

IVECO NEW ZEALAND PURCHASE ORDER TERMS & CONDITIONS FOR BODYBUILDER

These standard terms and conditions of purchase are incorporated into IVECO's Order, and in addition to any other terms contained in the Order, shall exclusively govern IVECO's Order. IVECO rejects any additional or different terms and conditions proposed by the Bodybuilder at any time in any proposal, quotation, acknowledgement, acceptance, invoice or other document in whatever form presented by the Bodybuilder and any such additional or different terms and conditions proposed by the Bodybuilder shall be void and shall not form part of the agreement between the parties of the supply of products unless expressly agreed upon by IVECO by incorporation in the Order or expressly agreed upon by the parties entering into a separate Bodybuilder Agreement on terms substantially in the form of the standard IVECO Bodybuilder Agreement.

1. DEFINITIONS AND INTERPRETATION

1.1. DEFINITIONS

In this Order the following words have the following meanings:

Acceptance means a written acceptance by IVECO of the Agreed Checklist following inspection of the Complete Vehicle (or written waiver of the right to inspect);

ADRs mean the Australian Design Rules relevant to the Specifications for Integration of the Works on the Completed Vehicle;

Agreed Checklist means a prescribed set of criteria to assess the condition of the Incomplete Vehicle at the point of delivery to the Bodybuilder and also of the Complete Vehicle at the point of delivery by the Bodybuilder to IVECO;

Bodybuilder Guidelines mean the IVECO Bodybuilder Guidelines for the relevant Incomplete Vehicle, as published by IVECO from time to time;

Complete Vehicle means a complete commercial vehicle following the Integration of the Works on the Incomplete Vehicle so as to facilitate Final Customer Acceptance;

Design means the drawings of the Works as amended or applicable from time to time;

ECEs means or the vehicle regulations of the United Nations Economic Commission for Europe relevant to the Specifications for Integration of the Works on the Completed Vehicle,

Final Customer means the customer specified in the Order;

Final Customer Acceptance means when the Final Customer takes delivery of the Complete Vehicle and pays IVECO;

Goods means materials or equipment which IVECO may request the Bodybuilder to provide to achieve the primary objective of modifying IVECO Vehicles and/or mounting materials or equipment on IVECO Vehicles as more particularly set out in the Order;

Incomplete Vehicle means the vehicle specified by IVECO as part of the request for quote;

Integration means the integration of the Works on the Incomplete Vehicle by the Bodybuilder, including all activities necessary to build a Complete Vehicle;

Intellectual Property Rights mean all patents, rights to inventions, utility models, copyright and related rights, trademarks, service marks, trade, business and domain

names, rights in trade dress or get up, rights in goodwill or to sue for passing off, unfair competition rights, rights in design, rights in computer software, database rights, moral rights, rights in confidential information (including know-how and trade secrets) and any other intellectual property rights, in each case whether registered or unregistered and including all applications for and renewals or extension of such rights, and all similar or equivalent rights or forms of protection in any part of the world;

IVECO means IVECO Trucks Australia Ltd (NZBN 9429038904172), a registered overseas company of and includes its successors and assigns.

Joint Inventory Terms and Conditions means the joint inventory terms and conditions attached as Annexure 4;

Legislative Requirements means and includes:

- Acts, Ordinances, Regulations, by-laws, orders, awards and proclamations of the jurisdiction where the Works are being carried out;
- certificates, licences, consents, permits, approvals and requirements of organisations having jurisdiction in connection with the carrying out of the Works; and
- any codes relevant to the Works and the ADRs and the ECEs,

Main Contract (if applicable) is the contract or tender between IVECO and the Final Customer set out or referred to in the Order;

Order means this Order and all other documents necessary to, or incidental to, and forms part of the Order and any amendment to or replacement of the Order issued by IVECO from time to time and shall include these Purchase Order Conditions;

Parties shall mean IVECO and the Bodybuilder;

Purchase Order Conditions means any special instructions pertaining to the construction of the Works;

Personal Property Securities Register means the Personal Property Securities Register established by the PPSA;

PPSA means the application of the Personal Property Securities Act 1999 (New Zealand) and in this Order, unless the contrary intention appears, the terms "financing statement", "financing change statement", "proceeds" and "verification statement" each have the meaning given to that term in the PPSA legislation;

Quality Protocol means the quality protocol attached as Annexure 1;

Recall Campaign Obligations means the recall campaign obligations attached as Annexure 3;

Security Agreement means the security agreement under the PPSA created between the Bodybuilder and IVECO;

Security Interest has the meaning given to it by the PPSA;

Specification means the specification and plans to fit materials and equipment to the Incomplete Vehicle;

Statement of Requirement means IVECO's requirement for the Integration of the Works on the Incomplete Vehicle as set out in the Order, or in the quotation from the Bodybuilder or as otherwise agreed in writing;

Warranty Terms and Conditions means the warranty terms and conditions attached as Annexure 2;

Work or Works means any apparatus, structure, assembly, equipment or other item constructed or purchased by the Bodybuilder and then integrated by the Bodybuilder with the Incomplete Vehicle so as to build a Complete Vehicle

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1.2. INTERPRETATION

- 1.1.1 In this Order words denoting the singular shall include the plural and vice versa, words denoting one gender shall include all genders.
- 1.1.2 Any clause heading used is for convenience only and shall not in any way affect the construction or the interpretation of this Order.

2. SCOPE OF THIS ORDER

- 2.1 In placing this Order IVECO may be subcontracting the Bodybuilder to supply the Works in performance of obligations under a Main Contract. The Bodybuilder warrants and undertakes that it shall not by act or omission cause or contribute towards IVECO being in breach of the Main Contract.

3. ORDER

- 3.1 The Bodybuilder acknowledges that it is not the exclusive provider of the Works to IVECO and IVECO:
 - 3.1.1 does not commit to any minimum volume and the only binding commitments on IVECO shall be those expressly taken under an Order; and
 - 3.1.2 may, if it deems fit, engage other bodybuilders to perform the Works on the Incomplete Vehicles.
- 3.2 Each properly issued Order and the Statement of Requirement will be deemed upon issue to create a separate contract between IVECO and the Bodybuilder incorporating the Purchase Order Conditions for the purpose of the Bodybuilder executing its obligations under the Order.

4. DESIGN COMPLIANT WITH ADRS AND ECES AND OTHER REGULATORY REQUIREMENTS

- 4.1 At IVECO's request the Bodybuilder has prepared, or will prepare, the Design to convert the Incomplete Vehicle to a Complete Vehicle.
- 4.2 The Bodybuilder warrants that the Design and the Specification will comply with all ADRs, ECES, Legislative Requirements and the Bodybuilder Guidelines.

5. REQUIREMENTS RELATING TO INTEGRATION

- 5.1 The Bodybuilder shall implement, observe, perform and comply with all procedures aimed at assuring IVECO of the quality of the Completed Vehicles, as set out in the Quality Protocol and the Order.
- 5.2 The Bodybuilder agrees and commits to IVECO that the Completed Vehicles shall conform to the Specification and Design requested by IVECO.
- 5.3 The Bodybuilder will comply with the Design and Specifications and will provide a certificate of conformity to confirm the Works conforms to the Design and Specification.
- 5.4 If the Complete Vehicle will be rated over 3500 kg GVM the Bodybuilder must have the Works certified by an engineer with an LT400 certificate where required under New Zealand law.
- 5.5 The Bodybuilder shall allow IVECO to conduct audits of the production facility (including a Production,

Compliance and Process Audit (PCPA) and a Certified Quality Assurance Audit (CQA)) at any reasonable time with reasonable notice.

- 5.6 The Bodybuilder will comply with any reasonable findings of IVECO as a consequence of any such audit for the purpose of IVECO.
- 5.7 Before starting any Works under the Order, the Design shall be submitted to the written approval of IVECO (**Final Vehicle Release**), on the basis of the following:
 - 5.7.1 the results of tests intended to verify the reliability of a pre-production series of the Complete Vehicle;
 - 5.7.2 the verification of the tests;
 - 5.7.3 the reliability of the production process; and
 - 5.7.4 the results of the reliability tests which the Bodybuilder shall periodically perform on its production process.
- 5.8 In any event, the provision by IVECO of Final Vehicle Release in relation to any Design shall neither mitigate nor modify the Bodybuilder's obligations, as set out in this Order, included but not limited to maintaining and attaining the quality standards and/or targets required under this Order, in relation to such Complete Vehicle type, nor shall it in any way restrict any of IVECO rights under this Order and/or applicable law nor prevent IVECO from claiming any damage, loss and/or costs or expenses due to any possible defect of any Complete Vehicle.
- 5.9 Bodybuilder undertakes to make the Integrations ordered by IVECO using, if possible, original IVECO's spare parts and components.
- 5.10 The Bodybuilder must comply with all Legislative Requirements including but not limited to all laws pertaining to work, health safety and environment.

6. VARIATION

- 6.1 IVECO may seek variation to the Design and/or Specification for Integration of the Works in writing (Variation Order) to the Bodybuilder, which shall include the following details:
 - 6.1.1 a description of the variation to be completed under the Variation Order;
 - 6.1.2 additional alteration or modification in the Integration of the Works; and
 - 6.1.3 the program for carrying out the variation, including the commencement date for those variation; and
 - 6.1.4 any special conditions applying to the variation.
- 6.2 The Bodybuilder must provide IVECO with written notice:
 - 6.2.1 accepting the variation to the Integration to the Works; or
 - 6.2.2 containing detailed reasons why it cannot accept the variation, within 5 days of receipt of the Variation Order, or such other period of time as may be agreed in writing by both Parties.
- 6.3 If the Variation Order is accepted under this clause:
 - 6.3.1 the variation set out in that Variation Order will become part of the Integration of the Works

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and must be performed in accordance with the Order and any requirements or special conditions (if any) specified in the Variation Order; and

- 6.3.2 the adjustment to the price due to variation, if any, set out in that Variation Order becomes part of the price and must be paid in accordance with clause 7.

7. PRICES AND CONDITIONS OF PAYMENT

- 7.1 The price for the Integration of the Works is set out in the Order and is fixed unless varied by mutual consent of both Parties in writing from time to time. If the Parties are unable to the variation of the price, the Parties agree to resort to dispute resolution provisions under clause 31.
- 7.2 The price stated in the Order will be excluding GST unless mentioned otherwise in the Order.
- 7.3 Upon delivery of the Completed Vehicle, or as otherwise notified by IVECO, the Bodybuilder must submit to IVECO a tax invoice for the price set out in the Order.
- 7.4 Unless otherwise agreed, IVECO must pay the invoice on the 20th of the month following the date on which the tax invoice is submitted by the Bodybuilder subject to clause 7.6.
- 7.5 Payment of invoice is not an evidence of the Acceptance of the Complete Vehicle nor is it an admission of liability or acceptance of the Bodybuilder's performance or compliance with the Order.
- 7.6 IVECO may deduct from moneys otherwise due to the Bodybuilder any debt or other moneys due to IVECO by the Bodybuilder and any other claims which IVECO may have against the Bodybuilder.

8. GST

- 8.1 For the purpose of this clause, GST means any goods and services tax imposed by the Goods and Services Tax Act 1985 and any associated legislation and regulations.
- 8.2 An amount payable by a party in respect of this Agreement for a taxable supply by Supplier, unless expressed to represent the GST inclusive price for the supply, represents the value of the supply and the recipient must, in addition and at the same time pay to the supplier the GST payable in respect of the supply.
- 8.3 A party is not required by clause 8.1 to pay GST on a taxable supply under the Agreement until given a valid tax invoice for the supply.

9. DELIVERY OF COMPLETE VEHICLE

- 9.1 Delivery of the Complete Vehicle shall be made by the Bodybuilder in accordance with the Order. The date for completion of Incomplete Vehicle and subsequent delivery of the Complete Vehicle will be as set out in the Order. Time for completion of the Works and delivery of the Complete Vehicle shall be of the essence.
- 9.2 The Bodybuilder shall permit IVECO or its authorised

representatives to inspect or test the Goods, partially Complete Vehicles and Complete Vehicles (as IVECO may reasonably require) and in this regard the Bodybuilder shall afford all reasonable facilities and assistance (free of charge) at its premises. No failure to make a complaint at the time of such inspection or tests and no approval given during or after such tests or inspections shall constitute a waiver by IVECO of any of its rights or remedies.

- 9.3 Any waiver by IVECO of inspection of the Complete Vehicle for the purposes of Acceptance shall be in writing.

10. DELIVERY, STORAGE AND INSURANCE OF INCOMPLETE VEHICLE

- 10.1 Prior to delivery by IVECO of the Incomplete Vehicle to the Bodybuilder, IVECO shall complete the Agreed Checklist at the premises of IVECO, its dealer or its agent. Should imported Incomplete Vehicle be shipped directly to the Bodybuilder, IVECO reserves the right to carry out the Agreed Checklist process at the Bodybuilder's premises with the Bodybuilder's prior approval which shall not be unreasonably withheld or delayed.
- 10.2 Unless otherwise agreed in writing all Incomplete Vehicle will be delivered to the Bodybuilder's premises. Upon delivery and whilst in the presence of the delivery agent/driver, the Incomplete Vehicle must be thoroughly inspected. Any damage found in the Incomplete Vehicle must be notified by the Bodybuilder to IVECO by completing IVECO form 'Damage shortage report' delivered with the Incomplete Vehicle and emailing at iveco.drr@cnhind.com it to IVECO on the date the Incomplete Vehicle is delivered to the Bodybuilder. Damage if not already shown on the form will be added and countersigned by the driver before leaving the Bodybuilder's premises. The Bodybuilder will pay IVECO the costs to repair any damage found on the Complete Vehicle which has not been notified to IVECO in accordance with this procedure. The Bodybuilder also must notify IVECO immediately if the Specification of the Incomplete Vehicle is not correct.
- 10.3 The Bodybuilder must insure (noting the interest of IVECO) the Incomplete Vehicle, partially Complete Vehicles and Complete Vehicles for all risks until such time as the Complete Vehicle is accepted by IVECO from the Bodybuilder.
- 10.4 The Incomplete Vehicle, partially Complete Vehicle and Complete Vehicle (to the extent such vehicle is owned by IVECO) will be comprehensively insured by IVECO against fire, accident and theft. If such vehicle is damaged in any way or is not returned to IVECO in the same condition as provided, subject to the Works the Bodybuilder shall immediately on demand either:
- 10.4.1 pay IVECO an amount equal to the cost of work to reinstate such vehicle to the condition prior to the damage; or
- 10.4.2 reimburse IVECO the applicable excess should IVECO determine in its sole discretion to claim the damage under its policy of insurance.

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10.5 The Bodybuilder will follow any reasonable recommendations which IVECO may give in relation to the storage and handling of the Incomplete Vehicle, partially Complete Vehicles and Complete Vehicles and shall make the same available to IVECO who may inspect the same upon not less than 2 hours prior notice on any working day and who may for the purposes of such inspection enter upon any land or into any building owned or leased or occupied by the Bodybuilder where such Incomplete Vehicle, partially Complete Vehicle or Complete Vehicle may be stored.

10.6 In the event of any deterioration of or damage to any Incomplete Vehicle, partially Complete Vehicle or Complete Vehicle or any part of such a vehicle which is attributable to a failure by the Bodybuilder to comply with any recommendation given in accordance with clause 10.5 the Bodybuilder will at its own expense refurbish such Incomplete Vehicle, partially Complete Vehicle or Complete Vehicle to the reasonable satisfaction of IVECO. Any work which must be carried out by IVECO shall require issue by the Bodybuilder of a separate Order. Should such deterioration or damage occur following Acceptance, IVECO reserves the right to recommence the Acceptance process following repair of the Incomplete Vehicle, partially Complete Vehicle or Complete Vehicle or any part of these, as applicable.

11. OWNERSHIP OF INCOMPLETE VEHICLE, GOODS AND COMPLETE VEHICLE

11.1 All Incomplete Vehicle, Goods, partially Complete Vehicle or Complete Vehicle whilst in the possession or control of the Bodybuilder which have been supplied pursuant to the Order shall be held by the Bodybuilder as a bailee for and on behalf of IVECO. For the avoidance of doubt the Bodybuilder shall have no right of possession or retention in respect of any Incomplete Vehicle, partially Complete Vehicle or Complete Vehicle by virtue of the supply of Goods or Works.

11.2 All legal and equitable title to and property in any Incomplete Vehicle, Goods, Works, partially Complete Vehicle and Complete Vehicle shall at all times remain vested in IVECO.

11.3 The Bodybuilder grants IVECO, its agents and employees an irrevocable licence at any time to enter any premises where the Incomplete Vehicle, partially Complete Vehicle or Complete Vehicle are or may be stored to recover them.

11.4 The Bodybuilder undertakes promptly to do and perform all further acts and execute and deliver all further documents (in form and content reasonably satisfactory to the IVECO) required by law or reasonably requested by IVECO to protect IVECO's title to, Security Interest, and property in any and all of the Incomplete Vehicle, Goods and Complete Vehicles, including, without limitation, executing any document and performing any action in order for the IVECO to register its Security Interest under the PPSA

and any other legislation and laws from time to time and ensure that IVECO's Security Interest in the Incomplete Vehicle, Goods and Complete Vehicles constitutes and remains a first ranking Security Interest.

12. WAIVER OF LIEN

12.1 The Bodybuilder waives any lien that it might otherwise have or be capable of exercising (whether at the date of the Order or subsequently) over any Incomplete Vehicle, Goods, Works, partially Complete Vehicle or Complete Vehicle which may be in the Bodybuilder's premises, possession or control pursuant to this the Order, services carried out, monies due or otherwise whether pursuant to this Order or otherwise. Further, the Bodybuilder shall not allow any lien, encumbrance or charge in favour of any third party to arise or subsist in relation to any such Incomplete Vehicle, Goods, Works, partially Complete Vehicle or Complete Vehicle.

13. DOCUMENTATION

13.1 The Bodybuilder must furnish to IVECO the following documentation:

13.1.1 Specifications for the Integration, or any other modifications to the Incomplete Vehicle;

13.1.2 all technical publications required to assist the Complete Vehicle in the field, including user manual and operations manual, if applicable;

13.1.3 a list of special tooling required relating to the Works, if applicable;

13.1.4 a copy of the booklet of instructions for use and maintenance of any Works; and

13.1.5 any other documentation necessary to ensure the correct use of the Complete Vehicle, including at least:

(i) quality control sign off for each Complete Vehicle;

(ii) spare parts catalogue;

(iii) a list of suggested spare parts for ten years of use of the Complete Vehicle.

(iv) all process related documents for warranty claims,

13.2 The above-mentioned documentation shall be delivered by the Bodybuilder to IVECO:

13.2.1 in a hard and softcopy format capable of tracking the version release; and

13.2.2 on or before the Acceptance of the Complete Vehicle.

13.3 The Bodybuilder is not permitted to make changes to the documentation without first obtaining IVECO's written approval.

13.4 In the event the Bodybuilder fails to deliver any of the above documents, the Complete Vehicle may not be accepted by IVECO.

14. SUPPLY PROCEDURES

14.1 Before issuing the Order IVECO and the Bodybuilder shall agree upon a delivery program, addressing both the delivery of the Incomplete Vehicles by IVECO to the Bodybuilder and the delivery of Complete Vehicles by the Bodybuilder to IVECO (**the Delivery**

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- Program).
- 14.2 The Delivery Program is to be agreed before the proposed delivery date of any Incomplete Vehicles to the Bodybuilder.
- 14.3 The Parties shall be bound to comply with the delivery dates under the Delivery Program, save for an allowance of 5 working days for IVECO, and save for an allowance of 5 working days for the Bodybuilder.
- 14.4 If due to a Force Majeure event either Party despite using best endeavours is unlikely to meet the Delivery Program, that Party must immediately bring it to the attention of the other Party and discuss with the other Party revised delivery dates.
- 15. LIQUIDATED DAMAGES**
- 15.1 In the event the Bodybuilder fails to deliver on time any Complete Vehicles in accordance with the Delivery Program as per clause 14 above, the Bodybuilder shall pay to IVECO a pre-estimated amount covering the damages suffered by IVECO (**the Liquidated Damages**).
- 15.2 The Liquidated Damages in the reasonable estimation of the Parties shall be equal to 2% (per week or part of a week) of the value stated in the Order/s multiplied by each week or part of week of delay. The Bodybuilder acknowledges and agrees that the quantum of the Liquidated Damages stated in Order are IVECO's pre-estimated genuine losses and the Bodybuilder will not assert against IVECO, nor shall bring any claim against IVECO, regarding invalidity of Liquidated Damages whether under this Order, in tort, equity or otherwise.
- 15.3 Notwithstanding this clause, IVECO shall be entitled to recover any further losses or damages and to enforce any other rights or remedies IVECO may have at law or in contract.
- 15.4 The Bodybuilder acknowledges and agrees that IVECO may agree under the Main Contract or otherwise with the Final Customer liquidated damages for delay in delivery of Complete Vehicles higher than those set forth under clause 15.2 above, then notwithstanding the Liquidated Damages stated in clause 15.2, the Parties agree that IVECO will apply the liquidated damages agreed in the Main Contract and these will be set out in the Order, or in the quotation from the Bodybuilder or as otherwise agreed in writing.
- 15.5 Moreover, the Parties agree that IVECO shall have the right to set-off amounts due by the Bodybuilder to IVECO for liquidated damages towards amounts due by IVECO to the Bodybuilder for whatever reasons.
- 16. INTELLECTUAL PROPERTY**
- 16.1 Where the Parties agree in writing that Intellectual Property Rights exist in the Design and Specification and may be created in the Goods, clauses 16.2 to 16.4 shall apply to the exclusion of clause 16.5. In all other cases clause 16.5 shall apply to the exclusion of clauses 16.2 to 16.4.
- 16.2 Unless otherwise agreed in writing by the Parties:
- 16.2.1 all Intellectual Property Rights in the Design and Specification supplied by IVECO to the Bodybuilder and any modification or improvements to any such Design and Specification shall be owned solely by IVECO; and
- 16.2.2 all Intellectual Property Rights arising out of Goods (whether pursuant to the Design and/or Specification or not) shall vest in IVECO upon creation and the Bodybuilder hereby assigns and will procure that the Bodybuilder's personnel assign such rights to IVECO.
- 16.3 IVECO grants to the Bodybuilder a non-exclusive, royalty-free licence to use Intellectual Property Rights to the extent required for and for the sole purpose of providing the Goods and Works.
- 16.4 The Bodybuilder shall fully indemnify and hold IVECO and its officers and affiliates harmless against all loss, damages, costs (including legal fees) and expenses awarded against or incurred by IVECO in connection with any claim for infringement of any Intellectual Property Rights, or any third party rights whatsoever of any other person (**Intellectual Property Claim**) which results from the Bodybuilder's use of Intellectual Property Rights other than in accordance with IVECO's written instructions and/or other than for the purpose for which it was intended.
- 16.5 The Bodybuilder shall fully indemnify and hold IVECO and its officers and affiliates harmless against all loss, damages, costs (including legal fees) and expenses awarded against or incurred by IVECO in connection with any claim for infringement of any Intellectual Property Rights, or any third party rights whatsoever of any other person (**Intellectual Property Claim**) which results from the Bodybuilder's supply of Goods and/or Works to IVECO and IVECO's subsequent supply of same to its Final Customer.
- 17. WARRANTY**
- 17.1 The Bodybuilder must provide IVECO (transferable to the Final Customer and any subsequent owner or operator of the Complete Vehicle) with a manufacturer's warranty in respect of the Work, for the period (**Warranty Period**) and pursuant to the Warranty Terms and Conditions, for the Complete Vehicles, relating to the Integration of the Works on the Incomplete Vehicle, as a whole and to their individual parts and components, against any defect, whether of Design or of construction (**Warranty**).
- 17.2 In the event that IVECO has agreed with the Final Customer upon separate conditions of warranty, different from those mentioned in the Warranty Terms and Conditions, the Bodybuilder undertakes to give, in relation to the Integration, a warranty identical in terms and conditions to that one given by IVECO to the Final Customer (for this purpose IVECO shall mention in the Order the special warranty given to the Final Customer) or this will be noted in the quotation from the Bodybuilder or otherwise agreed in writing.
- 18. RECALL-CAMPAIGNS**
- 18.1 The Bodybuilder shall cooperate with IVECO in any recall-campaign in accordance with the Recall Campaign Obligations.

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18.2 Save for IVECO's right to recovery of the further loss or damage, the duties of the Bodybuilder provided in clause 17 will operate also in case of recall-campaigns.

19. ASSISTANCE

19.1 The Bodybuilder undertakes to supply spare parts for the Works and to make available the services of technicians to assist the Final Customer even after the Warranty Period for the Works has expired.

19.2 The Bodybuilder shall arrange to carry out repair and maintenance work on the Works (whether under the terms of the Warranty or otherwise) not only at the Bodybuilder's service premises, but also, whenever possible, at the premises of IVECO's authorised dealers, allowing the Final Customer a facility to have the Works attended to at the same time as work is performed on the Incomplete Vehicle.

20. DURATION AND TERMINATION

20.1 IVECO may terminate this Order at any time, without cause or reason, by giving the Bodybuilder 30 days notice and the Bodybuilder will have no claim against IVECO on account of termination of the Order by IVECO under this clause.

20.2 IVECO may in its unfettered discretion cancel or terminate an Order issued pursuant to these terms and conditions without notice. Upon termination if:

20.2.1 The Bodybuilder has not ordered Goods or commenced the Works at the date of receiving the notice terminating the Order, the Bodybuilder must upon receiving the notice immediately cease performance of the Order and the Bodybuilder will have no claim against IVECO whatsoever whether under this Order, in contract, tort, equity or otherwise to claim any compensation or damage from IVECO;

20.2.2 the Bodybuilder has already ordered Goods (but not commenced the Works) at the date of receiving the notice terminating the Order, Bodybuilder must not progress with the Works and IVECO will be liable to compensate the Bodybuilder for the cost of Goods ordered provided the Goods and the title in the Goods are transferred to IVECO upon payment; and

20.2.3 the Bodybuilder has already commenced Works, the termination of that Order will be ineffective and the performance of the Order will be binding on the Parties,

20.3 Termination of the Order by IVECO pursuant to this clause 20 will not constitute repudiation of these terms and conditions and the compensation payable pursuant to clause 20.2 will be a full and final satisfaction on account of the termination of the Order or and the Bodybuilder releases IVECO from any other or further claims in respect of such termination other than in respect of the amounts payable under clause 20.2.

20.4 Either Party shall have the right to terminate an Order or Orders :

20.4.1 if the other Party commits a material default of

any of its undertakings under the Order, provided that prior to termination of the Order the non-defaulting Party shall notify the other Party of the default in writing, stating a reasonable time, at all events, not exceeding thirty (30) days from the date the notice is received, within which the defaulting Party shall have to remedy said default.

20.4.2 For this purpose representatives of the Parties shall meet as soon as possible to agree on how to remedy said default.

20.4.3 Should said default remain unremedied for the reasonable period stated in the above mentioned written notice, the non-defaulting Party may terminate this Order at the end of said reasonable period upon giving written notice to the other Party.

For clarity of doubt, notwithstanding any other provision in this Order, unless and until the termination notice clearly states termination of any Order will not operate to terminate other Orders.

20.5 On termination of this Order:

20.5.1 accrued rights or remedies of a party under the Order (maybe) are not affected;

20.5.2 the Bodybuilder must handover all Goods and Incomplete Vehicle or partly Complete Vehicle or Complete Vehicle to IVECO; and

20.5.3 each Party must deliver to the other Party any of the other's Confidential Information or Intellectual Property in its care, custody or control.

21. LIABILITY AND INDEMNITY

21.1 Without prejudice to the provisions of clause 15 the Bodybuilder shall indemnify and hold IVECO harmless from all claims and all direct, indirect or consequential liabilities (including loss of profits, loss of business, depletion of goodwill and similar losses), penalties, fines, costs, proceedings, damages and expenses (including legal and other professional fees and expenses) awarded against, or incurred or paid by IVECO as a result of or in connection with any claim made against IVECO in respect of any liability, loss, damage, injury, cost or expense sustained by IVECO, its employees, agents or customers or any other third party to the extent that such liability, loss, damage, injury, cost or expense (including penalty and fine) was caused by, relates to or arises from the provision of the Goods or the Works or as a consequence of a direct or indirect breach or negligent performance or failure or delay in performance of this Order by the Bodybuilder.

21.2 The Bodybuilder shall put in place and maintain product liability insurance cover in a minimum sum of AUD \$10 million (or such other amount as specified in the Order, Main Contract, the quotation from the Bodybuilder or as otherwise agreed in writing) with IVECO noted on the policy as the name insured with a reputable insurance company which shall insure the Bodybuilder against its liabilities to IVECO and third parties in relation to the Works and/or

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Goods. Upon the request of IVECO, the Bodybuilder shall provide IVECO with a written statement from its insurance broker confirming that the insurance required by this clause 21 remains in full force and effect and provide a copy of the insurance policy and evidence of payment

21.3 The Bodybuilder will comply with the requirements under the Accident Compensation Act 2001..

22. FORCE MAJEURE

22.1 A Party is not liable for failure to perform any of its obligations under the Order, if it can prove:

- 22.1.1 that the failure was due to an impediment outside its control; and
- 22.1.2 that it could not reasonably be expected to have taken the impediment and its effects upon its ability to perform into account at the time of execution of the Order; and
- 22.1.3 that it could not reasonably have avoided or overcome it or at least its effects.

22.2 Should a case of force majeure occur, the Party affected by the impediment shall promptly give notice to the other Party of said impediment and its effects on its ability to perform.

23. CONFIDENTIALITY

23.1 The Parties undertake to keep confidential and not to disclose to any third party or to use themselves other than for the purposes of this Order or as permitted under or in accordance with this Order any confidential or secret information in any form directly or indirectly belonging or relating to the other, disclosed by the one and received by the other pursuant to or in the course of or performance of the Order, and the existence and terms of this Order (**Confidential Information**).

23.2 Each of the Parties undertakes to disclose Confidential Information of the other only to those of its officers, employees, agents and contractors, to whom and to the extent to which, such disclosure is necessary for the purposes contemplated under this Order and to ensure that all such personnel abide by the terms set out in these terms and conditions.

23.3 The obligations of Confidentiality contained in the Order shall survive the expiry or termination of the Order for any reason but shall not apply to any confidential information which:

- 23.3.1 is publicly known at the time of disclosure to the receiving party;
- 23.3.2 after disclosure becomes publicly known otherwise than through a breach of the Order by the receiving party, its officers, employees, agents or contractors;
- 23.3.3 can be proved by the receiving party to have reached its hands otherwise than by being communicated by the other party including being known to it prior to disclosure, or having been developed by or for it wholly independently of the other party or having been obtained from a third party without any

restriction on disclosure on such third party of which the recipient is aware, having made due enquiry; and

23.3.4 is required by law, regulation or order of a competent authority (including any regulatory or governmental body or securities exchange) to be disclosed by the receiving party, provided that, where practicable, the disclosing party is given reasonable advance notice of the intended disclosure.

24. REMEDIES

24.1 If any Goods or Works are not supplied in accordance with, or the Bodybuilder fails to comply with, any terms of the Order, IVECO shall be entitled (without prejudice to any other right or remedy) to exercise any one or more of the following rights or remedies:

- 24.1.1 to rescind the Order;
- 24.1.2 to refuse to accept the provision of any further Goods or Works by the Bodybuilder and to require the immediate repayment by the Bodybuilder of all sums previously paid by IVECO to the Bodybuilder under the Order;
- 24.1.3 to require the Bodybuilder without charge to IVECO, to carry out such additional work as is necessary to correct the Bodybuilder's failure; and
- 24.1.4 in any case to claim such damages as it may have sustained in connection with the Bodybuilder's breach or breaches of these terms and conditions.

24.2 All rights and remedies of the Parties, or either of them, shall be in addition to all other legal rights and remedies belonging to them and the same shall be deemed to be cumulative and not alternative to such legal rights and remedies.

24.3 The termination of the Order shall not affect any right or claim which shall or may have accrued or arisen prior to such termination.

25. PPSA

25.1 If the Order constitutes a Security Agreement for the purposes of the PPSA, then this clause 25 shall apply, and the Bodybuilder grants to IVECO a Security Interest in all present and after acquired Goods held by the Bodybuilder for IVECO and all proceeds of the Goods:

- 25.1.1 unless otherwise agreed to in writing by IVECO, the Bodybuilder waives its right to receive a verification statement in respect of any Financing Statement registered on the Personal Property Securities Register in respect of the Security Interest created by the Order in accordance with PPSA;
- 25.1.2 the Bodybuilder agrees that nothing in section 114(1)(a), 133 and 134 of the PPSA shall apply to this Order;
- 25.1.3 Pursuant to section 107 of the PPSA, the Bodybuilder agrees that its rights as debtor in sections 116, 120(2), 121, 125, 126, 127, 129 and 131 of the PPSA shall not apply to this Order;

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25.1.4 to the extent permitted by law, the Bodybuilder agrees IVECO owns, and the Bodybuilder waives any rights it may have to, anything installed in or affixed to the Goods;

25.1.5 the Bodybuilder further agrees that where IVECO has rights in addition to those under Part 9 of the PPSA, those rights will continue to apply.

26. EXPENSES

26.1 Except as otherwise specifically provided in the order, each Party shall bear and pay its own expenses (including any fees for legal services) and taxes incurred in connection with the preparation and the entering into of the Order.

26.2 Each Party shall cooperate to the extent practicable in minimising all taxes and fees levied by reason of the supplies contemplated under the Order.

27. ASSIGNABILITY

27.1 Neither party shall have the right to assign its rights or obligations under the Order without the prior written consent of the other party.

27.2 Notwithstanding the above, IVECO shall be entitled to assign an Order in whole or in part to a company belonging to the CNH group or as required under a Main Contract. In such case, shall be effected by written notice by IVECO to the Bodybuilder of the assignment.

28. NON WAIVER OF RIGHTS

28.1 Failure of either Party to enforce any of the provisions of the Order or any rights under the Order or failure to exercise any election provided for in the Order, shall in no way be considered a waiver of such provision, right or election, or in any way affect the validity of the Order.

28.2 The failure of either of the Parties to enforce any of said provisions, rights or elections shall not preclude or prejudice such party from later enforcing.

29. DISCLAIMER OF AGENCY PARTNERSHIP OR JOINT VENTURE

29.1 Nothing in the Order shall be so construed as to constitute either Party as the agent of the other nor shall either Party have the right or authority to assume, create or incur any liability or any obligation of any kind, express or implied, against or in the name of or on behalf of the other Party.

29.2 The Order shall not operate so as to create a partnership or joint venture of any kind between the Parties.

30. JOINT INVENTORY

30.1 Each time the Bodybuilder performs Works for IVECO and the Order states that the Joint Inventory is created, or this is noted in the quotation from the Bodybuilder or is otherwise agreed in writing, these provisions of this Order in conjunction with the Joint Inventory Terms and Conditions will apply.

31. DISPUTES

31.1 Neither Party may commence any court or arbitration proceedings relating to a dispute arising out of or relating to:

31.1.1 the Order; or

31.1.2 any claim in tort, in equity or pursuant to any domestic or international statute or Legislative Requirements,

unless it has complied with the following paragraphs of this clause. Either Party may, however, take action in a court to obtain urgent interlocutory relief.

31.2 A Party claiming that a dispute has arisen must give written notice to the other party specifying the nature of the dispute.

31.3 On receipt of a notice under this clause, the Parties must endeavour in good faith to resolve the dispute within 14 days.

31.4 If the dispute is not resolved within 14 days of such notice referred to in clause 31.2 (or such later period as the Parties may agree to), the Parties must attempt to resolve the dispute by the mediation procedure which is as follows:

31.4.1 the Parties must jointly request the appointment of a mediator. If the Parties fail to agree on the appointment within 7 days of service of the mediation notice, either Party may apply to the President of the New Zealand Law Society or the nominee of the President to appoint a mediator;

31.4.2 once the mediator has accepted the appointment the Parties must comply with the mediator's instructions;

31.4.3 if the dispute is not resolved within 21 days of the appointment of the mediator, or any other period agreed by the Parties in writing, the mediation ceases.

31.5 The Parties shall be jointly responsible for the fees of the mediation and each party must pay its own costs in respect of it.

31.6 The Parties may be legally represented.

31.7 The place of mediation shall be in Auckland New Zealand.

31.8 The mediator shall not be bound by the rules of natural justice and may discuss the dispute with a party in the absence of any other party and their advisors.

31.9 If the dispute is settled both Parties must sign the terms of the agreement and such terms shall be binding on the Parties.

31.10 Subject to clause 31.1 it shall be a condition precedent to the bringing of any legal proceedings in the courts or tribunals having jurisdiction in respect of any such dispute that the Parties have first adopted this mediation procedure except where mediation has not occurred within 21 days of the mediator being agreed or nominated pursuant to clause 31.4.2.

31.11 In the event of a dispute under this clause 31, the Parties must continue to comply with the these terms and conditions of Order but no monies need to be paid in relation to the matter under dispute until such time as it is resolved, unless the Parties agree

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otherwise.

warranties in clause 34.1.

32. APPLICABLE LAW

32.1 This Agreement and the Order are governed by and construed in accordance with the laws of New Zealand and each Party irrevocably and unconditionally submits to the non-exclusive jurisdictions of the courts of New Zealand (if the supply of Goods and/or Services or the performance of the Works are performed anywhere in New Zealand).

33. MODERN SLAVERY

33.1 The Bodybuilder must ensure that it and its employees, agents, subcontractors (of any tier) and their employees, agents and sub-subcontractors, engaged for the purposes of providing all or part of the Works:

33.1.1 comply with all applicable laws, regulations, codes and sanctions relating to the prevention and prohibition of modern slavery;

33.1.2 provide reasonable evidence of such compliance on request;

33.1.3 not engage in any activity, practice or conduct which would constitute an offence or be the subject of a penalty under the applicable laws, regulations, codes and sanctions referred to in clause 33.1.1 above;

33.1.4 if applicable, comply with IVECO's anti-slavery policies as published and updated by IVECO from time to time; and

33.1.5 provide such information and assistance as is reasonably required by IVECO to enable it to comply with requirements in clause 33.1.1 above, including, but not limited to, the preparation of a modern slavery statement.

34. CODE OF CONDUCT

34.1 The Bodybuilder represents and warrants, acknowledges and agrees:

34.1.1 to be familiar with, and to comply in all respect with, all laws applicable to IVECO's relationship with the Bodybuilder, including, but not limited to, the applicable anti-corruption laws;

34.1.2 that it undertakes to behave in compliance with the rules and principles reported in the Code of Conduct and agrees to be bound by the terms of it;

34.1.3 it has read and fully understood the contents of the CNH Industrial Supplier Code of Conduct, which the Bodybuilder has downloaded at the following link http://www.cnhindustrial.com/en-us/know_us/suppliers/Pages/default.aspx; and

34.1.4 that it and its principals have not been convicted of, or pleaded guilty to, an offence involving fraud or corruption and they are not now listed by any government agency as debarred, suspended, proposed for suspension or debarment, or otherwise ineligible for government procurement programs.

34.2 The Bodybuilder undertakes to promptly inform IVECO in writing of any change in its representation and

35. ENTIRE AGREEMENT

These terms and conditions and relevant Annexures set out the general understanding of the Parties with respect to the matters covered in these Terms or the Order and supersedes all prior agreements, covenants, arrangements, communications, representations and warranties, whether oral or written by any officer, employee or representative of any of the Parties.

36. SEVERABILITY

Should any provisions of these terms and conditions be or become invalid, illegal or unenforceable under applicable law, the other provisions of these terms and conditions shall not be affected, and, to the extent permissible under applicable law, the Parties shall use their best efforts to modify said invalid, illegal, or unenforceable provisions so as to comply with such laws.

37. MODIFICATIONS

Any modification or addition to the present terms and conditions shall be valid only if agreed in writing by duly authorised representatives of the Parties.

38. ANNEXURES

The Annexures listed below form an integral part of this Order.

Annexure 1	Quality Protocol
Annexure 2	Warranty Terms and Conditions
Annexure 3	Recall Campaigns Obligation
Annexure 4	Joint Inventory Terms & Conditions

ANNEXURE 1 QUALITY PROTOCOL

- A. WHEREAS the continuous improvement of the quality is considered by IVECO an essential pre-requisite of the Bodybuilder.
- B. WHEREAS the quality is considered by IVECO, and must be considered by the Bodybuilder, as a dynamic concept, with a continuous succession of targets and milestones, in order to achieve an uninterrupted improvement, to be reached due to a joint constructive approach.
- C. WHEREAS the quality, as intended by IVECO, is based mainly upon prevention, to be put in practise before the developing and manufacturing process;
- D. WHEREAS IVECO also considers very important, in the evaluation of the Bodybuilder, the efficacy and punctuality of the intervention, in order to preserve the quality;
- E. WHEREAS IVECO has adopted an opportune methodology for the evaluation of the quality of the Bodybuilder and the relevant development, to be applied to any plant of the Bodybuilder;
- F. WHEREAS the evaluation of the behaviour of the Bodybuilder in respect of the quality and confidence of the supplies to IVECO, is deemed by IVECO an

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essential condition to ascertain the compliance of the Bodybuilder itself with the rules governing the supplies;

- G. WHEREAS the Bodybuilder agrees upon the above and warrants to IVECO that the products comprising the supply will meet the technical and qualitative specifics included in the Specification.

NOW THEREFORE, in accordance with the foregoing recitals, the Bodybuilder agrees as follows:

1. The Bodybuilder undertakes to verify and demonstrate the compliance of its project/process, in respect of the requisites of safety, of the applicable laws, national and international, of the prescriptions of use, of the technical specifications of IVECO.
2. At the beginning of the supply the Bodybuilder shall make available to IVECO the documents showing:
 - a. the control plan of receiving of particulars from its suppliers;
 - b. control plan of process; and
 - c. final control plan on the finished product with punctual indications of the qualifying points and relevant levels of control.
3. The Bodybuilder undertakes to give to IVECO's technicians any suggestion and written evaluation concerning the best possible application of its product on IVECO's products, and for the improvement of the intervention on IVECO's product itself.
4. The Bodybuilder shall strictly abide with the Guidelines for the Bodybuilder applicable at the relevant time that have been separately delivered to the Bodybuilder and well known to it.
5. The Bodybuilder will conform with the provisions of the national and international applicable law, concerning product liability, with particular reference to the safety components and spare parts.
6. The Bodybuilder shall take, during the manufacturing process, the opportune measures to rectify the defects found by IVECO.
7. The Bodybuilder shall communicate the adopted provisions to the IVECO's department that has requested them in 2 separate phases:
 - a. The Bodybuilder manufacturing process certification which grants the OKTB and OKTS as per IVECO Audit standards and in accordance with this Order - any defects found during this phase (one off) must be remedied in accordance with this Order.
 - b. Current Product Management (CPM) - This is the process through which IVECO manages the Complete Vehicles in the field. IVECO will notify the Bodybuilder of any defects detected during normal usage by the customer and the Bodybuilder will ensure that any such defects are promptly fixed by the Bodybuilder upon request by IVECO.
 - c. If the warranty period has expired, the Bodybuilder may charge travel time for the Bodybuilder technician's attendance if not at the Bodybuilder's service premises.
8. The product, process or logistic modifications that the Bodybuilder brings to the supplied products shall be

immediately communicated to IVECO for its approval. The Bodybuilder shall give written notice to IVECO of whatsoever variation of the product, and shall deliver the relevant notice of that with the Incomplete Vehicles.

9. It is agreed that:
- a. IVECO's personnel shall be entitled to inspect the Bodybuilder's premises, also during the manufacturing process;
 - b. the Bodybuilder undertakes to accept the criteria and/or rules of inspection established by IVECO, and to verify the conformity of its work until the documented certification, and the conformity of each Complete Vehicle to the Order and to the technical specifications.
 - c. the decision about the integrated vehicles is of IVECO's competence, and IVECO reserves the right to evaluate the correspondence of the integration to the technical specifications by means of analysis of the certification of the Bodybuilder and/or direct check of Complete Vehicles, and also the quality of the work done;
 - d. the Bodybuilder undertakes to make the interventions requested by IVECO, in every stage of the process, in case of non-conformity to the technical specifications;
 - e. It is deemed necessary that a positive evaluation of the Bodybuilder's performance is received from all IVECO's departments, such evaluation to be canvassed at periodical meetings with the top management of the Bodybuilder and adjudicated on the basis of the quality level reached by the products, the attitude of the Bodybuilder for quality (with particular reference to the respect of the engagements in the previous meetings), and with reference to the Bodybuilder's response rates and times to rectify defects.

ANNEXURE 2 WARRANTY TERMS AND CONDITIONS

The Bodybuilder gives to IVECO the following warranty concerning the Work:

1. All materials and labour used in the Integration of the Works will be free from defects in design, materials and workmanship and are guaranteed against failure under normal working conditions in New Zealand for the period, for the kilometres and for the hours and otherwise in accordance with the standard IVECO Trucks New Vehicle Warranty.
2. The Bodybuilder warrants the availability in New Zealand of spare parts produced by the Bodybuilder itself necessary for maintenance of Complete Vehicles, for a period of 10 years from the registration date of last Complete Vehicle. In the event of no availability of the spare parts, the Bodybuilder undertakes to find a different solution to IVECO's satisfaction.
3. Available spare parts not in stock at the Bodybuilder's

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premises will otherwise be made available in 36 hours from the reception of the order. Where a part is no longer available. The Bodybuilder will use every endeavor to source an alternate part as quickly as possible.

ANNEXURE 3 RECALL CAMPAIGN OBLIGATIONS

General

The Work, the relevant Integration and also the spare-parts and components, may be object of recall-campaigns, for its rectification, taking in consideration:

- a. the components concerning the security of the Complete Vehicles;
- b. the components concerning repeated break-downs of or relating to the same causal part, on a minimum of 5 Complete Vehicles.

In the cases above mentioned the following minimum provisions shall apply:

- a. In case of components concerning the security of the Complete Vehicles:
 - i. IVECO reserve the right to intervene in accordance to terms and conditions case by case considered by IVECO, without any prior agreement with the Bodybuilder;
 - ii. the expenses of the intervention will be charged to the Bodybuilder, following the provisions stated below.
- b. In case of components concerning repeated break-downs, on a minimum of 5 Complete Vehicles:
 - i. IVECO will agree with the Bodybuilder upon terms and conditions of the intervention, taking in consideration the seriousness of the break-down;
 - ii. the expenses shall be regulated by the provisions of paragraph 2 below.

In the two cases above, the Bodybuilder undertakes to make available the necessary materials and tools as quickly as possible, and to furnish its assistance for the execution of the intervention. The Parties agree to do jointly all necessary to mitigate the damage and to avoid any further damage.

1. Expenses

- a. IVECO will charge to the Bodybuilder all the expenses sustained, and in particular the expenses for materials and for travelling.
- b. The expenses sustained shall be proved by IVECO, case by case, with an information list, or copy of the relevant invoice.
- c. If so requested and agreed upon, IVECO shall return to the Bodybuilder the materials no longer working.
- d. If the Bodybuilder will not directly intervene, it shall reimburse to IVECO also the cost of labour.

2. Terms

The obligations mentioned above are taken by the Bodybuilder in accordance to these order terms and conditions.

The parties acknowledge that in the event of a recall that relates to the Work, the relevant Integration or spare-parts and components, the Bodybuilder will cooperate and do all things as reasonably required by IVECO.

ANNEXURE 4 JOINT INVENTORY TERMS & CONDITIONS

1. Definitions and interpretation.

In this Annexure, any capitalised terms shall have the meanings attributed to them in the Order.

Joint Inventory shall mean Complete Vehicles which are:

- (a) the subject of the Order for which IVECO does not have a Final Customer, and which have been manufactured to be held as company inventory for retail; and
- (b) in relation to which IVECO gives its consent to the Bodybuilder to treat as Joint Inventory on the terms and conditions of this Order.

In order for a Complete Vehicle to be classified as Joint Inventory the Order relating to it must identify the Complete Vehicles as Joint Inventory or if they change their status subsequent to IVECO issuing the Order, IVECO must notify its agreement to the same in writing to the Bodybuilder.

2. Promotion for sale

- a. The Parties shall each be entitled to actively seek retail prospects for, and promote for sale, any Complete Vehicle or any partially Complete Vehicle which is comprised in the Joint Inventory. If the Bodybuilder obtains a binding commitment from a Final Customer to purchase a unit of Joint Inventory prior to delivery to IVECO in accordance with this Order (a **Retail**), the Bodybuilder will notify IVECO in writing of the Retail as soon as possible and will not accept the offer from the Final Customer until it has received confirmation in writing from IVECO that it may do so. The Bodybuilder will not make any representations or create any liability for IVECO in relation to a Retail contract but will refer the Retail for IVECO to conclude with the Final Customer.
- b. If IVECO procures a Retail it shall notify the Bodybuilder as soon as possible and the relevant unit will immediately cease to be Joint Inventory but shall be a Complete Vehicle as defined in these terms and conditions which will apply in relation to that unit thereafter.

3. Acceptance

- a. Upon completion of the Complete Vehicle comprising Joint Inventory, the Bodybuilder shall supply to IVECO an Agreed Checklist signed by the Bodybuilder's representative. IVECO shall use best endeavours to inspect the Complete Vehicle within seven (7) days of receipt of the Agreed Checklist signed by the Bodybuilder's representative. If in IVECO's opinion the Complete Vehicle is of an acceptable standard, IVECO will sign the Agreed Checklist. If the Complete Vehicle is

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not accepted by IVECO (by way of example but not limitation, because in IVECO's opinion the Complete Vehicle does not meet the Design and/or Specifications), the Bodybuilder shall rectify the deficiencies and reissue an Agreed Checklist signed by the Bodybuilder's representative as soon as practicable.

4. Storage and Insurance of Joint Inventory

- a. The Bodybuilder must insure the Joint Inventory for all risks until such time as each Complete Vehicle comprising the Joint Inventory is delivered by the Bodybuilder to IVECO or a Final Customer.
- b. The Bodybuilder will follow any reasonable recommendations which IVECO may give in relation to the storage and handling of Joint Inventory and shall make the same available to IVECO who may inspect the same upon not less than 2 hours prior notice on any working day and who may for the purposes of such inspection enter upon any land or into any building owned or leased or occupied by the Bodybuilder where such Joint Inventory may be stored.
- c. In the event of any deterioration of or damage to any Joint Inventory which is attributable to a failure by the Bodybuilder to comply with any recommendation given in accordance with clause 4b of the Joint Inventory Terms and Conditions or otherwise to take reasonable steps to prevent the damage or deterioration of any Complete Vehicle comprising Joint Inventory, the Bodybuilder will at its own expense refurbish Joint Inventory to the reasonable satisfaction of IVECO. Any work which must be carried out by IVECO shall require issue by the Bodybuilder of an Order. Should such deterioration or damage occur following Acceptance, IVECO reserves the right to recommence the Acceptance process following repair of Complete Vehicle as applicable.

5. Ownership of Joint Inventory

- a. All Joint Inventory whilst in the possession or control of the Bodybuilder which has been supplied pursuant to this Agreement shall be held by the Bodybuilder as a bailee for and on behalf of IVECO absolutely. The Bodybuilder shall be entitled to a payment of the Relevant Proportion in respect of the sale of Joint Inventory calculated in accordance with clause 5 of the Joint Inventory Terms and Conditions.
- b. Unless and until a Retail has been obtained and notified by the Bodybuilder to IVECO, the relevant proportion of the proceeds of sale of any Joint Inventory payable to the Bodybuilder shall be equal to the value of the Works completed at the time of calculation on that Complete Vehicle.
- c. If the Bodybuilder obtains a Retail for any unit then the Bodybuilder's Relevant Proportion shall be an amount equal to the amount or a percentage of the total sale proceeds relating to that Complete Vehicle set out in the Order.

Bodybuilder undertakes promptly to do and perform all further acts and execute and deliver all further documents (in form and content reasonably satisfactory to the IVECO) required by law or reasonably requested by IVECO to protect IVECO's title to, Security

Interest, and property in any and all of the Joint Inventory, including, without limitation, executing any document and performing any action in order for the IVECO to register its Security Interest under the PPSA and any other legislation and laws from time to time and ensure that IVECO's Security Interest in the Joint Inventory constitutes and remains a first ranking Security Interest.

6. Delivery

- a. If following Acceptance of a Complete Vehicle in accordance with clause 3 of the Joint Inventory Terms and Conditions, and within the period stated in the Order, no Retail has been concluded then the Bodybuilder shall arrange for delivery of the Complete Vehicle to such destination as IVECO instructs in writing.