

**GENERAL CONDITIONS OF SALE OF PRODUCTS AND SERVICES**  
**EMOTION**

**1 GENERALITY**

**1.1** The following general terms and conditions of sale shall apply to any Order Confirmation (hereinafter, "OC") sent by ELSA Solutions Spa (hereinafter, the "VENDOR") to the CUSTOMER and shall form an integral part of each Purchase Order relating to the Products and Services, as defined below in Article 2.

**1.2** Any deviating clauses as well as any special conditions of supply shall be expressly stated in the text of the CONTRACTOR'S OC or, in any case, agreed upon in writing. The sending of an order by the CUSTOMER to the SUPPLIER and the subsequent receipt of the SUPPLIER'S CoC, entail, among other things, the acceptance of these general conditions of supply of products and services and of any other specific conditions resulting from the CoC, which shall prevail over any General Conditions of Purchase of the CUSTOMER or clauses included in the order, the CUSTOMER having received these General Conditions of Supply since the formulation of the Offer for acknowledgement and acceptance .

**1.3** Any conduct, including repeated conduct, of either party that does not correspond to one or more of these conditions shall in no way affect the right of the other party to seek enforcement of these conditions at any time.

**1.4** The CUSTOMER declares that he/she is acting within the scope of his/her commercial, industrial, handicraft or professional activity and, therefore, that he/she is not a consumer within the meaning and effect of the D.Lgs. 206/2005.

**1.5.** Any information or data on the characteristics and/or technical specifications of the Products and Services (as defined below) contained in brochures, price lists, catalogs, advertising material or similar documents are for information only and shall be binding to the extent that such data have been expressly referred to in the CoO.

**1.6.** The Supplier reserves the right to make to the characteristics and/or technical specifications of the Products and Services (as defined below) any changes that, without altering the essential characteristics of the Products and Services, may be necessary and appropriate.

**2 PRODUCTS**

**2.1** The subject of these General Terms and Conditions of Supply are new products and/or used products. For this purpose, they are defined as.:

**2.2 NEW PRODUCT:** In the case of the sale of new products, the CONTRACTOR may appear as a reseller on behalf of the manufacturer or producer of the good sold.

**2.3 STOCKED PRODUCT:** This is a new product that has never performed hours of work but has been in storage at the CONTRACTOR'S or third party's warehouse for more than 24 months from the date of construction/testing.

**2.4 USED PRODUCT:** this is a product that has already performed several hours of work; in this regard, products are divided into the following categories:

**REVISED USED PRODUCT:** a product on which operations of:

- o status verification
- o routine preventive maintenance operations
- o operations that have not involved the replacement or repair of major internal components or elements.

**REPAIRED USED PRODUCT:** a product on which electrical, electronic and/or mechanical repair operations have been carried out as a result of a breakage or malfunction, designed to restore its proper functioning by partial or complete replacement of major internal components or elements, involving modifications from the original configuration capable of ensuring in all cases the declared performance.

**3 SERVICES**

**3.1** The subject of these General Terms and Conditions of Supply are also services. For this purpose it is defined as:

- **INSTALLATION and/or COMMISSIONING:** a service of installing the equipment on the CUSTOMER'S site or machinery by taking care of its proper execution, commissioning and mechanical, electronic and/or electromechanical configuration.

- **ON SITE TECHNICAL ASSISTANCE:** a service of assistance to the equipment in question on the CUSTOMER'S site or machinery suitable for restoring and/or correcting the operating conditions of the same or implementing new functionalities to resolve any problems that have occurred and/or to respond to specific customer requests agreed upon in advance.

- **REMOTE TELEASSISTANCE:** a service carried out with technicians at the CONTRACTOR'S site connected via an Internet call to the equipment in question located on the CUSTOMER'S site or machinery and/or third parties suitable for restoring and/or correcting the operating conditions of the same or implementing new functionalities to resolve any problems that have occurred and/or to respond to specific customer requests agreed upon in advance.

- **ELECTRICAL and/or MECHANICAL TECHNICAL SURVEYS ON SITE:** a service of surveys and measurements carried out with technicians at the CUSTOMER'S premises designed to collect data aimed at the analysis and study of an implementation and/or improvement and/or identification of a problem previously agreed upon in order to determine a possible solution.

**3.2** The CUSTOMER shall put the CONTRACTOR in the best possible condition to deliver the Services, as defined above, by instructing its own workers for this purpose and by arranging the premises and/or machinery and/or equipment in such a way as to facilitate the CONTRACTOR'S interventions and in such a way that such interventions interfere as little as possible with the CLIENT'S normal production process.

**3.3** The CUSTOMER shall provide the CONTRACTOR with all information regarding the necessary safety documentation and shall countersign the documents sent by the CONTRACTOR BEFORE the technical intervention is performed by CONTRACTOR'S personnel. Failure to complete all safety-related paperwork and documentation will result in forfeiture of any obligation for technical intervention by the CONTRACTOR and its personnel.

**4 MODE OF EXECUTION**

**4.1** Upon the CUSTOMER'S request, the CONTRACTOR shall issue an offer (with attached these general conditions of supply, which can also be found on the website [www.elsaweb.it](http://www.elsaweb.it)), which, if accepted, the CUSTOMER shall set forth in an order to be sent to the CONTRACTOR: this shall be followed by the COO by the CONTRACTOR in which he shall expressly refer to these general conditions of supply and containing any waivers agreed upon with the CUSTOMER. Any waiver not expressly stated in the CoO shall have no effect between the parties.

**4.2** It is agreed that only with the sending of the CdO will the contract of sale be finalized.

**4.3** In the event that the CUSTOMER cancels all or part of an order subsequent to the CdO sent by the CONTRACTOR, it is hereby agreed that an amount equal to 20% of the price of the goods sold shall be payable by the CUSTOMER as a penalty under Article 1382 of the Civil Code.

**5 INCOTERMS AND SHIPMENTS - COMPLAINTS**

**5.1** Unless otherwise agreed, the delivery of the Products shall be understood to be ex works loaded - establishment of the SUPPLIER, and this shall be so even when the shipment or part thereof is taken care of by the Customer. The risks pass to the Customer at the latest with the delivery of the Products to the first carrier.

**5.2** Any claims relating to the condition of the packaging, quantity, number or external characteristics of the Products (apparent defects) shall be notified to the SUPPLIER by registered letter RR or PEC communication, under penalty of forfeiture, within 8 days from the date of receipt of the Products. Any claim relating to defects that cannot be detected by diligent inspection upon receipt (hidden defects) must be notified to the SUPPLIER by registered letter RR or PEC communication, under penalty of forfeiture, within 8 days from the date of discovery of the defect and in any case not later than 12 months from delivery.

**5.3** It is understood that any claims or disputes do not entitle the Customer to suspend or otherwise delay payments for the disputed Products and Services, let alone other supplies.

**5.4** In the cases of claims referred to in Article 5.2 above, the Customer shall arrange at its own care and expense, and with transportation at its own risk, for the timely dispatch to the SUPPLIER of the Products deemed defective, accompanied by a description of the defects found.

**6 PRICES**

**6.1** The price and method of payment will be as indicated in the CoO. If not specifically stated in the CoO, the price shall be exclusive of any expenses (including shipping), discount or tax and payment shall be made 30 days diffm by bank transfer or other method specifically stated in the CoO.

**6.2** The price is determined, unless exceptions are expressly stated in the CoO, for the product delivered ex works loaded CONTRACTOR'S plant, the CUSTOMER being responsible for costs related to transportation, insurance, unloading, assembly, and commissioning.

**6.3** CUSTOMER shall not be entitled to set off the price of the Products and/or Services against any claims against CONTRACTOR, nor shall CUSTOMER exercise any right of retention of the Products in the event of (total or partial) non-payment of the price of the Products.

**6.4** In the event that an advance payment is agreed upon, the CUSTOMER may not demand performance from the CONTRACTOR prior to the execution of said payment.

**6.5** Non-payment or delayed payment of the price of the Products and/or Services within the term established in the CdO shall entail the charging, with effect from the possibly agreed due date, of interest calculated in accordance with Legislative Decree 231/2002 as well as the forfeiture of the CUSTOMER'S benefit of the term for other supplies that may be in progress, with the consequent right for the CONTRACTOR to demand immediate payment of the entire supply or suspend or terminate other supply contracts that may be in progress.

**6.6** The CUSTOMER shall be required to pay in full even in the event of a dispute or controversy, the clause being understood to be applicable *solve et repete*.

**7 WARRANTY**

**7.1** The warranty offered by the CONTRACTOR for the product sold will have a different extent depending on whether the product is new or used.

**7.2 NEW PRODUCT:**

- The SUPPLIER, as the reseller of new Products sold to the CUSTOMER, shall not be liable for damages resulting from defective Products. Unless otherwise expressly stated, **The Products are covered by the warranty offered by the MANUFACTURER**, about which, upon CUSTOMER'S request, the SUPPLIER may provide detailed information. In any case, the cost and risk of transporting the defective product from the CUSTOMER to the PRODUCER shall be borne by the former. Failure to promptly return the defective material to the SUPPLIER or the PRODUCER accompanied by an indication of the defect found shall imply non-recognition of the warranty.

**The applicability of the contract conditions shall be as indicated by the MANUFACTURER'S warranty.**

- The SUPPLIER, as the seller of a new product under its own brand name, agrees to remedy any defect, lack of quality or lack of conformity of the Products attributable to it, occurring within twelve months after delivery of the Products, provided that the same has been promptly notified to it in accordance with Article 5.2. The SOURCE may elect to repair or replace Products found to be defective. Replaced or repaired Products under warranty shall be subject to the same warranty for a period of six months from the date of repair or replacement.

- The supplier does not guarantee that the Products meet particular specifications or technical characteristics or that they are suitable for particular uses except to the extent that such characteristics have been expressly agreed to in the CoO or in documents referred to for that purpose in the CoO.

- Except in the case of willful misconduct or gross negligence, the SUPPLIER shall be obliged, in the case of documented defects, lack of quality or lack of conformity of the Products, only to repair the same or to supply Products to replace the defective ones. It is understood that the aforementioned warranty (consisting of the obligation to repair or replace the Products) is absorbent and in lieu of the warranties or liabilities provided for by law, and excludes any other liability of the SOURCE (whether contractual or non-contractual) in any way related to the Products supplied (e.g., compensation for damages, lost profits, recall campaigns, etc.).

**7.3 USED PRODUCTS:**

The SUPPLIER guarantees its Products for 12 months from the date of delivery. The CUSTOMER declares that it has read the product data sheet provided by the SUPPLIER, and therefore, the state of the product purchased. The CUSTOMER shall immediately report any defect, describing precisely the defect complained of, allowing the SUPPLIER to take action. In case of replacement or repair of a part, the warranty shall be deemed renewed limited to the replaced or repaired part. In the event of a complaint of defects, the CONTRACTOR shall inspect the product to verify the existence of the claimed defects and whether they are attributable to improper use of the product. In the event that the inspection is successful, the CONTRACTOR shall, at its sole option:

- supply free of charge ex-works to the buyer products of the same kind and quantity as those found to be defective or not in accordance with what was agreed upon

- replace only the defective part by requesting only the reimbursement of a/r transportation costs

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- not intervene on the product by recognizing an amount equal to the cost of repair or modification of the product

- terminate the contract by offering a refund of the price against return of the parts supplied.

#### 8. DESTINATION AND USE OF PRODUCTS

**8.1** The CUSTOMER understands that the intended use of all Products distributed by the CONTRACTOR is exclusively for installation and use in an industrial environment by competent technical personnel who have been made aware in advance of the potential dangers that could result from improper use.

**8.2** To this end, the CUSTOMER agrees to deliver and distribute to the personnel responsible for the installation and use of the Products purchased the INSTALLATION, USE AND MAINTENANCE INSTRUCTIONS booklet, prepared by the manufacturer and/or the Supplier and which the CUSTOMER, by signing the delivery note, declares to have received. The COMPLETE booklet containing the INSTALLATION, USE AND MAINTENANCE INSTRUCTIONS will be supplied with the Products.

**8.3** CONTRACTOR shall not be liable for damage and/or any occurrence caused by improper installation and/or improper use of the Products by CUSTOMER's personnel and/or unauthorized third parties.

#### 9 WARRANTY EXCLUSION AND LIMITATIONS

**9.1** The warranty (as well as any responsibility of the CONTRACTOR) lapses in case of tampering or interventions not authorized by the CONTRACTOR or the manufacturer and does not extend to parts of the product normally subject to wear and tear (by way of example only: bearings, brushes, filters.). The warranty is also void in the event of failure to comply with the requirements set forth in the INSTRUCTIONS FOR INSTALLATION, USE AND MAINTENANCE. The warranty also lapses in the event that the Products are used in a manner inconsistent with their technical specifications and/or in the event that they are used in environments and/or under conditions incompatible with their proper functioning and/or in the event that they are used by unqualified and/or unauthorized personnel.

**9.2** CONTRACTOR disclaims all liability in the event of tampering with the Products or for defects caused by repairs or interventions by third parties unless expressly authorized.

**9.3** The CONTRACTOR shall not be liable to indemnify for direct or indirect damages such as, but not limited to, loss of production, loss of profit, loss of billing, costs related to production interruption, etc.

**9.4** In any case, and in any case subject to and without prejudice to the provisions of Article 9.3 above, the CONTRACTOR shall be liable for damages suffered and proved by the CUSTOMER up to the maximum amount equal to 50% of the value of the product sold that caused the damage.

**9.5** The warranty does not include the cost of transportation, nor the cost of disassembly and reassembly, with the warranty including only the repair/replacement of the supplied product.

**9.6** In any case, the CUSTOMER shall forfeit the warranty if he/she has failed to make the relevant report within the terms set forth in Article 5.2.

#### 10 DELIVERY TERMS

**10.1** The delivery terms are indicated in the CoO and are to be understood as indicative. They shall run from the date of the CoO by the CONTRACTOR. A margin of 30 working days for delay in delivery by the CONTRACTOR is provided, without such delay being in any way a source of compensation or dispute by the CUSTOMER.

**10.2** Any delay due to force majeure (as defined in Article 12) or to acts or omissions of the Customer (e.g., failure to provide information necessary for the supply of the Products, failure to pick up ready-made goods) shall not be considered attributable to the CONTRACTOR.

**10.3** In the event of delay beyond 30 working days of delivery of the product attributable to the CONTRACTOR and resulting in actual damage in the hands of the CUSTOMER, the CUSTOMER may claim, after putting the CONTRACTOR in writing, compensation for the actual damage within the limit of 1% per week and up to a maximum limit of 5% of the price of the Product delivered late.

**10.4** Except in the case of willful misconduct or gross negligence on the part of the CONTRACTOR, payment of the amounts specified in Article 10.3 above shall exclude any further compensation for damages for non-delivery or delayed delivery of the Products.

**10.5** THE CONTRACTOR shall provide written notice of "goods ready", at which time, the CUSTOMER shall arrange, its own care and at its own expense, for the withdrawal of the product: if the CUSTOMER delays the withdrawal by more than one week, a penalty equal to 0.5% of the total price shall be charged of purchase for each week of delay, it also being understood that the storage and warehousing of the product with the CONTRACTOR, for the time of the delay, will be carried out on behalf of and at the risk of the CUSTOMER.

**10.6** In the event that the delivery of the Products is delayed due to facts not attributable to the CONTRACTOR and/or due to the fact and fault of the CUSTOMER and/or qualifying as force majeure (as defined in Article 12), no penalties and/or damages may be claimed by the CUSTOMER. Should said delay continue for more than 3 (three) months, the CONTRACTOR shall have the right to withdraw from the contract without any obligation for compensation.

#### 11 RISK TRANSFER

**11.1** Supplied products are always understood to be delivered and sold ex works loaded (i.e., ex works with expenses and risks - about loading - being the responsibility of the SUPPLIER) SUPPLIER's factory in Imola, Italy.

**11.2** If, by express written agreement set forth in the CoO, the Products are sold Ex-Receiver, the transfer of risk from the CONTRACTOR to the CUSTOMER shall always take place at the time the Products themselves leave the CONTRACTOR's establishment and are delivered to the carrier.

#### 12 FORCE MAJEURE

**12.1** The Supplier may suspend performance of its contractual obligations when such performance is rendered impossible or unreasonably burdensome by an unforeseeable impediment beyond its control such as strike, boycott, lockout, fire, war (declared or undeclared), civil war, riots and revolutions, requisition, embargo, power outages, delay in delivery of components or raw materials by third parties for reasons in any case beyond the Supplier's control.

**12.2** The Supplier, when it wishes to avail itself of this clause, will notify the other party of the occurrence of force majeure circumstances.

**12.3** If the suspension due to force majeure continue for more than six months, either party shall have the right to terminate this contract upon 30 days' notice, to be communicated to the other party in writing.

#### 13 RESERVATION OF OWNERSHIP

**13.1** THE SUPPLIER retains ownership of the products sold until full payment of the price ex art. 1523 cc, committing the CUSTOMER to guard the product diligently until full payment, assuming the CUSTOMER the risk for loss and damage from the time of delivery.

**13.2** In the event of non-payment of even a part of the price, the CONTRACTOR shall be entitled to take back the goods, terminate the contract and retain the sum meanwhile paid by the buyer as partial compensation for damages, subject to action for any further damages.

#### 14 EXPRESS TERMINATION CLAUSE

**14.1** In case of non-fulfillment by the CUSTOMER of one or more clauses of this contract, the contract of sale on will be considered ipso facto terminated ex art. 1456 cc.

#### 15 DISCLOSURE AND CONSENT (Dlgs 196/2003 On the protection of personal data)

**15.1** Pursuant to and in accordance with European Regulation 679/2016, the CUSTOMER declares that it has been informed of the subjects, methods and purposes of the processing of its data and that it is aware of its rights under the GDPR. By signing this Contract, the CUSTOMER also expresses consent, so that THE SUPPLIER collects, stores, uses and "processes" the data it will come into possession of for promotional, commercial, accounting and tax purposes related to the fulfillment of the Contract. The CUSTOMER also authorizes THE SUPPLIER to transmit its data to qualified third parties, for legal and/or contractual fulfillments related to and/or arising from the relationship in place with the same.

#### 16 APPLICABLE LAW AND JURISDICTION

**16.1** The governing law is Italian law.

**16.2** Any dispute arising out of or in connection with this contract shall be subject to the exclusive jurisdiction of the court of the Supplier's place of business. However, notwithstanding the foregoing, the SUPPLIER shall still have the right to bring the dispute before the competent court at the seat of the CUSTOMER.

#### 17. No Re-Export to Russia Clause

**17.1** The CUSTOMER shall not sell, export or re-export, directly or indirectly, to the Russian Federation or for use in the Russian Federation, or to or for use in Belarus, the Ukrainian regions of Crimea, Donetsk, Lugansk, Kherson and Zaporizhzhia, any goods supplied under these General Conditions of sale and that fall under the scope of Article 12-g of Council Regulation (EU) No 833/2014 and possibly included in Order Confirmations and any other supply agreement regulated by these General Conditions (*for example: static converters*).

**17.2** The CUSTOMER shall undertake its best efforts to ensure that the purpose of paragraph (17.1) is not frustrated by any third parties further down the commercial chain, including by possible resellers.

**17.3** The CUSTOMER shall set up and maintain an adequate monitoring mechanism to detect conduct by any third parties further down the commercial chain, including by possible resellers, that would frustrate the purpose of paragraph (17.1)

**17.4** Any violation of paragraphs (17.1), (17.2) or (17.3) shall constitute a material breach of an essential element of contracts regulated by these General Conditions of sale, and the SUPPLIER shall be entitled to seek appropriate remedies, including, but not limited to termination of all sales contracts that may be in force by simple written notice to CUSTOMER pursuant to Article 1456 of the Italian Civil Code, without prejudice to SUPPLIER's right to full compensation, also by withholding advanced payments and/or deposits, for damages, losses, expenses, costs, regardless of any contractual provision for delayed payment in the contract and further without prejudice to any legal action by the SUPPLIER as well;

**17.5** The CUSTOMER shall immediately inform the SUPPLIER about any problems in applying paragraphs (17.1), (17.2) or (17.3), including any relevant activities by third parties that could frustrate the purpose of paragraph (17.1). The CUSTOMER shall make available to the SUPPLIER information concerning compliance with the obligations under paragraph (17.1), (17.2) and (17.3) within two weeks of the simple request of such information.

**The Customer expressly declares that he/she accepts the conditions of sale of which he/she has taken note:**

The Customer:

Date: \_\_\_\_\_ Name: \_\_\_\_\_

Signature: \_\_\_\_\_

**The Customer expressly approves pursuant to Article 1341 of the Civil Code the following vexatious clauses: Article 5 (INCOTERMS AND SHIPMENTS - CLAIMS), Article 6 (PRICES), Article 7 (WARRANTY), Article 9 (EXCLUSION OF WARRANTY AND LIMITATIONS), Article 10 (DELIVERY TERMS), Article 14 (EXPRESS TERMINATION CLAUSE), Article 15 (PRIVACY), Article 16 (APPLICABLE LAW AND COURT OF JUSTICE), 17 (NO RE-EXPORT TO RUSSIA CLAUSE)**

The Customer:

Date: \_\_\_\_\_ Name: \_\_\_\_\_

Signature: \_\_\_\_\_