

SALES CONDITIONS

1. OBJECT

The present General Sales Conditions (hereinafter called the “General Sales Conditions”) together with the specific conditions indicated in Teleco’s order confirmation (hereinafter “Order Confirmation”) regulate all sales of Teleco’s products between Teleco and any buyer, as identified in the respective Order Confirmation (hereinafter referred to as the “Client”), and shall exclusively apply to all sale contracts between Teleco and Client.

Every Client’s order (hereinafter called the “Purchase Order”), shall be sent to Teleco in writing and shall be considered fixed and binding for the Client, until receipt of the relative Order Confirmation by Teleco and, in any case, no later than 15 days from receipt. Purchase Orders shall be considered accepted by Teleco and binding upon both parties hereto, upon receipt by the Client of the relative Order Confirmation.

Any modifications, amendments, exceptions and/or cancellations to these General Sales Conditions must be agreed upon exclusively in writing by the parties hereto and must be expressly accepted by Teleco.

In case of conflict of provisions between the General Sales Conditions and the Order Confirmation, this latter shall prevail. Furthermore these General Sales Conditions, shall prevail over any other condition or agreement indicated by the Client.

These General Sales Condition shall be also applicable and extended to Teleco’s affiliated, controlled and related companies, pursuant to art. 2359 ital. civil code.

2. PRODUCTS AND IPR

The present General Sales Conditions shall apply to the sale of Teleco’s products, including the ones indicated in Teleco’s price lists and catalogues (hereinafter called the “Products”).

Any catalogues or price lists of Teleco shall not constitute a formal offer by Teleco, who shall be free to modify the same at any time, and without any obligation to provide notice.

Teleco reserves the right to make changes to the Products without prior notice to Client.

Save the execution of orders following an Order Confirmation, Teleco may suspend and/or cease the production of Products at any time and without any notice if market and/or production requirements may so demand, without the Client having any right to make any kind of claim or demand.

Teleco holds title to patents and any other industrial rights to the Products.

Client shall not remove or modify Teleco’s trademark on the Products or confuse it adding other trademarks without Teleco’s prior written consent.

3. DELIVERY

Teleco will make best efforts to respect the delivery times as indicated in the Order Confirmation, which in any case may not be considered mandatory, but are purely indicative.

Delivery of the Products shall be Ex Works, (Incoterms 2000) Colle Umberto (TV – Italy).

The delivery of a quantity of Products that exceeds or is less than 5% compared with the quantity ordered by Client and accepted by Teleco is to be considered compliant with the Purchase Order.

If Client does not promptly collect / have collected the Products, which have been communicated as ready for delivery by Teleco, within 15 days, Teleco shall be entitled to withdraw from the Order Confirmation without any liability and may claim damages.

Should Client supply the Products to third Parties, it shall inform its own customers on the specific use and how to adequately use the Products. Also in such case Client shall remain responsible towards Teleco according to these General Sales Conditions.

4. RESERVE OF PROPERTY

Client acknowledges and hereby expressly agrees that Products shall remain the property of Teleco, until total payment of their entire respective price by the Client, according to art. 1523 ital. civil code, and in the case of payment by bills or checks, until their respective amounts are available at Teleco’s. Nevertheless, the Parties agree that all risks deriving from the loss or from damages to the Products for any reason whatsoever, shall fall back on the Client from the moment of dispatch.

In case of unjustified late or non-payment, by Client within the due date, Teleco shall have the right to request immediate return of the dispatched Products and Client shall immediately return such Products to Teleco.

This reserve of property shall also apply to agreements on installments payments between Teleco and Client according to art. 1523 ital. civil code. In such cases, if an installment payment within the respective installment term is breached by Client, Teleco shall have the right to immediately terminate the specific sale agreement, keep the installment payments already received according to art. 1523 ital. civil code and request damages.

5. PRICE AND PAYMENT

The prices of Products are indicated in the Seller’s price list (if applicable), and are binding on Teleco after the Order Confirmation is issued.

The prices do not include transport, taxes or dispatch costs of the Products and any other cost not specifically indicated in the Order Confirmation. Payments are due immediately, upon receipt of the Products and the respective invoice by Client. Payment is considered performed when it is at Teleco’s disposal. Teleco expressly disclaims any liability for possible transcript errors in the Teleco’s price list.

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Client shall not make any retention of payment or balance and compensate payments based on its claims (if any) against Teleco.

Default or overdue payment within the due date agreed upon in the Purchase Order, will entitle Teleco to claim overdue interest at the rate determined in accordance with Legislative Decree no. 231 of 9th October, 2002 (and following modifications), starting from expiry of the due date agreed upon.

Defaulting of even one payment installment shall result in Client’s forfeiture of the installment benefit, in which case he shall be liable to pay Teleco the full price for orders already fulfilled or in the process of being fulfilled. Furthermore, Teleco may invoke articles 1460 and 1461 of the Italian civil code and suspend any possible orders in progress relative to one or more orders already confirmed by Teleco.

6. WARRANTY

Teleco warrants that the Products are manufactured with high quality materials and have passed Teleco high standard quality tests.

Teleco’s warranty shall cover a 12 months period, from the date of delivery of the Products, or 24 months from the date of delivery of the Product, in case the Client uses the Products as a final consumer, outside its business/commercial/professional activity and is not a statutory person/entity.

Teleco’s warranty shall not in any case be suspended or extended, even if due to lack of use of the Products for repair/replace intervention covered by the warranty.

Client shall inform in writing Teleco within 8 days from delivery of Products, of the existence of faults or deformities in terms of quantity or quality of the Products. Thereafter the supply and the Products will be deemed as finally and irrevocably accepted.

The presence of hidden defects in the Products, that cannot be noticed upon delivery, shall be communicated in writing to Teleco, within 8 days from their discovery.

The content of Teleco’s warranty shall be repair or replace of the defective and non conforming Product, at Teleco’s discretion. Client acknowledges and agrees that the original parts of the Products that are replaced in warranty and retained by Teleco, shall be property of Teleco.

Any transport and packaging costs connected to Teleco’s warranty services shall be carried out by Client.

Teleco’s warranty shall only cover material or production defects, which are noticed and reported in writing, as set forth above, during normal conditions of use of the Product. In no event whatsoever shall the warranty be extended to defects caused by insufficient or improper maintenance or storage, incorrect use / handling, or any use of the Products by the Client, different from the relative instructions, normal wear and tear and/or repairs or interventions (including but not limited to the use of non original spare parts) carried out by non authorized third parties, without the prior written agreement of Teleco.

7. TECHNICAL ADVICE

Teleco provides technical advice according to its best knowledge and experience, however Client shall apply due diligence in verifying the applicability of Teleco’s technical advice to its special conditions of production or application.

8. LIABILITY

Teleco expressly excludes any liability for direct, indirect, accidental and consequential damages, losses, reduction in production of the Client, that may derive from the Products, including from defective or non compliant Products; Client irrevocably waives and excludes any compensation claim in such respect.

9. INSURANCE AND PRODUCT RECALL

Customer shall maintain at its own cost liability, product recall and product liability insurances covering third party damages. The insurance coverage shall be sufficient and up to a level customary to the industry. The insurance coverage shall be no less than €1 million. Client shall be liable to present a certificate of the insurance detailing the coverage upon Teleco’s request.

10. CONFIDENTIALITY

The Client shall not disclose any technical or commercial information of Teleco or any other data which he might learn during this contractual relationship with Teleco. Teleco reserves the right to claim compensation for damages in the event of any breach of the above confidentiality obligation by the Client.

11. TERMINATION

Teleco may withdraw from each sales contract under these General Sales Conditions at any time and stop the deliveries of Products to Client, without any penalty and/or liability, or obligation to reimburse the deposits already received, in the event of the existence of disputes, or admonitory, ordinary and/or insolvency proceedings or even out-of-court proceedings attributable to the Client.

In the event of an overdue payment, resulting in a lack of trust regarding fulfillment by the Client, the Seller reserves the right to terminate the sales contract under these General Terms and Conditions, in accordance with article 1456 of the Italian civil code.

12. PERSONAL DATA

Client expressly authorizes the processing, communication and dissemination of his personal data by Teleco and Teleco Automation Group according to the provisions of the Italian Legislative Decree no. 196/2003. Client furthermore declares to be aware of its rights according to Art. 7 Legislative Decree no. 196/2003. Responsible for the treatment of personal data at Teleco is Mr. Borsoi Luigi.

13. APPLICABLE LAW AND PLACE OF JURISDICTION

These General Sales Conditions and Order Confirmation are exclusively regulated and governed by Italian laws, with specific exclusion of the application of the Vienna convention on contracts for the international sale of goods - 1980.

For any controversy, claim or dispute that may arise between Client and Teleco with regards to these General Sales Conditions and the Order Confirmation and their respective sale agreements, the Court of Treviso (Italy) shall have exclusive jurisdiction.

14. FORCE MAJEURE

The following should be considered as force majeure: industrial disputes, strikes, lock out, riots, fires, floods, wars, embargos, currency restrictions or any other circumstances beyond the control of the parties. The party wishing to claim relief by force majeure shall notify in writing the other party without delay upon their intervention and the cessation of it.

An event of force majeure, that lasts over 3 months, gives Teleco the right to terminate any pending order and sale agreement under these General Sales Conditions and respective Order Confirmation, without incurring into any kind of liability or damages.

15. NON ASSIGNMENT

Client may not assign these General Sales Conditions or Order Confirmation to any third party without Teleco’s prior written consent.

16. SURVIVAL

Should any clause of these General Sales Conditions (or part of it) or of the Order Confirmation be legally invalid, it shall be replaced with a valid provision which has the most similar valid economic content and all other clauses shall remain unaffected.