

# GENERAL SUPPLY CONDITIONS

Effective for all settlements from Jan. 1st 2011 between

**D.B.M. Spa a Socio unico Incorporated Company, having its legal seat at Varallo Pombia (NO); Italy, 10 Via Ugo La Malfa**, represented by Proxy hereinafter "The Supplier"

and

---

hereinafter "The Client"

## 1. Eligibility.

The general supply conditions will be effective for all deliveries and works supplied by the Supplier. Any general purchasing conditions from the Client that are contrary to the present document, or that alter the general supply conditions, must be in written form and accepted by the Supplier and they will be effective only by order after they have been signed.

## 2. Delivery and Impact of Delay.

The Supplier will do his best to respect the date of the delivery shown in the confirmation of the order. When, due to unforeseeability, this is not possible the Supplier shall contact the Client as soon as is practical. The Client does not have the right to ask for compensation or allowances when a delay of the supply occurs, even if the delay causes a monetary penalty to be imposed against the Client. He shall be responsible for pointing out the delay before the purchase order is issued.

## 3. Length of the Guarantee.

The guarantee has a validity of twenty four (24) months from the date of delivery. The guarantee covers both functional aspects and manufacturer's defects or lack of materials and it means that the Supplier's products:

- supply the declared performances upon our specific techniques with regard to commonly accepted or declared tolerances;
- that they are built using techniques and modern and accepted production processes;
- they correctly function for a reasonable period of time;
- they are built in conformance of the relevant EEC Law and that, when it is mandatory, they show the trade mark EEC.

## 4. Expiration of time limit of the Guarantee.

The guarantee expires immediately in the following circumstances:

- 1) One or more of the instructions in the installation or maintenance manual has not been followed;
- 2) The product has been inappropriately used or it has been used for a purpose which is not the one for which it has built;
- 3) The functioning instructions have not been followed;
- 4) The product has been modified, fixed, rebuilt, or otherwise altered without written authorization from the Supplier;
- 5) The product is damaged or weakened due to corrosion;
- 6) No written complaint of the defects is made within eight days of the discovery of the defects;
- 7) The Client refuses to return to the Supplier the defective products upon qualified demand from the Supplier.

## 5. Conduct of the Complaint and Lapse of the Guarantee.

As soon a manufacturer's defect or a defect due to used materials (within eight days from that moment), the Client must make the Supplier aware, supplying him with all the required information to determine the cause of the problem. Upon request of the Supplier, the Client must give all relevant information in order to indicate one or more actions to solve the problem (i.e., he must supply a design of the plant). The supplier is obligated to answer in four working days upon receiving the necessary information.

If it is deemed necessary to resolve the complaint, the Supplier may elect to send one of his technicians to the site where the problem is located.

The Client in this case must make sure the product is accessible and ready for inspection and repair, including removing the product from any installation that would prevent adequate inspection and repair.

If, after inspection, the Supplier determines that on site repair is not suitable, it is the responsibility of the Client to send the defective product to the Supplier's or to another site the Supplier will appoint.

The Supplier is compelled to do its best to repair any arising problem as quickly and inexpensively as possible.

**THIS GUARANTEE SHALL CEASE AUTOMATICALLY WHEN THE CLIENT OR A THIRD PARTY INTERVENES UPON THE DEFECTIVE PRODUCT WITHOUT PREVIOUS WRITTEN AUTHORIZATION FROM THE SUPPLIER, EVEN WHEN THE DEFECT HAS BEEN PREVIOUSLY POINTED OUT.**

The Supplier has the right to recall any defective products, for unspecified reasons.

## 6. Supplier's Responsibility.

The Supplier's liability shall be limited to the lowest cost of the restoring of the defective product and the cost of a new product to replace it, plus the costs of a standard transfer to the Client's location if located in Europe. The Supplier, upon his own judgment, will decide whether to restore or replace the defective product.

The Supplier is not responsible for the cost of removing or disassembling the defective product or for the cost of the travel, or employment of third parties. The responsibility of the Supplier does not include compensation of damages to things or persons and the eventual loss of profits or other costs no matter what nature.

This restraint to the Supplier's responsibility derives from the fact that the Supplier is usually not aware of how the products are used, where they will be set in and the consequences of any malfunctions.

The parties agree that many of the problems can be avoided, and the costs of intervening will be lessened, by the following:

- Access to the installation / Site where the product has been set in: the supplied products have a variable operative life, but usually shorter than the installation in which they are set in. For this reason there shall be enough room to easily replace them. If this rule is not observed, the Supplier is relieved of any responsibility for any consequences and related costs.

- The Client is responsible for informing the Supplier if the product will be placed in non-standard conditions (i.e. presence of aggressive elements in the air; installation at Mt. 2500, etc.) or if there will be exceptional damages as a result of any defects to the supplied products. The Supplier's Technical Office shall have the right to evaluate the product and any assembly thereof and, if necessary, to have it tested to be approved.

If the Client fails to provide such necessary information, the Supplier is not responsible for any damages of other consequences thereafter.

**7. Damages suffered by the Final User or by a Third Party.**

7a) Damages suffered by the Final User

The Client is required to immediately notify the Supplier of the existence of any compensation for damages against him (even those settled out of Court), in order to allow the Supplier, at his option, to counterclaim against the demand and to make an intervention in the eventual dispute against the Client. The Client must – upon request of the Supplier – intervene and support any counterclaim by the Supplier.

7b) Damages suffered by the “Non-Final User” aggrieved party

The Supplier is not liable for any damages to any third party who is not considered the “Final User” as a result of Supplier’s products. The Client shall be exclusively responsible for such damages.

**8. Applicable Law and Court having Jurisdiction.**

Any and all claims that may arise from the performance of this contract shall be exclusively settled before the Court of Novara in force of the Italian ruling Law, specifically – except for what it is not included in the present contract conditions, it will be ruled by the Civil Code.

**9. Length and Content of Restoring Guarantee.**

- Restorations (and not the product itself) made in force of the guarantee are subject to the same guarantee as the original product, as of the date of completion of the restoring.
- If, due to the restoring of the technical aspects of the product there is resulting damages to the product’s aesthetic properties, the Client may request substitution of the product but only in those cases when the restoring operation would significantly alter the performance of the product.

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

\_\_\_\_\_  
Signature and Stamp of the Supplier

\_\_\_\_\_  
Signature and Stamp of the Client