

General Purchase Order Terms and Conditions

Agility Fuel Solutions Norway

1. FIELD OF APPLICATION

The following General Terms shall apply for all orders issued by Agility Fuel Solutions Norway ASA (formerly known as Hexagon Bus Systems ASA, "Agility") certain subsidiaries to Suppliers unless otherwise specifically agreed. The General Terms shall also apply for future business transactions conducted between the Purchaser (as defined below) and the Supplier (as defined below), even if they are not referred to or enclosed in the individual future case(s).

2. DEFINITIONS

"Purchaser" means any of Agility's certain subsidiaries.

"Force Majeure" means an event defined as Force Majeure in the ICC Publication no 650.

"General Terms" means these general terms and conditions for purchase forming an integral part of the Purchase Order where to attached.

"Goods" means materials, equipment, documentation and other goods to be delivered by the Supplier to the Purchaser pursuant to a Purchase Order.

"Price" means the total price of a Purchase Order, as originally set out or later amended.

"Purchase Order" means a purchase order issued by the Purchaser for Goods and/or Services to be delivered by the Supplier to the Purchaser, and wherein a reference is made to these General Terms.

"Services" means services to be provided by the Supplier to the Purchaser pursuant to a Purchase Order.

"Supplier" means a supplier of Goods or Services to the Purchaser pursuant to a Purchase Order.

3. OFFER, ORDER, AND ORDER CONFIRMATION

All offers and cost estimates of the Supplier shall be made free of charge and without obligation for the Purchaser. Purchase Orders shall be issued by the Purchaser. The Supplier shall confirm the Purchase Order to the Purchaser within 5 business days as of receipt. If the Supplier's order confirmation should diverge from the contents of the preceding Purchase Order from the Purchaser, or if the Supplier fails to confirm the Purchase Order in accordance with the preceding paragraph, then the Purchaser shall be bound and committed only if the Purchaser agrees to the deviation or the delayed confirmation in writing. Divergent terms and conditions of the business of the Supplier shall only be valid if specifically accepted by the Purchaser in writing. This shall also apply in the events where the Supplier refers to its own general terms and conditions in an offer or in an order confirmation. The Supplier shall before start of production use his professional skills to search for possible faults and omissions in the Purchase Order, including drawings, materials, design etc. provided by the Purchaser. The Supplier shall immediately notify the Purchaser in writing if such faults and omissions are discovered. The Supplier shall continuously inform the Purchaser on all matters that are of importance to the Suppliers' performance under the Purchase Order and shall also in all such communications express itself with such clarity and with such means as are required in order to ensure a correct performance in all respects.

4. DELIVERY

Unless otherwise set forth in the relevant Purchase Order, delivery shall be made DDP, Delivery Duty Paid (in accordance with INCOTERMS 2000 (or any standard substituting them) at the time and place indicated by the Purchaser in the Purchase Order. The Goods shall be delivered properly packed and marked in accordance with the requirements in the Purchase Order.

5. VARIATIONS

The Purchaser has the right to order variations in time of delivery, or an increase or reduction in quality, quantity, character, kind, features and characteristics of the delivery of the Goods and Services or part thereof, provided that such variations do not exceed what the parties could reasonably expect when the Purchase Order was issued by the Purchaser. Variations shall be requested by the Purchaser in writing. The Supplier shall within 5 business days by written notice confirm any effects on the Price, time of delivery and technical specifications. All adjustments in the Price shall correspond with the pricing method and principles applied for the rest of the Purchase Order. If the Supplier does not issue such confirmation notice, it will be considered as having accepted that the variation does not have any effects on the price and time of delivery or otherwise and this will be reflected in the variation order. The final variation shall be approved by the Purchaser in writing. The variation order shall upon the Purchaser's written request be implemented, even if the parties have not reached agreement concerning the effects of the variation on price, time of delivery and technical specifications.

6. DOCUMENTATION

Delivery tickets, packing lists and invoice shall be in accordance with the Purchase Order. These documents shall correspond with the Purchase Order regarding item number, description and specification. Each invoice shall be marked with the Purchaser's Purchase Order number. All certificates and similar documentation shall clearly identify the specific items to which they relate. All documentation specified in the Purchase Order, e.g. certificates, drawings, packing lists, data-discs are considered to be part of the Goods.

7. TERMS OF PAYMENT

Unless otherwise specifically set out in the Purchase Order, the Purchaser shall pay all invoices within 60 days after receipt of correct invoice, provided that all of the Supplier's obligations according to the Purchase Order are fulfilled. The Purchaser has the right to withhold any disputed amounts. The Supplier is entitled to interest on overdue payments calculated in accordance with the applicable rate pursuant to the Norwegian act regarding interest on overdue payments (act no. 100/1976). All prices are exclusive of value added taxes (VAT) unless otherwise specified in the Purchase Order.

8. CANCELLATION

The Purchaser has the right to cancel the Purchase Order by giving written notice to the Supplier. The Purchaser shall in such event pay to the Supplier the unpaid amount due for the work already performed with respect to the Goods and Services and in addition all direct costs reasonably incurred by the Supplier due to cancellation.

9. DEFECTS AND GUARANTEES

The Supplier guarantees that the Goods and Services upon delivery conform to relevant public regulations, to the specifications in the Purchase Order, and that the Goods and Services are free of fault in material, workmanship, design and function. The Goods and the Services shall be considered defective if it (i) in any respect deviates from the Purchase Order, (ii) does not possess the characteristics that the Supplier has referred to through samples, prototypes or in marketing, (iii) is not as safe as the Purchaser could reasonably have expected, (iv) is not fitted for the particular purpose for which the Purchaser intended it to be used, or (v) otherwise deviates from what the Purchaser reasonably could have expected. The warranty period shall terminate twenty four (24) months after the later of (i) the date on which a defective part has been delivered to a final customer; and (ii) the date on which a defective part has been brought into use on the Supplier's own behalf (in a manner other than by incorporation in a product). The above-stated time limit shall, however, not apply, should there be a risk of personal injury or damage to property other than the defective part, or of a repetitive defect. The Parties may conclude a separate agreement for the handling of warranty. The Purchaser shall examine the Goods and Services with reasonable time after delivery. If any defects are found, the Purchaser shall notify the Supplier thereof in writing within reasonable time thereafter. If the Goods and/or the Services are found to be defective during the guarantee period, Supplier shall at his own cost immediately remedy the defects. If the Supplier is not able to remedy a defect within reasonable time after receipt of the Purchaser's notification, the Purchaser has the right to have this work done by itself or by third parties, in any event with all costs for the Supplier's account. If the defects are material and may not, in the Purchaser's reasonable opinion, be corrected within reasonable time, the Purchaser has the right to either require redelivery, reduction in the Price, or to terminate the Purchase Order according to Section 11 and in these instances also claim damages etc. as referred to therein. If any guarantee work is performed in the guarantee period, any replaced/repairs parts of the Goods and Services shall be guaranteed by the Supplier for a renewed period with the same duration as the original guarantee.

10. DELAY BY THE SUPPLIER

If the Supplier has reason to believe that delivery of the Goods and Services will be delayed, he shall immediately inform the Purchaser thereof in writing. Such notice shall include the reason for and the extent of the delay and shall state the corrective actions initiated in order to reduce the delay. If the Supplier's corrective actions, in the Purchaser's reasonable judgement, are not sufficient to reduce the delay, the Purchaser may require that the Supplier takes additional actions or the Purchaser may take such actions itself, in each case for the Supplier's account. If delivery of the Goods and Services has not taken place within the time of

delivery set out in the Purchase Order, the Purchaser has the right to liquidated damages in an amount equal to 0.3% of the Price per day until delivery occurs. The Supplier's cumulative liability for liquidated damages is limited to 15% of the Price.

11. TERMINATION DUE TO DEFAULT BY THE SUPPLIER

The Purchaser has the right to terminate the Purchase Order with immediate effect by giving written notice to Supplier, if (i) the Supplier becomes insolvent, (ii) the Supplier is in material breach of its obligations hereunder, or (iii) the Supplier has become liable for maximum liquidated damages pursuant to Section 10. In addition to termination of the Purchase Order, the Purchaser is entitled to recover from the Supplier any costs, losses or damages suffered by the Purchaser due to such termination.

12. PRODUCT LIABILITY AND INSURANCE

The Supplier shall compensate the Purchaser for all direct and indirect losses and damages arising out of or relating to Goods and/or Services having caused personal injury or property damages due to the fact that the Goods and/or Services were defective. If the Purchaser receives such a claim the Purchaser shall immediately notify the Supplier accordingly and the Supplier shall undertake all necessary investigations in order to defend such claims in the best possible way. At the Supplier's request the Supplier shall also assist the Purchaser in the event of any dispute. If there is a risk of Goods and/or Services causing personal injury or property damage due to Goods and/or Services being defective, such that the Purchaser decides to recall a product, the Supplier shall compensate the Purchaser for its costs in conjunction with such recall. The Supplier shall enter into and maintain a product liability insurance policy and shall at the Purchaser's request also supply the Purchaser with a copy of the insurance certificate.

13. INTELLECTUAL PROPERTY RIGHTS

The Supplier shall indemnify and hold the Purchaser harmless from and against any losses incurred by the Purchaser based on claims for patent, trademark, copyright or other intellectual property right infringements arising from the purchase, installation or use of the Goods or Services. In so far as any Purchase Order, as whole or in part, contains design work or the development of drawings, specifications, dies, patterns, tools software or other intellectual property rights, all results of such performances shall be the exclusive property of the Purchaser. Drawings, specifications, dies, patterns, tools, data-discs and other information or documentation provided by the Purchaser to Supplier shall be the property of the Purchaser and shall not be disclosed to any third party without the Purchaser's prior written approval. The Purchaser may require the Supplier to execute a separate declaration of confidentiality to this effect.

14. QUALITY ASSURANCE AND CONTROL

Supplier shall have an established and documented Health, Safety and Environment (HSE) system and a quality assurance system in accordance with applicable law and the ISO 9002 standard or equivalent standards. If design or engineering is included in the delivery, ISO 9001 shall be required. The Purchaser or a third party appointed by the Purchaser has the right to make the verifications, inspections and tests, including audits, at the facilities of the Supplier and its subcontractors, in order to satisfy himself that the Goods will be manufactured and the Services performed according to the requirements of the Purchase Order. Such inspections and verifications do not relieve the Supplier from any obligations under the Purchase Order.

15. SUBCONTRACTORS

The Supplier shall not assign this Purchase Order or subcontract any part of same without prior written approval by the Purchaser. The Supplier is responsible for the acts and omissions of any subcontractors. Subcontractors shall have no right to make claims towards the Purchaser. The Purchaser may assign all or parts of its rights and obligations pursuant to the Purchase Order to any third party by written notice to the Supplier. The Supplier shall verify that its subcontractor has an established and documented quality assurance system adequate for the Purchase Order.

16. FORCE MAJEURE

Neither of the parties shall be considered to be in default in performance of its obligations under the Purchase Order to the extent such performance has been prevented by Force Majeure. The party invoking Force Majeure shall notify the other party in writing without delay on the intervention and on the cessation of such circumstance. The party invoking Force Majeure is under an obligation to take all reasonable means to limit the effect of the impediment or event invoked upon performance of its contractual duties. If the performance under the Purchase Order is suspended under this Section 15 for more than six months, either party shall be entitled to terminate the Purchase Order by written notice to the other party.

17. INDEMNITY, LIABILITY

The parties shall mutually indemnify and hold each other harmless from and against all loss or damage to their respective property and injury to or death of their respective personnel that may arise in connection with the Purchase Order. This shall apply irrespective of how the loss or damage is caused. Neither the Purchaser nor the Supplier shall be liable for any consequential or indirect losses of the other. The Supplier shall indemnify the Purchaser and hold him harmless against any loss or damage caused to third parties by the Supplier. The Supplier shall be exclusively liable for all income, sales, use, payroll and other taxes, customs, excise and import duties and other fees, levies and charges incurred by the Supplier, or its subcontractors or their employees with respect to the Purchase Order. The Supplier shall indemnify and hold the Purchaser harmless from any expense, claim, liability or obligation with respect to such amounts. This indemnity shall survive the termination or expiration of the Purchase Order. The Supplier shall be able to demonstrate to the Purchaser that it has taken out reasonable insurance coverage for the above liabilities and indemnities.

18. TITLE TO THE GOODS, RISK

Title to the Goods shall pass to the Purchaser as the work progresses and when parts are identified and marked for the purpose of the Purchase Order. The Supplier shall clearly mark these materials and if possible, keep these items separated from other materials. Risk of loss of or damages to the Goods shall pass upon delivery, cf. Section 4 above.

19. WAIVER

No waiver by the Purchaser of any breach of the Purchase Order shall be considered a waiver of any subsequent breach of the same or any other provision. Notwithstanding the generality of the foregoing, any failure by the Purchaser to answer a question or communication from the Supplier about a delayed delivery shall not affect the Purchaser's right to impose a sanction in accordance with the Purchase Order.

20. SEVERABILITY

In the event that any provision of the Purchase Order or these general terms should become invalid due to e.g. legislation, only said provision shall be considered invalid while the remaining provisions shall remain in force. The Parties shall in such a case immediately conclude a new agreement that replaces the invalid provisions and as far as is possible ensures through its content an equivalent result.

21. TRANSFER AND ASSIGNMENT OF AGREEMENT

A Party may neither transfer nor assign its rights or obligations under the Purchase Order without the written consent of the other Party. The Purchaser may however transfer or assign such rights or obligations to any other company within the Agility Group of Companies without consent.

22. SUPPLEMENTS APPLICABLE TO DELIVERIES TO THE AUTOMOTIVE BUSINESS

22.1 The Purchaser shall send a Quality Assurance Plan ("QAP") together with the Purchase Order to the Supplier. The QAP shows what kind of quality documentation the Purchaser requests in the Supplier's Production Part Approval Process ("PPAP"). The PPAP date and the date of the first sample will be set according to the quotation received from the Supplier. The PPAP with all requested documentation and samples shall be presented on the agreed date from the Supplier's quotation. This documentation shall show that all requirements specified in the Purchaser's drawings and specifications are fulfilled. All Supplier PPAP-documentation must not be older than one year.

22.2 The Supplier shall procure that important spare parts shall be available throughout the life of the Goods, limited to 15 years.

22.3 In case of defects, the Purchaser shall together with a notification submit the notification in 8D-form.

23. GOVERNING LAW AND DISPUTES

The Purchase Order shall be governed by and construed in accordance with the laws of Norway. Any disputes that may arise from the Purchase Order shall be subject to the exclusive jurisdiction of the Norwegian courts with Sunnmøre district court as agreed venue.

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