

General Sales Terms and Conditions

5/2017

Section 1- General

- (1) Only the general terms and conditions of business below shall apply for all goods and services supplied to a business, a legal entity established under public law or a public law special fund.
- (2) If a customer has terms and conditions of business which differ from ours, and we have not expressly recognized them, they shall not be binding, even if we have not expressly rejected them
- (3) The incorporation and interpretation of these general terms and conditions of business are to be governed by the law of Italy alone, just like the conclusion and interpretation of the legal transactions with the customer. Hereby is expressly rejected the application of the UN Law on Sales (CISG).
- (4) The invalidity of individual provisions or elements of these terms and conditions of business shall not affect the validity of the remaining provisions.
- (5) The place of fulfilment for obligations created directly or indirectly from the contractual relationship, including the obligation to render payment, shall be our company headquarters.
- (6) The exclusive place of jurisdiction shall be the courts having jurisdiction where our Company headquarter is located. We shall also be entitled to take legal action before a court which has jurisdiction for the customer's headquarters or one of its branch office.

Section 2- Offers, Scope of performance and Conclusion of contract

- (1) Our offers to enter into a contract are subject to change without notice. Orders shall only be binding upon us in so far as we confirm them or fulfil it by sending the goods or process the material as contractors. Agreements shall only be valid if they are confirmed in writing.
- (2) Our order confirmation alone shall count for defining the scope of the contractually owed performance.
- (3) We shall reserve the right to modify the design, choice of material, specification, and method of construction even after sending off the order confirmation, provided that these amendments do not contradict either the order confirmation or the customer's specification. The customer shall state that he agrees with our modification proposals over and above his specifications, provided that the customer can reasonably be expected to do so.

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(4) The documents upon which the offer or order confirmation are based such as diagrams and drawings, dimensions and weight declarations which are, as a rule, only approximations and therefore they are not binding, provided that we do not expressly designate them as being binding.

(5) Partial deliveries are allowed.

(6) Our obligation to supply shall be suspended for as long as the customer is in arrears with an obligation.

(7) If we carry out contract work or orders for processing work, the customer shall consequently have to supply us with the material and the necessary technical documents on time and at his own expenses. The material has to be perfect and comply with the specific values stated and possess the machining allowances normal within the industry. The customer shall bear the responsibility for the warranted material condition and quality. Additional costs and losses incurred as a result of the material not having the warranted features and quality shall be for the customer's account.

Section 3 -Prices and Terms and Conditions of Payment

(1) The prices shall apply ex works, excluding other dispatch and transport costs. If delivery should be agreed including carriage, the prices stated by us shall be based upon the freight and ancillary charges in force at the time of the offer. They shall therefore be adjusted to reflect the changes in freight rates and ancillary charges to the benefit or to the detriment of the customer, without the customer being entitled to withdraw from the contract for this reason.

(2) If more than four months elapse between the contract being signed and delivery, without us being to blame for the delay in delivery, we may increase the price as appropriate taking into consideration the costs of materials, wages and other ancillary costs incurred which are borne by us. If the purchase price increases by more than 30%, the customer shall be entitled to withdraw from the contract.

(3) If we take into account the customer's requests for modifications, the additional costs incurred as a result of this shall be invoiced to the customer.

(4) Our invoices shall be payable in full according to the contractual payment conditions agreed between the parts and stated in invoice.

(5) If the customer culpably exceeds the payment date, we shall demand interest amounting to 8 % points above bank rate in force at that time while reserving the right to assert additional claims.

(6) If the buyer is in default with payment and substantiated doubts as to his ability to pay the sum owned to us and creditworthiness become evident, we shall, irrespective of our other rights, be authorized to demand securities or payment in advance for outstanding deliveries and to make all our claims under the business relationship payable immediately.

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Section 4 - Dispatch

(1) Loading and dispatch shall be carried out uninsured and at the consignee's risk. We shall endeavor to take the customer's wishes and interests into account: additional costs incurred as a result shall be for the buyer's account – even if delivery has been agreed including carriage.

Section 5 - Delivery period

(1) The designation of a point in time of delivery shall be regarded as being non-binding and shall be quoted to the best of our knowledge and shall be extended as appropriate if the buyer delays or refrains from providing his assistance which is necessary and agreed. The same shall apply for measures taken in response to labor disputes, in particular strikes and lock-outs as well as in the event that unforeseen events should occur which are beyond our control, for example delays in deliveries from a supplier to us, transport and operational disruptions, shortages of materials and power cuts etc. Modifications to the supplied goods at the customer's insistence shall result in an appropriate extension of the delivery period.

Section 6 - Passing of risk

(1) The risk of accidental loss or deterioration of the goods shall pass over to the Customer as soon as we have made the goods ready for him and have notified him of this.

Section 7 - Retention of title

(1) We shall reserve the title to the supplied goods until payment for them has been made in full. The reservation of title shall also apply until all claims existing under the business relationship between the customer and us, including those materializing in the future and conditional claims, have been fulfilled.

2) The customer is not authorized to sell or dispose in any way of the material covered by the open invoices, including to sell it as collateral to third parties. It is also not authorized to resell this material in the context of their business transaction. Any enforcement procedure brought by third parties whose subject material must be immediately brought to the attention of Mecc.AI.

(3) In observance of property rights as provided above in favor of Mecc.AI must refrain from engaging in acts or behaviors that prevent Mecc.AI the valid exercise of this right.

(4) In case of violation of the obligation by the customer as specified by this Article, Mecc.AI has the right to cancel with immediate effect all orders of products not yet produced.

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Section 8 - Claims under warranty

(1) If there is a commercial transaction between both Parties to the contract, the customer shall consequently have to inspect the goods straight away upon delivery, provided that this is practical in the proper course of business and, if a defect is noted, to notify us within 8 days from the receipt of goods. If the customer fails to notify us, the goods shall be deemed to have been accepted, unless it is a defect which could not have been identified during the inspection.

(2) In so far as the goods do have a fault for which we are to blame, and the customer has notified the defect in writing in good time, we shall be obliged to effect a cure – while the customer shall not be able to withdraw from the contract or reduce the purchase price – unless we are entitled to refuse to effect a cure on the basis of a statutory regulation. The customer shall have to grant us a reasonable period of time to carry out a cure for each defect. The cure may be carried out as we choose, either by rectifying the defect or supplying new goods. The purchase price may not be reduced nor may the customer withdraw from the contract while a cure is being carried out.

(3) Claims under warranty shall become time barred one year after the goods have been delivered.