



GENERAL SALES TERMS

ORDER ACCEPTANCE - TECHNICAL OFFERS

The order is binding for the Buyer and it is to be considered accepted by the Seller only upon sending of written confirmation. Any amount paid by the Buyer with the order, is to be considered as an account to the Seller. Cashing of such amounts and the related invoice issuing according to the law do not mean that the Seller accepted the order. Should the order be rejected, the Seller will only have to pay back only the amount received, raised with legal interests. Henceforth the Buyer renounces expressly any other requirement. The technical offers sent to the Buyer by the Seller will never be binding for the Seller, until the contract of sale is concluded.

CATALOGUES AND PRICE-LIST

Technical data, sizes, weights, drawings and the other technical specifications of the machines and of the related accessories listed in the catalogues and in the other documents of the Seller, are to be considered as general and not binding for the latter. The Seller asserts the right to change one or more of the above mentioned specifications at any time without notice, according to his unobjectionable opinion, and no responsibility may follow for the Seller from the above mentioned changes.

TECHNICAL CHANGES DURING THE ORDER EXECUTION

Technical changes, even not substantial, required by the Buyer during the order execution, are intended to be accepted by the Seller only upon sending of written confirmation; the changes will be carried out according to the Seller's obligation; the costs deriving from the changes will be charged to the Buyer.

DELIVERY TERMS

Delivery is intended as effected by the Seller when he will give notice of goods ready to be delivered to the Buyer. To calculate the delivery term, if not otherwise agreed, only working days will be taken into account.

Contract delivery terms are intended as extended by right:

- A) because of force majeure, by chance, due to unforeseeable conditions and anyhow beyond the Seller's control;
- B) because of testing operation delays due to Homologation and/or Classification Institutes, when required;
- C) because of the carrying out of technical changes, during the order execution.

PLACE OF DELIVERY

Place of delivery has to be intended as the production works of the Seller

TRANSPORT

Goods are always transported for and at the risk of the Buyer, even if the forwarding agent and/or the carrier and/or the cost of transport are at the Seller's expense.

The machinery discharge and the transport costs are always at the Buyer's expense; any damage to machinery occurred during transport and/or discharged, can not lead, on the Buyer's part, to any compensation claim to the Seller, not even when the transport costs are borne by the Seller, according to special agreements.

MACHINERY INSURANCE DURING TRANSPORT

Transport insurance will have to be expressly required by the Buyer and it will be at his expense, even when the transport costs are agreed to be borne by the Seller.

In the latter case, should damage due to transport occur, the Buyer binds himself to:

- A) inform promptly the Seller; to make the necessary written complaints to the carrier, before completing the acceptance and/or machinery discharge formalities, and if necessary to detain truck and/or container until the Agent of the Insurance Company arrives;
- B) send to the Seller, by cognisance, a copy of the inspection report.

PACKING

Packing needed for transport of the machinery supplied will be charged to the Buyer by the Seller, at cost price and under no circumstances packing can be returned to the Seller.

TECHNICAL ASSISTANCE AND ASSEMBLY



Prices agreed for the machinery sale do not include assembly costs of the machinery itself, where they have to be installed. Technical assistance will be given according to an estimate made by the Seller, in conformity with the conditions decided by the UCIMU, conditions that the Buyer states to know well and to accept wholly, and that are an integral part of these General Sales Terms.

The Buyer, at his expense, will provide at agreed time and under his own responsibility the personnel to help during the assembly operations, and assigned to the conduction and the maintenance of the machinery; the Buyer will do what is necessary to guarantee that the work can start immediately after the arrival of the Seller's technicians, and it continues, without interruption, until the it is finished. The Buyer will bear also the costs of the execution of any preparatory works, included mason-works, an in particular:

the execution of the connections needed for the functioning of the machinery (electricity, suction, compressed air, water, etc.);

the making ready of the equipment and tools needed, included all lifting, discharge and transport means within the Buyer's property;

the making ready of the suitable tools for the first functioning trials agreed.

The Seller will send his technicians only upon receipt of the written confirmation, on the Buyer's part, of the making ready of what listed in paragraph 9.3.

Should the Seller's technicians, during machinery assembly, be forced to suspend or slow down their operations because of the lack of services pertaining to the Buyer and listed in 9.3, the Seller will be entitled to make his personnel return and to fix a new date for the resumption of the operations. In this case the additional costs borne by the Seller will be charged to the Buyer, aside from the previously agreed terms and by way of exception to the terms themselves.

To avoid any objection on working hours made by the Seller's technicians, the Buyer binds himself to sign the form for the technicians presence prepared by the Seller. If not, the working hours listed in the summing up report made by the Seller at the end of the work will be considered as valid and correct.

PRICES

Goods will be charged according to what expressly specified in the order accepted by the Seller.

Prices will be calculated according to the material and labour costs at the time of the order acceptance. Should the costs be subjected to increases no lower than 5% of the agreed price, before delivery or before the whole payment of the price and of the accessories (if instalment payment was agreed), the Seller will be entitled to recover from the Buyer the price difference, according to the new costs.

PAYMENT TERMS AND PLACE

All payments will have to be effected at the Seller works. The V.A.T. payment will have to be effected cash down, upon receipt of the invoice, aside from the agreed payment terms.

The Seller can accept as payment bank cheques, bills, assignment banker's draft and/or receipts, that however can't be novations of the original credit, and they can't move the territorial competence in case of controversy.

In case of payment by installments the Seller will be entitled to charge the default interests, at the bank rate in force at the time of the issuing of the documents, together with the collection, exchange stamp and of contract registration costs; in case of payment by installments the missing payment even of a single installment will make the Buyer lose the right of the term, according to the art. 1186 of the Civil Code and all installments, still to expire, will become immediately due.

DELAYS IN THE PAYMENTS AND CONVENTIONAL DEFAULT INTERESTS

For the amount due to the Seller, not paid in due time, default interests will be charged at the official Italian discount rate, increased by 4%, and the Seller will also be entitled to demand any amount due for further damage.

The above mentioned does not entitle the Buyer to defer payment or any other contract terms.

SALE WITH PAYMENT BY INSTALMENTS - RESERVATION OF PROPRIETY

In case of sale for which payment by installments of the price is agreed, the above mentioned sale is intended to be effected with reservation of property in favour of the Seller, according to art. 1523 of the Civil Code; in this case, therefore, the goods subject to sale will become property of the Buyer only upon payment of the last installment, even if all related risks are borne by the Buyer, right from the delivery. In this case, the Buyer, until the final settlement, will be consignee of the goods, binding himself to make good use of the goods themselves according to their purpose, to use them according to accident prevention rules in force, not to alienate them nor to transfer them in any case to third parties, not to create any obligation nor guarantees on the goods themselves, not to transfer them from the place indicated for their installation, without previous written agreement of the Seller; the Buyer also binds himself to inform promptly the Seller in case of any action by third parties carried out on the above mentioned goods.

SUPPLY INTERRUPTION



Not respecting the payment terms and/or the obligations taken by the Buyer will entitle the Seller to:
interrupt the execution of his own contract obligations without any notice;
obtain the damage compensation, according to the work state.

Should during the contract execution any variation of the company style, of the juridical status or of the company structure of the Buyer occur, the Seller will have the authority to interrupt the supply or the execution of the ongoing order and/or to require for the order to be completed, suitable guarantees.

POSTPONEMENTS OF THE GOODS COLLECTION UPON BUYER'S REQUEST

Should the collection and/or the shipment of the goods be delayed upon Buyer's request, the latter will have anyhow to make the due payments within the terms agreed.

Any risk and/or responsibility for the machinery conservation become under the responsibility of the Buyer, aside from the fact that the right of property is held by the Seller or not, starting from the date initially agreed for the delivery.

Warehouse, stocking, insurance and/ or any other expense occurring will be charged to the Buyer.

COLLECTION FAILURE OF THE GOODS BY THE BUYER

The Buyer will have to collect the goods within 30 days from the notice, given by the Seller, of the goods ready to be collected. In case of collection failure within this term, the Seller, upon written notice, will be entitled to consider as rescinded the contract, due to default of the Buyer, collecting the already received amounts, up the extent of the damage suffered and charging to the Buyer any other damage.

FORCE MAJEURE

Should force majeure prevent or delay by more than two months the contract execution and/or the machines delivery, the Seller will have the authority to rescind partly or wholly the contract itself, without that the Buyer might require any compensation or indemnity, except only the right to the return of the amounts paid, net of the expenses borne by the Seller and calculated according to the work state.

PENALTY TO BE CHARGED TO THE SUPPLIER DUE TO DELAYED DELIVERY

Delays in the delivery as to the agreed terms, not due to force majeure causes, being the contract still valid, to silence any right or claim by the Buyer will lead to a penalty of 0,5% of the supply price to be charged to the Seller for each 30 calendar days starting from the 60th days of the agreed delivery date, up to a total amount of 3% of the net value of the supply. Penalties can not be summed. Any appeal to art. 17 (force majeure) will interrupt the application of possible ongoing penalties.

The Buyer will not be entitled the penalty payment:

if it is not ascertained that the delay really caused damage to the Buyer:

if the Buyer is not ready to receive the goods;

if the works concerning of the Buyer have not been promptly made ready.

PARTIAL SUPPLIES BY THE SUPPLIER

Delivery delayed as to the agreed terms, of equipment or accessories belonging to the supply, but not damaging the normal functioning of the machines, will not entitle the Buyer to suspend the payment of the amount, but only to postpone it, proportionally to the value of the not supplied goods.

RESCINDING OF THE CONTRACT BECAUSE TO THE SUPPLIER

A delay in the supply over 210 days will rescind the contract automatically, if not otherwise in writing agreed between the parts.

Should the contract be rescinded, the Seller will only have to pay, as compensation and to silence any other right and/or claim, a penalty up to 5% (not combinable with other penalties) to be calculated on the value of the supply.

TESTING TRIALS

When expressly agreed, testing trials will be effected at the Seller's works, before the Buyer.

The date of such trials will be noticed in written to the Buyer, at a minimum notice of 14 days; shouldn't the Buyer, in spite of having received the above mentioned notice, be present at the testing, the testing will be effected by the Seller and it will be considered as valid for all purposes.

Payment terms starting from the testing date will continue to be valid, even if the Buyer has renounced to be present at the testing itself.

The testing trials of the machinery at the final User's works, if previously agreed, will be effected by the Seller, before the Buyer, not after 15 days from the assembly and commissioning of the machine.

Possible changes to the supply that should be required by the Buyer during testing trials, will be regulated according to what is listed in art.3 of these general terms.



The commissioning of the supplied machinery is intended as the demonstration of the reaching of material handling and tolerance times of the mechanical parts, as stated by contract.

The testing and the taking on consignment of the machinery on the Buyer's part are intended as positively effected by demonstrating that the specification agreed by contract are respected.

WARRANTY

The warranty period is 6 solar months, starting from the date of notice of goods ready to be delivered, covering pieces or parts showing objective manufacturing and/or assembling defects, provided that that have not been damaged or worn because of wrong use and negligence by the Buyer and/or the user.

Should the sold machinery be used by the Buyer or the final user, if different, for more than 8 hours per day, for 5 days per week, the warranty period will have to be curtailed proportionally to the real usage.

During the warranty period, the Buyer excluding and anyhow renouncing any other claim, the Seller will replace free of charge those parts that should be defective, due to bad quality of the material or to manufacturing defect, in any case all board and lodging costs of the Seller's technicians will be charged to the Buyer, according to current tariffs. Transport risk and cost of the replaced parts, as well as the transport risk and cost for the return of the material to the Seller's works will be charged to the Buyer.

The warranty period for the supply free of charge of repaired or replaced parts will be 6 months, starting from the date of repair or replacement, the warranty period can be extended only once.

The warranty will forfeit immediately when changes to the parts are made without written authorisation of the Seller, if the usage conditions of the machinery are not correctly respected and if regular maintenance is not carried out.

The warranty does not cover defects due to natural events (fires, floods, saltiness, rain and stocking in areas not suitable for good conservation of the machine tools), to damage, to wrong installation (when it is carried out by the Buyer), to user's inexperience, to insufficiency and/or lack and/or flaw of the complementary equipment, to the manufacturing process of the Buyer (such as: compressed air plants, dusts suction plant and other plants not part of the Seller's duties).

The missing of parts belonging to the supply has to be noticed by the Buyer to the Seller, via registered letter within 5 days of the goods receipt and it can not justify neither an extension of the warranty expiry date, nor a suspension of the payment. The transport cost of the above mentioned parts will be charged to the Seller.

The Buyer will have to notice to the Seller any defects appearing during the warranty period, within 5 days from the detection of the defect, and he will have to put the Seller in a condition to carry out the needed inspections and repairing.

Should repair and replacement take place at the Buyer's and/or the user's works, he will have to put at the Seller's disposal the auxiliary needed personnel.

During the repair or the replacement period covered by the warranty, the Buyer will not be entitled to any compensation for damage due to machine stop, to failed production, to tools usage, to scrap material produced.

The Seller will have 90 working days starting from the date of receipt of the Buyer's notification to carry out repair, replacements or the integration of parts and to reach the performances agreed by contract.

Should the complaint be unjustified, all travelling, board and lodging costs of the personnel borne by the Seller will be charged to the Buyer. The charged costs will have to be paid on receipt of the invoice.

As to motors and electrical equipment, supply conditions of the electromechanical industries, manufacturers of such products are valid; the Buyer states to know well and to accept the above mentioned conditions.

Should the electric equipment brand be imposed by the Buyer, the Seller will be relieved by any responsibility for possible delays in the preparation of the machinery, even if specific delivery terms have been agreed; in this case, the Seller will also be relieved by any quality, functioning and reliability responsibility of the electric material; the Seller will be free not to cover with any warranty the above mentioned machinery.

The Seller does not take the responsibility for any damaging consequences due to machinery misuse by the Buyer and/or by the final user.

The presentation and/or existence of ongoing complaints will not entitle the Buyer to suspend payments still to be effected.

UNTRANSFERABILITY

This contract can not be ceased by one of the parties to third parties, without the agreement of the other party.

EXCLUSIONS

The supply does not include the supply electric cables, up to the input terminals and possible mason-works.

GIGANT ITALIA s.r.l.

P.IVA e C.F. 02629491206
Reg. Imp. Di BO n. 454344
Cap. Soc. € 100.000 i.v.

Via Bargellino, 25
40012 Calderara di Reno (BO)

Phone +39 051 – 72.72.46

sales@gigant-industries.com
gigantitalia@pec.it
www.gigant-industries.com



LINE MACHINERY

Line machinery is intended as whole machinery lines supplied by third parties, in which machines manufactured by the Seller have to be inserted.

Any notification about the functioning of such lines, not due to the machinery supplied by the Seller, will not be considered as a valid reason to suspend payment to the Seller and/or the running of any contract term, included the warranty one.

ADVERTISEMENT

If not otherwise noticed in written, the Seller will be entitled to use as a reference and/or advertisement, the name the Buyer and/or the User of the sold machines and the pictures taken in the works of the above mentioned Buyer/User and or the film strips shot in the works themselves.

RESERVATIONS

Drawings, technical data and projects submitted to the Buyer before or after the stipulation of the sale contracts are exclusive property of the Seller and therefore they can neither be copied nor reproduced, both wholly and partly, nor ceded third parties. Possible purchasing conditions pre-arranged by the Buyer, even if printed on the order sheet of the Buyer himself, do not exclude not even partly this general sales terms.

The Seller reserves the right for himself to make all changes he believes to be necessary to the ordered machinery, without any notice, provided that these changes do not diminish the value of the supply, but they aim at improving or anyhow keeping unchanged the performance of the machinery.

CONTROVERSIES

The sale contracts signed according to this general conditions are considered as concluded at the Seller's works and are subject to Italian law, even if stipulated outside Italian territory and with natural and juristic persons of non Italian nationality.

Should any controversy arise between the parts, for the completion and/or the interpretation of the sale contract and of these general sales conditions, the Court of Bologna (ITALY) will be the only body entitled to settle the matter.

NULLITY OF PREVIOUS AGREEMENTS

This contract describes all agreements and pacts between the parties and annuls and replaces any other agreement previously discussed during the negotiations, both written and verbal.

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