

All the purchase orders forwarded by the Customer to Hydro Systems International NY and all the sale contracts between the Customer and Hydro Systems International NY will be governed by the following GENERAL CONDITIONS

**OF SALE:****1) ORDERS**

Each purchase order has to be forwarded to Hydro Systems International NY in written and duly signed by the Customer. Once received the purchase order by mail, e-mail or fax, Hydro Systems International NY reserves the right to confirm or not the said order, sending, in case of confirmation, to the Customer a Order Acknowledge (O/A), which has to be returned by the latter duly signed for acceptance within 3 (three) days from the receipt of the O/A. In lack of said O/A duly signed for acceptance, the order will not be performed by Hydro Systems International NY.

By signing and accepting the said pro-forma the Customer agree with this General Condition of Sales, which is submitted with any pro-forma.

**2) PRICES**

Prices are intended ex our facility Via Don Giacomo Grazioli, 53/A - 42122 Reggio Emilia (RE) ITALY, exclusive of tax. Any other consignment condition is valid only if agreed in writing by the parts. Increases of costs such as of labour, of raw material, of taxes or other, allow Hydro Systems International NY to vary correspondingly the prices of the materials that have not been delivered yet. However, if the Customer will return, duly signed, the O/A within the term of three days (see above condition n. 1), Hydro Systems International NY can not vary the prices.

**3) PAYMENTS**

The dates of expiry of payments specified on the invoice are peremptory.

Other dates are not accepted if not previously and expressly agreed in writing. Hydro Systems International NY reserves the right to interrupt or cancel any outstanding or scheduled order in the case that payments are not effected within the agreed terms.

All payments have to be addressed to Hydro Systems International NY domicile according to the terms indicated on the O/A or on the invoice.

**4) INTERESTS ON ARREARS**

In every case that the agreed terms of payment will not be respected Hydro Systems International NY will charge to the Customer on the outstanding amount interests in the measure of the Italian current bank rate increased by 3 (three) per cent points.

**5) PROPERTY RESERVE**

Goods supplied by Hydro Systems International NY will remain in its property till the Customer has paid the total amount of invoice, being the goods subject to property reserve.

**6) DELIVERY**

The goods are dispatched according to the delivery term EXW Via Don Giacomo Grazioli, 53/A - 42122 Reggio Emilia (RE) ITALY Incoterms 2010), unless differently specified onto the pro forma invoice duly signed by the Customer. The dates of delivery or dispatch specified onto the O/A will run starting from the return of the same O/A duly signed by the Customer according to clause n. 1 of the present General Conditions of Sale.

The said dates have only indicative value and are not restrictive for Hydro Systems International NY. Eventual delays do not allow for refunds for damages nor do they allow for the termination even in part of a contract. Hydro Systems International NY cannot be considered responsible for non or delayed delivery due to irregular supplies of motive-power and or necessary materials, for delays or difficulties in transportation, for damages on equipment, for production rejects, for accidents caused by the force of nature, for strikes, for lock-outs, for riots or for any other fortuitous event or of force major. No indemnity will be paid for deliveries that have not been effected within the agreed terms. The Customer will exonerate Hydro Systems International NY from any responsibility for delayed or non-delivery, total or partial, of the goods.

**7) TRANSPORT**

The goods travel always at risk and danger of the Customer, according to the delivery term EXW Via Don Giacomo Grazioli, 53/A - 42122 Reggio Emilia (RE) ITALY even if they are sold in CARRIAGE PREPAID, unless differently stated in writing by the parts.

Every despatch is effected on Customer's request and for his account. It is up to the Customer to complain to the carrier during the reception of the goods, when damages are verified.

To this aim, during the reception of the goods the Customer is requested to control the quantity and integrity of packages and goods. Any claim is to be addressed to the carrier noting the reservations on the delivery document. In fact, this is the only case that the carrier will answer for damages to the goods during the transport. In case of such claims the Customer is requested to promptly inform Hydro Systems International NY.

**8) COMPLAINTS**

Any complaint relating to packing, quantity, number or exterior features of the Products (apparent defects), must be notified to Hydro Systems International NY, by registered letter with return receipt, within eight days from the receipt of the Products; failing such notification the Purchaser's right to claim the above defects will be forfeited. Any complaint relating to defects which cannot be discovered on the basis of a careful inspection upon receipt (hidden defects) shall be notified to Hydro Systems International NY, by registered letter with return receipt, within eight days from discovery of the defects and in any case not later than 12 months from delivery; failing such notification the Purchaser's right to claim the above defects will be forfeited.

It is agreed that any complaints or objections do not entitle the Customer to suspend or to delay payment of the Products as well as payment of any other supplies.

**9) RETURN OF GOODS**

Every return of goods needs previously the written authorisation of Hydro Systems International NY. The returning goods must be dispatched in CARRIAGE PREPAID.

**10) WARRANTY FOR DEFECTS**

In case of defects, lack of quality or non-conformity of the Products, Hydro Systems International NY will only repair or replace the defective Products.

The above mentioned guarantee does not apply in case of improper use, inadequate maintenance, incorrect installation, transport damage, use of cartridges other than genuine Hydro Systems International NY. The Customer and/or the installer therefore must carefully follow the Installation and Maintenance Indications indicated in the Instruction Manual provided with the Products or follow the Installation and Maintenance Indications as provided in separate documentation.

The above mentioned guarantee is in lieu of any other legal guarantee or liability with the exclusion of any other Hydro System International NY's liability (whether contractual or non- contractual) which may anyhow arise out of or in relation with the Products supplied (e.g. compensation of damages, loss of profit, recall campaign, etc.).

**11) PACKAGING**

Every item is dispatched into its proper package. Packaging characteristics will be exclusive right of Hydro Systems International NY

**12) TECHNICAL CHARACTERISTICS**

Hydro Systems International NY reserves the liberty to make, at any time and without previous notice, technical and aesthetic modifications to all items of his production. All models may be modified or cancelled at any time.

**13) IDENTIFICATION DATA OF THE CUSTOMER**

The Customer is responsible for his own identification data, that are: name of his Company, residence and fiscal domicile, head office, identification number and every other information requested by the laws in force.

**14) APPLICABLE LAW AND SETTLEMENT OF DISPUTES**

This Contract shall be governed by CISG (United Nations Convention on Contracts for the International Sale of Goods, Vienna 1980). Any legal issues that are not covered by CISG shall be governed by the choice of law of Italy. Any and all disputes between Hydro Systems International NY and the Customer arising from the Contract shall be adjudicated by Arbitration at the Milan Chamber of Commerce, Italy. Furthermore, Hydro-Systems International NY and the Customer further agree that Arbitration at the Milan Chamber of commerce, Italy shall be the exclusive forum and venue for adjudicating all disputes between Hydro-Systems International NY and the Customer arising from the Contract.

**15) MISCELLANEOUS**

Hydro Systems International NY reserves the right to modify, at its own discretion, the present General Conditions of Sale. The eventual modifications will be applied only in relation to the purchase order or the sale contracts successive to the date of the notice by which Hydro Systems International NY will inform the Customer about the above mentioned modifications.