

## GENERAL TERMS FOR SUPPLY OF MACHINERY AND SPARE PARTS

### SUPPLY AND TERMS OF DELIVERY

The delivery time must intended starting from receipt of the countersigned FME quotation for Buyer's acceptance or receipt of the Buyer's purchase order always together with the receipt of the down payment.

At the delivery or at the receipt of the notice of goods ready for delivery, should be the Buyer not in a condition to receive the parts, FME will have the right to invoice to the Buyer the cost related to the storage and the Buyer will be obliged to pay the relevant cost at the rate of 2% (two per cent) of the order amount, for each calendar week of shipment delay.

In case the delivery should not take place for reasons not due to FME, the Buyer undertakes to pay the full amount of the order.

On FME's request the Buyer will provide a bank guarantee in favor of FME, covering the order amount.

In case of delayed payment, FME reserves the right to apply the interests provided by Directive 2000/35/CE.

### PACKING AND TRANSPORTATION

All the products are packed with standard protective packing suitable for the relevant type of transportation included in the order issued by the Buyer.

### EXCLUSIONS

Civil works

Foundations and pits for the machine installation

Anchorage ties and foundation plates necessary to the installation of the machines

Electric connections and wiring from your main supply to our control panels and from these to the single machines.

Pneumatic connections and hoses from your main supply to usage points on our machines

Anchoring of the roller tracks and/or conveyors to the floor

Coverings against atmospheric agents, in case of installation outside buildings.

Piping and water connections

Bay Bridge crane and/or for handlers

Earthing system for the plant

Brackets and supports for pneumatic transport piping, fumes, H<sub>2</sub>O etc.

Lifting equipment and necessary tools

Oxygen, acetylene gas, electrodes and all tools necessary for assembly and start-up

Manpower or assistance necessary for assembly, wiring and start-up if not quoted

Specific technicians for the start-up of the burner (of the tunnel or of other machines with gas burner)

Travel expenses if not quoted

Catwalks

All type cables as festoons, cable winding drums, with the relevant flat cables or other types of special cables

Electric and pneumatic material for wiring if not quoted

Plates and support frames for pit coverings

Oil for the hydraulic power units

Spare parts if not quoted

Delivery of the PLC or HMI SW or of copies of unlicensed programs

Modification of the existing machinery

Paint touch ups

Any modification to the FME standard colors of machines is excluded from the quotation and it will be quoted separately.

If not expressly specified all spare parts are supplied not painted

All that is not specified in this quotation.

### ESCLUSIONS FOR DELIVERY OF SERVICE

Operations only for the described work

Operations only with the necessary environmental and safety conditions

Responsibility of delays and cost increase, if the preparation work is not carried out properly

#### LIMITATIONS FOR DELIVERY OF SERVICE

In case of delays in the payments, FME will have the right of stop the service and take his staff back to home, with any right of claim from the customer

Labor time: max 6 days/week and max 9 hours/day

#### WARRANTY

The guarantee period of shall be 12 (twelve) months as of the date of the delivery.

The warranty covers the free replacement of defective parts with the exclusions listed in the present article.

The warranty is limited to the free repair or replacement of the items that prove to be useless due to faults or defects concerning the material, the manufacturing or the processing, on condition that those spare parts are re-delivered to FME ex its factory within 30 days starting from the date of delivery of the replacement parts. Otherwise the replacement spare parts will be invoiced to the Buyer.

The delivery terms of the parts are inside the order issued by the Buyer, with the exclusions of customs duties and import taxes.

The costs of the labor for replacing the defective parts (installation and disassembly) is not included in the warranty, unless specifically agreed.

FME will be liable only for the defects concerning the standard conditions of use.

FME will not be liable for defects or faults that derive from the materials, the designs or the interventions of the Buyer.

The warranty does not cover failures or breaks that are caused by natural wear, carelessness, wrong maintenance, inexperience, negligence, incorrect use of the parts by the Buyer, and so on.

The warranty does not apply for example in the following cases:

- use of material not complying to its designated use or to our instructions
- repair or substitution of normal wear parts. These parts include:
  - rubber seals in general
  - chains and sprockets for rollers
  - mixer blades
  - binder pumps and circuits
  - anti-wear protection of vibrating table
  - pins for clamps in the washing station, manipulators, and closing stations
  - pipes and elbows for pneumatic transports
  - line terminal wear plate in pneumatic transports
  - deterioration, wear or accident deriving from negligence, incorrect maintenance or lack of proper supervision
- utilization longer than the standard period (5 days x week x 8 hours)
- damage to electric, hydraulic or pneumatic material due to faulty or not-sufficiently protected connections.

#### STANDARD TECHNICAL DOCUMENTATION AND CONDITIONS CONCERNING SAFETY STANDARDS

FME will supply the following technical documentation with the material:

- 1 Main machine assembly drawings only for the machines.
- 2 Operation and maintenance instruction manuals 3 Electric diagrams for each part of the plant.
- 4 Foundation drawings.
- 5 Indication of installed electrical power
- 6 Indications on compressed air, water etc...

The above listed documentation, as well as quotations, order confirmations and all drawings and enclosures supplied, are confidential documents. Their use is allowed only for the aim they have been written and they cannot be disclosed to third parties without the written approval from FME.

#### WORKING TECHNICAL CONDITIONS

##### FEEDING TENSION

- max oscillation accepted:= 10%

ELECTRICAL EQUIPMENT - working temperature from +5°C up to +40°C

- relative humidity: 50% at 40°C; 90% at 20°C

##### QUALITY OF COMPRESSED AIR:

- Pressure = 6-7 kg/cm.2

- Oil contents accepted = 0,1 min to 1 max P.P.M. (Part per Million in weight)

equal to: 0,12 min to 1.2 max mg/m.3

- Water steam contents = 6.600 to 16.600 PPM

(Part per Million in weight)

- equal to 8 min to 20 max gr/m3
- Advised filtering = 5 to 30 micron
- QUALITY OF WATER: - Water must be physically clean, transparent, without any deposit in particular :
- Min filtering 25 to 35 micron
  - PH 5 to 9
  - Hardness < 14°F
- QUALITY OF OIL: - Type = hydraulic oil
- Viscosity ISO VG 46
  - 46 cSt to 40° C
  - 4.0° Engler to 50° C

**TYPE OF GREASE:**

- Type =EP 1

**TYPE OF SAND:**

- Type = silica sand
  - Finess index: between 50 and 55 AFS
- as per to DIN 4188 ISO standard:
- 88% on central sieves (between 0.315 mm and 0.125 mm)
  - 0.5% max on last two sieves (0.09 mm and 0.063 mm) including bottom
  - Acid demand (in cloridric acid millilitres) HCL 0.1 ml
  - Moisture level  $\leq$  0,5%
  - Temperature: 20 – 25 °C

**INSTALLATION AREA:** Max acceptable level tolerances between the extremities of the whole area interested by the installation:  $\pm$  15mm

Max. acceptable level tolerances between the plates of a single machine :  $\pm$  5 mm

Ambient Temperature: > 15°C

**GENERAL FOUNDATION DRAWING :** Responsibility of your civil work Company

- Execution of the foundation calculation and load based on the static and dynamic moment and load indicated in the drawings
- Location of interferences with other foundations, maybe present
- Issue of the final foundation construction drawings with the load calculation according to the ground typology (Geological Test) including any specific improvement to avoid vibration through the ground.
- Issue of specific documentation requested by Law.

If particular conditions do not allow to keep to the tolerances requested please report to our Technical Dept. to agree modifications.

IMF machines have been designed to work correctly with the process mentioned in the quotation, which is selected from the main chemical No-Bake processes, such as :

- No-Bake Acid process :
  - Furan resin + acid catalyst
  - Phenolic resin + acid catalyst
  - Phenol Furan resin + acid catalyst
- No-Bake Alakaline Phenolic process :
  - Phenolic resin + ester
- No-Bake Phenolic Urethane process :
  - Phenolic resin + isocyanate resin + catalyst (Pyridine or Amine)
- No-Bake Sodium Silicate process :
  - Sodium Silicate + ester or CO2

The equipment performance can be modified according to the No-Bake process selected by the Customer and according to the chemical-physical characteristics of the products used.

**SAFETY STANDARDS**

All plants and single machines have been manufactured according to the “Machinery Directive 2006/42/CE and following changes”. Each modification made by the Customer to the original project, to the single machines or to the automation software, without the written approval from FME, will automatically acquit FME of any civil and penal responsibility.

Plants and machines of FME foresee safety barriers and safety devices, where required by the “Machinery Directive 2006/42/CE and following changes”.

The total or partial removal, meddling or improper use of such barriers and safety devices acquit FME of any civil and penal responsibility.

**RETENTION OF TITLE**

The sale is subject to a Lien Agreement in favor of FME up to the full payment of the agreed price.

The Buyer will be obliged to the immediate return of the unpaid parts which remain sole property of FME. FME will be entitled to ask damages regarding the use of not paid parts.

By effect of this Lien Agreement, non-paid parts cannot be transferred from their original place of destination without the previous written authorization by FME.

**PRODUCT LIABILITY**

The maximum entity of the direct damage, shall not be exceed the amount of the order relevant to the part that has caused the damage.

In any case, FME shall not be liable for indirect damages resulting from a defective delivery or non-conforming supply, e.g. production stoppage, loss of profit and extra consumption of materials.

**CONFIDENTIALITY**

All descriptions, technical data, drawings and prices that are included in the offer/order are confidential pieces of information, which cannot in any way be disclosed to third parties without the previous written authorization by the other Party.

**APPLICABLE LAW**

The present document shall be regulated and interpreted according to the Law of Switzerland

**ARBITRATION**

All disputes however deriving from the present document or connected with it will be settled definitely and without right of appeal, according of the Arbitral Regulations of Swiss Chamber of Commerce in Lugano, by a Board of three Arbitrators appointed in conformity with the said Regulations, which form an integral part of this clause and also regulates the arbitration procedure.

The language of arbitration shall be English.