

1. **GOVERNING PROVISIONS AND DEFINITIONS** These general conditions are applicable to any supply of stringing machines and equipment manufactured by Tesmec S.p.A. (the “Goods”) and related services, if any (the “Services”), as better itemized in each purchase offer (the “Offer”). Each Offer shall be deemed open for acceptance for a period of 60 days, except a different period of validity is therein specified. These general conditions and the special conditions contained in the Seller Offer or in Order Confirmation, as the case may be, make the sale contract applicable between the Parties for the supply of Tesmec Goods and Services (the “Contract”).

In case of contradictions, the special conditions in Seller Offer or Order Confirmation, as the case may be, will prevail.

These general conditions shall not be modified by any course of dealing or trade customs and usage. Any Buyer’s standard or special terms and conditions shall not apply.

Cancellation, modifications and waivers of the Contract or any of the underlying rights or obligations shall not be effective without Seller’s written consent

2. **PRICES AND PAYMENT CONDITIONS.** Published prices are subject to change without notice.

The price and the payment conditions are indicated in the special conditions. The payment of the price shall be remitted by the Buyer to the Seller’s business address.

In case a down payment is agreed, the amount cashed shall be deemed as non refundable in case of Contract cancellation or termination.

If Buyer fails to make any payment on the due date, the Seller – without prejudice to any other right or remedy available - shall be entitled to charge the Buyer with interest at the rate as calculated according to art. 3, lett d) of the European Directive 2000/35/EC of 29 June 2000 on combating late payment in commercial transactions (e.i. the level of interest shall be the sum of the interest rate applied by the European Central Bank plus at least seven percentage points)

3. **DELIVERY – TRADE TERM – RISK OF LOSS.** Delivery dates are based on estimated manufacturing periods and shall not be deemed to represent fixed or guaranteed delivery dates, except expressly indicated in the special conditions. Seller’s delivery obligation is subject to timely payment of the price from Buyer.

Unless otherwise agreed, the delivery of Goods shall be Ex-works Tesmec Factory in Italy (Incoterm ICC Paris Ed. 2010).

All risk of loss and damage shall pass accordingly. The Seller shall be no way responsible for loss or damaging of the Goods if they occur after the passage of risk. The loss or the damaging of the Goods occurred after the passing of risks don’t relieve the Buyer from payment of the price.

4. **PRE-DELIVERY INSPECTION.** If special conditions include pre-delivery inspection (“PDI”), the Parties agree that it shall take place at the Supplier facility before delivery of the Goods and consists on a visual inspection. The PDI shall be conducted together by Supplier’s and Buyer’s personnel, technicians and/or appointed representatives. The Buyer shall attend the PDI before delivery of the Goods on the date communicated in writing by the Supplier to the Buyer with a suitable prior notice, on a minimum of five (5) days in advance.

The PDI shall result on a pre delivery inspection certificate, which shall be duly signed by both parties and shall bear evidence between them of the outcome of the inspection. The Parties’s attendants shall make comments, reservations and other observations.

If the pre-delivery inspection do not reveal non-conformities of the Goods, the Supplier shall proceed with the packing and the delivery.

The Supplier shall perform the necessary works and take proper action at its own expense and under its responsibility to remedy possible non conformities.

If the Buyer refuses or is not willing to take part to the PDI after being noticed of the date, except for Force Majeure events, the pre-delivery inspection shall be deemed as successfully passed and the Supplier shall proceed with the delivery.

Notwithstanding the foregoing, the special conditions may contain different provisions about PDI need and/or methods of executions, depending on the specific Supply.

5. **ASSEMBLY, START UP AND COMMISSIONING/TEST RUN.** If the special conditions include Services and the assembly and/or start up and/or commissioning operations of the supplied Goods shall be done by Seller’s technicians or third personnel charged by the Seller at the place of destination or at the job site, the Buyer shall bound its personnel and the one of the End User or of the Contractor, if different, to co-operate with the Seller’s personnel and procure at its charge and without undue delay all the necessary tooling and special equipment for the prompt and successful execution of the above mentioned operations.

In a suitable time before the starting the operations, the Buyer shall provide to Tesmec After Sales and Service Dept.:

i) logistical information by sending back the relevant Tesmec data sheet, duly filled in;

ii) applicable safety regulations and the risk assessment of the job site.

The Seller is not able to guarantee the timely performances of the operations if the previous information are lacking or not sent in due time.

The Buyer relieves the Seller from any kind of responsibility for delay in assembling, start up and commissioning/test run due to force majeure causes, to third parties or caused by the Buyer’s faulty cooperation or delay in providing the necessary tooling and special equipment.

At the end of the commissioning/test run operations, the Seller and the Buyer personnel shall sign a certificate stating that the operations have been completed and that the Goods are accepted and ready for their intended use.

6. **CLAIMS OF BUYER.** Buyer shall inspect Goods immediately upon delivery. Goods shall not be subject to use until their commissioning/test run, unless expressly permitted by the Seller in writing. Any claim must be made by Buyer in writing within 8 days of receipt of delivery, and all ascertainable defects and nonconformities shall be stated with particularity or be deemed waived. Under no circumstances shall Goods be returned to Seller without Seller’s written permission. A claim that Goods are nonconforming shall not entitle Buyer to deduct any sum from any invoice unless such claim has been allowed in writing and accepted by the Buyer. Invoices shall be paid in full in accordance with the Contract. All claims by Buyer are subject to the claims procedures set forth in Seller’s warranty conditions.

7. **DELAY OF THE PARTIES IN CONTRACT’S EXECUTION** 8.1 In case of delay in delivery for which the Seller is responsible, and provided that the delivery date is expressly indicated as “binding”, the Buyer may request, after having summoned in writing the Seller, liquidated damages at 0.5% for each complete week of delay (7 days), starting from such delivery date or at the end of the grace period, if any.

The liquidated damages shall be calculated on the net amount of the Goods delayed; Services, additional transport freight and special packing other the standard one, if any are excluded. The liquidated damages total amount can’t exceed the 5% of the delayed Goods’ net amount and shall be deemed as a satisfactory and full reimbursement of all the possible damaged suffered by the Buyer, excluding any further claims.

Any delay caused by force majeure or by acts or omission of the Buyer (e.g. the lack of indications which are necessary for the manufacturing or for the supply of the Goods) shall not be considered as a delay for which the Seller is responsible.

7.2 In case of unjustified refusal from the Buyer to collect the Goods (totally or partially) the Seller shall be entitled to claim the cost for the Goods’ movements and storage.

8. **FORCE MAJEURE.** The Seller shall have the right to suspend performance of its contractual obligations when such performance becomes impossible or unduly burdensome because of unforeseeable events beyond its control, such as strikes, boycotts, loc-outs, fires, war, civil wars, riots, revolutions, requisitions, embargo, restrictions imposed by any governmental legislation, rules or regulation, energy black-outs, delay in delivery of components or raw materials. Should the suspension due to force majeure last for more than six (6) months, Seller shall have the right to terminate the Contract by a fifteen (15) days’ written notice Seller will be compensated for Goods or Services provided until that point, if any.

9. **CHARACTERISTICS OF THE GOODS - MODIFICATIONS.** Any information or data relating to the technical features and/or specifications of the Goods contained in catalogues, price lists, brochures and similar documents shall be binding only to the extent they are expressly referred to in the Contracts. Seller may make any changes to the Goods which, without altering their essential technical features, appear to be necessary or suitable
10. **MADE TO ORDER GOODS.** For any Good made to the order of Buyer, or in case the Buyer charges the Seller to study, design and/or manufacture a particular kind of component and/or technical solution, Seller shall have no responsibility for errors or variations in tooling, patterns, specifications, drawings, or designs furnished to it by Buyer.
11. **WARRANTY AND COMPLAINTS.** In case of faulty or noncompliance of the Goods supplied, Buyer's exclusive remedy shall be limited to the repair or replacement of the faulty or nonconforming Good(s) in accordance with and limited by the Seller's International Warranty Conditions, here integrally recalled and attached as Annex 1. In no event shall Buyer be entitled to (nor Seller liable for) any consequential, incidental or contingent damages of any kind or loss of profit or loss of production, whether arising out of (a) third party claims against Buyer, or (b) breach of any applicable law with respect to Goods sold or Services rendered by Seller, or any undertakings, acts, or omissions relating thereto.
12. **LIMITED LIABILITY.** The Seller cannot be held liable for any kind of use or incident, bad functioning, breakdown, damage to property and person (either for injuries and death) caused, directly or indirectly: i) by any changes or alteration of the Goods made by the Buyer or by a third party, that have not been undergone to Tesmec Technical Dept. prior written approval and/or ii) by a particular usage of the Goods other than the application recommended by the Seller.
13. **TRADEMARK AND INTELLECTUAL PROPERTY.** The Buyer cannot remove, cover or modify the trademark, labels, logos and signs found on the Goods upon delivery. Any Intellectual Property rights pertaining to the Goods and/or the Services shall remain a Seller exclusively right. Any form of reproduction, use and exploitation of the Seller's patents and know how is forbidden to the Buyer. In case of software embedded in the Goods, the Buyer is granted with a grant a perpetual, non transferable, license, without any additional cost to Buyer limited for the use and maintenance of the Goods, without any right to alter or revise such software.
14. **COMPLIANCE WITH LAW.** The Buyer is acknowledged that Tesmec S.p.A is a public company listed on the Italian stock exchange market and is subject, together with all other Italian Companies pertaining to its Group, to the Italian Law n. 231/2001 which provides for the criminal liability of the companies and associations because of certain offences committed by its management, employee or third parties for the benefit of the companies themselves. Such offences include, but are not limited to, fraud, embezzlement, bribery, crimes punishing the unlawful management of companies asset, shares and capital, market abuse crimes, death or injuries to due to non compliance with safety in working places laws, etc. To comply with Law n. 231/2001, Tesmec has made its commercial partners aware to have adopted a Code of Ethics, available on the website www.tesmec.com, Investors page, Governance's Section and an Organisational, Management and Control Model about prevention of Companies criminal liabilities. By dealing with Tesmec S.p.A. or any of its Group Companies, Buyer represents, warrants and agrees that Buyer share and is aware of the principles contained in the documents mentioned above and commits itself to desist from all practices which may lead to an infringement of the such principles. In the event such a violation is ascertained, the Seller has the right to immediately terminate each Contract by Buyer's default for gross negligence. Termination will occur immediately upon sending a written notice by the Supplier to the Buyer.
15. **MISCELLANEOUS PROVISIONS. *Entire Agreement and Severability.*** Each Contract for the sale of Goods and Services shall be deemed concluded upon Tesmec either receiving the Order Confirmation duly signed by the Buyer confirming in writing its order or starting the performance of such order by the Buyer. These General Conditions shall be deemed accepted by the Buyer also in case the Contract is executed by Tesmec starting to perform the order of the Buyer. The invalidity of any one of the contractual provisions shall not affect the validity of the remaining provisions.
Advertising. Buyer allows the Seller to put its name, logos and possible pictures taken of the Goods in the job site in Tesmec reference list and advertising materials, including web site, on the assurance that Tesmec will use them for marketing purposes *only*.
Limitations on suits and actions. No action or suit to enforce Buyer's rights or remedies arising from each Contract or these Standard Terms and Conditions shall be commenced later than one year from the date of any actual breach by Seller.
16. **CUSTOMS REGULATIONS.** It is the policy of Seller to fully comply with any and all regulations in force at the moment of shipment, including the Export Administration Regulations, relating to the transportation, sell, delivery or shipment of goods. Seller is not responsible for the delay or failure of delivery of any good subject to this sale which is not permitted to be exported. Further, Buyer represents, warrants and agrees that Buyer has provided to Seller *all* information regarding the end-user and final destination of the Good subject to each sale. Buyer understands and acknowledges that Seller will rely on the information provided by Buyer in making a determination whether to make application with the competent Authorities for an export license or approval and in making any application. Diversion, exportation or re-exportation contrary to applicable law is prohibited. Seller has the absolute right -- without any liability to Buyer -- to cancel any sale which Seller believes to be in violation of any export regulation.
17. **APPLICABLE LAW.** For what not expressly written down in these general conditions, each sale Contract shall be regulated by the uniform law provisions of the UN Vienna Convention of 11 April 1980 related to the international sales of Goods.
18. **DISPUTE RESOLUTION.** The Parties undertake to execute the Contract according to the principle of good faith and to use their best efforts to find an amicable solution to all and any disputes that might arise for the interpretation, execution, validity and enforcement of its provisions. If they are not able to reach a friendly settlement, the competent Court of the place where the Seller has its registered office shall have exclusive jurisdiction. However, as an exception to the principle hereabove, the Seller is in any case entitled to bring its action before the competent Court where the Buyer has its registered office.