

GENERAL SUPPLY CONDITIONS

October 2012 Edit. - June 2015 Rev.



Index

| 1. | INTRODUCTION | Pag | . 3 |
|-----|---|----------|-----|
| 2. | QUOTATIONS | » | 3 |
| 3. | PRICES | , » | 4 |
| 4. | ORDERS | , » | 4 |
| 5. | PRODUCT CHARACTERISTICS - MODIFICATIONS | » | 4 |
| 6. | CANCELLATION OF ORDERS | » | 5 |
| 7. | DELIVERY OF PRODUCTS | » | 5 |
| 8. | CLAIMS | , » | 5 |
| 9. | SECURITY OBLIGATIONS | , » | 7 |
| 10. | GUARANTEE | » | 7 |
| 11. | PACKING | , » | 8 |
| 12. | DELIVERY TERMS | » | 8 |
| 13. | PAYMENTS | » | 9 |
| | RETENTION OF TITLE | | |
| 15. | LIMITATION OF RESPONSIBILITY | » | 9 |
| 16. | APPLICABLE LAW - COMPETENT COURT | » | 10 |



General supply conditions

1.INTRODUCTION

1.1

The present conditions apply to all orders (hereinafter referred to as "Orders"), relating to products, (hereinafter referred to as "Products") sold by RTE, (hereinafter referred to as "Seller") to customers (hereinafter referred to as "Buyer").

1.2

The Special Conditions specified on each order acknowledgement issued by the Seller (hereinafter referred to as Order Acknowledgement) integrate the present General Supply Conditions representing the entire contents of the contract agreed upon by the parties (hereinafter referred to as the Contract) and exclude and replace every other agreement previously entered into between the same, whether in writing or verbal.

1.3 The non-validity of one of these Conditions shall not extend either to the Contract or to the Order Acknowledgements.

Any variation or integration of the Special or General Conditions shall have to be agreed upon by joint agreement by the Parties in writing.

Any tolerance of either of the Parties towards the other Party shall not be interpreted as an implicit waiver to the rights of the former, deriving from the Contract.

2.QUOTATIONS

2.1 The quotations issued by the Seller in the form of offer, for the Products which shall be object of the Orders of the Buyer, remain valid until the Products are received by Buyer, in accordance with the indications on the offers.

When such terms, indicated on the offers, have expired, the Seller reserves the right to modify or cancel every quotation without previous notice.



3.PRICES

All the prices are intended as excluding VAT. In the case of goods sold outside Italy, all prices do not include customs expenses or local taxes or customs duties, which must be paid entirely by the Buyer.

3.2 All the sales prices indicated on the Seller's price lists are subject to variation without prior notice. This variation shall not affect the purchase Orders issued by the Buyer and accepted in writing by the Seller, prior to the variation in question.

4.ORDERS

No quotation, advertising or catalogue of the Seller can be considered as an offer. All the Product Orders, issued by the Buyer, shall be intended as irrevocable proposals in accordance with Article 1329 C.C.

In order to remove any possible doubt, it is herein specified that no order form or request for offer sent by the Buyer to the Seller shall mean that the Seller accepts the conditions contained in such form or offer request. Only and exclusively shall the Order Acknowledgement, issued by the seller, constitute formal acceptance of the proposal thus finalising the legally binding contract, between Seller and Buyer.

The order acknowledgement shall entail the unconditioned acceptance, by the Buyer, of the present General Supply Conditions, which shall be returned to the Seller together with the order, duly undersigned.

4.3

The present General Supply Conditions shall be applied to each single legally binding contract concluded between the Buyer and the Seller and shall regulate all the successive deliveries of the Products.

Should the Buyer send an order for successive deliveries of Products, accepted by the Seller, each delivery of Products shall be considered as a single legally binding contract and any breach of contract made by one or by both parties, in relation to a single delivery, shall not entail any breach of contract in relation to deliveries that still have to be made.

5.PRODUCT CHARACTERISTICS - MODIFICATIONS

Any information or data relating to technical characteristics, specifications or characteristics of the Products contained in any technical data sheet, brochure or flyer, price list, catalogue or similar document shall be binding for the Seller only if expressly indicated on the Order Acknowledgement.



5.2

The Seller reserves the right to carry out modifications to the specifications or characteristics of the Products indicated on any technical data sheet, brochure, flyer, catalogue or similar document without being obliged to give prior notice to the Buyer.

6.CANCELLATION OF ORDERS

6.1

The partial or total cancellation of the Orders shall be ineffective without the written consent of the Seller and however, even if accepted, shall entail the reimbursement to the Seller of all the expenses incurred by the Seller up to the date on which the Seller accepts the cancellation of the Buyer's Order.

7.DELIVERY OF PRODUCTS

7.1

The Seller shall deliver the Products to the Buyer at the location agreed upon in writing between the Parties.

7.2

Unless otherwise agreed upon by the parties, the supply of the products is intended as Ex-Works.

8.CLAIMS

8.1 Any complaint made by the Buyer for losses or evident damage must be made in writing, within 8 days from the date of receiving the Products, otherwise, all rights, including the right to replacement of the goods, shall be revoked.

Any claims relating to defects which cannot be detected during a thorough control at the time of receiving the goods, (hidden defects), must be reported in writing within 8 days from discovering the defect and anyway not after 60 days from the delivery date of the Products, otherwise every right, including the right to the replacement of the goods, shall be revoked. In the case of damage, the aforementioned notification must contain all the details of the damage claimed. Moreover, the Buyer shall send a copy of the transport document "ACCEPTED WITH RESERVE" in order to obtain any eventual refund.

8.2

The Buyer loses the right to claim and consequently to the replacement of the goods should they not immediately suspend the processing or the use of the materials which are object of the claim. The materials and the products still unused shall have to be returned to the Seller.

In no case shall the claim or complaint give the right to the Buyer to suspend or in any way delay the payment of the supply being object of the claim or complaint or of other supplies.



8.4

The Buyer is not authorised to carry out any deduction of the amount agreed to, (in the case of claim or complaint for claimed defects of the Products), unless prior written authorisation has been given by the Seller.

8.5

No claim for damage relating to the transport or for the delivery of smaller quantities, to those indicated on the transport document, shall be accepted if the transport document does not carry the stamp and signature of the Buyer indicating the date of receiving the Products. Transport Documents that are not signed or that are signed with the specification "not controlled" or similar, shall imply that the Buyer relinquishes his right to any claim.

8.6 Following notification as specified at the previous point, the Seller shall have the right to examine and verify the Products within 14 days of receiving the Buyer's notification. Should the Products or a part of them result defective (and the Seller acknowledges such), the Seller, upon his own discretion, shall refund the price paid for the faulty Products or shall replace them, delivering to the Buyer's domicile the Products or that part of them which, upon his own discretion, is suitable for eliminating the defect.

8.7 The Seller has no responsibility, in the terms of this article, for defects which, according to the Seller, derive from:

Incorrect usage of the Product or negligence attributable to third parties different from the Seller;

8.7.2

Partial or total loss or theft of the Products;

8.7.3

Interventions, modification and repairs on the Products that were not authorised by the Seller in writing;

8.7.4

Normal wear and tear.

Should the Seller choose to replace the Products in question or a part of them, the Buyer shall allow the Seller to take possession of the Products originally delivered and the Seller shall deliver the new Products within a reasonable limit of time. The new Products shall be accepted by the Buyer in replacement of the defective Products.

The responsibility of the Seller for any violation of the Contract in relation to the Products shall not in any case exceed the value of the same Products at the time of delivery, as indicated on the invoice.

8.10

When partial deliveries are scheduled for the Products, any defects relating to a delivery shall not authorise the Buyer to cancel the successive deliveries which the Buyer is obliged to accept.



9.SECURITY OBLIGATIONS

In compliance with the provisions of Legislative Decree dated 9th April 2008 no. 81 and in particular with the provisions of article 26, subparagraph 2, point b, in the presence of the delivery of goods ex the Seller's works, it is the Purchaser's responsibility to inform its personnel, couriers and/or transporters, and staff responsible for accepting the goods, of matters regarding the current rules of conduct on the Seller's property, relating to the goods loading/unloading operations, listed below:

9.1

The Seller's staff are NOT authorised to use or to have access to the equipment, vehicles or plants that are property of the Purchaser; therefore the Purchasers shall carry out their own activities, completely autonomously.

9.2

In consequence of the above, especially for all couriers and transporters, the Seller's personnel is NOT authorised to have access to and/or carry out any type of intervention, on the vehicles and/or in the load compartments, including loading/unloading operations, as these activities shall be handled completely autonomously by the transporter.

Therefore the courier or transporter shall load their own vehicle, picking up the goods in departure from the marked loading/unloading area, in which the couriers and transporters can carry out said loading/unloading operations for goods incoming/outgoing from the Seller's warehouse.

10.GUARANTEE

10.1

The Seller guarantees the good quality of the Products with the commitment, during the guarantee period then specified, to repair or replace free of cost those parts which, because of the bad quality of the material or because of a manufacture defect should result defective, as long as this is not caused by natural wear and tear, failures caused by inexperience or by negligence of the buyer, imperfect assembly and/or storing, use exceeding the prescribed or predictable limits, tampering or interventions carried out by the customer which were not authorised by the Seller.

10.2

The Seller guarantees that the supply of Products shall comply with the technical characteristics and conditions specified in the Order Acknowledgement and/or transport document issued by the Seller.

In any case the Seller does not assume any responsibility in regard to the applications and operations to which the Products shall be submitted by the Buyer or by anyone on the Buyer's behalf.

Any technical specifications and/or requests for guarantee made by the Buyer shall not be held in consideration unless indicated on the Order Acknowledgement issued by the Seller.

10.3

The Seller shall take steps to repair, (or at his own discretion), to replace the goods which should prove to be defective, consequent to correct use, within 12 months from the date of delivery of the Products to the Buyer upon the condition that:



10.3.1

The Seller is notified in writing as soon as the defect appears, with a detailed report of the claimed defect;

10.3.2

The Buyer demonstrates that he has respected the provisions specified at the aforementioned point 8. CLAIMS. The GUARANTEE terminates at the expiry of 12 months even if the Products for any reason have not been used.

10.4

The Seller is obliged, in the case of defects, lack of quality or defect of conformity of the Products, solely to repair or replace the same.

It is understood that the above-mentioned obligation to repair or replace the Products supplied absorbs and replaces the guarantees or responsibility of any type provided for by the law (for example, faults, lack of quality, or defects of conformity of the Products), and excludes all other responsibility of the Seller (whether it be contractual or extra-contractual) which could be ascribable to defects, lack of quality or non conformity of the Products supplied (for example compensation for damage because of plant not working, lack of gain and for any title).

10.5

In alternative to the repair or replacement of the goods, as provided for in the previous point 10.4, the Seller is authorised, upon his own discretion, to refund the price paid by the Buyer for the faulty goods without any other additional amount.

The total responsibility of the Seller in this case shall not exceed the value of the goods in question, as is indicated on the invoice.

11.PACKING

11.1 Except otherwise agreed upon in writing, between the Seller and the Buyer, all the goods shall be packed according to the standard procedures of the Seller.

12.DELIVERY TERMS

The date of delivery indicated on the Order Acknowledgement, issued by the Seller, indicates the date on which the Products shall be sent from the warehouse of the Seller.

12.2

The timing foreseen for the processing of the order and shown on the Order Acknowledgement, issued by the Seller, is considered as only indicative and is not legally binding for the Seller. Therefore, in consideration of the merely indicative nature of the above-mentioned terms, the Seller shall not answer for any damage, directly or indirectly caused by any delay in delivery of the Products.



13.PAYMENTS

13.1

The non-payment or inexact payment of one or more invoices and the delay in payment, as well as any type of payment that has been rejected or the initiation of legal proceedings of any type towards the Buyer, shall give the Seller the right to:

13.1.1

Declare that the buyer has forfeited the benefit of the payment terms ex Art. 1186 C.C. and modify unilaterally the payment conditions of any future supplies;

Suspend fulfilment of the supply relations;

13.1.3

Request for future supplies, already being carried out, the payment UPON GOODS READY, until all the due payments have been regularly paid.

14.RETENTION OF TITLE

14.1 The ownership of the goods is intended as being carried out with retention of title ex Art. 1523 C.C. and every right on the same shall not be transferred to the Buyer until the Seller has received the complete payment of all the goods delivered to the Buyer as per the terms of this Contract and of every other contract for which the complete payment of the goods has not yet been made.

14.2 Should the Buyer be subject to insolvency proceedings the retention of title shall be disciplined by Article 72 R.D. 16 March 1942 n. 267 (Bankruptcy Law).

15.LIMITATION OF RESPONSABILITY

The responsibility of the Seller in regard to the Buyer, originating from presumed violations of the Contract regarding the goods, shall be limited in any case to the price of the same goods, as indicated on the invoice.



16.APPLICABILE LAW - COMPETENT COURT

Any controversy deriving from the interpretation, application, fulfilment, cancellation of the contract and/or the present "General Provision Conditions" or anyway related to them shall be governed by Italian Law and shall be assigned exclusively to the competence of the Court of Cremona (CR).

This provision shall be applied even in related actions.

| In acceptance of the above clauses. |
|-------------------------------------|
| THE BUYER |
| |

The buyer declares having approved specifically, as per and in consequence to Articles 1341 and 1342 C.C.: the following clauses: 2.1 (Quotations); 4.1 (Orders); 4.2 (Acceptance of general contract conditions); 5.2 (Changes to specifications and characteristics of the products); 6.1 (Cancellation of the orders); 8.1 (Complaint terms); 8.2 (Revocation of the complaint); 8.3 (Prohibition to suspend payments); 8.5 (Relinquishment to claims in the case of unsigned transport documents); 8.7 (Waiver of the seller's responsibility); 8.9 (Limitation of the seller's responsibility); 9 (Security obligations, therein including points 9.1 - 9.2); 10.4 (Contents of the guarantee); 10.5 (Seller's faculty with regards to the contents of the guarantee); 12.2 (Delivery terms); 13 (Payments therein including points 13.1 – 13.1.1 – 13.1.2 – 13.1.3); 14.1 (Retention of title); 15.1 (Limitation of responsibility); 16 (Competent court).

| THE BUYER |
|-----------|
| |
| |
| |

COMPANY WITH **QUALITY SYSTEM CERTIFIED BY DNV**

= ISO 9001 =

La RTE si riserva il diritto di apporre eventuali modifiche alle presenti "Condizioni generali RTE reserves the right to make any modification without prior notice.

