

TVH PARTS SOUTH AFRICA (PTY) LTD GENERAL TERMS AND CONDITIONS OF SALE

In the event that the Buyer is a consumer in respect of which the Consumer Protection Act, 2008 applies ("Consumer"), the Buyer's attention is specifically drawn to the following articles of these terms and conditions, pursuant to section 49 of the Consumer Protection Act, 2008 ("Consumer Protection Act"): 1.8, 2.4, 3.2, 5.6, 7.3, 7.5, 9 and 11.

These terms and conditions contain terms or conditions that:

- i) may limit the risk or liability of the Seller or a third party;**
- ii) may create risk or liability for the Buyer; and/or**
- iii) serve as an acknowledgement of fact by the Buyer.**

The Consumer Protection Act does not apply to a transaction in terms of which the consumer is a juristic person whose annual turnover or asset value is equal to or exceeds the threshold set by the Minister from time to time in terms of section 5(2) of the Consumer Protection Act, currently set at ZAR2,000,000.00.

Art. 1. Applicability

- 1.1 The legal relationship between TVH Parts South Africa Ltd. (hereinafter referred to as the "Seller") and the Buyer are subject exclusively to these General Terms and Conditions of Sale here present, the Special Terms and Conditions of Sale and the Ancillary Terms proper to each individual sales transaction.
- 1.2 The Special Terms and Conditions of Sale consist of the Guidelines on Product Returns, the Terms applicable to specific services Seller may offer, such as training, repair, etc., to Seller's shipping modalities, etc. The Ancillary Terms relevant to each individual sales transaction consist of the quotation and/or the order confirmation and/or shipping information and/or any other written contract between Seller and Buyer.
- 1.3 The General Terms and Conditions of Sale, the Special Terms and Conditions of Sale and the Ancillary Terms are binding upon confirmation by Seller of Buyer's order and are hereinafter collectively referred to as the "Agreement".
- 1.4 In the case of any conflict between these General Terms and Conditions of Sale and the Special Terms and Conditions of Sale, the Special Terms and Conditions of Sale shall have priority. In the case of any conflict between the Special Terms and Conditions of Sale and the Ancillary Terms, the Ancillary Terms shall have priority.
- 1.5 Failure or delay by the Seller or Buyer in enforcing or partially enforcing any provision of the Agreement shall not be construed as a waiver of any of its rights under the Agreement, at present or in the future.
- 1.6 Seller communicates its General and its Special Terms and Conditions of Sale to Buyer through a link to its dedicated webpage on its Ancillary Terms and/or through its ecommerce system, MyTotalSource. Seller communicates its Ancillary Terms to Buyer by its e-commerce system, MyTotalSource, by e-mail, by fax or any other written notice.
- 1.7 Neither the Seller nor the Buyer can unilaterally or tacitly depart from or amend the Agreement in any way whatsoever (e.g. by simple conduct). The Agreement excludes the application of any of the Buyer's general or special terms and conditions. Buyer consequently recognizes that its general or special conditions do not apply to the Agreement.
- 1.8 The Seller retains the right to modify the terms of the Agreement at any time, by announcement on its dedicated webpage. Such modification becomes binding upon acceptance by Buyer of Seller's order confirmation dated fifteen (15) or more calendar days later than the modification date, provided such order confirmation notes the modification.
- 1.9 The Agreement supersedes all written or oral arrangements, contracts, proposals and commitments related to the object described in the Agreement, entered into at a prior date.

Art. 2. Quotations and orders

- 2.1 Quotations are free of charge and are indivisible. Quoted prices are valid for thirty (30) calendar days from date of issue of quotation, subject to availability. A quotation represents a mere proposal by the Seller and does not bind the Seller, not even following acceptance by the Buyer. Only written acceptance by the Seller through order confirmation creates an Agreement.
- 2.2 Buyer must place its orders through Seller's e-commerce system, MyTotalSource, or by e-mail or fax, and conduct all ensuing communication relating to its order through one of these channels, unless indicated otherwise in the Agreement.
- 2.3 The Buyer warrants that the information, drawings and other data submitted by the Buyer are correct and Seller may use and rely upon these as the basis of his quotation. Where the Buyer himself places an order by citing himself references to the Seller, then the Seller shall assume that these correspond with the Product effectively required.
- 2.4 Even though all illustrations, measurements, capacities, weights and other details regarding machines and parts, price lists, offers included in the Seller's catalogue or the Seller's website or demo models are compiled with the greatest possible care, they only constitute an approximation and are purely informative and thus given free of obligation.

Art. 3. Subject

- 3.1 The subject of each individual sales transaction is explicitly described in the Agreement and covers the part(s), equipment, tool(s), machine(s) and/or service(s) described therein. The subject is hereinafter referred to as the "Products".
- 3.2 The Buyer is entirely responsible for the choice of the Products. The Products are standard items which are not specifically created for the Buyer's needs, or items which the Seller, at the Buyer's request, adapted to meet the specifications described by the Buyer. The Seller is free from any responsibility should it become apparent that the Products do not meet the specific needs of the Buyer, when the Products do meet the specifications described by the Buyer, and provided that the Products delivered are reasonably suited for the purposes for which they are generally intended.

Art. 4. Price

- 4.1 The price for the Products is determined in the Agreement (hereinafter referred to as the "Purchase Price"). The Purchase Price is exclusive of VAT, taxes and levies, customs and excise import or export duties. The Purchase Price includes neither charges for delivery or collection of the Products nor the costs of any possible assembly, installation and start-up or, as the case may be, putting them into service (hereinafter referred to as the "Costs"). The Costs are at the Buyer's expense and shall be separately invoiced, and will themselves be exclusive of VAT, taxes and levies, which are payable in addition to the Costs.

Art. 5. Payment

- 5.1 Unless otherwise expressly agreed upon in writing in the Agreement, the Buyer shall pay the Purchase Price and the

Costs within thirty (30) days end of month of the date of the Seller's invoice, via a transfer to the account number mentioned on the invoice, and mentioning the details as on the invoice. The Seller does, however, have the right to ask for a deposit or even complete payment prior to delivery. Making a complaint, in accordance with Art. 9.2 or 9.3, does not relieve the Buyer from his obligation to pay within the stated period. Upon written request of the Buyer, for a period to a maximum of thirty (30) days from the date of invoice, the Seller will provide the Buyer with a copy of the consignment note issued when the Products are delivered to the Buyer. The Buyer acknowledges that if it has not requested a consignment note within thirty (30) days of the date of invoice, the Seller is not obliged to provide the consignment note and the Products are deemed to have been delivered, provided that if the Buyer is a Consumer, this Art. 5.1 shall be subject to the provisions of section 19 of the Consumer Protection Act, and the Products shall not be deemed to have been delivered prior to the actual delivery.

- 5.2 The Purchase Price and the Costs are only effectively paid from the moment they have actually been received by the Seller for value received.
- 5.3 Should the Buyer agree in writing to payment via check or bill of exchange, drawing the bill or check is only valid as payment on the day that the Seller unconditionally receives the amount of the bill or check.
- 5.4 The Buyer shall not be entitled to suspend and/or delay the payment of the purchase price, nor to set off its debit towards the Seller, even in case of claims connected with this purchase and raised for whatsoever reason, including in a judicial proceeding.
- 5.5 In the case of complete or partial non-payment of the debt on the due date laid down in Art. 5.1, the Buyer is liable, without prior notice, to pay a default interest of 2 % per month on the total amount outstanding or such other maximum prescribed rate of interest in respect of the incidental credit agreement, from the day following the due date until complete payment, in accordance with the National Credit Act, 2005, liquidated finally for termination.
- 5.6 If the Seller becomes aware of any circumstance which may cause the financial status of the Buyer to substantially deteriorate, and also when a bill of exchange of a Buyer is not accepted on time, then all outstanding amounts, including those for which the Buyer is liable towards companies affiliated to the Seller, are immediately due by serving notice. In the aforementioned case, the Seller also has the right, immediately and without a period of notice, at his own discretion, to suspend or even cancel the Agreement by sending a written notice, in case the Seller reasonably believes that the financial conditions of the Buyer have become such as to endanger his performance. In such a case, the Buyer shall be liable for any damages, loss, cost suffered or incurred by the Seller as a result of such suspension or cancellation.
- 5.7 Should the Buyer request at the time of placing the order for invoicing to be passed to a third party, the Buyer, in spite of invoicing to a third party, remains principally and indivisibly liable for the discharge of all its obligations.

Art. 6. Transfer of ownership and risk

- 6.1 **The Products are at the risk of loss or damage of the Buyer from the time of delivery.**
- 6.2 **The ownership of the Products remains with Seller until the moment of complete payment of the Purchase Price and Costs for value received, or until delivery, whichever occurs last. Consequently, the transfer of ownership becomes postponed until delivery or full payment of the Purchase Price and the Costs, whichever occurs last.**

6.3 Until ownership of the Products has passed to the Buyer, the Buyer undertakes to:

- 6.3.1 **Retain the Products in their original state and not to make the Products immovable by destination, nor to mix the Products with another commodity,**
- 6.3.2 **Maintain the Products in satisfactory condition and do everything possible to protect the Products against any form of partial or complete deterioration including - this enumeration being in no way restrictive - arising from fire, water damage, risk of explosion, theft, etc. and keep them insured on the Seller's behalf for their full price against all risks to the reasonable satisfaction of the Seller,**

until complete payment of the Purchase Price and Costs.

- 6.4 **In the ordinary course of business, Buyer is entitled to resell the Products of which the ownership has not yet passed to Buyer. In such case, the Buyer automatically assigns to Seller all claims against its customers that result from the resale of Products with respect to which ownership remains with Seller, in the amount equal to the Purchase Price for those Products, for as long as ownership of such Products has not passed to Buyer. Buyer has the authority to collect the claims resulting from the resale on behalf of the Seller. Upon Seller's request, Buyer must notify its customers of the assignment of the claim and deliver all information required to enforce Seller's rights, to Seller.**

- 6.5 **The Buyer acknowledges that the Seller or one of its affiliated companies remains the exclusive owner of all the intellectual property rights and know how in or relating to the business or the Products and the name and logo under which they are sold by the Seller and undertakes to make no claim on them, whatsoever. Furthermore, the Buyer shall refrain from registering, either directly or indirectly, any trademark, brand name, logo, symbol, drawing or name under which the Products are sold by the Seller or which could cause confusion with the Seller's company label, corporate house style, its trademarks, trade or brand names, logos, domain names, pictures, etc., nor shall the Buyer use, in whatever form, the Seller's corporate brand ("TVH" and/or "truck" logos), or the Seller's product brand(s) (including, but not limited to Climax, Energic Plus, SmartSweep, TotalSource) in combination with his company label, trademarks, trade or brand names, logos, pictures, etc. without the Seller's prior written consent.**

Art. 7. Delivery

- 7.1 Delivery to a Buyer who is established within the Southern African Customs Union ("SACU") occurs ex works ("EXW") TVH Parts South Africa Ltd. Isando (Incoterms 2010), and to a Buyer who is established outside of the SACU occurs free carrier ("FCA") TVH Parts South Africa Ltd. Isando (Incoterms 2010), unless otherwise agreed upon in writing between the Seller and the Buyer in the Agreement. Where, contrary to the aforementioned, it is agreed upon in writing that the Products shall be delivered to the Buyer or to an address specified by the Buyer, then this delivery may occur in the absence of the Buyer. In that case, subject to Art. 5.1, the consignment note is valid as proof of delivery. In the event that the Buyer is a Consumer, delivery of the Products shall be subject to the provisions of section 19 of the Consumer Protection Act.
- 7.2 In the event of damage to the packaging and/or an

insufficient number of packages, the Buyer shall record this on the consignment note at the moment the Products are delivered, where it is available. He shall inform the Seller hereof in writing, by fax sent within twelve (12) hours following delivery of the Products.

- 7.3 Delivery periods are merely indicative and are not of the essence for the Buyer. Late delivery or material impossibility to execute the Agreement shall not be a reason for compensation at the Seller's expense, or refusal by the Buyer to take delivery of the Products, subject to section 19 of the Consumer Protection Act, in the event that the Buyer is a Consumer.
- 7.4 A possible expressly agreed delivery period only starts from the time when the Seller is in possession of all information and documents required to implement delivery.
- 7.5 Where the Seller has committed himself expressly and in writing to compensation in the case of late delivery in the Agreement, this compensation is only due where the Buyer advises the Seller by registered letter, within the essential term of five (5) calendar days as from the expiry of the delivery period, to be in default because of exceeding the delivery period, enclosing proof of the damage suffered. The Seller shall, nevertheless, not be bound to compensation where late delivery is the result of Force Majeure, or is the fault of the Buyer, in whole or in part. In the last case the Buyer is liable for the damage suffered and expense incurred. Force Majeure is defined as, without this summary being limited: acts or orders from Government or Quasi Government, civil commotion, war, epidemic, lock-out, strike, demonstration, defects, acts of God, fire, flood, explosion, lack of raw materials or labor forces, vandalism, exceptional weather conditions and all circumstances which are outside the Seller's control and disturb the ordinary course of business, without the Seller being required to demonstrate the unexpectedness of these circumstances. In any case, the parties agree that the potential compensation as a result of late delivery is limited to 0.5% of the Purchase Price for each complete week following the 21st working day after the delivery date, with a maximum amount equal to 5% of the Purchase Price.
- 7.6 Unless the Buyer is a Consumer, the Buyer cannot invoke late delivery by the Seller to cancel the Agreement.
- 7.7 When partial delivery has already taken place and the Buyer refuses to accept further delivery without valid reason, or when the Buyer negligently or intentionally makes further delivery impossible, the invoiced amount of the Products already delivered becomes immediately due and the Buyer is liable to pay compensation, laid down as a minimum of 35% of the Purchase Price, subject to the Conventional Penalties Act, 1962, of the unexecuted part of the Agreement, which does not diminish the Seller's right to prove and claim greater damage in the alternative.

Art. 8. Right of retention

- 8.1 In the event of non-payment, in whole or in part, by the Buyer, of the Purchase Price and/or Costs on due date, the Seller has a right of retention of all items and documents which were handed to him by the Buyer until complete payment of the outstanding amount, plus interests and reasonable expenses.

Art. 9. State of the Products and guarantee by the Seller

- 9.1 Second-hand Products are received by the Buyer in their state at the time of the delivery, i.e. voetstoots or as is, provided that the provision of second hand products shall be subject to section 55 and 56 of the Consumer Protection Act in the event that the Buyer is a Consumer. The receipt of the second-hand Products by the Buyer at the moment of delivery, laid down in the Incoterm in Art. 7.1, implies acceptance of the Products.

- 9.2 Subject to Art. 9.9, should the Buyer be of the opinion that the new Products do not conform to the order or have been visibly damaged, the Buyer shall submit a written complaint to the Seller within 48 hours of delivery of the Products. Should the Seller not have received a written complaint from the Buyer within the aforementioned time limit, the Buyer is presumed to have accepted the Products.
- 9.3 Subject to Art. 9.9, latent defects must be reported to the Seller by the Buyer within a period of eight (8) working days after they have been discovered by the Buyer or normally should have been discovered, by registered letter to the Seller, and in any case within a period of three (3) months following the date the Products were delivered.
- 9.4 Subject to Art. 9.9, as far as Products which have been made to size and reconditioned Products are concerned, the Seller shall furthermore only be responsible for latent defects which affect the essential components of the Products and which oblige the Buyer to undertake radical repairs to an extent that the Buyer would never have signed the Agreement had he known about these latent defects.
- 9.5 The Seller does not need to indemnify the Buyer where:
 - 9.5.1 The Buyer or any third party has carried out any repairs or alterations to the Products or has attempted to do this; or
 - 9.5.2 The defects are the result of incorrect or abnormal use, for instance, the use of the Products for purposes other than those for which they might reasonably be suited, overloading, inexperienced use in a manner which does not match the instructions for correct use, assembly, maintenance, installation or use that is not conform to the technical or safety norms valid for the location where the Products are used; or
 - 9.5.3 Any damage occurs which is related to usual wear, to failures caused by inexperience and/or negligence of the Buyer, to overburdens, to non-authorized interventions, to fortuitous events and Force Majeure.; or
 - 9.5.4 Subject to Art 9.9, the defects are not timely(i.e. within the periods mentioned in Art. 9.2 and 9.3 above)reported in detail in writing to the Seller in accordance with the Special Terms and Conditions of Sale, in particular the Guidelines on Product Returns.
- 9.6 Subject to Art. 9.9, where Products present any lack of conformity, visible damage or latent defect as mentioned above, and, after the examination by the Seller's technicians, the Products result to be affected by the defects, the lack of conformity or the visible damages notified by the Buyer, it is explicitly agreed upon that the Seller, according to his expert insight and according to his choice, may either repair the Products or may replace the Products, or permit a price reduction, or that the Agreement should be terminated with refund of the Purchase Price and return of the Products. The Buyer does not have the right to ask for additional compensation.
- 9.7 The ownership of Products which the Seller has refunded or replaced shall automatically be transferred to the Seller. Subject to Art. 9.9, all costs for transport, customs, assembly, disassembly, travel and accommodation expenses of Seller's representatives remain at the Buyer's expense.
- 9.8 All express and implied warranties or conditions, whether in contract or delict or otherwise, are excluded to the extent permitted by law.
- 9.9 In the event that the Buyer is a Consumer, the provisions of this Art 9 shall be subject to the provisions of section 55 and 56 of the Consumer Protection Act and shall not be construed as to limit the Buyer's rights under the Consumer Protection Act in any manner.

Art. 10. Complaints and Product returns

10.1 All complaints and Product returns shall be governed by and construed in accordance with the Guidelines on Product Returns, to be found on the dedicated webpage of the Seller. In the event that the Buyer is a Consumer, the Guidelines on Product Returns shall only apply to the extent that it is consistent with the Consumer Protection Act. To the extent that the Guidelines on Product Returns are inconsistent with the Consumer Protection Act, the provisions of the Consumer Protection Act shall apply.

Art. 11. Liability

11.1 The following provisions set out the entire liability of the Seller (including any liability for the acts or omission of its employees, agents, representatives and sub-contractors) to the Buyer in respect of any breach of the Agreement and any representation, statement or delictual act or omission, including negligence, arising under or in connection with the Agreement.

11.2 Without prejudice to the damage resulting directly from the breach by the Seller of his explicit commitments undertaken by virtue of this Agreement, the Seller's liability is limited to the liability which is mandatory in accordance with the applicable law, which mandatory liability includes its liability in terms of section 61 of the Consumer Protection Act.

11.3 Should the Seller be liable in accordance with Art. 11.2, the Seller can, subject to section 61 of the Consumer Protection Act, never be held liable to the Buyer for any pure economic loss, loss of profit, loss of business, depletion of goodwill or otherwise, in each case whether direct, indirect or consequential, or any claims for consequential compensation whatsoever (howsoever caused) which arise out of or in connection with the Agreement.

11.4 Should the Seller be liable according to Art. 11.2, the maximum amount of his liability is, subject to section 61 of the Consumer Protection Act, in any case explicitly limited to the amount of the Purchase Price, subject always to the Buyer's obligation to mitigate damages and the Apportionment of Damages Act, 1956 where applicable.

11.5 The Buyer, who is approached by third parties as a result of damage caused by a defect in the Products which were delivered by the Buyer to third parties in any form, is only entitled to make a claim for redress against the Seller to the extent that the Seller is liable for such damage in terms of section 61 of the Consumer Protection Act.

Art. 12. Suspension and dissolution

12.1 In the case of non-payment or incomplete payment of the invoice relating to a running individual sales transaction on the due date laid down in Art. 5.1, the Seller has the right to refuse to enter into a new individual sales transaction or to suspend the fulfillment of his commitments under any running individual sales transaction with the Buyer.

12.2 Without prejudice to Art. 12.1, the Seller has the right to suspend discharge of his obligations where, after entering into the Agreement, Seller becomes aware of any circumstance which may cause the financial status of the Buyer to substantially deteriorate. If the Seller suspends

fulfillment of his commitments under the Agreement, he must advise the Buyer immediately of the suspension.

12.3 Where it is clear to the Seller that the Buyer will make himself guilty of a serious shortcoming before Seller's fulfillment of his commitments under the Agreement, the Seller has the right to cancel the Agreement.

Art. 13. Miscellaneous

13.1 In the event one or more provisions of the Agreement is declared void, this shall in no way affect the validity of the other provisions. The parties undertake to do their utmost to replace such voided provision by a valid provision which has the same or largely the same economic effect as the voided provision, by mutual consent.

13.2 For the duration of the Seller-Buyer business relationship, the Seller or one of its affiliated companies is storing information communicated by the Buyer (hereinafter referred to as the "Data"), in its customer relations database in accordance with the applicable data protection legislation. If the Buyer wishes to consult and correct the Data, it must request so by sending a registered letter to the Seller's sales department. The Seller shall not communicate the Data to third parties that are not affiliated to Seller.

13.3 For the application of the present Agreement, working days are considered as: Monday to Friday inclusive, except where this day is an official public holiday in the country of the Seller.

13.4 Only the General and Special Terms & Conditions of Sale in the English language are authentic. In case the Seller makes available other language versions of the General and Special Terms & Conditions of Sale, these are purely informative and parties cannot derive any rights there from.

Art. 14. Assignment

14.1 The Seller may cede, delegate or assign the Agreement or any part of it to any person, firm or company.

14.2 The Buyer shall not be entitled to cede, delegate or assign the Agreement or any part of it without the prior written consent of the Seller.

Art. 15. Applicable law

15.1 With respect to what is not explicitly provided for in the General and Special Terms and Conditions of Sale and Ancillary Terms, the parties refer to the law of the country in which Seller is established, which governs this Agreement. The application of the Vienna Convention on International Sale of Goods is explicitly excluded..

Art. 16. Competent court

16.1 All disputes concerning the interpretation and enforcement of the Agreement shall be submitted to the exclusive jurisdiction of the competent Courts nearest to the registered office of the Seller, with the express exclusion of any other competent Court, being the High Court of South Gauteng, Johannesburg in South Africa.

16.2 Art. 16.1 shall operate for the benefit of the Seller and accordingly the Seller shall be entitled, at its own discretion, to waive the exclusive jurisdiction set forth in Art. 16.1, and therefore take proceedings against the Buyer in its domicile and in any other court or courts having jurisdiction.

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