
CDR POMPE S.r.l. SALES GENERAL TERMS AND CONDITIONS

1. General Conditions.

All sales and deliveries of machinery and components (hereinafter “the Products”) manufactured by CDR Pompe S.r.l. (hereinafter “the Manufacturer”) and related devices, are governed by these “General Terms and Conditions” on an exclusive basis. In no way, conflicting or deviating purchasing conditions of the Client (hereinafter “the Purchaser” or “the Buyer”) may become part of the agreement or may derogate these General Terms and Conditions, even through acceptance of the order.

2. Rights of the Manufacturer.

2.1. Drawings, samples, cost quotes and every technical instruction in any way related to the Products, of a corporeal and incorporeal nature (electronic form), including the user manual and additional information provided to the Purchaser, are and shall remain exclusive property and ownership of the Manufacturer. They shall not be revealed to any third party without the prior written authorization of the Manufacturer.

2.2. The Purchaser shall be liable for ensuring that his deliveries and the use of things such as schemes, calculations, test pieces etc. do not infringe the industrial property rights of third parties, and shall exonerate the Manufacturer from any such claims.

2.3. The Purchaser acknowledges that the Manufacturer will own all world-wide patents, industrial property rights, trade secrets and any other property rights on the Products and on the above said documents (see point 2.1), including any translation, modification, adaptation or derivative work of any Product and related documents.

3. Non-binding Technical Documentation.

The Manufacturer shall not be bound to any illustration, catalogue, drawing, and/or statement of dimension, weights, utilities consumption, capacities and similar, to be considered merely indicative only.

4. Technical Specifications

The Products are built in accordance with CE standards and are tested by CDR Pompe

S.r.l., when it's possible.

Approvals and tests performed by other control Authority are for Purchaser's account.

5. Warranties.

5.1. The Manufacturer warrants that:

- the Products are free from defects in materials, design and workmanship at the time of the delivery;
- high quality materials are used in the construction of the Products and that machining and assembly are carried out at the highest standards;
- the Products will work correctly if they are installed, used and in accordance with the Manufacturer operative manuals.

5.2. The warranty shall be valid for a period of 12 (twelve) months from the date of delivery indicated on the transport document. To protect his rights regarding defects subject to warranty and in view of potential transport damage, the Purchaser must check and inspect all deliveries upon receipt for possible flaws, damages and/or losses or relevant quantitative variances. A declaration stating the damages and losses must be issued upon delivery and indicated on the consignment note. The warranty is understood ex warehouse from where the Products was carried out.

5.3. For the warranty to remain fully valid throughout the above said period of 12 months, it's necessary that:

- the alleged defects are reported by the Buyer in a written notice within the mandatory term of 8 (eight) days from the delivery of the Products, or from the discovery of the defect if it's not evident
- all contractual obligations of the Purchaser have been fulfilled; alleged or confirmed Product defects do not justify in any case non-fulfillment of contractual obligations;
- all installation operations, connection of the Product to energy network (water, electricity), use and maintenance are carried out in full compliance with the instructions included in the manuals, instruction booklet or documentation given together with the Products;

- all checks and repairs are performed by technicians authorized by CDR, and all spare parts used are original CDR spare parts.

5.4. The warranty does not cover:

- damages occurring during shipping and handling;
- pump fluids that due to the nature or content are not compatible with the construction materials and/or application limits prescribed in the order;
- improper maintenance or lack of the latter;
- tampering, failed or improper execution of the prescribed requirements for putting into service;
- normal wear and tear due to the service conditions.

5.5. Under the warranty and during the period above specified, CDR will repair or replace at its own expenses in the shortest possible time, those Products or parts of the Products which, due to poor quality of material or defect in workmanship or faulty assembly, prove to be defective; thus, the Purchaser's rights are limited to the free repair or replacement of parts recognized as defective, excluding the right to request termination or breach of contract and price reduction.

Repairs or replacement pursuant to the warranty shall not renew or extend the original warranty period.

5.6. The Products shall not be considered defective in they need to be adapted, changed or adjusted to conform to local technical or safety standards in force in any Country other than for which the Products were originally designed and manufactured.

5.7. The warranty does not extend to attempted modification made to adapt the Products for purposes other than those defined in the contractual document, without prior consent in writing by CDR.

The terms of the warranty shall be considered void if the Purchaser uses the Product differently than that specified in the order or does not follow the instructions contained in the instruction booklet or in the manuals.

5.8. The parts of Product replaced must be sent to the closest CDR office for review.

Warranty acceptance will not be granted unless the defective part is returned or appropriate photographs and a written report is provided.

All defective parts replaced become property of CDR.

The Purchaser shall not be required to deliver a defective part to CDR if both the following conditions happen:

- the part was destroyed as a result of its defect or of any defect covered by this warranty;
- CDR is reasonably satisfied that the product was defective at the time of the sale.

Pumps containing process fluid or installations outside of the pumping unit shall not be taken in consideration.

If the Product supplied cannot be removed from the related plant or system, CDR shall be responsible only for the explicit repair costs: any other cost will be borne by the Purchaser.

6. Limitation of liability.

6.1. CDR shall not be held liable in any way for indirect, incidental, or consequential damages suffered by the Purchaser or third parties, including loss of profits, resulting from any infringements of the contents of these Conditions, or suffered by the Purchaser or third parties due to the inability to use the Products or the system in which it is installed, or suffered by the Purchaser or third parties due to defects of the Products.

6.2. In any case, the responsibility of CDR to the Buyer or third parties will be limited, for each claim, the amount paid by the Buyer for the purchase of the Products that caused the damage.

7. Delivery and limitation of liability

7.1. The Manufacturer will make all reasonable efforts to respect the agreed delivery timeline.

7.2. The delivery of the Products shall be deemed to have occurred either with the delivery of the goods to the Buyer, either by delivery of the products to the carrier to

transport them to the Buyer. All shipping shall be deemed Ex Works.

The Manufacturer shall not be liable for delays or failure in performance arising out of any cause beyond the Manufacturer's reasonable control.

8. Shipping risks.

8.1. The Buyer shall bear any risk connected to the shipping of the Products.

8.2. Products may be insured against shipping risks upon specific written instructions of the Buyer; the latter shall bear all costs connected to the insurance.

9. Retention of title.

The Manufacturer shall retain the full property of the Products till the relevant payment is made in full.

10 Installation.

Installation costs, including electric and other connections according to the Manufacturer's drawings, shall be borne by the Buyer, unless otherwise agreed in writing.

11. Duties.

VAT, customs duties, taxes and all other charges connected with the deliveries and/or delayed payment shall be paid by the Purchaser, unless otherwise agreed in writing.

12. Payments and default on payment.

12.1. Unless otherwise agreed, prices are quoted Ex Works.

12.2. Any payment under this General Conditions shall be made within the terms of the order confirmation and the invoice.

12.3. Should any payment not be made within the term set above, then interests shall be paid according to the applicable Italian law (see art. 5 D. Lgs. 9th October 2002, n. 231) with all costs of collection, including reasonable legal costs.

The Buyer undertakes not to raise any claim in order to avoid or simply delay any payment due under these General Conditions.

12.4. If the fulfillment of the price is endangered due to a deterioration of the Buyer's financial circumstances, which has occurred or become known after the conclusion of

the contract, the Manufacturer may demand an immediate payment of all outstanding receivables as well as payment in advance for all orders being processed.

13. Buyer's declaration on the use of the Products.

13.1. The Buyer declares and warrants that the Products shall be solely use for legal and civil purposes, with express exclusion of any other use for different purposes.

13.2. The Buyer declares and warrants to be the only final user of the Products.

13.3. Should the Buyer plan to sell the Products through another reseller, an advanced notice in writing shall be sent by the Buyer to the Manufacturer confirming and warranting that the Products shall not be re-exported out of the Buyer's Country, or/and that the Products shall be delivered only to parties operating for sole civil purposes.

13.4. In addition, should the Products be re-exported, the Buyer undertakes to previously grant the Manufacturer all necessary data of its own customers (i.e. company name, full address, telephone number, etc.), so to allow any appropriate control on the actual destination of the Products.

14. Suspension or cancellation of Purchaser's order.

The Purchaser acknowledges that the Products may be subject to export control regulations, including, without limitation, the Dual-Use, U.E. and Italian regulations. The Buyer therefore acknowledges and agrees that possible prohibitions to export or other decisions issued by the Italian or U.E. Public Authorities may lead to the suspension or cancellation of the Purchaser's order,

The Manufacturer will not be liable whatsoever in case the order will be suspended or cancelled and the Purchaser will not claim any compensation or refund for the damage.

15. Law and Jurisdiction.

15.1. These General Conditions shall be governed by and construed in accordance with the Italian law, excluding the provisions of the Hague Conventions relating to a Uniform Law on the International Sale of Goods (EKG/EAG) and the Uniform United Nations Convention on Contracts for the International Sale of Goods (CISG).

15.2. Any dispute arising out of these General Conditions shall be submitted to the exclusive jurisdiction of the Court of Milan.

16. Secrecy and Privacy.

16.1. For a duration of 4 (four) years from conclusion of the contract, the Buyer undertakes not to disclose any information and experience which has become known in connection with the contract and which the Buyer has received from CDR.

16.2. The Buyer is obliged to consider CDR's offer a business secret, too, and to keep it secret.

16.3. These General Conditions apply to D. Lgs. 30 June 2003, n. 196, as amended.

Date and signature

(CDR POMPE S.r.l.)

(The Buyer)

According to articles n. 1341 e n. 1342 of the Italian Civil Code, the following paragraphs are specifically approved: **1.** General Conditions; **2.** Rights of the Manufacturer; **3.** Non-binding Technical Documentation; **4.** Technical Specifications; **5.** Warranties; **6.** Limitation of liability; **7.** Delivery; **8.** Shipping risks; **9.** Retention of title; **10.** Installation **11.** Duties **12.** Payments and default on payment; **13.** Buyer's declaration of the use of the Products; **14.** Suspension or cancellation of Purchaser's order; **15.** Law and Jurisdiction; **16.** Secrecy and Privacy.

Second signature

(CDR POMPE S.r.l.)

(The Buyer)