

AIR COOLERS - AIR COOLED CONDENSERS - DRY COOLERS

GENERAL SALES CONDITIONS

1. Scope

The present General Sales Conditions, except for any derogation and modification expressly agreed upon in writing, shall regulate all present and future sale and purchase agreements between REFTECO Srl and the client (as defined in the order) of the goods indicated in each order. Any general sales conditions of the Client shall not apply.

2. Orders and Order cancellation

The orders shall be considered binding for the Client, whereas for REFTECO Srl they will only be considered binding if confirmed in writing. If REFTECO's order confirmation contains any partial modification or addition, or is, in any case, different from the order, the contract shall be considered entered unless the Client disagrees within 8 (eight) days of receipt of the order confirmation.

The Client shall not be entitled to cancel confirmed orders without REFTECO Srl's written consent. The above consent shall be subject to the reimbursement of all the damages caused by such cancellation.

3. Prices, Taxes and Terms of payment

Prices refer to goods delivered ex-works according to the meaning of Incoterms 2000. Different conditions may be indicated in the order confirmation. Taxes, VAT, legal stamp duties, etc., shall be paid by the Client. Methods of payment are determined with regards to each individual order and indicated in the order confirmation.

All payments shall be made at the office of REFTECO Srl. Invoices which have not been contested by registered letter within 8 (eight) days of their having been received by the Client, shall be considered definitively accepted. The possible use of promissory notes, cheques or the authorization to draw drafts covering the agreed price, shall never be considered as novation of the original credit, nor shall it cancel any "retention of title" agreement, nor any territorial competence; the price will still have to be paid at the offices of REFTECO Srl.

Interest charges, discount and cashing expenses shall be borne by the Client, unless differently agreed. Should payment be delayed, interest rates as officially quoted by the Bank of Italy increased by 3 points shall be payable starting from the date when payment was first due, with no need for any intimation to pay.

Should the Client fail to comply with the term of payment of any other contractual term, REFTECO Srl shall have the right to suspend or delay the performance of its contractual obligations or to terminate the contract by giving written notice thereof, as well as the right to claim damages.

4. Delivery

The goods ordered shall be delivered directly to the Client or to carriers, forwarding agents or representatives indicated by him. The delivery date shown on the order confirmation is merely indicative and shall not be binding for REFTECO Srl. Partial deliveries shall always be allowed; delivery is deemed, to all effects, ex-factory REFTECO upon written notice that the goods are ready, even when the delivery is effected by REFTECO which shall, in this case, simply act as mandatory of the Client.

5. Guarantee

REFTECO Srl guarantees that its units are manufactured in accordance with the rules of the most advanced technology using top quality raw materials and that the products supplied correspond with what expressly agreed between the parties. For a period of 24 months starting from the date of delivery, REFTECO Srl warrants to the Client that the product is free from any defect which makes it unfit for use, it being however understood minor defects shall not be relevant to the extent that they do not affect the operation of the product. During the guarantee period REFTECO Srl shall at its own free discretion, either replace or fix the product or the defaulted components.

The part in question shall be supplied ex-factory REFTECO; forwarding charges and assembly expenses shall be entirely borne by the Client. Replaced parts shall remain the property of REFTECO Srl and the Client shall have to return them at its own expense.

The warranty under this article shall not apply to defaults due to:

- a) not compliance with REFTECO's instructions as to the installation or initial operation, use, care and maintenance of the product,
- b) the shipment of the product and in any case in the event that at the time of the delivery the Client has not made reserve for damages,
- c) misuse of the product,
- d) the product being fixed or modified by the Client or other third people outside the scope of REFTECO's instructions,

The guarantee shall not cover the cost of labor in replacing the products nor their transport, but only the parts actually replaced. The presence or use of corrosive fluids or aggressive atmosphere shall render this guarantee invalid.

The guarantee here above excludes any other guarantee or remedy, express or implicit, and does not entitle to any further indemnity or damage, whatever its nature and by whoever claimed. Upon the expiry of the guarantee period, no further request can be made to REFTECO Srl.

In order to be covered by this warranty, the Client shall have to notify to REFTECO Srl within 15 (fifteen) days of delivery (in case of obvious defects) or within 15 (fifteen) days of discovery (in case of latent defects).

The fact that requests or claims based on the guarantee have been put forward, shall not entitle the Client to delay or suspend the payment of the consideration for the products supplied, not even partially.

6. Manufacturer's liability

As the characteristics of the products are concerned, REFTECO Srl operates in accordance with the technical rules and laws in force in Italy, the Client shall bear the risk of any difference between the Italian provisions and the provisions of the country of destination of the products, thus holding REFTECO Srl blameless.

REFTECO Srl shall be liable, within the limits provided for by Italian mandatory rules, for damages to both persons and property caused by the products sold. REFTECO Srl shall never be deemed for indirect or consequential damages, loss of production or lack of profit.

7. Force majeure

If REFTECO Srl is unable to effect (in toto or in part) the delivery of the products due to events of force majeure, it shall forthwith give notice thereof to the Client; the delivery will therefore be suspended, within the limits of the impediment caused by the above events, for the entire period during which the force majeure in question prevails.

If the force majeure prevails for a continuous period in excess of 45 (forty-five) days, REFTECO shall be entitled to terminate the contract, by returning to the Client the amount anticipated; in this case the Client shall not be entitled to damages. "Force majeure" means, any circumstances beyond the reasonable control of REFTECO Srl, including without limitation, any act of God, strike, lockout, freight embargo, war, fire, government or administrative regulations or actions.

8. Retention of title

Until the Client actually pays for the goods in cash, the units or parts supplied shall remain the property of REFTECO Srl and the latter shall be entitled to claim them back wherever they may be. During this period, the Client shall act as a depositary of the units supplied, thus undertaking all the liabilities connected therewith, and shall look after them and insure them against damage, destruction, theft, fire, loss, etc..

The Client shall be obliged to take all necessary steps in order to create, in the country where the products are located, a valid Retention of title in the most extensive form permitted, or to create a similar form of guarantee in favor of REFTECO Srl.

9. Proper law

All the sale contracts between the parties and the present General Sales Conditions, as well as the settlement of possible disputes arising therefrom, shall be governed by the Italian law.

10. Jurisdiction

Any dispute arising from the contract, even if it involves foreign citizens or if it relates to goods supplied abroad, shall be submitted to the exclusive jurisdiction of the court of Verona, Italy. It is however agreed that REFTECO Srl shall also have the right to bring legal actions against the Client before the Court of the place where the latter has its offices or where goods have been received. To the extent required and allowed, the Client hereby expressly waives his right to submit any dispute arising in connection herewith to any other jurisdiction.