

GENERAL CONTRACTUAL CONDITIONS FOR EXPORT OF WOODWORKING/ METALLWORKING MACHINERY

CONTRACT

All agreements governed by the general conditions hereto shall be subject to Italian law

PRICES AND CONDITIONS OF PAYMENT

Prices

The prices of the goods shall be paid by the customer, excluding packaging which is charged separately.

Terms and conditions of payment

The price of the goods and any other sum owed to the seller for any reason, shall be deemed net seller's domicile. The buyer shall make all payments promptly on the due date agreed.

TITLE

Transfer of title

Title to the goods shall be transferred on delivery to the buyer.

Reservation of title

In case of installed payments or any other alternative, the seller reserves title to the goods delivered until full payment of the price, according to art 1523 and ss of civil code.

DELIVERY

We will inform you 2 weeks prior to the anticipated delivery time as given in the order confirmation about the actual delivery time, so that you can make necessary arrangements for collection or delivery. Also please note that from the **21st day** following the confirmed delivery date for the merchandise, we will charge an amount per day for storage for each calendar day the merchandise remains at our plant until the date of actual collection.

Shipment of goods

Unless otherwise agreed, goods shall be supplied Ex Works: this shall apply whenever it is agreed that shipment of all or part of the goods shall be made by the seller.

In the case of goods shipped by sea with seaworthy packing or in containers, the goods shall travel under deck or be stored in a sheltered place and/or under cover.

WARRANTY

Machine compliance

In pursuance of the provisions of the article hereto, the seller undertakes to deliver machines in compliance with the agreement and free from defects so as to be suitable for the purpose for which machines of the same type are usually made. A plus and minus weight tolerance up to a maximum of $\pm 10\%$ shall be allowed to be calculated on a standard machine without fixtures. Any goods other than machines shall be excluded from the warranty.

Details of the guarantee obligation

The seller shall not be liable for defects of electrical and electronic parts, compliance defects of the machine or faults due to the normal wear and tear of those parts which, by definition, are subject to rapid and constant wear (e.g. washers, belts, brushes, fuses, bellow protection covers etc.). Likewise the seller shall not be liable for compliance defects of the machine or faults caused by failure to abide by the rules listed in the instruction manual and in any case due to misuse or incompetent treatment of the machine. Nor shall the seller be liable for compliance defects or faults resulting from negligence and/or incorrect use of the machine by the buyer or by the same having made changes or repairs without the prior written

consent of the seller. If the machines are shipped unassembled, to be assembled by the seller, any warranty shall be deemed forfeited if assembly at the buyer's premises is not performed directly by the seller or at least under the control of his specialized personnel.

The warranty is also deemed forfeited if the unassembled machines have been damaged due to inadequate storage. In no case shall the seller be liable for compliance defects or faults caused by an event subsequent to the passage of risks to the buyer. In no case shall the seller be held liable in respect of calculation of foundations.

Duration of warranty

When no agreement is made by the parties providing for starting up on the buyer's premises, the warranty hereto shall last for a period of 12 months starting from the date of delivery. When the parties have agreed that starting up is to be carried out on the buyer's premises, the warranty hereto shall last for a period of 12 months starting from the date of starting up of the machine at the buyers premises and in any case no longer than 18 months starting from the delivery date of the machine.

Working hours of the machine exceeding 48 hours a week shall entail a proportional reduction of the warranty period. The warranty for parts replaced or repaired shall expire on the day the warranty expires for the machine.

Notification of compliance defects

The buyer shall, on penalty of forfeiting the warranty, notify the compliance defect or fault of the machine to the seller specifying in detail in writing the type of defect within 15 days after discovery of such defect. The buyer shall further forfeit the warranty if he fails to agree to any reasonable check requested by the seller or, if the seller offers to replace the faulty part at his own expense, the buyer fails to return such part within a short period after such offer.

Repairs or replacements

Following due notification by the buyer, the seller, after having ascertained the existence of the defect, shall be entitled to:

- a) supply free of charge to the buyer the parts necessary to replace the defective parts, or
- b) perform or have performed any repairs at his own expense.

Any supply of parts to replace the defective parts shall be made Ex Seller's Works. If assistance is required by a technician, the relative expenses shall be debited.

Limitation of seller's liability

Save for fraud (or gross negligence) on the part of the seller any compensation for damages to the buyer shall not exceed the quota of the value of the parts as a consideration for the share. The warranty provided for herein shall include and replace the guarantees or liabilities provided by law; it excludes any other liability of the seller resulting from the goods delivered and excludes liability for loss of earnings and/or losses of production; in particular, the buyer shall not make further claims for compensation of damages, price reductions or termination of the contract. After the expiry of the warranty period, no claim shall be made against the seller.

SETTLEMENT OF DISPUTES

Competent court Reggio Emilia