Seller from exercising them.

12.3 In the event the Purchaser cancels any order for customized products for which the Seller has manufactured work-in-process, the Seller will be entitled to reimbursement of only its direct and indirect costs for such work-in-process, to the extent the Seller has the right to such direct or indirect costs pursuant to the terms of the Agreement or under applicable law.