

## GENERAL CONDITIONS OF SALE AND DELIVERY VDL VAN HOOL

### 1 DEFINITION OF TERMS

Unless the context clearly requires a different meaning, the following terms have the following meanings:

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| <b>VDL</b>                           | VDL Bus & Coach Holding B.V. established in the Netherlands, or any of its subsidiary companies, including but not limited to VDL Van Hool Belgium BV, VDL Parts Belgium BV and Van Hool Macedonia Dooel Ilinden.     |
| <b>Customer</b>                      | any party (including representatives, intermediaries or (legal) successors of that party) (I) to whom VDL makes an Offer or from whom VDL receives a Offer or (II) with whom VDL has or obtains a legal relationship. |
| <b>Party</b>                         | (Parties) VDL and/or the Customer.  |
| <b>General Conditions Product(s)</b> | these general conditions of sale and delivery from VDL. all of VDL's products and/or services of any nature whatsoever.   |
| <b>Offer</b>                         | a quote or offer issued by VDL for the sale and delivery of Products.   |
| <b>Order</b>                         | an order for the delivery of Products.  |
| <b>Order Confirmation</b>            | a confirmation from VDL of an Offer accepted by a Customer.   |
| <b>Agreement</b>                     | an agreement between VDL and the Customer for the sale and delivery of Products.  |
| <b>Price</b>                         | the selling price of a Product.   |

### 2 APPLICABILITY

- These General Conditions apply to all Offers, Orders, Order Confirmations, Agreements and other relationships in the context of which VDL sells and/or delivers Products to the Customer. Deviations from and supplements to these General Conditions are valid only if these have been agreed expressly and in writing.
- The application of the Customer's general conditions of purchase or other general conditions is expressly excluded.
- Should a provision (or a part thereof) in these General Conditions be or become null and void, then the remaining provisions (or parts thereof) of these General Conditions remain fully in force.

### 3 OFFERS

- All Offers are without obligation and are revocable for VDL, even if these contain an established period of acceptance.
- If the Customer deviates from the Offer, then this qualifies as a new proposal from the Customer and this shall be considered as a refusal of the entire Offer, even if the difference relates only to the subordinate (parts of) Products.
- Descriptions and illustrations of Products provided by VDL are not binding. However, VDL attempts to provide a reflection of dimensions, (performance) specifications and other data provided by VDL related to Products that are as realistic and as accurate as possible.
- The Customer ensures and guarantees the accuracy and completeness of the dimensions, requirements, performance specifications and other data that it provides or have been provided on its behalf to VDL.

### 4 FORMATION OF AGREEMENT AND ASSIGNMENT

- An Agreement is concluded between the Parties and is binding if Customer has signed an Offer and/or Order, has otherwise agreed on an Offer and/or Order or performs actions from which it may be inferred that an Agreement has been concluded. VDL shall provide Customer with an Order Confirmation. VDL retains the right to rescind or terminate the Agreement within 15 working days after the Agreement is concluded, without this resulting in any obligation for VDL.
- VDL employees have no permission to conclude an Agreement on behalf of VDL, unless they have express written permission from VDL that is legally valid and signed.
- VDL has the right to change an Agreement by means of a written notification to the Customer if the change relates to objective circumstances (e.g. new technical or legal requirements), regardless of whether these circumstances could be foreseen or not at the moment that the original Agreement was concluded.
- The Customer may not assign the Agreement or any part thereof without VDL's prior written approval.
- VDL may assign the Agreement or any part of it to an affiliated company, being any legal entity which directly or indirectly is controlled by VDL, controls VDL or is controlled by a company which directly or indirectly controls VDL.
- VDL may sub-contract parts (but not all) of the Product.
- Amendments to an Offer, order placement, Order etc. can only be accepted by VDL up to the time the Agreement is concluded. If, at a later time, amendments are proposed by the Customer, this shall only be deemed accepted by VDL insofar as these amendments are specifically and individually confirmed in writing by VDL to the Customer. Non-acceptance of any amendment by VDL shall not entitle the Customer to terminate, rescind, annul the original Agreement in any way. The price change pursuant to an amendment shall be binding on the Customer as from the fourth day after the date of dispatch of VDL's written confirmation of such amendment.

### 5 PRICES

- All prices are: (I) net and exclude VAT and all other (governmental) fees, (II) based on Ex Works delivery (most recent version of Incoterms) unless agreed otherwise in writing, (III) based on the prices and specifications that were valid on the Order date and (IV) based on the performance of the Agreement under normal conditions and during normal working hours. Prices are expressed and payable in euro (unless agreed otherwise in writing) and any possible exchange rate risk shall be borne by the Customer.

- VDL has the right to change an agreed Price by means of a written notification to the Customer if the price increase relates to price-increasing circumstances, regardless of whether these circumstances could be foreseen or not at the moment that the original Price was established. After a price increase, VDL may increase the amounts of the payments in instalments.
- The following costs are not included in the Price and are charged separately: (I) the costs of transport preparation, packaging, assembly and service and the cost of loading, shipment, transport and unloading, and (II) the costs of insurance and/or storage of all goods made available by the Customer.
- In addition to the foregoing, the Customer must compensate VDL for any possible cost increases to VDL that are the result of (I) changes and/or expansions of the Agreement at the Customer's request, (II) the Customer's failure to enable the performance of the Agreement and/or (III) circumstances that are attributable to the Customer.
- Discounts are valid only if they have been confirmed beforehand in writing by VDL.

### 6 DELIVERY

- Delivery dates and other deadlines issued or agreed by VDL are not binding for VDL and they (I) depend on the information known to VDL at the moment that VDL concluded the Agreement and (II) are based on timely delivery of the materials and/or parts ordered by VDL and on timely delivery of all of the information required for the completion of the Product.
- VDL shall do its utmost to comply with the agreed delivery dates and other deadlines. The simple fact that a stated or agreed delivery date or other deadline has been exceeded does not imply that VDL is in default. VDL shall not be in default until after (I) a deadline has been exceeded, and (II) the Customer has sent a written notification of default, by registered letter, to VDL in which the breach/failure is described and until VDL has been given a reasonable time period to resolve the breach/failure, and (III) the breach/failure has subsequently not been resolved.
- In any case VDL is not bound to any delivery date or other deadlines (I) that cannot be met due to circumstances beyond its control and which have occurred after the Agreement was concluded, and/or (II) if the Parties have agreed to change the nature or the scope of the Agreement's application (extra work, specification changes, etc.).
- If a delivery date or other deadline risks being exceeded, then VDL and the Customer shall consult with each other about this as quickly as possible. If VDL exceeds a delivery date or other deadline after the written notification of default, then the Customer is entitled to compensation only if the Parties have expressly agreed to such in writing.
- VDL has the right to use other materials or to make changes to the design if these changes, in VDL's opinion, reasonably comply with the Customer's technical requirements or any technical requirements provided by applicable regulations. The Customer cannot raise any claims against VDL on the basis of these changes.
- VDL has the right to deliver in tranches. In that case, VDL shall determine and communicate delivery times for each partial delivery.
- Delivery shall take place Ex Works (most recent version of Incoterms) on the date indicated by VDL to the Customer unless agreed otherwise and without prejudice of the foregoing conditions.
- The Customer shall accept the Products for receipt at the indicated delivery date. Products available for delivery that the Customer has not yet accepted for receipt after the delivery date shall be considered to have been delivered and shall be stored by VDL or by a third party at the risk and expense of the Customer with the consequence that the warranty period shall commence from the indicated delivery date and relevant costs incurred for this (including but not limited to storage, insurance and transportation costs) shall be charged to the Customer at VDL's rates or at locally applicable rates.
- The risk of loss, theft or damage of the Products shall pass to the Customer at the moment of delivery, even if VDL has not yet transferred ownership rights to the Products. Transport is at the Customer's risk unless agreed otherwise in writing.

### 7 PAYMENT

- The Customer shall pay all sums due to VDL and shall pay all amounts (I) net, (II) in euro unless agreed otherwise in writing, (III) in accordance with the payment conditions stated on the invoice and (IV) to a bank account indicated by VDL. The Customer has no right to settle or to suspend a payment.
- The Customer is due a down payment of 20% of the total Price of the Agreement immediately as from the conclusion of the Agreement. Furthermore, upon VDL's written request, the Customer shall provide a right of surety and/or provide a bank guarantee to ensure that the Customer shall comply with its obligations towards VDL.
- The Customer must pay VDL no later than upon the delivery of the Products unless agreed otherwise in writing.
- In the event of payment in instalments, the entire Price is immediately due and payable if the Customer fails to pay an instalment on time.
- If the Customer does not comply with an obligation with respect to VDL, then the Customer is in default without the requirement of notification of default. If the Customer is in breach or if VDL has reason to doubt that the Customer shall comply with an obligation, then VDL has the right to suspend the performance of the Agreement in full or in part and to charge the Customer the costs arising from this in accordance with VDL's customary rates; all such without prejudice to VDL's right to exercise other rights.
- Payments from the Customer will first be considered to be payment of all interest and costs and subsequently as payment for other amounts that are the longest overdue, regardless of any statement that the Customer might make otherwise concerning the payment.

- 7.7 In the following situations, all of the Customer's payment obligations are immediately due and payable on legal grounds and without the requirement of notification for this:
- non-payment or late payment of the agreed payments (or payment instalments);
  - Customer's involvement in any kind of insolvency proceedings or its being granted suspension of payments;
  - request for delay of payment on the part of the Customer;
  - if a request has been submitted to place the Customer under receivership;
  - Customer's goods and/or claims have been seized; or
  - the Customer's enterprise ceases or is terminated for reasons other than a business reorganisation or merger.
- 7.8 If the Customer does not comply with a payment obligation to VDL, then: the Customer owes VDL default interest of 1.5% for each period of four weeks, and this interest shall be calculated over the unpaid amount from the date on which the amount is due and payable, such that a portion of this period of four weeks shall be considered a complete period of four weeks; and the Customer owes VDL a fixed amount of 15% of the amount owed and payable by the Customer (with a minimum of €115 plus VAT), in order to cover the collection costs for the amount not paid, without prejudice to the Customer's obligation to pay the entire amount of collection costs if these exceed the fixed amount stated above.
- 7.9 If VDL requests the bankruptcy of the Customer, then the Customer is also liable for the costs of the bankruptcy request.
- 8 PAYMENT BY MEANS OF TRANSFER OF GOODS**
- 8.1 If VDL has agreed to accept (partial) payment of the Price in the form of the transfer to VDL of goods (free from third parties' rights, encumbrances or fees), then such a transfer will be considered to be a payment of the equivalent amount in the context of article 7.
- 8.2 Until VDL has accepted the goods stated in article 8.1 for receipt:
- these goods remain at the Customer's risk and expense;
  - the costs associated with the goods, including maintenance and any damages, regardless of how this is caused, shall be charged to the Customer;
  - the Customer shall keep the particular goods in at least the same condition as they were on the date of the Agreement; and
  - the Customer shall remain adequately insured with respect to the particular goods.
- 8.3 The ownership and risk of loss, theft or damage of the goods stated in article 8.1 shall pass to VDL as soon as VDL has accepted the goods for receipt. Transport is at the Customer's risk and expense.
- 8.4 No later than on the date of the Agreement, the Customer must provide VDL with correct and complete specifications of the goods stated in article 8.1.
- 8.5 Under the following conditions: the specifications stated in article 8.4 turn out to be incorrect or incomplete; and/or the Customer does not fully comply with article 8.2 sub c. and d.; and/or the goods stated in article 8.1 are not free from third parties' rights, encumbrances and obligations; VDL has the right (I) to refuse the goods as (partial) payment to VDL, in which case the Customer must pay the equivalent amount by means of bank transfer; or (II) to lower the value of the originally agreed value of the goods, in which case the Customer must also pay the difference in value of the goods by means of bank transfer.
- 9 RETENTION OF TITLE**
- 9.1 All of the Products delivered to the Customer remain the property of VDL, but are at the Customer's risk and expense as long as payment obligations on the part of the Customer still exist toward VDL, regardless of whether or not these payment obligations are due and payable at that moment.
- 9.2 A Customer acting as a reseller may not sell a Product to a third party (conditionally) while VDL retains the right of ownership of the respective Product.
- 9.3 If the Customer creates a new good from the Products delivered by VDL, then VDL shall become the owner of the new object and the Customer shall retain the particular good for VDL until the Customer has paid all amounts owed to VDL, even if the value of the newly created good is considerably higher than the value of the Product.
- 9.4 Regardless of any delivery obligations, VDL may retain ownership of the Products, goods, property rights, information documents made or produced in connection with the Agreement until the Customer has paid all amounts owed to VDL.
- 9.5 9.5 In the event that VDL has delivered Products to the Customer for which VDL's retention of ownership applies, then the Customer must:
- insure these Products against fire, theft, explosion, water damage and third-party liability, and must also retain the deductible for these insurance policies and must submit the insurance certificates for purposes of inspection; the insured amount must be at least equivalent to the Price; all of the Customer's rights pursuant to the insurance policy are hereby transferred to VDL until the Customer has met all its obligations toward VDL;
  - pledge any possible claims that the Customer has on its customers pursuant to the sale of these Products as part of the normal business operation to VDL as described in article 3:239 of the (Dutch) Civil Code, or similar procedures under any law;
  - consider these Products as being subject to VDL's retention of ownership and administer it with due care and diligence (in Belgium: "goed huisvader");
  - comply with reasonable instructions from VDL with respect to the protection of VDL's rights;
  - notify VDL within 24 hours of any attempts by a third party to obtain, exercise or enforce a right to these Products;
  - indemnify VDL against third-party claims against VDL in connection with VDL's retention
  - of ownership;
- at VDL's request, cooperate with the return of these Products to VDL, even if the Products
  - are not stored on the Customer's grounds;
  - at VDL's request, provide VDL access to all facilities where these Products are stored.
- 10 REPLACEMENT OF PRODUCTS**
- 10.1 If parts of Products are replaced – e.g. due to a repair – then the replaced parts become VDL
- property and the Customer has no right to any form of compensation.
- 10.2 If parts of Products are replaced on VDL premises, then:
- these Products remain at the risk and expense of the Customer;
  - all costs related to the Product are at the Customer's expense; and
  - the Customer must remain adequately insured for these Products.
- 11 WARRANTY**
- The conditions related to warranty are included in separate product-specific VDL VAN HOOL Warranty Conditions and exclusively apply to all sales and delivery of Products.
- 12 LIABILITY**
- 12.1 Without prejudice to the obligations of VDL in accordance with VDL Bus & Coach Warranty Conditions, the liability of VDL is limited to VDL's liability due to imputably failing to perform the Agreement and is limited to compensation of direct damages that are the result of intentional acts or omissions or gross negligence on the part of VDL. VDL's liability under warranty is limited as described in the product-specific VDL VAN HOOL Warranty Conditions and in this article 12.
- 12.2 VDL's total liability to compensate damage under any Agreement and irrespective of the legal basis, is limited to the lower amount of either (I) the total Price (excluding VAT), or (II) the amount that VDL's liability insurance company actually pays out with respect to the claim. If VDL's total liability to compensate damage under any Agreement and irrespective of the legal basis, relates to multiple Products, then VDL's total liability to compensate damage under the terms of such an Agreement is limited to the lower amount of either (I) the total Price of these Products (excluding VAT), or (II) the amount that VDL's liability insurance company actually pays out with respect to the claim.
- 12.3 'Direct damage' shall solely mean:
- reasonable costs that the Customer should incur to ensure that VDL performs in accordance with the Agreement, extrajudicial costs and lawyer's fees excepted herein; however, such damage shall not be compensated if the Agreement is rescinded (in Dutch: "ontbonden") by or at the request of the Customer;
  - unavoidable costs incurred to establish the cause and scope of the damage, to the extent that this establishment relates to direct damage as defined in these General Conditions;
  - reasonable costs incurred to prevent or to limit damage, to the extent that the Customer demonstrates that these costs have provided a limitation of direct damage, as defined in these General Conditions; and/or
  - inevitable costs incurred as a consequence of damage due to the death or bodily injury of the passengers.
- 12.4 VDL is not liable towards Customer, and Customer shall waive and release VDL, from all liability for indirect or consequential damages, such as but not limited to loss of profit, loss of revenue, loss of expected savings, loss of income, rent or holding costs, opportunity costs, loss of information and/or data, loss of business (including loss or reduction of goodwill or opportunity), damage to reputation (regardless of whether any or all of these things are considered to be indirect or consequential losses or damage), third-party claims and any other form of damage or injury except for the forms of damage stated in this article 12.
- 12.5 VDL is not liable for third-party claims related to products delivered by the Customer to a third party in which a Product is processed, unless the Customer demonstrates that the damage is caused by that Product. The Customer shall indemnify VDL for all such claims by third parties.
- 12.6 The conditions in this article also apply to damage or theft (including loss) of the Customer's goods that VDL has in its possession in connection with the performance of the Agreement.
- 12.7 12.7 The provisions of this article and article 14 also apply to all legal entities and natural persons involved by VDL for the performance of the Agreement.
- 13 FORCE MAJEURE**
- 13.1 VDL is not liable for damage if VDL does not comply with its obligations as a consequence of force majeure. Among other things, "force majeure" is understood to include all causes that can reasonably be considered to be outside the sphere of influence of VDL and which hinder the complete or partial performance of the Agreement. These are circumstances that VDL could not reasonably have foreseen at the moment of the Agreement's conclusion and as a result of which the Customer cannot reasonably demand normal performance of the Agreement – such as war or terrorist attack or the risk of these, riots, sabotage, fire, floods, exclusions, embargo, occupation of the company, strikes, lockouts, legislative changes and other governmental measures, interruptions of the power supply, machine disruption or loss or damage during transport. "Force majeure" also comprises situations of "force majeure" for the suppliers of VDL, noncompliance with obligations by suppliers that the Customer has instructed to VDL, and defects in objects, materials or software from third parties used by VDL.
- 13.2 If a situation of "force majeure" lasts for more than 90 days, then VDL has the right to terminate the Agreement by means of written notification. Whatever has already been performed in accordance with the Agreement must in that case be settled proportionally. After such a termination of the Agreement by VDL, VDL has the right to compensation of those costs that VDL has incurred and for the work that VDL has performed, including repairs and maintenance, only to the extent that the Customer has benefited from the work activities.

**13.3** If the performance of the Agreement is made impossible because of activities or omissions on the part of the Customer, then VDL is entitled to the amount of the agreed Price, plus any and all additional costs, minus the costs saved as a consequence of not finishing the agreed work.

#### 14 CLAIMS

**14.1** The Customer must inspect the Products immediately upon delivery. Any damage occurring during transport must be immediately reported to the carrier and to VDL within 24 hours after the delivery of the Products at the destination. Small deviations or of the type considered normal within the business sector - in terms of quality, number, colour, scale, weight, finish, etc. - constitute no reason for a valid claim.

**14.2** VDL's liability due to imputably failing in its performance of – or breach of obligations of an Agreement shall in all cases arise only if (I) the Customer provides VDL with a written notification of default, by registered letter, sent immediately after the occurrence of the shortcoming/failure, which provides for a reasonable period for the resolution of the shortcoming/failure, and (II) VDL still imputably fails in its performance of – or breaches its obligations of the Agreement, after the expiration of this period of time. If a Customer's claim relates to a delivered defective Product or to an invoice, then the notification of default must be issued to VDL no more than 10 days after the receipt of the relevant Product or invoice. If it is not reasonably possible to detect a defect or an error within this time period, then the Customer must submit a written claim, by registered letter, to VDL within 10 days after the day on which the defect or the error has been or could reasonably have been noted.

**14.3** The notification of default must contain a complete and as specific as possible description of the shortcoming/failure, including pictures, so that VDL can respond appropriately.

**14.4** VDL is not liable for imputably failing in its performance of – or breach of obligations of an Agreement if the Customer:

- a. has not submitted a claim in the manner determined in articles 14.2 and 14.3; or
- b. has not started legal proceedings within three months after the date of the notification of default.

**14.5** No claim of the Customer against VDL shall have any consequence to the Customer's obligations to VDL. Therefore, the Customer is not allowed to suspend and/or offset payment of any amount.

**14.6** The Customer must pay any towing and transport costs.

**14.7** Damage assessments will be performed at actual cost unless agreed otherwise.

#### 15 COMPLIANCE WITH LAWS AND REGULATIONS AND EXPORT CONTROL

**15.1** Unless agreed otherwise in writing, a Product must comply with laws and regulations for safety and the environment that apply in the European Union on the date of delivery of the Product.

**15.2** 15.2 Any agreement between Parties that a Product must satisfy instructions for the operation and transport related to the application area of the Product is invalid to the extent that such an agreement would result in a violation of the laws stated in this article 15.

**15.3** If any laws or regulations referred to in articles 15.1 and/or 15.2 are changed between the date of the Agreement and the delivery of the Product, or if new laws and regulations are implemented which require a change to the specification of the Product, then VDL shall be authorized to apply the necessary changes and inform the Customer about them. All associated costs shall be charged to the Customer.

**15.4** If the Customer transfers the Product (as well as: hardware and/or software and/or technology and/or corresponding documentation and/or works and services thereof, regardless of the mode of provision, and/or including all kinds of technical support) provided by VDL to a third party worldwide, the Customer shall comply with all applicable national and international (re-) export control regulations. In any event the Customer shall comply with the (re-)export control regulations of national nature, of the European Union and of the United States of America.

**15.5** If required to conduct export control checks, the Customer, upon request by VDL, shall promptly provide VDL with all information pertaining to a particular end customer, destination and intended use of the Product provided by VDL, as well as any export control restrictions existing.

**15.6** The Customer shall indemnify and hold harmless VDL from and against any claim, proceeding, action, fine, loss, cost and damages arising out of or relating to any noncompliance with export control regulations by the Customer, and the Customer shall compensate VDL for all losses and expenses resulting therefrom.

#### 16 INTELLECTUAL PROPERTY RIGHTS

**16.1** All intellectual and industrial property rights to Products or other products or materials that are developed or delivered under the terms of an Agreement – such as analyses, designs, documentation, reports, offers, along with the preparatory materials for these – remain the exclusive property of VDL. VDL's grantors of license or VDL's suppliers. The Customer obtains solely those rights of use that are specifically granted in these General Conditions and pursuant to the law. All other rights or more expanded rights of the Customer to use or to reproduce Products or materials are excluded. Any right of use granted to a Customer is non-exclusive and non-transferable to third parties.

**16.2** All deviations from article 16.1 must be agreed expressly in writing between the Parties and may not constitute any limitation of VDL's right to apply the general principles, ideas, designs, documentation, mechanisms, know-how and such related to Products or materials or to use these for any other purposes. A transfer of intellectual or industrial property rights, if any, has no effect on VDL's right to develop items for itself or for third parties that are similar to the developments performed for the Customer.

**16.3** If Products are delivered with software by which digital information is generated about the Products – e.g. information about the use of the Products by the Customer and information about the Products' maintenance status – then such digital information is the exclusive property of VDL. The Customer obtains solely the non-exclusive and non-transferable license rights of use that are granted expressly in the Agreement. All other rights or more expanded rights of the Customer to use the digital information are excluded and the Customer shall therefore also refrain from such other use.

**16.4** The Customer must not violate the intellectual and industrial property rights and/or rights related to VDL's digital information.

**16.5** Article 16.4 does not relate to personal data. Personal data remains the exclusive property of the Customer and shall be generated by the software delivered with the Products – and shall be processed by VDL – only after the Customer has issued a written assignment for such and after a written processing agreement has been formed between Parties.

**16.6** The Customer guarantees that the delivery of materials or information to VDL for VDL's use with respect to the Products does not infringe any third-party rights and shall hold harmless and indemnify VDL against any claims and proceedings arising out of any asserted infringement of third party's rights.

#### 17 CONFIDENTIALITY

Each of the Parties guarantees that all of the information received from the other Party that is known to be confidential in nature shall remain confidential unless a legal obligation requires the disclosure or publication of that information. The party that receives confidential information may use this only for the purpose for which it is provided. Information is considered to be confidential in any case if one of the Parties designates the information as such.

#### 18 TERMINATION

**18.1** An Agreement can be terminated fully or in part by means of mutual written agreement between the Parties. In such a case, VDL shall be entitled to a fee of 25% of the total Price of the Agreement, in order to cover damages and costs relating to the termination, however the Customer shall remain fully obliged to pay the full amount of these costs if they exceed such fixed termination penalty.

**18.2** Either of the Parties has the right to terminate or rescind the Agreement only if the other Party fails to comply with material obligations under the terms of the Agreement. In all cases, the Party that wishes to terminate the Agreement for this reason must follow the procedure laid down in article 14.2.

**18.3** Either of the Parties may terminate the Agreement in writing, with immediate effect, either partially or completely and without notification of default, if:

- a. the other Party is declared bankrupt or is granted suspension of payment, or similar constellations under any law;
- b. a request is submitted to place the other Party under receivership, or similar constellations under any law; or
- c. the other Party's enterprise is liquidated or terminated for a reason other than a business reorganisation, a financial reason or a merger. VDL is never obligated to refund any amounts received or to pay any compensation in case of termination for these reasons.

**18.4** If the Customer has already received partial performances of the Agreement at the time of the termination to which article 18.2 refers, then these performances and the associated obligation of payment shall not be affected by the termination, unless the Customer demonstrates that VDL is in breach with respect to the partial performances. All amounts invoiced by VDL concerning any performance of the Agreement and upon the termination shall be immediately due and payable at the moment of termination. After termination by VDL as described in article 18.2, the Customer must compensate VDL for all costs, losses and damages caused by the termination exceeding the termination penalty.

#### 19 DISPUTES AND APPLICABLE LAW

**19.1** These General Conditions and all Offers, Orders, Order Confirmations, Agreements, Warranty Conditions and other legal relationships (including non-contractual disputes or claims) to which these General Conditions apply either completely or partially shall be governed by and construed in accordance with Dutch law. VDL shall have the right to invoke any relevant law and regulation applicable in the country of a Customer if this is necessary to ensure the rights of VDL.

**19.2** Neither the UN Convention on Contracts for the International Sales of Goods (CISG), nor any future international regulation for the sale of movable goods are applicable to these General Conditions or to any Offers, Orders, Order Confirmations, Agreements, Warranty Conditions or other legal relationships to which these General Conditions apply either completely or partially.

**19.3** For all disputes that may arise between the Parties in connection with these General Conditions and all Offers, Orders, Order Confirmations, Agreements and other legal relationships (including non-contractual disputes or claims) to which these General Conditions apply either completely or partially and about which the Parties cannot achieve an amicable resolution, shall be exclusively brought before the competent court of the District of Oost-Brabant and the city of 's-Hertogenbosch in the Netherlands.

**19.4** Regardless of the provision in article 19.3, VDL is entitled to bring any disputes before another competent court.

#### 20 TRANSLATION

If these General Conditions are translated and a dispute arises in the interpretation between the English text and the text in another language, then the English text is determinant

## DIESEL ENGINES WARRANTY CONDITIONS VDL VAN HOOL

## 1 DEFINITION OF TERMS

Unless the context clearly requires a different interpretation, the concepts defined in the General Conditions of Sale and Delivery have the same meaning in these Warranty conditions, and these concepts also have the following meaning:

|                                    |  |
|------------------------------------|--|
| <b>VDL</b>                         | VDL Bus & Coach Holding B.V. established in the Netherlands, or any of its subsidiary companies, including but not limited to VDL Van Hool Belgium BV, VDL Parts Belgium BV and Van Hool Macedonia Dooel IJlinden.                             |
| <b>VDL Parts Customer</b>          | VDL Parts Belgium BV.<br>any party (including representatives, intermediaries or (legal) successors of that party) (I) to whom VDL makes an Offer or from whom VDL receives a Offer or (II) with whom VDL has or obtains a legal relationship. |
| <b>End-user</b>                    | a party that can derive rights from these Warranty Conditions.   |
| <b>General Conditions Products</b> | VDL's General Conditions of Sale and Delivery.<br>all of VDL's products and/or services of any nature whatsoever.  |
| <b>Offer</b>                       | a quote or offer issued by VDL for the delivery of Products.   |
| <b>Order Confirmation</b>          | a confirmation from VDL of an Offer accepted by a Customer.  |
| <b>Agreement</b>                   | an agreement between VDL and the Customer for the sale and delivery of Products.   |
| <b>Warranty Certificate</b>        | the certificate with the agreed warranty from VDL related to Products.   |
| <b>Warranty Conditions</b>         | these VDL warranty conditions.   |
| <b>DriveLine Components</b>        | Components as described in article 10 of these Warranty Conditions.  |
| <b>Driver's Instruction</b>        | the handbook drawn up by VDL with instructions for the drivers of the Products.  |
| <b>Maintenance Book</b>            | the book drawn up by VDL showing the maintenance intervals/instructions and in which the maintenance jobs are documented with respect to the particular Product.   |
| <b>Parts</b>                       | original parts and exchange parts delivered and approved by VDL.   |
| <b>Prior Inspection</b>            | an inspection performed by or on behalf of VDL prior to the delivery of the Product by or on behalf of VDL.  |
| <b>Repairing Party</b>             | a repair technician or facility authorised by VDL.   |

## 2 APPLICABILITY

2.1 These Warranty Conditions apply to all Offers, Order Confirmations, Agreements and other relationships on the basis of which VDL sales and delivers new Products to the Customer, with the exception of services, to the extent that this involves only those Products propelled by diesel engines.

## 3 WARRANTY

- 3.1 With due observance of the provisions in the General Conditions, and with the inclusion of these Warranty Conditions, VDL warrants that:
- new Products have been manufactured to VDL's best ability;
  - new Products comply with the specifications agreed in the Order Confirmation at the moment of delivery by VDL;
  - new Products are free of material and structural errors at the moment of delivery by VDL; and
  - the Prior Inspection has been performed.
- 3.2 Any warranty from VDL related to a Product, other than a Part, is valid only after correct completion of a Warranty Certificate by both VDL and the Customer. The provision and signing of this Warranty Certificate shall take place upon actual delivery of the Product.

## 4 BENEFICIARIES

4.1 The sole beneficiary of a warranty from VDL is the Customer to whom VDL has sold and delivered the Product. In the event of the Customer's resale of a Product, other than a Part, to a third party, the Customer is entitled to transfer its remaining rights and obligations to this third party over the period I) up to no more than two years after the first commissioning; or II) up to 250,000 km after the first commissioning (whichever is first reached). In such a case, this third party shall demonstrate to VDL that it is the new owner of the Product, after which VDL shall take care of providing a new Warranty Certificate, which is then valid only after this point.

## 5 LIABILITY

- 5.1 In addition to the provisions of the General Conditions, and including article 12 of these General Conditions, VDL's warranty liability remains limited to compensation of the costs of only those materials delivered by VDL Parts or by a dealer/workplace authorised by VDL and/or to the cost of labour for the replacement or repair of the Product. All other costs (such as transport costs, service call costs, overtime charges, recovery costs, telephone costs, cleaning costs, the costs for oil or other fluids, and the costs for the removal or replacement of the cargo or superstructure) are at the Customer's expense.
- 5.2 VDL is not liable on the basis of this warranty if a replacement or repair of a Product is not performed by or on behalf of VDL.
- 5.3 VDL is not liable for labour costs if the original Part was not installed by or on behalf of VDL.
- 5.4 If the replacement or repair of a Product is not covered by a warranty from VDL, then the Customer must pay the costs of such a repair to VDL.
- 5.5 To the extent that the costs of the replacement or repair of a Product relate to a superstructure, the equipment or a component not provided by VDL, these costs are at the Customer's expense.
- 5.6 The replacement or repair of a Product by or on behalf of VDL in no way constitutes acceptance of liability on the part of VDL.

- 5.7 All Parts replaced by or on behalf of VDL shall be stored with the addition of a copy of the warranty claim, and shall be returned if requested and if possible. After the submission of a warranty claim, the Customer can, in the event of rejection of the warranty claim, request the return of the replaced Part (if possible) within 30 days by means of a written request. In that case, VDL shall send the replaced Part back to the Customer at the Customer's risk and expense.
- 5.8 In the event of (complete or partial) acceptance of the warranty claim, the particular Part shall become the property of VDL.

## 6 CLAIMS

- 6.1 In addition to the provisions of the General Conditions, including article 14 contained therein, a warranty from VDL is valid only if:
- a claim based on such a warranty is submitted in accordance with the relevant provisions of the General Conditions, including its article 14; and the beneficiary of the warranty submits a completely filled-in and signed Warranty Certificate to VDL or, with respect to Parts, submits VDL's invoice; and
  - the total estimated scale of the claim exceeds the value of one hour of warranty labour from the dealer.

## 7 WARRANTY PERIOD

- 7.1 The warranty commences on the date of delivery of the Product to the Customer if this party is also the End-user. If the Customer is not the End-user, then the warranty commences on the moment of the Product's registration. If the registration of the Product has not taken place within 12 months after the delivery of the Product to the Customer, then the warranty period commences automatically on the date that is exactly 12 months after the date of the delivery of the Product to the Customer. The warranty is valid throughout the term or until reaching the mileage level stated on the Warranty Certificate, whichever comes first.
- 7.2 In the event of the delivery of a Product with a third party chassis, the chassis part of the Product is subject to the warranty conditions of the particular third party.

## 8 LIMITATIONS

- 8.1 The following are excluded from any warranty whatsoever of VDL:
- defects in batteries, tires, attachments, equipment and/or other Parts that are covered by the warranty of a particular manufacturer;
  - defects in Parts of Products, including the superstructure and equipment that are not supplied by VDL;
  - defects in Parts supplied at no charge to the Customer;
  - second-hand Products, unless expressly agreed otherwise in writing; and
  - defects related to the use of alternative fuels and fuel additives or other fluids/lubricants that have not been released by VDL with due observance of the adapted maintenance instructions.
- 8.2 That portion of the warranty that has not yet passed remains in force for those Parts that are repaired or replaced during the term of the warranty.
- 8.3 No valid claim can be lodged on the basis of a warranty from VDL and VDL is not liable if such a claim is related to:
- damage that has occurred because the Product has been loaded in excess of the train weight or maximum cargo load indicated on the type plate;
  - damage resulting from neglect, racing, exceeding the speed limit, improper use or misuse;
  - accidental damage;
  - maintenance in connection with normal wear;
  - wear resulting from driving under abnormal/extreme conditions, including but not limited to poor driving conditions, improper driving behaviour, extreme weather conditions;
  - a situation in which the driver and/or the Customer has not taken immediate action to prevent further damage;
  - a Product that has not been subject to a Prior Inspection by a person authorised for this and that has not been recorded in the applicable portion of the Maintenance Book; and/or
  - a Product that was subject to a Prior Inspection but whose applicable inspection forms have not been received by VDL.

## 9 CUSTOMER'S OBLIGATIONS

- 9.1 Notwithstanding the provision in article 8 of these Warranty Conditions, a valid claim based on a VDL warranty can be lodged and VDL can be held liable only if:
- the relevant installation instructions from VDL concerning the Product have been followed carefully;
  - the Product has been maintained in accordance with the most recent instructions from VDL – i.e., the Prior Inspections, first service intervals, scheduled inspections and service intervals have been performed and have been performed at the proper mileage levels and/or within the proper period of time, and each of these service intervals has been recorded in the Maintenance Book;
  - defects are not caused (partially) by the use of Parts that do not satisfy the specifications of VDL;
  - defects are not caused (partially) by the use of fuel, oils, lubricants and coolants that are not prescribed in the most recent service documentation by VDL;
  - the Product is used in accordance with the intended purpose or purpose specified by VDL and in accordance with the most recent VDL instructions;
  - defects are not caused (partially) by improper and/or unauthorised service, replacement and/or repair of/to the Product or because changes recommended by VDL have not been performed properly;

- g. any changes, adaptations or additions to the Product with prior written permission from VDL have taken place, or have been performed in all regards in accordance with VDL's instructions and in a competent manner;
- h. identity plates, numbers, markings, seals, warnings or instruction stickers have not been changed, moved or removed, unless such as been done with the prior written permission of VDL;
- i. the Maintenance Book has always been kept together with the Warranty Certificate in the Product for purposes of enabling VDL to check the Warranty Conditions and the maintenance data of the Product;
- j. the driver of the Product has followed the instructions in the Driver's Instruction.

## 10 DESCRIPTION OF DRIVELINE COMPONENTS

(declared applicable on the Warranty Certificate)

### THE FOLLOWING ARE PART OF THE DRIVELINE COMPONENTS:

|   |  |
|---|--|
| <b>ENGINE</b>                           | Fuel pump and fuel injection lines (only DAF engines) - short block including crankshaft, connecting rods, cylinders, cylinder linings and bearings - coolant pump - thermostat and thermostat - cylinder head and gasket including exhaust and exhaust valves and valve operation - intake manifold - and exhaust manifold parts - turbo compressor - oil pump - oil pan including oil dipstick and oil fill - oil - viscous fan - crankshaft damper - engine suspension - engine brake including external - flywheel and flywheel housing - the structure of the exhaust system - ureum pump and ureum injector. |
| <b>CLUTCH</b>                           | Clutch (excluding the clutch plate and operating mechanism) - clutch housing - torque converter and hydraulic clutch.  |
| <b>TRANSMISSION</b>                     | Transmission, transmission housing and internal Parts - integrated oil cooler - intarder/retarder - accessory transmission - pre-shift unit - any integrated electronic units.   |
| <b>DRIVESHAFTS</b>                      | Driveshafts between transmission and differential.   |
| <b>DIFFERENTIAL</b>                     | Differential housing, gears and internal bearings, internal differential lock.   |
| <b>POWERED AXLE AND AXLE SUSPENSION</b> | Rear axle housing - hub and hub reduction wheels - power axle - excluding wear (e.g. shock absorbers, air bellows and brake).  |
| <b>FRONT AXLE AND AXLE SUSPENSION</b>   | Front axle torsion bars (excluding ball joints) - stabiliser bar - conical pulley (excluding brake) - axle body - excluding wear (e.g. shock absorbers and air bellows).   |
| <b>THIRD AXLE AND AXLE SUSPENSION</b>   | Axle body - stabiliser bar - conical pulley (excluding brake) - torsion bars for third axle (excluding ball joints) excluding wear (e.g. shock absorbers and air bellows).   |
| <b>STEERING</b>                         | Power steering - steering unit housing.  |

The following Parts are specifically excluded from the definition of the Driveline Components: gaskets - external O-rings - oil rings - belts - hoses - external lines and filters  
- along with all other Parts that are not mentioned in the list.