



# Terms & Conditions Operational Leasing – BYD Europe b.v.

Version 1.1

Date of Release: March 25, 2014

## 1. Relevance

- 1.1. These General Conditions apply to all operational leases of BYD Europe b.v. (hereinafter referred to as the: the Leasing Company) for buses and passenger cars (hereinafter referred to as the: vehicle) and hereby replaces all previous versions. The Leasing Company is unilaterally entitled to amend the General Conditions. Such a change shall have the force of law between the parties, with regard to the existing agreements and enter into force 30 days following publication of the amended terms of the Lessee. The last and most recent version may be downloaded from the website [www.bydeurope.com](http://www.bydeurope.com).
- 1.2. The Terms & Conditions apply and are an integral part of the Master Agreement of Operational Leasing and as per vehicle drawn tenders (hereinafter individually: Quote) and lease agreement (hereinafter individually: Lease Agreement) between the Leasing Company and the Lessee (hereinafter jointly the Parties) except as expressly waived in the Master Agreement signed by the Lessee and the Leasing Company mentioned in these Terms & Conditions.
- 1.3. In case of contradiction, the conditions contained in the Lease Agreement apply, followed by those from the Master Agreement, then the General Conditions.
- 1.4. The applicability of general Terms & Conditions other than those between the parties is expressly excluded.

## 2. Order Delivery of the Vehicle

- 2.1. If the Lessee indicates to award a leased vehicle car aspiring to engage, the Leasing Company provides a quotation based on the required vehicle specifications, duration and estimated annual mileage. With agreement on the offer, the Leasing Company sends a Lease Agreement to the Lessee. By signing the Lease Agreement, the Lessee indicates on the basis of these General Conditions to conclude an Agreement on Operational Lease and agrees with the lease offer.
- 2.2. If during the ordering process (price) changes occur regarding the vehicle, the Leasing Company is entitled to carry out the originally agreed upon Lease Agreement and/or lease price changes.
- 2.3. The Leasing Company shall not be liable for any delay in delivery and possible financial or tax consequences. If desired, the Leasing Company shall in that case, make available a replacement vehicle at its disposal against a fee determined by the Leasing Company.



- 2.4. Once the vehicle is ready for delivery to the Lessee, the Leasing Company shall announce when and where the Lessee may receive the vehicle. The Lessee is obliged to do so within 5 work days.
- 2.5. Upon delivery of the vehicle by the dealer, the Leasing Company or the Operator designated by the Leasing Company provides delivery form to the Lessee for the Lessee to sign. This delivery form comprises the latest contract information and specifications of the vehicle and is an integral part of the Lease Agreement. By signing the delivery form, the Lessee acknowledges the delivery of the vehicle, which was ordered by him. Any kind of changes or additions to the vehicle may take place only with the written permission of the Leasing Company.
- 2.6. After signing, the Lease Agreement becomes the final order. If the Lessee wants to cancel the Lease Agreement for the delivery of the vehicle, the Leasing Company is entitled to charge the Lessee with a cancellation fee. This cancellation fee shall not exceed 10% of the list price of the ordered vehicle.
- 2.7. The Leasing Company is entitled at any time to determine that the Lessee shall provide security or additional security for the performance of obligations as per the Master Agreement or Lease Agreement.

### **3. Usage of Vehicle & Property**

- 3.1. The Lessee and its Operator, (s) shall be responsible for using the vehicle with expertise and carefully for the purpose for which it is intended.
- 3.2. Operator means the Lessee, the Lessee and employees of his or her life partner and family members in possession of a valid driving license in the Netherlands.
- 3.3. The vehicle, at all times, remains as the property of Leasing Company during the term of the Lease Agreement. The vehicle is registered in the name of Leasing Company unless otherwise agreed in writing. The Lessee is not entitled to lease the vehicle, sell, pledge or encumber in any other way.
- 3.4. If third parties claim the vehicle or raise any objection, the Lessee shall immediately notify the Leasing Company, who is the rightful owner within 24 hours thereof.
- 3.5. The Leasing Company is entitled to take all measures deemed reasonably necessary by it to protect its rights. The resulting expenses and/or losses, if any, shall be borne by the Lessee.
- 3.6. The Lessee and/or its Operator are not allowed to participate in races, driving lessons, rallies and agility competitions, for usage on a circuit or otherwise different from the normal usage of the vehicle or portion of the vehicle. He/she is not permitted to use the vehicle for



transport of dangerous goods. Any damage caused to the vehicle by such acts shall be fully recovered from the Lessee.

- 3.7. The Lessee and/or its Operator shall be able to control the vehicle to have the required license and any required permits and certificates. Any damages and fines arising from the absence of the above legally authorized documents shall be borne by the Lessee and shall not change the other obligations of the Lessee against Leasing Company.
- 3.8. It is mandatory for the Lessee to inform the Leasing Company about the name/names and birth dates of the regular Operators of the vehicle. Leasing Company reserves the right to prohibit usage of the vehicle by certain individuals.
- 3.9. The Lessee shall ensure that the vehicle is not used in breach of Article 8 of the Road Traffic Act, which states/specifies inter alia that it is prohibited to drive the vehicle if the driver is as per the influence of a substance that may affect driving of the vehicle, including, but not limited to, alcohol, drugs or a combination of these and other applicable regulations.
- 3.10. The Lessee shall take into account the instructions and warranty of the manufacturer and the instructions given by Leasing Company with respect to the usage of vehicle at night.
- 3.11. The Lessee is responsible for being in possession of all/parts of the registration certificate of the vehicle, as well as for all vehicle keys, code cards and codes of audiovisual equipment and start barring.



#### **4. Commencement & Duration of Agreement**

- 4.1. The Lease Agreement shall commence upon delivery of the Vehicle to the Lessee or its Operator or five days after the Lessee has shared that the delivery vehicle is ready. By signing the delivery form, the Lessee declares his/her agreement and that the vehicle meets the desired specifications.
- 4.2. The Lease Agreement has a term equal to the agreed number of months measured from the date of posting to the Lessee and automatically legally ending at the end of this term. The Leasing Company shall be informed of the exact date of termination if the Lessee wishes to terminate the lease agreement prematurely.
- 4.3. At the request of the Lessee, the Lease Agreement may then be shortened or extended. To this effect, Article 6 shall come into force. Provisions of the General Conditions and the Master Agreement shall remain in full force if the period is extended for using the vehicle.
- 4.4. If there are deviations of more than 10% of the expected annual mileage, the Leasing Company is entitled to recalculate the change of life and performance of the vehicle as described in Article 6.

#### **5. Lease & Price Changes**

- 5.1. The lease price agreed in the Lease Agreement is the guiding price during the term of the Lease Agreement.
- 5.2. All prices are excluded from VAT
- 5.3. In derogation to Article 5.1 changes that are imposed by central or local government such as road tax, VAT, insurance tax or other measures, affect the leasing price. Any such changes imposed by the government shall not affect other obligations of the Lessee against Leasing Company.
- 5.4. The Leasing Company is authorized to make change to leasing price if accessories which are not listed in the Lease Agreement are built during the term of the Lease Agreement.
- 5.5. The Leasing Company shall inform the Lessee prematurely about changes in the leasing price agreement. Changes in the lease, as defined in Article 5 Paragraphs 3 and 4 and Article 6 Paragraphs 5 and 6 does not give the Lessee any right to rescind the Lease Agreement.



- 5.6. Not included in the leasing price are:
- Expenses that are not included as per the Lease Agreement in the lease
  - Fuel expenses
  - Stallings and parking expenses, including the expense of parking permit application
  - Toll Fee:
  - Fines and penalties imposed
  - Expenses for interior and exterior cleaning
  - Damage caused by the loading and unloading of goods
  - Damage caused by failure to observe the headroom
  - Expenses of replacing registration papers
  - Expenses in case of loss or theft of (spare) keys
  - Damage caused by faulty fuel used
  - Expenses of replacement transport
  - Future unforeseen expenses currently imposed by the government
  - Other additional services
  - Replacement transport
- 5.7. Where not included in the lease, if the Lessee is obliged to pay the Holdership tax (known as road tax) and all excise duties, taxes, duties, fees or other amounts for the purpose of the upkeep of vehicle or be levied for its usage in the process of routine holding or whether owed otherwise shall become mandatorily payable on time and to provide such evidence of payment at the first request of the Leasing Company.
- 5.8. If allowing purchase or usage of vehicle is entitled to an award of local, national or international grants or grants awarded, the Leasing Company shall process/change the leasing price accordingly. The Leasing Company shall have the right to collect subsidies on behalf of the Lessee.

## **6. Premature Termination & Amendment of Lease Agreement Maturity**

- 6.1. At the request of the Lessee, the term of Lease Agreement may be modified. To this end, the Leasing Company shall implement a recalculation of the lease price. For shortening the Lease Agreement, the Leasing Company is entitled to charge an early termination fee charged to the Lessee.

If the Lessee decides to terminate the Lease Agreement prematurely, it shall be subject to a notice period of one calendar month commencing on the first day of the following month through a written request.

The early termination fee includes compensation for the difference between the residual values of the Vehicle as well as compensation for lost interest income and other income components.



- 6.2. If the vehicle is damaged beyond repair (total economic or technical loss), the Lease Agreement is terminated as of the date of damage determination.
- 6.3. In case of theft of the vehicle, the Lease Agreement is terminated after 14 days from the date of theft.
- 6.4. The Leasing Company is not liable for economic or financial loss of the Lessee arising from damage or theft of the vehicle.
- 6.5. If the actual total mileage differs by more than 10% of the agreed mileage in the Lease Agreement, the Leasing Company is entitled to proportionally change the mileage and/or the leasing price as per the terms of the Lease Agreement.
- 6.6. If any evidence is found of exceeding the annual and/or total mileage, the Leasing Company is authorized to change compensation for maintenance, repair and tires of the vehicle in accordance with the then current repair and maintenance rates.
- 6.7. The Leasing Company is entitled at any time without notice to terminate the lease agreement with immediate effect, through a written notice by a registered letter with the acknowledgment of receipt, in the cases listed below for damages:
  - The Leasing Company terminates the Master Agreement
  - The Lessee fails to fulfill his/her obligations as per the Lease Agreement, after having been informed by this Leasing Company taking into account a reasonable time for recovery in default
  - The Lessee, if he wishes to bring an insurer's risk or if the risk has been transferred to an insurer, this insurance is not accepted, is excluded or the relevant insurance of the vehicle, for whatever reason, is prematurely terminated
  - The Lessee for entering into a Lease Agreement has made false or incomplete facts or circumstances or have it done, or scorch which are such that the Leasing Company fails on the same terms shall be entered in the Lease Agreement
  - The Lessee's undertaking ceases or alienated key components
  - The Lessee is declared bankrupt, applies for a moratorium, is dissolved or the free disposal of his/her assets, or to lose a portion thereof
  - The Leasing Company considers that the lease entails increased credit to Lessee

In the event the Company Lease Agreement is terminated pursuant to Article 6.7, a fee equal to the early termination fee referred to in Article 6.1 is charged to the Lessee.



## 7. Insurance Cover

- 7.1. Unless otherwise agreed in the Lease Agreement, the Leasing Company is responsible for the insurance of the vehicle. The insurance covers:
- Legal liability to third parties
  - Collision damage including total loss
  - Theft
  - Vandalism and acts of war
  - Storm and other natural damage

The Lessee declares to comply with the Terms & Conditions described in the insurance Terms & Conditions. The complete insurance conditions are recorded separately and shall be provided free of charge upon request.

- 7.2. All damages of any kind caused to the vehicle and its accessories, as well as any damages whatsoever of any kind arising from the usage of the vehicle, not included as per the applicable insurance coverage above or not paid is borne by the Lessee.
- 7.3. If after repeated notices show a careless usage of the vehicle by the Lessee and its Operator, it leads to increased damage premium ratio, the Leasing Company is entitled to increase the insurance premium or ask for expulsion. The Lessee shall take care to ensure that the vehicle is insured in accordance with the insurance conditions.
- 7.4. The own risk amounts € 225 per claim and claim handling shall be borne by the Lessee unless it may be demonstrated that the Lessee is not responsible for the damage. If the Operator is 23 years or younger at the time of the damage date, a further excess of € 75 shall be charged.
- 7.5. If the Lessee himself takes care of the insurance, it shall be noted that vehicle is insured in accordance with the above criteria through a written statement from the insurance company. The Lessee shall ensure and demonstrate from date of delivery of vehicle to the date of return of vehicle at the end of the term.

The Lessee shall at all times be responsible for conservation of insurance. Regardless of the Insurance, the Lessee shall at all times be responsible for all damages to the vehicle.

- 7.6. Usage of the vehicle outside the insurance coverage is not allowed. Any damage resulting there from, is the sole responsibility of the Lessee



## **8. Implementation of Maintenance as Prescribed by the Manufacturer regarding the Repairs and Inspections**

- 8.1. Prescribed and exclusively performed by the manufacturer maintenance shall be in accordance with the maintenance schedule of the manufacturer.
- 8.2. Maintenance and repair work may only be carried out by an approved sales dealer, Leasing Company after sales dealer with the consent of the Leasing Company.
- 8.3. The Lessee is responsible for all damages caused by incorrect (actions), untimely execution of maintenance work and/or failure to follow repair advice and/or guarantee that the Lessee indemnify Lease Society and make it harmless from all claims; he shall compensate for the damages, costs and expenses associated with incorrect actions (by) the self.
- 8.4. Repairs shall be performed exclusively with prescribed original toolbox and manufacturer supplied parts.
- 8.5. The Lessee is responsible for providing the vehicle for periodic inspections in time in accordance with the Motor Vehicles, Trailers and Semi Trailers, Periodic Inspections Act.
- 8.6. The Leasing Company is entitled at any time to (to) carry checks on the condition of vehicle and finds Lessee is obliged to cooperate.
- 8.7. A failure of the odometer shall be reported to the Leasing Company within 24 hours. The number of miles driven during the period that the odometer was defective shall be estimated by mutual agreement and added to the recorded mileage.
- 8.8. The Lessee shall annually provide an indication of the mileage of the vehicle. At the first request of the Leasing Company, the Lessee shall provide correct mileage on the specific date.

## **9. Damage & Theft**

- 9.1. The Lessee and/or the Operator shall notify the Leasing Company about any loss or damage within 3 days of such incident to the Leasing Company. If applicable, a signed European Accident Report form shall be sent by the Operator and the Lessee.
- 9.2. The accident shall be recognized by the Leasing Company and manufacturer; and repairs shall be performed with the permission of the Leasing Company.





- 9.3. In case of theft, the Lessee shall report at the police and obtain a copy of the police report and hand over the same to the Leasing Company within 24 hours.
- 9.4. If the Lessee (company) is not in control of damage or theft, the Leasing Company is entitled to recover all the resulting costs imposed on the Lessee.
- 9.5. The Lessee shall indemnify the Leasing Company against all third party claims, including compensation for costs, damages, payment of fines, etc. related to the usage of the vehicle.

## **10. Invoicing and payment**

- 10.1. All amounts on the Lease Agreement are exclusive of duties and taxes, unless otherwise stated.
- 10.2. The Leasing Company bills the lease payments (leasing price including other fees) monthly in advance to the Lessee, for the first delivery of the vehicle. Invoicing takes place on the first working day of the month and happens in digital format (for example, PDF). The Lessee is obliged to make available an email address to Leasing Company to which the Leasing Company may send digital invoices.
- 10.3. The Lessee authorizes the Leasing Company to collect from his bank account; the amounts owed automatically in accordance with the SEPA direct debits guidelines for business.
- 10.4. The Leasing Company uses a payment term of 14 days applicable from invoice date.
- 10.5. When the term of payment exceeds the Leasing Company is entitled to charge Interest expenses and the amounts due. There shall be an interest charge of 1.5% per month. The payment by the Lessee shall be applied for payment of interest and costs, and then to pay the longest open outstanding invoice.

## **11. Acceptance Procedures & Final Settlement**

- 11.1. At the end of the lease term, the Lessee shall deliver the vehicle to the Leasing Company within 24 hours at a designated collection point. The vehicle shall be in good technical condition, cleaned and provided with all relevant documents and accessories, including keys, registration papers, fuel card (if applicable) and green card (if applicable).
- 11.2. When returning the vehicle, a submission checklist shall be signed by the Operator along with a representative of the acceptance point as indicated below:
  - Date and time of acceptance
  - State of the vehicle and damage
  - Mileage
  - Records and documents surrendered



- 11.3. Damage to the vehicle, larger than regular usage damages appropriate to the age and mileage, which are not reported in the Leasing Company, shall be passed on to the Lessee.
- 11.4. The Lessee shall on his own account and risk (to) remove possible livery from the vehicle.
- 11.5. Within one month after submission of the vehicle, the Leasing Company sends an invoice to the Lessee for the final settlement. The statement includes:
  - Clearing unbilled or excess charged regular lease amounts
  - More or less miles/kilometers
  - Return damage
  - Cost to replace unreturned records and documents
  - Costs for undeleted lettering
  - Other costs borne by the Lessee

## 12. Other Conditions

- 12.1. The installation or removal of accessories to the vehicle by the Lessee is permitted after prior written approval by the Leasing Company and at the expense and risk of the Lessee. The Lessee shall be liable for damages caused or related to the application and/or removal of these accessories.
- 12.2. The Lessee shall notify/inform the Leasing Company of any address or domicile changes within 10 days of such change.
- 12.3. The Lessee is responsible for the timely transmission of changes in the legal and/or financial structure of the Lessee. The Leasing Company reserves the right to make a change in the legal structure of the Lessee, and associated master agreement, unilaterally modify or terminate the lease immediately.
- 12.4. The Lessee is responsible for payment of any fines and penalties imposed, due to offenses committed against the legal provisions. The Leasing Company shall be held liable for the payment of fines or penalties by law, and the Lessee shall indemnify the Leasing Company for any financial or other consequences.

The Leasing Company is entitled to charge for all fines or penalties and administrative costs paid by the Leasing Company.

- 12.5. The Lessee declares that the Leasing Company is entitled to (have) transfer or pledge, and this Agreement and any additional agreements to allow for editing by third parties and the ownership of the vehicle to third parties known states now already going. With one and another chord



- 12.6. The Lessee is not permitted to transfer, without the prior written consent of the Leasing Company to third parties obligations as per the Master Agreement or Lease Agreement.
- 12.7. The Leasing Company is in no way liable for any damages (including costs) of any nature whatsoever, including loss of profits, loss of vehicle, or any damage to the vehicle and its accessories, damage to the Lessee, Operator, driver or occupants of vehicle or damage to or loss of property of the Lessee, Operator, driver or passengers of the vehicle.
- 12.8. On termination of the Master Agreement, the rights and obligations of the Parties as per the Master Agreement without prejudice to the time agreed to between the Lessee and the Leasing Company, no further obligations exist towards one another as per any Lease Agreement.
- 12.9. None of the parties shall make known information of any kind or provide concerning the other party or the contents of the Master Agreement or Lease Agreement to any third party without the prior written consent of the other party, even after the termination of the Master Agreement or Lease Agreement.
- 12.10. If any provision of these Terms & Conditions, the Master Agreement and the Lease Agreement is found to be void or annulled by a court may affect the validity of the remaining provisions.
- 12.11. On the General Conditions, the Master Agreement and Lease Agreement are governed by Dutch law. The Vienna Sales Activity C. A. does not apply. Disputes arising from any one of these three documents shall be submitted to the competent court in Rotterdam for proper settlement.