

BADINOTTI

GENERAL CONTRACT CONDITIONS

1. General Provisions.

1.1 The following General Contract Conditions (hereinafter, the “**General Conditions**”) shall rule all and every agreement signed and/or in any way entered into (hereinafter, the “**Contract**”) by and between Badinotti (as hereinafter defined) and the Client (as hereinafter defined).

1.2 Should the Contract be an agreement for sale and purchase of Products (as hereinafter defined) only, then the part of these General Conditions ruling the sale and purchase agreement shall apply; should the Contract be an agreement also providing that Badinotti shall perform the installation of the Products as well, then also those clauses of these General Conditions ruling the installation of the Products shall apply.

1.3 Words importing singular or one gender shall include plural or the other gender where the context requires.

1.4 The documents forming the Contract are to be taken as mutually explanatory of one another. If an ambiguity or discrepancy is found in the documents forming the Contract, Badinotti shall issue any necessary clarification to the Client, upon specific request by the latter. In case of conflict between any of the provisions of the General Conditions and the Order Form (as hereinafter defined), the Order Form will prevail.

2. Definitions.

2.1 “**Badinotti**” means:

- Badinotti Slovakia s.r.o. with its registered office in Sladkovicova, 2 – 81106 Bratislava (Slovakia); or
- Badinotti Marine Equipment (Bameq) S.r.l. with registered office in Viale Ortles 5 – 20139 Milano (Italy); or
- Badinotti Group S.p.A. with registered office in Viale Ortles 5 – 20139 Milano (Italy); or
- any other company or legal entity controlled by, controlling or under common control of Badinotti Group S.p.A.

in any case the company from time to time accepting the proposal contained in Order Form.

2.2 “**Client**” means the company and/or the person and/or the entity so indicated in the Order Form.

2.3 “**Commencement Day**” means the day when the Works (as hereinafter defined) by Badinotti will start.

2.4 “**Contract**” means the General Conditions and the Order Form with its attachments (if any) and any other document containing additional specifications to the Order Form and/or from which obligations to the parties shall arise.

2.5 “**Delivery Date**” means the date specified in the Order Form in which the Products shall be delivered.

2.6 “**Order Form**” means the order delivered by the Client to Badinotti, and accepted by Badinotti, specifying the Products to be furnished and/or the Works to be performed.

2.7 “**Party**” means Badinotti or the Client.

2.8 “**Products**” means the items and or products specified in the Order Form and ordered by the Client.

2.9 “**Site**” means the place where the Products are to be delivered, in the case the obligation to deliver the Products on site is taken by Badinotti, and where the Works are to be performed, in the case the obligation to perform the Works is taken by Badinotti as indicated in the Order Form.

2.10 “**Technical Information**” means all the technical specifications, data and certifications, the disclaimer of the Products and any other technical information concerning the Products, and/or the Works issued by Badinotti, contained in the documentation issued by Badinotti and handed over the Client and/or attached to the Order Form and/or contained therein.

2.11 “**Variations**” means any variations to the Order Form the Parties may agree, including the relevant conditions, after its delivery.

2.12 “**Works**” means the works to be performed by Badinotti (if any) as described in the Order Form.

3. Compliance with laws.

The Parties shall comply with the mandatory laws of the country where the Site is located and with the mandatory laws of the countries where the Parties’ registered office are.

4. Client’s obligations.

4.1 The Client shall propose the Site to Badinotti and provide free right of access thereto at the times stated in the Order Form and/or anyway required by Badinotti. The Client shall also take care of the Products and of any of the Badinotti equipments, for the time Badinotti is working in the Site.

4.2 The Client shall, if requested by Badinotti, assist him for free in applying for permits, licences or approvals which are required for the delivery of the Products and/or the Works.

Badinotti shall behave so to comply with all reasonable instructions given by the Client in compliance with the delivery of the Products and/or the Works as stated in the Contract.

4.3 One of the Client's representative or a firm appointed by the Client (hereinafter, the "**Authorised Person**") shall be the only one having authority to act for and on behalf of the Client itself. Such Authorised Person shall be indicated in the Order Form or in any other document notified by the Client to Badinotti with appropriate notice, along with the indication of the delegated duties and authority of the Authorised Person. Should such indication fail, then the Authorised Person shall be the one who has signed the Contract for or on behalf of the Client.

5. Badinotti's obligations.

5.1 Badinotti shall deliver the Products and/or carry out the Works properly and in accordance with the Contract. Badinotti shall provide all supervision, labour, materials, plant and equipment which may be required as provided in the Order Form. All materials and plant on Site shall be deemed to be the property of Badinotti.

5.2 Badinotti may submit to the Client from time to time the name and particulars of the person authorised to receive instructions on behalf of Badinotti.

5.3 Badinotti may subcontract in part or the whole of the Works without the consent of the Client.

5.4 Badinotti shall carry out the designs for the implementation of the Works to the extent specified in the Order Form and may submit to the Client all designs prepared by it (hereinafter, the "**Designs**"). In that case within 14 (fourteen) days of receipt the Client shall notify any comments, or should the Designs be not in accordance with the Order Form, may address to Badinotti a formal non-compliance note stating the reasons. The parties will meet and jointly review Designs that have been the subject of the non-compliance note and may agree which of the Designs and how it is (or they are) to be amended and resubmitted. Badinotti shall resubmit the Designs commented on taking these comments into account as Badinotti may consider advisable in its own reasonable judgement. The Client shall be responsible for the specification and drawings.

6. The Works.

6.1 Should Badinotti have the obligation to perform the Works according to the Order Form, it will commence the Works on the Commencement Date and shall proceed expeditiously and without delay and use its best efforts to complete the Works within the time for completion as indicated in the Order Form.

6.2 Badinotti may submit to the Client a programme or the Works in the form stated in the Order Form. If Badinotti fails to complete the Works due to its own negligence, within

the time for completion indicated in the Order Form, unless differently provided for by mandatory provision of the applicable laws pursuant to article 13 below, Badinotti's only maximum liability to the Client for such failure shall be to pay the amount which is lower between (i) the penalty amount that might be stated in the Order Form or (ii) the amount equal to the amount already paid according to the Contract; in any case with the exclusion of any other right to direct, indirect or consequential damages.

6.3 Badinotti will notify the Client when it considers that the Works have been completed.

7. The Products.

7.1 Badinotti's liability shall be limited to defects, which appear within a period of 1 (one) year from the Delivery Date and provided they are communicated in due form within 15 (fifteen) days from the date they are – or should have been - discovered by the Client.

7.2 Warranty conditions enter into force only if the Client's payments have been completely done and only if the Client has carefully double checked the equipment specifications and production details upon delivery of the Products or upon completion of the Works. Where differences are detected from the description and/or specifications contained in the Order Form, the Client must immediately notify Badinotti.

7.3 Badinotti anyway shall not be responsible for defects due to, or arising out of, or caused by:

- material provided by the Client or design furnished or specified by the Client;
- conditions of operation deviating from proper use of the Products;
- faulty and/or improper maintenance;
- lack of a preliminary inspection of the Products by the Client subsequent to the delivery;
- alteration undertaken without Badinotti's prior written consent;
- repair by the Client without Badinotti's prior written consent;
- normal wear and tear.

7.5 The Client acknowledges it has duly examined and accepted all the Technical Information as specified in the Contract.

7.6 All the singular components as net, ropes and other ancillary equipment are covered by the warranties issued by each producer.

8. Variations.

8.1 The Client may ask Badinotti to implement Variations.

8.2 Variations shall be valued as follows:

- a) at price agreed between the Parties, or

- b) where appropriate, at rates in the Order form, or
- c) in the absence of appropriate rates, the rates in the Contract shall be used as the basis for valuation.

9. Payments.

9.1 Payments shall be done according to the schedule and in the currency stated in the Order Form. Failing said currency specification, all payments shall be done in euro and upon delivery of the Products and/or completion of the Works.

9.2 If the Client fails to pay in accordance with the Contract, or it is, despite a written complaint, in breach of the Contract, Badinotti may give notice and state its default. If the Client's default is not cured within 7 (seven) days after the Client's receipt of the above written notice by Badinotti, Badinotti may suspend all or parts of the Works.

9.3 If the Client's default is not cured within 15 (fifteen) days after the Badinotti's notice provided for by article 9.2 above, Badinotti may, by a second notice, terminate the Contract. Badinotti shall then demobilise from the Site at Client's costs.

10, Other Defaults.

Without prejudice of what is provided for by article 9 above, if any of the Parties has not taken all practicable steps to cure a material default within 30 (thirty) days after the receipt of the other Party's notice, the non-defaulting Party may, by a second notice, terminate the Contract. Badinotti shall then demobilise from the Site.

11. Insurance.

11.1 Badinotti or the Client, depending on what is indicated in the Order form, shall, prior to commencing the Works, effect and thereafter maintain insurances in the joint names of the Parties.

- a) for loss and damage to the Works, materials, plant and the Badinotti's equipment,
- b) for liability of both Parties for loss, damage, death or injury to third parties or their property arising out of the Badinotti 's performance of the Contract, including Badinotti's liability for damage to the Client 's property other than the Works, and
- c) for liability of both Parties and of any Client's and Badinotti's representative for death or injury to the Badinotti's personnel.

11.2 Should the indication mentioned in article 11.1. above fail, then the insurance described herein shall be the Client's responsibility.

12. Maximum Badinotti Liability.

Without prejudice to the provision of articles (6) and (7) above, and unless differently provided for by mandatory laws applicable to the Contract pursuant to article 13 below, the maximum total liability of Badinotti towards the Client as a consequence of breaches to the Contract, defects of the Products and/or damage, death or injury to third parties will not exceed the amount actually paid by the Client to Badinotti.

13. Applicable Law.

The applicable laws of Contract are the laws of Italy, irrespective of the country where the Badinotti legal entity indicated in the Order Form as the one that will supply the Products and/or carry on the Works has its registered office, with the exclusion of conflicts of laws provisions and the Vienna Convention on international sales.

14. Resolution of Disputes - Arbitration.

Any dispute arising out of or related to the Contract shall be settled by arbitration under the rules of the Milan Chamber of Arbitration (Milan – Italy), by three arbitrators, appointed in accordance with the rules of said Chamber.

15. Data Protection.

The Client hereby authorises Badinotti to use all data and information disclosed by the Client for the purposes of complying with and performing all the obligations as described in the Contract, including personal data of its employees, agents and consultants, and warrants that all the relevant permissions from the persons concerned have been properly obtained.

16. Confidentiality.

16.1 Each of the Parties may disclose to the other from time to time confidential information.

16.2 The Parties, for the time the Contract is in force and for a period of five years thereafter, independently by any cause for termination, will treat and process such and/or any confidential information of the other Party as if they were their own confidential information and will not, either directly or indirectly, use them with, or disclose to, third parties and will not make any use other than the one for which they have been disclosed, unless they became publicly available.

17. Intellectual Property.

17.1 The Client acknowledges that Badinotti is the exclusive owner of the Badinotti trademark and any goodwill associated thereto, as well as any other intellectual property rights of Badinotti or its affiliates.

17.2 The Client will not file, register, use (or attempt to) directly or indirectly the Badinotti trademark, or trademarks confusingly similar to it, nor any patent or other IP right based on or derived from Badinotti IP nor it shall trade or domain names in any way similar to Badinotti.

18. Force majeure.

18.1 Should any Party, due to the occurrence of a force majeure event be prevented to partially or entirely perform some of its obligations arising from the Contract, the time to perform such obligation(s) shall be extended for the duration of the force majeure event, except of the subsequent performance, in a reasonable business judgment, loses the purpose or its economic justification.

18.2 Force majeure for the purposes of the Contract are natural disasters (drought, hail), fire, explosions, floods, earthquakes, general disasters, political risks such as war, occupation, civil riots, strike and actions of government that influence the performance of the Contract entirely or in part, and all other events that cannot be remedied, and that were unforeseeable at the time this Contract was being entered into.