

**SAVE TO THE EXTENT THAT WE HAVE OTHERWISE AGREED IN WRITING, THESE TERMS AND CONDITIONS GOVERN ALL OUR CONTRACTS TO THE EXCLUSION OF OTHER TERMS AND CONDITIONS. OUR QUOTATIONS AND ESTIMATES ARE NOT OFFERS CAPABLE OF ACCEPTANCE BY YOU, AND ANY ORDER PLACED BY YOU WILL ONLY BE ACCEPTED BY OUR WRITTEN CONFIRMATION OF SUCH ORDER.**

#### 1. BASIS OF CONTRACT

(a) **Gardner Denver S.r.l.**, Registered Office: Str. Prov. Cassanese 108, 20052 Vignate (Mi), (the “Company”), designs, manufactures and sells compressor, blower, pump equipment, control systems and spare parts, and provides ancillary goods and services (the “Products”).

(b) No representation, undertaking or promise shall be taken to have been given or implied from anything said or written in negotiations between the parties prior to the date of this Contract except as expressly stated in this Contract. The Customer shall not have any remedy in respect of any untrue statement made by the Company upon which the Customer relied in entering into this Contract (unless such untrue statement was made fraudulently or was as to a fundamental matter including a matter fundamental to the Company’s ability to perform its obligations under this Contract) and the Customer’s only remedies shall be for breach of contract as provided for in these terms. Misrepresentations as to fundamental matters shall be subject to the terms of clause 7.

(c) This Contract shall be construed in accordance with Italian Law.

#### 2. TIMING OF DELIVERY AND COMMISSIONING

(a) In the event of delay beyond any date agreed for the Company’s performance of its obligations under this Contract that is caused by circumstances beyond either party’s control and/or otherwise than as provided for in sub-clause (c) below, the Company will be entitled to a reasonable extension of time. In the event of any such delay that is caused by the Customer, the Company will be entitled to a reasonable extension of time and to compensation for any costs, expenses and losses it suffers by reason thereof.

(b) While dates or periods for readiness for dispatch or delivery of goods are given in good faith, the same are not of the essence of or in any way terms of this Contract or representations of fact.

(c) In the event that the Company has agreed to liquidated damages in specific circumstances of delay, then these will apply to the exclusion of any other liability for delay, and in all other cases, the Company shall not be liable for any delay save where delay is directly attributable to default of the Company, in which event the Company will compensate the Customer for any direct losses the Customer suffers as a direct result of such delay, compensation being limited for all cases different from those in which damages arise out of the Company’s gross negligence or willful misconduct to half a percent of the contract price of the Products for every week of delay subject to a maximum of 5% of such contract price.

#### 3. ENGINEERING CRITERIA

The Products are sophisticated engineering products; accordingly, the Customer undertakes:

(a) That it has provided and will promptly provide all the information reasonably necessary to enable the Company to (i) evaluate the requirements for performing and (ii) perform the Contract, and that all such information is full and accurate;

(b) That all premises, plant, engineering support, spare parts, connected pipe work and machinery and inputs that it is required to provide for the design, engineering, installation, testing and use of the Products are fit for their purpose and of good engineering quality;

(c) Fully to co-operate with the Company in the design, engineering, installation, testing and use of the Products;

(d) To use the Products for the intended purpose only and in accordance with the Product literature;

(e) Not under any circumstances, to use any unapproved spare part, connected machinery, service or repair or use the Products in any manner as may render the Products dangerous and agrees that any breach of these negative criteria will negate all specific and implied conditions and obligations on the part of the Company relating to the quality of the Products.

The Customer further agrees that it will be liable to the Company for any costs, expenses and losses it suffers by reason of any breach of these undertakings.

#### 4. DRAWINGS, DESIGNS AND CONFIDENTIALITY

(a) All of the Company’s specifications, designs, drawings, indications of physical, chemical and electronic properties and indications of pressure output and power consumptions (the “Designs”) are made in good faith and are approximate indications only and are not binding in detail unless the Customer has specified in writing a particular indication upon which he is relying and the Company shall be entitled to vary the same and/or to correct errors and omissions provided the Products remain in substantial conformity with the contractual requirements.

(b) The Designs (including all copyright, design right and other intellectual property in them) shall as between the parties be the property of the Company; and the Customer is not entitled to make any use of the Designs other than for the purpose of this Contract.

(c) Any inventions, modifications, improvements, techniques or know-how affecting the Products made or gained in the course of performing this Contract, shall belong to the Company absolutely.

(d) Neither party shall disclose to third parties or use for its own purposes any confidential information or trade secrets of the other party.

Each party warrants that it has the necessary intellectual property rights to enable it to perform its contractual obligations and will forthwith inform the other on discovery of any infringement of intellectual property rights.

#### 5. PRICES, TERM AND VESTING

(a) All invoices shall be paid in Euros or other Freely Convertible Currency within 30 days from the date of invoice (the “Due Date”) unless expressly agreed otherwise, without any deduction or withholding on account of any rights of set-off which the Customer may have (save where the same are based on fraud). The Company reserves the right to require payment in part or in full or the provision of such security or guarantees from or on behalf of the Customer as the Company deems necessary before the commencement of the performance of the Contract. The Company shall have the right at any time to review the credit limit requirements relating to the Customer and to increase or reduce the same by notice in writing to the Customer. The Company shall without prejudice to its other rights have the right by notice in writing to the Customer to demand immediate payment of all monies due from the Customer to the Company for any goods delivered at any time. As used in this clause, “Freely Convertible Currency” means a currency that is widely traded in international foreign exchange markets and widely used in international transactions.

(b) Prices quoted are net Ex Works (EXW, Incoterms 2010) Company’s plant unpacked and are subject to VAT or other taxes (unless specifically stated to the contrary).

(c) The Company may charge interest on any sums still outstanding on the Due Date at the default interest rate applicable under Legislative Decree 231/2002.

(d) The Company may require, in its sole discretion, that payment for export orders be by irrevocable letter of credit, which shall be in a form acceptable to the Company and confirmed by a bank of international reputation.

(e) In case of any non-payment, the Company shall be entitled (without prejudice to its other rights) to suspend performance and charge the Customer for all costs and expenses occasioned thereby and/or at any time thereafter to terminate the Contract in accordance with clause 8 below.

(f) Title to the Products shall transfer to the Customer on the earlier of full payment and delivery; provided, however, that in the event delivery is prior to full payment, the Company shall retain a security interest in the Products until the Company receives payment in full. Pending payment of the full purchase price of the Products the Customer shall at all times keep the Products comprehensively insured against loss or damage by accident, fire, theft and other risks usually covered by insurance in the type of business carried on by the Customer in an amount at least equal to the balance of the price for the same from time to time remaining outstanding. In addition, the Customer undertakes not to charge by way of security any of the Products, which remain the collateral of the Company.

(g) In the event of Termination in accordance with clause 8 below or in the event of non-payment (in full or in part) for the Products by the Due Date, the Customer shall immediately return the relevant Products.

(h) The Company’s prices are subject to adjustment to take account of any variation in the Company’s costs (beyond the reasonable control of the Company) including (but not limited to) variations in the cost of materials, labour, and/or overheads, exchange rate fluctuations, alteration of duties, changes to the specification by the Customer and other costs since the date of the quotation or (if no quotation is issued) the order acknowledgement. The Company accordingly reserves the right to adjust the invoice price by the amount of any increase or decrease in such costs after the price is quoted and the invoice so adjusted shall be payable as if the price set out therein were the original contract price.

#### 6. WARRANTY

(a) The Company’s sole warranties pursuant to these terms shall be those as described hereinafter (the “Standard Warranties”). The Company hereby disclaims and excludes any other express, implied or statutory warranties, arising by operation of law or otherwise, including, without limitation, any warranties of merchantability and fitness for a particular purpose. The Company makes no warranties or representations of any kind whatsoever (express, implied or statutory), arising by operation of law or otherwise, on any equipment, component parts or accessories sold hereunder which are not manufactured by the Company.

(b) In this clause, subject to sub-clause (i) below, “Warranty Period” shall mean the period beginning on the date of delivery of the Products (or relevant part thereof) and ending 12 months thereafter.

(c) The Company warrants that the Products will be free from material defects caused by inadequacy or neglect in the Company’s workmanship or materials during the Warranty Period (the “Warranty”).

(d) Save as provided for in sub-clauses (e) and (f) below, where any valid claim in respect of the Products or any part thereof which can be shown to the Company’s reasonable satisfaction (on the balance of probabilities) to be based on a breach of the Warranty, is notified to the Company during the Warranty Period, the Company will (at the Company’s sole option) repair or replace, or (at the Company’s sole option) credit a sum to be agreed with the Customer in lieu of the repair or replacement of, any Product or part thereof. Should the Products (or any part thereof) to be repaired or replaced be located

outside the territory of Italy, or should the 6<sup>th</sup> month of the Warranty Period have elapsed, the Customer shall reimburse to the Company (i) any labor costs (including traveling and lodging expenses) for activities performed outside the Company's premises in connection with such repair or replacement, and (ii) any shipment costs for the Products (or parts thereof), the repaired Products (or parts thereof), or their replacement.

(e) With the only exception of damages arising out of the Company's gross negligence or willful misconduct, the Company shall be under no liability for any breach of the Warranty:

- i. Unless the Products have been properly installed, used, maintained and serviced;
- ii. Unless the Customer has informed the Company of the defect alleged within the Warranty Period and within 7 days of its discovery;
- iii. In respect of wearing and consumable parts; and/or
- iv. To Products or parts thereof not manufactured by the Company ("Third Party Products").

(f) In the event of a defect arising in the Products at any time, then the Customer will notify the Company in writing of such defect within 7 days of its discovery and:

i. If it is within the Warranty Period, then the Company will reply stating whether it accepts warranty liability pursuant to sub-clause (c) above and indicating what action it proposes to take, which action may include further investigation by the Company's service engineer, and if it transpires that the defect is not covered by a breach of the Warranty, then the Company reserves the right to make a reasonable charge for such investigation.

ii. If the Warranty Period has expired, then the Company will offer advice (free of charge) and may offer repair or replacement at the Customer's expense.

(g) In respect of Third Party Products, the Company undertakes to pass on to the Customer any manufacturer's or supplier's warranty given by such manufacturer or supplier to the Company.

(h) Subject to sub-clause (i) below, there are no third party beneficiaries of the Warranty granted by the Company herein.

(i) The Company agrees that, should the Customer not be the end user of the Products, it will be entitled to assign its rights and obligations under the Warranty to such end user upon sale of the Products, provided that (i) the Customer's intention to re-sell the Products is notified to the Company together with the order, and (ii) the delivery of the Products (or relevant part thereof) to the end user is notified to the Company within 5 days of delivery, together with the details of the end user and copies of the shipping and delivery documents. Partially derogating from sub-clause (b) above, the Warranty Period applicable in favor of the end user will be that beginning on the date of delivery of the Products (or relevant part thereof) to the end user and ending 12 months thereafter, provided that such period cannot exceed the 18<sup>th</sup> month of delivery of the Products (or the relevant part thereof) to the Customer. The date of delivery to the end user will be that resulting from the shipping and delivery documents.

## 7. LIMITATION OF LIABILITY AND FORCE MAJEURE

Notwithstanding anything to the contrary set forth in these terms, the Standard Warranties shall be the sole and exclusive remedy available to the Customer.

(a) To the fullest extent permitted by applicable law, and without prejudice to clause 7(e), under no circumstances, whether in contract, tort or otherwise, shall Company's total liability arising in connection with these terms exceed the amount of any sales or other proceeds received by the Company pursuant thereto. In addition, under no circumstances, whether in contract, tort or otherwise, shall the Company be liable for liquidated, special, indirect, incidental, exemplary, or consequential damages, expenses or costs, including, without limitation, lost profits or facility downtime, howsoever caused and even if the potential of such damages was disclosed and/or known.

(b) To the fullest extent permitted by applicable law, and except for the limited remedies provided above in clause 6, the Company grants no warranties or conditions, express or implied in any communication by the Company to the Customer, or otherwise, regarding the Products. All warranties, conditions, representations and terms express or implied whether by statute or otherwise are, to the extent permitted by law, excluded from these terms.

(c) The Company makes no representation regarding compliance with any state, provincial, or local law, rules, regulations, building code or ordinance relating to the installation or operation of the Products. The Customer acknowledges that it is the Customer's responsibility to comply with all applicable laws, rules and regulations relating to the installation and operation of the Products and indemnifies the Company from any claims actions, losses (including without limitation, loss of profit), damages, costs and expenses (including without limitation, legal costs and expenses) arising thereof.

(d) The Company shall be liable for damage to the Customer's physical property caused by the Company's negligence in connection with the production, manufacture or installation of the Products provided that the Company's total aggregate liability for such damage shall in no event exceed the equivalent of €1.5 million with respect to any one event or series of connected events.

(e) Nothing in these terms shall exclude or limit the Company's liability for (i) fraud, (ii) death or personal injury caused by its negligence, or (iii) any other liability to the extent that the same may not be excluded or limited as a matter of law.

(f) Notwithstanding anything to the contrary in these terms, neither party shall be liable to the other for breach of its obligations under this Contract by reason of circumstances or events beyond the reasonable control of either of them.

(g) The Customer shall indemnify the Company against all actions, suits, claims, demands, costs, charges, damages, losses and expenses suffered or incurred by the Company and/or for which it may be liable to any third party due to, arising from or in connection with, directly or indirectly: (i) the Customer's instructions or lack of

instructions; (ii) any failure or delay whatsoever in taking delivery or any other act, neglect or default on the part of the Customer, its servants, agents, or employees; or (iii) the breach of any provision of this Contract by the Customer.

(h) The Customer shall indemnify and keep indemnified the Company against all costs, claims, losses, expenses and damages incurred by the Company or for which it may be liable to any third party due to or arising directly or indirectly out of any infringement or alleged infringement of patents, trademarks, copyright, design, right or other intellectual property right occasioned by the importation, manufacture or sale of the Products if made to the specification or special requirement of the Customer.

## 8. CANCELLATION AND TERMINATION

(a) In the case where the Products are being designed or adapted to a Customer's specific requirements, then the Customer shall (subject to 8(c) below) be entitled to cancel this Contract ("Cancellation") only by agreement in writing by the parties and upon payment to the Company of such amount as may be necessary to indemnify the Company against all loss and expense resulting from the Cancellation.

(b) The Company shall be entitled forthwith to terminate this Contract in the event of non-payment (in whole or in part) by the Due Date or if at any time before payment in full is made (whether or not payment is yet due) a petition is presented or resolution passed for the winding up or bankruptcy of the Customer or in the event of the appointment of a receiver or administrator of the Customer's business ("Termination").

(c) In the event of Cancellation or Termination, the Customer shall be liable to the Company for all the costs and expenses which it incurred up until the date thereof and the profit it reasonably expected to make on the Contract had the same been fully performed, less such net sum (if any) as the Company is able to make in disposing of the Products.

## 9. GENERAL

(a) If any provision or part of a provision of these terms is found to be illegal, invalid or unenforceable under any applicable law, such provision or part of a provision shall, insofar as it is severable from the remaining terms, be deemed omitted from these terms and shall in no way affect the legality, validity or enforceability of the remaining terms. In addition the parties agree that the provisions of the United Nations Convention on Contracts for the International Sale of Goods shall not apply to the purchase of the Products.

(b) Without prejudice to clause 7(i) above, the Customer may not assign, novate or otherwise transfer its rights or obligations under this Contract without the Company's prior written consent, and any attempt to do so shall be null and void of no effect.

(c) No waiver or amendment of any of the provisions contained in this Contract shall be valid unless made in writing and executed by both parties.

(d) Any failure by the Company to enforce its rights under this Contract will not be deemed a waiver of such rights.

## 10. SPECIAL PROVISIONS

(a) The Products nor the parts sold hereunder are designed or manufactured for use in or with any atomic installation or activity. If the Customer or the ultimate user of the Products or parts intends to use the Products or parts in such an installation or activity, the Company's Terms for Nuclear Sales shall be a part of this Contract. The Company will furnish the Customer with a copy of its Terms for Nuclear Sales upon request.

(b) Customer understands and agrees that the Products may be subject to export and other foreign trade controls restricting resales and/or transfers to other countries and parties, including, but not limited to, licensing requirements under applicable laws and regulations of the United States (together, "Trade Control Laws"). Customer shall not export, re-export, transfer, or otherwise dispose of the Products directly or indirectly, except as permitted by applicable Trade Control Laws. Customer shall not do anything that would cause the Company or its affiliates to be in breach of applicable Trade Control Laws. Furthermore, Customer shall protect, indemnify and hold harmless the Company and its affiliates from any fines, damages, costs, losses, liabilities, penalties, and expenses incurred by the Company as a result of Customer's failure to comply with this clause.

(c) Data Privacy. Customer understands and agrees that certain of the Products include technology that allows the Company to collect technical and product-related information regarding such Products and to conduct remote diagnostics testing of such Products. This technology allows the Company to better serve and assist Customer in the event such Products need to be repaired, and to maintain and improve the Products. Customer agrees to grant and hereby grants Company a transferable, sub-licensable, non-exclusive, non-revocable, worldwide right to access and use the data collected and processed by the technology for Company's business purposes, including analysis, research, and development. In addition, the Company may share such information with its affiliates, subsidiaries, and service providers; and with third parties but only in an aggregate, de-identified format, with third parties for research, statistical and business purposes unless otherwise agreed to or in accordance with the applicable privacy policy. To the extent that the Company receives any individually identifiable personal information regarding Customer from such technology, the Company's policy is to protect the confidentiality of such information, and to prohibit the unlawful disclosure of Customer's personal information to third parties. The Company will take reasonable steps to insure the safety of Customer's personal information.

## GARDNER DENVER S.R.L.

Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Customer: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

Title: \_\_\_\_\_

Pursuant to and for the purposes of Articles 1341 and 1342 of the Italian Civil Code, the Customer expressly declares to have carefully read and specifically approves and agrees to the provisions set forth in the following clauses: clause 1(b) (limitation of Customer's remedies and Company's liabilities); clause 2 (a) (Company's right to extend the time for deliveries and obtain compensation for costs, expenses and losses); clause 2 (c) (Company's limitation of liability in case of delay); clause 3 (e) (Customer obligations concerning service, repair or use of the Products); clause 4 (d) (Customer's confidentiality obligations); clause 5(a) (Company's right to demand immediate payment and exclusion of any set-off right); clause 5(c) (default interest); clause 5(e) (Company's right to suspend performance and charge the Customer for costs and expenses); clause 5 (f) (Retention of title to the Products); clause 5 (g) (Risks in the Products); clause 5 (i) (Company's right to adjust the price for the Products); clause 6(a), (b), (d), (e), (f) and h) (Company's limitation of warranties, warranty period, claim procedure, absence of third parties beneficiaries); clause 7 (a) (Company's limitation of liability); clause 7(b) and (c) (Company's limitation of warranties, conditions and representations); clause 7(d) (limitation of Company's total aggregate liability); clause 7(i) (assignment of the Warranty, limitations and conditions); clause 8 (b) (Company's right to terminate the agreement); clause 9 (b) (No assignment of the agreement).

Customer: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

Title: \_\_\_\_\_