

GENERAL TERMS AND CONDITIONS OF SALE**GEFRAN S.p.A. GROUP****Effective as from 01/06/2019****Updated on June 2019**

This document contains the General Terms and Conditions of Sale governing buying and selling between the companies in the Gefran S.p.A. Group (the Seller) and its Customers (the Buyers) involving any type of product or service.

Order: this contains a list of products and services requested and any special conditions governing the relationship.

Supply Contract: this contains all the clauses governing more complex relationships in relation to the type of supply.

General Terms and Conditions of Sale: these apply to all Supplies, and can only depart from the provisions of a Contract or an Order when explicitly established. They form an integral and substantial part of each offer and order acknowledgement.

GENERAL TERMS AND CONDITIONS OF SALE

1) GENERAL

- 1.1 The supply is subordinate to acceptance of these GENERAL TERMS AND CONDITIONS OF SALE (the "Terms and Conditions") by the Buyer, which shall return them to the Seller, duly signed for acceptance.
Application of these Terms and Conditions by the Seller is quoted in all order acknowledgements sent to its customers.
- 1.2 If the Terms and Conditions are not duly signed and returned, the Seller has the faculty to consider the Order cancelled. However, execution of the Contract is considered as tacit acceptance of these Terms and Conditions, provided that the Buyer has not explicitly contested the contents in writing prior to execution.
- 1.3 Acceptance, either express or tacit, constitutes the Buyer's waiver of the application of its own general and special Terms and Conditions of Purchase. Any condition in the Order that modifies, conflicts with or contradicts these Terms and Conditions of Sale will be considered invalidated and not applicable, unless specified otherwise herein. The Seller will not accept any verbal agreements or commitments stipulated by its representatives and/or agents; any departure from these terms and conditions must be made in writing.
- 1.5 The Seller reserves the right, at its sole discretion, to modify these Terms and Conditions at any time, but it is required to inform the Customer thereof. The order is an irrevocable proposal to buy, but it is deemed accepted by the Seller only following order acknowledgement or execution of the order.

2) ORDERING PROCEDURES

- 2.1 All orders must be sent in writing and fully completed for a correct identification of the Products and Services requested. Orders placed on the phone or orally will not be accepted.
- 2.2. The Buyer may request cancellation or modification of the order in writing, only prior to its execution.
- 2.3. The Seller has the faculty to reject order cancellations or modifications of orders depending on the state of progress of the job order. For cancellations and modifications to be effective, they must be explicitly accepted by the Seller.

3) PRICES AND CONDITIONS OF PAYMENT

- 3.1. Unless specified otherwise in writing in the offer, Seller's quotations will be valid for 30 calendar days as from the date of issue, after which they will automatically become null and void.
- 3.2. prices quoted in our price-lists and publications are not binding and cannot be considered a "public offer". Prices are quoted net of VAT. The Seller reserves the right to adjust the price-list without prior notice, and agree to inform the customer of any changes. The invoice will quote the prices in force on the date of acceptance of the order or as agreed otherwise in specific SUPPLY CONTRACTS.
- 3.3. All payments must be made by the agreed deadline, even in the event of delayed deliveries or total/partial loss of the goods not attributable to the Seller. In the case of payment by instalments, failure to pay any of the instalments entails demand for payment of all the remaining instalments pursuant to art. 1186 of the Civil Code.
Cheques, bills of exchange, drafts and bank receipts are considered as effective payment when they have been duly cashed.
- 3.4 In the event of late payment, the Seller will automatically apply overdue trade interest in accordance with the provisions of law no. 231/2002.
- 3.5. In the event of default, high exposure or risk of insolvency on the part of the Buyer, the Seller will be entitled to:
- demand advance or COD payment or the provision of suitable guarantees; or
 - halt execution of some or all of the orders in progress on the date of default; or
 - revoke the agreed payment extensions, which will make all pending credit immediately recoverable from the Buyer.

4) DELIVERY

- 4.1. The delivery term will commence on the day on which the order is accepted by the Seller.
- 4.2. The Seller cannot be held liable for delays in deliveries in the following circumstances:
- acts of God or other extraordinary events, a lack of raw materials, energy restrictions;
 - delays due to the Buyer, particularly in connection with the late or no communication of the details required to execute the order;
 - failure by the Buyer to comply with the conditions of payment, pursuant to arts. 1460 and 1461 of the Civil Code.
- 4.3. Delays attributable to the Seller may give rise to compensation only if penalties are explicitly envisaged in the SUPPLY CONTRACTS, and in any case up to a maximum amount equal to the value of the supply.

- 4.4. The Buyer must take delivery of the goods even in the event of partial deliveries or delivery subsequent to the agreed date. All costs resulting from failure to collect the goods will be charged to the Buyer.
- 4.5. In the event of changes to the order agreed on by the parties in accordance with these Terms and Conditions, the delivery deadline will automatically be extended for the time required to execute the order as modified.

5) LIABILITY AND CLAIMS

- 5.1. Unless agreed otherwise in writing by the parties, the goods will be delivered ex-factory at the Seller's warehouse. Pursuant to art. 1510, subsection 2 of the Civil Code, the Seller is freed from delivery liability when the goods have been handed over to the carrier, therefore all transport risks then pass to the Buyer. If the parties explicitly agree that the goods are to be delivered carriage paid, it is up to the Seller to choose a carrier.
- 5.2. On receipt of the goods, the Buyer must check the quality/quantity specified on the order. If any non-conformities/defects are found immediately, the Buyer may choose not to accept the goods and must inform the Seller immediately of the reasons for rejection.
- 5.3. The Buyer must in all cases report in writing within 8 (eight) days any non-conformities/defects found. If any hidden defects are found, the time allowed will start from the date of discovery of the defect, provided that it is reported with 1 (one) year of delivery, subject to forfeiture. Claims must be made in writing and sent to the Seller by registered post. The claim must specify all the details required to trace the shipment: order number, transport documents, invoice number, etc.
- 5.4. The Seller, at its sole discretion and in relation to the condition and type of goods, has the option to:
 - supply the missing goods, if there is a shortfall; or
 - repair/replace the faulty goods; or
 - grant discounts on future supplies; or
 - issue credit notes and arrange for collection of the goods.Claims or complaints made after the terms specified in the General Terms and Conditions of Sale will not be taken into consideration and the goods will be considered as fully compliant.

6) WARRANTIES

- 6.1. The Seller warrants that the goods supplied correspond with the order specifications, comply with the applicable standards and regulations and are suitable for the intended

- use and free from defects making it unsuitable for use.
- 6.2. Unless agreed otherwise in a specific supply agreement signed by both parties, the product warranty shall have the duration specified (for various products) in the table attached to these Terms and Conditions and comes into effect on the date of receipt of the goods.
- 6.3. The warranty does not apply if the goods are tampered with, have deteriorated due to reasons not attributable to the Seller, or are used in a manner not in compliance with the Limitations of Use dictated by the standards or indicated in the technical documentation supplied by the Seller.
- 6.4. The Seller will not be held liable for failure of the entire system in which the products are incorporated since the Seller does not handle assembly, electrical connections or ancillary operations (with the exception of turn-key supplies).
- 6.5. Personnel travel costs for direct interventions at the Buyer's premises must be reimbursed in full, even during the warranty period.
- 6.6. All interventions under the warranty will be suspended without notice in the event of insolvency or delayed payment on the part of the Customer.
- 6.7. The Seller and Buyer agree explicitly to the total value of the supply as the maximum limit of Seller's financial liability.
- 6.8. The Seller warrants that it has taken out suitable insurance policies covering all liability in connection with the goods supplied.
- 6.9. The Seller warrants and certifies compliance with all the applicable laws and regulations, including directives issued by the European Union, and regulations on occupational health and safety, environmental protection, markings, and so on.

7) TERMINATION OF THE AGREEMENT

- 7.1. In the event of total or partial failure to pay up, or violation of these Terms and Conditions, the Seller is entitled to halt the supplies, cancel the associated warranties and terminate the existing agreement with immediate effect.
- 7.2. The business relationship between the parties will also terminate ipso jure in the following cases:
 - bankruptcy or other insolvency proceedings provided by law;
 - transfer of the business or any line of business.

8) INTELLECTUAL AND INDUSTRIAL PROPERTY, CONFIDENTIALITY AND PRIVACY

8.1. The use of Gefran's trademarks is governed by the General Terms and Conditions, which can be consulted on the website www.gefran.com.

If the Buyer intends to benefit from the right to use the trademarks, it must apply to the Seller for a licence, specifying the reasons for and purpose of the request.

The Buyer shall not use or reproduce the trademarks in shapes, colours or proportions other than those expressly described in the Technical Specifications published on the website www.gefran.com.

In no case does the licence entitle the Buyer to create websites or register or use Internet domains containing one or more of Gefran's trademarks, either in Italy or abroad, with any extension and in any language.

The Buyer is required to clearly display the link between the trademark used and the products and services of Gefran S.p.A. in such a way as to avoid the risk of confusion with the products and services of others. The trademark must be clearly linked to Gefran's products and kept distinct from the products of rival manufacturers. In no case may it be used in association with products other than those made by Gefran.

The validity of the licence to use the trademark is limited to the duration of the contract relationship between the Seller and the Buyer.

Gefran S.p.A. retains the right to revoke the licence upon reasonable notice.

In all cases, the Buyer agrees not to use, subsequent to expiry, termination or cancellation of the agreement, any company, name or style, trademark or brand name that may be confused with Gefran's trademarks or likely to cause deception or confusion with the products and services of others.

8.2. The Seller retains title to all the plans, technical documents and know-how connected with the supplies and protected under the patent and trademark laws.

8.3. The Buyer and its employees, agents, collaborators and subcontractors must treat as confidential all the technical documents and information received in connection with the supply.

8.4. The Seller warrants that all the information and personal data received will be handled in full compliance with the law on the protection and processing of personal data. Personal and business data connected with the sales agreement will be gathered and filed by the Seller in compliance with legal requirements. In the event of refusal to provide personal and fiscal data, the Seller will be unable to execute the order.

8.5 The Buyer may exercise its rights under art. 7 of Legislative Decree no. 196/2003. The data

controller is Gefran S.p.A. Via Sebina 74, 25050 Provaglio d' Iseo (BS), Italy.

9) JURISDICTION AND APPLICABLE LAW

9.1 Any disputes arising out of or in connection with the interpretation and application of these Terms and Conditions will be settled by the Court of Brescia.

9.2 All contract relations are governed by the laws of Italy.

I hereby accept these General Terms and Conditions as published on the website www.gefran.com and referenced in the order acknowledgement.

Signed for acceptance:

Pursuant to articles 1341 and 1342 of the Italian Civil Code, I further declare that I accept all the terms and conditions contained herein and that I have taken into due consideration what is established and agreed in the relevant clauses. In particular, I specifically approve the following clauses and conditions: 1. General ; 2. Ordering procedures; 3. Prices and conditions of payment; 4. Delivery; 5. Liability and claims; 7. Termination of the agreement; 8. Intellectual and industrial property, confidentiality and privacy; 9. Jurisdiction and applicable law.

Signed for acceptance:

GEFRAN	ANNEXE	DOCUMENT CODE A3PS19B	
	WARRANTY DURATION FOR (NEW AND REPAIRED) GEFRAN PRODUCTS	Page 1 of 1	REV.: 4 DATE: 06/19

TABLE 1

Sensors

<i>Impact sensors WPG/WRG</i>	<i>3 years</i>
<i>Magnetostrictive sensors MK4A, WPP/WPA/WRP/WRA</i>	<i>5 years</i>
<i>All other products</i>	<i>18 months</i>

Components for automation

<i>2850 e 3850</i>	<i>2 years</i>
<i>All other products</i>	<i>1 year</i>

REPLACED PRODUCTS

Same warranty of new products

REPAIRED PRODUCTS

Warranty: 6 months from repair

All warranty terms start from the date of production of the products

Motion Control - Gefran Drives and Motion S.r.l.

<i>ADV200, AFE200, FFE200, ADL300, ADP200</i>	<i>3 years</i>
<i>TPD32 EV, AXV300, SM32, SMB200</i>	<i>2 year</i>
<i>BDI50, VDI100, Motors</i>	<i>1 year</i>
<i>Other products</i>	<i>1 year</i>
<i>Spare parts</i>	<i>1 year</i>

REPLACED PRODUCTS

Warranty: 1 YEAR FROM DELIVERY

REPAIRED PRODUCTS

Warranty: 6 months from repair