

**GENERAL SUPPLY CONDITIONS – ENG - VALID SINCE 31/01/2020**
**1. GENERAL PROVISIONS**

- 1.1. In the absence of different agreements in writing, these general supply conditions (hereinafter "CGF") apply to all supply contracts concerning the products (hereinafter "Products"), marketed by Sauer Compressori (hereinafter "Sauer Compressor"), including spare parts (hereinafter "Spare Parts"), as well as installation and / or maintenance of the Products and of the Spare Parts themselves.
- 1.2. The present CGF are valid for all the supplies and interventions made by Sauer Compressori to the customer (hereinafter "Customer") and are valid for all future business, even if no specific reference is made.
- 1.3. Possible different general conditions established by the Customer are considered accepted only if expressly confirmed in writing by Sauer Compressori instead of the present CGF.
- 1.4. The individual supply contracts stipulated with the Customer are, for all legal purposes, sales transactions as the supply of materials is prevalent with respect to their processing and installation. Therefore, they are governed, for what is not provided here, by the rules on the sale.

**2. OFFERS**

- 2.1. Sauer Compressori offers are not binding and may be subject to review without prior notice.
- 2.2. The characteristics of the Products and Spare Parts (dimensions, weights, performance and similar data) contained in catalogs, brochures, circulars, advertising, diagrams, price lists and other documents must not be considered binding by the Customer, unless otherwise indicated.
- 2.3. Sauer Compressori reserves the right to make, at any time, to the Products and Spare Parts any improvement and / or modification that differs from the details specified in the offers and / or brochures provided, which does not negatively impact the purpose of the supply and which is reasonably acceptable by the Customer.
- 2.4. The property and intellectual property rights, including reproduction and dissemination rights, in relation to images, models, samples, designs, plans, descriptions, calculations and / or other documents that the Customer comes into possession with an offer of Sauer Compressori, are to be considered strictly confidential. These documents must not be disclosed to third parties, unless otherwise specified.
- 2.5. The Customer is responsible for the accuracy of the documentation he is required to provide. If the production of the Products on design, on a sample basis or on the basis of other data supplied to the Customer, entails the violation of third party industrial property rights, the Customer indemnifies Sauer Compressori from any right of industrial ownership of the owner.

**3. CONCLUSION OF THE CONTRACT - PENITENTIAL MULTA**

- 3.1. For the purpose of concluding the supply contract, the Customer must send a written order to Sauer Compressori.
- 3.2. The Customer's order shall be considered irrevocable for a period of four weeks from the date of transmission to Sauer Compressori.
- 3.3. The supply contract is concluded when Sauer Compressori has confirmed the order in writing or has executed it, depending on the event that occurs first.
- 3.4. Any modification and / or integration to the order already confirmed by Sauer Compressori, carried out by the Customer, also in oral and / or telephone form, is considered binding only if confirmed in writing by Sauer Compressori.
- 3.5. In case of withdrawal of the Customer from the contract, to be communicated in writing, a sum will be due to Sauer Compressori, as a penitential fine, equal to the costs incurred by Sauer Compressori up to the communication of withdrawal, to be paid within 10 days of receipt of the related debit note from the Customer.

**4. PRICES**

- 4.1. Orders for which a price has not been agreed will be executed on the basis of the price lists in force at the time of delivery of the Products and Spare Parts.
- 4.2. In the absence of different provisions in the order confirmation, Sauer Compressori prices are "ex works" or "ex our warehouse" and include standard packaging. The transport and / or any specific requests for packaging are charged to the Customer and quoted separately.
- 4.3. The prices of the Products and Spare Parts are expressed net of value added tax.

**5. METHOD OF PAYMENT AND BREACH OF CUSTOMER**

- 5.1. If provided in the offer of Sauer Compressori, the Customer is required to recognize a sum as a confirmatory down payment, to the extent and in the manner indicated in the offer itself.
- 5.2. In the absence of different provisions in the order confirmation, payment for the Products and Spare Parts must be made by bank transfer.
- 5.3. The acceptance of bills and checks presupposes the consent of Sauer Compressori. The costs for the collection of bills and other accessory costs are charged to the Customer.
- 5.4. In the event of delays and / or payment delays, default interest will be charged to the extent envisaged by current Legislative Decree no. 231/2002 (Implementation of directive 2000/35 / CE relating to the fight against late payments in commercial transactions).
- 5.5. Discounts or reductions in the price of the Products and Spare Parts can only be applied if they have been agreed in writing.
- 5.6. In the absence of any different agreement, the deadline for payment of the purchase price is 30 days from the given the invoice.
- 5.7. In the event that the Customer does not have to pay the price of the supply by the due date of the invoice, Sauer Compressori will be authorized to suspend the supply and any other supply relating to other orders of the same Customer or, alternatively, may demand from the Customer the advance payment in relation to a number of subsequent supplies determined according to the extent of the breach. Should the non-fulfillment of the advance payment occur, Sauer Compressori will be authorized to withdraw from the contract as regards the services not yet performed, with the consequent extinction of all rights claimed by the Customer in reference to the supplies still to be performed. In this case, Sauer Compressori will also be entitled to request and obtain the greater damage suffered due to the Customer's non-fulfillment.  
The payment conditions indicated on the order confirmations are understood to be binding for the Customer. Possible disputes on the Products and Spare Parts will not give rise to suspensions, delays, deferrals and discounts of the payment of invoices.

**6. DELIVERY TIMES AND DATES, DELAY IN DELIVERY**

- 6.1. The conditions and terms indicated by Sauer Compressori for deliveries or services are to be intended as indicative and not binding, unless otherwise provided and in writing.
- 6.2. The delivery terms are considered to start from the receipt by the Customer of the written order confirmation.
- 6.3. If the customer is obliged to make advance payments, the delivery time will begin to run from the moment of receipt of the advance payment, but not before the transmission, by the Customer, of the necessary documentation in order to perform the supply.
- 6.4. Possible delays in the delivery by the Customer of the documentation necessary for the execution of the supply could generate delays in the delivery of the Products and Spare Parts not attributable to Sauer Compressori.
- 6.5. If it were impossible for Sauer Compressori to meet the delivery terms agreed for reasons beyond its control, such as, for example, force majeure, public authority interventions, catastrophes, wars, riots, strikes in its own factories, or in its own companies suppliers and / or within the means of transport, in this case the same may decide to carry out the

supply once the preventive event has ceased or, alternatively, terminate the contract without any responsibility being attributed to it in any capacity.

- 6.6. The Customer must collect the Products and / or Spare parts within 30 days of a specific communication from Sauer Compressori. In case of delay in the collection of the Products and / or Spare Parts the Customer will be charged for the storage cost calculated based on market prices.

**7. RISK TRANSFER**

- 7.1. Unless otherwise agreed in writing, the responsibility for the goods subject to the order is transferred to the Customer in accordance with the provisions of the Incoterms tables.

**8. LEGAL WARRANTY AND FULL WARRANTY**

- 8.1. Sauer Compressori guarantees that the Products and Spare Parts supplied are free from all defects and comply with the regulations applicable in Italy.
- 8.2. Sauer Compressori offers the Customer the legal guarantee provided by the Art. 1490 c.c. and, therefore, guarantees that the Products and Spare Parts are immune from defects that make them unsuitable for the use to which they are intended or diminish their value appreciably. The legal guarantee has a duration of 12 months from the delivery of the Products and Spare Parts to the Customer.
- 8.3. The Customer must examine the Products and Spare Parts supplied immediately after receipt and must notify any complaints, in writing, no later than 8 days from the date of receipt. In the event of any defects or discrepancies pursuant to Art. 1490 of the Civil Code, the same must be reported, always in writing, no later than 8 days from discovery. Once these terms have expired without any written communication from the Customer, the Products and Spare Parts must be considered accepted to all effects of the law.
- 8.4. Exclusively with reference to the Products, Sauer Compressori offers the Customer a full guarantee including spare parts and labor.
- 8.5. The full work guarantee, as regards the Spare Parts, exclusively in relation to Products delivered in the Italian territory. In particular, if the customer has operational headquarters in Italy, the shipment of the Spare Parts on Products covered by full guarantee, is carried out at the expense and care of Sauer Compressori up to the Customer's headquarters. If the Customer has no operational headquarters in Italy, the shipment of spare parts of Products covered by full warranty will be the sole responsibility of the Customer.
- 8.6. In the event of full labor under warranty, Sauer Compressori will apply a "call right" to the Customer calculated based on the distance of the intervention site. The distance is calculated by Sauer Compressori based on the availability of its technicians. In particular, the call rights, based on the kilometric range, are the following:
  - 0-100 km -> 90 Euro
  - 100-500 km -> 290 Euro
  - 500-1000 km -> 590 Euro
  - > 1000 km -> 890 euros.
- 8.7. In the event of repair under warranty, the cause of which is attributable to point 8.11, the entire cost thereof including travel costs will be charged to the Customer by Sauer Compressois based on the current tariff.
- 8.8. The full warranty period is as follows:
  - 12 months from the date of commissioning, should the goodwill be managed by Sauer Compressori;
  - 6 months from the date of commissioning, in the event that the goodwill was the Customer's responsibility. In this case, if the customer does not make any official communication concerning the execution of the commissioning, the guarantee will start from the date of delivery of the goods.
- 8.9. If the transport, assembly or start-up of the Products should be delayed for reasons not attributable to Sauer Compressori, the full guarantee, in this case, will expire no later than 12 months from the date on which the risk is transferred.
- 8.10. The full guarantee, in any case, cannot exceed the duration of 15 months from the date of delivery of the Products and 12 months from the date of delivery of the Parts
- 8.11. The legal guarantee and the full guarantee do not operate in all the following cases:
  - a) Failure to comply with the operating instructions
  - b) Change not approved
  - c) Improper positioning
  - d) Use of spare parts that are not original Sauer Compressori
  - e) Natural wear
  - f) Unsuitable lubricants
  - g) Tampering, lack of maintenance and / or inadequate maintenance by the Customer and / or third parties.

**9. JURISDICTION, APPLICABLE LAW AND OFFICIAL LANGUAGE**

- 9.1. For any dispute that may arise between the parties in relation to the interpretation, execution and resolution of the present CGF, it will be competent to judge, exclusively, the Court of Lecco.
- 9.2. Italian law applies to these CGF.
- 9.3. The official language of the present CGF is the Italian one. The CGFs drawn up in English are a mere translation of these CGFs and, therefore, Sauer Compressori cannot be held responsible in relation to any errors and / or textual differences present in the English version.

**10. CONFIDENTIALITY**

- 10.1. The Customer is obliged to consider the conclusion of the contract confidential and must not make any reference to his business relationship with Sauer Compressori without his written consent.
- 10.2. The parties mutually guarantee that the technical and commercial information of which they will be aware, with the mere exception of those for which it can be shown to be generally available, will be kept strictly confidential and protected - even by their employees and / or collaborators - and cannot be, without the prior written consent of the other party, in any way used or disclosed for any purpose other than those strictly connected to the execution of the contract.
- 10.3. The obligation of confidentiality and protection, referred to in the preceding clause, must be maintained even after the termination or termination of the contractual relationship for a period of 36 months.
- 10.4. The protected information includes in particular technical data, images, drawings, calculations and other documents, supply quantities, prices and information relating to the Products and their development, all current and future research and development plans, information on customers and on the suppliers and all company data of the other contractor.

The Client specifically approves Articles 3 (Conclusion of the contract - Penitential fine), 5 (Methods of payment - Non-fulfillment of the Customer), 6 (Times and dates of delivery - Delays in delivery), 8 (Legal guarantee and full guarantee), 9 (Jurisdiction, applicable law and official language) and 10 (Confidentiality) of these CGF.