

TCF GENERAL SALES CONDITIONS

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1) FOREWORD

The present general sales conditions are part of every contract for the supply of materials and equipment, even for orders which should be transmitted by telephone, orally, by fax, e-mail message or via internet. Such general sales conditions apply alongside the conditions indicated in our Order Acknowledgements and, in case of contradiction, they prevail. The sales contracts of our products are regulated by the Italian Law.

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 TCF Srl. In particular, in the event of TCF Srl 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.

2) TECHNICAL CHARACTERISTICS

The technical and quality features and/or characteristics of our products are those indicated in the commercial catalogues or similar literature, and they are binding inasmuch as such data are referred to also in the Order Acknowledgment. TCF reserves the right to carry out all the modifications, without the consent of the customer, which will be estimated necessary and appropriate, without changing the essential features of the same.

3) PRICES

The prices indicated in the Order Acknowledgement are net, free from VAT and any other fiscal fee.

4) DELIVERY TERMS

The goods are expressly sold as 'ex-works' (INCOTERMS 2000) our warehouse in via Giuseppe di Vittorio 5, Cadriano di Granarolo Emilia (Bologna), Italy except where differently indicated and agreed upon in writing; even in the hypothesis in which, as a mere act of courtesy, TCF Srl should directly organize transportation on behalf of the client, the risks involved will be at the client's own responsibility and TCF Srl, will be expressly exempted from any liability arising from damages due to transportation, unless otherwise agreed to in writing.

4) DELIVERY DATES AND FORCE MAJEURE

TCF Srl undertakes to respect the delivery times indicated in the Order Acknowledgment 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, TCF Srl 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.).

5a) CLAIMS AND WARRANTY

TCF Srl warrants that it will assume responsibility for any faults and/or defects in the products sold within 12 months from certified start-up but in any case within max. 15 months from shipment date. TCF Srl will replace the damaged parts ex-works at no additional cost or, at the seller's request, 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 a written notification (registered letter) to TCF Srl, within 8 days from the date of the delivery of the goods, detailing any obvious or evident faults and/or defects;
- b) the client sends a written notification (registered letter) to TCF Srl, within 8 days from the disclosure of the defect, concerning the discovery of faults and/or defects which were not immediately evident or only evident following their use, and in any case not later than one year after delivery, as per Italian Law article n°1495 of the Civil Code ('hidden defects');

c) the client has used the product in accordance with the instructions and technical methods specified in the manuals and related literature.

The discovery of any defect or hidden fault will, in no case, imply the missing payment from the customer of the goods invoice to TCF Srl.

In any case, TCF Srl may not be held liable for any indirect damages resulting from loss of earnings or a reduction in production.

5b) LIABILITY FOR FAULTS AND/OR DEFECTS IN THE PRODUCT

Considering that the application and installation of TCF Srl products is subject to numerous variables (destination of product, compatibility with the system of destination, storage conditions of the client, etc.) which are beyond the seller's control and over which he has no power of intervention, TCF Srl may not be held liable, unlimitedly, for any faults or defects of the products sold. In particular:

- a) TCF Srl, 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) TCF Srl 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 (unless previously agreed and accepted in writing by TCF Srl);
- c) TCF Srl 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.

6) TERMS OF PAYMENT AND OVERDUE PAYMENTS

The prices and methods of payment are those shown in the Order Acknowledgment issued by TCF Srl.

Default or overdue payment of the amount by the due date agreed upon in the order, will entitle TCF Srl to claim overdue interest on the amounts owed and not paid at the rate determined in accordance with Legislative Decree no. 232 of 9 October, 2002, starting from expiry of the due date agreed upon. Furthermore, TCF Srl 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 TCF Srl, 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, TCF Srl 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.

Goods remain of TCF Srl property until the payment is settled in full.

The customers for extra-European countries engage themselves in sending back to TCF Srl the custom bill documents proving the export of the units, within 90 days from the despatch of the goods from TCF Srl. Lack of the return of such documents will result into the invoice of the 20% of the goods value, for Italian VAT legislation reasons.

7) GOVERNING LAWS AND 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 Bologna (Italy).

This sales contract is likewise exclusively governed by Italian Law.

8) PROCESSING OF PERSONAL DATA (Leg. Decree no. 196 of 2003)

The client authorizes the processing, communication and dissemination of his personal data by TCF Srl for all contractual and legal requirements/fulfillments 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 or electronic supports.