

GENERAL PURCHASING TERMS & CONDITIONS

1. The Supplier, who, for any reason, cannot or does not wish to process an order, shall have to inform us immediately in writing. A change to any of our purchasing terms & conditions must first be proposed to us in writing before processing the order, albeit partially, giving us the option to accept such modification or to cancel the order. Therefore, conditions mentioned and/or added by the Supplier onto order confirmations, subsequent correspondence or onto invoices shall have no value. In any case, after 5 (five) working days since order date, the terms & conditions listed here shall be deemed as fully accepted, should the Supplier fail to reject the order or should he fail to propose any modifications.
2. Processing the present order, albeit in part, entails the Supplier's full acceptance of all our purchasing terms and conditions, with no exclusion or exception.
3. Purchase order number, product item, description and delivered quantities shall be mentioned in all related documents.
4. Any delivery of goods having incomplete delivery notes, bearing different product description or reference codes and, especially, these omitting to report the purchase order number, shall be rejected.
5. Shipments must be announced in advance with a notice indicating: the brands, numbers, gross and net weights of the packages, the quantities relative to each code, identified using our reference numbers, the shipping method.
6. Every material is accepted from our Arrivals Department as «pending» with the option to carry out further quality and quantity checks. The goods must be delivered to our warehouses, even if we covered the transport costs. The recognized quantity and weight is what is measured upon arrival at our warehouses. After receipt in our warehouses, we take on all risks.
7. The features of the materials supplied against our orders must match our provisions, otherwise the materials will be rejected.
8. Delivery terms are always considered binding, except for force majeure cases as provided by the Italian Law. In case of delay, we shall have the possibility to terminate the contract for actions and faults of the Supplier and to charge the latter any and all penalties and damage resulting thereby.
9. Should delay circumstances arise, the Supplier will have to promptly inform the Buyer in writing, specifying the reasons of the delay and seeking agreement upon a new delivery date.
10. Damage caused to the Buyer for delays in the delivery and/or malfunctions, faults or defects of the supplied materials will be charged to the Supplier.
11. Officers engaged by the Buyer may attend teste and/or verify work progress and/or advocate prompt delivery during the various phases; hence the Supplier will allow them to freely access his premises and will give them any information and assistance as deemed necessary to fulfill their tasks.
12. The Buyer declines any responsibility for materials supplied in excess of ordered quantities, even when/if our warehouses have provisionally accepted such materials.
13. All drawings, calibers, molds, samples delivered to the Supplier for the execution of orders remain our property and will be returned upon simple request, in good state of conservation. In default, all expenses for replacement or recovery will be charged to the Supplier.
14. By accepting the order, the Supplier commits to limit the preparation of pieces in line with eco order quantities and, therefore, he commits not to surrender to third parties any pieces that are built according to our drawings or samples, no matter if our name, our brands or any other distinctive marks are recalled or not by the sale.
15. We may report defective or faulty delivered goods without taking into account compliance with the terms set out in articles 1495 and 1667 of the Italian Civil Code. We may report defects and faults, including those visible (as the supply must include the supplier's declaration that the goods are defect-free), at any time after the goods have been delivered, processed or placed within our production equipment and relevant invoices have already been paid.
16. Should any defects arise within the warranty period, ascribable to the Supplier, the latter is bound to-at Buyer's discretion- either modify, repair or replace without charge any faulty or non-compliant pieces in the shortest possible time.

The Supplier's warranty does not extend to those pieces that have been tampered with, repaired by third parties or used outside of the expected conditions of employment. Shipping charges pertinent to substitutions, modifications and/or restoration are intended to be on the Supplier's side, no matter where such intervention will take place.

17. The supplier must send an electronic invoice by the fifth working day of the month following its issue, otherwise the invoice will be registered a month late and the payment date will be shifted by 30 days. Courtesy invoices should be sent to the Administrative Office by fax (Regal Beloit Italy 035/884319) or email as follows:

for the Nicotra division: nadia.leoni@regalrexnord.com

for the Elco Division: fabiola.schiepati@regalrexnord.com

Regal Beloit Italy SpA - via Modena 18 - 24040 Ciserano Loc. Zingonia (BG) Italy
Tel. 035/873111 - Fax 035/884319 - www.regalrexnord.com

www.nicotra-gebhardt.com / E-mail info@nicotra-gebhardt.com

www.elco-spa.com / E-mail info@elco-spa.com

18. It is expressly agreed that any credit deriving from the supply will not be subject to transfers or delegations to third parties in any way or form, unless the Buyer explicitly authorizes such operation beforehand in writing.
19. All supplied materials must be compliant with the 2011/65/EU (RoHS III) directive and any successive updates on hazardous substances. NO exception will be admitted unless directly countersigned by Regal Beloit Italy S.p.A. Furthermore, the Supplier must abide to the CE 1907/2006 (REACH) procedure, and any further modifications to it, in relation to ALL supplied materials/substances/articles. The supply of articles containing SVHC in quantities over 0,1% w/w is prohibited.
20. Reference to the Italian Civil Code will be made for any other matter not included above. In case of disputes, full and exclusive jurisdiction is conferred to the Court of Milan.
21. During the contract, the Supplier shall abide by the principles and respect the rules set out in the above documents.

Consistent with Regal Beloit Italy SpA's commitment to sustainable development, our suppliers must comply with applicable labour fundamental rights and principles.

As a Regal Beloit Italy SpA supplier, it is your duty to comply with local labour laws, including working hours, pay and the following:

- Your employees must be at least 16 years old;
- You may not use forced, dangerous or prison labour (except for prisoners who are free to choose to work and get paid at a market wage);
- You must provide your employees with acceptable and safe working and living conditions;
- You must respect freedom of association;
- You must ban all forms of discrimination.

22. The supplier declares that it is aware of regulations on legal entity administrative liability, particularly Legislative Decree 8 June 2001 no. 231 and to respect its contents. The supplier must read the Regal Group's Code of Ethics and Regal Beloit Italy SpA Organisation System, published and available on the Company's websites at the following links:

<https://www.regalrexnord.com/Suppliers>

<http://www.nicotra-gebhardt.com/it/chi-siamo.html>

<http://www.elcoitalia.it/>

During the contract, the supplier shall abide by the principles and respect the rules set out in the above documents.

Failure to comply with the obligations contained in this clause, and breaching the Code of Ethics, Organisation System or the above Legislative Decree 8 June 2001, no. 231 which originates from contractual activities, will entitle Regal Beloit Italy SpA, to immediately terminate the contract by written notice, under art. 1456 of the Italian Civil Code, without prejudice to compensation for any damage caused.


Ing. Sangaletti Giorgio
Global Sourcing Manager


Ing. Paolo Di Dionisio
Production Manager

Regal Beloit Italy SpA - via Modena 18 - 24040 Ciserano Loc. Zingonia (BG) Italy
Tel. 035/873111 - Fax 035/884319 - www.regalrexnord.com

www.nicotra-gebhardt.com / E-mail info@nicotra-gebhardt.com

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