

General Conditions of Sale



Effective: May 2025

1. Scope

These Conditions of Sale apply to all quotations, offers, orders, and deliveries made by Industrial Power Units for Industry LLC (IPU SA), unless otherwise agreed in writing.

2. Offer & Contract Formation

- All offers are valid for 30 days unless otherwise specified.
- A binding contract is formed upon written acceptance, purchase order confirmation, or receipt of advance payment.

3. Prices

- Prices are exclusive of VAT, duties, and transport costs unless stated.
- Prices are subject to revision in case of changes in raw material costs, duties, or currency fluctuations beyond IPU SA's control.

4. Payment Terms

- < SAR 1,000,000: 40% advance, 60% before delivery.
- ≥ SAR 1,000,000: 25% advance, 75% before delivery or under agreed LC/terms.
- Late payment entitles IPU SA to suspend delivery or terminate the contract and apply interest/fees.

5. Delivery & Risk Transfer

- Delivery terms follow the agreed Incoterms (latest version).
- Risk of loss transfers to the Client upon delivery or readiness for dispatch.
- Storage due to delayed acceptance will be at the Client's risk and expense.

6. Technical Documentation & Drawings

- All technical documents, drawings, and software remain IPU SA's intellectual property.
- The Client is granted a non-exclusive, limited license for use strictly within the project scope.
- Documents may not be shared with third parties without written approval.

7. Testing & Commissioning

- IPU SA provides factory acceptance testing (FAT) where required.
- Site testing and commissioning (T&C) is available under separately quoted terms.
- Final payments are not subject to extended retention unless explicitly agreed.

8. Warranty

- Warranty is valid for 12 months from delivery or 18 months from order date (whichever comes first).
- Covers design, manufacturing, or material defects under proper use.

- Excludes misuse, unauthorized modifications, external damage, or third-party integration issues.

9. Liability

- IPU SA's liability is limited to direct damages and capped at the contract value.
- No liability for consequential, indirect, or economic loss, including business interruption or profit loss.

10. Force Majeure

IPU SA is not liable for delays or failures due to events beyond its control (e.g. war, fire, natural disaster, supply chain disruption, regulatory changes).

11. Termination

- IPU SA may suspend or cancel orders for non-payment, insolvency, or breach of contract.
- In case of cancellation, the Client shall pay for all work performed and committed materials.

12. Governing Law & Jurisdiction

- These conditions are governed by the laws of the **Kingdom of Saudi Arabia**.
- Any disputes will be settled exclusively in Saudi courts.

13. Language

- English is the contractual language.
- Translations are for convenience only.