

Terms and Conditions of Sale

1. Introduction - These terms and conditions shall form an integral part of all offers and agreements for the sale of goods produced by Satinox Tubi Inox S.p.A. (in short called Satinox). Any term and/or condition put forward by the Buyer in its order will only have effect if accepted by Satinox in writing.

2. Offer and acceptance - Unless otherwise expressly stated in the offer, offers from Satinox are valid for a period of 14 days from the date of issue. Satinox will confirm the agreement by an order acknowledgement, and any agreement will only come into being upon issue of such acknowledgement.

3. Specifications - The goods shall meet the specifications agreed. If no specifications are agreed, the goods shall meet the EN 10217-7 standard with tolerances according to EN ISO 1127 class D3/T3.

4. Delivery – Delivery terms and the passing of risk shall be in accordance with INCOTERMS in force at the time when the contract is formed.

If no INCOTERM is indicated, goods will be delivered ex factory – carriage unpaid in Italy, whilst Ex Works (INCOTERMS 2000 ICC, Paris) shall apply outside Italy. Upon buyer's request, Satinox shall commit itself to dispatch goods to their destinations; in this event, passing of risk will occur at Satinox' premises/warehouse once the selected carrier is entrusted with the goods.

In the case of orders including shipping costs, goods will be delivered only by reaching a minimum total quantity of 8.000 kg per delivery.

Unless otherwise provided in the agreement, partial deliveries are permitted.

In the event the Buyer finds out beforehand about the impossibility to receive goods, he shall immediately contact Satinox to offer his reasons and a new reasonable term of delivery.

If the Buyer refuses to accept goods that have been properly manufactured in accordance with the Order or fails to punctually comply with his obligations, at the time set for dispatching collection shall be deemed to have been accomplished and payment due in full. Satinox will arrange delivery of goods, and the Buyer shall cover all costs and risks, including all insurance obligations.

With the exception of cases where deliveries are delayed for causes of force majeure, Satinox shall ask the Buyer in writing to collect the goods within a set term.

In case the Buyer is responsible for not collecting the goods, Satinox will be entitled to rescind the contract and claim compensation.

It being understood that the risks and responsibilities of the parties are set out in the INCOTERMS ICC Paris 2000 in force at the time the Contract is formed, the Buyer shall commit itself not to offload the goods if he was to detect damages before the discharging at the time they are delivered at the named place of delivery. The Buyer shall immediately inform Satinox and/or its sale force in order to intervene promptly to avoid further damages to the product.

5. Payment – Unless expressly stated in the Contract, agreed prices do not include Value Added Tax or any other tax or duty (including Incoterms). If no payment terms are agreed, payment shall be made within 30 days from the date of the invoice. Late payments are subject to a surcharge (interest penalty); interest is calculated at 6% per year over the official Repo Rate set by the European Central Bank.

Problems that may arise from the correct functioning of the product or that may be related to inefficiencies in the supply process do not entitle the Buyer to delay due payments.

Whereas a supply agreement has been set, an unpaid supply shall constitute a valid and sufficient reason not to proceed with further deliveries (including agreed deliveries).

6. Property – Satinox shall retain property of the Goods until payment has been received in full.

Upon Satinox' request, the Buyer shall provide Satinox assistance in order to retain property in accordance with local regulations.

Under no circumstances retaining of property will affect the passing of risk.

Until payment has been completed, the Buyer shall be considered as a simple bailee; hence he shall keep the goods in perfect conditions as provided for by the article 1768 of the Italian Civil Code. Until property is transferred to the Buyer, under no circumstances the product shall be alienated, sold or made over; it shall not be pawned nor offered as security in general; it cannot constitute parts of property or ownership of third parties for any value or reason; should that not be the case Satinox reserves the right to back out of the contract with immediate effect, except for its right to bring civil and criminal action.

7. Technical specifications – Satinox' standard products deliver performances in line with technical specifications supplied by Satinox.

Satinox ensures the reliability of its products in known application areas.

In case of specific requests from the Buyer, Satinox shall be under no liability under the reliability warranty if the product is used in applications unknown to Satinox and/or made and obtained with unsuitable means.

Satinox commits itself to supply goods in accordance with the tolerances submitted by and/or agreed with the Buyer.

Satinox' responsibilities shall be limited within the above tolerances. If no agreement can be reached on the subject of the above tolerances, terms referred to in clause 3 shall apply.

Without prejudice to the provisions of Clause 11 (Safety Regulations), Satinox commits to manufacture products in accordance with the applicable technical standard and the current safety regulations.

8. Defects and Complaints – The Buyer should always be aware of the product he is purchasing and the technical specifications governing its use and end usage.

Satinox will supply all relevant information to store and transport the product.

Satinox' liability shall be limited to defects arising from production issues strictly falling under Satinox' responsibility.

The Buyer shall immediately notify Satinox all defects, including all apparent defects on quality. Such communication should be transmitted within and no later than two weeks from the date in which the product was received. In the meantime the product shall be made available to be returned to Satinox, which will transmit all necessary instructions.

Before using the product, the Buyer shall verify the characteristics of the supplied product are suitable for the intended usage.

Upon delivery of a new instalment or of a new supply, the Buyer shall verify, through a pilot production, the absence of hidden defects in the product.

Defects not showing upon receipt of the goods shall be notified to Satinox within two weeks from detection.

In case of defects which may cause damages, a communication in written should be immediately transmitted to Satinox, including a technically detailed description of the flaws. If such communication was not transmitted within the set terms, the Buyer shall lose his right to have the good repaired or replaced. For its part, Satinox shall commit itself to take the necessary steps to reduce the impact on production.

Where the Buyer makes notification of an alleged defect but no defect is found, Satinox shall be entitled to claim compensation to cover all related costs.

Unless otherwise agreed, Satinox will bear all costs of transport of the product or parts found defective under Satinox' responsibility. The Buyer commits to stick to Satinox' instructions related to the transport.

The Buyer shall always be responsible for the payment of any duties taxes or other expenses in connection with the importation of goods into the country of destination.

Goods found defective shall be made available to Satinox, and their property shall remain to Satinox.

Satinox shall not be held liable for defects arising from material supplied by the Buyer, or from designs and technical specifications supplied by the Buyer.

Satinox shall not be held liable for defects arising from mishandling, bad maintenance or repairs carried out without Satinox' written authorization.

9. Sharing of responsibilities following damages to the product – Satinox shall not be held liable for damages caused by the products when they have been handed over and whilst they are in the Buyer's possession.

Satinox shall not be liable for damages to the products caused by the Buyer, or to the **products ???**

Satinox shall not be liable at any time for loss of production, economic loss, loss of profit, loss of opportunity that may be caused by or related to a defective product.

In case Satinox is held liable under the above circumstances by a third party, the Buyer shall relieve Satinox and pay Satinox compensation.

If a claim for damages as described in the Clause is lodged by a third party against one of the parties, the latter party shall forthwith inform the other party thereof.

10. Force majeure - Satinox shall not be liable for delay in performing or failure to perform its obligations if the delay or failure directly or indirectly results from:

- events of force majeure (including but not limited to legal bans, wars, revolts, revolutions, strikes, labour disputes, trade disputes, fires, floods, nuclear incidents, vandalism, natural calamities or epidemics);

- events or circumstances outside Satinox' reasonable control, such as to prevent from recruiting work force, or finding materials, components, plants in general, energy, fuel, means of transportation, permissions or provisions of the law. Satinox will immediately notify in written the cessation of the cause of the event of force majeure.

If an event of force majeure should prevent the Buyer from fulfilling his obligations, he should pay compensation to Satinox to cover the costs of insurance and storage.

11. Safety Regulations - The Buyer assumes full liability for failing to transmit Satinox the safety and health regulations in force in the country where the product will be used.

The Buyer shall bear all costs to ensure product is compliant with regulations in force in the country where it will be used.

12. Privacy – In accordance with the Italian Legislative Decree 196/2003, Satinox hereby informs the Buyer that:

- personal information is collected, processed and communicated to third parties (banks, non-resident consultants) in accordance with the above legislation to fulfil the contract;

- the Buyer has the right to exercise his rights as provided for by the article 7 of the Italian Legislative Decree 196/2003

13. Force – Should these terms and conditions conflict with any terms and conditions in the Purchasers order or other document issued by the Purchaser, these terms and conditions shall prevail.

14. Jurisdiction – Any dispute, controversy or claim arising out of or in connection with this agreement, or the breach, validity, interpretation, termination or invalidity thereof, shall be settled by the courts of Milan.

Satinox Tubi Inox S.p.A.

The undersigned (referred to as “the Buyer”) hereby declares that he has read, examined and approved the clauses pertaining to the following terms and conditions: 4 (delivery); 5 (payment); 6 (property); 7 (Technical specifications); 8 (Defects and Complaints); 9 (Sharing of responsibilities following damages to the product); 10 (Force majeure); 14 (Jurisdiction)

The Buyer
