

SAFIM S.P.A. GENERAL SALE CONDITIONS

1. SALES

1.1. The terms and conditions set out below (“General Sale Conditions”) shall govern and constitute an essential and substantial part of all supplies/sales (“Sales”) of products (“Products”) executed between Safim and the customer (“Customer”).

1.2. Sales shall be considered as concluded upon Safim written confirmation of the Customer’s order (“the Order Confirmation”).

1.3. In case of discrepancy between these General Sale Conditions and what is indicated in the Order Confirmation, this latter shall always prevail.

No effect nor validity can be attributed to any change made by the Customer to the Order Confirmation, nor any effect can be attributed to the Customer’s purchase conditions, without specific written approval of Safim.

2. DELIVERY

2.1. Unless otherwise agreed in writing between Safim and the Customer in the Order Confirmation, delivery of products are intended to be “Ex-Works” according to Incoterms 2010, or the version in force at the date of the Order Confirmation. Delivery is considered accomplished upon collection of the Products by the carrier at Safim premises in Modena, Via Livingstone 6.

2.2. Products packaging is made in compliance with Safim standards.

2.3. Any costs, risks and damages that may occur during transport shall remain exclusively at the Customer’s charge.

2.4. Date of delivery of the Products as indicated in the Order Confirmation is to be considered indicative only and not binding for Safim, and it will represent the best estimate date of delivery of the Products. In case of extended delay, Safim will inform the Customer and agree on a new delivery date.

Safim reserves the right to make several deliveries of the same supply of Products.

3. RETENTION OF TITLE

3.1. The Products shall remain the property of Safim until full payment of the entire price of the Products and of all the amounts indicated in the invoice is made by the Customer. Notwithstanding the above, the risk of loss or damage shall pass to Customer upon delivery.

3.2. In case of partial or omitted payment, Safim reserves the right to demand the return of the delivered Products. All costs and expenses relating to the collection of the Products will be put at Customer’s charge.

4. PRICES AND PAYMENT TERMS

4.1. The prices of the Products are those indicated in Safim price list in force at the moment of the Order Confirmation and they are intended to be net of Vat, shipping and transport costs and other tax charges, which shall remain at the Customer expense, unless otherwise provided in the Order Confirmation.

4.2. The prices of special or not standard Products shall be provided from time to time and shall correspond to the ones indicated in the Order Confirmation.

4.3. Unless otherwise agreed in writing in the Order Confirmation, payments shall be made by bank transfer within 30 days from the date of the invoice.

In case of Customers with registered address in foreign countries, payments shall be made by irrevocable and unconditional letter of credit, approved by Safim and confirmed by a primary European bank, to be provided to Safim within 15 days from the Order Confirmation, and with validity period for 60 days after payment due date. The letter of credit shall be payable at sight upon presentation of a simple copy of the supply invoice.

4.4. Payment of the Products shall in no event be suspended or delayed by any claims or complaints, actions or exceptions made by the Customer with reference to the Products.

Furthermore the Customer is not entitled to set off any sums due to Safim for Products supplies, with any Customer’s credits or claim against Safim for whatever reason.

4.5. In case of failure by the Customer to pay any amounts due by the same within the agreed deadlines, the Customer shall pay default interests as per Leg. Decree nr. 231 of 2002, with no need of formal notice by Safim.

4.6. In case of several payment deadlines indicated in the invoice, failure by Customer to comply with one or more of the indicated payment dates shall entitle Safim to ask for immediate payment of all sums indicated in the invoice, all such sums becoming immediately due. Safim is entitled to immediately suspend with no need of notice, the ongoing supply and any further supplies until payment in full of the invoice by Customer.

4.7. In case the financial conditions of Customer changes or get worse for insolvency, composition with creditors or other bankruptcy procedure, Safim is entitled to suspend or cancel, at its discretion, the confirmed orders, and to refuse further orders from Customer.

5. INTELLECTUAL PROPERTY

5.1. Drawings, technical specifications and figures made by Safim and related to Safim Products are and shall remain the exclusive property of Safim.

5.2. Safim notifies to the Customer that although behaving with diligence and good faith towards the drafting of technical drawings related to the Products, some data could infringe third party intellectual property rights. In this case, Safim declines any responsibilities towards possible infringements of third party rights.

6. SPECIAL PRODUCTS - SPARE PARTS

6.1. In the purchase order the Customer shall indicate if the Products ordered will be allocated to a specific sector with specific legal obligations for the supplier regarding spare parts. Without this information Safim shall not be liable for lack or shortage of spare parts related to the supplied Products.

7. CLAIMS AND WARRANTY

7.1. Any non conformity or alleged defects of the Products shall be reported to Safim within eight (8) days from receipt of the Products. Any claims related to alleged hidden defects not recognizable through a diligent checking at the moment of the receipt of the Products, shall be reported to Safim within eight (8) days from their discovery, and in any case within twelve (12) months from Product’s delivery to Customer..

7.2. Any claims shall be reported in detail and in writing by fax or registered mail and shall include a detailed description of the claim and of the alleged defects. The Customer shall make available the Products to Safim for inspection, or send them to Safim when requested.

7.3. Warranty shall apply only to claims accepted by Safim and it is limited to the reparation or replacement, at Safim discretion, of those parts where the defects or non-conformities are accepted by Safim.

7.4. Warranty shall not apply if Customer or any third party other than Safim or its authorized agents make any repairs or changes to the Products.

Furthermore, warranty shall not apply in case of improper use of the Products or non-observance of the maintenance and checking procedures provided in Safim instructions manual and other instructions provided by Safim.

8. PROHIBITION TO ASSIGN

8.1. The Customer must not assign nor transfer to third parties in whole or in part, the confirmed order, without previous written authorization of Safim.

9. FORCE MAJEURE

9.1. Safim shall not be deemed responsible for any non-fulfillment, even if partial, or delay in the delivery of the Products, due to events beyond its reasonable control or to circumstances and facts that prevent Safim and its suppliers activity.

10. PRIVACY INFORMATION LAW

10.1. According to D.Lgs nr’ 196 of June 30, 2003, Safim and the Customer acknowledge and give their mutual consent to the treatment of their personal and identifying data exchanged during the sale of the Products for purposes connected with the sale.

11. JURISDICTION - APPLICABLE LAW

11.1. The Order Confirmation, together with the present General Sale Conditions, as well as attachments subscribed by both parties and constituting substantial part of the order, are governed exclusively by Italian Law, except for what concerns the execution of the clause provided in paragraph 3 “Retention of Title”, for which Safim reserves the right to apply the Law of the Country where the Customer has its offices.

11.2. For any and all disputes and or claims arising out of or in connection with the interpretation, performance, validity of the Order Confirmation and the present General Sale Conditions the Court of Modena will be the exclusive competent Court. By way of derogation from this clause, Safim reserves the right to act for remedies and credit recovery, and enforcement of the “Retention of Title” clause, before a competent court in the Country where Customer has its offices.