

## GENERAL SALES CONDITIONS

**1. GENERAL PROVISIONS.** These general sales conditions regulate every sales between ELFRI SRL, defined hereinafter "Seller", and the "Buyer", for all the goods and services defined below as "Products". The Seller can supply the products to the Buyer after receiving a written contract by e-mail, registered mail, fax, or through e-commerce portal (or similar). These terms represent the entire agreement between the Buyer and the Seller with reference to such a sale. The transmission of an order constitutes the automatic acknowledgment and the acceptance of these General Sales Conditions available for download on the website [www.elfri.com](http://www.elfri.com). No addition or modification to these Terms and conditions will be binding on the Seller, unless previously agreed in writing and duly signed by the parties for acceptance. The Seller does not accept the terms or conditions drawn up by the Buyer, attached and/or mentioned on the purchase order, which do not comply with these general sales conditions. The Buyer is obligated to take note of these general terms since having the purpose to start commercial negotiations with the Seller. The latter can expose general terms and conditions to several modifications any time as necessary. However, every amendment or integration of these terms can be done only in a written form including also the renounce of a written form for each extra clause or particular condition considered worthwhile.

**2. PURCHASE ORDER.** The Buyer must order the goods with a written document, which has the validity of an irrevocable purchase proposal. The Seller transmits the order confirmation through e-mail or other IT systems or with the issue of the invoice as validation. After receiving the order, the Seller can decide to modify it within 10 days if considering that such need some changes; otherwise he can reject the order by the same time limit assuming that he could not satisfy the Buyer's request for whatever question. Every drawing, picture, catalogue or other document, which refers to the Seller products (however transmitted from the Seller to the Buyer), has an approximate value, and is not binding for the Supplier as regarding quality, quantity or other features typical of goods given to the Purchaser.

**3. TERMS OF PAYMENT.** Payments are due in the agreed terms stated in the offer, in the order confirmation and confirmed on the sales invoice. The seller states the continuous level of credit granted to the Buyer. Seller may issue invoices for partial amounts and request fractionated payments. The Buyer can dispute Commercial invoices within 8 days of receipt thereof, if not done it shall mean definitely accepted. The Seller reserves the right to suspend any further performance under these general conditions of sale or other conditions if the Purchaser fails to pay by the regular deadline. The Seller do not allows compensations. For any claim, please refer to national and European Legislation Decree in force at the time of signing the trade agreement/Seller's order confirmation.

**4. DELIVERY.** Delivery is ex works Supplier's factory, or according to special conditions agreed in writing by the Seller. In all cases, the property passes to the Buyer when the Seller delivers the Products to him, or to the first Transport Company to the agreed place of delivery, depending on which of the two hypotheses occur before. The ownership of all intellectual property rights incorporated in the products remained the prerogative to the Seller. The "Order Confirmation" sent to the Buyer will specify the delivery date, are to be considered indicative, and are based on a production planning under normal conditions. In any case the agreed terms are to be understood extended if the Purchaser fails to fulfill its contractual obligations on time and in particular:

- If the Buyer does not provide in due time the data necessary to effect the supply;
- If the Buyer requires changes during the execution of the order;
- If is developing a cause beyond good will or diligence of the Seller, or acts of God.

The Seller may delay the delivery date if the Purchaser is in default with the payment for other deliveries. The Seller, in no event, shall be responsible for not complying with the terms of delivery of the products. The seller can carry out partial supplies.

**5. EXPRESS TERMINATION CLAUSE.** The Seller can break with a prompt effect from the single supply through notification to the Purchaser by using e-mail, missive, or other tools, in case of having these eventualities:

- The Buyer is not paying on time for the supplies already done by the Seller and for those expired, without having the requirement of interests on the arrears;
- The Buyer is not picking up on time the goods given (with ex-works terms of delivery) in spite of passing the due date of 10 days from the dispatch of a written reminder, through e-mail message;
- The Buyer is not working yet, closes or liquidates his company, does not deal with correspondence or remains in a state of inactivity for more than 30 days;
- Is starting a lawsuit, or application in relation to the buyer for extrajudicial statement, request of subsidiary administration, closure or dissolution, designation of a liquidator, administrator or administrator commissioner, petition of bankruptcy or compromise;
- It happened a change in the corporate structure or in the buyer's corporate control, including the change of identity of the members, the administrators and the managers.

In case of dissolution of the contract, the Buyer must do the regular payment of each supply done by the Seller so that to settle all the orders transmitted until the communication of withdrawal, whether the goods are delivered yet or under production.

In case of resolution of the contract, the buyer will not have right to any kind of allowance or compensation for damages.

**6. WARRANTY.** The Seller warrants that the new products supplied, are free from defects in materials, workmanship and design for a period of one (1) year from the date of billing. Products replaced under warranty, under this article, are also guaranteed for a period of six (3) months from the date of dispatch to the Purchaser or if longer, for the remaining term of the original warranty for that particular product. The Seller will give warranty only if:

- a) The Seller will promptly receive notification, in writing, by registered mail, telegram, e-mail, or fax of the warranty claim within eight (8) days from the receipt of the goods;
- b) the Seller verification on the product shows that the alleged defect was not caused by misuse, neglect, improper installation and/or maintenance, which resulted tampered with and/or damaged accidentally by anyone, except the Seller.

We will not accept returned Products, after thirty days (30) from the last delivery.

The return of products is subject to the instructions of the Seller. The return of products covered or not by warranty is subjected to RMA procedure, which is available on our website [www.elfri.com](http://www.elfri.com). Goods given back under warranty must be identified following the Seller's conditions. The shipping is carriage forward. The warranties provided herein shall replace all other express warranties, including implied warranties of merchantability or suitability for a specific use, warranties of result or for application, within the widest limits allowed by applicable law. The services arising from the guarantees set out above, are limited, at the option of Seller, to the replacement, repair, issuance of a credit note equal to the purchase price of the Products and, where applicable, only against the return of such Products, in accordance with the instructions of the Seller.

The products that will be, supplied as replacement may be new, refurbished, reassembled, at the option of Seller.

The Seller will charge the Buyer for time, expenses and other expenses for warranty service required by the Buyer on site. The foregoing constitutes the only possibility in the event of breach of warranty obligations under these general terms of sale or contracts resulting therefrom.

The warranty shown here is subject to appropriate storage, installation, use and maintenance written indications provided by the Seller. The guarantee provided here does not extend to the damages caused to the purchased Products that arising totally, or in part, from the use of components, accessories, parts or other not supplied by the Seller. For more information about goods "out of warranty", please see item 9 of RMA (Return Material Authorization) procedure.

**7. RETURN OF GOODS.** Every return of goods can be done only after a written authorization from the Seller and it is regulated from the specific procedure RMA (Return Merchandise Authorization) available on our website [www.elfri.com](http://www.elfri.com). The goods given back will be accepted only with RMA number.

**8. EXCLUSION AND LIMITATION OF LIABILITY.** With the widest limits permitted by applicable law, Seller shall not be liable for loss of service, loss of earnings, loss of profits, materials, cost savings, data, business opportunities, goodwill, or similar damages ( both direct and indirect), or for any other incidental, indirect or later of any kind. The maximum cumulative liability charged to the Seller for any claim and obligation, including obligations under other compensation commitments, and that there is or is not insurance coverage, will not in any case exceed the cost of the claimed products. The Seller will not be liable with regard to the information or free assistance provided by the Seller, although it is not required under as provided herein. Any legal action must be brought, against the Seller, within eighteen (18) months from the origin of the right of action. The limitations and exclusions of liability herein provided for, shall take precedence over any other provision to the contrary contained in these general terms of sale and shall apply to any kind of action, contractual or extra-contractual (including the negligence or strict liability) or other. Any provision, herein contemplated, which provides for a limitation of liability, or exclude the compensation for damages is independent and autonomous than any other clause, can be applied separately. In a general way, warranty does not include external parts and components where the Buyer can intervene directly during the use or the maintenance or which can be subjected to use, rust formation and/or marks on the steel caused by the contact with saline or corrosive solutions and/or aggressive detergents. In case of warnings about several flaws non-observed during specialist's checks authorized by the Seller, these checks would be at expense of the Purchaser.

**9. INTELLECTUAL PROPERTY RIGHTS.** Except as excluded in these general conditions of sales, the Seller will intervene in any cause and litigation, brought against the Purchaser, arising from the claim that the idea or the construction of the Products, sold or licensed by the Seller, in accordance with what herein, infringe a patent, copyright including patents granted or registered trademarks in the country where the seller has shipped the Products, provided that: (a) the Buyer gives the Seller prompt notice in writing of such cause, dispute or action, (b) the Buyer at Seller's expense, grant him the exclusive right to provide for the defense of such cause or controversy, (c) Buyer provides all information and assistance necessary for such defense or settlement, and ( d) Buyer does not adopt any action contrary to the Seller in connection with such application. In the event that the Seller is obligated to defend such causes or dispute, will pay all the expenses and damages judicially established or approved by it amicably which is directly linked to such a claim. The Seller's obligations under this Article shall be fulfilled if Seller, at its option and expense, either: i) procures Buyer the right to continue to use these products, ii) replaces the same with equipment having similar functionality that of the Products, which do not infringe intellectual property rights, or III) modifies the Products so that they, while retaining similar functionality, do not violate these rights more, or IV) in the case of which the assumptions set out in points ( I) to (III) is not commercially feasible, refund the Buyer the purchased price of the products in question, after their return. The Seller is not obliged in any way to provide for the defense, and does not assume any responsibility: [a] to causes or supposedly based on disputes arising out of or configurations or changes incorporated in products made by Buyer or made on the recommendation or request from 'buyer, [b] if the products are used in processes or applications specified, requested or controlled by buyer or any third party, [c] if the products are used in combination with other equipment, software or materials not supplied by the Seller. For the purposes of this Article, "products" is to be understood only the standard items of the seller generally commercially available, expressly ruling out the equipment under third-party brands. This article replaces any other warranty or declaration relating to the absence of legitimate claims by third parties relating to products, based on infringement of intellectual property rights or similar rights, express or implied.

**10. RESALE OF PRODUCTS WITH THIRD PARTY TRADEMARKS.** Although the application of any other provision herein contemplated, the seller makes no representations, does not grant any compensation (resulting from the infringement of intellectual property rights or other rights). He blocks the release of any warranty of any kind, either express or tacit, related to goods bearing marks of third parties resold by Seller as goods or separate services under the provisions of these general conditions of sale.

**11. PACKING AND LABELING.** Packaging or labeling required by the Purchaser may involve additional charges not included in the sale price of the Products.

**12. WEIGHT and DIMENSIONS.** The weight and size listed or advertised are approximate and are not subject to warranty or claim.

**13. PRICES.** Prices and other information on publications of the Seller (including catalogues and brochures) are subject to change without notice and confirmation with a precise quotation. These publications are not to be considered as supply offers. They are only for the purpose of general information. Prices do not include taxes and fees on the sale, use, customs clearance, import, value added or similar taxes.

**14. CHANGES AND SUBSTITUTIONS.** The Purchaser's orders changes, including those concerning the type, function, and delivery of the Products, must be documented in writing and approved in advance by Seller; the amended orders can also in turn be changed by the Seller with respect to the price, delivery and

other conditions related to the amendment requested by the Buyer. In any case, the Seller reserves the right to reject any modifications that may be contrary to security, technically unsustainable or not in accordance with basic principles of engineering or quality, or incompatible with design features or the Seller's manufacture. The Seller also reserves the right to make replacements using the latest editions or series of products that have replaced the previous ones, which take the form, function comparable to those replaced.

**15. CANCELLATION OF ORDERS.** The buyer can cancel an order only with written notice prior to shipment of the product and upon payment to the Seller of reasonable charges for the cancellation and handling stock, including the reimbursement of direct costs. The cancellation charges, relating to customized products orders for the Buyer, or specifically manufactured to the purchaser's specifications, can be equivalent to the actual selling price of the Products. The Seller reserves the right to cancel an order for justified reason at any time by giving notice in writing and preserving itself the right to charge the Buyer the cost of cancellation and stock movement as specified above.

**16. FORCE MAJEURE.** The Seller is not responsible for loss, damage or delay in performance here foreseen against him (or its subcontractors), due to causes beyond its reasonable control including, among others: natural events, acts or omissions of ' Buyer, acts of civil or military authority, fires, strikes, floods, epidemics, quarantine, war, riots, acts of terrorism, delays in transportation, embargoes. The Seller will postpones the time reasonably necessary to compensate for the delay in the event of such delays.

**17. CONTRACTS AND CONDITIONS WITH PUBLIC AGENCIES.** The application of general conditions or individual clauses prepared by public agencies to the Products or these general conditions of sale is subject to prior review and approval of an authorized representative of Seller at its headquarters.

**18. EXPORT CONTROLS.** The products and materials connected to them provided under these general conditions of sale may be subject to various export laws and regulations. Exporter is responsible to comply with all such laws and regulations. However, despite the above provisions in the event that the Italian law, or any other country, requires an export authorization for the export or re-export of any Product or technology associated with it, no delivery can be made up to when such authorization is obtained, regardless of the delivery promise date. The Seller is not liable for any further provision against him relating to the sale and delivery of products, and all liabilities charged to the Seller, or anyone else in respect of such a refusal, if the required export authorization is refused. The Seller will not perform to boycott requests except as permitted by Italian law.

**19. LIMITATIONS AND ALLOWANCE USE.** Products sold by ELFRI will be used only for the purposes specified in the product technical data sheets or for particular aims signaled by the Buyer during offer requests or purchase orders, consequently evaluated compliant with the product features. These purposes usually do not include the use of products in safety system and/or in human life support, the use in connection with nuclear material or in any other purpose where the malfunction of a product sold by ELFRI can cause damage to life, body and human health or big losses of huge and unusual amounts of money. If the Buyer would use or resell the goods for one or many of the above-mentioned aims, he makes it at his own risk with all the consequences connected. In case of failure to observe, the Buyer has to keep the Supplier or the producer safe from every damage (direct or not), costs and responsibilities that could discern from the use of goods in violation of this cause and/or of the terms and the cautions of use done at this purpose.

**20. DISPUTES.** The contracting parties will try, in good faith, to resolve immediately any dispute that may arise from these general conditions of sale by negotiation between the respective representatives who have authority to settle the dispute. If unsuccessful, the parties still try, in good faith, to reconcile the dispute through the mediation of a third, with no binding effect, of which each party shall pay, in equal measure, the costs and fees. In the event that the dispute is not resolved through negotiation or mediation, it may then be referred to the jurisdiction identified under the provisions herein. The procedures described above exhaust all means for the resolution of disputes between the parties.

**21. APPLICABLE LAW AND JURISDICTION.** These general conditions of sale shall be governed and interpreted in accordance with Italian law. In case of dispute, relating to these general conditions of sale, or arising from these provisions shall be referred exclusively to the Court of the city of Udine.

**22. PRIVACY POLICY UE 2019/679 GDPR.** In accordance with and for the purposes of art.13 of the European General Data Protection Regulation 2016/679 (GDPR), ELFRI srl advises that personal data forwarded by the Buyer will be saved ad controlled by the adoption of suitable and preventive security measures, in order to reduce, also in relationship with nature of the data and the specific features of the treatment, the risks of disruption, loss or disclosure, (also accidental) of the same data, from a non-authorized access or non-permitted treatment, not compliant with the aims of the collection. Furthermore, ELFRI srl guarantees to have taken all the security measures requested by the law.

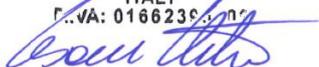
For more information read the complete information sheet on the website. <http://www.relay-auxonet.com/aw-files/www.elfri.com/1581072077.pdf>

Gonars, 9<sup>th</sup> March 2020

C.E.O. / Sales Manager

**ELFRI S.r.l.**  
Via Friuli, 9 - Z.I.  
**33050 GONARS (UD)**  
ITALY

P. IVA: 01662390309



**For acceptance of the whole document**

Place \_\_\_\_\_

Date \_\_\_\_ / \_\_\_\_ / \_\_\_\_

Stamp and signature of the customer