



**GENERAL CONTRACTUAL  
CONDITIONS FOR THE SALE OF MACHINE TOOLS  
February 2018**

**art. 1) CONTRACT**

**1.1. (Applicability of general conditions. Applicable Law) –**

These general contractual conditions for the sale of machine tools shall be applied, wherever appropriate, to agreements between parties based in Italy and to agreements between parties based in different countries.

Those clauses which, because of the particular subject matter they govern, refer to agreements between parties based in different countries, shall not apply to the agreements between parties based in Italy.

All agreements governed by these general conditions shall be subjected to the Italian law, in particular the Vienna Convention on international contracts for the sale of goods, dated 11th April 1980 (hereinafter abbreviated for convenience as V.C.)

**1.2. (Definitions) -** The term "machine" shall refer to any piece of machinery, including those other than machine tools, as well as to machine lines and plants; the term "goods" shall include, in addition to the machines, the components, the machinery parts, the finished products and any other material goods.

**1.3. (Formation of contract) -** Acceptance by the buyer of the seller's offer or confirmation of order, even when such acceptance is made by performance and implementation of the contract, shall entail application of these general contractual conditions. Such conditions shall only be waived in writing by the parties, in which case these general contractual conditions shall apply to those conditions not subject to waiver. Any general conditions of the buyer shall not apply, even partially, unless the seller expressly accepts the same in writing.

Start of performance of the contract by the seller, in the absence of specific written acceptance of the contractual conditions proposed by the buyer differing from those proposed by the seller, shall not imply acceptance of such conditions.

**1.4. (Contractual obligations of the buyer) –** Whenever contractual conditions contemplate the seller's performance of activities or works at the buyer's premises or in any other place for which the goods are destined, the buyer shall be obliged to inform the seller, no later than the date of acceptance of the seller's offer or confirmation of the order and, in any case, before or within the date on which the contract is completed, with regard to all laws or regulatory norms and/or any administrative provisions relating to said works and activities to be performed at the site contemplated for their execution. The buyer is also obliged (a) to perform all those activities stipulated by legal provisions regarding work safety and to inform the seller in writing of their outcome, also with regard to the identification of associated risks and any interferences between the various activities, the measures to be taken to eliminate or minimize the aforesaid risks as well as their relative costs, with a detailed estimate and (b) to provide the seller with all the necessary information and documents relating to current legislation on work safety. This obligation must be fulfilled at the latest when the seller's offer is accepted or the order confirmed and, in any case, no later than the date on which the contract is completed.

It is understood that, in case of buyer's failure to fulfil the aforesaid obligations, the seller shall in no way be held liable for any breach of law, regulatory norm or administrative provision. The buyer shall hold harmless and indemnify the seller from any third party damage incurred by the same seller or its personnel caused by the buyer's failure to abide by these terms.

**1.5. (Changes to contract) -** Any changes to the contract proposed by the buyer shall entail a change only if the same are accepted in writing by the seller.



## art. 2) DRAWING AND SPECIFICATIONS

2.1. **(Non-binding data)** - The weights, dimensions, capacities, prices, output and other data mentioned in the catalogues, prospectuses, circulars, advertisements, illustrations and price lists constitute approximate specifications. Said data are not binding unless expressly provided for in the contract.

2.2. **(Seller's drawings, documents, technical information and software)** - Any drawing, document, technical information or software concerning the manufacture or assembly of the plant or machinery or other goods, as well as the relative parts of the same and any other drawing, document, technical information or software pertaining to the seller and delivered to the buyer before or after stipulation of the contract shall remain the sole title of the seller. Such drawings, documents, technical information or software shall not be exploited by the buyer for extra contractual purposes nor shall they be copied, reproduced, transmitted or made known to third parties without the written permission of the seller.

2.3. **(Buyer's drawings, documents, technical information and software)** - Any drawing, document, technical information or software concerning the manufacture or assembly of the plant or machinery or other goods, as well as the relative parts of the same and any other drawing, document, technical information or software pertaining to the buyer, delivered to the seller before or after the stipulation of the contract shall not be exploited by the seller for extra contractual purposes, nor shall they be copied, reproduced, transmitted or made known to third parties without the permission of the buyer in so far as such documents are:

- a) covered by a patent or other industrial or intellectual property right pertaining to the buyer; or
- b) secret, and furthermore the buyer has expressly stated to the seller in writing his intention to reserve the right to sole use.

## art. 3) PRICES AND CONDITIONS OF PAYMENT

3.1 **(Prices)** – The prices of the goods shall always be ex-works, not including packaging, which is charged separately.

At its own discretion and taking into account internal productivity conditions and work organization, the supplier shall make changes in machine prices based on trends in the principal cost items as indicated in the official reports.

In his offers, the supplier shall indicate the terms within which the proposed conditions are to be considered valid.

3.2. **(Terms and conditions of payment)** - The price of the goods and any other sum owed to the seller for any reason, shall be deemed to be net at the seller's domicile. The buyer shall make all payments promptly on the due dates agreed, even if he has not yet examined the goods. Failure to comply with the terms and conditions of payment shall exonerate the seller from any delivery obligations including those relative to goods other than those to which such failure to comply refers, and the seller shall be entitled to demand advance payment of the whole sum owed or to terminate the contract and retain as a penalty those sums paid by the buyer up to that time, save for the right to claim greater damages.



**3.3. (Payments in case of seller's breach)** - The buyer shall not be entitled to claim any breach by the seller unless he is up-to-date with payments; any possible breach by the seller shall not entitle the buyer to suspend or delay payments. The buyer shall, however, be entitled to claim the seller's breach upon prior deposit with a leading Italian bank of a sum which for the whole period of the dispute shall remain equal to the sum a) of the price quotas already expired and b) of the default interests on the same, calculated according to the rate fixed under art. 3.4. herein below; and provided that the same bank has undertaken an irrevocable obligation to the seller to pay directly to the same such sums deposited, in so far as they are declared due to the seller according to an executive judicial or arbitration order.

In case of failure to comply with the obligations provided for herein, the buyer shall, without prejudice to the default interests ex art. 3.4., pay to the seller a penalty which, save for the right to claim greater damages, shall henceforth be agreed to be a further sum equal to the interest specified under art. 3.4. of these general conditions, applied to any sum still due to the seller, for the whole period of the dispute.

**3.4. (Late payments)** - Interest shall automatically be charged, with no notice necessary, on payments made later than the established dates, and shall be at the rate set forth in **paragraph A of the appendix 1**, in addition to the exclusion from the guarantee ex art. 7, until outstanding payments are made.

## **art. 4) TITLE**

**4.1 (Transfer of title)** - Title to the goods shall be transferred upon delivery to the buyer.

**4.2. (Retention of title)** - In case of instalment payments, the delivered goods remain the property of the seller until full payment of the price. The buyer undertakes to take all necessary measures to set up a valid retention of title in the most extensive form permitted in favour of the seller; the buyer also undertakes to work with the seller to establish those measures required to protect the property rights of the seller. The seller is authorized to perform, at the buyer's expense, all necessary formalities to make such retention of title opposable to third parties.

**4.3. (Prohibition on settlement acts)** - The buyer shall not resell, assign or constitute as surety the purchased goods without having first paid the full price to the seller; any enforcement procedures initiated by third parties which may affect such goods shall be immediately notified to the seller by registered letter.

**4.4 (Effects of infringement of the obligations provided for herein)** - In case of infringement of the buyer's obligations provided for herein, the seller shall be entitled to terminate the contract forthwith, retaining as a penalty those sums already paid, save for the right to claim further damages.

## **art. 5) DELIVERY**

**5.1. (Incoterms)** - Any references to commercial terms (Ex-Works, FOB, CIF and others) contained in the contract or in these general conditions shall refer to the INCOTERMS of the International Chamber of Commerce, in the edition in force when the contract is signed, with the addition or waivers provided for by these general conditions, as well as those which may be agreed in writing by the parties to the contract.



**5.2 (Delivery of goods)** - Unless otherwise agreed, goods shall be supplied Ex Works: this shall apply also when it is agreed that shipment of all or part of the goods shall be made by the seller. Whenever the delivery point for the goods is not specified in the contract or is omitted, reference shall be made to the INCOTERM closest to the delivery conditions, even summarily agreed; should any uncertainty arise between two or more INCOTERMS, equally compatible with the contract, the INCOTERM entailing the least extension of risk and costs for the seller shall apply, with any waivers provided in writing by the parties. If, according to the contract provisions, the transport is to be arranged by the buyer, the latter will ensure that the carrier he has appointed to make the shipment provides the seller, on the latter's request, with all the documents necessary for customs and tax purposes.

**5.3. (Transfer of risks)** - The risks are transferred to the buyer as provided for by the INCOTERMS. The seller shall not be liable for any loss or damage to the goods after the risks are transferred. In no case shall the buyer be exonerated from the obligation of paying the price when the loss or damage to the goods occurs after the transfer of risks.

**5.4. (Extension of delivery term)** - The deadline for delivery shall be automatically extended by a time limit equal to the buyer's delay in fulfilling the obligations provided for here below:

- a) payment of any price quota due to the seller as a down payment; and
- b) opening of the agreed documentary credit by the buyer, in accordance with the contract.

Likewise, whenever the buyer or the party designated by the same is required to notify directions regarding processing, technical data or other instructions to prepare the goods, the delivery date shall be automatically extended by a period equal to the delay in sending such notice.

Should changes to the goods be agreed by the parties after the conclusion of the contract, the delivery date shall be automatically extended by the period reasonable required to carry out such changes.

**5.5 (Import permits and other authorizations. Compliance with the Law)** - The buyer guarantees that the goods can be freely imported and formally undertakes to make full payment of the same even if at the time of importation some restrictions or prohibitions have come into force in the country of destination. The buyer shall be liable for, holding the seller harmless and indemnified, from all taxation or duties applicable to the goods purchased or in any way due as a result of their exportation, importation and/or sale in its own country or in another country of destination. Whenever administrative authorizations are required for export from the seller's country, the delivery dates agreed upon shall be automatically extended by the time required for such authorizations to be issued.

The buyer declares that the goods comply with all current legislation, regulatory norms and administrative provisions, both in its own country or in any other country to which the goods are destined, relating to the importation and sale of said goods. In no case whatsoever may the seller be held liable for any non-conformity to the aforesaid legislation, regulatory norms or administrative provisions.

**5.6. (Seller's obligation to deliver the goods)** - The delivery dates shall be approximate in favour of the seller and shall in any case entail an adequate grace period.

In case of delay in delivery owing to the fault of the seller, the buyer, after having proved damages suffered by delayed delivery, shall be entitled to request as compensation and as full reimbursement of any other right or claim whatsoever, a maximum indemnity of 0,5% of the value of the outstanding delivery per each week of delay, starting from the twentieth day after the agreed delivery date: this penalty shall not, however, exceed 5% of said value.



It is agreed that the buyer shall be entitled to terminate the contract only after the above penalty of 5% of the value of the goods has been reached, and only in respect of the part not delivered, and in any case not before having notified such intent to the seller by registered letter with acknowledgement receipt, and after having granted him a new delivery term of at least 30 days after receipt of such registered letter; within such deadline of 30 days the seller shall be entitled to deliver all of the goods specified in the buyer's notice and not yet delivered, without owing any further compensation or indemnity other than the said penalty of 5%, to the extent that such sum is proved to be due. This provision shall also apply in the case of partial deliveries, in relation to which, in waiver of art. 73 of the V.C., it is specifically agreed that in no case shall delay or failure to make one or more deliveries entail the buyer's right to terminate the contract in relation to past or future deliveries.

Whenever a delay in delivery of the goods does not rule out or prevent the normal use of the machine, such delay shall not be deemed a delay in delivery as a whole. The seller shall be entitled to deliver all or part of the goods in advance; in the case of advance delivery, the seller shall, until the date fixed for delivery, retain the right to deliver any missing parts, supply new goods to replace other goods already delivered not in compliance, as well as to correct any compliance defect of the goods, in any case the seller shall not be liable for any damages relating to advance deliveries.

**5.7 (Buyer's obligation to take delivery of the goods)** - The buyer shall always be required to take delivery of the goods, even in the case of partial deliveries and whenever the goods are delivered before the fixed delivery date or after such date, as long as the time limit for termination of the contract provided for under art. 5.6. hereinabove has not expired, and the buyer has complied with the procedure provided for therein for termination of the contract.

Should the buyer fail to take delivery of the goods promptly, for reasons not attributable to the seller, delivery will be deemed effective on the established date, also for the purposes of risk transfer and warranty commencement, and the buyer shall bear all costs incurred and any sum due to the seller for whatever reason shall immediately become payable. The seller shall further be entitled: a) to store the goods at the risk, danger and expense of the buyer; or: b) ship the goods in the name and on behalf and at the expense of the buyer to the head office of the same. The buyer shall further pay to the seller a penalty of 0,5% of the value of the goods per each week of delay starting from the day fixed for delivery, save for the right to claim greater damages.

**5.8. (Impediments independent of the parties' will)** - The delivery date shall be extended by a period equal to the duration of the impediment, once the cause has been ascertained to be independent of the will of the seller and of the buyer, such as strikes of any type, fires, floods, power cuts, lack or shortage of raw materials, breakdowns and accidents to the seller's production plants, delays in granting authorizations by the authorities and other impediments independent of the parties' will which make delivery temporarily impossible or too onerous.

When the seller learns of an impediment, he shall, within a reasonable time limit, notify the buyer of the existence of an impediment and the probable effects of the same on his obligation to deliver if such effects are not implicit in the type of impediment in question. Likewise, the seller shall notify the buyer when the impediment shall cease to exist.

In no case shall the buyer or the seller be entitled to claim compensation or indemnity whatsoever due to the occurrence of the circumstances provided for herein under art. 5.8.

## **art. 6) TRIAL TESTING**

**6.1. (Scope and procedure of trial testing at the seller's premises)** - Any testing at the seller's premises shall be undertaken to ascertain machine compliance, pursuant to art. 7 of these general conditions, and shall take place according to the procedure agreed by the parties; failing such agreement, testing shall be performed according to the procedure usually adopted by the seller.

Testing shall take place at the seller's premises, unless the same prefers to designate another place.

The date fixed for testing shall be notified to the buyer with adequate prior notice to allow the buyer's personnel to be present. The buyer shall be entitled to attend the test at his own expense.

The outcome of testing shall be deemed positive: a) if the buyer attends the testing, when no specific objection is recorded in writing in the testing report concerning any compliance defects of the machine during or immediately after the end of testing or b) if the buyer declares that he does not wish to attend the testing, or is not present, when the testing report drawn up by the seller does not mention any compliance defects of the machine.



If the outcome of testing is negative, the seller shall correct the compliance defects recorded in the testing report. Should major changes be required to achieve machine compliance, testing may be repeated, if the seller agrees, and will be performed under the same procedure and consequences as the initial testing. The delivery dates shall be extended by a period equal to that required to make such changes or, in case of a second testing, by a period equal to the time between the first and second testing. The object of any second testing shall be confined to examining the specific defect of the machine reported in the first testing; the buyer shall in no case be entitled to claim defects outside the scope of the testing provided for hereinabove.

Any testing or checks subsequent to the second trial shall be subject to the procedure provided for hereinabove, but the scope of such tests shall be confined to the outcome of the previous testing report.

**6.2 (Starting up at the buyer's premises)** - When the same is expressly agreed in writing by the parties, the machine shall be started up at the buyer's premises.

Starting up at the buyer's premises shall include:

- a) checking the removal of any compliance defects of the machine mentioned in the report of the last testing at the seller's premises;
- b) checking the performance, pursuant to the agreement, of assembly or installation, when the same have been carried out by the seller.

The outcome of starting up of the machine shall be deemed positive in the event of no specific objection being recorded in writing in the starting up report concerning any compliance defects of the machine or defects in the performance of assembly or installation operations, during or immediately after the end of starting up; the buyer shall in no case be entitled to claim defects other than those covered by the provisions stated hereinabove under letters a) and b).

When the seller is not required to assemble or install the machine, the buyer shall complete such operations prior to the date fixed for starting up. The buyer shall notify the seller of the starting up date with sufficient prior notice to allow the seller's personnel to be present. Unless otherwise agreed by the parties, the buyer shall organize the starting up to take place no later than 30 days after the arrival of the machine at its place of destination; otherwise, on such date the starting up shall be deemed performed with a positive outcome.

When the seller is required to assemble or install the machine, starting up shall be performed on completion of such assembly or installation. Should the buyer fail to agree to starting up of the machine, or if such starting up is not performed within 30 days after completion of assembly or installation (or delayed by the buyer failing to promptly organize the starting up or because the seller deems that the necessary connections have not been made or anything else required for starting up has not been arranged, or for any other reason whatsoever not attributable to serious breach by the seller) the outcome of trial testing shall be deemed positive.

In any case the buyer shall promptly make all necessary or useful arrangements for starting up to be carried out on the fixed date.

All expenses incurred in performance of starting up at the buyer's premises shall be charged to said party, except for the cost of the seller's technicians attending the same.

**6.3 (Effects of trial testing and starting up)** - The buyer shall forfeit all rights, warranty, action and claim in respect of compliance defects and faults of the machine which with due diligence should have been detected by the buyer during the trial testing or starting up of the machine, unless such compliance defects or faults were specifically stated in writing in the testing report or in the starting up report, during or immediately after testing or starting up.



## art. 7) WARRANTY

**7.1. (Machine compliance)** – According to the provisions of this article, the seller undertakes to deliver machines in compliance with the agreement and free from defects so as to be suitable for the purposes for which machines of the same type are usually made.

Notwithstanding the provisions of art. 35.2-b) of the V.C., the seller shall in no case be required to deliver a machine suitable for a specific purpose unless such special delivery has been expressly agreed by the parties in writing.

Should the buyer request supply of a machine with variations of any type and extent with respect to the machine listed in the seller's catalogue (or, in any case, request the supply of a personalized machine), the same shall notify the seller in writing of the drawings, technical documents, data and any other instructions, it being agreed that the seller shall be required to deliver a machine in compliance with such variations only if the same have been specifically confirmed in writing by the seller. A plus and minus weight tolerance up to a maximum of  $\pm 10\%$  shall be allowed to be calculated on a standard machine without fixtures. Any goods other than machines shall be excluded from the warranty.

**7.2 (Extension of warranty)** - The seller shall not be liable for compliance defects of the machine or faults due, even indirectly, to the drawings, plans, information, software, documentation, specifications, instructions, materials, unfinished products, components, other material goods and whatever else supplied, indicated or ordered by the buyer or by third parties acting on his behalf in whatever capacity; nor shall the seller be liable for compliance defects or faults of the materials, software, unfinished products, components or any other product built-in or otherwise in the machine supplied, indicated or ordered by the buyer or by third parties acting on his behalf in whatever capacity.

Further the seller shall not be liable for compliance defects of the machine or faults due to normal wear and tear of those parts which, by definition, are subject to rapid continual wear (e.g.: washers, belts, brushes, fuses, etc.).

Likewise the seller shall not be liable for compliance defects of the machine or faults caused by failure to abide by the rules listed in the instruction manual and in any case due to bad use or treatment of the machine. Nor shall the seller be liable for compliance defects or faults resulting from incorrect use of the machine by the buyer or by the same having made changes or repairs without the prior written consent of the seller.

If the machines are shipped unassembled, to be assembled by the seller, any warranty shall be deemed forfeited if the assembly at the buyer's premises is not performed directly by the seller or at least under the control of his specialised personnel.

In no case shall the seller be liable for compliance defects or faults caused by an event subsequent to the transfer of risks to the buyer.

The seller shall not guarantee that claims or rights based on the industrial or intellectual property rights of third parties do not exist in respect of the machine or documentation made known to the buyer.

In no case shall the seller be held liable in respect of calculation of foundations.

**7.3. (Duration of warranty)** - When the parties have not agreed that the machine should be started up at the buyer's premises, this warranty shall have the duration set forth in **paragraph B of the appendix 1**, starting on the delivery date. When the parties have agreed that it should be started up at the buyer's premises, this warranty shall have the same duration, but it shall begin on the date the machine was started up at the buyer's premises, and in no case shall be longer than that provided for in **paragraph C of the appendix 1**, starting from the date the machine was delivered.

Machine operation times longer than those set forth in **paragraph D of the appendix 1** shall proportionately reduce the warranty period.

The warranty for pieces replaced or repaired shall expire on the same day the machine warranty expires.



**7.4. (Notification of compliance defects)** - Save for the provisions of art. 6 hereinabove, the buyer shall, on penalty of forfeiting the warranty, notify the compliance defect or fault of the machine to the seller specifying in detail in writing the type of defect within 15 days after discovery of such defect or after such defect should have been discovered by careful examination and testing of the machine. In no case shall notice of the compliance defect or fault be valid when made after the expiration of the warranty time limits provided for hereinabove under art. 7.3 or those otherwise agreed by the parties. The same forfeit of warranty terms provided for herein shall apply in the case provided for under art. 43.2. of the V.C. for notification of any claims or rights of third parties in respect of the machine if the warranty covering them is not excluded by these general conditions or by the parties. The buyer shall further forfeit the warranty if he fails to agree to any reasonable check requested by the seller or, if the seller offers to replace the faulty part at his own expense, and the buyer fails to return such part within a short period after such offer.

In no case shall the provisions of arts. 40 and 44 of the V.C. apply.

**7.5. (Repairs or replacements)** - Following a regular report by the buyer pursuant to Art. 7.4., the seller shall fulfil his warranty obligations by repairing and replacing the defective or flawed parts.

In order to fulfil his warranty obligations, the seller may, at his discretion:

- a) make the repair or replacement or have a third party do so, with travel, food and lodging costs borne by the buyer;
- b) have the buyer make the repairs or replacements, providing him with the relative instructions and supplying the spare parts at no charge, ex-works of the seller, or refunding him their cost.

**7.6. (Limitation of seller's liabilities)** - Save for fraud or gross negligence on the part of the seller any compensation for damages to the buyer shall not exceed the quota of the value of the machine in respect of the defective part. The warranty provided for herein shall include and replace the guarantees or liabilities provided for by the law and shall exclude any other liability of the seller resulting from the goods delivered: in particular, the buyer shall not make further claims for compensation of damages, price reductions or termination of the contract. After the expiration of the warranty period no claim shall be made against the seller.

### art. 8) SERVICES OF PERSONNEL

**8.1. (Work to perform)** - When it is agreed by the parties that personnel will be sent, the seller's personnel shall only be assigned to jobs provided in the contract.



**8.2. (Buyer's obligations)** - The buyer undertakes to facilitate the work of the seller's personnel in every possible way and to make arrangements for such work to begin immediately upon their arrival "in loco" and to proceed without interruption until completion. In particular, the buyer's undertakings shall include, but not be limited to:

- completing all necessary work of whatever type before the start of the work by the seller's personnel, also by taking all the necessary measures to ensure that said work is performed in conformity with the legal and regulatory provisions and/or administrative requirements applicable to the work itself with respect to safety and protection in the workplace;
- preparing all installations (lights, power, water, etc.) as well as necessary apparatus and equipment including hoisting gear and internal transport.
- arranging premises fitted with locks to store tools and garments pertaining to the seller's personnel adjacent to the workplace;
- arranging "in loco" the parts to be assembled, ensuring that they are fully protected;
- supplying adequate language assistance to the seller's personnel;
- arranging for any opportune auxiliary personnel
- guaranteeing the safety of the seller's personnel at all times.

The buyer guarantees full compliance with legal provisions and regulatory norms relating to the following issues, including all those norms which are applicable to the site on which the work is to be performed by the seller's personnel:

- safety and protection in the workplace;
- health insurance and protection for non-national workers;
- entry and exit visas and temporary work permits for the seller's personnel in the country in which their intervention is required.

**8.3. (Further obligations of the buyer)** - The buyer further undertakes:

- to supply midday meals for the seller's personnel under the same conditions or cost of his own personnel and, in the absence of any internal or fixed canteen, to indicate a convenient alternative;
- to find room and board for the seller's personnel near the workplace and, if not available, to supply adequate means of transport.

**8.4. (Liability for damages)** - Any damages caused to or by the seller's personnel during their stay at the buyer's premises shall be charged to the buyer. The buyer shall also take out an adequate insurance policy to cover the seller and/or his personnel against accidents.



8.5. **(Expenses)** - The buyer shall bear the cost and shall pay directly all expenses necessary to fulfil his obligations provided for hereinabove under arts. 8.2., 8.3. and 8.4. as well as:

- expenses for daily travel to and from the place of accommodation to the workplace. Should the time required for such journeys (return) exceed one hour, the extra time will be calculated according to the charges provided for the hours of travel;

- medical and hospital assistance and medicines in case of illness or accident of the seller's personnel;

- expenses for any return journey by any means of transport as a result of serious illness or the death of close relatives of the personnel; in the case of a stay in hospital personnel shall be paid their "pocket money" in full; likewise, the buyer directly pay for the cost of any return journey by any means of transport of the personnel due to serious illness, or transport of the corpse in case of death.

- travel expenses (return) to Italy for a holiday after a stay abroad not shorter that the stay agreed upon.

8.6. **(Remuneration)** - The parties shall establish the amount of compensation (which may vary depending on the ordinary or extraordinary nature of the service) and the conditions for reimbursement of travel, food and lodging costs, transfers, etc. **(see Attachment 1)**

8.7. **(Attendance sheets)** - The buyer shall sign any attendance sheet carried by the seller's personnel in order to calculate the hours of work completed by such personnel. In the absence of the buyer's signature, the attendance sheet signed by the seller's personnel shall be accepted inter partes.

### Art. 9) SPARE PARTS

9.1. When expressly agreed in the contract, the seller shall supply to the charge of the buyer, and on the conditions agreed to between the parties, the spare parts he may reasonably need to use the machine. The spare parts shall be supplied at the price in the seller's price list in force on each occasion at the time of the buyer's order; in the absence of a price list, at a price agreed between the parties. Except as otherwise stipulated in the contract, the term spare parts refers exclusively to the spare parts produced by the same seller and, therefore, this provision shall not be applied to any spare parts produced by third parties or also by third parties. If, according to contractual terms, the seller has undertaken to provide the buyer with spare parts produced by third parties or also by third parties, this obligation is subject to the condition that said spare parts are readily available to the seller.

### art 10) FINAL PROVISIONS

10.1. **(Legal text)** - Should the contract be stipulated in more than one language, the Italian text shall constitute the only legal text.

10.2 **(Null articles)** - Partial nullity of one article shall not entail nullity of the article as a whole and nullity of individual articles shall not entail nullity of the whole contract.

10.3. **(Titles)** - The title of these general conditions, as well as the titles to the articles contained herein are purely indicative and shall not entail any limitation to the provisions ensuing from the same.

10.4. **(Assignment of contract)** - The contract shall not be assigned by one of the parties without the written consent of the other party.



**art. 11) SETTLEMENT OF DISPUTES**

11.1. **(Competent court)** - Any dispute arising out of or in relation to the contract shall be settled solely by the court of law of the seller, however, notwithstanding the provision hereinabove, the seller shall be entitled to take legal proceedings at the court of law of the buyer.

Place and date.....

Seller's signature

Buyer's signature

.....

.....

The buyer expressly declares that he is familiar with and accepts all the articles of the UCIMU - SISTEMI PER PRODURRE General Contractual Conditions for the Sale of Machine Tools and specifically approves the provisions of the following articles: 1.4. (Contractual obligations of the buyer) 3.2. (Terms and conditions of payments); 3.3. (Payments in case of seller's breach); 3.4. (Payment delays); 5.3. (Transfer of risks); 5.4. (Extension of delivery date); 5.5. (Import permits and other authorizations. Compliance with the Law), 5.6.(Seller's obligation to deliver the goods); 5.7 (Buyer's obligation to accept the goods), 6.1. (Scope and procedure of trial testing at the seller's premises); 6.2. (Starting up at the buyer's premises); 6.3. (Effects of trial testing an starting up); 7.1. (Machine compliance); 7.2. (Extension of warranty); 7.4. (Notification of compliance defects); 7.5. (Repairs or replacements); 7.6. (Limitations of seller's liability); 8.4. (Liability for damages); 11. (Settlement of disputes).

Buyer's signature

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**APPENDIX No. 1**  
**(to be completed and signed by the parties)**

**Articles under General Conditions**

A – Interests on arrears	3.4.....% annually
B – Warranty period relating to original material and for replaced or repaired parts	7.3..... months
C – Maximum warranty extension	7.3..... months
D – Duration of machine usage per week	7.3..... hours/ week

Seller, signature

.....

Buyer, signature

.....

**ANNEX No. 1****CONDITIONS FOR THE PROVISION OF TECHNICAL SERVICES TO CUSTOMERS****1. REIMBURSEMENT OF TRAVEL EXPENSES AND ON SITE TRANSPORT:**

Train: According to State Railway fares

Plane: According to IATA fares.

Car: According to ACI rates, for mid-sized cars covering an average distance of 20,000 km/year.

Other means of transport: Taxi, hired cars, etc. to be reimbursed on submittal of an expense sheet.

**2. TRAVEL ALLOWANCE:**

For each day away from headquarters on behalf of the Seller

€ \_\_\_\_\_

**3. PERSONNEL FEES:**

3.1 Normal working hour.

€ \_\_\_\_\_

3.2. For each of the first two hours' overtime on a week day, exceeding 8 hours a day.

€ \_\_\_\_\_

3.3. For each hour exceeding 10 hours on a work day and for each hour on a public holiday.

€ \_\_\_\_\_

3.4. Saturday, Sunday, public holiday, or non-operative waiting time spent "on call"

€ \_\_\_\_\_

\_\_\_\_\_

VAT excluded

**4. NOTE:**

The travel allowance is divided into four equal parts: 2 relating to overnight accommodation and one for each meal of the day. Rates apply to locations offering normal accommodation and living conditions: in the case of locations that are notoriously expensive or particularly inconvenient, a correspondingly higher rate may be applied, to be agreed upon between the parties.

Each fraction of an hour will be invoiced as a full hour (including overtime and public holidays).

The type of technician selected for each intervention will be at the complete discretion of the supplier, and likewise the choice of the means of transport.

The cost of labour, assistance, tools of any type, and any material required by the operators is to be borne by the customer.

The aforementioned rates apply to work carried out under normal environmental conditions; for any operations to be effected in particularly inconvenient or risky situations or locations, an extra charge will be applied, to be agreed upon beforehand.



**APPENDIX No. 2 TO THE GENERAL CONTRACTUAL CONDITIONS  
FOR THE SALE OF MACHINE TOOLS**

**ARBITRATION CLAUSE**

By signing this document, the parties declare that Art. 11 of the UCIMU-SISTEMI PER PRODURRE General Contractual Conditions for Sale of Machine Tools shall not apply and hereby agree to the following arbitration clause:

"Any disputes arising in connection with the Contract, comprising those relating to its validity, interpretation, execution and resolution, will be referred to the decision of No....arbitrators\*, to be appointed in conformity with the "National Arbitration Rules" of the Chamber of National and International Arbitration of Milan, of which the Parties expressly declare their knowledge and acceptance, with particular reference, but not limited to, the method used to designate arbitrators.

The arbitrators (the sole arbitrator) will decide by adopting the procedure set out in Italian legislation, in compliance with the mandatory provisions of the Civil Procedure Code relating to arbitration".

The Seller, signature

The Buyer, signature

.....

.....

Date.....

For specific acceptance of the above arbitration clause

Buyer's signature.

.....

OR

By signing this document, the parties declare that Art. 11 of the UCIMU-SISTEMI PER PRODURRE General Contractual Conditions for the Sale of Machine Tools shall not apply and agree to the following arbitration clause:

"Any disputes arising in connection with the Contract shall be finally settled under the Rules of Conciliation and Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with said Rules"

The seller, signature

The buyer, signature

.....

.....

Date.....

For specific acceptance of the above arbitration clause

Buyer's signature.

.....

Only the chosen arbitration clause is to be signed. The second formulation may be chosen to refer to arbitration any contractual disputes between parties headquartered in different countries.

Should the first formulation be selected, it is necessary to indicate whether any disputes shall be referred to a college of three arbitrators or to one sole arbitrator. In the absence of said indication, the dispute will be referred to a college of three arbitrators.