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1. GENERAL PROVISIONS

- a. The following definitions will be used in this document.
 - "Vendor": this term refers to DKC EUROPE SRL with registered office in Milan, Via Larga 15, Italy;
 - "Buyer and/or Distributor": this term refers to the person, company or firm from which the purchase order is received.
- b. The terms and conditions listed below (the "General Conditions of Sale") form an integral part of the contracts stipulated between the Vendor and the Buyer and/or Distributor and/or Distributor: for the supplying of the Vendor's products (the "Products") and prevail over any general conditions imposed by the Buyer and/or Distributor, subject to the written acceptance of the Vendor.
- c. The Vendor reserves the right to change, add to or vary the General Conditions of Sale, attaching such variations to the offers or to any other correspondence sent in writing to the Buyer and/or Distributor.

2. QUOTATIONS AND ORDERS

- a. Quotations and offers will be valid for a period of 30 days from the date of issue, unless otherwise specified in writing by the Vendor. The Vendor, however, reserves the right to cancel or review quotations and offers at any time whatsoever prior to the issuing of the written confirmation accepting the order.
- b. The orders issued by the Buyer and/or Distributor are not considered as accepted until they have been confirmed in writing by the Vendor. Should the Vendor fail to confirm in writing an order negotiated verbally, the said Vendor's issuing of the invoice or the execution of the order by the Vendor will be considered as a confirmation. The minimum amount that can be invoiced is €250.00
- c. Any order, order proposal, work contract or supply request, forwarded to the Vendor in any form whatsoever constitutes an irrevocable contractual proposal in favour of the Vendor for sixty (60) days, running from the date in which the Vendor received it, during which time the Vendor is free to accept or refuse the order at its own unquestionable discretion. Any orders and/or changes to orders made verbally or telephonically must be confirmed in writing by the Buyer and/or Distributor. Should the Buyer fail to do so, the Vendor will not be held responsible with regard to any errors or possible misunderstandings. Any proposals coming through agents, collaborators or business promoters in general are considered as having been received "subject to the Vendor's approval".
- d. The request to change an order that has already been confirmed entails applying to the Buyer and/or Distributor the "Order change service charge", even if the Vendor subsequently discovers that it is impossible to implement the requested change.
- e. Orders confirmed by the Vendor are irrevocable for the Buyer and/or Distributor. The Vendor reserves the right to accept the request to cancel the order, in which case the Buyer and/or Distributor and/or Distributor will be charged a compensation fee, quantified in at least 10% of the total amount of the order, with a minimum of €50.00. It is understood that this possibility is not applicable to custom products.

3. PRICES AND TERMS OF PAYMENT

- a. The Prices of the Products do not include VAT, which must be paid at the time of delivery or in compliance with the specific instructions contained in the invoice. Unless otherwise specified, all of the prices indicated in any of the documents or correspondence issued by the Vendor do not include packaging and transport costs, neither do they include any accessory charges indicated in the Vendor's catalogue in force at the time when the contract was stipulated. Taxes, duty stamps, customs duties and any other additional charges are not included in the prices. Except in the case of an exemption, these costs and charges will be paid by the Buyer and/or Distributor and, if paid by the Vendor, the total amount will be invoiced to the Buyer and/or Distributor and/or Distributor in addition to the prices quoted. The prices are subject to corrections due to typing errors.

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- b. The payment of the Net Price indicated in the invoice must be made without any kind of reduction, as stated in the order confirmation and in the invoice itself.
- c. In addition to the other solutions permitted by the applicable law or by these General Conditions of Sale, the Vendor reserves the right to apply interest on arrears for late payments, as per the legislation in force.
- d. Should the Buyer and/or Distributor fail to make the payments within the preset deadlines and according to the instructions provided by the Vendor or if the activities of the Buyer and/or Distributor are not conducted in line with the normal course of business – by this is meant, by way of example and without limitation, in the event of the issuing of attachment orders or protests, or when the payments have been delayed or bankruptcy proceedings have been requested or implemented – the Vendor may, at its own discretion, suspend or cancel further deliveries and declare immediately payable any receivables deriving from the business relationship. Additionally, in such cases the Vendor may request advances on payments or a deposit as collateral.
- e. If deferred payments have been agreed and even only one instalment of the price is paid late, the Vendor may demand that the Buyer and/or Distributor pay the whole price immediately, thereby forfeiting the right to deferred payment, even if the conditions laid down in article 1186 of the Italian Civil Code do not exist. Alternatively, the Vendor may consider the contract terminated due to non-performance, withhold all of the sums paid by the Buyer and/or Distributor and/or Distributor in the meantime, without prejudice to its entitlement to demand greater sums by way of compensation for damages.
- f. Also in the case of the reporting of objections for flaws and defects, the Buyer and/or Distributor may not initiate or continue legal proceedings until it has paid the whole price due as per the terms of the contract. Under no circumstances may the payments be suspended or delayed: in the event of a dispute, proceedings may not be initiated or continued if the price is not paid first, according to the pre-established terms and methods.
- g. In any case, the Vendor reserves the right to suspend the delivery of the products if, at its own unquestionable discretion, the financial conditions of the Buyer and/or Distributor have become such as to render difficult the payment of the price.
- h. In any case however the property of the products is only transferred to the Buyer and/or Distributor when the whole price has been paid, even if the products have already been assembled or installed in other products belonging to the Buyer and/or Distributor or third parties. In the event of failure to pay the price due, the parties expressly agree on the Vendor's right to claim the property of its products, even if installed on the premises of third parties or on those of the Buyer and/or Distributor, and the right to obtain the return and release of the same – also with the right to obtain injunctions for their return and release – and with the right to proceed to the dismantling and removal of the products.
- i. The Buyer and/or Distributor is not entitled to any compensation, deductions or discounts unless its petition to receive such sums has been finally and judicially accepted.

4. TERMS OF DELIVERY

- a. Unless otherwise agreed in writing, the delivery of the Products will be EXW (Incoterms 2012) Vendor's plant.

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- b. All of the deadlines – including those for delivery, return, installation and finishing, etc. – even if defined as imperative by the Buyer and/or Distributor, are considered and accepted by the Vendor as indicative, and subject to a normal working tolerance period. Unless otherwise agreed in writing, any delivery term indicated is not binding for the Vendor. Unless otherwise agreed between the parties, the indicative delivery term is that specified on the order confirmation.
- c. The delivery terms are automatically extended:
 - i. if the Buyer and/or Distributor fails to provide in a timely manner the data required for the supply, if it requests changes during order execution, or, furthermore, if it fails to respond promptly to requests for the approval of final drawings and diagrams;
 - ii. if the Buyer and/or Distributor is not up to date with payments;
 - iii. if, at the unquestionable discretion of the Vendor, the financial conditions of the Buyer and/or Distributor and/or the amount owed is such as to constitute a real risk for the payment of the price.
- d. Within reasonable limits, the Vendor reserves the right to make partial deliveries.
- e. Any responsibilities for delivery deriving from *force majeure* or other unforeseeable events not attributable to the Vendor, including, by way of example and without limitation, strikes, lockouts, public administration provisions, subsequent import/export restrictions, taking into account their duration and scope, release the Vendor from the obligation to meet any delivery deadlines agreed.
- f. The Vendor is not obliged to accept returned products, unless this has been expressly agreed in writing. Any costs involved to this end are at the expense of the Buyer and/or Distributor. Moreover, the document accompanying the returned product must contain the references of the communication authorising the return itself. For returned materials an increase of 20% on purchase conditions will be applied.

5. OBLIGATION TO INSPECT AND ACCEPT THE PRODUCTS

- a. On taking delivery of the Products, the Buyer and/or Distributor shall immediately:
 - i. check the quantities and the packaging of the Products and record any objections on the delivery note;
 - ii. run a check to ensure that the Products are in conformity with the details of the order confirmation and record any kind of discrepancy on the delivery note.
- b. In the event of having to report any flaws, the Buyer and/or Distributor shall follow the procedures and terms stated below:
 - i. the communication must be made within and not later than [8 (eight) working days] of the taking of delivery of the Products by the Buyer and/or the Distributor. If the objection refers to a flaw which, notwithstanding the initial inspection, remained hidden, the objection must be made without delay within the end of the working day in which the flaw was discovered and, in any case, not later than [2 (two) weeks] after taking of delivery of the Products;
 - ii. the objection must be sent to the following e-mail address: tqm@dkceurope.eu within the above-stated deadlines;
 - iii. the communication must clearly specify the type, number, amount of the flaws detected, and the reference code of the transport document accompanying the material when it was received. The Vendor has the right to request additional documentation (e.g. photographic) with a view to gaining an objective picture of the damage and/or flaw of the product;
 - iv. the Buyer and/or Distributor agrees to leave the contested Products at disposal for inspection; this inspection will be carried out by the Vendor or by a technical expert appointed by the same.

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- c. No objections referring to the quantity, quality, type and packaging of the Products can be made in any way other than the communication written on the delivery note, in compliance with the above-described procedure.
- d. Products for which no objection has been raised, in accordance with the above-described procedures and terms, will be considered approved and accepted by the Buyer and/or Distributor.

6. TERMS OF WARRANTY

- a. The Vendor guarantees that the Products are free from flaws and that they comply with the technical specifications declared by the Vendor.
- b. Through the mandatory provision of a warranty, the Vendor undertakes to replace and/or repair the flawed and/or defective product within the limits of this contract and without any further obligation to compensate any direct and/or indirect and/or consequential damage deriving to the Buyer and/or Distributor or to third parties (e.g. such as loss of production, damage to persons or property, etc.).
- c. The warranty only applies to the products used in the environment and for the applications considered in the design engineering phase; any improper use is prohibited. The Products are under warranty for a period of 12 (twelve) months which cannot, under any circumstances, exceed 18 (eighteen) months from the shipping date of the Products themselves.
- d. This guarantee only includes the replacement or repair of the defective Products and excludes any other further or different obligations. The Product will be repaired by the Vendor at its own plant, at one of its subsidiaries or on the premises of an authorised dealer. Only after authorisation for the return has been confirmed may the Buyer and/or Distributor proceed to send the defective Product at its own expense, stating the reason "under repair" to the said plant, subsidiary or to an authorised dealer indicated by the Vendor. The Vendor will send the new or repaired Product to the Buyer and/or Distributor, at its own expense.
- e. If, in agreement with the Vendor, the Buyer and/or Distributor asks to have the product replaced and/or repaired at its own plant, the Buyer and/or Distributor will cover the travelling and accommodation expenses of the technical personnel placed at its disposal by the Vendor, and will provide all the equipment and auxiliary personnel required in order to carry out the operation in the quickest and safest way possible.
- f. The guarantee will be null and void if the problem or defect is the result of incorrect applications or improper use of the product, or if it is not in conformity with the putting into service of the product. Any tampering, modification or replacement of any parts of the product not authorised by the Vendor could engender the risk of injury and relieve the manufacturer from any civil or criminal liability, rendering the warranty null and void. The warranty does not cover parts subject to wear.
- g. The repair of a product not under warranty is at the total expense of the Buyer and/or Distributor and will be carried out following the latter's acceptance of the quotation issued by the Vendor when the amount of the same is greater than €50.00; for lower amounts the acceptance of the Buyer and/or Distributor is considered implicit and the repair will be carried out without the issuing of a quotation. If the Buyer and/or the Distributor do not accept the quotation or if the product cannot be repaired, the Vendor will ask the Buyer and/or the Distributor for written instructions on how to treat the product (return it or demolish it), applying the "Analysis service charge" in the sum of €50,00, payable by the Buyer and/or Distributor.
- h. Any parts replaced under warranty are and remain the property of the Vendor. The parts replaced outside of the warranty are the property of the Buyer and/or Distributor and remain at its disposal for [2 (two) weeks] within which it may collect them or give instructions to have them forwarded at its own expense; after this time interval has elapsed, the Vendor is authorised to consider them as scrap of its own property therefore acquiring the right to deal with their disposal without being liable to pay compensation.

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7. LIMITATION OF LIABILITY

- a. The Vendor will do its utmost to deliver the Products within the agreed deadlines, but under no circumstances can it be called upon to respond for direct or indirect damage caused by the late performance of a contract or the late delivery of the Products.
- b. All drawings, photographs, illustrations, descriptions, technical data and the provision of any other data and information regarding the products, irrespective of whether they be contained in documents or drawings attached to the Vendor's offer or in the Vendor's catalogues, charts, price lists and publicity material, are purely indicative. Deviations or divergences from this cannot constitute reasons and motives for failure to accept the goods or invalidate the contract or be a reason for complaints against the Vendor.
- c. All drawings sent to the Buyer and/or Distributor for approval will be considered automatically approved by the Buyer and/or the Distributor unless they are returned to the Vendor with different notes and comments within ten (10) working days or within the terms agreed when they were submitted to the Buyer and/or the Distributor.
- d. All charts, drawings, technical data and any other data and technical information attached to the offer or provided in connection with the supply, will remain the property of the Vendor and cannot be reproduced or transmitted to third parties without the written consent of the Vendor, which prohibits the Buyer and/or the Distributor to use them for purposes other than those deriving from this contract.
- e. The Buyer and/or Distributor declares that it freely chose the goods from the wide range of the Vendor's products at its own free and unquestionable discretion. The Vendor is not aware of and is not accountable for the practical use and specific application to which the Buyer and/or Distributor will put the goods. Under no circumstances is the Vendor responsible for the use of the products and the suitability of the product for the use and practical purpose to which the product is intended – whether it be used singly or in connection with other products or in the framework and/or inside complex apparatuses. The Buyer and/or Distributor freely chooses the product from the Vendor's range and is, in any case, required to check the suitability of the product to connect and work in the framework of the equipment and complex machinery in which it is intended to operate. The Vendor is exclusively responsible for the efficient operation of the products supplied in relation to the characteristics and performance it has expressly indicated. The liability of the Vendor is limited to the replacement and/or repair and/or refund of the value invoiced. Apart from the above obligation, the Vendor cannot in any case be held responsible for any direct and/or indirect and/or consequential damage deriving to the Buyer and/or Distributor or to third parties due to product defects, including loss of production, damage to property and persons or anything else.
- f. The indications, measurements, drawings and photos of the Products and the relating components shown in the catalogues, brochures and websites of DKC Europe S.r.l. and, in general, all the technical and informative documentation of DKC Europe, are provided as a general and illustrative indication and are not binding. For this reason DKC Europe reserves the right, at any time and without having to provide notice, to make all the modifications it deems necessary, at its own unquestionable discretion, to improve the functionality and performance of the Products, and to meet its own technological and production requirements.
- g. The quality marks and certification indicated on the literature are those in force at the time of the printing of the documentation. A list of updated marks is available on the website www.dkceurope.eu and through the Technical Assistance Service.

8. RETENTION OF TITLE

- a. The Products supplied remain the full property of the Vendor until the date in which the Buyer and/or Distributor has paid their whole price and all sums owed to the Vendor. Until that moment, the Buyer and/or Distributor keeps the products in a fiduciary capacity with respect to the Vendor and is bound to keep them properly stored, protected and insured.

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- b. With regard to the Vendor's retention of title, if in the country in which the Buyer and/or Distributor is domiciled this requires the fulfilment of administrative or legal formalities such as, by way of example and without limitation, the registration of the Products in public registers, or the affixing on the same of special seals, the Buyer and/or Distributor is obliged to cooperate with the Vendor and carry out all the necessary steps to ensure that the latter retains valid rights in terms of retention of title.
- c. The Buyer and/or Distributor is entitled to access or use the Products supplied to it in its work processes during the normal conducting of its activities. In this case, the revenues deriving from the sale or processing of the Products will be transferred to the Vendor until the price due by the Buyer and/or Distributor for the supplying of the Products has been paid up.
- d. The Buyer and/or Distributor will forfeit the right to access or use the Products supplied to it in its work processes during the normal conducting of its activities in the cases indicated in section 3 (d) above. In this case, the Buyer and/or Distributor shall place the Products at the disposal of the Vendor, which will have access to the premises of the former in order to take possession of them.
- e. Should the Products supplied by the Vendor and subject to retention of title be affected by third party actions, the Buyer and/or Distributor shall inform the third parties of the fact that the said products belong to the Vendor and report the action immediately to the Vendor. The Buyer and/or Distributor shall bear all costs relating to such intervention.

9. TRADEMARKS

- a. Any ID plates and/or any other form of identification affixed to the products sold by the Vendor may not be removed without the written consent of the Vendor. Any alterations and/or modification of the trademarks or technical data affixed or of the plates affixed by the Vendor constitutes counterfeiting and unlawful conduct entitling the Vendor to prosecute either the Buyer and/or Distributor or the third parties holding the products. In such cases the Buyer and/or Distributor will forfeit the right to the warranty on the products.

10. PROCESSING OF PERSONAL DATA

- a. The personal data of the Buyer and/or Distributor will be processed according to the terms laid down by the Italian law on the processing of personal data (Legislative Decree 196/2003). The Vendor informs the Buyer and/or Distributor that the Vendor is the data controller and that the personal data of the Buyer and/or Distributor are collected and processed exclusively for the purposes of the performance of this agreement. Pursuant to article 7 of Legislative Decree 196/2003, the Buyer and/or Distributor has the right to request of the Vendor the updating, correction, integration, deletion and transformation into an anonymous form of its data.

11. PLACE OF JURISDICTION

- a. For any dispute that might arise between the Parties concerning the construction, validity or performance of these General Conditions of Sale and the pertinent contracts stipulated, the exclusive place of jurisdiction will be the Court of Milan.

12. FINAL PROVISIONS

- a. The invalidity of all or part of the individual clauses in these General Conditions of Sale shall not affect the validity of the remaining clauses.