



SINICO SALES CONDITIONS GENERAL CONDITIONS OF SALE

THESE GENERAL SALES CONDITIONS ARE INTENDED AS BEING APPROVED AND ACCEPTED WHEN THE PURCHASE ORDER IS RECEIVED

1. DEFINITIONS

- 1.1 The term "Machine" refers to any piece of machinery, even other than machine tools, as well as to lines of machines and systems supplied by the Sinico Group.
- 1.2 The terms "Goods" and "Products" include not only the machines but also components, machinery parts, finished products and any other material goods supplied by the Sinico Group.

2. CONTRACTUAL REGULATIONS

- 2.1 Excluding any exceptions specifically agreed in writing, these General Conditions govern all current and future sales contracts between the Sinico Group (hereinafter "the Seller") and the buyer (hereinafter "the Buyer"). Any general conditions of the Buyer do not apply, even partially, if they are not accepted in writing by the Seller. Any exceptions to these general conditions will be effective only if agreed in writing between the parties.
- 2.2 These general conditions are applied to the contract when the Buyer accepts, even with conduct implying an intent, the offer or order confirmation of the Seller.
- 2.3 All sales contracts between the parties, as well as these General Conditions, are governed by Italian law and in particular by the United Nations Convention on contracts for the international sale of goods, signed in Vienna on 11 April 1980.
- 2.4 Any commercial terms (e.g. ex-works, FOB, CIF, etc.) used herein are listed in the version of the Incoterms rules published by the International Chamber of Commerce that are in force at the time of conclusion of the sales contract.

3. PRODUCT CHARACTERISTICS - TECHNICAL DOCUMENTATION

- 3.1 Non-binding data. The weights, dimensions, prices, capacities, performances and other data appearing in the catalogs, brochures, circulars, advertisements, illustrations and price lists or other illustrative documents of the Seller, are approximate indications. These data are not binding.
- 3.2 Changes. The Seller reserves the right to change the technical characteristics of the Products (such as the components) at any time, without notice, as long as the changes do not affect Product performance.
- 3.3 Seller's documents. Any drawing, document, technical information or software relating to the manufacture, assembly and maintenance of the plant, machinery and other goods, as well as those relating to their parts, and any other drawing, document, technical information or software of the Seller given to the Buyer before or after contract stipulation, remain the exclusive property of the Seller. They cannot be used by the Buyer for purposes other than Product use and maintenance, nor can they be copied, reproduced, transmitted or communicated to third parties without the Seller's written consent.

4. PRICES

- 4.1 Unless otherwise agreed, prices are quoted in the specified currency, ex-works, excluding packaging.
- 4.2 The prices are net of VAT, any levy or duty, tax, or any kind of other charges related to this contract.

5. TERMS OF PAYMENT

- 5.1 Payment must be made exclusively to the Seller under the agreed conditions. Payment is understood to be made when the relative amounts, without deductions, reach the Seller's domicile. Any advances paid by the Buyer may be retained by the Seller to the extent necessary for recovering any costs or damages upheld in the event of purchase contract termination because of, or on the initiative of, the Buyer.
- 5.2 In the event of payment being made after the agreed date, the Buyer will pay the Seller interest in arrears determined in accordance with art. 4 of Legislative Decree 231 dated 9 October 2002, which implements EC directive 35/2000.
- 5.3 Any delay in payment of the price (or even of any advance payments, or installments in the event of deferred payment) that exceeds 30 days from the agreed date for payment will give the Seller the right to terminate the contract; the Seller will also have the right to withhold the part of the price already paid (to the extent necessary for covering the damages suffered or the costs incurred) and to claim Product return (where already supplied), by and at the cost of the Buyer, in addition to compensation for any damage. This also applies if the Buyer has not made the agreed documentary credit available within the agreed terms.
- 5.4 It is hereby expressly agreed that in the case of deferred payment, the Seller is authorized to restrict software operation to the respective payment deadlines; the software will become operative when the agreed instalment is paid.
- 5.5 In the case of advances covered by a bank guarantee provided by the Seller (e.g. repayment guarantee or advance payment guarantee), the Buyer will not enforce the guarantee if and in the cases when the deposit is not to be refunded (e.g. in case of revocation of the order, or termination of the sales contract due to the Buyer's fault).
- 5.6 The Buyer is not authorized to make any deductions from the agreed price (e.g. in case of alleged Product defects), or to delay payment in the event of alleged breaches by the Seller, unless prior written agreement has been received from the Seller.
- 5.7 In the event of the Seller having reason to believe that the Buyer is unable to, or does not intend to, pay for the Products on the agreed date, the Seller may make Product delivery conditional to the presentation of adequate payment guarantees (e.g. surety or bank guarantee). Furthermore, in the event of late payment, the Seller may unilaterally modify the terms of, and/or suspend, any other supplies until adequate payment guarantees are received.

6. RETENTION OF TITLE – TRANSFER OF RISK

- 6.1 It is hereby agreed that delivered Products, until fully paid for by the Buyer, remain the property of the Seller. Until the full amount due for the Products has been fully paid to the Seller, the Buyer will not do anything to prejudice the Seller's rights in any way, for example, resell, assign, guarantee the Products, without the prior consent of the Seller.
- 6.2 All risk is transferred to the Buyer at the latest when the Goods are given to the first transporter. In the event of the shipment being delayed or prevented for reasons not attributable to the Seller, the Machine is stored at the risk, peril and cost of the Buyer, starting from the expected delivery date communicated promptly to the Buyer.

7. DELIVERY TERMS

- 7.1 Unless otherwise agreed, the Products are supplied ex-works, even when agreements are made for the Seller to handle the shipment, or part of it. To all effects and purposes, delivery will therefore begin at the Seller's premises when the goods are loaded onto the vehicle of the first transporter.
- 7.2 Any delivery terms agreed by the parties are purely indicative and as such do not bind the Seller. These terms start from the date when the order confirmation is issued and end with the notice of goods ready.
- 7.3 These terms are extended accordingly:
 - 7.3.1 when the Buyer is not up-to-date with payments (e.g. failure to send the down payment or deposit where required);
 - 7.3.2 when documents, drawings, clarifications, materials for tests and inspections or other elements that the Buyer must provide for order execution have not been received by the Seller;
 - 7.3.3 in the event of force majeure and unforeseeable cases, including strikes (direct and indirect), forced interruption of work, delays in delivery by sub-suppliers, etc.;
 - 7.3.4 in the event of changes requested by the Buyer;
 - 7.3.5 when means of transport cannot be found or if their finding is delayed.



7.4 In the event that shipment is postponed at the request of, or for reasons attributable to, the Buyer, the Seller reserves the right to charge the effective storage costs, or 1% of the invoice amount for each month or part of the month, starting from the month following the one in which the notice of goods ready was given. In this case, risk is transferred to the Buyer at the date on which the goods should have been delivered to the Buyer.

7.5 Except in the case of willful misconduct or gross negligence of the Seller, any compensation for damage due to failed or delayed Product delivery is expressly excluded.

8. INVOICING

8.1 Invoices will be issued in accordance with law, with effect from the notice of goods ready.

8.2 Delayed collection of the Goods does not change the starting date of the agreed payment terms.

9. PACKAGING

9.1 Unless otherwise agreed in writing, the packaging will be invoiced separately; packaging cannot be returned.

9.2 In the absence of precise instructions from the Buyer, the Goods will be packaged by the Seller in the manner deemed to be most suitable by the Seller.

10. TRANSPORTATION

10.1 The Goods always travel on behalf, and at the risk and peril, of the Buyer, even if sent carriage paid in accordance with special agreements made, and even if transport is organized by the Seller on behalf of the Buyer.

10.2 In the event of shortages or damage, the recipient must arrange for goods collection and is responsible for making complaints, if necessary, to the shipper or carrier when the goods arrive.

10.3 In the absence of precise instructions from the Buyer, the Seller will send the goods in the way deemed to be most convenient by the Seller; in these cases the Seller is relieved of any and all responsibility.

11. TESTING

11.1 Before being delivered or shipped, the Machines are tested at the Seller's factory. This test is done in the manner established between the parties; failing this, the test will be done in the methods usually adopted by the Seller. Testing will verify machine conformity pursuant to art. 12.1 of these general conditions.

11.2 The Buyer is obliged to attend the testing carried out in the Seller's premises at the expense of the Buyer; any costs of accommodation, transport services between the designated hotels, airports and stations and the Seller's headquarters will be payable by the Buyer. In the event of the Buyer not being present on the established test date, the test will be carried out just the same and the results considered as having been accepted by the Buyer.

11.3 The test is positive in these cases:

- a) if the Buyer is present at the test and there is no specific written complaint in the test report of any machine defect or flaw during or immediately after test conclusion;
- b) if the Buyer is not present and no complaint regarding any machine defect or flaw appears in the test report written by the Seller.

11.4 If the test fails, the Seller will remedy the defects or flaws indicated in the test report. The delivery terms are considered extended for a period equal to that necessary for making the changes. A second test will only be carried out to verify the specific defects or flaws indicated in the report relative to the first test. The Buyer does not have the right to dispute the existence of defects that lie outside the object of the test.

11.5 In the event of a further functional test being requested at the premises of, and by, the Buyer, with the Machine installed and in the presence of the Seller's technicians, the costs of this test will be paid in full by the Buyer and will be determined based on the technical service conditions of the Seller.

11.6 When expressly agreed between the parties, the Seller will commission the machine at the premises of the Buyer. Commissioning will involve:

- a) verification that any defect or flaw indicated in the last test report carried out in the Seller's premises has been eliminated;
- b) when done by the Seller, verification that assembly or installation were carried out as agreed.

In the event of machine assembly or installation not being carried out by the Seller, the Buyer will complete machine assembly and/or installation before the date when the machine is to be commissioned, and will inform the Seller of this date sufficiently in advance. The Buyer will duly arrange all that is necessary or useful for regular commissioning on the established date. All the expenses related to commissioning at the premises of the Buyer will be at the charge of the Buyer.

11.7 The Buyer cannot apply any right, warranty, action and exception regarding machine defects or flaws that could have been found during the acceptance tests or machine commissioning, unless the Buyer gave written notification of these defects or flaws during testing or commissioning.

11.8 In the event of repairs or replacements that are carried out in the place where the machine is installed, the working hours needed by the Seller's technicians to correct the defect or flaw will be paid by the Seller; travel time and any expenses for board, lodging or waiting hours (travel and / or waiting hours are considered as being equivalent to working hours) will be charged and invoiced to the Buyer according to the technical service conditions of the Seller.

12. WARRANTY

12.1 Machine conformity. In the terms provided for in this article, the Seller will deliver machines that conform to the agreements made and which are free from any defects and flaws that make them unsuitable for the use for which machines of the same type are normally used.

12.2 Warranty duration. This warranty covers a period of 12 months starting from the machine delivery date, or upon reaching 2,000 hours of machine operation (the first of the two conditions that occurs is considered), even when it is agreed between the parties that commissioning must be carried out at the Buyer's premises.

12.3 The warranty for replaced parts expires on the same day as the machine warranty. The Seller is not liable for Machine defects or flaws deriving, even indirectly, from drawings, projects, information, software, documentation, indications, instructions, materials, semi-finished products, components, and anything else supplied, indicated or requested by the Buyer or by third parties acting, in any capacity, on behalf of the Buyer; the Seller is also not liable for any defects or flaws appearing in the materials, software, semi-finished products, components and any other product, incorporated or not incorporated into the machine, supplied, indicated or requested by the Buyer or by third parties acting on behalf of the Buyer in any capacity.

12.4 The Seller is also not liable for machine defects or flaws resulting from the normal wear and tear of those parts which, by their nature, are subject to continuous wear, be they mechanical, electrical, electronic etc. (e.g. seals, belts, brushes, fuses, coils, equipment and molds, etc.).

12.5 The warranty is effective provided that the Buyer uses the Machine with material and equipment that are compatible with the technical characteristics of the Machine itself, which can be found in the instruction manual. The Buyer must use the Machine with all its safety devices in place. The Buyer must also segregate the operating areas of the machines according to the work cycle to be carried out, and use suitable protection inside them.

12.6 The Seller is likewise not liable for machine defects or flaws if the rules given in the user manual are not followed, if the machine is used or treated badly, or when modifications or repairs have been carried out without the prior written consent of the Seller. In no case is the Seller is liable for conformity defects occurring subsequent to the transfer of risk to the Buyer.

12.7 Even though unaware of any claims or industrial or intellectual property rights of third parties related to the machine or the documentation given to the Buyer, the Seller is unable to guarantee the total absence of these rights.

12.8 The Buyer shall, under penalty of forfeiture, inform the Seller of any machine defects or flaws which could not be identified during testing (hidden defects) and which were discovered at a later time; the Buyer will specify in detail the nature of these machine defects or flaws in writing within 15 days from discovery.

Complaints about machine defects or flaws cannot be made after the expiry date of the guarantee terms indicated in the previous art. 12.2, or as otherwise agreed between the parties.

12.9 Any repairs to the Machine and/or the repair or replacement of machine parts carried out by the Seller cannot be considered as implicit recognition of the disputed defects: recognition must always be explicit and come after the Seller has checked the disputed Products. In the event that the Seller does not recognize the products as being faulty during verification, the Seller will invoice the parts sent in replacement.

12.10 The warranty is no longer valid if the Buyer does not allow any reasonable inspection that the Seller requests or if the Seller replaces a faulty part at the cost of the Seller and the Buyer fails to return the replaced part within 15 days from the request.

12.11 Following a regular complaint by the Buyer made pursuant to art. 12.8 and after ascertaining the existence of the defect, the Seller can choose whether to take back, replace or repair the parts recognized as defective.

12.12 In the event that repairs or replacements are to be made in the place where the Machine is installed, the hours of work for correcting the damage or fault will be paid by the Seller, while the travel time and any expenses for board, lodging and waiting hours (travel and / or waiting hours are considered as being equivalent to working hours) will be charged and invoiced to the Buyer according to the technical service conditions of the Seller.



12.13 The warranty referred to in this article includes and supersedes the guarantees or responsibilities provided for by law, and excludes any other liability of the Seller (both contractual and non-contractual) originated by the supplied Products (e.g. compensation for damage, loss of earnings, etc.). Excepting the case of willful misconduct or gross negligence, the Seller will therefore only be required, in the event of defects or flaws, to replace or repair the supplied Products under the conditions set out in this article. Any other liability is excluded. The Buyer cannot make claims for damages, or request price reductions, contract termination, suspension of payments or cancel ongoing contracts. The warranty ceases to be valid if the Buyer is not up-to-date with payments, and any dispute relating to the material under warranty does not release the Buyer from the obligation to pay. Once the warranty period has elapsed, no claim can be made against the Seller.

12.14 The Buyer immediately loses all warranty rights:
if the maintenance (including preventive) instructions given in the user manual have not been respected;
if the machine, or its accessories, or any equipment, were used above the technical limits for which they were supplied;
if the Buyer modified, even minimally, the Machine or the accessories or the contract equipment without the prior written approval of the Seller;
if the Buyer's obligations pursuant to clause 12.8 have not been fulfilled.

13. RESPONSIBILITIES OF THE SELLER

Any liability that may derive from the Products subsequent to the transfer of risk to the Buyer, including any damage to property (even machine parts or accessories), will be the sole responsibility of the Buyer; the Buyer will hold the Seller harmless and will also insure any relative risk in an adequate manner, without the right of recourse against the Seller. The Buyer hereby consents to being impleaded in the event of proceedings against the Seller for the liability referred to in this article.

14. PERSONNEL

14.1 When the parties agree that the Seller's personnel have to be sent, only the work indicated in the contract can be carried out.

14.2 Obligations of the Buyer.

The Buyer will facilitate the work of the Seller's personnel in every way to ensure that work can begin immediately after personnel arrival on site and that the job to be done can continue without interruption until completed. The Buyer will, in particular, but not only:

- finish all work of any type that needs to be completed before the Seller's personnel begin working;
- keep the connections ready (electricity, energy, water, etc.), as well as the necessary appliances and tools, including lifting and internal transport means;
- prepare lockable rooms near the workplace for storing the tools and clothing used by the Seller's staff;
- prepare the parts to be assembled on site, ensuring complete protection;
- keep all appropriate auxiliary personnel ready; guarantee the safety of the Seller's technicians at all times.

14.3 Liability for damages.

Any harm caused to or by the Seller's personnel during their stay with the Buyer remains the responsibility of the Buyer. The Buyer will stipulate an adequate accident insurance policy in favor of the Seller and / or the representatives of the Seller.

14.4 Expenses

All costs necessary for fulfilling the obligations of the Buyer will be paid by the Buyer, together with:

- the cost of the daily travels of the Seller's personnel from their accommodation to the workplace;
- expenses for medical care, hospital care and medicines in the event of the Seller's personnel becoming ill or injured in an accident.

14.5 Compensation

Unless otherwise agreed in writing, the Buyer will pay the Seller the expected compensation, current as and when needed, calculated according to the technical service conditions of the Seller; compensation will be paid according to the agreed terms.

14.6 Intervention Report

The Buyer will sign the technical intervention report drawn up by the Seller; the report indicates the work that was done and the hours that were worked. In the absence of the Buyer's signature, the report signed by the Seller's personnel will be held as valid between the parties.

15. SPARE PARTS

15.1 Spare parts will be supplied at the minimum quantities and costs given in the Seller's price list, provided that the Seller can find the pieces easily.

15.2 The spare parts will be quoted according to the updated spare parts price list.

15.3 The Seller is not responsible for the incompatibility of accessories on machines that are different or which have been modified by the Buyer.

15.4 The Seller reserves the right to evaluate whether to supply parts according to the Machine they are destined for. The Buyer is required to provide all the necessary technical information.

16. SOFTWARE PROVIDED BY THE SELLER

16.1 The Seller will make any special software, developed by the Seller and required for machine operation, available to the Buyer together with the Machine, under the conditions indicated below.

16.2 The Software, including any subsequent updates provided by the Seller, remains the exclusive property of the Seller. The Buyer may use the software as a licensee and only for operating the Machine it was supplied with; the Buyer cannot sell, disclose or reproduce the software for third parties, or modify or interfere with the software unless prior written authorization is received from the Seller.

16.3 In the event that payment for the Software (or the Machine for which the software is intended) is deferred, the Seller can grant use for a limited period, extending Software duration following regular payment of the instalment due on maturity. It is understood that no limitation of this type can be implemented after full payment of the price.

17. ASSIGNMENT OF CONTRACT

The contract cannot be assigned by the Buyer without the written consent of the Seller.

18. HARDSHIP

The Seller can request a revision of the contractual conditions and, failing that, declare the contract terminated if, for any reason unforeseeable to a sector entrepreneur with normal experience, the Seller's obligations, before being executed, become excessively burdensome in relation to the originally agreed consideration, and in a manner that modifies the relationship by more than 20 percent.

19. CONFIDENTIALITY

The Buyer will keep the technological content and know-how of the Seller secret and will not disclose or use the Seller's drawings and / or technical documentation of any kind for non-contractual purposes; this technological content, know-how, drawings and/or technical documentation of any kind will remain the property of the Seller.

20. DISPUTES

The Vicenza Court has exclusive jurisdiction for any controversy deriving from or connected to this contract. The jurisdiction of any other court is excluded even in cases of payments made by bank draft or commercial paper or impleading/summons for guarantee intervention.

