

GENERAL SALES CONDITIONS EMICON AC S.p.A.

Following General Sales Conditions, where applicable, unless the opposite is accepted by EMICON AC S.p.A. (hereafter **Supplier**), are to be considered valid for all supplied products and save any specific agreements in terms of exceptions in a written form, they will prevail over any other different clause inserted in forms or in any other documents printed on models used by the Parties.

Following General Sales Conditions bind the Supplier uniquely to the direct purchaser (hereafter "**Customer**"), who will be the only subject allowed to have his rights approved from the Supplier according to the Conditions and/or Contracts that have been approved by both Parties. For every third-party purchaser the responsibility is exclusively up to the Customer.

1. PRODUCTS

1.1 Products that are object of following General Sales Conditions are indicated in the Supplier's catalogue, with technical and performance characteristics that will be specified in written form when the purchase contract is signed **1.2** Performance data and technical specification indicated in catalogues and in all documentation of said Product used by the Supplier must be understood as preliminary and not binding and may be modified anytime without consent. **1.3** Regardless the final destination of the Product, unless stated otherwise in a written contract with the Customer, the Supplier guarantees uniquely conformity of Products to technical and safety measures of the Italian Law and regulations of the European Union, unless they have not been incorporated in the Italian Law, and if they are relevant and binding to a sale/installation of the product in Italy. Further or different specifications for the Country of installation of the product will have to be specified in written form by the Customer on its own responsibility at the moment of the Order and will bind the Supplier only if they have been explicitly accepted.

2. END OF CONTRACT

2.1 The contract with purpose the supply the delivery of Products will be intended as finished in the moment in which the customer will receive from the Supplier the Order Confirmation. **2.2** Orders and order confirmations will have to be necessarily be prepared in written form and will have to be sent by fax or electronic mail. If the order has been anticipated by an Offer by the Supplier, the Customer will have to refer to it for the preparation of the order, with the limitation that terms and conditions of the supply will become binding only within the specified limits in the case of an order Confirmation by Supplier. **2.4** Orders must necessarily contain an offer reference by the supplier and be signed as integral copy in the specific spaces by the Customer. Furthermore, the Customer will have to send an integral copy of technical specification of the product that have been sent with the Offer, also signed by the Customer or the technician that has taken the purchase in charge. The emission of the Order will include acceptance by the customer of all the conditions and terms of the Offer that have not been specifically modified in the Order. **2.5** Orders are to be intended as still for 30 (thirty) days following the receipt by the supplier and will become binding for said supplier only after emission of order confirmation in the reported terms. **2.6** An eventual account at the order by the Supplier cannot be intended as acceptance of the order without a following of the Order Confirmation. **2.7** If the Order Confirmations contains modifications to the Order, such modifications are to be intended irrevocably accepted by the Customer if not indicated within 5 (five) days from the receipt of the Order Confirmation. In case of urgent indication by the Customer, should the Parties not reach an agreement within the next 15 (fifteen) days, the order is to be considered cancelled **2.8** Each modification request by the Customer upon receipt of Order Confirmation will bind the supplier only if accepted in written form. **2.9** The Supplier has the right to change the Products after Order Confirmation, with technical or performance modifications, should they be considered necessary or suitable, without any right for the Customer to appeal such decisions.

3. PRODUCT PRICES AND PAYMENT CONDITIONS

3.1 Prices of Products indicated in the offer of the Supplier are to be meant as valid for a maximum period of 90 (ninety) days from the date of the Offer and subject to the acceptance of the Customer of all supply terms and conditions for the specified Products **3.2** Unless otherwise specified, the prices are intended as ex-works (Incoterms 2010) - Emicon AC S.p.A plant., Meldola (FC) - and do not include prices for installation, first start and testing. Terms of

payment are those indicated in the Order Confirmation.

3.4 Where stated, at the acceptance of the Order the Customer will pay, as an account, the sum that will be agreed upon with the Supplier, which will promptly paid back to the Customer should the Order Confirmation, as in art. 2.6, be denied. **3.5** Should the payment be direct, this will have to be made through bank transfer with the currency valid at transaction day

4. ABSENT OR DELAYED PAYMENT

4.1 In case of delay in payments by the Customer the Supplier will have the right to ask for interests with a rate that is equal to the average of the base reference interest rate of the ECB, with an adjustment of 7 points. In such case the Supplier will be authorized to suspend deliveries and the completion of existing orders with the Customer even when already confirmed. It is also possible for the Supplier to declare the end of the contract should the Customer not pay within 30 days from the fixed deadline without prior consent or indication, plus any other right or faculty that has been assigned to the Supplier by the Law. **4.2** The Customer shall not suspend or delay payments in case of controversy, opposition or delay in the delivery of the goods, being the clause stated in the art. 1462 of the Italian Civil Code valid as refusal of the possibility to oppose exceptions.

5. DELIVERY AND RISK TRANSFERRAL

5.1 Delivery terms stated in the Order Confirmation are to be always intended to the ex-works pick-up date of the Product at the works of the Supplier and do not include the period needed for transport to the destination. In any case the delivery terms must be held as purely indicative and will not be in any case an essential term, unless it is proven that dole or serious negligence was present; In any other case, any shipping delay will not be responsibility of the Supplier. The Customer will have the right to cancel the Order if the delay exceeds 90 (ninety) days, if not determined by extraordinary events beyond the control of the Supplier. **5.2** Regardless of what has been stated in the Order, the transport and insurance costs (specifically or through the reference of a delivery term - Incoterm), the delivery and following risk transferral will be considered extinguished, in any case and with all effects, with the loading of the goods at the works of the Supplier. **5.3** Should the Customer not pick up the Products or not accept delivery, the Supplier will have the possibility, after 15 days from indication to the Customer and in the absence of further procedures of law, to end the contract and to sell the undelivered goods, by communicating to the Customer terms and conditions at least 15 days earlier, by keeping the account as a penalty clause, as well as any eventual instalment already paid by the Customer. The difference between contract price (plus custody expenses as well as stocking) and the price of sale to third parties will become debt for the Customer, upon whom fall interests as indicated in art. 4.1. The Supplier is also given the right to be compensated for any damage that has been eventually endured.

6. PROPERTY OF THE GOODS

6.1 Products remain property of the Seller until final and integral payment of the price. **6.2** Registration and transcription costs for the property of the goods will be in charge of the customer, who will commit

for all relevant paperwork and rules. **6.3** The Customer will have to inform immediately the Supplier of any executive act conducted by third parties on Products, giving in any case the property of the goods to the Supplier by the authorities in charge. **6.4** Should the Customer sell the Products to third parties before the integral payment, it will have to be notified to the Supplier, who will step in automatically in the right to credit given by the re-sale and may have the possibility to have the payment from the sub-purchaser until end of payment of the price due from the end Customer, being that the Customer will have to pay said price of sale to the sub-purchaser on its own.

7. WARRANTY AND CLAIMS

7.1 The Supplier guarantees, at the conditions and terms hereunder specified, that the Products are free from material and fabrication defects and conform to the performance stated by the law or specific requests by the Customer, by the limit of mechanical tolerance, if correctly installed and used. **7.2** The Warranty of the Supplier is only valid towards the customer and can only be requested by the latter one. The Warranty period is 12 Months from the first start, or 18 Months from the delivery of said products, being valid the condition that expires first. In no case the Terms of validity of the Warranty might be suspended or change in case of missing/wrong installation of the products by the Customer or because of inactivity of the Product for any cause.

7.3 The date of the first start of the Products- which will have to be made by authorised Service Center by the Supplier - will be accepted uniquely by the "Certificate of Commissioning", which is written on the appropriate module by the Supplier, which will have to be sent back within 10(ten) days from the first start of the product, under the interest and the responsibility of the Customer. Missing or late receipt of the "Certificate of Commissioning", that needs to be properly filled out and signed by the technician of the authorized Service Centre, which will cause for the Customer the cancellation of the Warranty. **7.4** The Customer will have to examine or have the delivery examined during the delivery process and if necessary state any anomalies to the driver, and will also have to inform the Supplier within the next 15 (fifteen) days-otherwise the warranty will be void- of any problems or anomalies that have been detected, by stating exactly the delivery data, the delivery date and the nature of said defect. Any hidden fault will have to be notified within the next 15 (fifteen) days from detection with the same modality. The Customer will have no right to Warranty should the claim be sent to the Supplier beyond the terms of validity of the Warranty stated in art. 7.2. **7.5** In case of claim for any defects of conformity of the Products, the Customer will have to keep the Products available to the Supplier and, if requested, send them back to proceed with necessary verification. In no case the goods may be returned as request of acceptance of any faults and/or right to Warranty from the Supplier. In case of missing acknowledgement of the Supplier of the right of the Customer to Warranty, all Product and/or Components that the Supplier will send in substitution of supposedly faulty components will be provided at a potential cost upon verification of the Supplier of the Warranty validity, in such case the Supplier will emit a credit note for the sum in object. The customer will have to pay the entire value of the invoice for the Products and/or the components to be substituted. If the Supplier detects the inexistence of claimed defects or the lack of Warranty conditions if the Customer does not provide the components that are allegedly faulty within 30 (thirty) days from Supplier request.

7.7 In case of products faults and defects of any kind, the warranty duties of the Supplier are subordinate to stated terms and conditions in art.7 and are limited to substitution free of charge, ex-works from the Supplier of the parts and components that have been acknowledged as faulty, to be completed in standard timing, also determined by the response time of the Supplier concerning faulty components.

Only for exceptional reasons, and only in case of defects detected during the first start-up of the Product, the Supplier will pay back to the Customer the costs of labour for repair or substitution, according to hourly cost and average time of work usually applied by the Supplier and its authorized technician. **7.8** Warranty as in art. 7 expands to all duties comprised by the Supplier in case of di faults o defects of Products, remaining explicitly excluded- in the limits of unchangeable acts of law- any other responsibility or warranty, explicit or not, legal or conventional (hereafter also included warranty as in art. 1490 and following of the Italian Civil Code), as well as any duty of refund, be it total or partial of the price, compensation, or indemnity by third parties and/or compensation for direct damages, indirect damages or consequential damages (lack of profit, non operation clause and so on) connected to faults and/or malfunctioning of Products, both within and beyond the contract.**7.9** Any substitution of parts, components, or Product that is allegedly defective or recognizing the Custom any sum after detection of any faults or defects that the Supplier may have to accept beyond the terms have to be intended as merely discretionary and exceptional and may not in any case indicate a Warranty extension compared to what is stated in the disposition of art.7, nor legitimate further requests from the Customer as modification of following rules.**7.10** The Warranty of the Supplier is excluded in case of **(i)** damage of Products during transport **(ii)** inadequacy in the use of Products determined by incorrect dimensioning of cooling capacity and other mistakes by the Customer or the technicians during the design of the cooling plant; **(iii)** lack of conformity of the Products and technical characteristics, be it functional or technical, that are different than those specified specifically by the technical datasheets indicated to the Customer during the phase of definition of the contract, duly signed or indicated in the Order Confirmation during the signing of the Contract, even if resulting from drawings, catalogues or further descriptive material used by the Supplier. **(iv)** damages due to incorrect installation or incorrect use of the reported information in the Manual, incorrect use in general **(v)** missing servicing, be it operations of standard servicing periodic operations as indicated in the Manual **(vi)** damages caused by electric surcharge, accidental case, negligence and any other cause that is not depending from an original defect of Products; **(vii)** defects or damages following modifications, alteration or reparations carried out by the Customer **(viii)** damages depending from the use of spare parts, components and accessories that are not original or not approved by the Supplier; **(ix)** normal wear of Product, to be assessed in relation to the damages in the ordinary conditions of use; **(x)** worsening of damages caused by further use of Products upon appearing of defects **(xi)** unacceptance, also partial, of the Customer concerning payment duties; **(xii)** late claim of faults or defects by the Customer; **(xiii)** missing transmission to the Supplier, within 10 days from the first start-up of the Products, of the "Certificate of Commissioning" hat needs to be filled out and signed in conformity to previous art. 7.3

8. COURT OF JURISDICTION

Each controversy between Supplier and Customer regarding the interpretation and/or application of following General Conditions and/or single sales will be exclusively regulated by the Court of Forlì.

9. FINAL DISPOSITIONS

9.1 Should the Supplier omit deliberately to have a right or a faculty acknowledged by following General Conditions, will not be interpreted as general refusal of said right or faculty, nor hinder the Supplier to claim later full application of clauses here above indicated. **9.2** Each modification to following General Sales Conditions and/or Contract Conditions reported in the Order Confirmation will only be valid if confirmed in written form.

CLIENT

Pursuant and in accordance with article 1341 and 1342 of the Italian Civil Code the Customer declares to approve explicitly following the following clauses of General Sales Conditions: **2.1** (conclusion of contract); **2.3** (non-binding nature of the offer); **2.5** (Still Order); **2.7** (hidden acceptance); **2.9** (faculty to modify Products); **4.1** (suspension of delivery and orders in object); **4.2** (refusal to deny exceptions); **5.1** (limitation of responsibility for delay); **5.2** (delivery and risk transferal); **5.3** (missing pickup); **da 7.1 a 7.10** (content and limits of warranty); **8** (Court of Jurisdiction); **9.2** (exclusion of hidden denial) .

CLIENT