

## DUCTIL SA

### GENERAL SALE TERMS AND CONDITIONS

**Art 1: General overview:** The General Sale Terms and Conditions apply for all commercial relationships (Offers, Orders, Order Confirmations, Sales, Deliveries, Service, etc) developed between DUCTIL SA, part of LINCOLN ELECTRIC Group, hereinafter entitled "Supplier" and a Client Company (Potential Client), hereinafter entitled "Buyer". All the services supplied by DUCTIL are addressed exclusively for Buyers – Legal Persons. Any modification of the General Sale Terms and Conditions must be accepted in writing by the Supplier. In the absence of a reserve from the Buyer, for any reason, before receiving confirmation from the Supplier, the General Sale Terms and Conditions become applicable. The General Sale Terms and Conditions represent the sole basis for all commercial negotiations and prevail over the General Purchase Terms and Conditions applied by the Buyer. The Supplier reserves the right to modify the General Sale Terms and Conditions at any time; the modified General Sale Terms and Conditions will apply for all the Orders starting with the modification date, under the obligation of notifying the Buyer who registered the Order before the respective date. The notifications will be transmitted through any means of communication agreed between the Parties, including via e-mail. The fact that the Supplier does not use at a certain point any of the General Sale Terms and Conditions cannot be interpreted as renunciation to the right of using the respective General Sale Terms and Conditions at a subsequent date. In a similar way, the invalidity of any of the General Sale Terms and Conditions will not affect the validity of the other General Sale Terms and Conditions. The Offers, negotiations, documents and any other information provided by the Supplier, other than publicity flyers and instruction manuals will remain the property of the Supplier and will be regarded as confidential. The respective information will not be transmitted to third parties and will not be used by the Buyer for other purposes without the written authorization of DUCTIL.

**Art 2: Offers:** Except for the cases that imply other agreements, the Offers (defined as the document issued by the Supplier that presents the general offers for products and the commercial terms and conditions, document that can be revised at any time by the Supplier in compliance with the General Sale Terms and Conditions) are valid for a period of 30 days from the issuing date. The information included in catalogues, flyers and other printed publicity materials (including the prices, if applicable) is offered for informative purposes. The Supplier reserves the right to perform any modification concerning the aspect, form, dimensions or material of the Equipment, devices, machines and components, as well as the design and the description of the materials that are printed for publicity purposes. The fees can be modified at any moment in compliance with the General Sale Terms and Conditions and only the fees that are in force at the moment when the Order is registered will be applied.

**Art 3: Orders:** The Supplier will only accept firm Orders. For this reason, the Buyer agrees that the essential condition for registering an Order is that the respective Order will be firm and irrevocable. This provision is applied both for acquisitions performed for Stock Products (MTS) and for acquisitions performed for Products on demand (MTO), irrelevant of other general or specific terms and conditions that can be applied. The Supplier reserves the right to refuse an Order. The amendments and completions of Orders, especially from the perspective of delivery terms, quantities or sorts / Equipment (including all consumables and spare parts for Equipment) are subject to the express approval of the Supplier. The conditions of additional deliveries will not affect in any case the conditions accepted by the Supplier for the main Order.

**Art 4: Price:** Except for the Orders concerning spare parts, the Orders below the minimum amount of 100 Euro, VAT excluded will not be performed by the Supplier. A standard processing fee of 30 Euro, VAT excluded for each Order will be deducted from the Buyer in the case of Orders with a total value between 100 Euro, VAT excluded and 500 Euro, VAT excluded. The prices for all Acquisition Orders and the confirmation for all the Orders are based on the list prices of DUCTIL / Lincoln Electric from the date when the Order is confirmed. The list prices of DUCTIL / Lincoln Electric from the dispatch date will be applied for each transport established in the Purchase Order; the final prices will be supplied before dispatch. The prices are expressed in Euro, VAT excluded and cover standard packaging and ex-works delivery in compliance with the Incoterms Regulations in force at the date of the Offer. The Buyer is responsible for complying with the legal provisions in force concerning environmental protection.

The Supplier reserves the right to modify the list prices at any moment, even if one or several factors that determine the price are modified, irrelevant of their nature, if the respective modification takes place as a result of predictable circumstances or if the respective modification is related to general economic changes or commercial strategy changes. The factors that determine the price include among others the costs for raw materials, other materials, salaries and transportation, currency exchange rates, import taxes, VAT and other legal fees. The Buyer will be informed about any modification of the list price by any means, including via e-mail, within a reasonable term. The Supplier reserves the right to internally set a credit limit for the Buyer, above which the execution of the orders will require prepayment. The agreed payment term is applicable only up to the amount of credit limit determined by the Supplier. At the Buyer's request, the Supplier will provide the amount of this limit to the Buyer. The Supplier reserves the right to periodically verify the amount of credit limit and to withhold execution of the order above the determined credit limit, unless the Buyer will make a prepayment for the given order. The Supplier reserves the right to withhold the order execution in the case, when the Buyer is in arrears with payments to the Supplier.

**Art 5: Packaging:** Except for the cases that imply other agreements, specific / non-standard packages will be invoiced separately at a specific price and will not be returned to the Supplier. The Buyer has the obligation and the responsibility to inform the Supplier about the necessity for specific / non-standard packages.

### Art 6: Delivery

**6.1. Delivery Conditions:** The delivery can be performed in the following manners: direct delivery to the Buyer, delivery through a simple notification concerning the availability of the Products in the factory / storage of the Supplier or delivery from the factory / storage of the Supplier to a dispatcher or transporter designated by the Buyer or by the Supplier, in case the Buyer does not designate a dispatcher or a transporter. Except for the cases that imply other agreements, the delivery is regarded as being performed at the moment when the Products are delivered to the factory / storage of the Supplier (Incoterms 2010, departure factory or "EX Works"). All the operations concerning transportation, insurance, customs, handling and transportation to the Buyer represents the responsibility of the Buyer, who will cover all the costs and risks associated to the respective operations. In case the delivery is delayed for a particular reason, beyond the control of the Supplier, the Equipment will be stored and handled by the Supplier, if the Supplier agrees and the Buyer will cover all the costs and risk. The Supplier declines any subsequent responsibility in this sense. The provisions of the present clause do not modify in any case the payment obligations for the delivery and do not constitute a novation.

**6.2. Verifications:** The Buyer has the obligation to verify / inspect the Products at the reception and to register an appeal against the transporters, if applicable.

All complaints will be addressed in writing to the Supplier, in the following manner:

a) Quantitative – within 5 days from the date when the Products were received at the final destination, on the basis of the Reception Report signed by the Representatives of the Buyer and the Representatives of the Seller or the Reception Report signed by the Representatives of the Buyer and the Representatives of the Transporter. In case the Transporter was designated by the Buyer, the latter will directly notify the Transporter and will also inform the Supplier.

b) Qualitative – within 60 days from the date when the Products were received at the final destination, on the basis of a Report set by a neutral organization, a Certificate of Inspection issued by an authorized organization, Test Reports, photos and samples, depending on the case.

c) In the case of quality damages occurred during the period of guarantee, as well as damages associated to hidden vices that occurred during the period of normal use of the Products, complaints will be registered within 5 days from the date of their occurrence.

Within maximum 30 days from the date when a complaint is registered, the Seller has the obligation to transmit his point of view and to present his opinion towards the complaint registered by the Buyer. Any return of the Products will be eligible on the basis of the prior approval of the Supplier, in compliance with the return policy implemented by the Supplier.

Any Buyer who acts as a Distributor / Reseller must transmit these provisions to his Client. In case the Buyer contracted the transport and covers all the associated costs, the Buyer will also cover all the financial consequences of any action initiated by the Transporter against the Supplier and will indemnify the Supplier in this sense.

**6.3. Delivery Term:** The delivery term enters into force the latest at the following dates: the date when the Order is accepted, the date when the Supplier received all the information, the payments were performed as negotiated or the date that was transmitted by the Buyer as the delivery date. The delivery terms are for guidance purposes. As a result, a delay of the delivery term does not confer the Buyer the right to be indemnified and does not confer him the right to cancel the Order. Any request of the Buyer to extend the deadline is conditioned by the prior approval of the Supplier. The Supplier is exempt from any obligation connected to the delivery term as of right in case the Buyer did not fulfill his payment obligations, in case of force majeure or in case of events that cannot be controlled by the Supplier. as a consequence.

**6.4. Responsibility of the Transporter – Claims – Complaint Procedure – Appeals against the Transporter:**

At the moment of the delivery, the content of the cargo will be inspected by the Buyer in the presence of the driver, if applicable. Any discrepancy or non-compliance of the Products must represent the object of precise and complete complaints, dated and signed on the Delivery Note by the Buyer and countersigned by the driver. In the absence of complaints registered at the delivery, the Products will be considered as being delivered in good condition. In the absence of mentions on the Delivery Note, any subsequent complaint must be registered within maximum 3 days and the Buyer must specify the manner in which the damages / non-compliances of the Products can be imputed to the Transporter.

### Art 7: Order Cancellation and Return (Annex 1):

MTO orders are firm and may not be cancelled.

MTS orders that are not blanket/call-off orders may, for a valid reason and with the prior approval of Lincoln Electric, be canceled without any penalty up to 5 calendar days after our issuance of order confirmation (unless the order has already shipped).

After the 5 calendar day period, MTS orders may, for a valid reason and with the prior approval of Lincoln Electric, be canceled (unless the order has already shipped) subject to a 18% administrative cancellation fee, applicable to the full amount of the order, VAT and shipping excluded.

After shipment (whether before or after the 5 calendar day period), and until 30 days after delivery, MTS order product may, for a valid reason and with the prior approval of Lincoln Electric, be returned subject to a 25% return and restocking fee (with a minimum charge of 50 euros) on the full amount of the applicable order, VAT and shipping excluded. The customer is responsible for all shipping charges related to the return of the goods to Lincoln Electric.

[www.lincolnelectriceurope.com](http://www.lincolnelectriceurope.com)

After 30 days, returns are not permitted.

The provisions of the present article are completed by our Policy concerning product returns. As per our policy, returned goods must be in the same condition as when delivered: product that has been opened, used or damaged, or is otherwise not in a condition to be sold as new, will be returned to the Buyer at its cost.

For MTS orders presenting a larger volume or Euro value, or other special characteristics, Lincoln Electric reserves the right to specify in the order confirmation that the order is not cancelable for convenience under any circumstances.

For any MTS order which includes multiple deliveries (i.e., a call-off/blanket order), the Distributor may, for a valid reason and with the prior approval of Lincoln Electric, cancel all or a portion of the applicable order without penalty up to 10 days after each issuance of an order confirmation (unless a portion of the order has already shipped, in which case the shipped portion may not be cancelled). Following the 10-day period, the Distributor may, with the prior approval of Lincoln Electric, cancel the order, subject to the 18% administrative cancellation fee. After shipment (whether before or after the 10 calendar day period), and until 30 days after delivery, the Distributor may, with the prior approval of Lincoln Electric, return the order, subject to the 25% return and restocking fee (50 euros minimum)+transportation costs as described above. 30 days after delivery, returns are not permitted. The customer is responsible for all shipping charges related to the return of the goods to Lincoln Electric. For orders presenting a larger volume or Euro value, or other special characteristics, Lincoln Electric reserves the right to specify in the order confirmation that the order is not cancelable for convenience under any circumstances.

All returns must be performed according to the return procedure implemented by Lincoln Electric, including request and prior authorization.

The rules presented above do not apply for returns associated to product warranties: the rules implemented by Lincoln Electric concerning returns associated to product warranties remain unchanged.

**Art. 8. Force Majeure:** The Supplier will not be responsible in case he does not perform his obligation or in case he performs his obligations with delays if the respective obligations are associated with a case of force majeure.

For this purpose, force majeure refers to an external, unpredictable, invincible and inevitable event, as defined by art. 1351 from the Civil Code.

**Art 9: Property Right over the Products:** The Supplier keeps the property right over the sold Products until the price – main costs and associated costs – is fully paid. For this purpose, the Supplier reserves the right to request the return of the Products that were sold and not paid, in case the Buyer does not pay for the Products or if an insolvency action was declared against the Client.

**Art 10: Warranties:** The warranty granted by the Supplier applies for all the Products that are sold and covers eviction, hidden vices and proper operation of the Equipment (under conditions of normal use – 8 hours/day), in compliance with the Romanian laws in force and with the documents that accompany the Products.

The Warranty granted by the Supplier is strictly limited to the following provisions:

10.1. **Defects covered by Warranty:** The Supplier undertakes the obligation to remedy any operating defect resulted from a design defect, used materials or the performance of services accepted through the Confirmation Order (including assembly, if applicable) in compliance with the conditions specified in the present article, within the limits established through the documents that accompany the Products, as applicable. The Warranty automatically stops when the Buyer uses non-genuine spare parts or performs repairs or modifications directly or through a Third Party without having the written approval of the Supplier (that can be also transmitted via e-mail) for the performance of the respective interventions. Except for the cases that imply other agreements, the operations performed on the basis of the warranty will not imply another warranty than the one associated to the operations mentioned above. The warranty is excluded in the following situations: i) damages registered due to lack of maintenance and monitoring and generally any handling operations that do not comply with the written instructions provided by the Supplier; ii) damages totally or partially resulted because of normal wear of the Product / Equipment, intentional or accidental damages attributed to the Buyer or to a Third Party; (iii) damages caused by the use of spare parts provided by the Supplier and included in the manufacturing process at the request of the Buyer; (iv) the Buyer uses non-genuine spare parts, counterfeited spare parts or other spare parts provided by Third Parties and not approved by the Supplier;(v) force majeure.

10.2. **Obligations of the Buyer:** In order to benefit from the warranty, the Buyer must immediately notify the Supplier in writing (including via e-mail) about any damage associated to the Products and he must supply evidence of the respective damage. The Buyer has to make sure that the Supplier has the possibility to verify the damage and to perform the necessary interventions in order to repair the damage, if necessary. Also, the Buyer has to refrain from performing repairs on his own or through a Third Party, except for the cases in which he has the written approval of the Supplier.

10.3. **Duration and Date when the Warranty enters into force:** Except for the cases that imply other agreements, the warranty only applies to damages that are registered during the applicable warranty period. In any case, if the Equipment is used by multiple teams, the warranty period must be reduced by half. The warranty period enters into force from the delivery date, according to the provisions of article 5. In any case, the warranty period will be terminated at one of the following terms: in one year from the delivery date or when the number of operation hours is reached. In case the Buyer acts as a Distributor / Reseller, he must specify the series / code of the Product / Equipment on the Invoice issued for his Client so that the warranty enters into force on the date when the Product / Equipment is sold to the final Client. On the contrary case, the warranty will enter into force on the date when the Product / Equipment is sold to the Distributor / Reseller.

10.4. **Warranty Terms and Conditions:** The Supplier undertakes the obligation to repair any damage, with the condition that he is informed about the respective damage in compliance with the provisions of the present clause. The Supplier reserves the right to modify the Product / Equipment, if necessary, in case he considers that only under these conditions can his obligations be fulfilled. Repair works are basically performed at the locations (services) of the Supplier, after the Buyer has returned the Product or the damaged components. In case the repairs must be performed at another location due to the nature of the Product / Equipment, the Supplier will cover all the costs associated to the manpower necessary for performing the repair, except for the periods of time necessary for training works or the dismantling / reassembling works necessary to intervene over the Products / Equipment as a result of their location, as well as the components that were not included in the respective delivery. The costs associated to the transportation of the Equipment or damaged components, as well as the costs associated to the return of the Equipment and repaired / replaced components will be covered by the Buyer. Also, in the case of repair works performed at the location of the Equipment, the Buyer will cover the transportation and the accommodation costs for the Representatives of the Supplier. Any component that is replaced free of charge or made available to the Supplier becomes his property again.

Warranty does not apply in the case of normal wear or technical wear of Products, incorrect use, incapacity to monitor the Products, negligence, modification or repairs using components that are not intended for the respective model and are not manufactured by Lincoln Electric.

**Art 11: Responsibility:**

11.1. **Responsibility of the Supplier. Damages:** The responsibility of the Supplier will be strictly limited to the obligations specified above and the contractual warranty granted by the Supplier will not compensate the Buyer for any moral or indirect losses, such as loss of incomes, loss of productions or loss of use. In case the Supplier is found responsible, the damages owed to the Buyer will not exceed the amounts paid by the Buyer for the Products that represent the object of litigation, within the legal limits established by the Civil Code.

11.2. **Responsibility and Obligations of the Buyer:** The Products and the Equipment sold by the Buyer are intended for professional use. The Buyer or the Final User, if applicable, is responsible for starting-up the Equipment in normal conditions, operating the Equipment in compliance with the specifications of the Supplier, complying with the legislation concerning health and security at the workplace, as well as complying with the legislation concerning the protection of the environment at the workplace. The Buyer and the Final User are responsible for selecting the Products / Equipment that fulfill their technical needs and they must consult with the Supplier in order to make sure that the Products / Equipment is suitable for their needs and that they possess the necessary skills to operate and use the Products / Equipment. The Buyer is responsible for ensuring that the Product / Equipment complies with the regulations imposed by the countries where the Product / Equipment is exported, if applicable. The Buyer will cover all the financial consequences (including Lawyer fees, legal taxes and other costs) associated to any legal action registered by a Third Party against the Supplier through which the Third Party invokes the breach of an intellectual property right or a commercial secret resulted from the materials or specifications provided by the Buyer to the Supplier. The Buyer will cover all the financial consequences (including Lawyer fees, legal taxes and other costs) associated to any legal action registered by a Third Party against the Supplier for damages that are not covered by warranty, excluding the consequences resulted from body injuries, severe negligence or fraud committed by the Supplier. The Buyer renounces in an express manner the right to contact the Supplier for warranty associated to these type of damages.

**Art. 12: Intellectual Property:** As for intellectual property rights (including trademarks, licenses, commercial brands, commercial secrets, etc) incorporated in Products, packages and connected documentation, the Supplier has exclusive rights and the Buyer will not have any right over them. Neither of the present General Sale Terms and Conditions can be interpreted as granting of licenses or other rights to use the intellectual property rights of the Supplier for other purposes.

**Art 13: Law Compliance:** The Buyer has the obligation to comply with the applicable laws and regulations inside the relationships with the Supplier or Third Parties and Distributors / Reseller have the obligation to comply with the applicable laws and regulations concerning the sale or resale of the Supplier's Products.

This includes, but is not limited to compliance with all "Anti-Corruption" Laws, irrelevant if it is active or passive corruption, private sector or public sector corruption, bribery or influence peddling. The Buyer agrees not to sell LINCOLN ELECTRIC Products intended for export to any entity or country inside which export activities are forbidden according to US Laws concerning export control (currently Cuba, Iran, North Korea, Sudan and Syria) or Products intended for use in manufacturing nuclear, chemical or biological weapons, as well as rocket applications. The Buyer undertakes the obligation to comply with the European Regulations and Policy concerning the export of Products with multiple use, available at the following link: [http://ec.europa.eu/trade/import-and-export-rules/export-from-eu/dual-use-controls/index\\_en.htm](http://ec.europa.eu/trade/import-and-export-rules/export-from-eu/dual-use-controls/index_en.htm). Generally, the Buyer must comply with all the applicable sanction schemes and regulations concerning export, re-export and commerce control.

**Business Ethics Code.** The Buyer must engage in fair, honest and ethical business activities. The Buyer agrees to comply with the Business Ethics Code implemented by Lincoln Electric Group (a copy of the document can be found on the website of Lincoln Electric: [www.lincolnelectric.com](http://www.lincolnelectric.com)) both inside the relationship with the Supplier, as well as inside the relationship with Third Parties in order to sell Supplier Products / Equipment.

[www.lincolnelectriceurope.com](http://www.lincolnelectriceurope.com)

**Art 14 : Litigations:** Any litigation concerning the interpretation and execution of the present General Sale Terms and Conditions will be governed by the Romanian law. In case the litigation cannot be settled in an amicable manner, the competent legal authorities from the registered office of the Supplier will register the litigation for settlement.

**Art. 13 : Personal Data Protection Policy:** As a result of the modification of the European Personal Data Protection Laws, especially the new Regulation concerning the Protection of Personal Data (GDPR), LINCOLN ELECTRIC has revised its Personal Data Protection Policy. To the extent that the agreement between the Buyer and the Supplier is based on a Commercial Contract, the categories of Personal Data collected and transferred by our Company with the purpose of fulfilling our legal and/or contractual obligations are limited to the contact data of the sale representatives and some members of the Management. Each Party agrees to process the Personal Data that was transferred by the other Party only with the purpose of performing the present Agreement and / or general business relationships, in compliance with the obligations established through the GDPR Regulation. Our Privacy Policy, full document that can be accessed here: [Privacy Policy \(lincolnelectric.com\)](https://www.lincolnelectric.com/privacy-policy), specifies the manner in which Lincoln Electric can collect, access, use and share Personal Data in connection to its business relationships and activities. This Policy also establishes your rights in connection to Personal Data.

[www.lincolnelectriceurope.com](http://www.lincolnelectriceurope.com)

---

SC Ductil SA  
Industriei Boulevard, No. 7  
120068, Buzau, Romania  
Tel : +40 238 725430 / +40 238 711001  
[office.ductil@lincolnelectriceurope.com](mailto:office.ductil@lincolnelectriceurope.com)

---

Registered Capital: **27 356 471 RON** – Paid Capital: **27 356 471 RON**  
VAT: RO1154610 – Trade Register No.: J 10/ 208/ 1991  
BNP PARIBAS – BUCHAREST BRANCH RO72FTSB000000000009308 / RON  
RO50FTSB0000000000009316 / EUR  
SWIFT/BIC CODE: FTSBROBU

**Annex 1 : Article 7. Order cancellation and Return**

**Made to Stock Orders – Stand-alone basis only (not call-off)**

<b>Cancellation/Return Date</b>	<b>Conditions of Return/Cancellation – Payable by Distributor</b>
5 calendar days after issuance of an Order confirmation by Lincoln Electric (if product has not shipped)	No fee (unless product has shipped, in which case 25% return and restocking fee+transportation cost applies)
More than 5 days (until shipment) after issuance of an Order confirmation by Lincoln Electric	18% administrative cancellation fee (unless product has shipped, in which case 25% fee + transportation cost applies)
After shipment and until 30 days after delivery	25% return and restocking fee + transportation cost
More than 30 days delivery	No returns

**Made to Stock Orders – Call-off/Blanket order basis only (not stand-alone)**

<b>Cancellation/Return Date</b>	<b>Conditions of Return/Cancellation – Payable by Distributor</b>
10 days after issuance of each Order confirmation by Lincoln Electric for the full call-off order	No fee (unless product has shipped, in which case 25% return and restocking fee+transportation cost applies)
More than 10 days (until shipment) after issuance of an Order confirmation by Lincoln Electric	18% administrative cancellation fee (unless product has shipped, in which case the 25% return and restocking fee + transportation cost applies)
After shipment and until 30 days after delivery	25% return and restocking fee + transportation cost
More than 30 days delivery	No returns

[www.lincolnelectriceurope.com](http://www.lincolnelectriceurope.com)