

TRANSACTION TERMS SUPPLEMENT

PREAMBLE. The following Transaction Terms Supplement (this "**Transaction Terms Supplement**") shall serve to amend and restate certain provisions of Section E 5.3.1 GENERAL TERMS AND CONDITIONS – SCANIA ENGINE PRODUCTS (the "**Original General Terms and Conditions**") and shall apply to all sales of Scania Engine Products by Scania U.S.A. Inc. to a Purchaser in North America.

Paragraph 1. Any and all references within the to "these General Terms and Conditions" in the Original General Terms and Conditions or in this Transaction Terms Supplement shall, unless otherwise specified or unless the context otherwise requires, mean the Original General Terms and Conditions as amended by this Transaction Terms Supplement, it being the intent of the parties that the foregoing be applied and construed as a single instrument.

Paragraph 2. Section 2 of the Original General Terms and Conditions is hereby amended as follows:

(a) The defined term "Purchase Order Transaction Terms" is hereby deleted in its entirety and is replaced with the following:

- "**Purchase Order Transaction Terms**" means the following information in each purchase order accepted by Scania: (a) a list of the Scania Engine Products to be purchased (e.g. engine type), (b) the quantity ordered, and (c) the requested delivery date;

(b) The following defined terms are hereby added to Section 2:

- "**Delivery Point**" means Jeffersonville, Indiana;

Paragraph 3. Sections 8 through 22 of the Original General Terms and Conditions are hereby deleted in their entirety and are replaced with the following new Sections:

8. The Scania Engine Products will be manufactured and delivered within a reasonable time after the date of order, subject to availability of finished Scania Engine Products. Scania shall not be liable for any delays, loss or damage in transit.

9. Unless another destination is agreed to In Writing, all Scania Engine Products shall be delivered Ex-Works to the Delivery Point (Incoterms 2000) using Scania's standard methods for packaging and shipping. Scania may, in its sole discretion, without liability or penalty, make partial shipments of Scania Engine Products to Purchaser. Each shipment will constitute a separate sale, and Purchaser shall pay for such products shipped whether such shipment is in whole or partial fulfilment of the quantity purchased.

10. If for any reason Purchaser fails to accept delivery of any of the Scania Engine Products, or if Scania is unable to deliver the Scania Engine Products because Purchaser has not provided appropriate instructions, documents, licenses or authorizations: (i) risk of loss to the Scania Engine Products shall pass to Purchaser; (ii) the Scania Engine Products shall be deemed to have been delivered; and (iii) Scania, at its option, may store the Scania Engine Products until appropriate delivery is accepted, whereupon Purchaser shall be liable for all related costs and expenses (including, without limitation, storage and insurance).

11. Purchaser shall have no right to cancel an order of Scania Engine Products unless agreed In Writing by Scania and on terms that Purchaser shall indemnify Scania in full against all losses (including lost revenue), costs (including costs of all labor and materials), damages, charges and expenses incurred by Scania. All shortages must be reported to Scania within 30 days of delivery.

12. Title and risk of loss passes to Purchaser upon delivery of the Scania Engine Products at the Delivery Point. As collateral security for the payment of the Price (as defined below) of the Scania Engine Products, Purchaser hereby grants to Scania a lien on and security interest in and to all of the right, title and interest of Purchaser in, to and under the Scania Engine Products, wherever located, and whether now existing or hereafter arising or acquired from time to time, and in all accessions thereto and replacements or modifications thereof, as well as all proceeds (including insurance proceeds) of the foregoing. The security interest granted under this provision constitutes a purchase money security interest under the Delaware Uniform Commercial Code.

13. Unless otherwise agreed In Writing, Purchaser shall purchase the Scania Engine Products from Scania at the prices (the "**Price[s]**") publicized by Scania from time-to-time. Prices may be changed at any time in Scania's sole discretion. Unless otherwise agreed to in writing, the Prices include standard packaging and labeling, but does not include the following, which Purchaser shall pay: handling charges; federal, state and local sales, use, excise, value added, gross receipts or other like taxes; customs duties; freight charges; special packaging, and any insurance desired by Purchaser. Purchaser shall not be responsible for any taxes imposed on, or with respect to, Scania's income, revenues, gross receipts, personnel or real or personal property or other assets.

14. If Purchaser is exempt from an applicable tax or duty, then Purchaser must provide Scania with a valid exemption certificate before shipment of Scania Engine Products. Such charges will be clearly identified on Scania's invoices.

15. If an order from a Purchaser involves a large number of Scania Engine Products, Scania U.S.A. Inc. may be required to have such products manufactured in Sweden to fulfill such order. In such cases, Scania reserves the right to require a security deposit to secure Purchaser's performance with respect to such order. Any such deposit shall be determined in Scania's reasonable discretion and shall be held by Scania to be allocated to and applied against payment of each Scania invoice for Scania Engine Products.

16. Unless otherwise expressly agreed in writing, payment is due within 30 days from the date of invoice. All payments shall be made in U.S. Dollars. If payments are not made when due, Scania reserves the right to charge Purchaser, in addition to the overdue payment, a late charge equal to the lesser of one and one-half percent (1.5%) per month or the highest applicable rate allowed by law on all such overdue amounts. Purchaser shall reimburse Scania for all of Scania's costs of collection, including but not limited to attorneys' fees, incurred in collecting any overdue payments. All remittances are to be made payable to Scania U.S.A. Inc., and mailed directly to the address shown on the invoice and be accompanied by a complete payment breakdown.

17. Scania's acceptance of a Purchase Order is in all situations subject to Scania's credit review of Purchaser. Scania reserves the right, in its sole discretion, to (a) establish and revise credit limits available to Purchaser at any time and from time-to-time at its sole discretion, and (b) require full or partial payment in advance of shipment of any Scania Engine Products. Any delay resulting from a credit review may result in a delay in shipping, which delay shall not subject Scania to any liability. Scania reserves the right, in its sole discretion, to require Purchaser to provide letters of credit satisfactory to Scania.

18. Purchaser shall not, and acknowledges that it will have no right, under these General Terms and Conditions or any other agreement, document or law, to withhold, offset, recoup or debit any amounts owed (or to become due and owing) to Scania or any of its affiliates.

19. Purchaser is in compliance with and shall comply with all applicable laws, regulations and ordinances in relation to the purchase and use of the Scania Engine Products.

20. No distributor, agent, representative, dealer or other person or entity, is authorized to give on Scania's behalf any representation or warranty as to the Scania Engine Products other than the Warranty herein expressed or to assume for Scania any liability relating to or associated with the Scania Engine Products under any circumstances.

21. Any claim by Purchaser that is based on any failure to correspond with specifications, shall be made In Writing to Scania within 10 days from the date of delivery or (where the failure was not apparent on reasonable inspection) within a reasonable time after discovery of the failure. If Purchaser does not notify Scania accordingly, Purchaser shall not be entitled to reject the Scania Engine Products and Scania shall have no liability for such failure.

22. No Scania Engine Product returns will be accepted unless Scania expressly agrees in advance to permit such specific return. Any such Scania Engine Products returned to Scania must be received by Scania within 30 days of the initial shipment and must be in saleable condition. Such permission shall be subject to



Scania's agreement In Writing on a form provided by Scania (Return Product Authorization Form). Inbound freight charges will apply.

Paragraph 4. The parties do hereby ratify and reaffirm all of the terms and provisions of the Original General Terms and Conditions, which, as amended and supplemented by this Transaction Terms Supplement, shall remain in full force and effect.

***** End of Transaction Terms Supplement*****

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.

Paragraph 1. 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.

Paragraph 2. 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.

Paragraph 3. 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.

Paragraph 4. 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*****