

Delivery and Payment conditions CSN Engines B.V.

Version 11 - 14

The following terms and conditions are applicable to each sale and delivery of goods to, and execution of services for the benefit of Buyer/Principal. Deviation from these terms and conditions is only valid when confirmed by us in writing.

Article 1; the Agreement

- 1) All offers and price statements are indicative.
- 2) The duration of the repair or the duration of the activities is only stated by approximation.
- 3) The agreed delivery date is both in case of purchase, repair or other Agreements, only an estimated date. In case of exceeding of this date with a term of 3 months the Buyer/Principal can declare CSN in default in writing. If CSN, a month after the date of notification of default, has still not delivered, then the Buyer/Principal has the right to declare the Agreement as dissolved. The latter has to take place in writing.
- 4) Price changes as a consequence of for instance changes in duties, taxes, rights, factory and/or importers prices and/or exchange rates may at all times be charged onwards by CSN. The Buyer/Principal has after notification of this change the right to dissolve the Agreement in case the increase of the stipulated price takes place within three months after the conclusion of the Agreement. The cancellation needs to take place in writing. In that case CSN has the right to compensation for the costs made in the amount of 1% of the agreed purchase or delivery price.
- 5) If the agreed indicative price threatens to exceed by more than 20%, CSN is required to contact the Principal. The Principal is in that case authorised to terminate the Agreement under indemnification of CSN for the costs already made.
- 6) Exchange engines and/or exchange parts and components are only sold against a return of a motor of the same brand, type and model, which may not be broken, torn, welded or in another manner damaged or incomplete. Vital parts such as block, crank shaft, fuel pump, and turbo and cam shaft should be in such a condition that it can be reconditioned in the usual way. In case of absence or damage of the mentioned parts the higher costs will be for the account of the Buyer.
- 7) The way of transport will be determined by CSN, unless agreed differently. Goods always travel for the risk of Principal/Buyer irrespective of whether the transport takes place for free or not and irrespective of whether it takes place from or towards us.

Article 2; Payment

- 1) The debts of Buyer/Principal to CSN are regarded as debts that the Buyer/Principal has to deliver
- 2) Unless explicitly agreed differently, payment must take place in cash at the delivery of the goods, respectively after the execution of services.
- 3) If payment does not take place in accordance with the stipulations set forth in art. 2.2, then CSN is authorised to bring into account over the due amount the legal interest increased with 2 % on an annual basis, to be counted from a month after the moment on which the payment should have taken place. This increase is regarded as a condition under which delay of payment has been granted by CSN. Set-off of outstanding invoices between CSN and Buyer /Principal and vice versa is not allowed without explicit permission in writing by CSN.
- 4) If Buyer/Principal after summation remains in default with payment, then CSN is authorised to increase this amount with collection costs. These collection costs include both in-court and out-of-court costs. The out-of-court costs are all costs which are charged to CSN by third parties and that serve for collection of the claim from Buyer/Principal.
- 5) In case of non-payment by Buyer/Principal, CSN has the right of retention with regard to the object to be delivered/repaired.
- 6) If after execution of the activities commissioned to CSN and notification thereof by CSN to Buyer/Principal the concerned object has not been collected within two weeks, then CSN is authorised to charge storage costs. These costs are the rate that locally applies for CSN.
- 7) The parts replaced by CSN or materials shall only then be made available to Principal if such has been requested explicitly when the commission was granted. In all other cases these parts or materials will be forfeited to CSN without any compensation to Principal being due.

Article 3; Warranty

- 1) CSN warrants during a period of 6 months and a maximum of 50,000 kilometres distance traveled after delivery of a fully reconditioned engine or new engine
- 2) CSN warrants during a period of 3 months and a maximum of 25,000 kilometres distance travelled after delivery of the reconditioned part.
- 3) CSN commit to replace or repair without charge the delivered/reconditioned motor and/or the delivered/reconditioned part. In case of delivery of a used engine or part the warranty is at all times limited to a replacement free of charge or crediting of the agreed price after returning of the engine or the part, the one and the other at the discretion of CSN. In case of a claim under the warranty the Buyer/Principal must prove an incorrect delivery/recondition/repair. CSN should at all times be enabled to execute an expertise on the delivered object or the delivered service at CSN in order to be able to assess the claim on warranty, unless agreed differently in writing. On a delivered object that must be returned for expertise to CSN, no activities must have been executed by third parties that hinder the expertise.
- 4) CSN can agree with Buyer/Principal that in case of a justified claim under the warranty, the amount agreed between CSN and Buyer/Principal for the delivery of the object or the service will be credited. Thereto at all times the concerned object must be returned to CSN and become property of CSN again.
- 5) In case of a claim on warranty, the Buyer /Principal will address CSN within the terms mentioned in art. 3.1 and 3.2.
- 6) The liability of CSN is at all times not higher than the amount due/paid by Buyer /Principal to CSN concerning the concerned activities and deliveries.
- 7) The liability ends as soon as on the engines or parts delivered and/or treated by CSN, repairs or modifications are executed without explicit

permission by CSN.

8) Any further liability or other warranty, also for possible damage which is the consequence of incorrectly executed activities or of defects to delivered parts will not be processed by CSN with regard to Buyer/Principal.

9) Costs for (dis)assembly, inclusive of the materials used thereby, and transport of an engine and/or part delivered by CSN, shall be borne by the Buyer/Principal and cannot be claimed from CSN, unless explicitly agreed differently between Buyer/Principal and CSN.

10) Disputes about the application of the warranty stipulations shall in the first instance be presented to two experts. One expert is appointed by CSN and one expert by Buyer/Principal.

If both experts do not judge unanimously, then a third expert will be employed. This expert is appointed by earlier experts.

The costs for the expertise will be borne by the parties proportional to the granting/rejection of the warranty claim. In case of complete rejection of the warranty claim, Buyer/Principal shall bear these costs; in case of full confirmation of the warranty claim CSN will bear these costs.

Article 4; Retention of property

1) In case of a sale the delivered object remains property of CSN for as long as the Buyer has not fully complied with what he is liable to pay on the basis of the purchase agreement.

For as long as the ownership has not been transferred to the Buyer, the latter is obliged to enter into the insurance required by law with regard to the use of the good as well as an insurance against loss in part or in total.

Article 5; Right of retention

1) In case of repair CSN can exercise the right of retention with regard to the good if the Principal does not pay or not pay in full the costs of the activities to the good. The right of retention is forfeited if the Principal provides sufficient alternative surety.

Article 6; Applicable law

The laws of the Netherlands apply to these Delivery and Payment conditions.