

1. Scope

1.1 These general conditions shall apply to all supplies made by SIPAR s.r.l. having registered office in Via Saletti 5, 25050 Pian Camuno (BS) Italy (hereafter "SIPAR") to the buyer. No buyer's general conditions shall apply to the transactions with SIPAR, unless expressly approved in writing by SIPAR. The buyer's acceptance of SIPAR's offer or order confirmation from SIPAR however made, shall imply the application of these general conditions to the sales contract.

2. Orders

2.1 Buyer's orders shall become binding following a written order confirmation. The execution of the order is equivalent to the acceptance of the order (hereafter the "Binding Order"). Each offer made by third parties (agents, representatives etc.) shall become binding for SIPAR only after the latter's written confirmation.

2.2 A Binding Order shall be executed only in compliance with that specified in the order and these general conditions. Any other documents shall apply only if expressly agreed by the parties.

2.3 Should the buyer request changes to the Binding Order, SIPAR shall decide, at its incontestable discretion, whether to accept such request and how to adjust the price accordingly. Should SIPAR accept the partial and/or total cancellation of an order, the buyer shall reimburse all costs incurred by SIPAR until the time of the cancellation or pay the full price of the products if the manufacture of the products has already been completed. Anyway, any down-payments are withheld.

2.4 Characteristics, the prices and other data included in catalogues, price-lists or other SIPAR's illustrative documents, as well as the characteristics of the samples and models sent to the buyer are non-binding, unless explicitly mentioned as binding in the Binding Order.

2.5 Any estimates sent by SIPAR are to be considered binding for a period of 1 month from the date of such transmission, unless otherwise specified.

2.6 SIPAR shall reserve the right to change and/or improve its products as may be deemed suitable at any time. Should such change be necessary to ensure compliance of its products with the legal regulations in force, SIPAR may also modify the characteristics of the products already ordered by simply notifying the buyer of this. In any case, the buyer shall not be entitled to damages.

3. Deliveries/execution of the orders

3.1 Products shall be delivered according to the delivery terms as specified in the Binding Order. The delivery terms shown below and/or in the Binding Order are merely indicative and are to be understood having an appropriate period of grace in favor of SIPAR. In any case, delivery times are not essential. Delivery terms for supplies made to buyer's job orders shall be agreed from time to time.

3.2 In order to satisfy internal needs, SIPAR may, at its discretion, break down a delivery of products into several partial deliveries. SIPAR shall be entitled to apply a price increase when the buyer requires urgent deliveries ("urgent" means not within the standard transportation terms) in order to cover additional management, logistics and transportation costs. These costs may vary from time to time.

3.3 Should the execution of the order require the obligation to procure parts manufactured from third parties, the execution of the order shall be contingent upon the proper performance by such third parties.

4. Prices and payments

4.1 Prices are those shown in the SIPAR price lists in force when receiving the purchase order. Each new price list shall automatically replace the previous one.

4.2 Should a binding regulation involving an increase of the order execution costs enter into force after the acceptance of the order, SIPAR shall reserve the right to adjust the price correspondingly. No discounts or rounding can be accepted if not clearly and previously authorized by SIPAR.

4.3 Payments and any other amount due to SIPAR for whatever reason shall be understood as net at the creditor's domicile. For no reason whatsoever, including complaints concerning the products supplied, the buyer may suspend the payments due. The payment terms shown on the invoices shall be understood as essential terms. Payment terms like direct transfer remittance must be considered with a maximum term of 30 days from invoice date.

4.4 For each invoice which will not have been paid by the due date, we will calculate accrued interest on arrears, by applying the official interest rate in force, according to D.lgs 192/2012-implementation of Directives 2000/35/CE and 2011/7/UE.

4.5 Should the buyer, for whatever reason, not settle the payment due, SIPAR may, at its discretion, either suspend the execution of the ongoing orders, regardless of the fact that they have already been confirmed, until the complete settlement of the amounts due on the basis of the orders already carried out, or require suitable guarantees of payment from the buyer, or unilaterally change the payment conditions for the orders still to be carried out.

4.6 No offsetting with any receivables from SIPAR arisen for any reason whatsoever shall be permitted.

5. Retention of title and transfer of risks

The products supplied shall remain the property of SIPAR until full settlement of the price of the relevant order. For this purpose, the buyer shall commit himself to take the necessary measures to establish a suitable retention of title, extended as legally admitted, in the country where the products are located or to establish a similar form of guarantee in favor of SIPAR. Should a third party creditor of the buyer attempt to seize the goods referred to in the retention of title, the buyer shall promptly notify SIPAR and take all necessary measures to safeguard SIPAR's property rights. Regardless of the delivery term applied, the risk of deterioration and/or of damage of the products shall pass from SIPAR to the buyer when handing over the products to the first carrier.

6. Guarantee and responsibility/limitations

6.1 SIPAR shall guarantee that the products comply with the specifications mentioned in the order and with the Italian legislation in force at the time of the order confirmation and that they are free from engineering, material and construction defects caused by SIPAR. In particular, SIPAR shall not give any guarantee of compliance with the legislation in force in the country of destination of the products and shall not guarantee that the products are suitable for the use the buyer intends to. The buyer shall be responsible for complying with all the regulations in force concerning marketing and the use of the Products (including the safety regulations).

In any case, the buyer's guarantee referred to in this article shall be voided in the following cases: (i) installation and/or use and/or maintenance of the products not in compliance with SIPAR's information and operating instructions, (ii) changes and/or repairs without SIPAR's prior written authorization, (iii) normal wear of the products and/or no regular settlement of the product payment by the buyer; (iv) defects resulting from the buyer's engineering and technical specifications, instructions given by the buyer and, more generally, any defects due to the buyer's fault or to activities carried out on the Products by the buyer without SIPAR's approval. Furthermore, should SIPAR use third party's parts for manufacturing the Products, SIPAR's guarantee vis-à-vis the buyer concerning such third parties' products shall be limited to the rights granted by such third party to SIPAR. The guarantee referred to in this article shall last 10 years for fully mechanical products and 3 years for all other products. Both periods shall start from the delivery date.

6.2 The buyer shall inspect the goods immediately upon delivery. The quantity of the individual batches recorded by SIPAR when they are sent from its headquarters shall be considered to correspond to the quantity received by the buyer at the time of delivery, unless otherwise proven by the buyer. When receiving the goods, the buyer shall commit himself to notify any visible defect and/or non-conformity in writing within 8 days after delivery by registered letter with acknowledgement of receipt using the appropriate return form. Any hidden defects shall be notified in writing by registered letter with acknowledgement of receipt within 8 days after they have been found. Failure to meet the above mentioned term shall lead to forfeiture of each buyer's right resulting from the defects found.

6.3 As a result of a defect notification and within 8 days after the defect has been found, the buyer shall send the product considered to be defective to SIPAR, at its own expense, for inspection or should the nature of the product require it, allow SIPAR to carry out an inspection on site.

6.4 In any case, products shall be considered defective only after SIPAR's technicians have ascertained the presence of the defects. In this case, SIPAR shall repair the defective product, or, should no repair be possible or should a repair involve excessive costs, SIPAR may, at its discretion, replace the defective product with a conforming product or issue a credit note for the value of the product. SIPAR shall not be liable for disassembling, transport, reassembling, reinstallation and inspection costs of the defective products covered by this guarantee.

6.5 Should the case of non-conformity result from circumstances not caused by SIPAR, SIPAR shall not be liable in any way.

6.6 SIPAR's liability for the product shall be limited to direct damages. In no case, SIPAR shall be liable for indirect damages or however for damages such as, including but not limited to, reputational damages, damages resulting from loss of use, loss of production, loss of goodwill, loss of profits, loss of contracts, loss of business, loss of income, losses resulting from an increase of operating costs or financial or economic losses. Unless willful misconduct and gross negligence are proven, SIPAR's full liability for all claims of any kind of losses or damages resulting from the observance or non-observance of these conditions in connection with an order may not exceed, in any case, a value equal to the order value.

7. Intellectual property

7.1 Any drawings or technical documents supplied to the buyer for the purpose of manufacturing or assembling the products sold or parts of them shall remain the exclusive property of SIPAR and may neither be used by the buyer nor copied, duplicated, transmitted or communicated to third parties without SIPAR's prior approval. SIPAR shall not transfer any property rights concerning its software supplied to the buyer. The buyer may neither export nor re-export the software with no relevant license. The buyer shall be forbidden to change the software, carrying out reverse engineering or decompiling or disassembling activities and to license it to third parties (except for cases when, according to the type of software supplied, the license to third parties was tacit or was included in the specific contract with the buyer).

7.2 Should SIPAR manufacture the products according to the buyer's instructions, drawings etc. the buyer must hold SIPAR indemnified from any claims by third parties for breach of their exclusive property rights to the extent that such breach results from the instructions given by the buyer.

8. Force majeure

8.1 Neither Party shall be held responsible for the breach of any clauses in these conditions and/or in the order confirmed and/or for the delayed fulfillment of the relevant obligations if such breach and/or delay result from circumstances beyond the reasonable control of the Parties, including but not limited to, acts of God, acts of the Government, strikes, riots, shortages of necessary supplies and/or lack of means of transport.

8.2 The Party affected by the event of force majeure shall immediately notify the other Party in writing of the event and of the estimated duration. The fulfillment of the obligations of the Party affected by the event of force majeure shall be suspended for the duration of such force majeure.

8.3 Should such circumstances last more than three months, the other Party shall have the right to terminate the contract with immediate effect by notice in writing to be sent by registered letter with acknowledgement of receipt.

9. Competent court and applicable law

Any dispute relating to or however in connection with these general conditions, and/or the sales contracts entered into according to these general conditions shall be settled by the Court in Brescia. SIPAR shall have the right to proceed against the buyer before any other competent Court. These general conditions as well as each individual supply carried according to them shall be governed by the Italian law.