

GENERAL CONDITIONS OF SUPPLY

Here enclosed you'll find our **GENERAL CONDITIONS OF SUPPLY**
Please return us filled and signed for acceptance

The Supplier represents that the Supplier has read and understood the content of the General Conditions of Supply of **Aurel Automation S.p.a.** printed on the back of this document. Pursuant to and for purposes of Articles 1341 and 1342 of the Civil Code, the Supplier hereby expressly approves the following clauses:


- 1) **Applicability of these General Conditions**
- 2) **Contract Formation – Acceptance of Orders**
- 3) **Product Prices**
- 4) **Intermediaries and Sales Agents**
- 5) **Delivery – Risk of Loss**
- 6) **Time of Delivery – Acceptance of Delivery**
- 7) **Payment**
- 8) **Retention of Title**
- 9) **Warranty**
- 10) **Inspections, installation, pre-delivery performance test and final performance test**
- 11) **Earlier Termination**
- 12) **Software**
- 13) **Know How and Confidential Information**
- 14) **Trademarks and Other Intellectual Property Rights**
- 15) **Force Majeure and Limitation of Liability**
- 16) **Personal Data Processing**
- 17) **No Waiver – Severability – Language**
- 18) **Applicable Law – Competent Court**

Fabio Pagnotta
Sales & Marketing Manager

Cover to return to the sender filled and signed for acceptance by e-mail or FAX: +39 0546 941660.

For acceptance

Place, date: _____ **The Purchaser:** _____



(signature and stamp) 

GENERAL CONDITIONS OF SUPPLY**GENERAL CONDITIONS OF SUPPLY****1. Applicability of these General Conditions**

- 1.1 Except as otherwise expressly agreed in writing by Aurel Automation S.p.a. (“Aurel Automation”), these general conditions (the “General Conditions”) shall constitute an integral part of all contracts of sale by Aurel Automation, in Italy and/or abroad, of the machinery, components and spare parts manufactured and/or sold by Aurel Automation (the “Products”) to purchasers (the “Purchaser/s”). All offers, acceptances of orders and deliveries by Aurel Automation shall be deemed to have been made on the basis of these General Conditions, except as otherwise agreed in writing by Aurel Automation.
- 1.2 These General Conditions shall be deemed to have been accepted by the Purchaser even if they differ from any general or special conditions of purchase of the Purchaser. The latter shall not be binding on Aurel Automation in any way unless Aurel Automation expressly accepts them in writing.

2. Contract Formation – Acceptance of Orders

- 2.1 Each contract of sale shall be deemed to have been concluded at the time the Purchaser receives from Aurel Automation written confirmation of the order placed by the Purchaser. However, if the Purchaser receives from Aurel Automation a written acceptance of orders containing terms and conditions different from those in the order itself, the contract will be deemed concluded 5 (five) working days following the Purchaser’s receipt of said acceptance, if the Purchaser has made no written objection thereto. In the absence of written confirmation of the order by Aurel Automation, the contract shall be deemed concluded, in any case, at the time the Products are delivered to the Purchaser and/or to the Purchaser’s carrier or forwarding agent, in accordance with the agreed commercial term, at the latest.
- 2.2 Aurel Automation reserves the right to accept or reject the Purchaser’s orders, in Aurel Automation’s sole discretion. In any case, Aurel Automation will not accept (i) orders that are not duly signed by the Purchaser and do not precisely identify the ordered Products (by indicating the relevant product code) and (ii) orders for Products to be realized in accordance with specifications provided by the Purchaser and in respect of which Aurel Automation has not already received from the Purchaser all of the technical specifications and data necessary in order to identify the characteristics of the ordered Products and to have them manufactured.
- 2.3 The offers made by Aurel Automation to the Purchaser, if any, shall not be binding on Aurel Automation and Aurel Automation reserves the right to cancel or revise its offers at any time prior to its written acceptance of the Purchaser’s order. If, in making an offer, Aurel Automation sets a deadline by which the offer must be accepted by the Purchaser (by means of sending the relevant purchase order), the offer shall remain in force solely for the period of time indicated by Aurel Automation and, when that period has elapsed, the offer shall expire without any need for revocation thereof.
- 2.4 The Purchaser shall further provide Aurel Automation with all relevant information concerning the placement and the use of the Products. In particular but not by way of limitation, if the Products will be used outside of Italy, the Purchaser shall inform Aurel Automation, in writing at the time of the order, of all of the specific requirements relating to the ordered Products, such as, for example, any necessary prior authorization, any certification, standard or characteristic required by technical, environmental or administrative regulations or by any other applicable law, necessary customs formalities, immigration procedures for Aurel Automation personnel (where applicable). If the Purchaser fails timely to inform Aurel Automation, the latter shall not be liable for any failure of the Products to comply with the laws of the country for which they are destined and/or for any delay in delivery of the Products. It is understood that all costs and expenses faced by Aurel Automation in complying with said applicable laws shall be borne by the Purchaser alone.

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2.5 In any case, Aurel Automation reserves the right to make changes to the technical drawings/specifications of its Products in order to improve their performance; Aurel Automation shall inform the Purchaser of said changes in advance only if they are significant.

2.6 Any change to or cancellation of the order by the Purchaser shall be ineffective unless previously authorized or subsequently accepted in writing by Aurel Automation. In the case of orders for Products to be realized on the basis of specifications provided by the Purchaser, if the supply ceases, the Purchaser shall purchase all of the materials (raw materials, work in progress and finished products) expressly procured by Aurel Automation in order to fill said orders. In any case, Aurel Automation shall be entitled to recover any damages suffered by Aurel Automation in excess thereof.

3. Product Prices

3.1 Except as otherwise agreed in writing by the parties, the following prices shall be applicable: the prices indicated by Aurel Automation in the relevant offer or, in the absence of an Aurel Automation offer, the prices set forth in the Aurel Automation price lists, for Italy or for abroad, in force at the time Aurel Automation accepts the offer pursuant to article 2.1 above; Aurel Automation shall be entitled to change said price lists at any time, even without notice.

3.2 The prices for Products which are not standard Aurel Automation products, and/or for all Products that are not included in Aurel Automation's price lists, shall be set by Aurel Automation on a case by case basis and indicated in the relevant offer. In no event shall Aurel Automation accept orders for net amounts less than € 250 (excluding VAT); orders for lower amounts shall be invoiced by Aurel Automation at an aggregate minimum price of € 250 so as to cover the costs of managing the order.

3.3 Except as otherwise agreed by the parties in writing, the prices of Aurel Automation products shall be deemed to be EXW – Ex Works Modigliana (Forlì Cesena), ICC Incoterms® 2010, and to exclude packaging and transport costs as well as value added tax and other taxes.

3.4 Except as otherwise indicated in writing by Aurel Automation, the prices of the Products shall not be deemed to include Product assembly or installation services. Where the Purchaser requests said services of Aurel Automation, the price therefor shall be indicated by Aurel Automation separately, in the relevant offer.

3.5 If the prices of the Products have been indicated by Aurel Automation in a currency other than Euros, said prices shall be deemed to have been calculated based on the exchange rate (for said currency and the Euro) in force on the date on which Aurel Automation first informed the Purchaser of the price in said currency. The price to be paid by the Purchaser in the relevant currency on the agreed payment date shall remain unchanged, provided that the exchange rate on said date does not differ by more than 1.5% (one point five percent) from that used by Aurel Automation originally to calculate the price of the Products in the relevant currency. If the difference between the exchange rate on the date on which Aurel Automation first informed the Purchaser of the price of the Products and the exchange rate on the relevant payment deadline exceeds said percentage, the price to be paid by the Purchaser in the relevant currency shall be adjusted proportionally, based on the change in the exchange rate for said currency and the Euro, by means of a debit or credit note issued by Aurel Automation.

4. Intermediaries and Sales Agents

Intermediaries and sales agents have no power to bind Aurel Automation as against the Purchaser or to enter into contracts in the name and/or on behalf of Aurel Automation. Offers presented by intermediaries and sales agents shall be deemed subject to Aurel Automation's written approval and confirmation; Aurel Automation retains the right not to fill an order until Aurel Automation has confirmed said order or commenced performance thereof pursuant to these General Conditions.

GENERAL CONDITIONS OF SUPPLY**5. Delivery – Risk of Loss**

- 5.1 Except as otherwise agreed by the parties in writing, the Products shall be delivered EXW - Ex Works Modigliana (Forlì Cesena), ICC Incoterms® 2010; said commercial term, as well as any other commercial term that may be agreed upon by the parties in writing, shall have the meaning given to it in the then current edition of the International Chamber of Commerce's Incoterms®.
- 5.2 It is understood that all taxes of any sort, licenses, authorizations, permits, as well as compliance with all tax, customs and administrative requirements for the importation and/or resale of the Products in the country for which they are destined, shall be deemed to be the responsibility of the Purchaser alone; if they are carried out by Aurel Automation, they shall be carried out under the Purchaser's sole responsibility and at the Purchaser's risk and expense.
- 5.3 Aurel Automation shall not enter into any shipment or transportation contract with respect to the Products unless expressly requested to do so by the Purchaser in writing and at the Purchaser's risk and expense. In that case, the cost of shipment or transportation borne by Aurel Automation will be charged to the Purchaser in Aurel Automation's invoice, in addition to the agreed prices.
- 5.4 Except as otherwise agreed by the parties in writing, Aurel Automation shall not be required to insure the Products for transportation. In any case, from the time the Products are delivered by Aurel Automation to the carrier or forwarding agent, said Products shall travel at the Purchaser's risk and peril. The Purchaser shall, at its cost, adequately insure the Products for loss or damage during transportation, with a coverage cap equal to the purchase price of the Products being transported, even if the parties have agreed that Aurel Automation will bear the costs of shipment and transportation.
- 5.5 If the parties have agreed that the Products are to be delivered at Aurel Automation's warehouses, the Purchaser agrees to collect the Products and/or to cause the Products to be collected no later than 5 (five) working days following the date on which the Purchaser becomes aware that said Products are available in Aurel Automation's warehouses ("Notice that Products are available for collection"). If the Purchaser fails to collect said Products, after said date Aurel Automation shall have no obligation to keep said ordered Products at the Purchaser's disposal. In any case, and in particular, without limitation, where the Purchaser fails to collect Products realized by Aurel Automation on the basis of specifications provided by the Purchaser, Aurel Automation shall be entitled to terminate the contract for breach by the Purchaser pursuant to article 11 below and to require compensation from the Purchaser for any damages suffered by Aurel Automation. If payment following delivery is contemplated, in all cases the payment deadline shall be calculated starting from the date of Aurel Automation's Notice that the Products are available for collection or, only in the absence of said Notice, starting from the agreed delivery date.

6. Time of Delivery – Acceptance of Delivery

- 6.1 Except in cases of force majeure as described in article 15 below, the Products shall be delivered by the dates indicated by Aurel Automation in the order confirmation. If the parties have agreed on advance payment by the Purchaser of all or part of the price at the time the order confirmation is received, the delivery date shall be calculated from the date on which Aurel Automation receives said advance payment. In the case of Products to be realized on the basis of technical specifications provided by the Purchaser, the delivery date shall be calculated starting from the date on which Aurel Automation has received all of the final technical specifications, drawings and technical data to be supplied by the Purchaser and necessary, in Aurel Automation's sole discretion, for the manufacture and supply of the Products in question.
- 6.2 In no event shall the delivery dates be deemed to be of the essence for the Purchaser; said delivery dates shall be deemed to be solely for reference purposes. In any case, by accepting a late deliver, the Purchaser waives any and all rights and/or claims relating to the delay in delivery.

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6.3 Aurel Automation reserves the right to fill the order by means of partial deliveries. If the Purchaser does not intend to accept partial deliveries of the goods, the Purchaser must so inform Aurel Automation in advance and in writing. Except in those cases in which the Purchaser has previously informed Aurel Automation that the Purchaser intends to accept only delivery of the order in full, in no event shall the Purchaser be entitled to refuse delivery or to delay payment for Products delivered to the Purchaser based on an order even only partially filled. Where partial deliveries are effected, Aurel Automation shall be entitled to issue partial invoices based on the deliveries made.

7. Payment

7.1 The Purchaser shall effect payment for the Products in the manner indicated from time to time by Aurel Automation in the offer, the order confirmation and/or the invoice sent by Aurel Automation to the Purchaser. Any payments made by the Purchaser to agents, sales agents or sales people of Aurel Automation shall be deemed not to have been made and, therefore, shall not release the Purchaser from its payment obligation, until such time as the sum in question has been received by Aurel Automation.

7.2 Upon (i) failure to pay any Aurel Automation invoice or debit note by the payment deadline, or late or partial payment thereof; (ii) the occurrence of events negatively affecting the Purchaser's assets or economic situation or (iii) any other breach by the Purchaser, the sums owed by the Purchaser to Aurel Automation for the Products shall become immediately due and payable. Therefore, Aurel Automation shall be entitled, at any time and without having to give notice and/or carry out any other formality, to take immediate action to recover the sums owed to it, even if the amount of Aurel Automation's credit is not yet determined or if the payment deadline has not yet expired. Any claim by the Purchaser that the Products are defective shall not entitle the Purchaser to suspend or delay payment in any event.

7.3 In the cases referred to in article 7.2 above, Aurel Automation shall also be entitled, in its sole discretion and without incurring any liability for damages, (i) not to fill the order, (ii) to suspend delivery and/or refuse to deliver the Products which have been ordered but not yet delivered (even if they are not the same Products for which payment was not made or was late), until such time as all sums owed by the Purchaser have been paid in full and/or (iii) require the Purchaser to provide payment guarantees and/or change the payment terms or the manner of payment, both for supplies in progress and for subsequent supplies. In any case, Aurel Automation shall remain entitled to terminate the contract pursuant to article 11 below.

7.4 If the Purchaser fails to pay an Aurel Automation invoice or debit note, in whole or in part, by the payment deadline, even if no formal notice of default is given, interest for late payment shall accrue on the unpaid sum, beginning from the payment deadline, at the rate contemplated by Legislative Decree 231/2002 as amended and in particular, subject to any change in the law, at the rate applied by the European Central Bank to its most recent main refinancing operations, increased by 8 (eight) percentage points, and the Purchaser shall also be liable for the bank expenses and the costs incurred in recovering the sums not timely paid; in any case, Aurel Automation shall be entitled to require payment of damages suffered by Aurel Automation in excess thereof.

8. Retention of Title

8.1 Except as otherwise provided by mandatory rules of law which cannot be varied by contract, title to the Products shall pass to the Purchaser only upon payment in full by the Purchaser of the price for the Products in question and of all interest for late payments and other sums owed by the Purchaser. Until said time, the Purchaser shall keep the Products solely as a fiduciary for Aurel Automation and shall ensure that they are adequately stored, protected and insured.

8.2 In the event of default by the Purchaser, Aurel Automation shall be entitled to repossess all Products subject to retention of title, wherever they may be, without carrying out any formality, including but not limited to giving the Purchaser notice of default; in addition, Aurel Automation reserves the right to seek any other legal remedy available to it in respect of the damages suffered.

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- 8.3 The Purchaser shall be entitled to resell the Products to third parties only in the ordinary course of the Purchaser's business and, in that case, the Purchaser expressly agrees to inform its customers that the Products are subject to retention of title as described above. In addition, except as otherwise provided by mandatory rules of law which cannot be varied by contract, the proceeds of the sale or of the processing of the Products shall be transferred to Aurel Automation until such time as the price owed by the Purchaser to Aurel Automation for the supply of the Products has been paid in full.
- 8.4 If, in order for Aurel Automation's retention of title rights to be valid in the country in which the Purchaser's domicile is located, it is necessary to carry out administrative or legal formalities such as, but not limited to, recording the Products in public registers or placing markings or seals on the Products, the Purchaser hereby agrees to cooperate with Aurel Automation and to take all action necessary in order to ensure that Aurel Automation's retention of title rights are valid.
- 9. Warranty**
- 9.1 Aurel Automation warrants that the Products shall be free from defects in materials or workmanship and shall comply with the technical specifications, the parameters and levels of service expressly agreed upon by the parties in writing. This warranty is given for the shortest of the following periods: (i) 15 (fifteen) months from the date of delivery of the Products by Aurel Automation to the Purchaser, (ii) 12 (twelve) months from the date of the Product acceptance document issued upon completion of the Pre-Delivery Performance Test referred to in article 10.2 below or (iii) if the parties agree to carry out a Final Performance Test of the Products pursuant to article 10.5 below, 12 (twelve) months from the date of the Product acceptance document issued upon completion of said Final Performance Test.
- 9.2 This warranty is exclusive and in lieu of any other warranty, whether written, oral or implied and, by accepting these General Conditions, the Purchaser expressly waives any such additional warranty.
- 9.3 Any claim concerning defects in the Products shall be sent by the Purchaser to Aurel Automation, by registered post, return receipt requested, no later than 30 (thirty) days from the date of delivery of the Products to the Purchaser or, in the case of latent defects which cannot be identified in the exercise of ordinary diligence, within 15 (fifteen) days of the discovery thereof and, in any case, no later than the deadlines referred to in article 9.1 above. If the packaging of the Products is not entirely intact at the time of delivery to the Purchaser, the Purchaser shall immediately so inform Aurel Automation in writing.
- 9.4 Aurel Automation agrees to repair or replace, in Aurel Automation's sole discretion, the Products and/or Product parts that Aurel Automation acknowledges to be defective or, if it is not possible to do so, to return, in whole or in part, the price paid to Aurel Automation by the Purchaser, it being understood that the foregoing shall not entail any liability of Aurel Automation for direct, indirect or consequential damages of any sort, loss of profits or losses deriving from and/or relating to the Product defects. If the materials used by Aurel Automation in manufacturing the Products were manufactured by third parties and are covered by warranties given by the latter, Aurel Automation shall grant to the Purchaser the same warranty granted to Aurel Automation by said third party manufacturers, in lieu of this warranty.

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- 9.5 The Purchaser shall only be entitled to return Products after having requested in writing and obtained Aurel Automation's written authorization of the return in question. In its written requests for authorization to return Products, the Purchaser shall include the reasons for the request and references to the invoices and/or transportation documents relating to the Products in question. Defective Products shall be delivered to Aurel Automation DAP Modigliana (FC) ICC Incoterms® 2010 at Aurel Automation's warehouse, or at such other location as Aurel Automation may indicate in writing. Therefore, the Products shall be delivered to Aurel Automation, at the Purchaser's costs and expense and the RMS (Return Merchandise Authorization) number provided to the Purchaser by Aurel Automation's quality manager shall be indicated on the relevant transportation documents and on the packaging of the returned Products.
- 9.6 Aurel Automation therefore reserves the right first to examine the Products to determine whether there is in fact a defect and whether Aurel Automation is responsible for the defect; in that case, where possible, Aurel Automation shall repair or replace the defective Product at Aurel Automation's expense and the Purchaser shall receive the repaired or replacement Product and shall bear only the relevant transportation costs, it being understood that any other cost, including the costs of any reinstallation or assembly of the repaired or replacement Products, shall be borne exclusively by the Purchaser.
- 9.7 Aurel Automation shall not be liable for any defects or quality shortcomings in the Products deriving from: i) assembly or installation of the Products by persons other than Aurel Automation; ii) shortcomings or defects in the raw materials, components or other materials supplied by the Purchaser and/or procured by Aurel Automation in accordance with the Purchaser's instructions, iii) improper use of the Products by the Purchaser; iv) repairs, tampering or changes to the Products, without Aurel Automation's prior written consent; v) negligence or incompetence of the Purchaser and/or of the Purchaser's customers; vi) normal wear and tear, poor or inadequate preservation or maintenance of the Products or vii) transportation of the Products.
- 9.8 If expressly so requested by the Purchaser, Aurel Automation shall supply to the Purchaser the instruction manual for the installation or assembly, use and maintenance of the Products in Italian and/or English; Aurel Automation shall supply the Purchaser with the abovementioned instruction manual in another foreign language only if expressly so requested by the Purchaser and agreed in advance with Aurel Automation, it being understood that all costs of producing said instruction manual shall be charged to the Purchaser. Said documentation shall be deemed confidential within the meaning of article 13 below and shall not be copied and/or disclosed to third parties.
- 9.9. Subject to prior agreement by the parties in writing, Aurel Automation may provide training courses for the Purchaser's personnel on the use, maintenance and repair of the Products. All costs and expenses relating to the organization and holding of such courses shall be borne exclusively by the Purchaser and Aurel Automation's rates for such training courses shall be those currently charged by Aurel Automation for such activities at the time of the Purchaser's request.
- 10. Inspections, installation, pre-delivery performance test and final performance test**
- 10.1 If the parties agree to have the Products inspected during the production phase, the Purchaser shall have the right, at the Purchaser's cost and expense, to have its representatives inspect the Products at Aurel Automation's premises, during Aurel Automation's normal business hours and upon reasonable prior written notice to Aurel Automation, provided that said inspections do not disrupt the work of Aurel Automation's personnel. It is understood that the results of said inspections shall not be binding on Aurel Automation in any way and the Purchaser shall not be entitled to make any claims against Aurel Automation in respect thereof.

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- 10.2 Except as otherwise agreed by the parties in writing, a pre-delivery performance test of the Products shall be carried out at Aurel Automation's premises prior to delivery of the Products to the Purchaser (hereinafter the "Pre-Delivery Performance Test"). The parameters and the procedures for passing the Pre-Delivery Performance Test shall be indicated by Aurel Automation in its offer or order confirmation. In the absence of such indication, the Pre-Delivery Performance Test shall be carried out based on the procedures and testing techniques agreed on by the parties in advance and in writing and in compliance with the standards and principles normally applied in Italy for products of the same type.
- 10.3 Aurel Automation shall provide the Purchaser with reasonable notice in writing of the date on which the Products will be ready for the Pre-Delivery Performance Test and shall keep the Products at the Purchaser's disposal for said Pre-Delivery Performance Test for 10 (ten) working days following said date, in order to enable the Purchaser take part in the Pre-Delivery Performance Test. The Pre-Delivery Performance Test shall be deemed to have been passed, for all contractual purposes, as soon as the Products satisfy the parameters indicated by Aurel Automation and the parties shall then draft a Product acceptance document. If the Pre-Delivery Performance Test reveals that the Products do not comply with the parameters indicated by Aurel Automation, Aurel Automation, at its own cost and expense, shall exercise its best efforts to remedy said non-compliance and the parties shall carry out a second Pre-Delivery Performance Test. If the Purchaser fails to take part in said test or interrupts its participation before the testing has been completed, Aurel Automation alone shall draft the abovementioned acceptance document and shall send a copy thereof to the Purchaser; the Purchaser will not be entitled to object to said acceptance document.
- 10.4 If the assembly, installation and start-up of the Products are carried out by Aurel Automation, the Products delivered to the Purchaser shall be adequately safeguarded by the latter in the location in which the assembly or installation will take place. Aurel Automation shall not be liable for any damage to the Products occurring while the Products are in the Purchaser's custody. In any event, the Purchaser shall be responsible for making available, at the Purchaser's expense, adequate lifting gear, skilled and unskilled workers, water, power and effluent connections, raw materials and other materials, labor and all services and equipment which are reasonably necessary to enable Aurel Automation's technicians to assemble, install and start up the Products and the Purchaser shall provide Aurel Automation with all cooperation necessary to that end. If, for reasons not attributable to Aurel Automation, the assembly, installation and start-up of the Products take longer than the agreed amount of time, the relating additional costs shall be borne by the Purchaser.
- 10.5 If the parties agree to carry out a final performance test of the Products (hereinafter, the "Final Performance Test"), except in cases of force majeure as contemplated by article 15 below, said Final Performance Test shall take place at the Purchaser's premises (or in the different location in which the Products have been installed or assembled), in the timeframe to be agreed upon by the parties and, if not otherwise agreed, no later than 30 (thirty) working days following delivery of the Products to the Purchaser. If the assembly or installation of the Products is carried out by Aurel Automation, said Final Performance Test shall be carried out upon completion of installation or assembly, at the time of start-up of the Products, no later than 10 (ten) working days following completion of assembly or installation. If the Final Performance Test cannot be carried out in the agreed timeframe for reasons not attributable to Aurel Automation, the relating additional costs shall be borne by the Purchaser.
- 10.6 The Final Performance Test shall be carried out based on the parameters and in accordance with the procedures and testing techniques indicated by Aurel Automation in its offer or order confirmation or, in the absence of such indication, in compliance with the standards and principles normally applied in Italy for products of the same type. As soon as Aurel Automation considers the Products ready for the Final Performance Test, it shall inform the Purchaser in writing, giving the Purchaser 5 (five) working days' notice, it being understood that the Final Performance Test shall commence on the morning of the 6th (sixth) working day following said written notice and, except as otherwise agreed by the parties in writing, shall continue, without interruption, until completion. Aurel Automation shall take part in the Final Performance Test and shall provide the Purchaser with all cooperation necessary for the correct performance of said testing. The Purchaser shall make available, at its own expense, skilled and unskilled workers, water, power and effluent connections, raw materials and other materials, labor and all services and equipment which are reasonably necessary for performance of the Final Performance Test.

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10.7 If the Final Performance Test reveals that the Products do not comply with the parameters indicated by Aurel Automation, Aurel Automation, at its own cost and expense, shall exercise its best efforts to remedy said non-compliance and the parties shall carry out a second Final Performance Test. The Final Performance Test shall be deemed to have been passed, for all contractual purposes, as soon as the Products satisfy the parameters indicated by Aurel Automation; the parties shall then draft a Product acceptance document in the form they will have agreed on in advance and the fact that the Purchaser fails to sign said acceptance document shall be irrelevant. If the Purchaser fails to take part in the Final Performance Test or interrupts its participation before the testing has been completed, Aurel Automation alone shall draft the acceptance document and shall send a copy thereof to the Purchaser; in that case, the Purchaser will be deemed to have accepted the acceptance document unless, no later than 10 (ten) days following receipt thereof, the Purchaser objects thereto in writing for justifiable reasons concerning only the failure of the Products to function in accordance with the parameters indicated by Aurel Automation.

11. Earlier Termination

Without prejudice to any other remedy it may have, Aurel Automation shall be entitled to terminate, with immediate effect, each contract of sale entered into on the basis of these General Conditions, by sending the Purchaser notice of termination, by registered post, return receipt requested, in the event of breach by the Purchaser of any of the Purchaser's obligations under these General Conditions, which breach is not cured by the Purchaser, to Aurel Automation's satisfaction, within twenty (20) days following Aurel Automation's written demand to cure.

12. Software

12.1 Purchasers that buy Aurel Automation Products containing software programs shall not copy, change, recompile or make any improper use of said software programs or use them for purposes or in manners not contemplated in the use of the Aurel Automation Products.

12.2 When the software programs owned by Aurel Automation include third party software applications, Aurel Automation warrants only that it has the right to supply said programs to third parties, any other warranty being excluded. If, in order to use said software applications, it is necessary to pay royalties to third parties having intellectual property rights in said software applications, said royalties shall be borne exclusively by the Purchaser.

13. Know How and Confidential Information

13.1 The Purchaser acknowledges that every document supplied by Aurel Automation to the Purchaser concerning the Products and the software may contain know-how and other confidential information such as, for example, information relating to the design, realization and development of the Products, information necessary for the assembly and/or use of the Products, information necessary in order to understand the functioning of the Products and for the exploitation of the possibilities and potential of the Products. Said confidential information belongs exclusively to Aurel Automation and is made available to the Purchaser in absolute confidence, solely for purposes of the contract of sale concluded on the basis of these General Conditions.

13.2 Therefore, the Purchaser agrees to use the confidential information solely to the extent strictly necessary for the performance of each contract of sale and for the use of the relating Products. The Purchaser further agrees not to disclose the confidential information to third parties, except as authorized by Aurel Automation in writing and to ensure that the Purchaser's employees, agents and representatives comply with the foregoing confidentiality obligations. Any use or disclosure of the confidential information and know how in breach hereof may also constitute an infringement of Aurel Automation's trade secrets.



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14. Trademarks and Other Intellectual Property Rights

- 14.1 The Purchaser acknowledges that the trademark on the Products, and any other marks, trade names and expressions used by Aurel Automation in the promotion and sale of the Products, belong exclusively to Aurel Automation. Therefore, the Purchaser shall not register or cause third parties to register, said trademark, trade name or expression, or terms or expressions similar to or susceptible of being confused with them. Except as may otherwise be agreed by the parties in writing, the purchase of the Products shall not confer upon the Purchaser, expressly or impliedly, any right, title, interest or license in or to any industrial design, patent or any other intellectual property right of Aurel Automation.
- 14.2 Aurel Automation has not, to its knowledge, infringed and will not knowingly infringe any industrial designs, patents, copyright, trademarks or other intellectual property rights of third parties. In no event shall Aurel Automation be liable for any direct or indirect problem, loss, damage or cost of any sort incurred by the Purchaser as a result of Aurel Automation's infringement of any such intellectual property right, unless it is proven that Aurel Automation knew that the goods in question were manufactured or distributed in violation of a third party's pre-existing intellectual property right.
- 14.3 If the Products are manufactured by Aurel Automation in accordance with the directions of the Purchaser or if Aurel Automation applies to the Products any sort of procedure based on the Purchaser's instructions, the Purchaser shall compensate Aurel Automation for all losses, damages, costs and expenses incurred or suffered by Aurel Automation in connection with the Products or paid by Aurel Automation by way of settlement of any action brought against Aurel Automation for infringement of industrial designs, patents, copyright, trademarks or other intellectual property rights.
- 14.4 Should Aurel Automation be named as a defendant in any sort of legal proceeding in which it is alleged that intellectual property rights were infringed in connection with the manufacture of the Products supplied to the Purchaser, Aurel Automation may, in its sole discretion and without notice, terminate the contract and refuse to deliver other Products to the Purchaser, without giving rise to any liability of Aurel Automation to the Purchaser for any loss, damage or cost incurred or to be incurred by the Purchaser as a result of said termination and refusal to make further deliveries. In that case, Aurel Automation shall return to the Purchaser any sum paid by the Purchaser in advance for Products subsequently not delivered by Aurel Automation and Aurel Automation shall be under no further obligation to the Purchaser.

15. Force Majeure and Limitation of Liability

- 15.1 In no event shall Aurel Automation be liable to the Purchaser for any breach, including failure to deliver or late delivery, which is caused by events beyond Aurel Automation's reasonable control, such as, for example, but not limited to, failure to deliver or delay in delivery of production materials by suppliers, strikes or other union actions, suspension of or difficulties in transportation, theft of or damage to goods, fires, accidents, earthquakes and other events occurring from natural causes, uprisings, wars (whether or not declared), demonstrations, seizures, embargos, laws or regulations of any agency or authority (including government controlled export credit agencies and entities responsible for the recognition of the entry visas of Aurel Automation's personnel).
- 15.2 The Purchaser represents and warrants that the Purchaser is purchasing the Products for a lawful and legitimate civil use (only) and is the end user of said Products. The parties acknowledge that, except as otherwise agreed in writing, no resale or other use is hereby authorized and that the Purchaser shall be fully and solely liable for any violation of this clause and shall hold harmless and indemnify Aurel Automation from and against any and all costs, expenses and damages incurred by Aurel Automation as a result of said violation. If the Purchaser is purchasing the Products for resale, the Purchaser shall inform Aurel Automation in advance of the identity of the end user of the Products and, in any case, the Purchaser shall remain liable to Aurel Automation for any breach of the obligations provided for in these General Conditions.

	 <p>Organization with Certified Management System: ISO 9001 / UNI EN ISO 9001: 2008</p> <p>GENERAL CONDITIONS OF SUPPLY</p>	<p>PRQ 015</p> <p>Rev. 03</p> <p>Data 06/08/2015</p> <p>Pagina 11 di 12</p>
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15.3 The warranties and responsibilities of Aurel Automation, deriving from and relating to the contracts entered into on the basis of these General Conditions, are limited to those expressly provided for herein. Therefore, Aurel Automation shall have no additional responsibility in connection with the Products and in no event shall be liable for direct, indirect or consequential damages, loss of profits, direct or indirect losses of any sort (including injury to persons and property damage) deriving from the purchase of the Products, except in cases of Aurel Automation's intentional wrongdoing or gross negligence. The Purchaser acknowledges that Aurel Automation's aggregate liability arising from and/or relating to the contracts entered into on the basis of these General Conditions shall, in all cases, be limited to twenty percent (20%) of the price paid by the Purchaser for the Products in question.

16. Personal Data Processing

Pursuant to Legislative Decree 196/03, the Purchaser acknowledges that the "personal data" provided to and/or exchanged with Aurel Automation, even in the phase preceding the actual conclusion of a contract, shall be processed pursuant to and for the purposes contemplated by art. 13 of Legislative Decree 196/03; it is also understood that the Purchaser expressly consents to the processing of its "personal data," availing itself of its rights pursuant to art. 7 of Legislative Decree 196/03.

17. No Waiver – Severability – Language

17.1 No delay in exercising a right or failure to exercise a right or to bring an action arising from these General Conditions shall be deemed to constitute a waiver of the right or action in question or acquiescence to the event that gave rise to the right or action.

17.2 If one or more of the provisions of these General Conditions is/are held to be invalid or inapplicable, the validity and/or applicability of the remaining provisions of these General Conditions shall be unaffected; the parties shall replace each provision held to be invalid or inapplicable with a new, lawful, valid and applicable provision having, to the extent possible, the same content as the invalid or inapplicable provision.

17.3 These General Conditions of supply are drafted in the Italian and English languages. In the event of doubts as to the interpretation hereof, the Italian language version shall prevail.

18. Applicable Law – Competent Court

18.1 These General Conditions and the contracts of sale to which Aurel Automation is a party shall be governed in all respects by Italian law and, in particular, in the case of contracts for the international sale of goods as defined in article 1 of the Vienna Convention of 1980, by said Convention, to the extent that said Convention has not been derogated from by these General Conditions or by the parties in writing.

18.2 All controversies arising from and/or relating to these General Conditions and sales of Products by Aurel Automation shall be resolved exclusively by the competent courts for the place in which Aurel Automation's registered office is located. Without prejudice to the foregoing, Aurel Automation shall be entitled to bring actions against the Purchaser before any court having jurisdiction over the Purchaser, in particular, but without limitation, for purposes of recovering sums owed to Aurel Automation.

GENERAL CONDITIONS OF SUPPLY

Purchaser:

Stamp and signature of the duly authorized representative

For acceptancePlace, date: _____ **The Purchaser:** _____ 

(signature and stamp)

The Purchaser hereby declares that it has read and understood the General Conditions of Supply of Aurel Automation S.p.a. and that it expressly approves the content of the following clauses, pursuant to articles 1341 and 1342 of the Italian Civil Code: 1. Applicability of General Conditions; 2. Contract formation – Acceptance of orders; 3.2 Minimum purchase price; 5 Delivery – Risk of loss; 6. Time of delivery – Acceptance of delivery; 7. Payment terms – Remedies for failure to pay – Interest for late payments; 8. Retention of title; 9. Warranty – Claims – Warranty limitations; 10. Inspection, installation, pre-delivery performance test, final performance test; 11. Earlier termination; 13. Confidential information; 14.4 Infringement of Intellectual property rights and contract termination; 15. Force majeure and limitation of liability; 18. Applicable law – Competent court.

For acceptancePlace, date: _____ **The Purchaser:** _____ 

(signature and stamp)