

STANDARD SUPPLY CONDITIONS

1. DEFINITIONS

- 1.1. "Morganti Ferruccio S.r.l." (hereunder "Morganti.") is the "Seller".
- 1.2. "Customer" or "Purchaser" is the subject (natural or legal person) who purchases, accepting the general sales conditions.
- 1.3. "Order" is the request form for goods on sale, filled in by the customer.
- 1.4. "Products" or "Goods" are the goods on sale, according to the general sales conditions.
- 1.5. "Price" is the amount of sale of goods only.
- 1.6. "Contract" is the remote contract having as object the sale of products, according to general sale conditions.
- 1.7. "Parties" are Morganti. and the customer.
- 1.8 "Site" is the website www.morgantiferruccio.com for the sale of industrial gaskets.

2. PRODUCTS SALE

- 2.1. Products are sold according to the terms and conditions of the contract published on the site, in the section "Quality", upon ordering.
- 2.2. Prices and products can change, without any need for prior notice. If changes occur during the supply period, "Morganti" reserves assessing each position, to preserve good relationship with customers.

3. CONTRACT EXECUTION

- 3.1. Verbal and written offers are not binding.
- 3.2. Orders sent by customer are considered as accepted and the contract as fulfilled and binding for the parties only and exclusively once the written order confirmation is sent by "Morganti."
- 3.3. The purchaser can ask for modifications of the contract as for the quantity of products and delivery time. This request is examined by "Morganti". In case of denial the previous order confirmation is released, in case of approval a new confirmation is released.
- 3.4. The following modifications are rejected in any event: *a)* quantities lower than minimum lot; *b)* delivery postponed by more than 30 days after expiry of order confirmation; *c)* second modification of a modification.
- 3.5. Expiry and total quantity of contracts are binding and the customer cannot ask for their modification.
- 3.6. Written order confirmation by "Morganti" cannot be revoked, unless the purchaser refunds entirely the seller for damage caused by cancelation.

4. ORDER TERMINATION

- 4.1. If the customer does not comply, even partially, with one of the conditions set forth for the supply, or when changes of any kind occur in the corporate name, in the set-up and/or in commercial capability of the purchaser, as well as in case of ascertained difficulty in payments by the purchaser also with third parties, "Morganti" is entitled to put off any orders being processed or

to require guarantees for their execution.

4.2. Regardless of the above events, the seller can reduce the limits of its exposure to the purchaser, if the general market conditions change or if any event or situations occur of a nature such as to influence the ordinary activities of the seller.

5. PRICES AND PAYMENT

5.1. Except for contrary written agreements, prices applied are those in force upon delivery or shipment of the goods and prices are always intended for goods returned ex works “Morganti .”, packaging included. The seller, when applicable, anyway undertakes to send to its customers the lists updated up to 1 or 2 months earlier. Lists are sent by ordinary mail or email and are intended as accepted in all their parts.

5.2. Prices are in Euro (€) and do not include Value Added Tax (I.V.A.), which is invoiced as provided for by the law.

5.3. The total amount at the end of the order includes shipment expenses.

5.4. Unless otherwise specified in written form, the payment of the price is intended cash upon delivery of the goods or before shipment of the latter by bank transfer on the bank codes notified.

5.5. The payment is due as provided for also in case of delay in the arrival of goods as well as in case the goods made available to the purchaser at seller’s premises are not picked up by the purchaser.

5.6. In case of delayed payment the purchaser has to pay to the seller the amounts due plus the interests on arrears in force, but for any greater damage.

6. DELIVERIES

6.1. If the equipment and materials necessary to make the product are already available in the warehouse and/or in production, “Morganti.” undertakes to implement the order within 15 working days after sending the order confirmation. If the request entails the supply of new equipment or special materials, a written confirmation will be sent, with the delivery terms notice.

6.2. The seller anyway reserves, if there are delays in the supply and/or production for causes beyond its control, warning the customer in case of delayed delivery.

6.3. Terms of delivery are for informational purposes and are not binding for the seller. The seller is not liable and is not liable for any compensation for any direct/indirect damage due to delayed delivery, interruption or partial or total termination of the supply.

7. SHIPPING

7.1. The shipping of products is intended ex works “Morganti.”.

7.2. The goods, even if according to special written agreements, sold carriage paid always travel at total risk and danger for the purchaser. The latter should underwrite an insurance policy for the entire value of the product supplied and covering all the risks from the delivery ex works until the full payment of the product.

7.3. Unless specially agreed upon in written form, the shipping is made by “Morganti” using the most appropriate way and mean.

8. PACKAGING

8.1. Unless specially established prescriptions, the choice of the packaging is always of the seller. The packaging is included in the price and is not accepted in return.

8.2. The packaging of products is studied at best according to the experience of uncountable shipments. So no claims are accepted for faults ascribed to assumed shortages of solidity of the packaging.

9. STANDARD CONDITIONS FOR PURCHASE AND MAINTENANCE OF MOULDS BY THE CUSTOMER

9.1. The costs incurred by the customer for dies, matrixes, moulds and equipment are usually intended as costs in co-sharing and the ownership and rights on dies, matrixes, moulds, tooling projects and drawings is the exclusive of “Morganti .”

9.2 If the customer purchases a shearing mould or of a die, it fulfils also the following maintenance conditions: *a)* in case of purchase of a die, the price includes ordinary maintenance costs of the device. In case of wear or breakage, the die can only be fully replaced and the relative cost will be charged to the customer; *b)* in case of purchase of a shearing mould in automatic, “Morganti.” is in charge of its ordinary maintenance, as per “Quality Procedure 06b” of our manual, available on customer’s demand. All controls and maintenance operations necessary before during and after production will be performed to avoid any possible criticality. The mould will be treated only by expert staff; *c)* in case of wear or breakage of the parts of the mould, the customer undertakes to pay the full cost of all external maintenance necessary to carry on the production, whereas “Morganti.” undertakes to disclose the receipts of the costs incurred; *d)* wear or breakage of the parts of the mould is due mainly to the kind of material used, to any criticality of the template or the diameters sheared and the number of productions. During shearing an average maintenance cost can be estimated, with a reference number of parts. When it is not possible to quantify this number of parts in advance, “Morganti.” reserves a certain number of productions (to agree in advance with the customer), during which the “behaviour” of the mould in shearing will be evaluated. During this cycle, any maintenance will be at customer’s charge; *e)* moulds owned by the customer can be returned to it at any moment, in the conditions they are in.

10. CONTROLS

10.1. Products are regularly controlled and checked at the plant, before shipping, by expert staff.

10.2. Controls are made according to the procedures and guidelines of regulations and UNI EN ISO 9001 for quality control.

11. VICES AND FAULTS

11.1. Any claim concerning quantity, sizes, type or kind of goods supplied should be made within 8 days from the receipt of the goods by the purchaser.

11.2 Any claim on the quality of the goods should be made to the seller within 8 days from noticing the claimed vices.

11.3. Once the above time term has expired “Morganti.” will no longer accept claims.

11.4. No claim concerning the quality of goods can be made, not even exceptionally, in court unless regular payment of products the claim refers to took place.

11.5. Any claim and/or dispute concerning a single good do not exempt the purchaser from the obligation to pick up the rest of the goods within the limits of the order or of the commitment.

11.6. The purchaser undertakes to supply samples of disputed products, reporting the number and date of the delivery note of the defective products so the seller can identify any causes and the most appropriate corrective actions.

11.5. The seller shall not accept returns of products not previously and explicitly authorized in written form. Anyway, no returns are authorized relative to supplies of products already made after 60 days from delivery.

11.6. In any event, the seller does not accept charges for the costs of claim management by the customer.

11.7. Any costs for selection or reprocessing of the claimed supply products should be previously estimated by the customer and explicitly deliberated by “Morganti.”.

11.8. In case of dimensional fault documented, “Morganti” undertakes to replace the defective parts ex works. The damage documented is limited to the only replacement of parts, with explicit exclusion of damage compensation for further and/or indirect damage.

12. TOLERANCES

12.1. As for: standard materials used in the lack of specific requirements of the customer, standard measures used lacking specific requirements of the customer in addition to tolerances accepted on materials used please refer to technical sheet under attachment "A" that integrates for all purposes this agreement. For the requirements of the seller, anyway the use tolerances both on finished products and on single elements composing them are accepted.

12.2 In products selection with standard screening (mechanical screens and visual inspection of the operator the scrap percentages estimated by the seller are:

- up to 250.000 pcs : 0.5%
- from 250.001 to 500.000 pcs: 0.4%
- from 500.001 to 750.000 pcs: 0.3%
- from 750.001 to 1.000.000 pcs: 0.2%
- from 1.000.001 pcs: 0.2%

12.3. In products selection through sensor screening (and higher list price) the highest estimated scrap percentage are:

- up to 250.000 pcs : 0.001%
- from 250.001 to 500.000 pcs: 0.004%
- from 500.001 to 750.000 pcs: 0.003%
- from 750.001 to 1.000.000 pcs: 0.003%
- from 1.000.001 pcs: 0.003%

12.4. Cutting production of rubber sleeves/hoses: the products are not usually subject to screening procedures. It is necessary to consider a higher scrap percentage, up to 2 % on the final product.

The customer may require the automatic screening, with higher unit cost, in order to reduce the scrap tolerance. "Morganti" after verifying the suitability of the product to be subjected to sensor selection, will communicate to the customer any higher cost.

13. LIABILITIES AND RESERVES

13.1. "Morganti" undertakes to supply, as for the product required by the customer, a technical sheet reporting reference data of the above product. The technical sheet should be considered as informational, since the reference data refer to tests made on a standard size product.

13.2. The customer is in charge of testing, before the purchase order is sent, its specific items, to estimate the seal performance and the kind of material proposed. The positive testing shall be notified to "Morganti" upon ordering.

13.3. Orders are not accepted if the positive testing declaration of the above sample tests is not submitted.

13.4. The seller does not guarantee the use, at assembly stage, of the goods supplied, thus it is not liable at all and no compensation can be claimed.

13.5. In case of complaints on sealing, the purchaser agrees hereby that "Morganti" checks the proper assembly of the gasket and/or the presence of any roughness of contact surfaces and whatever can be useful to establish the influence of external causes.

14. ENTIRE AGREEMENT

14.1. This agreement replaces all previous contracts, agreements, arrangements between the parties and represents the entire agreement between the parties concerning the contract together with the order.

14.2. Accepting these general conditions the purchaser waives any general purchase conditions considered individually and globally.

14.3. Any contract variation or modification shall be accepted in written form by both parties.

15. EXPRESS TERMINATION CLAUSE

15.1. This sale contract is legally terminated if the customer does not comply with its clauses and specifically when non-fulfilment is on payment methods as agreed upon previously, both in terms and quantities.

15.2. In this event the seller shall be entitled to compensation of suffered damage.

16. LANGUAGE

16.1. The sale contract is drafted in two versions: Italian and English. In case of differences the Italian version shall override.

17. APPLICABLE LAW AND COMPETENT COURT

17.1. The contract is regulated and interpreted in compliance with the Italian law.

17.2. The parties agree that the Convention of United Nations on Goods International Sale Contracts is explicitly excluded.

17.3. For any dispute arising from the contract or relative to it the Court of Novara's jurisdiction shall apply.

Attachments: "A" technical sheet

MORGANTI FERRUCCIO SRL ATTACHMENT "A"

1. Tolerances on materials

The following tolerances are to be considered as general and indicative as not always valid for each single production. As a matter of fact, tolerances per article mostly depend on type of mould, on its original concept (if initially conceived for a certain material, tolerances may change when we cut a different one) on heights, on diametres dimensions (the larger the diametres, the larger the tolerances).

Therefore, following tab has to be considered as a general guideline.

Materiale	Toll Diam. Est	Toll.Diam. Int.	Toll, spessore	Norme di riferimento
Acciaio 0.5	- 0,1/0,05 mm	- 0,1 /0,05 mm	- 0,1 /0,05 mm	
Alluminio mm 0.7	+/- 0,2 mm	+/- 0,2 mm	+/- 0,1 mm	
Alluminio 1050 A mm 2	+/- 0,2 mm	+/- 0,2 mm	+/- 0,1 mm	
Bronzo Fosforoso	+/- 0,2 mm	+/- 0,2 mm	+/- 0,1 mm	
Cartoncino mm 0.5	+/- 0,3 mm	+/- 0,3 mm	+/- 0,2 mm	
Cuoio rigen. 2 mm	+/- 0,3 mm	+/- 0,3 mm	+/- 0,5/6 mm	
Fasit 400 mm2	+ 0,3 mm	- 0,3 mm	+/- 10%	- Legge 257 del 27 marzo 1992 – Impiego amianto
Fasit Domus mm 2	+ 0,6 mm	- 0,6 mm	+/- 10%	- Legge 257 del 27 marzo 1992 – Impiego amianto
Fasit 50 mm2	+ 0,3 mm	-0,3 mm	+/- 10%	- Legge 257 del 27 marzo 1992 – Impiego amianto
Fasit Omnia mm2	+ 0,3 mm	- 0,3 mm	+/- 10%	- Legge 257 del 27 marzo 1992 – Impiego amianto
Fasit 202 mm1,8	+ 0,3 mm	- 0,3 mm	+/-0,25 mm	- Legge 257 del 27 marzo 1992 – Impiego amianto
Fasit Soft /Gold Gasket mm2	+/- 0,3 mm	+/- 0,3 mm	+/- 0,2 mm	- Legge 257 del 27 marzo 1992 – Impiego amianto
Ferro fino mm 1	+/- 0,2	+/- 0,2 mm	+/- 0,1 mm	
Fibra Normale mm 2	+/- 0,3 mm	+/- 0,3 mm	+/- 10%	Vedi nota 2
Fibra Vulkanite mm 2	+ /- 0,3mm	+/- 0,3 mm	+/- 10%	Vedi nota 2
Gomma Etilene Propilene (Epdm) mm2	+/- 0,3 mm	+/- 0,3 mm	+/- 0,4 mm	
Gomma Nbr Antiolio mm2	+/- 0,3 mm	+/- 0,3 mm	+/- 0,4 mm	
Gomma bianca alimentare mm2	+/- 0,3 mm	+/- 0,3 mm	+/- 0,4 mm	
Asberit NA 1100 mm1,5	+/- 0,2 mm	+/- 0,2 mm	+/- 10%	
Gomma Para mm2	+/- 0,3 mm	+/- 0,3 mm	+/- 0,4 mm	
Gomma Sbr mm2	+/-0,3 mm	+/-0,3 mm	+/- 0,4 mm	
Gomma Gas 70 mm2	+/- 0,3 mm	+/- 0,3 mm	+/- 0,4 mm	
Gomma spugna	n.a	n.a	+/-0,4 mm	
Gomma telata mm2	+/- 0,3 mm	+/- 0,3 mm	+/- 0,4 mm	
Gomma Tenax mm2	+/- 0,3 mm	+/- 0,3 mm	+/- 10%	
Ottone fino a mm1	+/- 0,2 mm	+/- 0,2 mm	+/- 0,1 mm	
PVC bianco/grigio	+/-0,2 mm	+/-0,2mm	+/- 0,1 mm	

mm0,7-1.1				
Rame fino a mm 0.8	+/- 0,2 mm	+/- 0,2 mm	+/- 0,1 mm	
Silicone Bianco mm 2	+/- 0,3 mm	+/- 0,3 mm	+/- 0,4 mm	
Silicone rosso mm 2	+/- 0,3 mm	+/- 0,3 mm	+/- 0,4 mm	
Sughero/gomma mm 2	+/- 0,3 mm	+/- 0,3 mm	+/- 0,3 mm	
Sustarin C	+/- 0,2 mm	+/- 0,2 mm	+ 0.05/- 0 mm	
Tubo Epdm 80 sh	Vedi tabella UNI 3302 cl. E2	Vedi tabella UNI 3302 cl. E2		UNI EN 3302 classe E2
Vulkollan mm 2	+/- 0,3 mm	+/- 0,3 mm	+/- 0,4 mm	

Note: on increase in thickness, tolerances increase accordingly: i.e. Fasit Omnia mm 2 +/- 0.3mm – Fasit Omnia mm 3 +/-0.4 mm

Note 2: Cellulose fiber materials also undergo variations after shearing, due to the presence of humidity in the air. Therefore, the gasket, even after packaging and storage over time, may undergo a non-measurable recovery or expansion.

Reference to UNI EN 3302 cl. E2

ISO 3302-E				
Dimensioni nominali (mm) <i>Nominal dimensions (mm)</i>		Classe E1	Classe E2	Classe E3
Da <i>From</i>	A (compreso) <i>To (included)</i>	+/-	+/-	+/-
0	1,5	0,15	0,25	0,40
1,5	2,5	0,20	0,35	0,50
2,5	4,0	0,25	0,40	0,70
4,0	6,3	0,35	0,50	0,80
6,3	10,0	0,40	0,70	1,00
10,0	16,0	0,50	0,80	1,30
16,0	25,0	0,70	1,00	1,60
25,0	40,0	0,80	1,30	2,00
40,0	63,0	1,00	1,60	2,50
63,0	100,0	1,30	2,00	3,20