

GENERAL SALE CONDITIONS

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1. PRINCIPLES AND SCOPE

The following terms and conditions of sale (hereinafter referred to as the "General Sale Conditions") apply to all the sale and supply activities of Baoli EMEA S.p.A. (hereinafter referred to as the "Seller") of its products and services (hereinafter referred to as the "Products"), unless agreed otherwise in writing between the Seller and its final buyers and/or its distributors (hereinafter both referred to as "Purchaser"). The supply includes only the products and/or services indicated in each order confirmation or offer of the Seller. Upon placement of an order, the Purchaser agrees to accept these General Sale Conditions. These General Sale Conditions shall prevail over any other conditions and/or different clause inserted in any document used by the Purchaser, unless otherwise agreed upon or expressly accepted in writing by the Seller.

2. ORDERS. CONCLUSION OF THE CONTRACT

As a rule, a contract comes into force upon the written order confirmation by the Seller. However, if the Seller offers to the Purchaser its Products, then the contract comes into force upon the corresponding acceptance/order by the Purchaser. If the Purchaser has been set a deadline for acceptance of the offer, a contract only comes into force if the offer is accepted on time. If the offer is not accepted by the Purchaser on time, or the acceptance does not fully correspond to the offer, then acceptance is to be deemed as a different order and the contract only comes into force upon the written corresponding order confirmation by the Seller. The orders of the Purchaser shall only be binding on the Seller when they are explicitly accepted in writing. The orders of the Purchaser shall be considered firm and binding for the Purchaser until receipt of the relative confirmation by the Seller. Any sum paid by the Purchaser before the order is accepted by the Seller shall be retained and acquired by the Seller as indemnification in the event that the Purchaser counterdemands an order before the same is accepted. After an order is accepted all the sums already paid shall be considered as payment on account.

Ancillary agreements and amendments must be in writing. The documents attached to an offer, such as illustrations, drawings and technical data sheets, are indicative only. The Purchaser must point out in writing any and all conditions of use or environmental conditions (e.g. special environmental and local requirements) which differ from the standard conditions. Failing such indication by the Purchaser, the Seller shall offer standard Products.

3. SUSPENSION OF THE SUPPLY

Even after the acceptance of an order, the supply is subject to the verification of the financial solidity of the Purchaser which shall be run by the Financial Dept. of the Seller according to the common indexes of solvency and of risk evaluation and on the basis of the results provided for by the rating agencies. Upon completion of such verification the Seller reserves the right, even after the order has been accepted, to condition the delivery to the advance payment. The Seller is entitled to suspend the supply and/or to supply Products only upon advance payment in the event that the Purchaser has failed to fulfill his payment obligations in whole or in part and/or in the event that his outstanding for the supply of Products is higher than the value of the credit line granted by the Seller, if any, or the financial guarantee given by the Purchaser, if any, or the letter of credit opened/issued by the Purchaser, if any.

4. DELIVERY AND TRANSPORT

Unless otherwise agreed upon in writing, deliveries are "ex works" or "free on board" (according to the indications contained in the order) the Seller's plants/hubs production in which the Products are manufactured and/or stored. The delivery terms are indicative and estimative only and shall not be treated as being of the essence of the contract or binding on the Seller. As soon as the goods are ready for collection at the Seller's plants/hubs, the Seller shall promptly notify the Purchaser. Unless otherwise agreed upon, the ordered goods are to be deemed delivered upon notice of availability for collection from the Seller's plants/hubs production. The mode of forwarding, the means of shipment, the transport route, the choice of the forwarder or carrier as well as the packaging shall be left to the Seller's preference and choice. The Seller will not be liable for any delay with deliveries caused by force majeure or events beyond the control of the Seller and his suppliers, including, and not limited to: wars, sabotages, insurrections, rebellions, riots or other acts of civil disobedience, acts causing the public to be endangered; storms, floods, fire, epidemics, earthquakes, labor disputes, operational disruptions, shortfalls or failures in delivery on the part of the suppliers, shortages of raw materials, power supplies and/or manpower, strikes, lockouts, problems in procuring means of transport, obstructions to traffic.

5. PACKAGING

Unless specifically requested in writing by the Purchaser, goods are delivered without packing, except for spare parts which are packed. Each new truck is identified by means of its unique serial number, printed on a label attached to the chassis of the truck.

6. MODIFICATION OF THE PRODUCTS

The Seller reserves the right to modify the technical specifications of the Products without need of previous communication to the Purchaser and to deliver to the Purchaser Products modified as far as production and/or settings, insofar as this does not jeopardize the utility of the Products. The Seller is not taken to update and/or apply to Products manufactured or whose manufacture is in progress the amendments and/or innovations introduced after the acceptance of the order.

7. QUALITY OF THE PRODUCTS. WARRANTY

The Seller shall warrant that the Products are free of defects in material and workmanship under the conditions of normal use and maintenance, as follow:

- a) for counterbalance and reach trucks: 24 months or 4.000 operational hours (whichever occurs first) since the date of delivery to the end-user and anyway for a period of time not exceeding 30 months since the invoicing date;
- b) for stackers, pallet trucks and other truck types: 12 months or 2.000 operational hours (whichever occurs first) since the date of delivery to the end-user and anyway for a period of time not exceeding 18 months since the invoicing date.

The warranty period for batteries (other than Ganfeng lithium-ion batteries) is as follows, whichever occurs first:

- a) for lithium-ion batteries in counterbalance and reach trucks: 24 months or 4.000 operational hours;
- b) for lithium-ion batteries in stackers and pallet trucks as well as other product types: 12 months or 2.000 operational hours;
- c) for batteries with technologies different than lithium-ion (e.g., lead-acid): 12 months or 2.000 operational hours;
- d) for starter batteries of internal combustion forklift trucks: 12 months or 2.000 operational hours;

the warranty period starts on the date of invoice.

The lithium-ion batteries manufactured by Ganfeng and used in counterbalance trucks come with an extended warranty compared to lithium-ion batteries from other suppliers; the warranty period for lithium-ion cells/modules, battery management unit (BMU) is as follows, whichever occurs first:

- a) 48 months or 10.000 operational hours;

the warranty period starts on the date of invoice.

In addition to the warranty covering manufacturing defects, the battery manufactured by Ganfeng is guaranteed to retain at least 75% of its original capacity (75% State of Health, as reported by the battery diagnostic tool) for 48 months or 10.000 operational hours, whichever occurs first; the warranty period starts on the date of invoice.

Warranty is only granted for batteries operated under the conditions and in the manner specified in the applicable Baoli operator manual. Warranty does not apply in case of any self-inflicted damage, vandalism or damage to the product that has occurred due to improper use of the product. In particular, the warranty does not apply to damages resulting from deep discharging due to failure to follow the storage and charging instructions specified in the applicable Baoli operator manual.

The warranty provided by the Seller shall only consist of repair or replace, at its choice, of defective original parts of the Products. Under warranty period the only allowed reimbursement is the one related to spare parts net value; all other costs related to repairs shall not be refunded.

8. PRICES

Unless expressly agreed otherwise, all prices shall be in EU currency and shall be "ex works" or "free on board" (according to the indications contained in the order) the Seller's plants/hubs production in which the Products are manufactured and/or stored. Prices do not include taxes, transport, dispatch or packaging costs of the Products and any other cost not specifically indicated in the order confirmation or in the offer of the Seller and/or costs for services required by the Purchaser.

9. PAYMENTS

Unless otherwise agreed upon in writing, payments shall be as follows: (a) made by the Purchaser by means of irrevocable confirmed letter of credit, or (b) guaranteed by means of a first demand bank guarantee whose amount shall be indicated time by time by the Seller on the basis of the value of the Products ordered/to be ordered, or (c) advanced payments. The Seller shall have the right to reject any Purchaser's order or, if accepted, to suspend or delay the supply/delivery of the Products or to supply only upon advance payment: (a) until the mentioned letter of credit is confirmed by the Seller's bank or the bank guarantee is counter guaranteed by the Seller's bank or (b) if the value of the Products ordered/to be ordered exceeds the total amount of the letter of credit or of the bank guarantee or of the credit line (if any) granted by the Seller.

Furthermore, it is agreed that if the Purchaser is in default with any payment, the statutory interest on amounts owed will be charged up to the date of default without this requiring formal notice.

In all such cases the Seller is also entitled to terminate the relative contract and withhold any amount paid in advance as compensation, without prejudice for the right to claim for further damages.

10. COMPLAINTS AND DISPUTES. EXCLUSION OF LIABILITY

Without prejudice of article 7 above (Quality of the Products, Warranty), any complaint or dispute must be notified to the Seller by written communication, sent by registered mail, within eight days of receipt of the Products. Such notification does not release the Purchaser from the fulfillment of orders accepted and/or from the payments of the Products already ordered. All claims on the part of the Purchaser on whatever legal grounds as well as compensation for damages of whatever sort (e.g. compensation for loss of use and production, lost profit or other consequential damages) are excluded. This exclusion of liability does not apply in the event of malice or gross negligence on the part of the Seller or culpable infringement of important contractual obligations. In the event of culpable infringement of important contractual obligations, the Seller is however only liable - except in cases of malice or gross negligence - for the contractually typical, reasonably foreseeable damages.

The Seller is released from any and all liabilities and obligations for any accident to persons or things that may occur during or for the use of the Products delivered.

11. ASSIGNMENT

Unless permitted in writing by the Seller, the Purchaser cannot assign any agreement of sale of the Products ordered and/or any order. However, the Seller is entitled to assign its receivables arising out of the sale of the Products without need of consent by the Purchaser.

12. LIMITATIONS

The Purchaser shall not use the Products for services and/or activities other than those for which they are intended and sold. The Purchaser is not allowed to amend and/or alter the Products and/or their technical specifications. Such amendments/alterations shall cause the warranty to immediately cease and become void. This does not apply to marginal modifications which have no influence on function and operational safety.

13. RETENTION OF TITLE

The Products shall remain the property of the Seller until total payment of the price by the Purchaser. The Purchaser, in pursuance of the above retention of title, shall refrain from any conduct or act which may have the effect of impairing exercise thereof. The Purchaser shall not resell, assign, pledge, nor place any lien on the Products until the price thereof has been paid in full to the Seller; the Purchaser shall immediately notify the Seller any executive proceedings undertaken by third parties which regards or affects the Products until the price thereof has been paid in full to the Seller. The costs of eliminating such measures shall be borne by the Purchaser. Nevertheless the above, unless a delivery condition different from "ex works" / "free on board" is agreed, all risks arising from the loss or from damages to the Products for any reason whatsoever shall be borne by the Purchaser effective since the Products are made available to the carrier appointed by the Purchaser. In case of a default in payment or a deterioration in the financial situation of the Purchaser, the Seller is entitled to request immediate handing over of the Products which are subject to right retention.

14. TAXES. COSTS. EXPENSES.

Any and all taxes, export or import duties, customs, inspection fees or fees of any nature imposed by any and all Government Authority shall be borne and paid by the Purchaser. If the Seller is required to pay any such tax, fees or charges, the Purchaser shall reimburse the Seller in full.

15. TREATMENT OF PERSONAL DATA

For the establishment and execution of any supply of Products, Purchaser and Seller will mutually process personal data relating to individuals belonging to each other's corporate organizations. With respect to such data, each party will determine the purposes and means of the processing in total autonomy and shall have, with respect to the same, the qualification of independent data controller. As a consequence of this, each Party undertakes to process the personal data of which it will become aware in the execution of the supplies, for the sole purposes strictly related to the execution of the supplies themselves, as well as for the fulfillment of legal obligations connected to them (where provided) and in full compliance with the national and over-national legislation in force and in particular with the provisions of Regulation (EU) 679/2016 ("GDPR").

Each party undertakes to proceed with the communication of the personal data necessary for the execution of this contractual relationship to the other party for the sole execution of the relationship itself and in compliance with the aforementioned legislation, and anyway after having implemented all the formalities necessary for the correct treatment and the legitimate communication of the same.

The parties also undertake to process, even after the completion of the supplies, the personal data of which they will become aware only for the purposes indicated above.

Each party will also hold the other party fully indemnified and harmless from any cost, expense, liability, burden, disbursement (including legal fees or penalties), third party claims and any other liabilities that may be incurred due to the breach by the party of the other part of the obligations imposed on it as an autonomous data controller.

The provisions above indicated are applicable only if the Purchaser is located within EEA (SEE). In the event that the Purchaser is located outside the EEA (SEE), then the Seller shall adopt any proper measure according to articles 44 and subsequent of the GDPR in order to grant the correct transfer of data outside EEA (SEE).

16. APPLICABLE LAW. LEGAL VENUE

The sale of the Products indicated in each order is governed by the Italian law. The legal Venue for any dispute, resulting or arising from each sale agreement shall be Milano (Italy).

17. SAVING CLAUSE

Should individual conditions of these General Sale Conditions be or become invalid, then this will not affect the validity of the remaining conditions. The contents of the invalid conditions are to be reinterpreted to the legally permissible degree in such a way that the economic success which the condition was intended to achieve is, as far as possible, achieved.

Alternatively, they are to be replaced by mutually agreed arrangements which ensure this success as far as possible.