

General Terms and Condition of Sales

The following terms and conditions of sale shall apply to any sale of goods and services by DRASS GALEAZZI S.R.L.U. (hereinafter called “Drass”). Customer shall be deemed to have full knowledge of the terms and conditions herein and such terms and conditions shall be binding if either the goods and services referred to herein are delivered to and accepted by Customer, or if Customer does not within five days from the date hereof deliver to Drass written objection to said terms and conditions or any part thereof.

1. Description of Goods / Changes and Cancelation

All Orders must quote the single Quotation Number provided in Drass’ quotation or the Order cannot be processed . The description of goods and/or services as stipulated on invoices or order forms is provided by way of identification only and the use of that description shall not constitute a description under any Contract of Sale by description. Any description of any goods in any brochure, document or other sales literature used by Drass shall not form part of any Agreement between Drass and the Customer. Any description of any goods in any brochure, document or other sales literature used by Drass shall not form part of any Agreement between Drass and the Customer. Drass shall have no obligations to make alterations in the design and construction of goods previously accepted and delivered even though design changes are incorporated in the goods subsequently being delivered. Orders accepted by Drass are not subject to changes or cancellation by Customer, except with Drass’ written consent. In such cases where Drass authorizes changes or cancellation, Drass reserves the right to charge Customer with reasonable costs based upon expenses already incurred and commitments made by Drass, including, without limitation, any labour done, material purchased and also including Supplier’s usual overhead and reasonable profit and cancellation charges from Drass’suppliers.

2. Prices, Taxes, Payment and Trasportation Costs

The price shall be as quoted in writing by Drass. If a price is not quoted then it shall be in accordance with Drass’ current price list. Verbal quotations are subject to written confirmation. The price shall be the Recommended Retail Price less agreed discount, unless otherwise agreed in writing between the parties. The price is exclusive of VAT or any other applicable costs. The amount of any present or future sales, use, excise, import duty, or other tax applicable to the manufacture, sale, or lease of Goods, or the provision of Services, shall be added to Seller’s invoice and shall be the sole responsibility of Buyer, unless Buyer provides Seller a valid tax exemption certificate acceptable to the applicable taxing authority Credit terms may be offered subject to satisfactory credit vetting of the Customer by Drass. The offer of credit will be at the sole discretion of Drass. Where credit is offered payment of the price and VAT and any other applicable costs shall be due within 30 days of the date of the invoice supplied by Drass, unless otherwise agreed in writing. In cases where credit is not offered payment will be required before release of goods by Drass .Drass shall be entitled to charge interest on overdue invoices from the date when payment becomes due from day to day until the date of payment at a rate of 5 per cent per annum above the base rate of Euribor. If payment of the price or any part thereof is not made by the due date, Drass shall be entitled to: require payment in advance of delivery in relation to any Goods not previously delivered;

refuse to make delivery of any undelivered Goods without incurring any liability whatever to the Customer for non-delivery or any delay in delivery.

Drass reserves the right without notice to alter the price of goods and services whether or not a deposit or part payment has been received by Drass for such goods or service and to invoice the Customer for any such extra amount where the costs of the goods to Drass has altered due to circumstances beyond its control including but without limiting the generality of the foregoing any variation in Drass' exchange rates, GST or other taxes, levies, imposts, duties, premiums, fees or charges however designed and to correct errors and omissions. Unless otherwise stated, all prices are f.o.b. factory and include domestic packing. Customary methods of transportation shall be selected by Drass and such transportation will be at Customer's expense. Special methods of transportation will be used upon Customer's request and at Customer's additional expense provided reasonable notice of Customer's transportation requirements are given by Customer to Drass prior to shipment.

3. Delivery and Returned Goods

Delivery schedules are approximate and are based on prevailing market conditions applicable respectively at the time of Drass' quotation and Drass' acceptance of Customer's order. When required by the Customer but in the absence of specific instruction from the Customer, Drass will select the carrier and make such agreement with the carrier on behalf of the Customer as Drass in its absolute discretion deems appropriate. Drass will endeavour to deliver the goods (or provide services) within the Customer's required delivery period, but shall not in any event be liable for any loss or damage directly or indirectly sustained from any failure to deliver within such period. Time shall not be the essence of this Contract and any delay shall not be the basis of the Customer's cancellation of this Contract. Drass shall not be liable for any loss or damage resulting from any failure to give notice of any delay in delivery.

Drass reserves the right to make partial shipments and to submit invoices for partial Shipments. Where in order to deliver or collect goods, Drass or its carrier enters upon the Customer's premises, the Customer shall provide full and safe access to Drass or its carrier and shall be liable for and indemnify Drass and its carrier against the cost of all loss, damage to property and injury to persons, occurring directly or indirectly as a result of the failure by the Customer to ensure the said full and safe access. The Customer shall be responsible for providing adequate labour and/or material handling equipment for the loading and unloading of goods at its premises. Where Drass agrees to collect goods from the Customer's premises the Customer shall ensure that the goods are all available for collection at an easily accessible central point and that they are ready for loading at the time Drass arrives to collect them.

The Customer's return of goods to Drass for credit requires the prior written approval of Drass and issuance of a Returned Goods Authorisation Number (RGA).

Where goods are being returned to Drass, the Customer shall ensure that they are returned complete, together with all operations manuals and accessories, in a safe condition, having regard to the risk to persons handling them and in their vicinity; and damage to the goods themselves.

Claims by the Customer for short, damaged or incorrect deliveries must be made within fourteen (14) days from the date of invoice.

Drass will not be liable or responsible for any loss or damage, cost or expense suffered by the Customer resulting directly or indirectly from any failure by Drass to fulfil any of the terms and conditions herein, including any obligation or liability in respect of any damage to or malfunction of any item supplied, if such failure damage or malfunction is due to any delay or other cause beyond the control of Drass.

Where goods are incorrectly ordered by the Customer, supplied and subsequently returned, a restocking fee of fifteen (15) percent of the purchase price of the goods shall be paid together with any delivery fee and GST incurred by Drass as a result thereof within thirty (30) days from the date of invoice. No return of goods will be accepted or a credit note issued by Drass, for any goods and/or services specifically acquired for the Customer.

If Drass is of the opinion that goods when returned are otherwise than in the same condition as when they were delivered to the carrier or directly to the Customer a charge equal to the cost necessary to restore the goods to their original condition shall be payable by the Customer upon demand by Drass. If goods are returned to Drass which Drass is unable to resell to a third party or resell for the same amount as was sold to the Customer then Drass may charge the Customer an amount equal to the loss incurred as a result of the Customer returning the goods.

4. Confidentiality

All non-public, confidential, or proprietary information of Drass, including but not limited to specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts or rebates, that Drass discloses to Customer, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and regardless of whether marked, designated, or otherwise identified as “confidential,” in connection with the Agreement is confidential, solely for the use of performing the Agreement, and may not be disclosed or copied unless authorized in advance by Seller in writing. Upon Seller's request, Buyer will promptly return all documents and other materials received from Seller. Seller will be entitled to injunctive relief for any violation of this Section 15, without having to post bond or establish the insufficiency of a remedy at law. This Section 15 does not apply to information that is: (a) in the public domain; (b) known to Buyer at the time of disclosure; or (c) rightfully obtained by Seller on a non-confidential basis from a third party.

5. Warranty

Unless otherwise agreed, Drass guarantees the soundness and good workmanship of the Goods and the materials used, as far as it concerns defects that could not have been discovered during the inspection pursuant to clause 4 of the these Conditions, for a period of twelve (12) months after delivery of the Products, and Drass guarantees that the Services were performed according to the standards of good workmanship (the “Warranty”) Goods and/or services supplied by the Customer and/or goods and/or services supplied by subcontractors and/or suppliers which were required by the Customer are not covered by the Warranty.

A claim under the Warranty must be notified by the Customer to Drass in writing stating its grounds, within seven (7) days after detection of the defect or non conformity, but ultimately before the Warranty period mentioned above has expired. The Warranty only applies if the Customer can show the defect of the Product (and/or Service in relation to the product specification in the Contract); has observed all of its obligations deriving from the Contract and these Conditions; The report of the defect (and/or non -conformity with the product specification in the Contract) within the Warranty period mentioned above. If and to the extent Drass accepts a claim under the Warranty Drass shall at its sole discretion, either repair or replace the defective Product, take the Product back and credit Customer for the price of the Product concerned. The costs of processing repaired or replaced Products are not covered under the Warranty. The replacement Product or parts will be the property of Drass. If the Warranty covers Services, Drass will only be held to re-performing the Service or part of the Service in question. The Warranty does not extend to the repair of anything other than the Products and/or re-performing the Service.

Repairs of the Products (or parts thereof) shall be performed at Drass’ work place. If the Customer has prior written permission from Drass to have the repairs carried out elsewhere and/or by a third party, Drass shall compensate the Customer for the amount of the repairs that DRass would have incurred if the repairs had been carried out in Drass’ work place during normal working hours. If the repairs are performed by Drass on location, at the request of the Customer, the Customer will compensate Drass for all costs which exceed the costs of repair in Drass’ work place, such as travel and accommodation, transport for (parts of) the Products and/or other components and/or auxiliary Product.

The Warranty shall not apply if:

- a. the defect is the result, in whole or in part, of normal wear and tear, or unusual, improper, injudicious or negligent use of the Products;
- b. the Products were altered, modified, used or processed;
- c. the Products were transferred to third parties;
- d. raw materials and the like were used by Drass at the instructions of the Customer;
- e. the defect is a minor deviation in quality, colour, finish, dimensions, composition, etc. that is acceptable in the trade or technically unavoidable;
- f. the defect or problem results from any default of the Customer or third parties engaged by the Customer.

The Customer has no rights under the Warranty if and as long as Drass is not granted the opportunity to investigate any claim under the Warranty. If requested by Drass, the Customer shall, at its own expense and within thirty (30) days of Drass’ first request, return the Products that are subject of the claim (or any part thereof) on conditions concerning packaging and transport to be determined by

Drass. The Customer shall only return delivered Products to Drass on Drass' written authorisation. Until such authorisation has been granted, the Customer shall keep defect Products in its possession. Acceptance of a claim under the Warranty does not prolong the original Warranty period with regard to the Product(s) and/or Services concerned.

6. Force Majeure

Drass shall not be responsible or liable for any loss or damage incurred by Customer herein resulting from causes beyond the reasonable control of Drass including, but without limitation, acts of God, war, invasion, insurrection, riot, the order of any civil or military authority, fire, flood, weather, acts of the elements, delays in transportation, unavailability of equipment or materials, breakdown, sabotage, lock outs, strikes or labour disputes, faulty castings or forgings, or the failure of Drass' suppliers to meet their delivery promises. The acceptance of delivery of the equipment by Customer shall constitute a waiver of all claims for loss or damage due to any delay whatsoever.

7. Limitation of Liability

Drass shall under no circumstances be liable pursuant to these Terms for any loss of profits or consequential, special, incidental, indirect or punitive damages, whether based upon breach, negligence, strict liability, tort, breach of contract or any other theory, or for failure to perform their obligations under these Terms. Drass' sole liability hereunder for any and all loss or damage to the Customer based upon breach of contract or tort shall be limited to and shall in no event in the aggregate exceed Customer purchase price of the particular item with respect to which losses, damages, expenses or costs are claimed. Drass shall not, under any circumstances, be liable for any damages, costs or expenses paid or incurred by the Customer on account of any imperfections, deviation from specifications or other defects impairing the quality, value or suitability for any purpose of any Equipment sold hereunder, whether caused by Drass' negligence, strict liability acts or omissions, or otherwise. No statement or recommendation made or assistance given by Drass or their representatives, either orally or written, to Customer, its customers or agent or other person in connection with the purchase by Customer, shall constitute a waiver by Drass of any provisions hereof or affect Drass' liability as herein defined; and no such statement, recommendation or assistance that is not expressly required by the provisions of these Terms shall subject Drass to any liability of any nature whatsoever.

8. Governing Law And Jurisdiction

This Agreement shall in all respects be governed by and interpreted under the laws of Italy and the parties submit to the exclusive jurisdiction of the courts of Livorno. Notwithstanding the foregoing, Drass reserves the right to institute proceedings against Purchaser in the courts having jurisdiction in the place where Customer has its seat or in any jurisdiction where a harm to Drass is occurring.