

Safretti BV
GENERAL TERMS AND CONDITIONS OF SALE

Article 1: Definitions

The following definitions are used in these terms and conditions:

- Buyer : Buyer of Goods;
- Parties : Safretti and the Buyer;
- Sales Order : Document that is signed by a legally valid representative of Safretti;
- Goods : Products and services that Safretti delivers to the Buyer.

Article 2: Applicability

These General Terms and Conditions of Sale apply to and are part of every offer made by Safretti, every agreement between Safretti and the Buyer and all actions to execute an agreement between Safretti and the Buyer. Safretti explicitly rules out the applicability of the terms and conditions of purchase or otherwise used by the Buyer.

Article 3: Offer and establishment of agreements

An offer or quotation does not bind Safretti and is only an invitation for the Buyer to place an order. An agreement is only established if and in as far as Safretti accepts an order from the Buyer in writing or if an order is executed.

Article 4: Amendments and supplements

Amendments and supplements to any provision of an agreement and/or general terms and conditions can only be made in writing. If an amendment and/or supplement as meant above in this article is agreed upon, this amendment or supplement only applies to the agreement in question, unless the contrary is explicitly agreed.

Article 5: Prices

All prices are excluding VAT. The prices are based on the conditions that apply for Safretti at the time that the agreement was entered into, such as amongst other things currency exchange rates, import and export duties and other levies owed in connection with import or export, the costs of raw materials and semi-finished products. If these conditions change after the agreement is entered into but before the delivery and Safretti was unable to foresee this, Safretti has the right to change the price accordingly, stating the ensuing costs.

Article 6: Payment

Payment by the Buyer of the purchase sum and any other invoiced sum or sum owed by Buyer shall be made net, without any discount, withholding or settlement within 30 days of the invoice date. Buyer does not have the right to suspend its payment obligations.

If at any time Safretti has reasonable doubt about the Buyer's creditworthiness, Safretti has the right, before any (further) performance, to require Buyer to prepay the purchase price in full or in part or to provide good security. The mere expiry of a payment term means that Buyer is in default. In that case, all Safretti's claims on the Buyer shall immediately be payable. Buyer shall, without further notice of default, for all sums that have not been paid by no later than the last day of a payment term owe the legal interest rate increased by 2% from the first day after the payment term. If the Buyer, even after a second payment term which has been determined in a letter sent by registered mail expires, has not paid the sum and interest owed, the Buyer is obliged to reimburse Safretti for all the extra-judicial and judicial costs. The extra-judicial costs to be reimbursed by the Buyer shall amount to at least 10% of the sum that has remained unpaid, to be increased by the turnover tax owed over that sum.

Article 7: Term of delivery

The term of delivery indicated by Safretti is based on the circumstances that apply to Safretti at the time that the agreement was entered into and, as far as is possible depending on the performance of third parties, on the information supplied by third parties to Safretti. The term of delivery shall be observed by Safretti as much as possible. The term of delivery shall start on the date on which the agreement is established, as meant above in article 2. If Safretti requires information or tools for the execution of the agreement that have to be provided by the Buyer, the term of delivery shall start on the day that all the necessary information or tools are in Safretti's possession, but no earlier than the day on which the agreement is established. If the term of delivery is exceeded, the Buyer is not entitled to any damages. Nor shall Buyer in that case be entitled to dissolve the agreement, unless the exceeding of the term of delivery is such that the Buyer cannot reasonably be expected to continue with the agreement. In that case, the Buyer is entitled to cancel the order in question, as long as it notifies Safretti of this in writing and without prejudice to Safretti's right to within as yet deliver the goods to the Buyer within 3 weeks of receipt of the notification. Safretti shall at all times have the right to deliver in instalments.

Article 8: Delivery and risk

The delivery of the goods, the provision concerning the costs of the delivery and the transfer of risk shall occur, if this has not been explicitly expressed in the offer or the order confirmation, in accordance with the conditions customary in trade based on the INCOTERMS 2000. If the conditions aforementioned in this article have not been agreed upon, the risk of the goods and the packaging shall always transfer to the Buyer at the time at which the goods are ready to be shipped and delivery of the goods shall always occur for the account and risk of the Buyer. If the buyer does not remove or take receipt of the goods or documents issued for the goods at the time agreed upon, then Buyer shall be in default with notice of default being required. In that case, Safretti is entitled to have the goods stored or sold to a third party for the account and risk of the Buyer. Buyer shall continue to owe the purchase sum, increased by interest and costs (as compensation), if applicable minus the net revenues of the sale to a third party.

Article 9: Inspection and reclaim

Buyer is obliged to carefully inspect the goods immediately on arrival at the destination or, if this is earlier, on receipt by the buyer or by a third party it has commissioned. Any reclaims with regard to shortcomings of the goods, that are due to material or production errors, as well as differences in the number, weight, composition or quality between the goods delivered and the description given for them on the order confirmation or invoice, must be sent in writing to Safretti within 8 days of arrival of the goods. Shortcomings that could not reasonably have been determined within the aforementioned term must be reported to Safretti in writing immediately on observing them and no later than 30 days after receipt of the goods. If Safretti is not informed of reclaims on time in writing by or on behalf of the Buyer, any claims of the Buyer on Safretti shall become null and void. If the Buyer discovers any shortcoming, Buyer is obliged to immediately cease using or installing the goods in question.

Buyer shall grant Safretti every cooperation required to investigate the shortcoming, amongst other things by giving Safretti the opportunity to conduct an investigation on location into the circumstances of the processing, installation or use. Buyer is not free to return the goods of its own accord until such a time that Safretti has agreed to the goods being returned de buyer. If Safretti agrees to the goods being returned, it shall issue the Buyer with a return number, that it shall state on the return slip. If the Buyer makes its reclaim for shortcomings to the goods on time, correctly and rightly, the freight costs of returning them shall, in as far as they are reasonable, be borne by Safretti. Buyer cannot exercise any rights on Safretti with regard to reclaims due to shortcomings of goods if the goods have not been used correctly and/or as long as the buyer has failed to fulfil one of its obligations vis-à-vis Safretti. Buyer is not entitled to reclaim for goods if for any reason Safretti cannot investigate the reclaim. If the buyer makes a reclaim for shortcomings to the goods on time, correctly and rightly, the liability ensuing for Safretti is limited to the obligations described in article 12, depending on the nature of the reclaim, with due observance of the other provisions of article 12. Shortcomings with regard to an individual batch of goods, that is part of a delivery that consists of several batches only entitle the Buyer to dissolve the entire agreement, if the Buyer cannot reasonably be expected to continue with the remaining part of the agreement.

Article 10: Force majeure

If Safretti is unable to fulfil its obligations vis-à-vis the Buyer due to circumstances beyond its control, those obligations are suspended for the duration of the situation of those circumstances. If the circumstance beyond Safretti's control have lasted for three months, both parties are entitled to dissolve the agreement in full or in part by means of a registered letter. In the case of circumstances beyond Safretti's control, Buyer is not entitled to any compensation (for damages), not even if Safretti has any benefit from those circumstances. Circumstances beyond Safretti's control are: any circumstance beyond the control of Safretti which in full or in part hinders Safretti's fulfilment of its obligations vis-à-vis the Buyer or as a result of which Safretti cannot reasonably be expected to fulfil its obligations, regardless of whether those circumstances could be foreseen at the time that the agreement was entered into or not. These circumstances also include: strikes, stagnation or other problems in Safretti's production or that of its suppliers and/or in its own transport or that provided by third parties and/or measures by any government bodies, as well as the lack of any licence to be obtained for the government. Safretti shall inform the Buyer of any (possible) circumstances beyond its control as soon as possible.

Article 11: Retention of title

Ownership of the goods shall, despite the actual delivery, not transfer to the Buyer until Buyer has completely paid Safretti everything that it owes or shall owe with regard to the goods, including the purchase sum, any surcharges, interest, tax and costs owed as a result of these general terms and conditions of sale, as well as any remuneration for work (to be) carried out for the goods. Before ownership of the goods has transferred to the Buyer, Buyer is not entitled to sell the goods or to deliver them, dispose of them, rent them to third parties or lend them, to pledge them to third parties or encumber them vis-à-vis third parties in some other way. In that case, Buyer is only entitled to use the goods within the framework of its normal company operations. If and for as long as ownership of the goods has not been transferred to Buyer, Buyer shall immediately notify Safretti in writing if the goods are seized or a claim is made on any part of the goods in some other way. In case of attachment, bankruptcy or (provisional) suspension of payments, Buyer shall immediately inform the attaching bailiff, bankruptcy trustee or the administrator of Safretti's (ownership) rights.

Article 12: Liability

In as far as the goods have been sold to the Buyer by Safretti on the basis of the quality description provided by Safretti's supplier, Safretti is not obliged to more than that indicated in the quality description. Except in case of intention or gross negligence on the part of Safretti or its executive personnel, Safretti's liability vis-à-vis the Buyer, for any reason whatsoever, shall be limited to the purchase price of the goods. Except in case of intention or gross negligence on the part of Safretti or its executive personnel, it shall never be liable for any other, direct or indirect damage to the Buyer or third parties, including consequential loss, immaterial damage, loss of profits or environmental damage. Except in case of intention or gross negligence on the part of Safretti or its executive personnel, the Buyer shall indemnify Safretti against all third-party claims, completely, with regard to the compensation of damage, costs or interests, relating to the goods or ensuing from use of the goods.

Article 13: Dissolution

If the Buyer does not fulfil any obligation ensuing for it from the agreement or fails to do so properly or not time, as well as in case of bankruptcy, (provisional) suspension of payments, cessation or liquidation of Buyer's company, Buyer is in default and Safretti is entitled without notice of default or judicial intervention to suspend the execution of the agreement until payment has been sufficiently guaranteed in Safretti's opinion and/or to dissolve the agreement in full or in part, without Safretti being obliged to pay the Buyer any compensation and without prejudice to Safretti's further rights. In the cases named in the previous article, all Safretti's claims on the Buyer shall immediately and fully become payable and Buyer is obliged to immediately return all the goods which have remained unpaid for.

Article 14: Applicable law and settlement of disputes

Netherlands law governs the agreement between Safretti and the Buyer and these general terms and conditions, that are part of it. All disputes that occur as a result of the agreement or the general terms and conditions shall be subject to the judgement of the competent judge in Almelo, on the understanding that Safretti is entitled to institute proceedings against the Buyer with other judicial colleagues simultaneously or not that on the grounds of national or international rules of law are competent to hear such claims. Applicability of the 'Vienna Sales Convention' is ruled out.

Article 15: Final clause

If any provision of these General Terms and Conditions of Sale are null or subject to annulment on the grounds of the applicable law, Safretti and the Supplier shall consult with each other and agree on a provision that is permitted, that as far as possible shall approach the purport of the original provision. The other provisions of these General Terms and Conditions of Sale shall remain unaffected.

Safretti BV
Metaalstraat 3a/3c
7483 PD Haaksbergen
NETHERLANDS
www.safretti.com