

GENERAL TERMS AND CONDITIONS OF SALE OF S.A.M.P.I. S.p.A.

1. Definitions

These definitions are an integral and essential part of this document:

“Purchaser”: A customer of S.A.M.P.I. S.p.A.

“Supplier”: S.A.M.P.I. S.p.A. with registered office at Via A. Vespucci, 1, in Altopascio (LU), VAT ID No. 01780750467

“End User”: either the Purchaser or the Purchaser's Final Customer

“Offer for Sale”: document with which S.A.M.P.I. S.p.A. offers to the potential Purchaser the supply and related economic - technical conditions.

“Order confirmation”: the confirmation issued by S.A.M.P.I. S.p.A. at the purchase order issued by the Purchaser.

“Special Conditions”: the conditions indicated in the Order Confirmation

“Supply”: the goods sold by S.A.M.P.I. S.p.A. to the Purchaser

“RMA”: written authorisation issued by S.A.M.P.I. S.p.A. to the Purchaser to return material

“MSDS”: Material Safety Data Sheets that identify the type of product (e.g. gas oil, petrol, solvent, etc.) to which the supply is exposed

2. General requirements

The Purchaser expressly agrees to these General Terms and Conditions of Sale which are an integral part of each Offer for Sale of the Supplier, the Purchase Order issued by the Purchaser, the Order Confirmation issued by the Supplier, and are applied as essential clauses of these terms.

Only the Special Conditions stated in the Order Confirmation prevail over these General Terms and Conditions of Sale and may be an exception or amendment to them.

The General Terms and Conditions of Sale shall apply to all the Purchase Orders sent by the Purchaser.

The General Terms and Conditions of Sale and any Special Conditions may be neither modified nor added to by the Purchaser unless a signed agreement exists between the Purchaser and the Supplier.

If one or more of the articles provided for by these General Terms and Conditions of Sale prove ineffective or contrary to binding legal regulations for any reason, the ineffectiveness or opposition to binding legal regulations shall not extend to the other requirements of these General Terms and Conditions of Sale that will keep with full effect and force.

An Offer for Sale expressly accepted can be defined as such once it is signed by the Purchaser or confirmed by any other document issued by the Purchaser. An implied acceptance of the Offer for Sale is instead the collection of the goods by the Purchaser.

Acceptance of the Offer for Sale, whether express or tacit, is considered as a full recognition of the General Terms and Conditions of Sale and a waiver by the Purchaser to the application of his own general terms and conditions of purchase.

Any conditions indicated in the Purchase Order issued by the Purchaser or referred to by it shall be deemed not applicable unless previously agreed upon in writing by the Supplier.

The Purchase Order issued by Purchaser is understood as an irrevocable offer to purchase; it must be considered as accepted by the Supplier only after he issues the Order Confirmation.

The Supplier has the right not to accept any changes or cancellations to the Purchase Order in relation to the progress of the order; in any case to be valid the changes and cancellation must be expressly accepted in writing by the Supplier.

3. Prices and terms of payment

The prices are expressed in Euro plus VAT. They do not include packaging and are FCA (Incoterms 2010).

The prices indicated in the Offer for Sale are valid for the period the offer is valid and, unless otherwise specified, for no more than 30 (thirty) days from the date of the offer.

The prices indicated in the Offer for Sale can be amended at the Supplier's discretion when deemed necessary according to the increase in material costs, labour costs, other manufacturing costs, and changes in customs tariff, taxes and exchange rates. The above does not affect the Purchaser's right to cancel an order in writing within a mandatory period of five (5) days from the date the notification of the Supplier about new prices is received. The fixed prices are agreed only if explicitly defined as such by the Supplier.

The Supplier is entitled to compensate for the debts accrued by the Purchaser with any receivables accrued by the Purchaser.

The payment terms specified in the Order Confirmation of the Supplier are binding and essential for the Purchaser.

In case of deferred payments, failure to pay even only once at the set deadline results in the right to collect payment of all remaining instalments.

In case of late payments, the Supplier reserves the right to charge interest for late payment pursuant to Article 5 of Italian Leg. Decree No. 231/02.

4. Right of retention

The whole Supply and each individual component included in it remain the property of the Supplier until all obligations, whether financial and operational, on the part of the Purchaser are fulfilled.

If the Purchaser installs the products covered by the Supply with other goods not belonging to the Supplier, the Supplier may use the right of property of the entire assembled product in proportion with the value of the unpaid invoice concerning the goods subject to retention.

5. Delivery terms

Delivery terms start from the date of the Order Confirmation is issued by the Supplier.

The Supplier shall not be held liable for delivery delay caused by:

- a) *Force majeure* or extraordinary events, shortage of raw materials, energy sources restrictions
- b) Delays attributable to the Purchaser, in particular for no or late communication of data required for executing the Purchase Order
- c) Failure to comply with the terms and conditions of payment

The Purchaser shall also take over the Supply in case of partial deliveries or deliveries made after the date agreed upon. All the expenses generated by the non-collection of the Supply shall be borne by the Purchaser.

In case of changes to the Purchase Order, which have been agreed by the Parties, the delivery time shall be automatically extended as needed to execute the Purchase Order as amended.

6. Force Majeure

If the purchase order fails to be carried out due to the occurrence of circumstances of *force majeure*, the delivery dates are deemed as extended and the new date shall be established by mutual consent between the Purchaser and the Supplier in relation to the impediment.

The Supplier shall not be liable in case of strike, fire, picketing or any other circumstances beyond the control of the Supplier, which prevent deliveries from being received or cause a reduction in the requirement of the ordered supply.

7. Checking the supply and warranty

The acceptance of the supply by the Purchaser shall be automatically confirmed if no complaints are sent to the Supplier within a period of 8 (eight) days from the delivery of the supply identified in the TD (transport document).

Complaints submitted to the Supplier after the deadline mentioned above shall be considered null and void.

Any complaints must be made by the Purchaser in exclusively writing and sent to the Supplier on a special electronic form made available by the Supplier.

The Supplier must ensure that the supply is free from defects, apparent or hidden, that could make it unsuitable or partially suitable for the use to which it is intended.

The Supplier also guarantees that the products supplied are new and have not been used or rebuilt or made with reconditioned material, except express written approval of the Purchaser.

The warranty on the conformity of the supply shall be valid for a period of twelve (12) months from the delivery date, and for 3 (three) months for repairs under warranty.

The warranty is limited to those parts that due to the poor quality of materials, defects in workmanship or imperfect assembly (carried out by the Supplier) are defective according to the Supplier.

The warranty excludes any part which, due to its nature and use, can be subject to frequent replacement such as valve disks, elastic bands, seals, insulation material, belts, chains, cables and the like, and electric motors when supplied alone or as a spare part.

The warranty does not apply if the Supply is tampered with, natural wear or tear, damage caused by lack of skill or negligence on the part of the Purchaser, overloading or any other use that does not comply with the instructions given by the Supplier, use of the Supply out of the limits agreed or established by specific rules or set out in the technical documentation delivered by the Supplier, damage caused by natural disasters or other *force majeure* events.

The Purchaser's warranty rights also expire when the Supplier is not granted the necessary time and the chance to carry out repairs as a result of the direct non-authorized intervention of the Purchaser, or when the latter resorts to a Third Party to perform tasks without the prior written consent of the Supplier.

For any direct work at the Purchaser's, even if within the warranty period, the Supplier must be reimbursed any travel, board and lodging expenses of the staff.

In case of non-compliance of the supply, the Supplier, at his own discretion and in relation to the state and type of the supply, can:

- a) Deliver the missing goods in case of error regarding quantity
- b) Repair or replace the non-conforming supply
- c) Grant discounts on future supplies
- d) Issue a credit note and withdraw the supply

Any electronic boards made for the evaluation of warranty will be returned/processed within the Boards Replacement Programme. Therefore, the original board for the evaluation could not be returned to the End User but replaced with operationally equivalent material.

The parts replaced under warranty remain the property of the Supplier and will be returned without transportation charges.

If the Supplier decides to carry out repairs at the Purchaser's, the Purchaser shall make available, at his expense, unskilled staff, equipment, consumables and anything else that may be useful to carry out the works.

The Purchaser shall also bear any assembly/ disassembly costs and any other related charge such as, included but not limited to, erection works, metal processing, carpentry, system test and re-legalisation that may be necessary in connection with the repair or replacement of the product under warranty.

The Supplier reserves the right to suspend the services under warranty in case of insolvency or late payments by the Purchaser.

Purchaser and Supplier explicitly recognise the total value of the Supply as the maximum limit of the economic responsibility of the Supplier.

The Supplier may, at his discretion, conduct the activities concerning the warranty services also by third parties without the need of the Purchaser's consent.

8. Returned material

All products or parts returned to the Supplier will require a written authorisation (RMA) issued by the latter to the Purchaser.

This allows the Supplier to provide a tracking system of the Purchaser's equipment once it has reached the facilities of the Supplier.

The Purchaser has the right to obtain an RMA number by contacting the Rep of the Customer Service of the Supplier.

In order to help the Supplier to speed up and duly process the returned Supply, a detailed reason for returning the goods is also required.

All mechanical products being returned must be thoroughly washed, dried and duly packed for shipment; otherwise, the Purchaser will be charged for any cleaning process.

One or more MSDS (Material Safety Data Sheets) must accompany the shipment.

Electronic boards must be returned in a proper packaging (anti-static bags and appropriate containers).

With regard to products not covered by the warranty, the Purchaser will be charged the cost of analysis regardless of product repair or replacement.

If there is no RMA, materials are without safety data sheet or TD, the product will be returned to the Purchaser or the End User with transport costs borne by the latter.

The Supplier may, at his discretion, authorise the Purchaser to deliver any products not used to the Supplier to issue a credit note.

The products must be returned in their original packaging, intact and sealed, provided that this occurs within a period of twelve (12) months from their delivery.

In case unused products are returned, the Supplier will apply to the Purchaser a standard mark-to-stock rate of 15% (fifteen percent) of the value of these assets related to operating costs resulting from a purchase order processed correctly.

9. After-sales support service

Following the specific request of the Purchaser, for the period following the time scale of the warranty, the Supplier, subject to the negotiation of business and economic conditions, undertakes to:

- a) Provide all the services required and to send useful information in order to solve operational issues once and for all or any other type of non-compliance that occurs in the supply;
- b) Provide the Purchaser with spare parts in the quantities and time scales needed to allow the Purchaser to meet the after-sales support needs of its products, in accordance with the best standards of end customer satisfaction.

10. Suspension

In case of insolvency of the Purchaser, and with a prior written communication sent to the Purchaser 15 (fifteen) days in advance, the Supplier reserves the right to suspend, at any time, the execution of the purchase order until the solvency of the Purchaser is proved.

11. Cancellation

The Purchaser or the Supplier reserves the right to cancel the Purchase Order if the other Party fails to fulfil one or more contract obligations.

The cancellation will be effective within 7 (seven) days from the non-compliance notice the other party fails to solve.

Each Party may at its discretion terminate the Purchase order if a third party company acquires the share majority or the control of the other Party, due to the termination of the business, insolvency, or if the Party enters liquidation, receivership, extraordinary administration, an arrangement with creditors or becomes bankrupt.

12. Technical changes

The Supplier reserves the right to make technical changes to the Supply resulting from technical and operational reasons provided that such variations do not compromise and/or alter the basic characteristics and performance of the Supply.

13. Product Civil Liability

The Supplier shall be held responsible for damages caused to persons resulting from product defects, unless the Purchaser has caused such damage through their actions on the safety features of the product or did not install, use, or carry out the maintenance of the product in accordance with the written instructions received, according to the provisions of the Operation and Maintenance Manual provided or in accordance with the best know-how and the highest standards of the companies in the sector.

14. Recall and traceability

The Purchaser is obliged to keep a record of the location where the products or systems purchased by the Supplier are installed for a period of 15 (fifteen) years from date of delivery.

In case of assignment to Third parties, the Purchaser must keep a record of the new owner and inform the owner of this obligation.

In case of product recalls, whether mandatory or voluntary, the Supplier may charge the Purchaser the additional costs resulting from omission to comply with this obligation.

15. Confidentiality

The Purchaser and the Supplier agree to keep private and confidential all technical, procedure or economic information contained in drawings, 3D or other models, and any other information supplied in connection with the Purchase Order, as well as not to disclose to any third party, in any way, Confidential Information without written authorisation of the other Party.

Confidential Information means also notes, summaries, reports, analysis or any other written material in any form ("Notes").

16. Protection of personal data

The Supplier and the Purchaser declare to authorise mutually the processing of personal information in accordance with the information note stated in the Italian Legislative Decree No. 196/2003.

"Personal Data" means any information relating to an identified or identifiable person; "Purchaser's personal data" means any personal data that the Supplier has received from the Purchaser.

The Supplier, in observance of the aforesaid decree, declares that all processing shall be marked by principles of correctness, lawfulness and transparency as well as safeguarding the confidentiality and rights of all the entities involved.

The information shall be processed solely for the purposes associated with the purchase order.

The information shall be processed using tools suitable for ensuring security and confidentiality in accordance with the provisions of said decree.

17. Governing law

The Offer for Sale, the Purchase Order and the Order Confirmation must be governed by and interpreted in all respects by the Italian law, except as expressly provided in these General Terms and Conditions of Sale or in the Special Conditions contained in the Order Confirmation.

The Parties exclude the applicability of the Vienna Convention on contracts for the International Sale of Goods.

18. Arbitration

All disputes that may arise in relation to the supply relationship and the individual documents that govern it including those pertaining to its validity, interpretation, execution and termination shall be deferred to the decision of an arbitration board or a sole arbitrator, in accordance with the “Regulations of the Court of Arbitration” of the Chamber of Commerce of Lucca.

The arbitration board or the sole arbitrator shall decide, as standard procedure, according to law in compliance with the mandatory provisions of Articles 806 *et seq* of the Italian Civil Procedure Code.

Purchaser
(Date, stamp and signature)

In accordance and for all legal purposes of art. 1341 and 1342 of the Italian Civil Code the clauses stated in the articles below are hereby specifically approved:

2. GENERAL REQUIREMENTS
3. PRICES AND TERMS OF PAYMENT
4. RIGHT OF RETENTION
5. DELIVERY TERMS
6. FORCE MAJEURE
7. CHECKING THE SUPPLY AND WARRANTY
8. RETURNED MATERIAL
10. SUSPENSION
11. CANCELLATION
12. TECHNICAL CHANGES
14. RECALL AND TRACEABILITY
17. GOVERNING LAW
18. ARBITRATION

Purchaser
(Date, stamp and signature)