

## CONTRACT

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**Contract name****Ref No.****Start Date****End date****Prolongation****Contracting Parties****Buyer****Seller****Address****Address****Contact person****Contact Person****1.1 Contracting parties**

Purchaser (above named Buyer)

Supplier (above named Seller )

**1.2 Contacts for contract**

Purchaser contact

Supplier contact

**1.3 Form of contract**

The purchase agreement is completed through a purchase contract, i.e. a written contract that is signed by the parties. Other commercial conditions enclosed by the supplier in the tender will not be considered.

**1.4 Scope**

CERIC-ERIC is seeking proposals for (to be completed)

### **1.5 Price**

Value in Euro \_\_\_\_\_, including all ancillary costs ( shipment ,maintenance operations ).

### **1.6 Terms of delivery**

Delivery shall take place DAP TRIESTE – Italy in accordance with Incoterms 2010 ( Delivered at Place ) to the stated delivery address.

Supplier will need to support purchase in application for free duty import if applicable.

The delivery note with the purchaser's reference number ( \_\_\_\_\_ ) and information on contents , must be clearly visible and affixed on the outside of the packaging transport.

### **1.7 Date of delivery**

(to be added)

#### PICK UP CONDITION:

Incoterms 2010 – DAP CERIC-ERIC

### **1.8 Delays to Delivery, Penalties and Revocation**

In the case of delays with respect to the agreed dates as in the item on the delivery times which have been not been caused by the purchaser, the purchaser is be entitled to receive a penalty from the supplier.

A penalty must be paid for every seven days time period started during which the delay takes place at 1% of the value of the part of delivery which has not been possible to put into use as a result of delay. However, the entire penalty must not exceed 10% of the paid value.

If the supplier cannot fulfil conditions for approval and handover of the equipment within three (3) months of the agreed dates , the supplier has the option of replacing the equipment in question of the components that have caused the malfunction at no cost to the purchaser.

If the supplier chooses not to replace the equipment in question as above, or if the equipment after replacement still does not fulfil the conditions for approval and handover of equipment, the purchaser has the right to revoke the contract and receive full credit if the fault is substantial or if the delay is of material significance to the purchaser.

If the purchaser revokes the contract in accordance with this item, the purchaser has the right to repayment of the part of the purchase sum paid, including interest corresponding to the current reference interest rate. In the case of any revocation in accordance with this item, no costs for the use of equipment in the form of rent or equivalent shall be paid by the purchaser.

### **1.9 Delivery address**

CERIC-ERIC

S.S.14 Km 163,5 – in AREA Science Park

34149 – Basovizza ( Trieste ) – Italy

### **1.10 Terms of Invoicing**

The contractual amount will be paid off to the selected supplier as in the following terms:

- 20% T0 at the date of contract signature;
- 20% T0+5 at approval of the the optical elements and layout;
- 30% T0+23 at Factory Acceptance Tests (FAT);
- 30% T0+29 at Site Acceptance Tests (SAT).

Invoicing occurs at delivery. The invoice must include only the portion of the goods delivered and that can be deployed.

### **1.11 Invoice address**

Invoices are to be addressed to:

CERIC-ERIC  
S.S.14 Km 163,5 – in AREA Science Park  
34149 – Basovizza ( Trieste ) – Italy  
Fiscal code: 90143090323 - VAT Number: IT01278610322

The invoice is to be marked with the due date.

### **1.12 Terms of payment**

Payment will be made in arrears by invoice at thirty (30) days net. Corresponding regulations will be valid for agreed sub-deliveries.

Invoicing and administration charges are not accepted.

Payment of invoice does not mean the purchaser has approved equipment delivered. If there is any reason to query invoices, CERIC-ERIC has the right to withhold all or part of payment.

### **1.13 Penalty interest**

If the purchaser does not pay the invoice within the correct time, penalty interest shall be paid in accordance with the regulations in the Italian law.

### **1.14 Bank guarantee**

If the purchaser has to make advance payments for which there are no guarantees, the supplier must submit a bank guarantee or other equivalent guarantee for this sum. This will be returned when the ownership of the equipment has been transferred to the purchaser.

All costs for this guarantee will be paid for by the supplier.

### **1.15 Warranty**

There is a warranty period of 24 months for equipment.

The warranty period must be 24 months after an approved final inspection has been carried out by the purchaser with approved results.

If any equipment is unusable for more than one (1) month, or its function is impaired significantly as a result of faults or deficiencies in design, materials, manufacture, transport carried out by the supplier or

as a result of the equipment not fulfilling the agreed operational properties and performance, the warranty period will be extended by the time during which the equipment was unusable/had substantially reduced function.

### **1.16 Responsibilities towards third parties and vicarious liability**

The supplier is responsible for compensating persons injuries and material damage that may arise to third parties and which are caused by the supplier in conjunction with the execution of the contract.

When the supplier's personnel carry out work on the purchaser's premises, vicarious responsibility lies with the supplier for personnel hired by the supplier.

### **1.17 Insurance**

The supplier is responsible for arranging the requisite insurance cover for his responsibilities and undertakings with respect to property and persons until the warranty period commences, subsequent to deliveries.

On request, the supplier must send copies of the insurance policy or other proof of valid insurance to the purchaser. If the supplier does not fulfil this condition, the purchaser has the right to take out insurance and charge it to the supplier.

### **1.18 Subcontractors**

If the supplier uses subcontractors, the supplier will be equally responsible for subcontractors' work as for his own work.

### **1.19 Accessibility during the warranty period**

The supplier warrants that the equipment covered by the contract will have the stated operational accessibility during the warranty period.

### **1.20 Documentation and drawings**

The delivery is only considered as complete when all agreed documentation and drawings have been handed over to the purchaser.

If the supplier carries out any changes to equipment delivered, the supplier will also be responsible for making corresponding changes to the documentation delivered.

The supplier is responsible for the production of and costs for drawing up documentation and systems-related installations and assembly drawings.

### **1.21 Technical documentation**

Complete and appropriate technical documentation must be included for equipment delivered.

The documentation must be in English and in the form of technical information for maintenance and service. The scope of such documentation is stated in the specifications.

### **1.22 Maintenance during the warranty period**

The supplier's undertakings during the warranty period include:

- Remedial maintenance in the case of emergency faults.
- Call out time is one (1) week.

- Telephone support during office hours

All costs for preventive and remedial maintenance, corresponding to a full service contract, will be paid for by the supplier during the warranty period, on condition that the equipment is used in accordance with the supplier's instructions.

### **1.23 Updates and upgrades**

Relevant updates, improvements and changes to the equipment during the time period from ordering to delivery will be carried out by the supplier after the purchaser's approval free of charge to the purchaser.

Updating of software and hardware which contain direct faults or safety risks will be included free of charge during the estimated technical lifespan of the equipment (10 years after handover). In addition, necessary changes to hardware caused by program revision will also be included in this item free of charge. Furthermore, any labour costs must be included.

All updates concerning the equipment's existing functions are included in the supplier's undertakings during the estimated technical life of the equipment (10 years after handover), on condition that the necessary level of service contract has been signed with the supplier.

Updates and upgrades which provide the equipment with new functions are not included in the supplier's undertakings.

### **1.24 Changes and supplements**

Changes and supplements to the current contract may only be made through a written document signed by authorised representatives of the purchaser and the supplier.

### **1.25 Secrecy**

The supplier must be familiar with and shall comply with any rule of secrecy that applies to the purchaser's operations. The supplier undertakes not to reveal or use any information from the purchaser, whatever this may be (information on personnel, finance, commercial aspects or research information etc.) which may become known to the supplier.

"The supplier" includes all natural persons and legal entities which are involved through the supplier in any way in order to fulfil his obligations towards the purchaser, as well as any other persons who may come into contact with such information in any way.

Secrecy will continue to be applied to such information even after the contract in general has ceased to be valid.

### **1.26 Order of the documents**

The contract documents complement each other.

If it should transpire that the contract documents are contradictory in any way, unless circumstances obviously require another solution, they shall be valid in the following order:

- written changes and supplements to this contract
- this contract, with attachments.
- any necessary clarifications of the tender document
- the procurement document and appendices
- any clarifications of the tender
- the tender and appendices

### 1.27 Transfer of contract

This contract may not be transferred to another natural person or legal entity without the parties' written approval.

### 1.28 Infringement of copyright and patents

The supplier is responsible for and will contest the costs for any infringements of copyright, patent rights or other intellectual property rights which may follow from this contract and the obligations the contract covers, and which do not result from the purchaser's negligence.

### 1.29 Disputes

Disputes that may arise from this contract which cannot be resolved amicably must be finally settled by a court applying law.

Any dispute negotiations must in the first instance take place in Trieste – Italy.

This agreement has been created in two identical copies, one for each party involved. The contract is valid when signed by both parties.

Signatures of authorized parties:

**Buyer**

**Seller**

**Location/Date**

**Location/Date**

**Signature**

**Signature**

**Print name**

**Print name**

**Role**

**Role**