

GENERAL
CONDITIONS
OF SALE

Alcu[®]
SYSTEM

GENERAL CONDITIONS OF SALE

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Pursuant to Article 1341 of the Civil Code

All sales entered into by Al-cu System S.r.l. (hereinafter referred to as Al-cu System) are to be governed exclusively by the following General Conditions of Sale. Any clause or condition drawn up by the Customer shall become null and void if found to be in conflict with the following conditions.

QUOTATIONS

Quotations issued by Al-Cu System, including codes, description, technical features and prices of the goods shall not in any case be considered as a binding sales agreement, but rather a quote.

The conditions set forth in said quote shall lose all validity and effect once elapsed the period of validity mentioned in the same, unless Al-cu System receives an Order from the Customer in the meantime.

ORDERS

The Customer shall send Al-Cu System specific orders containing the codes, the description, the technical specifications and the prices of the Products, the required quantity, the price and the requested delivery terms in writing by e-mail, by fax or other telematic means.

ORDER CONFIRMATIONS

The Contract is entered into between the parties when Al-cu System, upon receipt of the Order, has sent a regular Order Confirmation including codes and description of the Products, prices and delivery terms in writing by e-mail, by fax or other telematic means.

As soon as it receives Al-cu System's Order Confirmation, the Customer shall check all the data therein contained; these are deemed accepted by the Customer unless objected by the same in writing within 24 hours of receipt of the Order Confirmation.

The Customer shall accept in full these General Conditions of Sale, the quantities of the products and their price even if he does not return the Order Confirmation stamped and countersigned to Al-cu System.

Al-cu System declines any liability for mistakes made in the processing of the Order arising from mistakes contained in the Customer's Order or in Al-cu System's Order Confirmation if the mistakes are notified once elapsed the aforementioned period of 24 hours since the reception of the Order Confirmation.

CONCLUSION OF THE CONTRACT

The contract shall be deemed concluded even without Al-cu System written confirmation, once the Products are delivered to the Customer and the latter does not immediately object in writing the delivery, or the Products are collected by the Customer from Al-cu System warehouse.

CANCELLED ORDERS

Possible variations or cancellations of orders must be notified in writing by e-mail, by fax or other telematic means within 24 hours from the sending of the Order and shall be confirmed or not in writing or orally by Al-cu System.

In the event of the Customer's suspending or cancelling an order, without Al-cu System agreement, Al-Cu System reserves the right

to invoice the:

a) the cost, calculated pro-rata, of the materials used and of work accomplished in filling the order thus far. The merchandise in this instance remaining at the Customer's disposal.

b) higher charges arising for Al-cu System from the Customer's failure, in addition to 20% of the difference between the order sum-total and the amount previously referred to at point a).

PRICES

Products prices refer to the ones stated in Al-cu System's the official price lists in force at the time the order is placed by the Customer or to the ones specified in the Order, according to the commercial conditions agreed upon with the Customer (in terms of discounts and net sales prices) and, however, confirmed in writing upon acceptance of the Order by Al-cu System.

The prices are deemed for Products delivered Ex Works (EXW) according to Incoterms (International Commerce Terms). Unless otherwise agreed in writing between the parties, the prices are deemed to be exclusive of VAT and expressed in EUROS. These prices do not include transport costs from Al-cu System's warehouse to the Customer's warehouse. Such costs shall be covered separately by the Customer unless otherwise agreed between the parties.

Al-cu System reserves the right to change, at any time, the prices shown in the price list.

Changes in prices shall be notified to the Customer via e-mail at least 20 days before the entry into force and they shall take effect for all Orders received by Al-cu System starting from the date of entry into force of such changes.

TERMS OF DELIVERY

The terms of delivery stated on the Order Confirmation are indicative, without prejudice to Al-cu system undertaking to observe the same as far as possible; terms of delivery do not include transit times.

In any event, given the indicative nature of the terms of delivery, Al-cu System shall in no circumstances be held responsible for any direct or indirect damage to the Customer resulting from delays in delivery, unless a specific delivery date was ensured in writing by Al-Cu System.

Al-Cu System is entitled to postpone the delivery deadline or suspend the delivery of the contractual material, at its unchallengeable discretion:

a) should the Customer fail to observe the conditions of payment established or be late in fulfilling its contractual obligations (such as, by way of a non-limiting example, the sending of advances, granting of guarantees, issue and presentation of credit instruments and other financial fulfillments) including those relating to previous relations with Al-Cu System.

b) In cases of force majeure or events such as, by way of a non-limiting example: lockouts, full or partial strikes, abstention from labour, epidemic, war, fire, flood, processing incidents and stoppages and/or delays in transportation, blackout or inadequacy of power supplies and any other event that cannot be attributed to Al-Cu System or its Suppliers;

c) failure on the part of the Customer to provide Al-cu System, in good time, with any information necessary for the supply and/or

materials it has undertaken to provide

d) when amendments are made to the Order, although accepted by Al-cu System

e) in the event of difficulties in procurement of raw materials

f) in case of delays ascribed to the shipper

In cases in which suspension of supplies or extension in delivery deadlines are due to causes that can be, in any way, to the Customer (such as, by way of a non-limiting example, those cases set forth in the previous paragraph under points a, c and d), Al-Cu System shall be entitled to claim compensation from the Buyer for the damages incurred.

The occurrence of any of the events listed, in any case, not attributable to the fault of Al-cu System shall not entitle the Customer to claim for any compensation for damage

the Customer shall, in any case accept to receive the goods ordered after the agree deadline with no right of claiming for damages or compensation whenever the delay is due to an event of force majeure.

DELIVERY / SHIPMENT

Delivery is understood as ex-works (EXW) at Al-Cu System's warehouse.

Specifically, delivery may be said to have taken place, to all intents and purposes, with the sending of notice (which may simply take the form of a delivery note) either to the effect that merchandise is available for testing (where applicable) or for collection by the Customer, or to the effect that it has been handed over to the freight company.

Once the Customer is informed the goods are ready for delivery, the Customer must swiftly indicate the name of the freight forwarder, when appointed by the same, which will collect the goods. The Customer must also take out transport insurance.

In case of the late collection of merchandise made ready by Al-Cu System for any reason whatsoever not attributable to lack of goodwill on the part of Al-Cu System, once the notification was given that the goods were ready for collection, they shall be considered delivered, with the following consequences:

a) Al-cu System shall be entitled to issue the relative invoice and claim fulfillment of the terms of payment established

b) Al-Cu System may package, transport or store the material at the Customer's expense, without prejudice to its right to claim for any damage suffered, including the costs for warehousing, keeping and storage of the goods.

In the event delivery carriage paid is agreed upon, goods will be delivered by a shipper commissioned by Al-cu System. In so doing, Al-Cu system shall consider itself expressly authorised by the Customer. Under no circumstance Al-cu System shall be held liable for the choice of the Shipper.

Any additional services required by the Customer such as insurance, handling, special delivery services and other charges related to the forwarding of the goods (duties, customs etc) shall be at the Customer's expense.

PAYMENTS

Payments must be remitted to the Al-Cu System's place of business,

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and made in accordance with the agreed conditions. Any remittance made at location or in manner differing therefore, may not be deemed valid and shall consequently not have a redeeming effect for the Customer.

In the event of late payment at the agreed deadlines, Al-Cu System shall be entitled to charge interest on arrears pursuant to Legislative Decree no. 231 of 9 October 2002.

Failure to pay or a payment delay exceeding 30 days shall entitle Al-cu System to suspend the delivery of the Products and terminate any contract entered into.

The suspension of the delivery of the Products or the termination of the contract shall not entitle the Customer to demand any compensation for damages.

In the event deferred payments failure to pay even a single instalment will lead to a forfeiture of the benefit of the deferred payment pursuant to article 1186 of the Civil Code. Failure to meet the agreed payment terms shall entitle Al-cu System to demand the customer the payment of interests for late payment pursuant to Legislative Decree no. 231 of 9 October 2002, in addition to any bank charges and commissions.

Any claims or disputes give no right to the Customer to suspend or delay the payment of invoices.

The issue of bills of exchange, promissory notes, drafts, cheques or any other agreed form of payment or guarantee shall not cause any amendment to the contract or any of the contract clauses (specifically, it shall not change the place of jurisdiction in the case of a dispute) and shall be exclusively considered as aimed at facilitating the definition of the relationship, without having any novation effect.

COMPLAINTS

Any complaints with regard to the products delivered to be valid must be detailed and notified in writing to Al-cu System within and not later than eight (8) days from the reception of the goods.

In any case the recipient shall write on the delivery note "DAMAGED" upon the reception of the goods if the damage concerns the packaging and the number of packages.

If the complaints has not been notified according to the above forms and terms, the delivered Products shall be deemed to be compliant with those ordered by the Customer.

Any difference in the Products delivered to the Customer in terms of the type and quantity indicated in the Order must be notified to Al-cu System in writing within 8 days from the date of delivery. Should no reports be received within such term, the Products delivered shall be deemed to comply with the Customer Order.

RETURNED PRODUCTS

The return of any Product must be agreed in advance in writing by Al-cu System. Authorized returns shall be sent as "Delivered Duty Paid" to Al-cu System's warehouse; returned products shall be undamaged, packed in their original packaging and accompanied by a regular Shipping Document and all purchase details. Returned products will be refunded at the purchase price reduced by 10% for administrative burdens.

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WARRANTY

Al-cu System guarantees that its products and their components are free from manufacturing defects for a period of 12 months from the date of the delivery of the goods.

The warranty is limited to repair or replacement of parts, at the Al-cu System unchallengeable discretion and forwarded carriage-paid to an address specified by the Vendor, which show recognizable defects due to defective materials or manufacturing.

The warranty does not cover parts that are subject to natural wear or deterioration.

Any other compensation is excluded nor can any direct and/or indirect damage (including liability towards third parties) of whatsoever kind and nature be claimed even in respect of temporary lack of use of the goods purchased. Examination of defects and of their causes shall always be carried out Al-Cu System's factories, by Al-Cu System.

Expenses relating to operations (such as, for example, labour, dismantling, reassembly, transport, board and lodgings) by Al-Cu System's personnel to outside locations for the purpose, are always at the Customer's charge, even in case the right to repairs under warranty has been acknowledged. Al-Cu System will be chargeable only for the costs of replaced parts and the time needed to replace them.

The warranty ceases to be effective for products stored, installed, used or maintained in a negligent or improper manner, i.e. not in accordance to the Vendor's instructions, or modified and/or repaired in any way whatsoever, or entirely or partially disassembled

The warranty also excludes damages and/or defects and/or abnormalities deriving from external events or components (such as, by way of a non-limiting example: atmospheric discharges, lightning, loads oversizing or improper mounting of the loads, etc.).

The warranty mentioned in article 10 replaces and excludes any other form of warranty, even legal.

The Customer's entitlement to the warranty mentioned in this article shall be null and void in the case of non-performance of even just one of the contractual obligations assumed, specifically as regards the conditions of payment.

Any repairs under warranty shall be required by the Customer to Al-Cu System in writing stating the article number and the description of the article, references of the Order and of our Order Confirmation, the defect complained and any photographic or video evidence.

For replaced or repaired parts, and solely for these parts, the warranty period starts anew and expires the same day of the end of the guarantee period of the machine or of the electrical equipment. Once the period of 12 months from the delivery of the Products has expired, the guarantee shall expire even if, for any reason whatsoever, the Products have not been used yet. Once the Warranty Period is expired, complaints shall not be admissible not even for hidden defects.

Al-cu System shall not be held liable for changes and/or improvements made by Producers to the Products it sells. Descriptions as well as images and technical data contained in Al-cu System's catalogues, brochures etc. are purely indicative and not binding.

LIABILITY

Should Al-Cu System be liable for faulty products, the compensation shall not in any case exceed the purchase price of the same faulty products.

Al-Cu System shall not, in any case, be liable for indirect damage such as, for example, loss of clientele, turnover, production, profit, image or any damage to the Buyer for any action taken against it by third parties.

Al-cu System shall not in any case be liable when product defects are due, by way of a non-limiting example, to:

- a) improper, incorrect or excessive use;
- b) improper, incorrect or inadequate maintenance
- c) product use that is unusual or contrary to the Al-Cu System's warnings or, in any case, different to its intended use;
- d) use of product with inappropriate components;
- e) improper conservation

EXPRESS TERMINATION CLAUSE

Al-cu System shall be entitled to terminate any individual Sale pursuant to article 1456 of the Italian Civil Code, at any time by written notice to the Customer, in any case of failure or defective fulfilment or reduction in the guarantee of correct performance, of the obligations undertaken with the contract.

APPLICABLE LAW AND PLACE OF JURISDICTION

Any contract entered into between Al-cu System and the Customer is governed by Italian law and the Court of Vicenza shall have the sole jurisdiction on any dispute concerning the validity, interpretation, execution and termination of the Contract.

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