# **GENERAL CONDITIONS OF SALE**

#### 1. Definitions

BUYER: the buyer of the Product.

CONDITIONS: these general conditions of sale, also available from the website 'www.carel.com'. CONFIRMATION OF ORDER: the written document of Order acceptance, sent by the Seller to the Buyer, containing: the description of the Product/s sold, the Seller's product code (and on request, also that of the Buyer), the quantity, unit price, transport terms, delivery terms and payment terms. AGREEMENT: the agreement drawn up between the Buyer and the Seller for the sale of the Product, completed by means of the exchange of the Order and Confirmation of Order.

TECHNICAL DOCUMENTATION: the documentation prepared by CAREL INDUSTRIES S.p.A. containing the technical data and operative instructions for the use, assembly, installation,

maintenance, etc. of the Products, also available on the website 'www.carel.com'. Upon specific request and at the Buyer's expense, the Seller may also supply hard copies of this.

EX WORKS: Product delivery conditions according to the international rules 'Incoterms 2000', namely at the Seller's premises unless otherwise established in writing.

ORDER: the document sent by the Buyer to the Seller stating the proposed purchase of the Product/s, the relevant identification data and indicative delivery date.

PARTIES or PARTY: The Buyer and Seller referred to individually or jointly.

PRODUCT/S: Carel products branded Carel and exclusively devoted to the 'humidification, refrigeration, conditioning and retail' sectors listed in the Seller's catalogue and identifiable on the website 'www.carel.com'. The PlantVisorPro Local and any products 'customised' to meet specifically requested technical specifications defined by the Buyer, are excluded from the Products. SELLER: CAREL INDUSTRIES S.p.A. (Italy).

## 2. Application and efficiency of the Conditions

2.1 The Conditions are an integral and substantial part of each Product Sales Agreement. In the event of any discrepancy, they shall prevail over any purchase conditions that may be stated by the Buyer on the Order, unless otherwise agreed in writing by the Parties.

2.2 The Conditions, available from the website www.carel.com are efficient between the Parties as the Buyer can become aware of such using ordinary diligence upon drawing up the Agreement.

## 3. Orders, Confirmations of Order and Technical Documentation

3.1 Orders must be in writing. They are considered as accepted by the Seller by transmission of the Confirmation of Order to the Buyer.

3.2 The Buyer guarantees that the terms and conditions in relation to each Order and each Confirmation of Order are correct. The Buyer declares that he has carefully examined all the Technical Documentation prior to having sent the Order, and has verified the technical and applicative compliance of his machinery and tools with the Products.

3.3 The Seller reserves the right to make any changes to the Product Purchase Order where it requires adaptation to meet internal or Community standards, or is altered in such a way that does not prejudice its quality or function, or is replaced with a more recent series with comparable form and/or functions to that replaced.

3.4 All activities following the sale of the Product, for example, but not intended as an exhaustive list, the installation, assembly and set-up of the Product, according to the Buyer's demands, is at the exclusive cost, risk and liability of the Buyer. The Buyer must comply in full with all technical-operative instructions set out in the Technical Documentation.

## 4. Price

4.1 The price of the Product is as established in the price list current as of the date of Order. The price includes packaging costs according to the Seller's standards. Any special packaging required by the Buyer, and approved by the Seller, will be paid for by the Buyer himself. The Price does not include taxes and duties on the sale, customs duties, any other charges and VAT, if due.

4.2 Without prejudice to alternative written agreements, all prices established by the Seller are Ex Works.

4.3 The Seller reserves the right to increase the Product price at any time prior to delivery and following notice given to the Buyer. Said increase may be no higher than 5% on top of the current list price and must be intended to cover any increases in costs due to factors independent of his will. These shall include, by way of example and in no way intended as a full list: currency changes on the exchange

market, valuation regulations, changes in duties, significant increases in the costs of labour, materials or other production costs, changes in delivery date, quantities of Products or any delays caused by Buyer requirements or the lack of provision of appropriate instructions by the latter.

## 5. Invoicing and payments

5.1 The Seller shall invoice the Buyer for the price of the Product at the same time as consignment. Should the Buyer fail to collect the Product from the Seller's premises within the terms established by the Agreement, without prejudice to the rights set out by art. 6.3, the Seller shall have the right to issue invoice for the price of the Product at any stage. The Seller may do so following verbal or written notice provided to the Buyer that the Product is available for collection.

5.2 The Buyer must pay the Product price within the terms specified on the Confirmation of Order and invoice. Payment must be made directly to the Seller's domicile. The Seller shall have the right to receive payment even in the event that the Buyer should fail to collect the Products under the terms and conditions specified on the Confirmation of Order.

5.3 Should the Buyer fail to make payment within the terms established by the Agreement, the Seller shall have the right to the payment of late payment interest in accordance with Italian legislative decree no. 231/02, without prejudice to compensation for any greater damages.

5.4 The Seller shall, in any case, have the right to suspend delivery of Products in the event of default by the Buyer.

5.5 For payments received from abroad, fund transfer costs from the foreign bank to the Italian bank will be paid for in full by the Buyer.

# 6. Delivery, Product collection, handover of risks

6.1 Unless otherwise agreed, goods will be delivered, with the consequent handover of the risk of damaging and/or deterioration of Products to the Buyer, Ex Works.

6.2 Delivery terms are fixed by the Seller in the Confirmation of Order.

6.3 Should the Buyer fail to collect the Product within the delivery terms set forth in the Agreement, or should he fail to provide the Seller with adequate instructions for delivery, without prejudice to the rights described by art. 5.1 above, the Seller shall have the right to request reimbursement by the Buyer of all costs sustained for storage of the Product.

## 7. Buyer commitments

7.1 The Buyer is the sole party responsible for the choice of Products purchased and for all activities subsequent to sale, namely the installation, handling, assembly, set-up and maintenance of the Product at the Buyer's premises. These activities must be carried out in full compliance with the instructions given in the Technical Documentation. The Buyer must also be in possession of structures and skills (including technological skills) necessary for the correct use of the Product.

7.2 More specifically, in order to ensure correct installation and subsequent correct function of the Product, the Buyer must comply in full and diligently with all obligations listed in the Technical Documentation.

7.3 The Buyer must also comply with and apply all regulations and local rules applicable in the country in which the Product is to be used. These include all those concerning the protection of public health and safety and good commercial practise. Any costs relating to the compliance of the Product with that set out by the legislation of the country in which it is to be used, will be paid for exclusively by the Buyer.

## 8. Guarantees, responsibilities

8.1 With the exclusion of any other stipulations in these general terms and conditions of sale, and within the limits imposed by law, the Seller's liability for claims due to faults or quality defects in the goods or services ('Products') supplied pursuant to this Agreement is limited as follows:

a) The Seller guarantees that the Products are free of any manufacturing defects for a period of 24 (twenty-four) months from the date of their production. During such warranty period, the Seller shall repair or, at its sole discretion, replace, at its own cost, all Products that are returned and recognised as being nonconforming.

b) The Seller shall not be liable for costs of identifying the defects, nor for the removal, transport or reinstallation of any Products found to be defective;

c) In no circumstances shall the Seller respond to claims for defects in Products that have not been promptly reported and with regard to which the Seller does not have the possibility to inspect the disputed parts, delivered freight-paid to its own site.

8.2 The Purchaser is responsible for verifying and certifying that the units that Carel programmable controllers and hardware subsystems are incorporated into comply with the standards in force in the where these are installed;

The Purchaser is also responsible for verifying and certifying that the software and firmware subsystems supplied and/or developed by Carel and installed in its own units/applications fully meet the desired performance requirements. The Seller is not liable in the event of malfunctions due to nonconformity of the hardware or software/firmware supplied and/or developed by Carel that were highlighted in its own application.

8.3 In the event of a Product found to be faulty whilst under warranty, the Seller undertakes to repair and/or replace such in accordance with the regulations explained hereto, with no prejudice to the Buyer's right to take alternative legal remedies. The Product under warranty, where an initial verification by the Seller takes it to be repairable, may only be repaired at the Seller's establishment. The Seller will also re-complete packaging, regenerating it as new. Should the repair not be economically viable, or should the Seller not be able to guarantee the future reliability of the Product, the Seller reserves the right to replace the Product free of charge, with a new Product.

8.4 In compliance with the terms and conditions set out by the previous art. 8.2, must request authorisation from CAREL to return the material using the RMA procedure (Return Material Authorization), correctly completing the special form available on the CAREL website (https://rma.carel.com/CarelRma/faces/pages/user/index.jspx) and specifying all the required information in detail. The Buyer will receive a response within two (2) working days; in particular the response will indicate the RMA number for all accepted returns and any explanations in case of refusal. The Buyer must send the faulty Product, in its original packaging and/or in appropriate packaging, at his own expense, to the Seller's premises. The item must be sent complete with its original label stating the relevant identification code, serial number, date of manufacture quoting the RMA number received on the delivery documents and making sure the number is clearly visible on the outside of the packaging. Returns failing to meet this criteria will not be accepted at the CAREL store.

The Buyer shall invalidate the warranty if the identification label has been removed or damaged. The Seller will only accept the material if coming from the Buyer. As such, distributors or retailers must collect the Product for repair or replacement from their clients, and deliver it to the Seller. The Seller shall carry out all appropriate checks and/or works and return the material within the terms necessary for repair. The Seller will return the Product as quickly as possible and, in any case, in no more than 2 months as from receipt of the return. This is without prejudice to where additional specific checks are required and in which case, the Buyer will be duly informed of such. The Seller will return the Product repaired under warranty to the Buyer at the Seller's own expense (DDU - Incoterms 2000).

8.5. It is agreed that the Seller shall accept no liability for Product flaws deriving from the following: failure to comply with the instructions given in the Technical Documentation, tampering, improper use, incorrect installation, incorrect use, negligent maintenance, repairs, changes or alterations made or caused by the Buyer or by unauthorised third parties, extraordinary events such as accidents, abnormal wear of the Product or its components caused, by way of example, by the physical, electrical or electromagnetic environment. More specifically, it is specified that the Buyer shall be the sole party liable for the use of the Products in machines and for activities and applications that differ from those specified in the Seller's Technical Documentation and for all the relevant consequences.

8.6 With the exception of cases of fraud and serious misconduct, the Seller shall not be held liable for any further contractual or non-contractual damages for such, in any case originating from the Product. This includes, as mere examples and not intended as an exhaustive list, compensation for direct and indirect damages, losses including loss of profits, costs, fees also in relation to the withdrawal of the Product from the market. The Seller's liability is limited to the compensation of an amount not in excess of the price of the Product.

#### 9. Return of materials for credit and interventions not covered by warranty

9.1 Any return of new material for credit, not covered by cases under warranty, must be authorised by the Seller in advance.

In particular, the Buyer request authorisation from CAREL to return the material using the RMA procedure (Return Material Authorization), correctly completing the special form available on the CAREL website, as described in art. 8.4.

The document accompanying returned goods must mention, as well as the RMA number sent by the Seller, the exact details of the sales invoice, which must also be dated no more than 12 (twelve) months earlier. Products retuned within 20 days of delivery will be devalued by 20% as compared with purchase price, for administrative, movement and control fees. Transport costs will be paid for by the

Buyer. The returned Product must not show any signs of tampering and must be supplied in its original packaging. If not, in addition to the above-stated write-down, the cost for restoration to new conditions will also be charged. Failure to comply with this art. 9.1 will entail failure to accept the returned Product. 9.2 Should the Buyer request a Product repair that is not covered by the warranty pursuant to art. 8.2 herein, the Buyer must pay for the delivery and return of the Product to and from the Seller's premises. The repair will be charged to the Buyer. This charge will be inclusive of labour and parts replaced, up to a maximum limit established as 40% of their current list price.

Repairs will consist of the regeneration of the Product as new, as long as this is possible and worthwhile. If this is not the case, the Seller will return the Product to the Buyer, without having carried out any work and at no charge.

## 10. Software

Should the Product include a software application, the use of this software may, as applicable, be governed by specific, separate terms and conditions of a license for use.

#### 11. Drawings, technical documents and intellectual property

11.1 The Technical Documentation, all drawings, documents and technical specifications, illustrations and information concerning the Product/s delivered and made available by the Seller to the Buyer, may not be used for any purpose other than that for which they have been sent, unless specifically authorised by the Seller. Intended purposes include, for example, installation, use, maintenance and marketing.

11.2 All information (supplied in any form and format), technical standards, specifications supplied by the Seller described by art. 10.1, are the exclusive property of the latter. No trademark license or license to use patents or other industrial or intellectual property rights relating to the above-stated technical information, know-how, etc., are considered as granted to the Buyer under this Agreement.

#### 12. Export conditions

12.1 The sale of the Products and basic technology may be subject to export controls, according to various local regulations and laws. Such controls may be performed by the various authorities of each country in which the Products are to be marketed. The Buyer is responsible for complying with the laws, regulations and/or directives governing the import of goods. The Buyer is also responsible for paying duties in the country of destination through to the end customer.

12.2 The Seller is committed to supplying the Buyer with all information and assistance that can reasonably be requested by the other Party in obtaining authorisations and licenses required by local laws for the products to be exported. He must also take all measures necessary to obtaining the required supporting documents, in a timely manner.

#### 13. Force majeure

The Seller is not responsible for any delays or breaches of contractual obligations where such delay or breach is due to causes independent of his will. These include, as examples and not intended as an exhaustive list, natural disasters, wars, embargo, requirements, legislations added, strikes, production blocks, difficulties in finding raw materials and other essential parts to the production equipment, machinery failures or interruptions to energy supplies.

#### 14. Product Quality and Certification Processes

The Seller's quality management system is certified ISO 9001 in accordance with the purpose specified on the certificate (ref. "Design, manufacture and sale of electronic control instruments, connections systems, remote management and monitoring and humidification systems").

The Seller's Products are designed and built in accordance with current European standards. Every Product is designed and tested to fall within the limits established by the European standards of reference as concerns electromagnetic compatibility and safety.

Furthermore, many of the Seller's Products are tested and certified by international certification bodies (applicable certification trademarks can be seen on the product identification label).

#### 15. Language

These Conditions have been drawn up in Italian and translated into English. Should there be any disagreement or differences between the Italian text and the English translation, the Italian text shall prevail.

## 16. Applicable law

The Agreement is subject to Italian law. Where the sale of the Product is made in countries other than Italy, it is specifically agreed that the parties exclude application of the United Nations Convention on international goods sales agreements adopted in Vienna on 11th April 1980 to this Agreement.

## GENERAL CONDITIONS OF THE PLANTVISORPRO AGREEMENT

#### 1. Definitions

In accordance with these conditions, the following definitions shall have the meanings given, regardless of whether they are used in a singular or plural form:

BUYER: the buyer of the PlantVisorPro local.

CONDITIONS: these general conditions of the agreement, which form an integral and substantial part of said Agreement and are also available from the website www.carel.com.

CONFIRMATION OF ORDER: the written document of Order acceptance, sent by the Seller to the Buyer, containing: the description of the Product/s sold, the Seller's product code (and on request, also that of the Buyer), the quantity, unit price, transport terms, delivery terms and payment terms.

AGREEMENT: the agreement drawn up between the Buyer and Seller for the sale of the *PlantVisorPro Local*.

TECHNICAL DOCUMENTATION:: (i) paper manual containing the technical data and operative instructions for the assembly, installation, maintenance and set-up of the *PlantVisorPro local*, prepared and drawn up by CAREL INDUSTRIES S.p.A., enclosed within the *PlantVisorPro local* package, (ii) *Online help*; (iii) document: '*Correct installation of the PlantVisorPro local*'; (iv) document: *Specifications for the supply to the PlantVisorPro local*, available from the website www.carel.com.

EX WORKS OR EXW: delivery conditions of the *PlantVisorPro local* in accordance with international *'Incoterms 2000'* rules, namely at the Seller's premises. As from the time of consignment, the Buyer shall pay for all loading, transport, delivery and insurance costs.

ORDER: the document sent by the Buyer to the Seller, setting out the proposed purchase of the *PlantVisorPro local* and relevant identification code.

PARTIES: The Buyer and Seller referred to jointly.

'*PlantVisorPro local*': electronic standardised monitoring and detection system to be used in HVAC/R systems marked by a given identification code assigned by the Seller and consisting of the following items: an electronic processor equipped with software and firmware, a PC-Gate with relative power supply, all branded with the Carel trademark.

SELLER: CAREL INDUSTRIES S.p.A. (Italy).

## 2. Application and efficiency of the Conditions

2.1 The Conditions are an integral and substantial part of each *PlantVisorPro Local* Sales Agreement. In the event of any discrepancy, they shall prevail over any purchase conditions that may be stated by the Buyer on the Order, unless otherwise agreed in writing by the Parties.

2.2 The Conditions are always available from the website www.carel.com. They are efficient between the Parties as the Buyer can become aware of such using ordinary diligence upon drawing up the Agreement.

## 3. Orders, Confirmations of Order and Technical Documentation

3.1 Orders must be in writing. They are considered as accepted by the Seller by transmission of the Confirmation of Order to the Buyer.

3.2 The Buyer guarantees that the terms and conditions in relation to each Purchase Order and each Confirmation of Order are correct. The Buyer declares that he has carefully examined all the Technical Documentation prior to having sent the Order, and has verified the technical and applicative compliance of his machinery and tools with the Products.

3.3 The Seller reserves the right to make any changes to the Purchase Order for the *PlantVisorPro local*, where it requires adaptation to meet internal or Community standards, or is altered in such a way that does not prejudice its quality or function, or is replaced with a more recent series with comparable form and/or functions to that replaced.

3.4 All activities following the sale of the *PlantVisorPro local*, for example, but not intended as an exhaustive list, the installation, assistance with assembly and set-up of the *PlantVisorPro local*, according to the Buyer's demands, is at the exclusive cost, risk and liability of the Buyer. The Buyer must comply in full with all operative instructions set out in the Technical Documentation.

## 4. Price

4.1 The price of the *PlantVisorPro Local* is as established in the price list current as of the date of Order. The price includes packaging costs according to the Seller's standards. Any special packaging required by the Buyer will be paid for by the Buyer himself. The price does not include taxes and duties on the sale, customs duties, any other charges and VAT, if due.

4.2 Without prejudice to alternative written agreements, all prices established by the Seller are Ex Works.

## 5. Invoicing and method of payment

5.1 The Seller shall invoice the Buyer for the price of the *PlantVisorPro local* at the same time as consignment. Should the Buyer fail to collect the *PlantVisorPro local* from the Seller's premises within the terms established by the Agreement, without prejudice to the rights set out by art. 6.3 herein, the Seller shall have the right to issue invoice for the price of the *PlantVisorPro local* at any stage. The Seller may do so following verbal or written notice provided to the Buyer that the *PlantVisorPro local* is available for collection.

5.2 The Buyer must pay the *PlantVisorPro Local* price within the terms specified on the Confirmation of Order or invoice. Payment must be made directly to the Seller's domicile. The Seller shall have the right to receive payment even in the event that the Buyer should fail to collect the *PlantVisorPro Local* under the terms and conditions specified on the Confirmation of Order.

5.3 Should the Buyer fail to make payment within the terms established by the Agreement, the Seller shall have the right to the maturity and payment of late payment interest in accordance with Italian Legislative Decree no. 231/02. This is without prejudice to compensation for greater damages.

5.4 For payments from abroad, fund transfer costs from the foreign bank to the Italian bank will be paid for in full by the Buyer.

## 6. Delivery, PlantVisorPro Local collection, handover of risks

6.1 Unless otherwise agreed, the consignment of the goods, with relative transfer of the risk of damages and/or depreciation of the *PlantVisorPro local* to the Buyer, is intended as EXW – Ex Works. This applies even where full or partial delivery by the Seller has been agreed to another destination. In this case, the Buyer shall pay for all costs borne by the Seller for the transport, delivery, packaging and insurance.

6.2 Delivery terms are fixed by the Seller on the Confirmation of Order.

6.3 Should the Buyer fail to collect the *PlantVisorPro Local* within the delivery terms set forth in the Agreement, or should he fail to provide the Seller with adequate instructions for delivery, without prejudice to the rights described by art. 5.1 above, the Seller shall have the right to request reimbursement by the Buyer of all costs sustained for storage of the *PlantVisorPro Local*.

## 7. Buyer commitments

7.1 The Buyer is the sole party responsible for choosing the *PlantVisorPro Local* purchased. The Buyer has therefore decided that it is suitable to meeting his demands and for all activities subsequent to sale, namely the installation, maintenance, assembly and set-up of the *PlantVisorPro Local* at the Buyer's premises. These activities must be carried out in full compliance with the instructions given in the Technical Documentation. The Buyer must also be in possession of structures and skills (including technological skills) necessary for the correct use of the *PlantVisorPro Local*.

7.2 Specifically, for the purposes of carrying out correct installation and subsequent correct function of the *PlantVisorPro Local*, the Buyer must comply with all obligations listed in the on-line documentation, with utmost diligence. This documentation consists of the '*Correct installation of the PlantVisorPro Local*' and the '*Specifications for the supply of the PlantVisorPro Local*'.

7.3 In implementing the Agreement, the Buyer must also comply with and apply all local regulations and rules applicable in the country in which the *PlantVisorPro Local* is to be used. These include all those concerning the protection of public health and safety and good commercial practise. Any costs relating to the compliance of the *PlantVisorPro Local* with that set out by the legislation of the country in which it is to be used, will be paid for exclusively by the Buyer.

## 8. Warranties, responsibilities and return of materials

8.1 The Seller guarantees that the *PlantVisorPro Local* is free from material faults and flaws of manufacture and complies with the standard technical specifications contained in the Technical Documentation. The Seller provides no warranty on materials and/or parts of the *PlantVisorPro* 

*Local* not produced by themselves, nor for any damages caused by uses not known at the time of Order and Confirmation of Order. The Seller also refuses to provide any guarantee of compatibility of the *PlantVisorPro Local* with other electronic equipment or other specific processing programmes. 8.2 The Seller undertakes to guarantee the *PlantVisorPro Local* for 2 (two) years as from the date of its manufacture. This shall apply as long as the full price has been paid by the date stated on the invoice or in any case set out by the Agreement, and as long as any flaws are notified within 8 (eight) days of the date on which they are discovered.

8.3 The *PlantVisorPro Local* under warranty, where an initial verification by the Seller takes it to be repairable, may only be repaired at the Seller's establishment. The Seller will also re-complete packaging, regenerating it as new. Where repair is not possible or not economically worthwhile, the Seller reserves the right to replace the *PlantVisorPro Local* with a new one free of charge. This is without prejudice to the Buyer's right to seek alternative legal remedies.

8.4 In compliance with the terms and conditions set out by the previous art. 8.2, the Buyer must send the faulty *PlantVisorPro Local*, in its original packaging and/or in suitable packing, at his own expense, to the Seller's premises. The item must be sent complete with its identification code, serial number, date of manufacture and a detailed written description of the flaw reported. The Buyer shall invalidate the warranty if the identification label has been removed or damaged. The Seller will only accept the material if coming from the Buyer. As such, distributors or retailers must collect the *PlantVisorPro Local* for repair or replacement from their clients, and deliver it to the Seller. The Seller shall carry out all appropriate checks and/or works and return the material within the terms necessary for repair. The Seller will return the Product as quickly as possible and, in any case, in no more than 2 months as from receipt of the return. This is without prejudice to where additional specific checks are required, and in which case, the Buyer will be duly informed of such. The Seller will bear the costs, DDU (*Incoterms* 2000) for returning the *PlantVisorPro Local* to the Buyer.

8.5 This is without prejudice to the fact that the Seller shall provide no warranty to cover flaws in the *PlantVisorPro Local* deriving from: failure to comply with the instructions given in the Technical Documentation, tampering, improper use, incorrect installation, incorrect use, negligent maintenance, repairs, changes or alterations made or caused by the Buyer or by unauthorised third parties, extraordinary events such as accidents, abnormal wear of the *PlantVisorPro Local* or its components caused, by way of example, by the physical, electrical or electromagnetic environment. More specifically, it is specified that the Buyer shall be the sole party liable for the use of the Products in machines and for activities and applications that differ from those specified in the Seller's Technical Documentation. The Buyer shall also therefore be liable for all and any relevant consequences. 8.6 With the exception of cases of fraud and serious misconduct, the Seller therefore excludes any further contractual or non-contractual liability for such, in any case originating from the PlantVisorPro Local. This includes, as mere examples and not intended as an exhaustive list, compensation for direct and indirect damages, losses including loss of profits, costs, fees also in relation to the withdrawal of the *PlantVisorPro Local* from the market, lack of earnings, and interruption of the operations of the *PlantVisorPro Local*. The Seller's contractual liability is limited to the compensation of an amount not in excess of the price of the PlantVisorPro Local.

8.7 Any return of new materials for credit, for reasons not due to the Seller, must be agreed with the Seller in advance. The document accompanying returned goods must mention the exact details of the sales invoice, which must also be dated no more than 12 months earlier. The *PlantVisorPro Local* returned within the first 20 days of consignment will be devalued by 20% as compared with the original purchase price, for administrative, movement and control fees. Transport costs will be paid for by the Buyer. The returned *PlantVisorPro Local* must not show any signs of tampering and must be supplied in its original packaging. Failure to do so will entail the charge of cost for restoration to new condition, in addition to the above-stated impairment. Failure to comply with this art. 8.7 will result in failure to accept the returned *PlantVisorPro Local*.

## 9. Licensed software

The right to use the standardised application software included in the *PlantVisorPro Local* is subject to the Buyer's acceptance, or acceptance by the effective user where this is not the Buyer, of further terms and conditions. These further terms and conditions are stated in a separate license agreement for the use of the software, which can be viewed on the screen immediately after turning the *PlantVisorPro Local* on.

#### 10. Drawings, technical documents and intellectual property

10.1 All Technical Documentation, drawings, documents and technical specifications, illustrations and information concerning the *PlantVisorPro Local* delivered and made available to the Buyer by the

Seller, may not be used for any purpose other than that for which they have been sent, unless specifically authorised by the Seller. Intended purposes include, by way of example, the installation, use, maintenance and marketing of the Product.

10.2 All information (supplied in any form and format), technical standards and specifications supplied by the Seller, as per art. 10.1 above, are the exclusive property of the Seller. No trademark license or license to use patents or other industrial or intellectual property rights relating to the above-stated technical information, know-how, etc., are considered as granted to the Buyer under this Agreement.

#### **11. Export conditions**

11.1 The sale of the *PlantVisorPro Locals* and their basic technology may be subject to export controls, according to various local regulations and laws. Such controls may be performed by the various authorities of each country in which the *PlantVisorPro Local* is to be marketed. The Buyer is responsible for complying with the laws, regulations and/or directives governing the import of goods. The Buyer is also responsible for paying duties in the country of destination through to the end customer. 11.2 The Seller is committed to supplying the Buyer with all information and assistance that can reasonably be requested by the other Party in obtaining authorisations and licenses required by local laws for the products to be exported. The Seller must also take all measures necessary to obtaining the required supporting documents, in a timely manner.

#### 12. Force majeure

The Seller is not responsible for any delays or breach of contractual obligations where such delay or breach is due to causes independent of his will. These include, as examples and not intended as an exhaustive list, natural disasters, wars, embargo, requisitions, new legislations, strikes, production blocks, difficulties in finding raw materials and other essential parts to the production equipment, machinery failures or interruptions to energy supplies.

#### 13. PlantVisorPro Local quality

13.1 The Seller's quality management system is certified ISO 9001 in accordance with the purpose specified on the certificate (ref. "*Design, manufacture and sale of electronic control instruments, connections systems, remote management and monitoring and humidification systems*").
13.2 The Seller's Products are designed and built in accordance with current European standards.
13.3 Every Product is further designed and tested to fall within the limits established by the European standards of reference as concerns electromagnetic compatibility and safety.

13.4 Furthermore, many of the Seller's Products are tested and certified by international certification bodies (applicable certification trademarks can be seen on the product identification label).

## 14. Language

These Conditions have been drawn up in Italian and translated into English. Should there be any disagreement or differences between the Italian text and the English translation, the Italian text shall prevail.

#### 15. Applicable law

This Agreement is subject to Italian law. Where the sale of the *PlantVisorPro Local* is made in countries other than Italy, it is specifically agreed that the parties exclude application of the United Nations Convention on international goods sales agreements adopted in Vienna on 11<sup>th</sup> April 1980 to this Agreement.

## GENERAL CONDITIONS OF THE PLANTWATCHPRO AGREEMENT

## 1. Definitions

In accordance with these conditions, the following definitions shall have the meanings given, regardless of whether they are used in a singular or plural form:

'Buyer': the buyer of the PlantWatchPro.

**'Conditions**': these general conditions of the agreement, which form an integral and substantial part of said Agreement and are also avaable from the website 'www.carel.com'.

**'Confirmation of Order'**: the written document of Order acceptance, sent by the Seller to the Buyer, valid as Order acceptance.

'Agreement': the agreement drawn up between the Buyer and Seller for the sale of the *PlantWatchPro*. 'Technical documentation': (i) paper manual containing the technical data and operative instructions for the assembly, installation, maintenance and set-up of the *PlantWatchPro*, prepared and drawn up by CAREL INDUSTRIES S.p.A., enclosed within the *PlantWatchPro* package, (ii) *On-line help*. 'Ex-works' or 'EXW': delivery conditions of the *PlantWatchPro* in accordance with international

*'Incoterms 2000'* rules, namely at the Seller's premises. As from the time of consignment, the Buyer shall pay for all loading, transport, delivery and insurance costs.

'**Order**': the document sent by the Buyer to the Seller, setting out the proposed purchase of the *PlantWatchPro* and relevant identification code.

'Parties': The Buyer and Seller referred to jointly.

' *PlantWatchPro*': electronic standardised monitoring and detection system to be used in HVAC/R systems marked by a given identification code assigned by the Seller and consisting of the following items: an electronic processor equipped with software and firmware, branded with the Carel trademark. '**Seller**': CAREL INDUSTRIES S.p.A. (Italy).

# 2. Application and efficiency of the Conditions

**2.1** The Conditions are an integral and substantial part of each *PlantWatchPro* Sales Agreement. In the event of any discrepancy, they shall preva over any purchase conditions that may be stated by the Buyer on the Order, unless otherwise agreed in writing by the Parties.

**2.2** The Conditions are always avaable from the website <u>www.carel.com</u>. They are efficient between the Parties as the Buyer can become aware of such using ordinary digence upon drawing up the Agreement.

## 3. Orders, Confirmations of Order and Technical Documentation

**3.1** Orders must be in writing. They are considered as accepted by the Seller by transmission of the Confirmation of Order to the Buyer.

**3.2** The Buyer guarantees that the terms and conditions in relation to each Purchase Order and each Confirmation of Order are correct. The Buyer declares that he has carefully examined all the Technical Documentation prior to having sent the Order, and has verified the technical and applicative compliance of his machinery and tools with the Products.

**3.3** The Seller reserves the right to make any changes to the Purchase Order for the *PlantWatchPro*, where it requires adaptation to meet internal or Community standards, or is altered in such a way that does not prejudice its quality or function, or is replaced with a more recent series with comparable form and/or functions to that replaced.

**3.4** All activities following the sale of the *PlantWatchPro*, for example, but not intended as an exhaustive list, the installation, assistance with assembly and set-up of the *PlantWatchPro*, according to the Buyer's demands, is at the exclusive cost, risk and liabity of the Buyer. The Buyer must comply in full with all operative instructions set out in the Technical Documentation.

## 4. Price

**4.1** The price of the *PlantWatchPro* is as established in the price list current as of the date of Order. The price includes packaging costs according to the Seller's standards. Any special packaging required by the Buyer will be paid for by the Buyer himself. The price does not include taxes and duties on the sale, customs duties, any other charges and VAT, if due.

**4.2** Without prejudice to alternative written agreements, all prices established by the Seller are Ex Works.

## 5. Invoicing and method of payment

**5.1** The Seller shall invoice the Buyer for the price of the *PlantWatchPro* at the same time as consignment. Should the Buyer fa to collect the *PlantWatchPro* rom the Seller's premises within the terms established by the Agreement, without prejudice to the rights set out by art. 6.3 herein, the Seller shall have the right to issue invoice for the price of the *PlantWatchPro* at any stage. The Seller may do so following verbal or written notice provided to the Buyer that the *PlantWatchPro* is avaable for collection.

**5.2** The Buyer must pay the *PlantWatchPro* price within the terms specified on the Confirmation of Order or invoice. Payment must be made directly to the Seller's domice. The Seller shall have the right

to receive payment even in the event that the Buyer should fa to collect the *PlantWatchPro* under the terms and conditions specified on the Confirmation of Order.

5.3 Should the Buyer fa to make payment within the terms established by the Agreement, the Seller shall have the right to the maturity and payment of late payment interest in accordance with Italian Legislative Decree no. 231/02. This is without prejudice to compensation for greater damages.5.4 For payments from abroad, fund transfer costs from the foreign bank to the Italian bank will be paid for in full by the Buyer.

## 6. Delivery, PlantWatchPro collection, handover of risks

**6.1** Unless otherwise agreed, the consignment of the goods, with relative transfer of the risk of damages and/or depreciation of the *PlantWatchPro* to the Buyer, is intended as EXW – Ex Works. This applies even where full or partial delivery by the Seller has been agreed to another destination. In this case, the Buyer shall pay for all costs borne by the Seller for the transport, delivery, packaging and insurance.

**6.2** Delivery terms are fixed by the Seller on the Confirmation of Order.

**6.3** Should the Buyer fa to collect the *PlantWatchPro* within the delivery terms set forth in the Agreement, or should he fa to provide the Seller with adequate instructions for delivery, without prejudice to the rights described by art. 5.1 above, the Seller shall have the right to request reimbursement by the Buyer of all costs sustained for storage of the *PlantWatchPro*.

#### 7. Buyer commitments

**7.1** The Buyer is the sole party responsible for choosing the *PlantWatchPro* purchased. The Buyer has therefore decided that it is suitable to meeting his demands and for all activities subsequent to sale, namely the installation, maintenance, assembly and set-up of the *PlantWatchPro* at the Buyer's premises. These activities must be carried out in full compliance with the instructions given in the Technical Documentation. The Buyer must also be in possession of structures and skls (including technological skls) necessary for the correct use of the *PlantWatchPro*.

7.2 Specifically, for the purposes of carrying out correct installation and subsequent correct function of the *PlantWatchPro*, the Buyer must comply with all obligations listed in the on-line documentation, with utmost digence. This documentation consists of the '*Correct installation of the PlantWatchPro*'.
7.3 In implementing the Agreement, the Buyer must also comply with and apply all local regulations and rules applicable in the country in which the *PlantWatchPro* is to be used. These include all those concerning the protection of public health and safety and good commercial practise. Any costs relating to the compliance of the *PlantWatchPro* with that set out by the legislation of the country in which it is to be used, will be paid for exclusively by the Buyer.

#### 8. Warranties, responsibities and return of materials

**8.1** The Seller guarantees that the *PlantWatchPro* is free from material faults and flaws of manufacture and complies with the standard technical specifications contained in the Technical Documentation. The Seller provides no warranty on materials and/or parts of the *PlantWatchPro* not produced by themselves, nor for any damages caused by uses not known at the time of Order and Confirmation of Order. The Seller also refuses to provide any guarantee of compatibity of the *PlantWatchPro* with other electronic equipment.

**8.2** The Seller undertakes to guarantee the *PlantWatchPro* for 2 (two) years as from the date of its manufacture. This shall apply as long as the full price has been paid by the date stated on the invoice or in any case set out by the Agreement, and as long as any flaws are notified within 8 (eight) days of the date on which they are discovered.

**8.3** The *PlantWatchPro* under warranty, where an initial verification by the Seller takes it to be repairable, may only be repaired at the Seller's charge. The Seller wl also re-complete packaging, regenerating it as new. Where repair is not possible or not economically worthwhe, the Seller reserves the right to replace the *PlantWatchPro* with a new one free of charge. This is without prejudice to the Buyer's right to seek alternative legal remedies.

**8.4** In compliance with the terms and conditions set out by the previous art. 8.2, the Buyer must send the faulty *PlantWatchPro*, in its original packaging and/or in suitable packing, at his own expense, to the Seller's premises. The item must be sent complete with its identification code, serial number, date of manufacture and a detaed written description of the flaw reported. The Buyer shall invalidate the warranty if the identification label has been removed or damaged. The Seller will only accept the material if coming from the Buyer. As such, distributors or retaers must collect the *PlantWatchPro* for repair or replacement from their clients, and deliver it to the Seller. The Seller shall carry out all appropriate

checks and/or works and return the material within the terms necessary for repair. The Seller will return the Product as quickly as possible and, in any case, in no more than 2 months as from receipt of the return. This is without prejudice to where additional specific checks are required, and in which case, the Buyer will be duly informed of such. The Seller will be ar the costs, DDU (*Incoterms* 2000) for returning the *PlantWatchPro* to the Buyer.

8.5 This is without prejudice to the fact that the Seller shall provide no warranty to cover flaws in the *PlantWatchPro* deriving from: faure to comply with the instructions given in the Technical Documentation, tampering, improper use, incorrect installation, incorrect use, negligent maintenance, repairs, changes or alterations made or caused by the Buyer or by unauthorised third parties, extraordinary events such as accidents, abnormal wear of the PlantWatchPro or its components caused, by way of example, by the physical, electrical or electromagnetic environment. More specifically, it is specified that the Buyer shall be the sole party liable for the use of the Products in machines and for activities and applications that differ from those specified in the Seller's Technical Documentation. The Buyer shall also therefore be liable for all and any relevant consequences. 8.6 With the exception of cases of fraud and serious misconduct, the Seller therefore excludes any further contractual or non-contractual liabity for such, in any case originating from the *PlantWatchPro*. This includes, as mere examples and not intended as an exhaustive list, compensation for direct and indirect damages, losses including loss of profits, costs, fees also in relation to the withdrawal of the *PlantWatchPro* from the market, lack of earnings, and interruption of the operations of the PlantWatchPro. The Seller's contractual liabity is limited to the compensation of an amount not in excess of the price of the PlantWatchPro.

**8.7** Any return of new materials for credit, for reasons not due to the Seller, must be agreed with the Seller in advance. The document accompanying returned goods must mention the exact detas of the sales invoice, which must also be dated no more than 12 months earlier. The *PlantWatchPro* returned within the first 20 days of consignment will be devalued by 20% as compared with the original purchase price, for administrative, movement and control fees. Transport costs will be paid for by the Buyer. The returned *PlantWatchPro* must not show any signs of tampering and must be supplied in its original packaging. Faure to do so will enta the charge of cost for restoration to new condition, in addition to the above-stated impairment. Faure to comply with this art. 8.7 will result in faure to accept the returned *PlantWatchPro*.

#### 9. Licensed software

The right to use the standardised application software included in the *PlantWatchPro* is subject to the Buyer's acceptance, or acceptance by the effective user where this is not the Buyer, of further terms and conditions. These further terms and conditions are stated in a separate license agreement for the use of the software, which is avaable inside the Technical Documentation included in the packaging.

#### 10. Drawings, technical documents and intellectual property

**10.1** All Technical Documentation, drawings, documents and technical specifications, lustrations and information concerning the *PlantWatchPro* delivered and made avaable to the Buyer by the Seller, may not be used for any purpose other than that for which they have been sent, unless specifically authorised by the Seller. Intended purposes include, by way of example, the installation, use, maintenance and marketing of the Product.

**10.2** All information (supplied in any form and format), technical standards and specifications supplied by the Seller, as per art. 10.1 above, are the exclusive property of the Seller. No trademark license or license to use patents or other industrial or intellectual property rights relating to the above-stated technical information, know-how, etc., are considered as granted to the Buyer under this Agreement.

## **11. Export conditions**

**11.1** The sale of the *PlantWatchPro* and their basic technology may be subject to export controls, according to various local regulations and laws. Such controls may be performed by the various authorities of each country in which the *PlantWatchPro* is to be marketed. The Buyer is responsible for complying with the laws, regulations and/or directives governing the import of goods. The Buyer is also responsible for paying duties in the country of destination through to the end customer.

**11.2** The Seller is committed to supplying the Buyer with all information and assistance that can reasonably be requested by the other Party in obtaining authorisations and licenses required by local laws for the products to be exported. The Seller must also take all measures necessary to obtaining the required supporting documents, in a timely manner.

#### 12. Force majeure

The Seller is not responsible for any delays or breach of contractual obligations where such delay or breach is due to causes independent of his wl. These include, as examples and not intended as an exhaustive list, natural disasters, wars, embargo, requisitions, new legislations, strikes, production blocks, difficulties in finding raw materials and other essential parts to the production equipment, machinery faures or interruptions to energy supplies.

#### 13. PlantWatchPro quality

**13.1** The Seller's quality management system is certified ISO 9001 in accordance with the purpose specified on the certificate (ref. "*Design, manufacture and sale of electronic control instruments, connections systems, remote management and monitoring and humidification systems*").

13.2 The Seller's Products are designed and but in accordance with current European standards.13.3 Every Product is further designed and tested to fall within the limits established by the European standards of reference as concerns electromagnetic compatibity and safety.

**13.4** Furthermore, many of the Seller's Products are tested and certified by international certification bodies (applicable certification trademarks can be seen on the product identification label).

#### 14. Language

These Conditions have been drawn up in Italian and translated into English. Should there be any disagreement or differences between the Italian text and the English translation, the Italian text shall preva.

#### 15. Applicable law

This Agreement is subject to Italian law. Where the sale of the *PlantWatchPro* is made in countries other than Italy, it is specifically agreed that the parties exclude application of the United Nations Convention on international goods sales agreements adopted in Vienna on 11<sup>th</sup> Apr 1980 to this Agreement.

March 2016, Rel. 1.2 Sales Conditions valid as of 07.03.2016