

BELOTTI GENERAL SALES CONDITIONS (BGSC)

Valid from January 2009

art.1) CONTRACT

1.1. **(Definitions)** - The term "machine" shall refer to any piece of machinery, including those other than machine tools, as well as to machine lines and plant; the term "goods" shall include tools, components, machinery parts, finished products and any other material goods as well as machines.

1.2. **(Formation of contract)** - Acceptance on the part of the buyer of the seller's offer or confirmation of order, even when such acceptance is made by performance and implementation of the contract, shall entail application of the general contractual conditions hereto. Such conditions shall only be waived in writing by the parties, in which case the general contractual conditions hereto shall apply to those conditions not subject the waiver. Any general conditions of the buyer shall not apply, even partially, unless the same are expressly accepted in writing by the seller.

Start of performance of the contract by the seller, in the absence of specific written acceptance of the contractual conditions proposed by the buyer differing from those proposed by the seller, shall not imply acceptance of such conditions.

If the sales agreement is assigned to third parties, including leasing companies, the buyer shall inform them about these general sales conditions, that will still apply together with all their clauses.

If the buyer assigns the sales agreement for any reason, he will still be liable towards the seller for the obligations subscribed in these general sales conditions.

1.3. **(Changes to contract)** - Any changes to the contract proposed by the buyer shall entail a change only if the same are accepted in writing by the seller.

art. 2) DRAWING AND SPECIFICATIONS

(Non-binding data) - The weights, dimensions, capacity, prices, output and other data reported in the catalogues, prospectuses, circulars, advertisements, illustrations and price lists constitute approximate specifications. Said data are not binding unless expressly provided in the contract.

All pictures found in offer and/or order confirmation of the seller are non contractual and for illustrative purposes only.

art. 3) PRICES AND CONDITIONS OF PAYMENT

3.1. **(Prices)** - Merchandise prices shall always be ex-works, not including packaging, which is counted separately.

At its own discretion and taking into account internal productivity conditions and work organization, the supplier shall make changes in machine prices based on trends in the principal cost items as indicated in official reports, as raw material etc.

In its offers, the supplier shall indicate the term within which the proposed conditions should be considered valid.

3.2. **(Terms and conditions of payment)** - The price of the goods and any other sum owed to the seller for any reason, shall be deemed net seller's domicile. The buyer shall make all payments promptly on the due dates agreed, even if he has not yet examined the goods. Failure to abide by the terms and conditions of the payment shall exonerate the seller from any delivery obligations including those relative to goods other than those to which such failure to comply refers and the seller shall be entitled to demand advance payment of the whole sum owed or to terminate the contract and retain as a penalty those sums paid by the buyer up to that time, save for the right to claim greater damages.

3.3. **(Payments in case of seller's breach)** - The buyer shall not be entitled to claim any breach by the seller unless he is up-to-date with payments; possible breach by the seller shall not entitle the buyer to suspend or delay payments. The buyer shall, however, be entitled to claim the seller's breach upon prior deposit with a leading Italian bank of a sum which for the whole period of the dispute shall remain equal to the sum

a) of the price quotas already expired and

b) the moratory interest on the same calculated according to the rate fixed under art. 3.4. hereinbelow; and provided that the same bank has undertaken an irrevocable obligation to the seller to pay directly to the same such sums deposited, in so far as they shall be declared due to the seller by an executive judicial or arbitration order.

In case of failure to comply with the obligations provided for hereto, the buyer shall, without prejudice to the moratory interest ex art.

3.4., pay to the seller a penalty which, save for the right to claim greater damages, shall henceforth be agreed to be a further sum equal to the interest specified under art. 3.4. of the general conditions hereto, applied to any sum still owing to the seller, for the whole period of the dispute.

3.4. **(Late payments)** - Interest shall automatically be charged, with no notice necessary, on payments made later than the established dates, and shall be at the rate set forth in the EURO area, increased by 7%, in addition to exclusion from the guarantee ex art 7, until outstanding payments have been made.

3.5. **(Import permits and other authorizations)** - The buyer shall ensure that the goods can be freely imported and shall formally undertake to make full payment of the same, even if limitations or prohibitions have come into force in the country of destination at the time of importation.

art.4) TITLE

4.1. **(Transfer of title)** - Title to the goods shall be transferred on delivery to the buyer.

4.2. **(Reservation of title)** - In case of installment payments, the seller reserves title to the goods delivered until full payment of the price, in so far as the same is provided by the law of the country in which the goods have been delivered. The buyer undertakes to take all necessary measures to set up in said country a valid reservation of title in the most extensive form permitted or to institute a similar form of guarantee (e.g. Security Interest, etc.), in favour of the seller; the buyer further undertakes to work with the seller to establish those measures required to protect the property rights of the seller. The seller shall be authorized to take, at the buyer's expense, all necessary measures to secure reservation of title against third parties.

4.3. **(Prohibition on settlement acts)** - The buyer shall not resell, assign or constitute as surety the purchased goods without having first paid the full price to the seller; any executory process taken by third parties which may effect such goods shall immediately be notified to the seller by registered letter

4.4. **(Effects of infringement of the obligations provided for herein)** - In case of infringement of the buyer's obligations provided for herein, the seller shall be entitled to terminate the contract forthwith, retaining as a penalty those sums already paid, save for the right to claim further damages.

art. 5) DELIVERY

5.1. **(Incoterms)** - Any references to commercial terms (Ex-Works, FOB, CIF and others) contained in the contract or in the general conditions hereto shall refer to the incoterms of the International Chamber of Commerce, in the edition in force when the contract is signed, with the addition or waivers provided for by the general conditions hereto as well as those which may be agreed in writing by the parties to the contract; any INCOTERM regulation exclusively referred to international sales will not be applicable, such as - unless different conditions apply in the specific context - those referring to import and export licenses or permits, payment of tariffs or other customs duties, fulfillment of customs procedures, and so on.

5.2. **(Shipment of goods)** - Unless otherwise agreed, goods shall be supplied Ex Works: this shall apply whenever it is agreed that shipment of all or part of the goods shall be made by the seller.

Whenever the deadline for the shipment of goods is not specified in the contract or such deadline is omitted, reference shall be made to the INCOTERM closest to the conditions of return even summarily agreed, should uncertainty arise between two or more INCOTERMS, equally compatible with the contract, the INCOTERM entailing the least extension of risk and costs for the seller shall apply, with any waivers provided in writing by the parties.

5.3. **(Passage of risks)** - The risks pass to the buyer as provided by the INCOTERMS.

The seller shall not be liable for any loss or damage to the goods after the passage of risks. In no case shall the buyer be exonerated from his obligation to pay the price when loss or damage to the goods occurs after the passage of risks.

5.4. **(Extension of delivery term)** - The delivery deadline shall be automatically extended by a time limit equal to the buyer's delay in fulfilling any of the following obligations:

a) payment of any price quota due to the seller as a deposit;

b) opening by the buyer of any documentary credit agreed upon;

c) whenever the buyer, or the party designated by, is required to notify directions regarding processing, technical data or other instructions to prepare the goods, the delivery date shall be automatically extended by a period equal to the delay in sending such notice.

d) Should changes to the goods be agreed by the parties after the stipulation of the contract, the delivery date shall be automatically extended by the period reasonable required to carry out such changes.

5.5. **(Seller's obligation to deliver the goods)** - The delivery dates shall be approximate in favor of the seller and shall in any case entail a grace period of one (1) week for every month of delivery, up to a maximum of 6 weeks.

If agreed in the contract of sale and in case of delay in delivery owing to the fault of the seller, the buyer, after having proved damages suffered by delayed delivery, shall be entitled to request as compensation and as full reimbursement of any other right or claim whatsoever, a maximum indemnity of 0,5% of the value of the outstanding delivery for each week of delay: this penalty shall not, however, exceed 5% of said value.

Whenever a delay in delivery of the goods does not rule out or prevent the normal use of the machine, such delay shall not be deemed a delay in delivery as a whole.

The seller shall be entitled to deliver all or part of the goods in advance; in the case of advance delivery, the seller shall, until the date fixed for delivery, retain the right to deliver any missing parts, supply new goods to replace other goods already delivered not in compliance, as well as to correct any compliance defect of the goods, in any case the seller shall not be liable for any damages relating to advance deliveries.

5.6. **(Buyer's obligation to take delivery of the goods)** - The buyer shall always be required to take delivery of the goods, even in the case of partial deliveries and whenever the goods are delivered before the fixed delivery date or after such date, as long as the time limit for termination of the contract provided for under art. 5.5. hereinabove has not expired, and the buyer has complied with the procedure provided for therein for termination of the contract.

Should the buyer fail to take delivery of the goods promptly, for reasons not attributable to the seller, the buyer shall bear all costs incurred and any sum due to the seller for whatever reason shall immediately become payable. The seller shall further be entitled: a) to store the goods at the risk, danger and expense of the buyer; or: b) ship the goods in the name and on behalf and at the expense of the buyer to the head office of the same. The buyer shall further pay to the seller a penalty of 0,5% of the value of the goods for each week of delay starting from the day fixed for delivery, save for the right to claim greater damages.

5.7. (Impediments independent of the parties' will) - The delivery date shall be extended by a period equal to the duration of the impediment, once the cause has been ascertained to be independent of the will of the seller and of the buyer, such as strikes of any type, fires, floods, power cuts, lack or shortage of raw materials, breakdowns and accidents to the seller's production plants, delays in granting authorizations by the authorities and other impediments independent of the parties' will which make delivery temporarily impossible or too onerous. When the seller learns of an impediment, he shall, within a reasonable time limit, notify the buyer of the existence of an impediment and the probable effects of the same on his obligation to deliver if such effects are not implicit in the type of impediment in question. Likewise, the seller shall notify the buyer when the impediment shall cease to exist.

In no case shall the buyer or the seller be entitled to claim compensation or indemnity whatsoever due to the occurrence of the circumstances provided for herein under art. 5.7.

art. 6) TRIAL TESTING

6.1. (Scope and procedure of trial testing on seller's premises) - Any testing on the seller's premises shall be undertaken to ascertain machine compliance, in pursuance of art. 7 of the general conditions hereto, and shall take place according to the procedure agreed by the parties; failing such agreement, testing shall be performed according to the procedure usually adopted by the seller.

Testing shall take place on the seller's premises, unless the same prefers to designate another place.

The date fixed for testing shall be notified to the buyer with adequate prior notice to allow the buyer's personnel to be present. The buyer shall be entitled to attend the test at his own expense.

The outcome of testing shall be deemed positive:

- a) if the buyer attends the testing, when no specific objection is recorded in writing in the testing report concerning any compliance defects of the machine during or immediately after the end of testing or
- b) if the buyer declares that he does not wish to attend the testing, or is not present, when any testing report drawn up by the seller fails to record any compliance defects of the machine.

If the outcome of testing is negative, the seller shall correct the compliance defects recorded in the testing report. Should major changes be required to achieve machine compliance, testing may be repeated, if the seller agrees, and will be performed under the same procedure and consequences as the initial testing. The delivery dates shall be extended by a period equal to that required to make such changes or, in case of a second testing, by a period equal to the time between the first and second testing. The object of any second testing shall be confined to examining the specific defect of the machine reported in the first testing; the buyer shall in no case be entitled to claim defects outside the scope of the testing provided for hereinabove.

Any testing or checks subsequent to the second trial shall be subject to the procedure provided for hereinabove, but the scope of such tests shall be confined to the outcome of the previous testing report.

6.2. (Starting up on buyer's premises) - When the same is expressly agreed in writing by the parties, the machine shall be started up on the buyer's premises.

Starting up on the buyer's premises shall include:

- a) checking the removal of any compliance defects of the machine noted in the report of the last testing on the seller's premises;
- b) checking the performance, pursuant to the agreement, of assembly or installation, when the same have been carried out by the seller.

The outcome of starting up of the machine shall be deemed positive when no specific objection is recorded in writing in the starting up report concerning any compliance defects of the machine or defects in the performance of assembly or installation operations, during or immediately after the end of starting up; the buyer shall in no case be entitled to claim defects other than those covered by the provisions stated hereinabove under letters a) and b).

When the seller is not required to assemble or install the machine, the buyer shall complete such operations prior to the date fixed for starting up. The buyer shall notify the seller of the starting up date with sufficient prior notice to allow the seller's personnel to be present. Unless otherwise agreed by the parties, the buyer shall organize the starting up to take place no later than 30 days after the arrival of the machine at its place of destination; otherwise, on such date the starting up shall be deemed performed with a positive outcome.

When the seller is required to assemble or install the machine, starting up shall be performed on completion of such assembly or installation. Should the buyer fail to agree to starting up of the machine, or if such starting up is not performed within 30 days after completion of assembly or installation (or delayed by the buyer failing to promptly organize the starting up or because the seller deems that the necessary connections have not been made or anything else required for starting up has not been arranged, or for any other reason whatsoever not attributable to serious breach by the seller) the outcome of trial testing shall be deemed positive.

In any case the buyer shall promptly make all necessary or useful arrangements for starting up to be carried out on the date fixed.

All expenses incurred in performance of starting up at the buyer's premises shall be charged to said party, except for the cost of the seller's technicians attending the same.

6.3. (Effects of trial testing and starting up) - The buyer shall forfeit all rights, warranty, action and claim in respect of compliance defects and faults of the machine which with due diligence should have been detected by the buyer during the trial testing or starting up of the machine, unless such compliance defects or faults were specifically stated in writing in the testing report or in the starting up report, during or immediately after testing or starting up.

art. 7) WARRANTY

7.1. (Machine compliance) - In pursuance of the provisions of the article hereto, the seller undertakes to deliver machines in compliance with the agreement and free from defects so as to be suitable for the purposes for which machines of the same type are usually made.

The seller shall in no case be required to deliver a machine suitable for a specific purpose unless such special delivery has been expressly agreed by the parties in writing.

Should the buyer request supply of a machine with variations of any type and extent with respect to the machine listed in the seller's catalogue (or, in any case, request the supply of a personalized machine), the same shall notify the seller in writing of the drawings, technical documents, data and any other instructions, it being agreed that the seller shall be required to deliver a machine in compliance with such variations only if the same have been specifically confirmed in writing by the seller. A plus and minus weight tolerance up to a maximum of $\pm 10\%$ shall be allowed to be calculated on a standard machine without fixtures. Any goods other than machines shall be excluded from the warranty.

7.2. (Limitation of warranty) - The seller shall not be liable for compliance defects of the machine or faults due, even indirectly, to the drawings, plans, information, software, documentation, specifications, instructions, materials, unfinished products, components, other material goods and whatever else supplied, indicated or ordered by the buyer or by third parties acting on his behalf in whatever capacity; nor shall the seller be liable for compliance defects or faults of the materials, software, unfinished products, components or any other product built-in or otherwise in the machine supplied, indicated or ordered by the buyer or by third parties acting on his behalf in whatever capacity.

Further the seller shall not be liable for compliance defects of the machine or faults due to normal wear and tear of those parts which, by definition, are subject to rapid continual wear (e.g.: washers, belts, brushes, fuses, etc.).

For accessories and in general for products not manufactured by the Seller (eg.: Electrospindle, Numerical Control Unit, etc.), the warranty is the one applied by its suppliers and set forth in **paragraph D of the appendix 1**.

The warranty also does not cover aesthetic defects that do not affect the normal operation of the machine.

Likewise the seller shall not be liable for compliance defects of the machine or faults caused by failure to abide by the rules listed in the instruction manual and in any case due to bad use or treatment of the machine. Nor shall the seller be liable for compliance defects or faults resulting from incorrect use of the machine by the buyer or by the same having made changes or repairs without the prior written consent of the seller.

If the machines are shipped unassembled, to be assembled by the seller, any warranty shall be deemed forfeited if assembly at the buyer's premises is not performed directly by the seller or at least under the control of his specialised personnel.

In no case shall the seller be liable for compliance defects or faults caused by an event subsequent to the passage of risks to the buyer.

The seller shall not guarantee that claims or rights based on the industrial or intellectual property rights of third parties do not exist in respect of the machine or documentation made known to the buyer.

In no case shall the seller be held liable in respect of calculation of foundations.

7.3. (Duration of warranty) - When the parties have not agreed that the machine should be started up at the buyer's premises, this warranty shall have the duration set forth in **paragraph A of the appendix 1**, starting on the delivery date. When the parties have agreed that it should be started up at the buyer's premises, this warranty shall have the same duration, but it shall begin on the date the machine was started up at the buyer's premises, and in no case shall be longer than that provided in **paragraph B of the appendix 1**, starting from the date the machine was delivered.

Machine operation times longer than those set forth in **paragraph C of the appendix 1** shall proportionately reduce the warranty period. The warranty for pieces replaced or repaired shall expire on the same day the machine warranty expires.

7.4. (Notification of compliance defects) - Save for the provisions of art. 6 hereinabove, the buyer shall, on penalty of forfeiting the warranty, notify the compliance defect or fault of the machine to the seller specifying in detail in writing the type of defect within 15 days after discovery of such defect or after such defect should have been discovered by careful examination and testing of the machine. In no case shall notice of the compliance defect or fault be valid when made after the expiration of the warranty time limits provided for hereinabove under art. 7.3 or those otherwise agreed by the parties.

The buyer shall further forfeit the warranty if he fails to agree to any reasonable check requested by the seller or, if the seller offers to replace the faulty part at his own expense, the buyer fails to return such part within a short period after such offer.

7.5. (Repairs or replacements) - Following a regular report by the buyer pursuant to Art. 7.4., the seller shall fulfill his warranty obligations by repairing and replacing the defective or flawed parts.

In order to fulfill his warranty obligations, the seller may, at his discretion:

- a) make the repair or replacement or have an outside party do so, with travel, board and lodging costs borne by the buyer;
- b) have the buyer make the repairs or replacements, providing him with the relative instructions and supplying the spare parts at no charge, ex seller's works, or refunding him their cost.

7.6. (Limitation of seller's liabilities) - Save for fraud or gross negligence on the part of the seller any compensation for damages to the buyer shall not exceed the quota of the value of the machine in respect of the defective part. The warranty provided for herein shall include and replace the guarantees or liabilities provided by the law and shall exclude any other liability of the seller resulting from the goods delivered: in particular, the buyer shall not make further claims for compensation of damages, price reductions or termination of the contract. After the expiration of the warranty period no claim shall be made against the seller.

art. 8) SERVICES OF PERSONNEL DURING WARRANTY

8.1. **(Work to perform)** - When it is agreed by the parties that personnel will be sent, the seller's personnel shall only be assigned to jobs provided in the contract.

8.2 **(Buyer's obligations)** - The buyer undertakes to facilitate the work of the seller's personnel in every possible way and to make arrangements for such work to begin immediately upon their arrival "in loco" and to proceed without interruption until completion. In particular, the buyer's undertakings shall include, but not be limited to:

- completing all necessary work of whatever type before the start of the work by the seller's personnel;
- preparing all installations (lights, power, water, etc.) as well as necessary apparatus and equipment including hoisting gear and internal transport.
- arranging premises fitted with locks to store tools and garments pertaining to the seller's personnel adjacent to the workplace;
- arranging "in loco" the parts to be assembled, ensuring that they are fully protected;
- arranging for any opportune auxiliary personnel;
- guaranteeing the safety of the seller's personnel at all times.

8.3. **(Further obligations of the buyer)** - The buyer further undertakes:

- to supply midday meals for the seller's personnel under the same conditions or cost of his own personnel and, in the absence of any internal or fixed canteen, to indicate a convenient alternative;
- to find room and board for the seller's personnel near the workplace and, if not available, to supply adequate means of transport.

8.4. **(Expenses)** - The buyer shall bear the cost and shall pay directly all expenses necessary to fulfill his obligations provided for hereinabove under arts. 8.2., 8.3. and 8.4. as well as:

- expenses for daily travel to and from the place of accommodation to the workplace. Should the time required for such journeys (return) exceed one hour, the extra time will be calculated according to the charges provided for the hours of travel;
- medical and hospital assistance and medicines in case of illness or accident of the seller's personnel.

8.5. **(Remuneration)** - The parties shall establish the amount of compensation (which may vary depending on the ordinary or extraordinary nature of the service) and the conditions for reimbursement of travel, board and lodging costs, transfers, etc. **(see Attachment 1)**. The amount of compensation will be established by the parties and the relevant enclosure shall be filled.

8.6. **(Attendance sheets)** - The buyer shall sign any attendance sheet carried by the seller's personnel in order to calculate the hours of work completed by such personnel. In the absence of the buyer's signature, the attendance sheet signed by the seller's personnel shall be accepted inter partes.

art. 9) SPARE PARTS

9.1. When expressly agreed in the contract, the seller shall supply to the charge of the buyer the spare parts he may reasonably require to use the machine for the whole period agreed by the parties and on conditions that such spare parts are ready available to the seller. The spare parts shall be supplied at the price in the seller's price list from time to time in force at the time of the buyer's order; in the absence of a price list, a reasonable price shall be agreed by the parties.

art.10) FINAL PROVISIONS

10.1. (Termination of contract)

Considering the nature of the contract, the peculiar features of the sold machines and plants, that are customized according to the buyer's requirements, a penalty shall be paid to the seller, equal to 40% of the sales price agreed in the contract, as partial compensation for incurred damages, in case the buyer terminates the contract unilaterally.

The delayed payment of this penalty will result into moratory interest calculated according to clause 3.4. The seller also reserves the right to suit the buyer for the compensation of additional damage he might incur into following such termination and/or breach and/or non-fulfillment.

In addition, the seller reserves the right to terminate the contract at any time under any of the following conditions:

- a) unfulfilled or late payment of the sales price,
- b) inadequate preparation of installation areas,
- c) tampering with the sold machines or goods,
- d) unauthorized assignment of the contract,
- e) buyer's bankruptcy or other proceedings.

Under such circumstances, the termination will occur through written communication by means of registered letter with advice of receipt, and the seller, besides having the machine returned and reserving the right to claim damages, will be entitled to retain the sums received as payment in advance.

10.1. **(Null articles)** - Partial nullity of one article shall not entail nullity of the article as a whole and nullity of individual articles shall not entail nullity of the whole contract.

10.2. **(Titles)** - The title of the general conditions hereto, as well as the titles to the articles contained herein are purely indicative and shall not entail any limitation to the provisions ensuing from the same.

10.3. **(Assignment of contract)** - The contract shall not be assigned by one of the parties without the written consent of the other party.

art.11) SETTLEMENT OF DISPUTES

11.1. **(Competent court and applicable law)** – The competent court for any controversy or dispute is the court established by the seller at the contract’s signature.

If the seller is the complainant, however, he may settle the controversy with the competent court for the buyer’s registered seat.

Anything not specified in these general sales conditions shall be subject to Italian law, which is the only applicable law.

Place and date.....

Seller's stamp and signature

Buyer's stamp and signature

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The buyer expressly declares that he is familiar with and accepts all the articles of the General Contractual Conditions for Export of Machinery and specifically approves the provisions of the following articles:

3.2. (Terms and conditions of payments); 3.3. (Payments in case of seller's breach); 3.4. (Payment delays); 3.5 (Import permits and other authorizations); 5.3. (Passage of risks); 5.4. (Extension of delivery date); 5.5. (Seller's obligation to deliver the goods), 5.6.(Buyer's obligation to take delivery of the goods); 6.1. (Scope and procedure of trial testing on seller's premises); 6.2. (Starting up on buyer's premises); 6.3. (Effects of trial testing and starting up); 7.1. (Machine compliance); 7.2. (Limitation of warranty); 7.4. (Notification of compliance defects); 7.5. (Repairs or replacements); 7.6. (Limitations of seller's liability); 8.4. (Liability for damages); 11. (Settlement of disputes).

Buyer's signature

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ENCLOSURE I
(Duration of warranty)

Articles of General Conditions

- A - Warranty period 7.3 12 months since delivery to the final buyer (with possible extension according to item B of the enclosure, where applicable), for a maximum of 15 months since shipment from the manufacturer's factory, to take into account the delivery time and possible storage at distributors or agents.
- B - Maximum extension of the warranty period 7.3 months as from the date of machine delivery as established under paragraph 7.3
- C - Daily operating hours of the machine 7.3 A shift of 8 hours a day.
In the case of increase in daily hours the warranty is reduced accordingly to a maximum of 2000 hours per year.
- D - Warranty period for the accessories 7.2 NC months as from the date of machine delivery as established under paragraph 7.2
Electrospindle months as from the date of machine delivery as established under paragraph 7.2

Place and date.....

Seller's stamp and signature

Buyer's stamp and signature

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ENCLOSURE II
(Selection of the competent court)

The competent court for any controversy, without detriment to the faculty under Art. 11.1, second subparagraph, is:
BERGAMO, IT

Place and date.....

Seller's stamp and signature

Buyer's stamp and signature

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ENCLOSURE 1

CONDITIONS FOR TECHNICAL SERVICES TO CUSTOMERS DURING WARRANTY

1. REIMBURSEMENT FOR TRAVEL EXPENSES AND TRANSPORT TO LOCATION:

Railway: According to State Railway fares

Air: According to IATA fares

Automobile: According to ACI rates, for medium cylinder cars with travel of 20,000 km/year

Other means: Taxi, rental cars, etc. per expense account with receipts attached

2. MEALS AND LODGING EXPENSES

As per expense account with receipts attached

3. FEES FOR PERSONNEL SERVICES

3.1 Rate for one normal working hour € _____

3.2 For each hour of work exceeding 8 hours a day € _____

3.3 For each hour of work on Saturday, Sunday, or holiday € _____

3.4 Saturday, Sunday, or holiday, or idle waiting time at the customer's disposition € _____

3.5 For each day away from headquarters on behalf of the buyer € _____

3.6 For each hour of work the night shift (10PM to 6AM) € _____

All prices are not including VAT if applicable

4. NOTES

Travel allowance is divided into 4 equal parts: 2 for overnight stays and one for each of the two meals of the day. They shall be valid for areas which permit normal conditions of food and lodging; when areas are considered burdensome or particularly uncomfortable, the parties may agree to corresponding adjustments.

Each fraction of an hour is invoiced as a complete hour (including overtime and holiday hours)

The supplier shall be responsible for choosing, at its discretion, the type of technical personnel and means of transport.

The customer shall be responsible for the cost of laborers, assistance, and equipment and materials of any type

The above rates shall be for work under normal conditions: work performed under conditions or in areas which are particularly difficult shall be subject to increase rates agreed to in advance.

Place and date.....

Seller's stamp and signature

Buyer's stamp and signature

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ENCLOSURE 2

BELOTTI SPA GENERAL CONTRACTUAL CONDITIONS

ARBITRATION CLAUSE

By signing this document, the parties declare that Art. 11 of the BELOTTI SPA General Contractual Conditions for Export shall not apply and agree to the following arbitration clause:

All disputes arising in connection with the contract shall be finally settled under the Rules of Conciliation and Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules.

Place and date.....

Seller's stamp and signature

Buyer's stamp and signature

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