















## **7. PACKAGING AND PAINTING**

- 7.1 Packaging of the Supply shall be established by ADICOMP at its sole discretion according to the delivery terms; packaging shall be charged at cost and shall not be taken in return under any circumstance;
- 7.2 Painting of the Supply shall be established by ADICOMP at its sole discretion, according to the sub-suppliers, materials and painting cycles most appropriate for the Supply's terms of operations, irrespectively of whatever may be contained in any Technical Documentation supplied by Client; if not explicitly mentioned in the Offer, painting of the Supply shall be excluded from the Offer.

## **8. AMENDMENTS**

- 8.1 Save for what is otherwise provided for in these GTCS, each Party might request the other for an amendment to the Contract's terms and conditions; in case such a request is received by one Party, the Parties shall carry out their best endeavors to agree on the terms and conditions of such an amendment, which shall become effective after joint signature of a Change Order;
- 8.2 If the Parties cannot agree on the terms and conditions of the amendment within 15 (fifteen) days from the day a request is made (or another reasonable term agreed upon by the Parties), ADICOMP shall be authorized to proceed with the execution of the Contract according to the originals terms and conditions established in the Contract; if negotiations correlated to an amendment impede or hinder the execution of the Contract, an automatic extension to the Delivery Date shall be granted for the time correlated to such negotiations;
- 8.3 No amendment to the Contract shall be considered effective unless explicitly agreed upon in writing by both Parties through a Change Order;





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## 9. SUSPENSION AND TERMINATION

- 9.1 ADICOMP shall have the right to suspend the execution of its obligations under the Contract or terminate the Contract itself (totally or partially), at its sole discretion and without any associated liability whereas: a) Client violates its own obligations under the Contract; b) variations of any kind are made to Client's or End-User's name, constitution or commercial capacity; c) Client and/or End-User are having payment difficulties, even with third parties; suspension of ADICOMP's obligations under the Contract shall imply an automatic extension of the Delivery Date.
- 9.2 Client shall have the right to terminate the Contract whereas: a) ADICOMP becomes insolvent or files for a bankruptcy proceeding; b) ADICOMP repeatedly violates its own obligations under the Contract, provided that Client sends a 15 days' notice to ADICOMP detailing the nature of the repeated violation(s) and ADICOMP does not follow-up with any kind of remedial attempt, but in any case with the exclusion of obligations for which the Contract provides an exclusive remedy; in this instance ADICOMP shall receive payment for costs already sustained up to the point of termination, including the price for the Supply already completed (or portion of it).
- 9.3 In case of termination for any reason different from those listed at Article 11.2, ADICOMP shall be compensated for all costs and damages associated with such termination (including but not limited to cancellation charges under subcontracts, storage costs, the agreed unit price for the completed Supply or portion of, additional material and labor costs incurred including engineering activities, loss of revenues, loss of profit, etc.)

## 11. WARRANTY TERMS

- 11.1 ADICOMP guarantees that the Supply shall be free of defects in design, workmanships and materials to the extent necessary for the correct functionality of the Supply; such guarantee shall be given for 8000 (eight thousand) operating hours, but in any case not exceeding 12 months from the commissioning date of the Supply or 18 months after notification of readiness for shipment of the Supply (whichever occurs earlier);
- 11.2 In case of defects relevant under clause 13.1, Client shall notify ADICOMP within 5 (five) days from the day of discovery; within 7 (seven) days from the day of receipt of such notice (or another longer term according to what can be reasonably requested from ADICOMP but



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at its sole discretion), ADICOMP shall carry out all necessary activities for remedying to the notified defect.

11.3 Delivery terms of the new or repaired Supply (or portion of) shall be agreed upon by the Parties; lacking an explicit written agreement, delivery terms shall be the same of the Contract;

11.4 Guarantee on the new or repaired Supply (or portion of) shall be 6 months from the day of delivery of the same, but in any case not exceeding the final term mentioned at article 13.1;

11.5 ADICOMP's guarantee shall be excluded in the following instances: a) parts subjects to normal wear and tear, such as mechanical seals, bearings, wear rings, etc., b) defects in designs correlated to indications, documentation, drawings and/or design(s) supplied by Client or any other third-party (with the exclusion of ADICOMP's appointed sub-suppliers); c) violation of operative instructions, including but not limited to operative conditions different from those agreed upon, incorrect handling, incorrect use, incorrect installation, incorrect start-up and/or incorrect or faulty maintenance of the Supply; d) modifications or interventions on the Supply carried out by Client or any other party different from ADICOMP; e) deficiencies resulting from reasons outside ADICOMP's control; f) deficiencies which cannot be proved by Client to be attributable to ADICOMP's liability under this Article 13; g) violation of the deadline referenced to by Article 13.2;

11.6 Any other warranty or guarantee is explicitly excluded to the maximum extent permitted by Applicable Law;

## 12. CLAIMS

12.1 Notice of any claim over the quantity or the type of Supply must be notified in writing by the Client to ADICOMP within 15 (fifteen) days from the day of receipt of the Supply.



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- 12.2 Notice of any claim over the quality of the Supply must be notified in writing to ADICOMP within 15 days from the discovery of the defect and not later than thirty days after the day of receipt of the Supply.
- 12.3 ADICOMP's Quality Control Service will carefully verify the consistency of the claim and all goods found defective will be repaired or replaced in the shortest possible time.
- 12.4 No claim over the quality of the goods shall be taken in consideration if, in lack of payment of said Supply, the related payment term has already expired.
- 12.5 No claim over the quality of the goods will be taken into consideration if the goods have been tampered with, irrespectively of whoever carried out said tampering.
- 12.6 Any claim or dispute over a single/partial delivery of the Supply does not exonerate the Client from collecting the remaining goods in order and within the agreed terms.

### 13. INTELLECTUAL PROPERTY

- 13.1 The Parties agree that no infringement of any Intellectual Property shall result from the execution of the Contract; the Parties take it upon themselves to carry out all necessary efforts to avoid infringements to third-party Intellectual Properties;
- 13.2 Client hereby confirms and guarantee that, to the best of its present knowledge, no infringement of any third-party Intellectual Property shall arise from or in connection with the technical documentation provided to ADICOMP for the purpose of executing the Contract; Client shall give notice to ADICOMP of any possible violation of any third-party Intellectual Property; in case of possible violation(s), ADICOMP shall be allowed to suspend the execution of the Contract until all necessary rights have been obtained by Client;
- 13.3 ADICOMP hereby confirms and guarantee that it is the owner of all the relevant Intellectual Properties correlated to the Supply and/or that has all the necessary correlated rights to them; in case of third-party claims for infringements of Intellectual Properties that results in



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an actual infringement, and subject to ADICOMP receiving notice from Client, ADICOMP shall at its sole discretion: a) procure all necessary rights correlated to the Supply; b) modify the Supply in order to eliminate the infringement (without impairing its functionality); no liability or obligation shall be attributable to ADICOMP for infringements that are directly or indirectly correlated to Client's (or any other third party) activity or contribution, including Client's (or any other third party) drawings or other kind of Technical Documentation.

13.4 Any and all Intellectual Property belonging to or supplied by or developed by ADICOMP in the course of the execution of the Contract shall be vested into and remain to ADICOMP exclusively; ADICOMP hereby gives Client a non-exclusive, transferable, royalty free license to use the Intellectual Properties as necessary for the operation and maintenance of the Supply; this license to use shall not include the right to copy, manufacture or reproduce the Supply (or portions of it).

13.5 As the owner of all the relevant Intellectual Properties, and according to its sole discretion, during the execution of the Contract ADICOMP reserves the right to modify the engineering of the Supply as it shall become necessary or adequate, giving proper notice to Client and in any case without impairing the Supply's functionality.

#### 14. FORCE MAJEURE

14.1 ADICOMP shall not be considered in breach of its obligations under the Contract to the extent that it is prevented from complying by an event of force majeure as hereunder defined: a) act of God (such as, but not limited to, fires, explosions, earthquakes, drought, tidal waves and floods); b) war, hostilities (whether war be declared or not), invasion, act of foreign enemies, mobilization, c) requisition, embargo or Sanctions; d) rebellion, revolution, insurrection, or military or usurped power, or civil war; e) contamination by radio-activity from any nuclear fuel, or from any nuclear waste from the combustion of nuclear fuel, radioactive toxic explosive, or other hazardous properties of any explosive nuclear assembly or nuclear component of such assembly; f) riot, commotion, strikes, go slows, lock outs or disorder; g) acts or threats of terrorism; h) acts of the Client, the End-User or other causes beyond the reasonable control of Supplier. Payment obligations shall not be affected by Force Majeure events; in case of a Force Majeure event, the contract shall be considered suspended and ADICOMP shall be granted an automatic corresponding extension of the Delivery Date;



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- 14.2 If the Force Majeure event continues to produce its effects for more than 180 (one hundred and eighty) days, either Party shall be allowed to terminate the Contract, subject to a seven (7) days written notice; if the Force Majeure event is a Sanction event, ADICOMP shall be authorized to (a) in case of an offer, withdraw from and cancel the offer; (b) in case of a contract, suspend performance and/or terminate the contract immediately, in whole or in part, all in ADICOMP's sole and absolute discretion and without any liability of any kind towards the Client or any third party. As mean of example and with no limitation implied, Client expressly waives all right to any and all claims for: payment; reimbursement of prior payments made; indemnification or liability for any damages, costs, losses, expenses, or claims of any kind whatsoever, direct or indirect, including but not limited to damages due to loss of production, loss of profit, loss of use, loss of earnings; and any and all consequential, incidental, or indirect damages whatsoever; all regardless of the theory of liability and regardless of foreseeability. Further, Client shall indemnify and hold ADICOMP and its affiliates, directors and employees harmless from and against any such claims made by any third party including, but not limited to, the End-User.;
- 14.3 In case of termination due to a Force Majeure event, ADICOMP shall be compensated for costs already sustained up to the point of termination, including the price for the Supply already completed (or portion of it).

## 15. LIABILITY

- 15.1 Irrespectively of any other provision contained in the Contract, and to the maximum extent allowed by mandatory law, in no case whatsoever shall ADICOMP be liable for incidental, punitive, special, indirect, multiple or consequential damage(s) connected with or resulting from the Contract (including but not limited to loss of profit, loss of contracts or earnings, delay damages, interruption or loss of production, loss of use, loss of opportunity or business, loss of reputation);
- 15.2 Irrespectively of any other provision contained in the Contract, in no case whatsoever shall ADICOMP be liable for more than 100% (one hundred per cent) of the Price, including contractual liability, tort liability, and any and all kind of warranty liability;



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- 15.3 All of the above save that ADICOMP's liability arises from gross negligence or willful misconduct; by "gross negligence" the Parties mean reckless disregard of, or wanton indifference to, harmful and avoidable consequences (also taking into account that the burden of such a standard for ADICOMP shall not exceed the concept referred to by mandatory Italian law as "colpa grave"); by "willful misconduct" the Parties mean a conduct that is committed with the intentional will of damaging the other Party;
- 15.4 Irrespectively of any other provision contained in the Contract, in case the Parties have explicitly agreed in writing to Liquidated Damages, ADICOMP's liability correlated to the relevant event(s) shall be limited to the maximum amount of Liquidated Damages agreed upon; in any case no liability shall be attributable to ADICOMP for damages and/or Liquidated Damages claimed after the expiration of the Contract or after 90 (ninety) days from the last day of delivery of the Supply (whichever is earlier);
- 15.5 Lacking an explicit written agreement to the Contrary in a document prevailing on this GTCS according to Article 1.5, ADICOMP shall not be liable for direct or indirect damages attributable to delayed deliveries.
- 15.6 Client hereby warrants and guarantees that: a) Client and all its employees, agents and representatives are not in any way restricted or involved by any applicable economic, trade, or financial regulation enacted by the European Union, its member states, the United States of America or the United Nations; b) the Supply will not be used in violation of any regulation issued by the European Union nor will it be made available, directly or indirectly, to any third party prohibited or restricted by any applicable economic, trade, or financial regulation enacted by the European Union, its member states, the United States of America or the United Nations; Client shall indemnify ADICOMP and hold it harmless against any and all claims, proceedings, actions, fines, losses, damages, and costs (including but not limited to attorney fees) arising out of or in any way relating to this representation and warranty. Furthermore, in case of a violation of this representation and warranty, all of ADICOMP's warranty and, if any, guarantee and other obligations relating to the Supply are void and unenforceable. Client shall provide to ADICOMP all necessary information, as they might be requested by ADICOMP from time to time, regarding compliance with the representation and warranty set forth in this clause.



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## 16. APPLICABLE LAW

16.1 The Contract is construed, regulated and to be interpreted according to Italian law, with the explicit exclusion of the conflict of law rules.

## 17. DISPUTES RESOLUTION

17.1 Any litigation or dispute correlated to Contract shall be amicably solved. If an amicable solution cannot be reached, any litigation or dispute shall be definitively solved in front of the competent judicial authorities in Vicenza.

## 18. CONFIDENTIALITY

18.1 In case one Party disclose to the other Confidential Information, the receiving Party agrees to: a) use the Confidential Information for the sole purpose of executing the Contract; b) not disclose the Confidential information to any third party (save for what is necessary for the execution of the Contract); c) carry out all reasonable efforts to prevent the disclosure of the Confidential Information to any third party, including the stipulation of dedicated confidentiality agreements with all third parties that receive the Confidential Information due to the execution of the Contract;

## 19. EXPORT CERTIFICATES

19.1 Unless the Parties explicitly agree otherwise in writing, the Offer and the Price do not include the costs correlated to export license(s) or certification(s), installation license(s) or certification(s) and/or any other kind of certification or authorization necessary for selling and/or delivering the Supply in the Territory; if ADICOMP is burdened with any correlated costs, the same shall be reimbursed by Client;

19.2 If the sale of the Supply requires an export license or certification, an installation license or certification and/or any other kind of certification or authorization necessary for selling the



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Supply in the Territory, it shall be the Client's responsibility to submit an application to the competent authorities on behalf of ADICOMP. Client shall keep ADICOMP informed of the outcome of the application, giving sufficient proof and evidence of all necessary information correlated to the above mentioned certification or authorization, including its validity period.

## 20. MISCELLANEOUS

- 20.1 In case one or multiple clauses or provisions of the Contract is determined to be null, invalid and/or unenforceable, this finding shall not render any other clause or provision invalid; the Parties shall carry out their best endeavors to replace the invalid provision with one that reflects the Parties' original intent (if possible);
- 20.2 No Party shall assign, transfer or delegate any of its obligations under the Contract to a third party without the explicit written authorization of the other Party, save for the regular instances in which ADICOMP requires part of its work to be undertaken or supplied by sub-contractors or sub-suppliers.