

## GENERAL SALES CONDITIONS – FRAMEWORK AGREEMENT

This Agreement is by and between:

- **F.A.R. Spa**, with registered office in Belluno – Via Loreto, 3, head office in Tezze sul Brenta Via Laghi 64 and plant in Feltre-Villapaiera Via Camp Lonc 17 (V.A.T. No. 00776810251), represented by Legal Representative (hereinafter called: FAR) on the one side
- and:
- **CUSTOMER** with registered office in ..... (hereinafter called: **the Customer**) on the other side.

Taking into account that:

- FAR produces and markets, among others, **OIL HARDENED AND TEMPERED STEEL WIRE** (hereinafter called: the Products);
- the Customer represents that he is well aware of the characteristics of the Products by FAR, that he finds them suitable for his production requirements and that he is therefore interested in receiving supplies of these Products from FAR

All that taken into account, by and between FAR and the Customer it is acknowledged that the terms and conditions set forth in this Agreement shall apply to future agreements for the supply of goods which the parties will agree upon. It is hereunder agreed the following:

### Article 1 - Recitals

All recitals are an integral part of this Agreement.

### Article 2 – Prices and Payments

- 2.1 Unless otherwise specifically agreed in writing, the price to be paid by the Customer to FAR in order to buy the Products as well as the conditions of payment shall be those applied by FAR to its customers at the moment of ordering, as specified in the confirmation of order.
- 2.2 The sum indicated in FAR 's sales invoices is always meant net of any and all discounts, rounding and expenses.
- 2.3 If the agreements between FAR and the Customer provide that the Products bought shall be paid by bank transfer, it is agreed that any and all expense and/or charge due to intermediary banks employed by the Customer's bank shall be totally charged to the Customer.
- 2.4 In case of delayed payment, interests shall be paid according to the applicable law (Legislative Decree no. 231 of 2002 – based on Directive 2000/35/C.E. – and subsequent modifications), except in any case for any greater damage as well as for FAR 's right to interrupt the already planned supplies and/or to end this Agreement.

### Article 3 – Orders and Confirmations - Deliveries

- 3.1 The Customer pledges himself to send FAR his orders in writing including technical specifications and quantities to be delivered. At receipt of the Customer's orders, FAR shall send written confirmations of order, unless FAR applies its right to reject an order for technical or economical reasons.
- 3.2 The date of delivery, if agreed, is always approximate and may be put off owing to circumstances beyond one's control, fortuitous event, strikes, as well as to any organisation and production requirement on the part of FAR that may impose a longer time, in which case FAR shall give notice to the Customer. Any postponement shall grant the Customer no right to refuse the Products, to claim for damages or even just to delay payments.
- 3.3 The delivery shall be made according to the instructions given in the confirmation of order, or otherwise ex works of FAR, even if agreed that the delivery, or part of it, shall be made by FAR, in which case FAR shall act as the Customer's agent, with transport costs and risks charged on the Customer. Unless otherwise agreed, the ex-works (FAR) delivery of the products shall be made by notice saying that goods are ready, to the Customer. If, after fifteen days from the submission of goods readiness notification, the Products have not been collected, FAR shall have the faculty to end the agreement relating to the order or to take the proper measures to perform it, without prejudice to the compensation for damages in any case.
- 3.4 If a failure of FAR 's performance hereunder occurs, even only partially or temporarily, including the case of an interruption of the production howsoever caused, unless if arbitrarily stated by FAR, FAR shall have a right to decide whether to delay the supplies for a longer time or to reduce the quantity of goods yet to be delivered, or to partially or totally cancel the order, with no Customer's right to claim for refund or compensation, or to refuse the partial or delayed order.

BELLUNO, date

PLACE, date

F.A.R. SpA

**CUSTOMER**

.....  
(Stamp and Signature of Legal Representative)

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(Stamp and Signature of Legal Representative)

**Article 4 - Packaging**

Reels, pallets, coils, which are used to supply the Products shall be returned ex works to FAR in Feltre, Villapaiera Via Camp Lonc 17 or Tezze sul Brenta, Via Laghi 64 within 60 days from delivery of order. All such packaging is not transferable and shall be returned with its transport document to be regularly delivered, in like good order and condition as on delivery of order. Any missing or damaged item shall be charged to the Customer at the current price at the time of invoicing.

If within 60 days from the date of delivery the packaging has not been returned, FAR shall be entitled by the Customer to invoice it. FAR shall have the faculty to require a deposit for the return of packaging of 1/2 their value.

**Article 5 - Claims**

- 5.1 Any claim on the quantity or type of the Products must be made in writing to FAR earlier and not later than 8 days from receipt of the Products by the Customer.
- 5.2 Any claim on the quality of the goods must be made in writing by the Customer to FAR earlier and not later than 8 days from the time it has been discovered, absolutely with written reservation (on CMR or equivalent) and possibly also attaching photographs taken on goods unloading; for not obvious defects, the term of notification shall be not later than 60 days from delivery, which is considered the reasonable term necessary to perform an adequate technical control.
- 5.3 No notification of defects shall in any case be considered after a year from the delivery of the Products.
- 5.4 Any defect of the Products assessed shall entitle the Customer to be returned a portion of the price in proportion to the goods returned, which in any case shall not exceed the value of the supply.
- 5.5 In no case shall FAR assume a guarantee on the specific use made by the Customer of the Products bought.
- 5.6 FAR shall not be liable for any loss or damage, including the non production, however arising, so no compensation shall be claimed from FAR.
- 5.7 Any claim on defects of the goods (wet and/or oxidized goods, badly positioned goods, damaged packaging, etc. ) due to their transportation must be made in writing to both the carrier and FAR, liable to cancellation, at the receipt of the Products, by noting the due reservation on the transport documents (CMR). The Customer shall therefore lose any and all rights to any action and to the guarantee on defects in the event that he has not claimed them as convened and constituted above.

**Article 6 – Termination Clause**

- 6.1 FAR shall have the faculty to consider the Agreement terminated with immediate effect, by registered letter with a notice of receipt:
  - in default of payment, within the terms agreed upon, of the sums payable to the Customer according to the agreements on single orders;
  - in case of bankruptcy, arrangements with creditors, receivership or analogous insolvency proceedings or winding-up of the Customer.
- 6.2 FAR shall also have the faculty to consider terminated the agreement on each single order for excessively onerous performance requirements.
- 6.3 The Agreement can also be considered automatically terminated, without any compensation, upon obligation of six months prior written notice to FAR, in case the production or distribution of the Products are ended for any reason.

**Article 7 – Miscellaneous Provisions**

- 7.1 None of the Parties is entitled to assign the Agreement to a third party, unless with the prior written consent of the other Party, provided in any case FAR 's right to transfer the credits arising from its supplies to factors, banks or insurance companies.
- 7.2 If one of the provisions of this Agreement should be void because it is in contrast with the law, the Parties pledge themselves to change the Agreement as to ensure it is in compliance with such law. The invalidity of a contractual provision shall not affect the validity of the remaining clauses which will be valid and effective.
- 7.3 For validity's sake any modification to this Agreement shall be made in written form and signed by both Parties.
- 7.4 If one of the Parties fails to exercise the rights and faculties granted under this Agreement, this shall neither be considered a waiver of such right or faculty nor shall it affect in any case the validity of this Agreement. Such failure shall not preclude any chance by any of the Parties to assert those rights and faculties in the future or any other right or faculty under this Agreement.
- 7.5 Any communication relating to this Agreement or to subsequent operative agreements shall be sent to the registered office of each Party.

BELLUNO, date

PLACE, date

F.A.R. SpA

**CUSTOMER**

.....  
(Stamp and Signature of Legal Representative)

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(Stamp and Signature of Legal Representative)

**Article 8 – Life of the Agreement**

This Agreement is an open-ended contract and shall start on the date of signature. Each party may withdraw from this Agreement, by registered letter with a notice of receipt, by giving the other party 60 days prior written notice.

**Article 9 – Applicable Law**

This Agreement shall be governed in accordance with the laws of Italy.

**Article 10 - Jurisdiction**

Any and all disputes arising between the parties hereto concerning the interpretation, performance and /or termination of this Agreement and/or of the subsequent orders hereunder shall be subject to the exclusive jurisdiction of the Court of Belluno.

BELLUNO, date

PLACE, date

F.A.R. SpA

**CUSTOMER**

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(Stamp and Signature of Legal Representative)

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(Stamp and Signature of Legal Representative)

The parties hereby agree and covenant that all the clauses of this Agreement were freely agreed upon, so that no specific approval of any single clause is required in compliance with art. 1341 Italian civil code, which regards, however, to the extent it is necessary: art. 2 (prices and payments); 3 (orders and confirmations – deliveries); 5 (claims); 6 (termination clause); 10 (jurisdiction).

BELLUNO, date

PLACE, date

F.A.R. SpA

**CUSTOMER**

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(Stamp and Signature of Legal Representative)

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(Stamp and Signature of Legal Representative)