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**Date**

21 May 2020

**Project**

Rum Chata B Line Upgrade

**AROL Proposal Number**

Q-5130 Rev 9 (ref. 19002124)

**Equipment**

Automatic rotary capping machine  
EURO VP 5 Station



Date: 21 May 2020  
Company:  
Proposal:  
Equipment: EURO VP 5 Station

In accordance with your request, we are pleased to provide you with the following revised proposal for an automatic rotary machine model EURO VP 5 Stations, designed to apply one screw TE cap onto 3 various round and 6 various oval containers with future capability to accommodate four various ROPP caps on various formats of round glass and PET bottles, for a production rate up to 141 BPM.

The in-house project management, which is included in this proposal; as well as any after sales service for the machine offered, is to be supplied from our US facility based on Atlanta, GA which offers a spare part inventory worth in excess of \$2.5 MM, available in less than 24 hours from Atlanta and a staff of veteran service engineers.

Please contact me if you have any questions about the contents of this proposal.

Thank you for your interest in AROL. We look forward to the opportunity to work further with you on this project.

Sincerely,

Al Pedri  
Midwest Regional Sales Manager



AROL North America  
2390 Satellite Blvd. Suite D  
Buford - Georgia 30518 - USA



## Technical Features

<b>Model</b>	Automatic rotary capping machine EURO VP 5 stations
<b>Speed Range</b>	70 BPM - 125 BPM Required maximum speeds
<b>Product</b>	Rum Drink
<b>Closures</b>	33 mm Chromed Plastic TE Screw Cap 36mmx52mm ROPP cap ( <b>Future Capability</b> ) 30mmx50mm ROPP cap ( <b>Future Capability</b> ) 30mmx60mm ROPP cap ( <b>Future Capability</b> ) 30mmx44mm ROPP cap ( <b>Future Capability</b> )
<b>Containers</b>	200ml Round plastic PET container (125 BPM) 1000ml Round plastic PET container (110 BPM) 1750ml Round plastic PET container (70 BPM) 375ml oval glass container (110 BPM) 700ml oval glass container (125 BPM) 750ml oval glass container (125 BPM) 1000ml oval glass container (110 BPM) 1140ml oval glass container (110 BPM) 1750ml oval glass container (70 BPM)
<b>Voltage</b>	480V 60HZ 3F
<b>Working Direction</b>	Clockwise
<b>Pitch Diameter</b>	288.00 mm
<b>Pitch Space</b>	180.86 mm



***This Quotation is Preliminary. It must be Confirmed or Updated After the Receipt Of Samples.***



## Equipment Description

Suitable for application of one format of 33 mm Chromed Plastic TE Screw Cap on one format of oval glass bottle and option for accomodating four various ROPP cap formats onto one round glass container format for a production rate up to 141 BPM.

Maximum bottle diameter is Ø 105 mm.

Machine in STANDARD configuration. Technical specs on page #12.

### Equipped with:

- Capping turret mounted mechanical pocket hopper, made of AISI 304 stainless steel, equipped with caps level monitoring device;
- Chute, made of AISI 304 stainless steel, equipped with double cap-presence monitoring device;
- MRS manual device for ejection of the upside down caps off the chute;
- Pick & Place device, made of AISI 304 stainless steel, to transfer caps from the chute to the closing heads;
- AROL VP 330 magnetic clutch screwing heads with possitive gripping jaws. The adjustment of torque is executed by external metal ring with optical reading;
- Control cam for head pistons, made of high hardness steel and high wear resistance, to guarantee against deformation;
- Device for automatic start up with a set number of bottles on the infeed conveyor;
- Machine manufacture with parallel dual feed screw and axially adjustable infeed worm, suitable to transfer the soft plastic bottles to the capping carousel without squeezing them.
- Bottle antirotation blocking device working by means of an external pneumatically controlled belt. The supply also includes a sensor to stop the machine in case of broken belt;
- All of the supports and shafts on the machine work table that may come into contact with the product are made of AISI 304 stainless steel only;
- Safety devices to block the machine if the bottles get jammed, hence preventing container breakage and product spillage;
- Equipped, as standard, with CE accident-prevention devices;

- Gearmotor for autonomous control of the closing heads rotation. It is driven by the inverter placed inside the special control panel in order to allow application of caps which demand operation of this function. It is equipped with a suitable operating software;
- Electric control panel made of AISI 304 stainless steel;
- Allen Bradley inverter for electronic speed variation with remote control inside control panel, to ensure gradual increase of machine start-up speed to match bottle flow on the incoming conveyor belt;
- P.L.C. Allen Bradley;
- H.M.I. Arol touch panel for main functions control;
- Air blows interception electrovalve;
- FESTO pneumatic;
- Control cabinet made of stainless steel UL certified;
- Motoreducer SEW IE3 version UL certified.



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## Budgetary Price Summary

The following is a preliminary summary of the pricing for the equipment necessary to handle the project requirements, as detailed in this proposal. The “Conditions of Sale” section is located at the end of this proposal and contains key information related to this proposal.

Description		Prices
Automatic rotary capping machine EURO VP 5 Heads	USD	
Cap handling change parts for one 33 mm Chromed Plastic TE Screw Cap	USD	Included
Container handling parts for one Oval glass bottle for plastic screw cap	USD	Included
Pre-arrangement for ROPP applications.	USD	
Upgrade to mechanical pocket sorter quick release version. It allows a toolless and drastic reduction in change over time of caps format.	USD	
Upgrade for plastic cap magnetic clutch headsets VP 335, closure torque range 10-36 lbf*in in quick change version, load compensation inner spring, gripper connection in quick change version and gripper with quick change.	USD	
Upchange for all sets of mechanical pocket sorter change parts in quick release version.	USD	
3 Total sets of neck support change parts	USD	
9 Total sets of bottle control change parts	USD	
Polishing of all 9 sets of bottle control change parts to accomodate pre-labeled containers	USD	
<b>Bottle conveyor controls upgrade Includes:</b> <ul style="list-style-type: none"> <li>- Bottle conveyor motor with additional Allen Bradley VFD mounted in capper main panel to control the bottle conveyor through the capper.</li> <li>- Side transfer components for existing bottle conveyor at the out feed of the capper.</li> <li>- Side transfer components for existing bottle conveyor at infeed of capper.</li> <li>- Additional VFD in the capper main panel to control the downstream bottle conveyor post capper.</li> <li>- Upstream bottle conveyor through filler will be driven and controlled by customer.</li> </ul>	USD	



Date: 21 May 2020

Company:

Proposal:

Equipment: EURO VP 5 Station

Mechanical bulk cap pre-feeder (See details on page #9)	USD	
Machine creates for sea freight service	USD	Included
<i>Estimated AROL 2-3-days of installation and start-up support for capper (not including travel expenses).</i>	<i>USD</i>	
<b>Total FCA Arol Canelli (Italy)</b>	<b>USD</b>	

**Mechanical cap elevator feeder “ELEMEC” 200 liter hopper bin**

- Equipped with long-autonomy tank, at ground level, with loading hatch. It is suitable to feed pre-threaded caps or press-on plastic or aluminium caps, “T” corks, natural straight corks. Made entirely of AISI 304 stainless steel. Equipped with an elevation arm made of AISI 304 stainless steel. The opening lid is equipped with a system capable to impede eventual accidental closing (due to intervention of gas springs). An internal protection prevents eventual foreign matters or impurities accumulated on the lid from entering into the tank. Discharge height 3,300 mm. The tank includes a level control device and is equipped with an anti-jamming system placed inside of it.
- Electric board on the elevator that allows it to work independently from the capper

USD

Included



## Compliances

AROL GROUP operates in strict compliance with the laws and regulations of the European Union and United States of America (as laid down by the OFAC, Office of Foreign Assets Control – U.S. Department of the Treasury) on export controls (on direct and indirect exports) and economic sanctions.

For this reason:

- we would ask you to inform us immediately if you should be required to use the AROL GROUP products, or to supply, export, re-export, sell or transfer the AROL GROUP products to or for final use in one of the Countries, or to any other individual or legal entity, included in any of the lists of sanctions of OFAC, the United Nations or the EU or its member States, whether directly or indirectly;
- with reference to one or more specific orders or offers, we may have to ask you for precise information on the final destination, customer, end user or the representatives thereof (partners, directors or officers). By way of further clarification of the above, if the Country indicated in the order and/or the customer Company or recipient of the goods or services, and/or one of the representatives thereof (partners, directors or officers) should be subject to restrictions on the part of OFAC or one of the other bodies named above, and/or if the operation has to be carried out in a Country at risk (countries listed as such by the Italian Foreign Ministry or any other European Government Body or the Insurers of AROL) (\*), AROL GROUP reserves the right and entitlement to proceed as follows - in respect of which it shall be subject to no consequences whatsoever, whether in relation to its contractual liability:
  - not to act on an invitation to offer,
  - not to accept an order request (even if this is the result of a preliminary offer issued by one or more companies belonging to the AROL GROUP itself and/or which has already been accepted by this latter),
  - to terminate the supply of goods or the provision of a service in advance, even if these have already been purchased by the customer.

(\*) Any specific and additional costs which, for the reasons set out above, might be necessary and sufficient to complete the delivery of the goods and/or supply of the services shall be debited to the buyer.

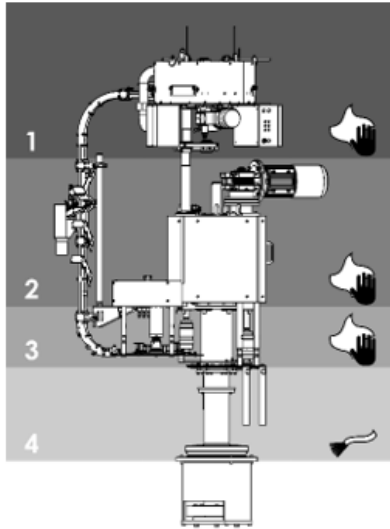
## AROL N.A. Equipment Standard Features And Components

Features/Components/Functions	AROL Equipment Includes In Base Price	Available Options With Price Upcharge
Electrical board (on board)	AROL choice "UL-CSA" INOX (Stainless Steel) NEMA Type with rotary switch	
Electrical board (remote, Stainless Steel)	AROL choice "UL-CSA" INOX (Stainless Steel) NEMA Type with rotary switch	AROL choice "UL-CSA" INOX (Stainless Steel) NEMA Type with Flange-Mounted switch.
Remote I/Os (if required)	WAGO (Ethernet/IP connected)	ROCKWELL / ALLEN BRADLEY POINT I/O (Ethernet/IP connected)
Programmable logic controllers	ROCKWELL / ALLEN BRADLEY (COMPACTLOGIX CPU 5370L2)  ALLEN BRADLEY MICRO 850 (only for single head machines)	ROCKWELL / ALLEN BRADLEY
		COMPACTLOGIX 5380
		ROCKWELL / ALLEN BRADLEY COMPATGUARDLOGIX 5370
		ROCKWELL / ALLEN BRADLEY (Other CPU models)
Human machine interface	AROL (SCHNEIDER ELECTRIC BRANDED)	ALLEN BRADLEY (PANELVIEW X00 PLUS)
Frequency converters	ROCKWELL / ALLEN BRADLEY (POWERFLEX 525)	
Safety relay	PILZ (PNOZ MULTI M80)	ROCKWELL / ALLEN BRADLEY COMPATGUARDLOGIX 5370
Safety limit switches	ALLEN BRADLEY SENSAGUARD - PIZZATO - EUCHNER CTP series	
Photoelectric cells	OMRON / IFM	
Proximity switches	OMRON / IFM	
Limit switches	SCHNEIDER / TELEMECANIQUE / OMRON	
Electromechanical components	ALLEN BRADLEY	
Pneumatic components	S.M.C.	FESTO
Standard asynchronous motors	SEW	
Brushless motors	SCHNEIDER (iLM)	
Brushless motors controller	SCHNEIDER (PACKDRIVE3)	
Gear motors	Bonfiglioli/Compatible	ROSSI
Gear reducers	Bonfiglioli/Compatible	Motovario
Rolling bearing	Rollix	
Bearings	AROL S.p.A. choice	
Belts	AROL S.p.A. choice	
Pulley	AROL S.p.A. choice	
Bevel Gear	AROL S.p.A. choice	




**DISCLAIMER**

In case customer is not going to buy Arol execution suggested, he explicitly agrees and - take full responsibility - that he hasn't bought the proper execution according the processed product. Arol won't be responsible for any misuse or problem depending on not proper execution purchase and cleaning as showed.

**1. STANDARD VERSION**



EURO CAPPER STANDARD VERSION	
FLANGES OF THE EXTERNAL STRUCTURE	PAINTED STEEL
COVERS	BRUSHED STAINLESS STEEL
LABYRINTH	PROTECTING RING FROM LUBRICANT ACCIDENTAL FALL
SPINDLES	EXTERNAL HOUSING IN PAINTED STEEL, SHAFT IN CHROME PLATED STAINLESS STEEL AND GASKETS IN NBR RUBBER
PNEUMATICS COMPONENTS	NICKEL-PLATED BRASS AIR TREATMENT UNIT AND CYLINDER
GEAR MOTORS	NO PROTECTION

CLEANING SIMBOLOGY	MAX WASHING PRESSURE [bar]	DISTANCE FROM THE SURFACE TO CLEAN [mm]	POSITIONING ANGLE OF CLEANING TOOLS [°]
 WASHING PIPE	≤ 2	≥ 250	
 WATER DAMPENED CLOTH	-	-	-

PRODUCT ZONE 1-2-3-4-5	MAX TEMP. [°C]	pH
Water	35	-
Neutral detergent	35	5 ÷ 9

**IMPORTANT**

It is absolutely forbidden to clean the machine with:

- water jets under pressure
- aggressive detergents
- Vapor steam

## Conditions of Sale

### Shipping Terms

15-17 Working weeks (for delivery that includes August and December it is necessary to add 2 weeks) from order receipt, down payment (if any) and Milestone List data.



M.xlsx

In order to carry out the machine test, it will be necessary to receive caps and bottles as per Milestone List here attached. Any changes (a smaller quantity of samples, with similar morphology but not identical to the samples to be treated, partial reception or non-definitive samples) will make it impossible - for the sole responsibility of the buyer - to be able to correctly test the machine in AROL. This implies that any interventions on the machine after delivery will be totally charged on the buyer..

The above is an estimated delivery for the equipment included in this proposal. The actual ship date will be determined at the time the Buyer's Purchase Order is received at AROL USA, along with down payment, final specifications, AROL milestone list red data mandatory to kick off the equipment available in AROL, approved drawings and product samples [2,000 caps + 20 containers]. Please be aware that delays in returning drawings submitted for approval can delay the system release to fabrication.

### Freight

FCA (Incoterms 2010)

### Start Up & Testing

Not included in base machine offer, see attached service rates

### Payment:

50% deposit due net 7 days, 40% due prior to shipment and 10% balance due net 30 days upon receipt of order.

Any revisions, changes or cancellations following commencement of the project will be subject to charges for all incurred costs.

### Offer Validity

21 June 2020

### Conditions of Sale

Refer to the section at the end of this document entitled, "Additional Terms And Conditions" for important details.

### Factory Acceptance Test

AROL standard Factory Acceptance Test of the equipment in AROL Canelli facility includes:

- A motorized belt conveyor of 2 mt. before bottles infeed and 2 mt. after bottle exit;
- 1 batch (max. 50 parts) of 1 cap and 1 bottle format to test;
- 1 AROL engineer for 1 working day available (max. 8 working hours) for customer specs review and checklist
- dimensional checks and documentation review in AROL facility
- AROL standard Factory Acceptance Test of the equipment doesn't include travel expenses and hospitality that are at customer charge
- Any different needs could be negotiate with AROL Sales team



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## DEFINITIONS

**Agreement:** means the present agreement, including offer/order acknowledgment (part A), the General Conditions of sale (part B ) and all the documents, designs, schemes and technical specification attached hereto, which are considered as an essential part of the Agreement.

**Commissioning:** the Supplier bringing the Equipment into fully functional operation according to the following criteria: additional days at the SAT to achieve at least 8 consecutive hours of Equipment production at the highest speed and efficiency agreed upon.

**Delivery:** means the delivery of the Equipment according to the terms and conditions set forth in the Agreement; the Delivery does not include the Installation of the Equipment, as defined herein.

**Delivery Date:** the date when the Supplier delivers the fully manufactured Equipment, complying with the delivery terms and conditions agreed upon by the parties in this Agreement.

**Equipment:** means any Equipment in whole or in part sold by the Supplier, as better described in the Agreement, complying with the Technical Requirements and Specifications (TRS), as defined herein.

**Factory Acceptance Test (FAT):** the test of the Equipment at the Supplier's factory, in the presence of the Buyer's representative, which is done in accordance with the following Supplier's test procedures, confirming that the Equipment has been produced according to the design project and all parts of the Equipment work properly:

**STANDARD:** performance of one or more production batches of quantities of containers, able to contain 2000 mm of incoming conveyor belt and 2000 mm of output conveyor belt, at the maximum speed allowed by the aforesaid limitations, with the assistance of a Supplier technician for an entire day (8 hours); during the same day, the production tests as indicated above, may be repeated on all the formats in which the Equipment is equipped.

**OPTION I:** one-day package (8 hours) that includes a Supplier support technician, keeping within the limitations set forth in the previous point.

**OPTION II:** addition of longer conveyor belts and accumulation tables suitably large to test larger batch sizes; the Supplier will provide an appropriate estimate based on the specific needs of the Buyer.

**General Terms and Conditions:** means the Part B of this agreement.

**Manual:** the operation and maintenance manual setting forth the use instructions of the Equipment and/or Spare Parts, to be supplied by the Supplier in accordance with the European Community.

**Non-refundable Down Payment:** the non-refundable Payment, which is made by the Buyer to the Supplier with the acceptance of order acknowledgement which, in any event, will be kept by the Supplier

**Payment/s:** means the payment of the Purchase Price due under this Agreement.

**Products:** means the products and samples (bottles, containers, caps, lids and others) to be worked by the Equipment, according to its functions.

**Purchase Price:** the total amount of this Agreement.

**Site:** means the place where the Equipment will be put into service.

**Site Acceptance test (SAT):** means the operation of installing and bringing into service the Equipment at the Site in accordance with the following Supplier's test procedures, once the Equipment has been installed in the final layout and has been properly connected to all necessary utilities (power, air, water, etc.) and that the containers, caps and product are continuously available:

optional Supplier activities to be carried out at the Buyer's Site, where the Equipment will be definitively put into service, which includes the assistance of a Supplier specialized technician for a maximum of 10 hours per day, according to the Buyer's specific needs, in order to:

- Inspect the proper installation and safety precautions of the Equipment;
- Begin Equipment start-up and Jog test;
- Run format change tests;
- Launch short production batches for format change inspection;
- Assist during the installation phase for the Buyer operator regarding the safety instructions and basic functions of the Equipment, through the use of a use and maintenance manual (by the installation technician, typically in English)

**Spare Parts List:** the list of spare parts for the Equipment set out into the Manual.

**Specific and Technical Conditions:** means the part A of this agreement.

**Training at the Supplier Premises:**

**STANDARD**

Training is included on the first day of FAT, at the Supplier's premises and including the participation of a Buyer line operator to the aforementioned FAT operations;

**OPTIONAL**

Training at the Supplier's premises for Equipment operators will last for 3 days and, in the event that the Buyer has a maintenance technician, a fourth day will be provided for such.

Classes: maximum of 6 people

## GENERAL TERMS AND CONDITIONS

### Article 1 General

- 1.1 These General Conditions of Sale (Part B) are applied together with the Specific and Technical Conditions as per Supplier quote and order acknowledgement (Part A). Together they comprise the Sales Agreement between the parties.
- 1.2 In case of ambiguity, deviation or conflict between Part B and Part A, Part A will prevail.
- 1.3 The Supplier's acceptance of any Buyer order is expressly limited to these General (part B) and Specific (part A) Terms and Conditions and any additional or different terms in the Buyer's order or additional document or agreement are automatically rejected unless expressly agreed upon in writing by the Supplier and attached to this Agreement.
- 1.4 Any condition or order confirmation requirement specifically set forth in Part A of this Agreement forms an integral and binding part of Part B as well.
- 1.5 Notwithstanding any language to the contrary in the Buyer's order, all orders are subject to acceptance by the Supplier's emission of this Agreement.
- 1.6 Unless otherwise indicated in the offer itself, all written offers and their annex – both of part A and of part B – will expire automatically 90 (ninety) days after the date of the offer itself. Prior to the expiration date, any offer is subject to change by the Supplier at any time upon written notice to the Buyer.

### Article 2 Characteristics of the Equipment

- 2.1 It is agreed that any information or specifications related to the Equipment and their use will not be considered terms of this Agreement unless expressly referred to Part A.
- 2.2 The Equipment are manufactured according to the applicable European laws listed in Part A. The Supplier may eventually confirm or update its content after receipt of further details or application specifications by the Buyer

### Article 3 Inspection of the Equipment Prior to Shipment & Packing

- 3.1 If the parties have agreed that the Buyer is entitled to inspect the Equipment prior to packing and shipment, the Supplier must notify the Buyer within a reasonable time before the packing and shipment that the Equipment are ready for inspection at the Supplier's plant and at the agreed time and under the agreed upon conditions. Any inspection carried out by the Buyer at the Supplier's premises is at the Buyer's exclusive expense.
- 3.2 The Buyer will notify the Supplier within 3 (three) days of its decision as to the packing of the Equipment.

### Article 4 Purchase Price

- 4.1 The Purchase Price is stipulated in Part A. The Supplier will not bear any costs, which, according to this Agreement, are for the Buyer's account.
- 4.2 The Purchase Price will be paid in Euro unless another currency is expressly stipulated in Part A of this Agreement. Any payment made in a currency other than Euro may cause a price adjustment based upon the amount received and according to the official exchange rate on the date the amount is received and any related expense and cost.

### Article 5 Payment Conditions and Interest in Case of Late Payment

- 5.1 The parties agree that the binding payment terms and conditions are those of Part A.
- 5.2 In the event of non-payment of even a single instalment, the Supplier may suspend the performance of its contractual obligations or desist from completing the order; in this case, the Supplier will have the right to restitution of the Equipment without refunding any instalment previously paid for the use and destination of the same, subject to claims of additional damages based on the condition of the Equipment at the time of its restitution or at the time of its suspension. Non-payment on the agreed deadline of even a single instalment will give the Supplier the right of avoidance of this Agreement.
- 5.3 If the Buyer breaches its obligation to pay the Purchase Price on time, the Supplier is entitled to charge annual interest of 8 (eight) percentage points above the legal rate with effect from the expiration date of any payment. This does not affect the Supplier's further and additional rights to seek damages.
- 5.4 The Buyer may not set off any amounts due against counterclaims unless these are confirmed by the Supplier or confirmed by a final judgment from a court of competent jurisdiction.
- 5.5 If any other costs and expenses of the Agreement, including registration and transcription fees arise, the Buyer is solely responsible for the payment such.
- 5.6 Upon the Buyer's late or missed payment, the Supplier has the right to suspend its performance for a corresponding amount of time to the delay. If the Buyer's delay exceeds 30 days from the date of signing the Agreement, the Supplier is entitled to cancellation of this Agreement.

### Article 6 Transfer of Title, Retention of Title and Repossession of the Equipment

- 6.1 Notwithstanding delivery and the passing of risk the Equipment will remain the property of the Supplier until the full payment of the Purchase Price is made. This includes any additional costs incurred in the supply of the Equipment, as well as, any other claims arising from any other transaction between the parties and the settlement of any outstanding current account balances. Therefore, the Equipment supplied or delivered may not be seized or given as security, sold or otherwise transferred to any third party until paid in full.
- 6.2 The Buyer must immediately inform the Supplier of any infringement of ownership rights by a third party and provide all relevant documentation. The Buyer must inform the third party of the existence of the Supplier's rights of ownership.
- 6.3 If the Buyer fails to pay the Purchase Price, the Supplier may, at its option, repossess the Equipment at a time and in a manner that is most convenient for the Supplier. Any costs associated with the repossession of the Equipment will be borne by the Buyer.

### Article 7 Delivery Conditions

- 7.1 Delivery will be made according to what has been stipulated in Part A. Its observance by the Supplier is subject to the Supplier

receiving timely and correct deliveries. A condition precedent and essential to delivery is that all commercial, legal, design, specification and technical questions have been agreed upon by the parties and that the Buyer has fulfilled all of its obligations including but not limited to provision of permits and certificates from the relevant authorities, technical information and samples needed to design, build and test the equipment and any kind of payment agreed before delivery.

7.2 If one or more conditions precedent is not fulfilled, the delivery period will be extended at least proportionally unless Supplier is responsible for the delay. If the delivery of the Equipment is delayed for reasons for which the Buyer is responsible, the Buyer must bear the costs arising from the delay once it has been notified thereof by the Supplier.

7.3 In the event that the Buyer does not take the Equipment when they are ready for delivery within the deadline as set forth in this Agreement, the Supplier will store the Equipment, for a maximum of 30 (thirty) days at the cost and at the risk of the Buyer and charge the Buyer for such costs and clause 7.2. will apply, related to the delivery period extension without responsible of the Supplier.

7.4. In the event that the Buyer, for reasons for which the Buyer is responsible, does not take the Equipment - even after the maximum of 30 (thirty) days agreed for delivery period extension, according to clause 7.3 - the Supplier will be entitled to declare the Agreement to be avoided without notice and shall apply article 10 for expense and damages incurred.

### Article 8 Risk of Loss and Insurance

8.1 Risk of Loss and Insurance are governed by the type of Incoterm agreed between the Parties in Part A.

### Article 9 Factory Acceptance Test (F.A.T.), Training, Site Acceptance Test (S.A.T.) and Commissioning

9.1 Any inspection, factory acceptance test (F.A.T.) will be carried out in accordance with that which is stipulated in Part A.

9.2 All F.A.T. will be carried out according to the Supplier's Factory Acceptance Testing Guidelines. Likewise, any site acceptance test (S.A.T.) will be carried out according to the Supplier's Site Acceptance Testing Guidelines.

9.3 In the event that the parties have stipulated a F.A.T. according to Part A, the Supplier will notify the Buyer when the Equipment are ready for F.A.T. with reasonable notice. F.A.T. will take place at the Supplier's premises unless otherwise specified. The Buyer will have 7 (seven) days to make arrangements to participate in the F.A.T. Any related testing costs or fees will be borne by the Buyer and are explicitly excluded from the Purchase Price. If the Buyer fails to confirm the F.A.T. within the above timeframe, the Supplier may proceed with packaging the Equipment and prepare them for shipment.

9.4 In the event that the parties have stipulated installation and/or S.A.T. according to Part A, the Buyer will notify the Supplier the proposed date for the same within 14 (fourteen) from the date of the shipment of the Equipment and the parties will agree upon the required service intervention and costs. All costs for installation and S.A.T. will be borne by the Buyer and are explicitly excluded from the Purchase Price.

9.5 Unless otherwise agreed between the parties, any F.A.T. or S.A.T. must be carried out no later than 60 (sixty) days from the date when the Supplier advises that the Equipment are ready to be shipped or no later than 30 (thirty) days from receipt of the Equipment, whichever occur second. 9.6 The result of the tests will be recorded in a certificate of acceptance jointly signed by the parties.

9.7 In case of non-compliance with the aforementioned terms, for reasons for which the Buyer is responsible, the Equipment will be considered accepted.

### Article 10 Cancellation, Late Delivery, Non-Delivery, Liability for Delay, Limitation of Liability

10.1 Any Buyer cancellations or changes to a confirmed order are subject to the Supplier's acceptance and any applicable cancellation charges or possible price increase due to rescheduling. Buyer cancellation charges will be determined by the aspects of each individual order (by way of example only, by the type of Equipment and/or number of Equipment ordered). Buyer cancellation charges for special Equipment will be based on the sales price less any amounts saved at the time of cancellation. The Supplier may grant the Buyer the right to suspend or place a temporary hold on orders for a period to not exceed 30 days. At that time if a rescheduled order is not received, the Supplier reserves the right to recommence delivery preparation, in accordance with this Agreement or cancel the order.

10.2 If the Equipment are delivered late because of the Supplier, then the Buyer is entitled to seek liquidated damages equal to 0.5% (point five percent) or such other lower percentage as may be agreed upon for each commenced week of delay from the second week of delay. Liquidated damages for delay will not exceed 5% (five percent) of the total Purchase Price of the delayed Equipment (part A).

10.3 In the event that the Supplier has failed to deliver the Equipment by the date on which the Buyer has become entitled to the maximum amount of liquidated damages under Article 10.2 above, the Buyer may - within the next 7 (seven) days - ask for performance or declare the Agreement to be cancelled in writing.

10.4 In case of Buyer cancellation of the Agreement under Article 10.3 the Buyer damages, in the aggregate (included the liquidated damages already paid, according to clause 10.2), may not exceed the 50% (fifty percent) of the Purchase Price of the non-delivered Equipment.

10.5 The remedies in this Article expressly exclude any other Buyer remedy for Buyer cancellation, delay in delivery or non-delivery of the Equipment. For the purpose of clarity, under no circumstances will the Supplier have any liability for penalties or other damages of any kind arising, in whole or in part, from the Supplier's delay in delivery or failure to deliver the Equipment or the Buyer's cancellation as a result thereof and any different or additional claims are specifically excluded.

10.6 Any damages definitively assessed and agreed between the Parties will be paid in a lump sum. Damages will be assessed

in Euro unless another currency is expressly stipulated in Part A of this Agreement.

10.7 In the event that the Buyer is obliged to pay a down payment according to Part A and such down payment is not made within the relevant term for payment, the Supplier has the right to suspend fulfillment of the order and upon expiration of 30 (thirty) days from the term for payment of the down payment, the Supplier has the right to cancel the order and asks for any cost and expense bear for the agreement.

10.8 The parties agree that the Supplier's total cumulative liability towards the Buyer arising from any event) will not include any liability for contract, warranty, in tort (including negligence and strict product liability) or otherwise damage to property or equipment other than the Equipment sold hereunder, loss of profits or revenue, loss of use of products, or any associated equipment, cost of capital, cost of substitute equipment, downtime costs, idle time, delays, claims of customers of the Buyer or other third parties or any special, indirect, incidental or consequential damages whatsoever regardless of whether such potential damages are foreseeable or if the Supplier has been advised about the possibility of such.

10.9 The total cumulative liability of the Supplier arising from, connected with, resulting from or related to this Agreement regardless of what their legal basis is and included liquidated damages paid according to clause 10.2, will not exceed 50% (fifty percent) of the order price on which such liability is based.

10.10 For the purpose of clarity, AROL will not be liable for any indirect costs, expenses or damages of any type incurred by the Buyer.

10.11 The limitation of liability does not apply to loss of health, injury or sickness or if the Supplier has fraudulently concealed an imperfection.

### Article 11 Buyer Performance Obligations

11.1 Regardless of the legal basis, the Buyer specifically acknowledges that any claims it may bring against the Supplier are conditional upon the Buyer's proper and full performance of all of its obligations under this Agreement, as well as to its cooperation with the Supplier.

### Article 12 Non-Conforming Equipment and Warranties and Disclaimers

12.1 The condition of the Equipment must be inspected by the Buyer immediately on receipt.

12.2 Any imperfections must be reported in writing by the Buyer to the Supplier immediately, or at least within 10 (ten) days of delivery. The Buyer must allow the Supplier the opportunity to verify and investigate any notified imperfection or non-conformity complaint.

12.3 Small, technically unavoidable differences in quality, colour and design customary in the trade are not considered imperfections and may not be the subject of a complaint. The Supplier is exempt from any liability for loss or damage caused by inappropriate or improper use, faulty assembly or operation on the part of the Buyer or third parties, alterations or conversions of the Equipment supplied, without prior written permission from the Supplier, normal wear and tear, faulty or negligent handling, neglect of maintenance, failure to observe the Supplier's instructions for use and maintenance schedule, power, unsuitable lubricants or deterging/washing products, chemical, electro-chemical or electrical influences, unless the Supplier is liable for them.

12.4 If the Equipment are non-conforming, the Supplier may, at its option:

- (i) repair or remedy the Equipment, without any additional expense to the Buyer, except for technical intervention;
- (ii) if the Equipment cannot be repaired or remedied, replace the Equipment with conforming Equipment, without any additional expense to the Buyer, except for technical intervention;
- (iii) if the Equipment cannot be replaced, the Supplier will reduce the Purchase Price up to 50 (fifty) percent or will take repossession of the Equipment and provide a refund to the Buyer only of the already paid sums.

12.5 Replaced parts become the property of the Supplier and must be returned immediately by the Buyer.

12.6 The Buyer will grant the Supplier the necessary time and opportunity to carry out all required steps for repair or replacement. If the Buyer fails to do this, the Supplier is released from its liability to subsequent performance, and the will be also released automatically from any liability arising therefrom.

12.7 Only in exigent cases when the safety of the business or the avoidance of disproportionately high losses are involved, is the Buyer entitled either to cure the imperfection itself or to have it remedied by a third party and to request reimbursement of the documented expenditure from the Supplier. Notwithstanding the previous sentence, the Supplier must be notified immediately upon discovery of any imperfection or non-conformity. If the Buyer or a third party, in execution of this clause, carries out the repair improperly, the Supplier is not liable for any losses thereby incurred.

12.8 With the exception of the conditions in Article 11, any additional claims other than those mentioned herein relating to a warranty claim are specifically excluded.

12.9 The warranties set forth in part A shall apply for a period of (12) twelve months after the date of final acceptance of the Equipment at Buyer site or eighteen (18) months after delivery, whichever occurs first (the "Warranty Period").

12.10 For spare parts warranty shall apply the manufacturer warranty for commercial components and 6 months for parts designed by Supplier.

12.11 For the sake of clarity:

- any use of not original parts or lubricants other than those indicated in the Supplier instruction manual will terminate immediately the warranty obligations of the Supplier, either or not it has generated a damage to the equipment;
- in any event it is Buyer that must give evidence that the damage has not been generated by the use of not original parts;
- Buyer is responsible for the training of the end user people that operate and maintain the equipment;
- Warranties cover replace of spare parts during warranty period but technical intervention, if necessary, is not included.

