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E 5.3.3 GLOBAL WARRANTY - SCANIA ENGINE PRODUCTS

PREAMBLE

1. This Global Warranty – Scania Engine Products (this "Engine Product Warranty") shall apply to all sales of Scania Engine Products by Scania to a Purchaser. Any amendments to, modifications of or deviations from this Engine Product Warranty must be set forth In Writing between Scania and the Purchaser. For deliveries of Scania Engine Products for installation in trucks or buses of any make, Scania 's General Terms and Conditions of delivery and warranty for Scania trucks and buses in force at the time of delivery will apply instead. For Scania Engine Products that are exported to the United States, the terms and provisions of the Scania Emissions Control Systems Warranty contained in the applicable Scania Engines Operator's Manual, each as amended from time to time, shall also be applicable and are incorporated herein in their entirety.

DEFINITIONS

- 2. In this Engine Product Warranty the following terms shall have the meanings hereunder assigned to them:
- "Contract" has the meaning set forth in the General Terms and Conditions:
- "Date of Delivery" means the date that Scania CV AB first ships the applicable Scania Engine Product to its Purchaser;
- "Dispute Resolution Supplement" means the provisions applicable to the resolution of disputes with respect to a Contract or a claim under this Engine Product Warranty, as set forth in Section E5.3.2 of the Global Warranty Manual;
- "General Terms and Conditions" means the Scania General Terms and Conditions applicable to the sale of Scania Engine Products, as set forth in Section E5.3.2 of the Global Warranty Manual;
- "In Writing" means a hard-copy or electronic written document that is physically or electronically signed by one or both parties, as the context requires;
- "Into Use" means that the Scania Engine Product has undergone a "start-up" procedure and is installed; provided that, if a Purchaser fails to timely submit a Start of Warranty Report, such Scania Engine Product shall be deemed to have been put "Into Use" upon the date of delivery by Scania;
- "Purchaser" means the party acquiring Scania Engine Products from Scania;
- "Scania" means Scania CV AB;
- "Scania Components" means axles, gearboxes, assembly components and other equipment manufactured by Scania CV AB;
- "Scania Engine Products" means the Scania Industrial Engines, Scania Power Generation Engines, Scania Marine Engines, Scania Gensets and Scania Components to be supplied and sold by Scania to Purchaser under the Contract, including software and documentation;
- "Start of Warranty Report" means the report that is submitted to Scania at www.scania.com promptly following the installation of a Scania Engine Product; and
- "Warranty Period" is described in Clauses 5 through 12 of this Engine Product Warranty.

LIABILITY FOR DEFECTS

3. During the Warranty Period, Scania shall remedy any defect or nonconformity (hereinafter termed defect(s)) in its Scania Engine

Products resulting from faulty materials or manufacturing, subject to the terms and conditions of this Engine Product Warranty. Scania reserves the right to provide new, remanufactured or repaired components (in its sole discretion) in fulfillment of its obligations under this Engine Product Warranty.

4. This Engine Product Warranty shall be extended by Scania only to the Purchaser. The Purchaser may, at its discretion, extend its warranty to a final purchaser or end user and may, at its discretion, base such a warranty on this Engine Product Warranty granted by Scania to the Purchaser; provided that, Scania shall have no obligation to honour or fulfil such warranty except solely to the extent it conforms in all respects with the terms and provisions of this Engine Product Warranty. The Purchaser, final purchaser or end user, as applicable, shall always have the right to entrust the repairs to Scania Engine Product defects covered by this Engine Product Warranty to an authorised Scania workshop or, if so agreed by Scania, to the Purchaser.

WARRANTY PERIOD; NOTICE

- 5. Except as set forth in Clauses 6 through 12, the Warranty Periodduring which the Purchaser may make a claim to Scania under this.
 Engine Product Warranty shall begin on the date of Scania's delivery of
 the Scania Engine Product. The Warranty Period shall then expire 12
 months after the earlier of (a) the date on which the Scania Engine
 Product first was put Into Use or (b) 24 months after the Scania Engine
 Product's Date of Delivery. Each Purchaser shall complete a Start of
 Warranty Report promptly following the installation of a Scania Engine
 Product to denote that such Scania Engine Product has been put Into
 Use. If no Start of Warranty Report is submitted to Scania, the
 Warranty Period will be regarded as having been put Into Use on the
 date of delivery from Scania.
- 6. For engines in standby generator sets (as defined by Scania) in use in Europe, North and South America, Australia, New Zealand, Japan, Hong Kong, Singapore, Taiwan, South Korea and South Africa the Warranty Period shall begin on the Scania Engine Product's Date of Delivery. It shall then expire 24 months after the date on which the Scania Engine Product first was put Into Use or 36 months after the Scania Engine Product's Date of Delivery, whichever occurs first. For the purpose hereof, "Europe" shall include the European Economic Area (EEA), the United Kingdom and Switzerland. For Scania Gensets, however, the Warranty Period shall always be as set forth in Clause 5.
- 7. When a defect in a part of the Scania Engine Product has been remedied, Scania shall be liable for defects in the repaired or replaced part under the same terms and conditions as those applicable to the original Scania Engine Product for a period of one year. For the remaining parts of the Scania Engine Product the period mentioned in Clause 5 or Clause 6 shall be extended only by a period equal to the period during which and to the extent that the Scania Engine Product could not be used as a result of the defect.
- 8. The Purchaser shall without undue delay notify Scania In Writing of any defect of which it (or its final purchaser or end user) becomes aware. Such notice shall under no circumstances be given later than the expiry of the Warranty Period or the extended period(s) under Clause 7, where applicable. The notice shall contain a full description of the defect and any known additional details that may be beneficial to Scania in remedying the defect. If the Purchaser fails to notify Scania In Writing of a defect within the time limits set forth in the first sentence of this Clause, the Purchaser shall lose the right to have the defect remedied under warranty. Where the defect is such that it may cause damage to persons or property (including the Scania Engine Product), the Purchaser shall immediately inform Scania In Writing. The Purchaser shall bear all risk of damage to persons or property (including the Scania Engine Product) resulting from the failure so to notify Scania. The Purchaser shall take reasonable measures to minimize damage and shall in that respect comply with instructions of Scania.



- 9. On receipt of the notice under Clause 8 Scania shall at its own cost remedy the defect without undue delay, subject to the terms and conditions of this Engine Product Warranty. Scania shall use commercially reasonable efforts to undertake the remedial work in a manner that minimizes any disruption of the Purchaser's activities. Repair shall be carried out at the place where the Scania Engine Product is located unless Scania deems it more appropriate that the Scania Engine Product is sent to Scania or a destination specified by Scania. If the defect can be remedied by replacement or repair of a defective part and if dismantling and re-installation of the part do not require special knowledge, Scania may demand that the defective part is sent to Scania or a destination specified by Scania. In such case Scania shall have fulfilled its obligations in respect of the defect when Scania delivers a duly repaired part or a part in replacement to the Purchaser.
- **10.** If the Purchaser has given such notice as mentioned in Clause 7 and no defect is found for which Scania is liable, Scania shall be entitled to compensation for the costs Scania incurs as a result of such notice.
- 11. If Scania does not fulfil its obligations under Clause 8, the Purchaser may by notice In Writing fix a final reasonable period for completion of Scania's obligations, which shall not be less than one week. If Scania fails to fulfill its obligations within such final period, the Purchaser may itself undertake or employ a third party to undertake necessary repair work at the risk and expense of Scania. Where successful repair work has been undertaken by the Purchaser or a third party, reimbursement by Scania of reasonable costs incurred by the Purchaser shall be in full settlement of Scania's liabilities for the said defect.

WARRANTY COVERAGE

- 12. If a Scania Engine Product has to be removed completely from its installation to make a warranty repair, Scania shall cover the reasonable access times for removal and fitting of the Scania Engine Product up to limits defined in Scania Global Warranty Manual.
- 13. Scania's warranty covers costs of mechanics travel, up to limits defined in the Scania Global Warranty Manual. Scania shall not be liable for travel costs of warranty repairs on Parts or exchange units fitted after the expiry of the Warranty Period for the original Scania Engine Product.
- **14.** The Purchaser shall at its own expense provide access to the Scania Engine Product and arrange for any intervention in equipment other than the Scania Engine Product, to the extent that this is necessary to remedy the defect.
- 15. Unless otherwise agreed, necessary transport of the Scania Engine Product or parts thereof to and from Scania in connection with the remedying of defects for which Scania is liable shall be at the risk and expense of Scania. The Purchaser shall follow Scania's instructions regarding such transport.
- **16.** Unless otherwise agreed, the Purchaser shall bear any additional costs which Scania incurs for remedying the defect caused by the Scania Engine Product being located in a place other than the destination stated at the formation of the Contract for Scania's delivery to the Purchaser or if no destination has been stated the place of delivery.
- 17. Defective parts which have been replaced shall be made available to Scania and shall be Scania's property.

WARRANTY LIMITATIONS AND EXCLUSIONS

18. This Engine Product Warranty does not cover or include damage resulting from or related to accident, misuse, negligence, neglect or abuse, improper repair or maintenance, operating methods other than those in the applicable operating or owner's manual, or unauthorized modifications of the Scania Engine Products; normal wear and tear; cleaning, adjustment and normal maintenance work, or the replacement or repair of parts required to be replaced or repaired in the course of normal maintenance work; repairs made by unauthorized repair centers;

- corrections of alleged defects where documentation is inadequate to support the claim or the failed parts needed for analysis have been improperly preserved rendering failure analysis impossible; and/or gradual reduction in operating performance commensurate with age of the Scania Engine Products.
- 19. Scania shall not be liable for any damage to persons or property caused by the Scania Engine Product after it has been delivered and whilst it is in the possession of the Purchaser. Nor shall Scania be liable for any damage to products manufactured by the Purchaser or to products of which the Purchaser's Scania Engine Products form a part. If Scania incurs liability towards any third party for such damage to persons or property as described in the preceding sentences, the Purchaser shall indemnify, defend and hold Scania harmless. If a claim for damage as described in this Clause is lodged by a third party against one of the parties, the latter party shall forthwith inform the other party thereof In Writing.
- 20. Products manufactured by a third party ("Third Party Products") may constitute, contain, be contained in, incorporated into, attached to or packaged together with, the Scania Engine Products. Third Party Products are not covered by the Engine Product Warranty. For the avoidance of doubt, Scania makes no representations or warranties with respect to any Third Party Product.
- **21.** This Engine Product Warranty shall be valid only for Scania Engine Products installed according to valid installation instructions and approved by Scania.
- **22.** This Engine Product Warranty shall only apply to Scania Engine Products of Scania's own design and manufacture and Scania shall not be liable for defects arising out of materials provided or a design stipulated or specified by the Purchaser.
- **23.** Scania shall only be liable for defects which appear under normal operating conditions and under proper use of the Scania Engine Product.
- **24.** Scania shall not be liable for defects caused by circumstances, which arise after the risk has passed to the Purchaser, e.g. defects due to faulty maintenance, incorrect installation or faulty repair by the Purchaser or to alterations carried out without Scania's consent In Writing.
- **25.** Scania's liability shall be limited to defects which appear within the Warranty Period. If the use or operating conditions of the Scania Engine Product exceed that for which it was designed (as described in Clause 28), the Warranty period shall be reduced proportionately.
- **26.** The Engine Product Warranty shall not apply to defects caused by unsuitable or faulty installation of Scania Engine Products. Faulty installation also includes absence of or non-correct torsional vibration calculations as well as non-compliance with Scania installation manuals and recommendations.
- **27.** Should the Purchaser store Scania Engine Products for longer than 6 months, the Engine Product Warranty shall only apply if, at all times during the storage period, the Purchaser stores such Scania Engine Products under roof, in an enclosed building and in full compliance with all conservation and storage procedures established by Scania from time-to-time.
- **28.** Without prejudice to the preceding provisions regarding warranty periods, Scania's warranty shall only apply to Scania Engine Products for use, purposes and total time in use within the limits applicable to the Scania Engine Product as set forth in the Scania Operator's Manual ("OPM") at www.scania.com.
- 29. This Engine Warranty is the only Warranty and/or remedy applicable to the Scania Engine Products, and Scania makes no other warranties, express, implied or statutory, including any implied warranty of merchantability or fitness for a particular purpose and/or any warranty arising by course of dealing, course



of performance, usage of trade or otherwise. all such warranties are hereby disclaimed and excluded.

- 30. In no event shall Scania be liable for loss of production, loss of profit, loss of use, loss of contracts, "downtime" losses or for any incidental, consequential, special, punitive, exemplary, incidental or indirect loss or damage whatsoever, whether arising at law or in equity.
- 31. Scania's total aggregate liability with respect to the engine products and/or the warranty shall not exceed the fair market value of the Scania Engine Products as of the date of delivery to the Purchaser.
- 32. The remedies set forth in this Engine Warranty are the purchaser's sole and exclusive remedies and are Scania's entire liability for any breach of this Engine Warranty. Except as stated in this Engine Warranty, Scania shall have no liability for any losses, costs, damages or other compensation of any kind and no Party asserting a right under this Warranty shall be entitled to assert any claims for such loss, cost, damage, or compensation.

DISPUTE RESOLUTION; GOVERNING LAWS

33. All disputes arising out of or in connection with this Engine Product Warranty shall be resolved according to the Dispute Resolution Supplement, which is incorporated herein by this reference. The provisions of this Engine Product Warranty are predicated and expressly contingent upon Purchaser's agreement to be bound by the terms of the Dispute Resolution Supplement

*** End of Engine Product Warranty***



GLOBAL WARRANTY SUPPLEMENT

PREAMBLE. The following Global Warranty Supplement (this "Global Warranty Supplement") shall serve to amend and restate certain provisions of Section E 5.3.3 GLOBAL WARRANTY - SCANIA ENGINE PRODUCTS (the "Original Global Warranty") and shall apply to all sales of Scania Engine Products by Scania U.S.A. Inc. to a Purchaser in North America.

<u>Paragraph 1</u>. Any and all references within the to "Global Warranty" in the Original Global Warranty or in this Global Warranty Global Warranty Supplement shall, unless otherwise specified or unless the context otherwise requires, mean the Original Global Warranty as amended by this Global Warranty Supplement, it being the intent of the parties that the foregoing be applied and construed as a single instrument.

<u>Paragraph 2</u>. Sections 5 and 6 of the Original Global Warranty are hereby deleted in their entirety and are replaced with the following new Sections 5 and 6:

WARRANTY PERIOD; NOTICE

- 5. Except as set forth in Clauses 6 through 12, the Warranty Period during which the Purchaser may make a claim to Scania under this Engine Product Warranty shall begin on the date of Scania's delivery of the Scania Engine Product. The Warranty Period shall then expire 12 months after the earlier of (a) the date on which the Scania Engine Product first was put Into Use or (b) 48 months after the Scania Engine Product's Date of Delivery. Each Purchaser shall complete a Start of Warranty Report promptly following the installation of a Scania Engine Product to denote that such Scania Engine Product has been put Into Use. If no Start of Warranty Report is submitted to Scania, the Warranty Period will be regarded as having been put Into Use on the date of delivery from Scania.
- 6. For engines in standby generator sets (as defined by Scania) in use in Europe, North and South America, Australia, New Zealand, Japan, Hong Kong, Singapore, Taiwan, South Korea and South Africa the Warranty Period shall begin on the Scania Engine Product's Date of Delivery. It shall then expire 24 months after the date on which the Scania Engine Product first was put Into Use or 48 months after the Scania Engine Product's Date of Delivery, whichever occurs first. For the purpose hereof, "Europe" shall include the European Economic Area (EEA), the United Kingdom and Switzerland.

<u>Paragraph 3</u>. Section 15 of the Original Global Warranty is hereby deleted in its entirety and is replaced with the following new Section 15:

15. Unless otherwise agreed, necessary transport of the Scania Engine Product or parts thereof to and from Scania in connection with the remedying of defects for which Scania is liable shall be at the risk and expense of the Purchaser. The Purchaser shall follow Scania's instructions regarding such transport.

<u>Paragraph 4</u>. The parties do hereby ratify and reaffirm all of the terms and provisions of the Original Global Warranty, which, as amended and supplemented by this Global Warranty Supplement, shall remain in full force and effect.

*** End of Global Warranty Supplement***