

General conditions of sale

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1 General Information

1.1 The following General Conditions of Sale (hereafter, briefly, “**General Conditions**”) shall be deemed accepted by the Purchaser when the latter submits its order (“**the Order**”) or when the

Purchaser and Ronda Engineering S.r.l. enter into a sales agreement. (hereafter, “**the Agreement**”).

1.2 The general conditions of the Purchaser or any deviations thereof from these General Conditions, require, for their validity, the express written acceptance by Ronda Engineering S.r.l.; differently, in case of conflict between the General Conditions of the Purchaser and those of Ronda Engineering S.r.l., the latter shall prevail.

1.3 In case of conflict between the provisions of these General Conditions and the provisions of the Order Confirmation (or of the Agreement), the provisions of the Order Confirmation (or of the Agreement) shall prevail. Any derogation and/or amendment and/or integration of these General Conditions shall be valid and legally binding only if included in a written agreement executed by both Parties.

1.4 Unless otherwise agreed, the “Conditions for the test of the plant” under point 10.1 below shall be deemed agreed, while, for the assembly works the fees established under the UCIMU official charts shall be applied.

1.5 The Purchaser shall not assign its rights under this agreement to any third party without the prior written consent by Ronda Engineering S.r.l..

2 Delivery of the Product

2.1 The supply of the Product and the services provided by Ronda Engineering S.r.l. are finally listed in the Order Confirmation (or in the Agreement executed by and between the Parties) including any annexes thereto.

2.2 Partial deliveries of the Product according to the dates established under the Order Confirmation are allowed.

2.3 Ronda Engineering S.r.l. is entitled to make any modification which may lead to an improvement of the Product, as long as such modification do not imply any reduction of the performance or price any price increase.

3 Drawings, data and technical documentation

3.1 Any information or data on the features and/or technical specifications of the Product (e.g. Rated weights and sizes) included in any technical document, drawings, brochures, catalogues and the like shall be binding only to the extent that reference is made to said data in the documents under point 2.1.

3.2 The Purchaser shall be responsible, on an exclusive basis, for ensuring that, at the installation site, the requirements for the installation of the Product are met; the Purchaser guarantees that the civil works on which the installation shall be performed comply with the design specifications. The drawings prepared by Ronda Engineering S.r.l shall be checked by

the Purchaser on site.

4 Legislation of the Country of adoption - protection equipment

4.1 The Product, together with its accessories, sold by Ronda Engineering S.r.l. complies with the EU legislation.

4.2 In case of sales towards any Extra EU countries, the Purchaser shall notify to Ronda Engineering S.r.l. in writing, upon submission of the Order (or before executing the Sales agreement, if any), any conflicting provision and legislation in force in his Country. Ronda Engineering S.r.l. undertakes to cooperate in good faith for making any modification which was timely notified, as long as they comply with the functional and H&S features of the Plant. In any case, such modification shall be made at the exclusive cost and risk of the Purchaser.

5 Prices

5.1 Unless differently agreed in the Order Confirmation and in the Agreement, all the prices applied by Ronda Engineering S.r.l. shall be expressed in Euro (net of VAT), with ex-works delivery, do not include any cost for the packaging and assembly of the Product, nor any further ancillary cost of any nature which may be borne by the Purchaser.

5.2 Any deduction or cost concerning any letter of credit, banking guarantees, collections, trading of notes, etc. shall be borne by the Purchaser.

5.3 The Purchaser shall refund to Ronda Engineering S.r.l., subject to provision of their relevant supporting documents, any ancillary cost which may be incurred by Ronda Engineering S.r.l. (by way of non-limiting example, packing, insurance, freight costs, custom duties applied in the Country of the Seller or of the Purchaser, etc.).

6 Terms of payment

6.1 The price, the payment terms and method are specified in the Order Confirmation (or in the Agreement executed by the Parties). The Payment terms shall be complied with also in the case where non-essential parts of the supplies are missing or in the case where any repairs, which do not imply that the use of the Plant is impossible or dangerous, are required.

6.2 In the case where the Purchaser fails to pay the price within the agreed deadlines, Ronda Engineering S.r.l. shall have the right to receive the interests on arrears at the rate established by ECB, increased by 5%, in addition to any damages and any cost incurred for the collection of the credit. Ronda Engineering S.r.l. is furthermore entitled to suspend the performance of its obligations up to the full settlement of any pending payment; therefore, in case of any delayed payment, the supply shall stop, regardless of its status. The default of the Purchaser shall start automatically after 30 days of the invoice date, even without any formal notice.

6.4 In case of significant deterioration of the economic standing of the Purchaser, or in case of liquidation, insolvency, activation of bankruptcy procedures concerning the Purchaser, Ronda Engineering S.r.l. shall be entitled to claim the early payment of the full amount or part thereof, to request the issue of a guarantee or to terminate the agreement.

7 Retention of title

7.1 The property rights to the Product shall be transferred to the Purchaser only upon full payment of the purchase price, being it acknowledged that Ronda Engineering S.r.l. shall retain the title thereto until such moment. The Purchaser undertakes cooperate with Ronda Engineering S.r.l in the case where any measure for protecting the title may be required before the full payment of the price.

8 Transfer of risk, insurance, acceptance

8.1 Without prejudice for the provisions of point 7.1 (Retention of title), the risk shall be transferred to the Purchaser when the notice that the Product divided in multiple packages is ready for shipment (“**Notice of goods ready for shipment**”) is delivered and, in the case where said notice is not given, at the latest upon the hand-over of the packages in which the Products are divided to the freighter or the other entity appointed by one of the Parties (including the employees or the collaborators of the Purchaser). This will apply also if the shipment is delayed following a request by the Purchaser or due to other Force Majeure reasons for which Ronda Engineering S.r.l. cannot be held liable.

8.2 The delivered items shall be accepted by the Purchaser without prejudice for any statutory rights or any right established under this agreement. Following the arrival to the destination, the Purchaser is obliged to check the packaging and to notify in writing to Ronda Engineering S.r.l. Any defect which may be immediately assessed on or before 3 days of the delivery. Differently, the delivery shall be deemed accepted as regards both its conditions and its completeness.

8.3 In the case where the packaging is found damaged, the Purchaser shall adopt any measure required to avoid any further damage to the product and/or to limit the damages already occurred.

9 Delivery term - Elements to be provided by the Purchaser - Force Majeure

9.1 Unless differently provided in the Order Confirmation or in the Agreement, following the delivery of the Notice of goods ready for shipment, and within 10 days thereof, it is possible to carry out the pre-trials and the Purchase shall pay the amount stated in the last Progress Report, as well as to give instructions for the shipping of the Plant which will be delivered ex-works.

9.2. The delivery terms established in the Order Confirmation or in the Sales agreement shall

not be effective until the Purchaser delivers to Ronda Engineering S.r.l. all the permits, authorisations and licenses required for performing the contract, with special regards to the assembly.

9.3 Ronda Engineering S.r.l. Shall not be held liable for any failed supply, in full or in part, or for any delayed supply of the Product, in the case where said default or delay are due to force majeure events or any other reason beyond its control. Force majeure shall mean, by way of non-limiting example, natural catastrophes, wars, government orders, incidents, fires, general strikes, embargoes, etc. The relevant obligation is deemed suspended until the removal of the hindrance without any right of the Purchaser to claim compensation for the damages.

9.4 In the event of a delayed delivery, the Purchaser shall be entitled to claim an amount equal to 0.05% of the sale price for each week of delay up to a maximum of 5% of the sale price as compensation for any damages incurred. The Order Confirmation or the Sales agreement may establish further specific arrangements.

9.5 In case of delays in the delivery which cannot be charged to Ronda Engineering S.r.l., the latter company is entitled to store the Product at the expense of the Purchaser and/or to charge to the latter any additional cost incurred for that reason (for example due to the change of the schedule, for any overtime work, etc.), without prejudice for the right to any further damages.

9.6 The provisions of the previous paragraph shall apply also in the case where the pre-trials or the shipping were delayed due to any reason attributable to the Purchaser.

9.7 If, during the construction of the Plant by Ronda Engineering S.r.l. the Purchaser fails to provide the elements which it is obliged to deliver (building works, etc.) or the required quality or quantity of processing equipment, Ronda Engineering S.r.l. shall be entitled to charge the Purchaser with the additional costs incurred for correcting said default, without prejudice for the right to claim in any case the payment of the price of the Product.

10 Pre-trials, Final Trial, Check and Authorisation to use the Plant

10.1 In the absence of a different and prevailing arrangement established in the documents under point 1.1, a Pre-trial of the Product is performed at the premises of Ronda Engineering S.r.l.; said trial is carried out, subject to previous agreement with the Purchaser, on or before 10 days of the Notice of goods ready for shipment. It is a Pre-trial of the mechanical and thermal operation of the plant without any biomass loaded. The Pre-trial, as the Final Trial, is performed according to the "Conditions for performing the trial of the plant" issued by Ronda Engineering S.r.l. and shall end when the specific report is drafted.

10.2 Following the positive outcome of the Pre-trial, the Plant is shipped in multiple packages. Once the assembly of the Plant is completed at the site identified by the Purchaser, the Final Trial consisting in the production of the first kW of energy shall be performed on site. In case of minor defects, above all when these do not significantly compromise the efficiency of the

performance of the Product, the Purchaser shall not refuse the acceptance and the execution of the trial report (including any Pre-trial report). In any case, Ronda Engineering S.r.l. shall promptly remove such defects. The Purchaser shall report to Ronda Engineering S.r.l. in writing, within 15 days from their occurrence, under penalty of lapse of the warranty, any latent defect which was not assessed and couldn't be assessed during the trial. The warranty shall cover all the mechanical components, and shall not apply in case of deterioration of the plant due to mere wear/consumption.

10.3 In the case where a defect arises, the Purchaser allows to Ronda Engineering S.r.l. to inspect the Plant and to carry out the relevant repairs.

10.4 The Purchaser undertakes to not use the Plant for production without the written consent of Ronda Engineering S.r.l. and/or before the execution of the trial report.

11 Warranty, liability for defects

11.1 Without prejudice for the limitations, exclusions and reserves established in the following points and within the performance thresholds described in the technical sheets concerning the sold Product, the warranty term is 24 months or 15,000 hours of operation.

The warranty term shall start from the Final Trial or, at the latest, three months of the delivery by Ronda Engineering, provided that the faults of the Product are timely reported, by means of registered letter with acknowledgement of receipt, within 15 days of the day of their assessment.

In this case, Ronda Engineering S.r.l. shall carry out, at its own discretion, the replacement or repairs of the components of the supply which resulted to be defective due to faults of the materials or of the construction/assembly of the Product which can be proven, by sending to the site its specialists.

Ronda Engineering S.r.l. may request, at the expense of the Purchaser, the return of the defective components, which will become its property.

As regards the replaced or repaired parts, the warranty term shall start again and shall be 12 months of the replacement, the completion of the repairs or the trial or not beyond the end of the warranty term for the supplies and services.

11.2 It is hereby acknowledged that the obligations undertaken by Ronda Engineering S.r.l. under the provisions of paragraph 11.1 shall prevail on and replace any other warranty or liability, either contractual or non-contractual, established as regards to the Product under the Law. Namely, it is excluded, without prejudice for the case of fraud or serious negligence, any liability of Ronda Engineering S.r.l., for any further damage, both direct and indirect, which may arise due to the faults and/or non-compliance of the Plant (by way of non-limiting example: loss of production, loss of profits, speculative damages, loss of orders, failed performance or damage claims from third parties). Such relief from further liability shall apply also in case of wilful misconduct or serious negligence by the auxiliary staff, unless it is deemed a breach of

any obligations established under the public order legislation.

11.3 In any case, the Purchaser and its assignees shall not take action for claiming a compensation whose overall value exceeds the value of the defective parts of the Plant.

11.4 The warranty shall lapse immediately if the Purchaser uses the Plant in an inappropriate manner, modifies it, carries out any inappropriate repairs, does not use original spare parts sourced from Ronda Engineering S.r.l. during the warranty term or does not allow Ronda Engineering S.r.l. to remove the assessed defect. Furthermore, the Purchase must adopt any measure to avoid any further extension of the damage pursuant to art. 1227 Italian Civil Code.

11.5 The warranty and liability shall be expressly excluded for any damages arising from the commissioning of the Plant by any entity other than Ronda Engineering, or if the Plant is assembled by assemblers who were not expressly authorised by Ronda Engineering S.r.l. (or without the coordination of the latter). Also the liability for damages when the Plan is used for production without the consent from Ronda Engineering or before the Final Trial is hereby excluded. The exclusions established in this paragraph shall apply also to any faults and defects which were not caused by poor quality materials or any construction defect for which Ronda Engineering S.r.l. is liable. (For example due to natural wear, lack of maintenance, failure to comply with the use instructions and the safety provisions, overload, unsuitable equipment, chemical or electrolyte influence, construction or assembly works not carried out by Ronda Engineering S.r.l. or its subcontractors, as well as for any other reason for Ronda Engineering S.r.l. is not liable).

11.6 The suitability for a specific purpose or the promise of a particular performance shall be effective only if guaranteed by a contractual representation which must be express and direct. Said guarantee implies that the Plant is used in an appropriate manner and that all the agreed operation parameters are complied with. If the Final Trial under point 10 returned a positive result, the proof of suitability for a specific purpose or the promise of a particular performance are deemed finally met. If the guaranteed specifications are not met, in full or in part, upon the trial of the Plant, the Purchaser shall be only entitled to require that Ronda Engineering S.r.l. corrects such fault within an appropriate time. For this purpose, the Purchaser shall grant to Ronda Engineering S.r.l. the time required for the repairs. In case of not total or partial failure of said improvement, the Purchaser shall be entitled only to an appropriate reduction of the price.

11.7 Any claim or complaint shall not grant to the Purchaser the right to withhold the due payments, being it expressly agreed that Ronda Engineering S.r.l. Is granted the right under art. 1462 c.c..

- **Confidentiality**

12.1 Any corporate or trade secrets of Ronda Engineering S.r.l. and/or any other confidential information disclosed to the Purchaser or, more generally, which the latter became aware of in the perspective of or due to the contractual relationship with Ronda Engineering S.r.l., shall not be used by the Purchaser for any different purpose, nor shall be disclosed, not even after the termination of the relationship, to any third party.

In the case where the Purchaser is a corporation, it must guarantee the compliance with the above obligations not only by the directors but also by its shareholders.

12.2 The Purchaser furthermore undertakes to implement any measure required in order that its employees, collaborators and any individual who, at any title, work within the company and who may become aware of the confidential information, comply with this obligation, and the Purchaser will be held directly liable in case of any breach by any one of them.

12.3 Namely, the Purchaser undertakes to keep any technical and construction information concerning the pyrogasification technology confidential.

12.4 This confidentiality obligation shall remain effective until the confidential information is known by most part of the traders in the industry. When one or more elements forming the confidential information is disclosed, this confidentiality obligation shall in any case remain effective as regards any element which is not yet disclosed.

13 Protection Rights – Industrial and Intellectual Property Rights

13.1 Ronda Engineering S.r.l. guarantees that the purchase or the use of the product or any parts thereof does not breach any patent right belonging to third parties in the country of the Purchaser. To this end, the Purchaser is obliged to grant a proxy to Ronda Engineering S.r.l.. Ronda Engineering S.r.l. Disclaims any and all liability regarding the components of the plant which are specific for the customer as well as the overall supplies and services.

13.2 Each contracting party reserves all the rights to any calculations, designs and technical documentation delivered to the other Party. The receiving Party acknowledges such rights, shall treat such documents as its own trade secrets and shall not use them for any different purpose than the one for which they were delivered.

13.3 The Purchaser is entitled to use the software, the drawings, the know-how and the documentation delivered to it in the agreed framework, but it shall not deliver/assign them to any third party nor copy/imitate them. Any extension or modification to the software or its use for a different purpose by the Purchaser is subject to the prior written consent by Ronda Engineering S.r.l.

13.4 It is hereby acknowledged that the Purchaser shall not submit any application or register, as industrial and intellectual property right, any invention, procedure and technical solution developed by Ronda Engineering S.r.l. Even if developed on behalf of the Purchaser or in any case deriving from Drawings, Technical Specifications, Information, Models and Know-how which may be in general tracked back to Ronda Engineering S.r.l..

14 Environmental Safety and Operation Safety

14.1 The Purchaser undertakes to comply with the use instruction of the Plant as well as any other instruction manual, safety notice or similar document delivered by Ronda Engineering S.r.l.. The Purchaser furthermore undertakes to train its staff in an appropriate manner, so that the safe and environmentally friendly operation of the Plant is constantly guaranteed.

14.2 The safety provisions and the danger notices placed on the machines shall not be removed. Any warning signs which are badly installed or damaged shall be immediately fastened again or replaced. Ronda Engineering S.r.l. Undertakes to deliver to the Purchaser, in any moment and in an appropriate number, any safety warning which may become useless. Upon request by Ronda Engineering S.r.l., the Purchaser is obliged in any moment to accept and comply with any improvement made to the instruction manuals and to the plant itself due to safety reasons.

14.3 The technical modifications to the Plant or individual components thereof, especially in the cases where they may jeopardise the safety of the staff or of the environment can be carried out only following the prior written consent by Ronda Engineering S.r.l.. Lacking such consent, said modifications shall be immediately removed.

14.4 The Purchaser is obliged to immediately inform Ronda Engineering S.r.l. in the case where an incident occurred to the Plant or if it appears that the operation of the Plant leads to any danger.

14.5 In case of failure by the Purchaser to comply with any one of the obligations established in this article for the protection of the environment or for the safety of operation Ronda Engineering S.r.l. shall be relieved from any obligation to pay any compensation to the Purchaser, the staff of the Purchaser (including any internal or external collaborator) and any third party.

15 Settlement of disputes and governing Law

15.1 This contract is governed by the Laws of Italy; the Incoterms shall integrate its provisions.

15.2 The Arbitration Chamber of Vienna shall have the exclusive jurisdiction on any dispute arising from these General Conditions or regarding them or the supply of the Product.

15.3 Partially derogating the previous points, Ronda Engineering S.r.l. Reserves in any case the right to move action, at its own exclusive discretion, before the judicial authority having jurisdiction for the place where the Purchaser has its offices.

- **Privacy**

16.1 The personal and tax data concerning the contracting parties shall be mutually treated by them, in electronic or paper format, in order to actually perform the contract and in any case allow an efficient management thereof, also with the purpose of protecting the credits.

16.2 During the performance of the agreement any personal and contact information (ID data,

corporate e-mail, corporate telephones, smartphones for working purposes, etc.) of directors, employees and collaborators who, based on their duties and assignments, manage the contract and/or will perform it may be exchanged between the parties or in any way delivered to their respective officers. Therefore, each party shall treat the personal data only within the limits for which they are strictly required for performing all the aspects of the agreement.

16.3 The personal data will be stored until the mutual obligations established under the contract are completed and later in consideration of the limitation period established for the deeds and documents of the entrepreneur.

16.4 Each Party undertakes to carry out any activity required for guaranteeing the full compliance included in the European Regulation 679/2016 (GDPR) and grants to each single employee or collaborator (as well as to any other individual who may be defined “concerned person” under art. 4 of EU Reg. 679/2016) the right to exercise all the rights listed under articles from 15 to 21 of the European Regulation 2016/679, without prejudice, in any case, for the limitations arising from the legitimate interests of the respective employer.

- **Final Provisions**

17.1 These conditions, drafted in English, are definitive.

17.2 Any derogation or amendment to these terms shall be ineffective, unless agreed in writing, by means of a deed signed by both parties and dated the next day of its conclusion.

17.3 Any invalidity or ineffectiveness of one or more clauses of these General Conditions shall not imply any invalidity, nullity and ineffectiveness of the other clauses. The Parties oblige themselves to replace in good faith any void or ineffective clauses with others that provide, as long as possible, for the same function.

Zané, 15 luglio 2019

Ronda Engineering S.r.l.