

- 1) **CONFIRMATION OF ORDER AND ACCEPTANCE** – The sale of our products is governed exclusively by these general conditions; any modifications, amendments, exceptions and/or cancellations must be agreed upon exclusively in writing and must be expressly accepted by Carco S.r.l.. In particular, in the event of Carco S.r.l. receiving any requests for cancellations following the start-up of production, the seller reserves the right to refuse or accept them subject to partial payment of the supply depending on the state of progress of the production itself. Particular conditions (amounts, price, methods of payment, etc.) of individual orders will be those indicated in the individual offers sent by Carco S.r.l.; orders will only be accepted if they comply with the offers. These general sales conditions are shown on the back of each offer and order confirmation sent by Carco S.r.l. and constitute an integral and essential part of same; likewise, they are posted on the seller's website (www.carcoseal.com); in compliance with the offer made by Carco S.r.l., the order, even in the event of not being signed, foresees acknowledgement and acceptance of these general conditions. Furthermore, these general sales conditions, will prevail over any other condition or agreement indicated by the client and/or will replace any previous written or oral agreement.
- 2) **MOULDS AND EQUIPMENT** – At its discretion, in addition to the sales price, Carco S.r.l. may apply a contribution for product development and/or mould or tool construction made on behalf of the client. These moulds and/or tools will, however, remain the exclusive property of Carco S.r.l., unless any specific agreements in writing, to be evaluated on a case by case basis, are drawn up as an exception to the above. In the event that the a.m. moulds/tools are not used for a period of 4 years, these moulds/tools will be considered obsolete and may be destroyed or modified by Carco S.r.l..
- 3) **SAFEGUARDING OF KNOW-HOW – DRAWINGS – TECHNICAL DOCUMENTS** – The client decisively undertakes not to disclose any technical or commercial information or any other data which he might learn about during the contractual relationship. In the event of any breach of the above on the part of the client, the seller reserves the right to claim compensation for damages. Likewise, all technical and commercial documents, drawings and designs that Carco S.r.l. might exchange with the client during performance of the contract will be subject to the same confidentiality clause. In the event of any information and/or technical or commercial data disclosed by the client proving to be in violation of the right of industrial property or of the know-how or trademarks and/or patents of third parties, Carco S.r.l. may not, for any reason whatsoever, be held liable for said violation and, in the event, of the seller proving to be involved in any dispute and/or legal proceedings, lodged against him by third parties for the violation of trademarks, patents, know-how or other industrial secrets resulting from information and/or documents received by the client, the latter undertakes to indemnify and relieve Carco S.r.l. from any economic request for compensation and from any direct and/or indirect cost.
- 4) **DELIVERY AND TRANSPORTATION** – Carco S.r.l. undertakes to respect the delivery times indicated in the order confirmation which, in any case, may not be considered mandatory but are purely indicative. In the event of a possible written agreement stating an exact delivery time, Carco S.r.l. may not be held liable for any possible delays in delivery due to causes of force majeure and/or to any fortuitous and extraordinary events (such as, for example, accidents, strikes, transport delays, natural calamities, difficulty in obtaining the raw materials, breakdowns in production plants, etc.). Transportation of the goods is always at the expense and total risk of the client, regardless of the methods chosen either for transportation or for payment; even in the hypothesis in which, as a mere act of courtesy, Carco S.r.l. should directly organize transportation on behalf of the client, the risks involved will be at the client's own responsibility and Carco S.r.l. will be expressly exempted from any liability arising from damages due to transportation, unless otherwise agreed to in writing.
- 5) **TERMS OF PAYMENT AND OVERDUE PAYMENTS** – The prices and methods of payment are those shown in the offers issued by Carco S.r.l. and, if issued by representatives and/or distributors, are only binding following confirmation and acceptance by the seller. Default or overdue payment of the amount by the due date agreed upon in the order, will entitle Carco S.r.l. to claim overdue interest on the amounts owed and not paid at the rate determined in accordance with Legislative Decree no. 231 of 9 October, 2002, starting from expiry of the due date agreed upon. Defaulting of even one payment instalment shall result in the client's forfeiture of the instalment benefit in which case he will be held to payment of the full price both for orders already fulfilled or in the process of being fulfilled. Furthermore, Carco S.r.l. may invoke articles 1460 and 1461 of the Italian civil code and suspend any possible orders in progress relative to one or more orders already confirmed by Carco S.r.l., in the event of an overdue payment resulting in a lack of trust regarding fulfilment by the client, the seller reserves the right to terminate the sales contract in accordance with article 1456 of the Italian civil code. Likewise, in the event of default in payment on the part of the client, Carco S.r.l. also reserves the discretionary right to change the terms of payment already agreed upon and accepted by the parties regarding one or more orders already confirmed by the seller.
- 6) **WITHDRAWAL** – Carco S.r.l. may withdraw from the sales contract at any moment whatsoever and stop the deliveries of goods, without any penalty and/or indemnity, or obligation to reimburse the deposits already received in the event of the existence of disputes, the instigation of admiratory, ordinary and/or insolvency proceedings or even out-of-court proceedings attributable to the client, as well as in the event of serious and repeated default in payment.
- 7) **QUALITY OF THE GOODS** – All Carco S.r.l. products are subjected to quality control procedures during all stages of manufacture in accordance with internal procedures; any requests for conformity certificates and/or testing certification in regard to supplies must be expressly stipulated in advance on the order. Any tolerances and/or product variations may derive from the nature of some and are acknowledged by the industrial practices used in the sector, for which the seller may not be held liable. Carco S.r.l. may change product's raw material, design, manufacturing process and any other feature unless otherwise agreed in writing.
- 8) **LIABILITY FOR FAULTS AND/OR DEFECTS IN THE PRODUCT** – Considering that the application and installation of gaskets is subject to numerous variables (destination of product, compatibility with the system/machine of destination, storage conditions of the client, etc.) that are beyond the seller's control and over which he has no power of intervention, Carco S.r.l. may not be held liable, unlimitedly, for any faults or defects of the products sold. In particular:
- a) Carco S.r.l., by using quality raw materials, may not be held liable for any possible faults and/or defects in the raw material used for its products;
- b) Carco S.r.l. does not assume any responsibility in regard to the final destination of the product, for which the client may act and choose in full autonomy and awareness, or rather the seller may not be held liable for the fitness or otherwise of the product in regard to so-called "operating conditions" for which the client holds sole responsibility; Customer is the only responsible of the product choice and validation at the operating conditions.
- c) Carco S.r.l. may not be held liable for any faults and/or defects of the product resulting from irregular damage, negligent storage by the client, incorrect application and/or installation methods, replacements and/or maintenance work performed by third parties, due to chemical, mechanical and/or electrical causes that have no bearing on the product as sold.
- 9) **GUARANTEE** – Apart from cases of exclusion for all liability as stipulated in point 8) above, Carco S.r.l. warrants that it will assume responsibility for any faults and/or defects in the products sold and will undertake to replace same at no additional cost or, at the seller's choice, to reimburse the price paid subject to return of the goods. No compensation will be offered by the seller for any possible direct damage to either the client's systems or end product. This guarantee will only be valid on condition that:
- a) the client sends written notification, within the 8 day deadline stipulated from the date of delivery, detailing any obvious or evident faults and/or defects;
- b) the client sends written notification, within the 30 day deadline stipulated following discovery, detailing faults and/or defects that were not immediately evident or only evident following their use and in any case not later than one year after delivery;
- c) that the client has provided suitable and sufficient "technical specifications", with respect to which the product conforms, regardless of the final application of the product.
- d) that the client has used the product in accordance with the instructions and technical methods specified. In the event of a controversy regarding the existence of a fault and/or defect reported by the client, this guarantee will not be valid in the case in which the client has not kept, for at least 90 days from notification, the faulty and/or defective product for a cross check between the parties or if within one year from the date of delivery the client has not taken steps to instigate preliminary investigation proceedings in accordance with article 696 of the Italian civil code. In any case, Carco S.r.l. may not be held liable for any indirect damages resulting from loss of earnings or a reduction in production.
- 10) **GOVERNING LAWS** – This sales contract is governed by the general conditions listed herein and for everything not expressly established herein will be governed by the laws pertaining to sales set forth in the Italian civil code (article 1470 and following)
- 11) **PROCESSING OF PERSONAL DATA Legislative Decree no. 196 of 2003** – the client authorizes the processing, communication and dissemination of his personal data by Carco S.r.l. (*) for all contractual-legal requirements/fulfilments as well as to allow for a more efficient handling of contractual-commercial relationships including technical advertising updates. Said data may be processed in written form or on paper, magnetic, electronic or telematic supports. For detailed information a dedicated document as per art. 13 of the Legislative Decree No. 196/2003 is available on the seller's website (www.carcoseal.com).
- 12) **JURISDICTION** . Any controversy, claim or dispute arising between the parties in connection with the interpretation and fulfilment of this sales contract will be referred to the exclusive jurisdiction of the Courts of Milan. This sales contract is likewise exclusively governed by Italian Law.

(*) The personal data controller is Carco S.r.l., Via Conservatorio, 17 – 20122 Milan, in the person of its legal pro-tempore representative.