

GENERAL SALES CONDITIONS OF SATI S.R.L.

1. SUBJECT

These general sales conditions govern the sale of our products and regulate exclusively the trading relationships between SATI S.r.l. and its customers, excluding any other stipulation unless agreed and made in writing and signed by both parties.

2. OFFERS

The offers are not binding and are valid for 30 days.

The technical documentation and drawings attached to our offers are subject to change at any time and must be considered indicative and not exhaustive. The exact specifications will be spelled out in the Order Confirmation.

3. PRICES

All prices shown are excluding VAT and to be intended delivery EXW warehouse of Cesena (FC) and do not include collection charges unless other arrangements that will be specified in the Order Confirmation.

4. PURCHASE ORDERS

SATI S.r.l. only accepts orders placed in writing by fax or e-mail and reserves the right to confirm.

The receipt of the order is not binding SATI S.r.l. until the same has not expressly accepted the order through explicit written Order Confirmation, which is to countersign by the client.

SATI S.r.l. reserves the right not to accept orders that show:

- supply conditions (prices, discounts, delivery and payment) other than those agreed with the SATI Srl sales office;
- guarantees other than those contained in these "General Sales Conditions";
- penalties not specifically agreed and approved in writing;
- not agreed costs and services;
- requests for not available documents and / or certificates;
- anything else not mentioned in these "General Sales Conditions".

Every order must state the correct description of each item, its code, the price, any agreed discount, the delivery date, delivery-address and payment terms.

In case of order related to a specific offer, the Buyer must state the reference of the latter, otherwise will be applied the conditions as in use.

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VAT 01541770408 – Italian Business Register n° 01541770408 –Authorized capital €118.000,00

All orders with total amounts (VAT and transport cost excluded) less than 120.00 euros are delivered against payment.

The Buyer has the right to request cancellation of the purchase order and SATI S.r.l. reserves the right to accept or decline this request, indicating the acceptance or rejection only in writing. In no way orders can be cancelled if the goods have already been sent (on the road) or if ready to be send (notice of goods are ready) or if SATI S.r.l. has already sent an order confirmation or has already procured products to be sent to the Buyer upon his specific request.

5. TERMS OF DELIVERY

The terms of delivery will always be defined and confirmed in writing by SATI S.r.l. on the Order Confirmation which will be issued upon receipt of order. The terms of delivery specified in the offers are valid only at date of writing.

The delivery terms are not to be considered exhaustive and SATI S.r.l. disclaims any liability for delays due to force majeure, including strikes or delays caused by unforeseen commitments of its suppliers. These delays do not entitle the Buyer to compensation or penalties of any kind, as SATI S.r.l. is not be held responsible for any loss or damage, direct or indirect, resulting from late or non-delivery of the product.

6. SHIPPING

According to INCOTERMS 2010.

All EXW - shipments will be picked up at SATI S.r.l. warehouse of Cesena (FC) or by prior written notice directly from the headquarters of suppliers of SATI S.r.l.

For any shipment agreed to be on SATI charge, the choice of method of delivery is up to SATI S.r.l. Unless otherwise explicit agreed in the Order Confirmation all shipping charges will be borne by the buyer.

Regardless of the entity that will provide the choice of transport and / or will bear the transport cost, the collection point will always be the warehouse of SATI S.r.l. or its suppliers warehouse. Therefore the goods will travel at Buyer's risk.

Unless specifically requested by the Buyer and confirmed in writing by SATI Srl, the goods will not be provided of insurance by SATI S.r.l. during the transport. However SATI Srl reserves the right to sign a transportation insurance and to charge the cost to the Buyer.

SATI S.R.L. shall not be liable to the Customer for any damages, direct, consequential special or otherwise, due to or arising from failure to deliver goods by any specified date or error in fulfilling any Orders.

Any insurance requested by the Buyer and covered by SATI S.r.l. is to be intended signed on its behalf and does not contradict the validity of this clause.

SATI S.r.l. disclaims any liability from the moment on the merchandise leaves its warehouse (or

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that of its supplier), so who will perform the collection must ensure the good condition of the packages taken into care and their quantity, not excepting the mode of packing.

Upon delivery to the Buyer, the same must verify the integrity of packages and correspondence with the quantity and quality, as specified in the accompanying document. In case of discrepancy, it should be immediately reported on the accompanying document, on pain of forfeiting their rights.

Any other errors not found on delivery to be reported exclusively in writing within 24 hours from date of receipt on pain of forfeiting.

Any additional costs due to errors of SATI S.r.l., in delivery of goods or drafting of documents, caused by errors or omissions of the Buyer, will be fully borne by the Buyer.

7. STORAGE

If the Customer is unable to take or accept delivery of the Goods for any reason whatsoever when when ready to be delivered, SATI Srl should be entitled to store or arrange for the storage of the Goods on behalf of the Customer for all time that extends storage. All risks shall pass to the Customer. All costs and expenses, including storage and insurance charges arising therefrom shall be paid by the Customer within thirty (30) days from invoice date of SATI Srl.

8. DOCUMENTATION

The documentation supplied for each product will be the standard one of SATI S.r.l. or its supplier, formed by the User's Manual in Italian or in English language.

Any additional documentation must be requested in writing with the order and will be approved by SATI S.r.l. on the Order Confirmation. A handling fee will be charged to be determined from time to time.

9. PACKAGING

Only the package for standard products of the catalog of SATI S.r.l. are intended free of charge. Individual packaging, if required, must be approved by SATI S.r.l. and their cost will be borne by the Buyer and stated in Order Confirmation.

10. INVOICING

The goods will be invoiced as specified in the Order Confirmation, issued by SATI S.r.l. and countersigned by the Buyer.

Any comments, clarifications or errors found in the received invoice shall be reported immediately to SATI S.r.l. in writing.

11. PAYMENTS

Payments must comply with the terms and conditions indicated in the invoice which are

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considered accepted, if uncontested by registered letter within eight days of their receipt. On late payments will apply interest at a rate equal to three percentage points above the official discount rate, with effect from the day after the expiry date. Any disputes not exempt the Buyer to arrange payment on time.

12. WARRANTY

All items sold by SATI S.r.l. are covered by warranty for defects in materials and workmanship, for a period of one year from delivery date. The components which should fail during this period, due to construction defects attributable to SATI S.r.l., will be replaced or repaired free of charge after verification of defective parts, at the SATI S.r.l. factory in Cesena (FC). The warranty conditions

to be intended EXW warehouse SATI S.r.l. of Cesena (FC). If SATI S.r.l. is required to attend to replacement and/or repair of defective parts at Customer's premises, Customer shall indemnify SATI S.r.l. for all costs and expenses, including all travel and labour costs to complete the replacement and/or repair.

The details of the guarantee require that:

- no later than eight days from the delivery date the Buyer has to commit at its office a quality control to be performed by official methods or those specified by the User's and maintenance Manual supplied with the item that accompanies the product;
- item to be used according to instructions from the manufacturer;
Installation and maintenance are carried out regularly according to manufacturer's instructions, listed in the User's manual;
- warranty replacement is carried out solely in the return of the defective material, authorized by SATI S.r.l. and after verifying the nature of the defect, which will be compared with the technical specifications of the database of SATI S.r.l. office, in which are stored the tests made on products;
- warranty is limited to the replacement of the defective recognized part and excludes any other right of the Buyer to compensation for direct or indirect damages caused by the product to itself or to other parts of the plant which do not form part of the supply of Sati;
for the Buyer is expressly excluded the right to request termination of the contract, to decrease in the price or compensation of damage in general and those due to disuse of unit for the time needed for repair and restoration;
- the Buyer agrees to pay all costs of labour and transportation necessary to replace the warranted product;

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- failure to observe the general rules set, as well as the mishandling of the rules in force, will void any warranty of SATI S.r.l. products.

Who buys the material from SATI S.r.l. agrees in full with the purchase thereof, to the warranty conditions of the manufacturer, which may be independent of the will of SATI S.r.l. itself.

Are excluded from the warranty:

- Damage or failure caused by misuse or incorrect installation;
- Damage or failure caused by use of parts other than the original or recommended;
- Damage or failure caused by inadequate storage;
- parts subject to usury.

SATI S.r.l. is exempt from the warranty:

- if the Buyer is not in compliance with payments;
- if filters or equipment found to be tampered by unauthorized personnel;
- if the failure occurred depends on external accidents, misuse, for other use than those set in the "operation limits" shown in the User and Maintenance Manual, diminution in pressure or flow or variations in the characteristics of the water to be treated or variations in power supply, as well as by the unfitness of operating materials used for the installation carried out by the customer.

SATI S.r.l. does not accept complaints or requests for replacement under warranty if not received by registered letter or by fax within eight days of the failure of the product. Items replaced under warranty shall remain the property of SATI S.r.l.

13. CONDITIONS OF SUPPLY

Supply conditions (prices, discounts, delivery and payment), agreed and confirmed in writing by the Order Confirmation with the sales office SATI S.r.l. will be those normally reserved to the Buyer, except for any new written agreements.

Failure to comply with the conditions of supply by the Buyer will automatically suspend any deliveries in progress and / or orders previously accepted.

In particular, SATI S.r.l. reserves the right not to ship goods to the Buyer as the same may result "out of trust" with unpaid invoices or overdue payments.

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14. RETURN OF GOODS

The return of goods can be made only after written permission from SATI S.r.l.

The return of goods to SATI S.r.l. with transportation charges paid by SATI S.r.l. can be made only in case of any discrepancy to the Buyer between ordered and delivered products, or in the case of objective and proven defective product.

In case of defects there will be accepted only return of the defective part.

15. TECHNICAL INFORMATION

All technical information and related measures of SATI S.r.l. products are subject to change without notice.

Each figure is based on experience and extensive research. It still obliged the Buyer to always check the correct responsiveness to their needs and their applications through direct testing on the field or through pilot systems.

16. FORCE MAJEURE

SATI Srl shall not be under any liability for any failure to perform any of its obligations under the Order due to Force Majeure. Following written notification by SATI Srl of such Force Majeure event, SATI Srl shall be entitled to extend the time for the performance of its obligations for the period of prevention or delay due to the Force Majeure event.

If the period of extension is more than ninety (90) days from the scheduled date of delivery or performance, the Customer shall be entitled to cancel any order to the extent not yet executed, without being responsible for any damage or loss whatsoever towards SATI Srl.

The expression **“Force Majeure”** herein shall mean and include any event beyond SATI’s reasonable control whether or not foreseeable at the time of Quotation or Order, in consequence of which SATI Srl cannot execute or reasonably be expected to execute its obligations. Such circumstances shall include without limitation, natural disasters, sabotage, acts of God war, civil commotions, acts of terrorism, insurrection, fires, floods, accidents, exceptional snowfalls, strikes, epidemics, governmental regulations, freight embargoes, non-availability of permits, licenses or authorizations required, defaults of suppliers of SATI Srl, labor disputes and any other eventuality similar or different.

17. PROPERTY

Any product and any accessories sold by SATI Srl remains of the property of SATI Srl until full payment of the same goods.

18. CONFIDENTIALITY

All information, Quotations, Orders, including price lists provided by SATI S.r.l. in the course of

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discussions, negotiations and other communication relating to the goods and/or services provided herein are to be treated as confidential. Prior written approval from SATI S.r.l. is required for any release of data or information to any third party.

19. COURT HAVING JURISDICTION

Should any controversy arise, the Court having the exclusive jurisdiction will be the one where SATI Srl has its corporate domicile. SATI Srl shall however be entitled to start a lawsuit against the Customer in front of any other competent jurisdiction. These General Contractual Terms and Conditions of Sale are drafted in Italian and English language. In case of inconsistency between the two version the Italian translation shall prevail.

20. APPLICABLE LAW

The Contract shall be governed by and construed in accordance with the Italian substantive law without regard to its conflict of other laws provisions. The application of the United Nations Convention on Contracts for the international Sale of Goods, issued in Vienna on 11 April 1980, shall be excluded.

Customer for acceptance:

General Sales Conditions – rev. 3 dated 11/11/14

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