

GENERAL SALES CONDITIONS

1 - GENERALS

1.1 The general sales conditions listed herein are to be considered valid for any order made to M.G.E. and are an essential part of each order. Any derogative clauses or special supply conditions must be expressly stated in the text of the M.G.E.'s Order Confirmation or otherwise agreed in writing. The issue by the Customer of an order to M.G.E. and the subsequent receipt of M.G.E.'s Order Confirmation involves, amongst other things, the acceptance of the present general sale conditions and every other specific condition stated on the Order Confirmation.

1.2 Any behaviour, also of repetitive nature, by either of the two parties which does not coincide with one or more of the present conditions will not in any way jeopardise the right of the other party to request their application at any time.

2 - SUPPLIER'S LIABILITY

2.1 M.G.E., in its capacity as supplier of the goods supplied to the Customer, is responsible for damages attributed to defective products in accordance with Italian Law DPR 224 of 25 May 1988.

2.2 The Customer is aware that all M.G.E. products are designed exclusively for installation and operation in industrial environments, by technical personnel who are sufficiently experienced and made aware of the potential hazards which may derive from the improper use of rotating electrical machines.

2.3 For this purpose, the Customer undertakes to provide the operators assigned to the installation and operation of M.G.E. products, the booklet containing the installation, use and maintenance instructions, available to the Customer on request, and to ensure the observance of the prescriptions contained in it. The Customer will undertake the same obligations in the event of transfer of M.G.E. products to third parties.

2.4 The responsibility for defective products is excluded in all cases covered by article 6 of Italian Law DPR 224/1988. M.G.E. shall have no obligation to provide compensation for indirect or abstract damages such as, without limitation, lost of production, lost of earnings, lost invoicing, costs linked to production stoppage, etc.. In any case M.G.E. declines all responsibility in case of tampering with its products, or defects due to repairs or operations by third parties who have not been explicitly authorised.

3 - ORDERS AND ORDER CONFIRMATIONS

Orders forwarded by the Customer to M.G.E. shall be deemed to be accepted only if confirmed in writing by M.G.E. The text of the order confirmation shall in any case prevail over any other conditions or clauses contained in the Customer's order and will remain the sole document with contractual validity, unless otherwise stated by the Customer, which must reach M.G.E. within 2 working days of receipt of the order confirmation.

4 - DELIVERY TERMS

The delivery terms are those stated on the order confirmation, which must be considered as an indication of the date upon which the product will be available. M.G.E. is therefore exonerated from all responsibility for confirmed damages due to delivery delays.

5 - RISK TRANSFER

The products shall be delivered and sold ex M.G.E. works in Forlì, Italy. Should the goods be sold free at destination, following explicit agreement stated in the order confirmation, the transfer of risk from M.G.E. to the customer shall take place upon departure of the products from the M.G.E. plant.

6 - PAYMENT TERMS

Unless otherwise agreed, payment shall be made upon delivery of the goods. The prices indicated are net of every costs required for packaging, shipment, VAT, and other indirect costs. M.G.E. reserves the right to modify with 5 working days notice the terms of payment agreed whenever changes in the circumstances occur that justify such modification. M.G.E. reserves the right to modify without notice the terms of payment agreed wherever client orders with elevated credit risks are present, however. Omitted or late payment according to the specified terms shall cause the immediate imposition of interest to be charged according to the European Directive 2000/35/CE acknowledged by d. lgs. 231/2002 (Italian law), as well as the withdrawal of the Customer's benefit of such term for all future orders, and shall entitle M.G.E. to demand immediate payment or to consider suspended or cancelled the fulfilment of all other pending orders.

7 - WARRANTY

M.G.E. guarantees its products for 12 months from the date of delivery. The warrantee covers exclusively manufacturing defects ascribable to M.G.E., who may decide to repair or replace the product or the part deemed defective, as seen fit. The cost and risk involved in transporting the product from the Customer to M.G.E. shall be borne by the former. The warranty is automatically voided in case of tampering or unauthorised interventions, and does not extend to parts normally subject to wear. The warranty is also voided in case of failure to comply with the prescriptions contained in our installation, use and maintenance instructions, available to the Customer on request. If a part is replaced or repaired, the warranty shall be renewed solely for that piece. The Customer may not withhold payment on the grounds that the warranty does not meet his satisfaction. In all cases the warranty is voided if the Customer fails to comply with that indicated in subsection 1 of article 1495 of the Civil Code.

8 - APPLICABLE LAW AND JURISDICTION

8.1 The contract of which these general conditions are an integrated part is governed by current Italian laws.

8.2 Any controversy that should arise between the parties regarding the contracts of which these general conditions are an integrated part shall be heard before Forlì Court.

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