

General Terms and Conditions of Service

1. GENERAL

1.1 These General Terms and Conditions of Service constitute the entire agreement between IN.CO. S.r.l. and any company applying for the services offered by IN.CO. S.r.l. with respect to the subject matter hereof.

1.2 Unless otherwise agreed and specified in writing, all offers or services and all resulting contractual relationship(s) between INCO S.r.l. and any company applying for IN.CO. S.r.l. services shall be governed by these General Terms and Conditions of Services.

2. DEFINITIONS

2.1 "IN.CO. S.r.l." means a company duly organized and existing under the laws of Italy, having its office in Trieste (Italy) in via G. Rossini, 12 - 34132, offering inspections, expediting and procedures review services;

2.2 "Client" means any company applying to IN.CO. S.r.l. for inspection, expediting and procedures review services;

2.3 "Agreement" means these General Terms and Conditions of Service intended as contractual relationship(s) between INCO S.r.l. and any company applying for IN.CO. S.r.l. Services resulting from any Offer;

2.4 "Services" means (a) Inspection and quality control to verify product conformity to technical specifications, standards and contractual documentation (b) expediting services to assess the status of supply (c) procedure review to ensure procedures conformity to client specifications and international standards;

2.5 "Offer" means the proposal and quotation provided by IN.CO. S.r.l. to the Client for the Services requested;

3. THE SERVICES

3.1 Upon receipt of a written request by Client to provide the Services, IN.CO. S.r.l. shall submit to Client a written Offer of Services.

3.2 Unless otherwise stated, the offer shall be valid for thirty (30) days from the date of the Offer;

3.3 The Offer shall be accepted in writing by the Client within forty-eight (48) working hours from the requested date of execution of the Services, otherwise the Offer will not be valid and IN.CO. S.r.l. shall not guarantee the execution of the Services.

3.4 Upon receipt of written confirmation by the Client, the Agreement becomes effective and shall be valid and continue until the Services have been completed. No amendment to this Agreement shall be valid unless in writing and agreed by both parties.

3.5 Client shall provide all necessary instructions, information, guidelines, formats and technical documentation and specifications within forty-eight (48) hours from the execution of the Services. Client shall also ensure that all product/document to be examined are ready to be verified on the date agreed, and that all related technical documentation and specifications are made available to INCO S.r.l. at supplier's premises.

3.6 After written acceptance of any Offer, cancellation/postponement of interventions will be accepted forty-eight (48) working hours (Saturdays, Sundays and Holidays excluded) before the date of intervention agreed between the parties. In case an Offer is cancelled/postponed with less than forty-eight (48) working hours' notice, the amount of eight (8) hours rate or one (1) man-day rate will be charged.

3.7 In case any assigned profile is unable to perform/continue any

Service because of injury, sickness, or other unavoidable reasons, the said profile will be substituted by another profile with equal skill, capabilities and qualifications.

3.8 Upon completion of the Services, INCO S.r.l. shall submit by email to the Client a Report, describing the results of the Services performed, which shall be considered exclusively for Client's use and benefit.

4 OBLIGATIONS OF IN.CO. S.r.l.

4.1 IN.CO. S.r.l. acknowledges that it has the power to enter this Agreement and that it will provide the Services according to the Offer submitted to Client;

4.2 IN.CO. S.r.l. shall provide statements of opinion made with due care indicating whether or not the material inspected/expedited or the procedures reviewed are in conformance with directions, standards and technical documentation submitted by the Client within the limitation of instructions received by the Client. IN.CO. S.r.l. is under no obligation to refer to or inform about any facts or circumstances outside the specific instructions received.

4.3 INCO S.r.l. undertakes to exercise due care and skill in the performance of the Services and accepts the responsibilities only in cases of proven negligence.

4.4 INCO S.R.L. shall take all reasonable steps ensure that during the execution of the Services its personnel comply with all health and safety regulations in force at the premises where Services are executed as stated in the Agreement, provided that the Client makes INCO S.r.l. aware of the same.

5. OBLIGATIONS OF THE CLIENT

5.1 Client acknowledges that INCO S.r.l., either by entering into the Agreement or by providing the Services, neither takes the place of Client or any third party, nor releases them from any of their obligations, nor otherwise assumes, abridges, abrogates or undertakes to discharge any duty of Client to any third party or that of any third party to Client.

5.2 Client shall ensure that all product samples, access, assistance, information, records, documentation and facilities are made available to INCO S.r.l. during visits at supplier's premises.

5.3 Client shall take all necessary steps to eliminate or remedy any obstacles to or interruptions in the performance of the Services.

5.4 In order to allow INCO S.r.l. to comply with the applicable health and safety legislation, the Client shall provide INCO S.r.l. with all available information regarding known or potential hazards likely to be encountered by INCO S.r.l. personnel during their visits.

6. ASSIGNMENT AND SUB-CONTRACTING

6.1 INCO S.R.L. reserves the right delegate the execution of all or part of the Services to one or more affiliates or subcontractors when and where necessary, and Client authorizes INCO S.r.l. to disclose all information necessary for such performance to the affiliates or subcontractors.

7. FEES AND PAYMENT

7.1 The fees quoted in the Offer to the Client cover all stages leading to completion of the Services, including the submission of a report.

7.2 As fees are based on the charge rate applicable at the time of Offer submission, INCO S.r.l. reserves the right to adjust and

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increase these fees if Client's instructions change or are found to be not in accordance with the initial details supplied to INCO S.r.l. in the request of Services. Clients shall in any case be notified of any increase in fees. Additional fees shall be charged also for operations that were not originally included in the Offer and for any supplementary work required due to non-conformances identified. These will include, without limitation, costs resulting from:

- (a) Repetitions of any part, or all, of the inspection programmed or operations due to procedures and rules not being met;
- (b) Cancellation or rescheduling of services or any partial or full repeats of the inspection programmed or operations;
- (c) Additional work due to suspension, withdrawal and/or reinstatement of Inspection Report.

7.3 After written acceptance of any Offer, cancellation/postponement of interventions will be accepted forty-eight (48) working hours (Saturdays, Sundays and Holidays excluded) before the date of intervention agreed between the parties. In case an Offer is cancelled/postponed with less than forty-eight (48) working hours' notice, the amount of eight (8) hours rate or one (1) man-day rate will be charged.

7.4 Invoices will be issued by IN.CO. S.r.l. at the end of the month(s) in which the Services have been rendered by IN.CO. S.r.l. to Client according to what agreed and specified in the Offer. Invoices for additional work will be issued upon completion of the relevant tasks.

Unless advance payment has been agreed upon or different terms have been mutually agreed in writing, payments of all invoices are due 30 (thirty) days from invoice date. IN.CO. S.r.l. reserves the right to recover interest on overdue amounts at one point five (1.5)% per calendar month (up to the date when payment is actually received).

8 CONFIDENTIALITY

8.1 Confidential Information shall mean any oral or written proprietary information that a party may acquire from the other party pursuant to the Agreement or information as to the business of the other party provided. Confidential Information shall not include any information which

- (a) is or hereafter becomes generally known to the public;
- (b) was available to the receiving party on a non-confidential basis prior to the time of its disclosure by the disclosing party;
- (c) is disclosed to a party by an independent third party with a right to make such disclosure.

8.2 Unless required by law or by a judicial, governmental or other regulatory body, neither party nor their agents or subcontractors shall use the Confidential Information other than for the purpose of the Agreement nor disclose the other's Confidential Information to any person or entity without the prior written approval of the other party except as expressly provided for herein.

9. FORCE MAJEURE

9.1 Should INCO S.R.L. be prevented from performing or completing the Services for which the Agreement has been made by reason of any cause whatsoever outside INCO S.r.l.' control, including, but not limited to, acts of god, war, terrorist activity or industrial action; failure to obtain permits licenses or registrations; illness, death or resignation of personnel or failure by Client to comply with any of its obligations under the Agreement, the Client shall pay to INCO S.r.l.:

- (a) The amount of all abortive expenditures actually made or incurred;
- (b) A proportion of the agreed fees equal to the proportion (if any)

of the service actually carried out.

and INCO S.r.l. shall be relieved of all responsibility whatsoever for the partial or total non-performance of the required Services.

10. LIMITATION OF LIABILITY AND INDEMNITY

10.1 Nothing in these General Terms and Conditions excludes or limits INCO S.r.l. liability to the Client (a) for death or personal injury (b) for fraud or any other matter resulting from INCO S.r.l. negligence for which it would be illegal to exclude or limit its liability.

10.2 Subject to clause 10.1, the maximum liability of INCO S.R.L. to the Client in respect of any claim for loss, damage or expenses of any nature and howsoever shall be limited, in respect of any one event or series of connected events, to the amount of the charges to be paid by Client to INCO S.r.l. for the provision of the Services under the Agreement (excluding Value Added Tax thereon).

10.3 Subject to clause 10.1, INCO S.r.l. shall not be liable to the Client nor to any third party:

- (a) for any loss, damage or expense arising from (i) a failure by Client to comply with any of its obligations herein (ii) any actions taken or not taken on the basis of the reports issued by IN.CO. S.r.l. or related documentation; and (iii) any incorrect results, reports or certificates arising from unclear, erroneous, incomplete, misleading or false information provided to INCO S.r.l.;
- (b) for loss of profits, loss of production, loss of business or costs incurred from business interruption, loss of revenue, loss of opportunity, loss of contracts, loss of expectation, loss of use, loss or damage of goodwill and reputation, loss of anticipated savings, cost or expenses incurred in relation to making product recall, cost or expenses incurred in mitigating loss and loss or damage arising from the claims of any third party (including without limitation product liability claims) that may be suffered by the Client;
- (c) for any indirect or consequential loss or damage of any kind (whether or not falling within the types of loss or damage identified in (b) above).

10.4 Any claim by the Client against IN.CO. S.r.l. (subjected to the provision of this Clause 10) must be made within 90 (ninety) days after the Service has been completed. Failure to provide such notice of claim within ninety (90) days shall constitute a bar or a irrevocable waiver to any claim, either directly or indirectly, in contract, tort or otherwise in connection with the provision of Services under this agreement.

10.5 Except for cases of proven negligence or fraud by INCO S.r.l. the Client agrees to hold harmless and indemnify INCO S.r.l. and its officers, employees, agents or subcontractors against all claims (actual or threatened) by any third party for loss, damage or expense of whatsoever nature including all legal expenses and related costs and howsoever arising relating to the performance, supposed performance or non-performance, of the Services or out of or in connection with the Client's product, process or service the subject of the Service (including, without limitation, product liability claims).

10.6 Each party shall take out adequate insurance to cover its liabilities under the Agreement.

11. DISPUTES

Unless specifically agreed otherwise, all disputes arising out or in connection with these General terms and Conditions or this Agreement shall be governed by the laws of Italy and be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said rules. The arbitration shall take place in Trieste (Italy) and be conducted in the Italian language.