

GENERAL TERMS OF SALE**1 General Information**

- 1.1 These general terms of sale form part of all contracts concluded with Asset Alliance Leasing Limited and its subsidiaries (hereinafter referred to as "AA") and all contracts of sale shall be exclusively governed by these general terms of sale. If there is a conflict between the provisions hereof and the provisions of an order, the provisions hereof shall prevail.
- 1.2 Without AA's express written consent any deviations from these general terms and conditions shall not be binding.
- 1.3 If any provision hereof is entirely or partially invalid, the remaining provisions shall remain in force.

2 Orders and Acceptance

- 2.1 All AA quotes shall be of non-committal nature unless a period of validity has been specified. The quote shall not be valid if a relevant product is no longer available at a given time.
- 2.2 An order placed with AA by an ordering party shall constitute an offer by the ordering party to purchase goods in accordance with these conditions and shall be binding only if it has been confirmed and accepted by AA in writing or by AA issuing a pro forma invoice to the ordering party (**AA Confirmation**).
- 2.3 Each contract is concluded subject to AA conducting and being satisfied in its sole discretion with the outcome of creditworthiness assessment of the ordering party.
- 2.4 Once AA has given the ordering party the AA Confirmation, the ordering party may not cancel the order without the express written consent of AA. In the event of any such cancellation, the ordering party shall indemnify and keep indemnified AA against all losses, costs and expenses incurred by AA (i) in carrying out the order up until the time it was notified of cancellation and (ii) any losses, costs and expenses arising out of the cancellation. In addition, in the event that the ordering party had made an advance payment, it shall be retained by AA as a penalty, without prejudice to AA's right to claim damages.

3 Price

- 3.1 Prices are expressed in pounds sterling and are always exclusive of VAT and other costs connected with the sale and delivery, including, but not limited to, government fees and costs connected with transportation, import duties and excise duties.
- 3.2 If the costs that are to be incurred by AA in providing the goods for sale (including, inter alia, costs of materials, transportation, energy, exchange rates) increase after the conclusion of the contract but before the delivery (partial or otherwise), AA shall be entitled to increase the price to cover the cost of such increase.

4 Changes in Order, Additional and Minor Works

- 4.1 Changes in the order, regardless of their nature, shall be effective only if they have been agreed in writing by AA and the ordering party.
- 4.2 If the ordering party, after concluding the contract, wishes to introduce changes to the order, AA shall determine whether such changes are acceptable and on what (further) conditions such changes may be accepted. AA shall have the right to charge the ordering party for any additional costs incurred regardless of the nature of the changes.

5 Delivery Time

- 5.1 Where AA have indicated to the ordering party that an advance payment is payable, AA shall be under no obligation to order or procure the goods until it has received the advance payment, and any other information it requires from the ordering party. Unless otherwise agreed between the parties, AA shall be under no obligation to deliver the goods to, or permit collection of the goods by, the ordering party until it receives payment of the purchase price (in accordance with clause 10.2) and any other sums due to it by the ordering party.
- 5.2 Specified delivery times are indicative and should never be treated as the final time limit. Time is not of the essence.
- 5.3 The ordering party shall not have the right to compensation for any damage, direct or indirect, regardless of its nature, resulting from any delay in specified delivery times and AA shall have no liability for any delay.

6 Delivery and Acceptance

- 6.1 On taking delivery, the ordering party will check the goods to ensure they are satisfactory in all respects. The ordering party shall immediately notify AA in writing of any defect in or other complaint about the goods which arises. If the ordering party fails to give such notice to AA within 7 days from the date of delivery then it shall be conclusively presumed that the goods are complete, in good working order and satisfactory to the ordering party in all respects. The ordering party agrees to sign an acceptance certificate in such form as AA may require, where requested by AA.
- 6.2 After detecting any defect and/or damage, the ordering party is obliged to take or refrain from any possible and necessary actions to prevent (further) damage. The ordering party is further obliged to follow AA's instructions in this respect.

7 Warranties

- 7.1 The goods are not sold to the ordering party with any guarantee, warranty, term, condition or representation (express or implied) about the condition, description, suitability, quality, fitness for purpose, performance or age of the vehicles. All guarantees, warranties, terms, conditions and representations implied by statute or otherwise are expressly excluded to the maximum extent permitted by law. AA shall, at the ordering party's expense, use reasonable endeavours to secure for the ordering party the benefit of any warranties given by the dealer or supplier from whom the Vehicle was purchased or by the manufacturer.

8 Retention of Title and Lien

- 8.1 Title to the goods shall be transferred to the ordering party once the ordering party has settled in full all amounts due to AA, including interest and costs.
- 8.2 If for any reason the goods have been delivered to the ordering party before title has transferred pursuant to clause 8.1 and therefore AA still holds the title to the goods, the ordering party is obliged to hold the goods in trust for AA, as well as to store the goods separately and as recognisable property of AA and the terms of Clause 9.3 shall apply.
- 8.3 If the ordering party fails to fulfil any obligation to AA or AA has reason to believe that the ordering party will fail to fulfil any obligation, AA shall be entitled to take over the delivered goods that are subject to retention of title without prior notice or notice of default, without prejudice to AA's right to claim compensation for damage and without AA's obligation to return any amounts paid by the ordering party. If AA wishes to exercise this right, the ordering party must fully cooperate and inform AA of the location of the goods and provide access to them. If the ordering party fails to do so, they shall pay to AA default interest on the price of the goods, in the amount of 5% per annum over the Bank of England Base Rate from time to time, calculated on a daily basis during the period of failure (both before and after judgment).
- 8.4 Before obtaining title to the delivered goods, the ordering party shall not be entitled to dispose of and/or pledge the goods or otherwise encumber or create any form of security over them.
- 8.5 The ordering party shall indemnify AA against claims that third parties may make against the goods, or against AA concerning the retention of title.
- 8.6 The ordering party shall immediately notify AA if they become the subject of any insolvency or other similar proceedings, or if a creditor or encumbrancer attaches or takes possession of, or distress, diligence, execution, sequestration or other such process is levied or enforced on or sued against the whole or any part of its assets and such attachment or process is not discharged within 14 days.
- 8.7 AA shall have the right, in relation to all claims against the ordering party, to retain all goods of the ordering party which, for any reason, are under AA's control.
- 8.8 It is assumed that AA has been irrevocably authorised by the ordering party to remove goods or to order their removal in the place where they are located. Goods listed on the unpaid invoices and located at the ordering party's premises are deemed to be connected with these invoices and therefore they are subject to retention of title.
- 8.9 The ordering party is also obliged to assign to AA, upon request, the claims which the ordering party has or will have concerning given third parties. If the ordering party fails to do so, this provision shall be considered as an irrevocable authorisation for AA to exercise this obligation.
- 8.10 Any costs connected with this Clause and the exercise of AA's rights, including, inter alia, any transport costs, shall be fully covered by the ordering party.

9 Delivery and Notification of Readiness

- 9.1 The ordering party shall be notified of the date on which the goods will be ready for delivery or collection (as agreed between the parties). The goods must be collected or delivery arranged not later than 3 Business Days after this date (the **Proposed Delivery Date**), otherwise, AA shall have the right to store the goods at the expense and risk of the ordering party. If the goods are not collected or delivery arranged within one month from the date of notification of readiness, AA shall have the right to freely dispose of the goods. AA shall be entitled to retain either (i) up to 25% of the purchase price or (ii) in the event that the ordering party had made an advance payment, the amount of the advance payment as a penalty, without prejudice to AA's right to claim damages.
- 9.2 Risk in the goods shall pass to the ordering party immediately on the earlier of (i) delivery/ collection and (ii) the Proposed Delivery Date
- 9.3 Immediately on risk passing to the ordering party, the ordering party is obliged to maintain the goods in satisfactory condition and insure the goods at their own expense against fire, explosion, water-caused damage and theft. The ordering party must provide AA with a copy of the insurance policy at AA's first request.
- 9.4 Delivery to a party to whom AA delivers the goods on behalf of the ordering party and, in consequence, also to a party that collects the goods on behalf of the ordering party or otherwise comes into possession of the goods, shall be considered as delivery to the ordering party and takes place fully at their expense and risk.

10 Payment

- 10.1 Upon placing an order with AA, where AA requires an advance payment, the ordering party shall receive an advance payment invoice evidencing the amount required by way of advance payment. Unless agreed otherwise, the due date of the advance payment invoice is seven days from the invoice date.

- 10.2 Prior to the Proposed Delivery Date, the ordering party shall receive an invoice for the purchase price (or the balance of the purchase price where an advance payment has already been paid). Unless agreed otherwise, the due date of the remaining payment invoice is seven days from the invoice date. For the avoidance of doubt, AA shall be under no obligation to deliver the goods to or permit collection of the goods by the ordering party until AA has received payment in full.

- 10.3 Unless the parties agreed otherwise in writing, all payments shall be made within 7 days from the invoice date. Payment shall be made in full and cleared funds into an account nominated by AA. Time for payment shall be of the essence of the contract.

- 10.4 If payment of any sum due to AA shall not be made on the due date for payment thereof, then interest will be payable by the ordering party on that amount from the due date for payment until the date AA receives the actual payment in cleared funds for value, at a rate per day equal to 5% per annum above the Bank of England Base Rate from time to time with a minimum rate payable of 6% per annum. Such interest will accrue after as well as before termination of this contract and after as well as before any judgement.

- 10.5 Upon the ordering party's failure to fulfil their obligations to AA, all amounts of the ordering party owed to AA shall become immediately due.

- 10.6 The ordering party shall not have the right to suspend or deduct any financial obligations, but AA shall have the right to set-off, at any time, all its debts owed to the ordering party regardless of reason, from all debts of the ordering party owed to AA, regardless of the reason.

- 10.7 Complaints concerning calculated prices and other complaints concerning invoices (described in detail) are to be filed with AA in writing within five business days from the date of the invoice. The ordering party is obliged to cooperate with AA to the extent necessary to investigate the claim and allow AA to conduct further investigations into the complaint's validity.

Termination/Suspension

- 11.1 AA shall have the right to entirely or partially terminate or suspend the contract with immediate effect without prejudice to AA's right to request the fulfilment of the terms instead of terminating or suspending the Contract, as well as without prejudice to AA's right to claim compensation, if:

- 11.1.1 the ordering party has breached any of the terms of the contract concluded with AA (including these terms and conditions);
- 11.1.2 AA becomes aware of circumstances which would result in ordering party will not being able to fulfil their obligations under the contract,
- 11.1.3 the ordering party has filed a petition for the suspension of payment, or has obtained the consent for the suspension of the payment;
- 11.1.4 the ordering party is (or is deemed or declared to be) unable to pay its debts as they fall due under applicable laws or the value of the ordering party's assets is less than its liabilities, or a moratorium is declared or comes into force in respect of any of its indebtedness or the recovery by the ordering party of any of its indebtedness;
- 11.1.5 any corporate action, legal proceeding or other procedure or step is taken in relation to:
- (a) the suspension of payments, a moratorium of any indebtedness or recovery of any indebtedness, the presentation of a winding up petition to court or the passing of a resolution for winding up, the dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the ordering party;
- (b) a composition, compromise, assignment or arrangement with any creditor of the ordering party or the notification to creditors of the ordering party of a meeting to consider proposals for a voluntary arrangement under Part 1 of the Insolvency Act 1986;
- (c) the appointment of a liquidator, receiver, administrator, administrative receiver, manager, compulsory manager, nominee, supervisor or other similar officer in respect of the ordering party or any of its assets;
- (d) the giving of notice of intention to appoint an administrator or the making of an administration application, in respect of the ordering party;
- (e) enforcement of any mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect, over any assets of the ordering party; or
- (f) any procedure or step is taken or a court order is made in any jurisdiction in respect of the ordering party which has a similar effect to those in 11.1.5(a) - 11.1.5(e).

- 11.1.6 where the ordering party is a sole trader or partnership:
- (a) the ordering party or any partner in the ordering party is (or is deemed or declared to be) unable to pay its debts as they fall due, the value of the ordering party's assets, or the value of the assets of any partner in the ordering party, is less than its liabilities (taking into account contingent and prospective liabilities), or a moratorium is declared or comes into force in respect of any of the ordering party's indebtedness or the recovery of the ordering party's indebtedness, or in respect of the indebtedness of any partner in the ordering party;
- (b) a statutory demand or bankruptcy petition is served on the ordering party or any partner of the ordering party by a creditor pursuant to the Insolvency Act 1986;
- (c) a bankruptcy order or an interim order under s.252 of the Insolvency Act 1986 is made in respect of the ordering party (or in Scotland an interim trustee is appointed to its, his or their estates prior to an award of sequestration, or sequestration of its, his or their estates is awarded); or
- (d) a proposal is approved in respect of the ordering party or any partner in the ordering party enters into a voluntary arrangement under the Insolvency Act 1986 or serves notice to creditors convening a meeting to consider proposals for a voluntary arrangement under part VIII of the Insolvency Act 1986; or
- (e) an administration order is made in respect of the ordering party or any partner in the ordering party; or
- (f) any procedure or step is taken or court order is made in any jurisdiction in respect of the ordering party or any partner in the ordering party which has a similar effect to those in 11.1.6(a) - 11.1.6(e).

- 11.1.7 execution or distress is levied on, or any execution of diligence made against, any of the ordering party (or any partner in the ordering party) goods or property, or if any such goods or property is impounded, or if any sequestration is awarded or any arrestment is issued or levied or any landlord's hypothec is exercised on any of the ordering party (or any partner in the ordering party) property;

- 11.2 If AA terminates or suspends the contract in accordance with Clause 11.1:

- 11.2.1 any claims by AA against the ordering party shall become immediately due and payable; and
- 11.2.2 AA shall not be liable to the ordering party for any loss suffered and/or costs incurred as a result;
- 11.2.3 either (i) up to 25% of the purchase price or (ii) in the event that the ordering party had made an advance payment, the amount of the advance payment shall be retained by AA as a penalty, without prejudice to AA's right to claim damages; and
- 11.2.4 the ordering party is obliged to compensate AA for damages, including, inter alia, the costs of storage, transport and loss of profit which AA has incurred directly or indirectly as a result.

- 11.3 AA shall have the right to terminate the contract if, as a result of a force majeure event in accordance with Clause 13, AA is prevented from performing its obligations under the contract.

Liability

- 12.1 AA shall not be liable for any damage caused as a result of failure to fulfil its obligations under the contract, except for deliberate acts, or gross negligence on the part of AA.
- 12.2 AA shall never be liable for trading losses, other indirect or consequential losses incurred by the ordering party or third parties, including losses caused by the cessation of activities, loss of profit, loss of income or loss of use and damage of goods.
- 12.3 The ordering party shall hold AA harmless from liability and indemnifies AA against any claims of third parties connected with the contract or resulting therefrom.
- 12.4 AA's liability under the contract shall be limited to the amount specified on the invoice relating to the goods. AA's liability in every event shall be limited to the amount covered by its insurer.

Force Majeure

- 13.1 AA shall not be liable for compensation for costs, damage and interest if it has not been able to fulfil any of its obligations under the contract due to force majeure.
- 13.2 In these general terms of sale, force majeure shall mean any circumstances beyond AA's control - even if they could have been predicted upon concluding the contract - which permanently or temporarily hinders the performance of the contract, as well as, if not included herein, the late and/or delayed delivery by suppliers, illness of AA's employees and/or third parties hired by AA, strikes, downtimes and/or other serious business interruptions, fire, leakage, theft, lack of raw materials, auxiliary materials, fuel, electricity, transport issues, war and threats of war, storm, ice, snow and similar weather conditions.

Governing Law and Jurisdiction

- 14.1 English law shall apply to all quotes, orders, contracts and transactions referred to herein and these terms and conditions shall be interpreted in accordance with English law. The parties submit to the non-exclusive jurisdiction of the English courts.