

# General Conditions of Sale

## Wattman Europe B.V.

DBA Wattman World | Almere, The Netherlands

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**Effective Date:** January 1, 2026

**Governing Law:** The Netherlands

**Jurisdiction:** Amsterdam, The Netherlands

**Issuing Entity:** Wattman Europe B.V., Almere, The Netherlands

## Article 1 – Definitions

Unless otherwise clearly demonstrated by the context, the following terms have the meanings specified below:

"WE" refers to Wattman Europe BV, including its owners, partners, shareholders, and directors, as well as the owners, partners, shareholders, and directors of any affiliated or associated companies.

"Client" means the individual or entity that orders, rents, purchases, or otherwise enters into an agreement with WE. These Conditions apply exclusively to Clients acting in the course of their trade, business, or profession.

"Offer" means a proposal or quotation issued by WE for the provision of goods and/or services.

"Judicial and Extrajudicial Expenses" includes, but is not limited to, all costs related to debt recovery or enforcement, such as sequestration, liens, legal proceedings, bankruptcy petitions, and other associated expenses.

"Order" means a formal request submitted by the Client for the supply of goods or services.

"Order Confirmation" means the confirmation by WE of an order placed by the Client, whether provided verbally or electronically through acceptance of an offer or quotation.

"Agreement" means a legally binding contract executed between WE and the Client for the provision of goods or services.

"Parties" refers collectively to WE and the Client.

"Price" means the sale price of a product or service as detailed on the invoice, exclusive of applicable taxes, such as sales tax or other government-imposed fees.

"Products" includes all goods or services provided by WE or its affiliated trade partners.

"Conditions of Transport" are interpreted in accordance with the latest edition of applicable Incoterms, including: (I) transportation insurance; (II) the transportation of goods to the agreed destination; and (III) the transfer of risks and costs associated with the delivery of products from WE to the Client.

"Provisional Agreement" means a temporary or conditional agreement for the supply of goods or services between WE and the Client.

"Trade Measure Change" means any law, regulation, executive order, governmental proclamation, or trade measure enacted, amended, or implemented after the date of the applicable Order Confirmation by any governmental or supranational authority that: (a) imposes new or additional import or export duties, tariffs, or customs assessments on the Products or their components; (b) modifies the basis on which existing import or export duties or tariffs are calculated; (c) results in the reclassification of the Products under any applicable harmonized tariff schedule; or (d) withdraws, suspends, or materially alters any trade agreement, preferential rate, or tariff exemption previously applicable to the Products, including changes affecting the country of manufacture, country of export, or country of destination. See Article 5.7.

"Transport Confirmation" means the written notice issued by WE to the Client confirming the definitive transport cost at the time of carrier booking, as described in Article 5B.3.

"Conditions" refers to the present General Conditions of Sale of WE, which apply to all agreements, transactions, and interactions between WE and the Client unless explicitly stated otherwise and agreed to in writing.

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## Article 2 – Applicability

- WE acts exclusively as a commercial distributor and intermediary for the Products manufactured by Wattman Trains & Trams Inc. (828 Boul Industriel, Granby, QC J2J 1A4, Canada) ("Manufacturer"). WE is not the manufacturer of the Products and does not at any time take physical possession of the Products. All Products are shipped directly from the Manufacturer to the Client. WE does not design, engineer, test, inspect, approve, or certify the Products in any manner. WE does not place its name, trademark, or any distinguishing mark on the Products. All obligations relating to manufacturing quality, safety, certification, and conformity of the Products rest exclusively with the Manufacturer. For the purposes of applicable product liability legislation, including Articles 6:185-193 of the Dutch Civil Code, the Manufacturer is the producer of the Products. WE hereby identifies the Manufacturer to the Client as the producer of the Products in accordance with applicable Dutch product liability law.
- These Conditions apply to all Offers, Quotations, (Provisional) Agreements, Order Confirmations, and any other legal relationships related to the sale and delivery of products and services by WE to the Client.
- These Conditions apply exclusively to Clients acting in the course of their trade, business, or profession. These Conditions do not apply to consumers within the meaning of applicable European or Dutch consumer protection legislation.
- Deviations from and additions to these Conditions are valid only if explicitly agreed to in writing by both Parties, including through electronic communications where explicitly authorized under the Agreement.
- The application of any terms and conditions provided by the Client, including but not limited to purchasing conditions, is explicitly rejected and shall not apply to any transaction or Agreement with WE.
- If any provision of these Conditions is found to be invalid, unenforceable, or otherwise void, such provision shall be replaced by a valid provision that most closely reflects the intent and purpose of the invalid clause. This replacement shall not affect the enforceability or validity of the remaining provisions, which shall continue in full force and effect.

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## Article 3 – Offers, Quotations, Provisional Agreements, and Orders

- All Offers, Quotations, Provisional Agreements, and Orders made by WE are non-binding, even if they specify a period for acceptance, unless explicitly stated otherwise in writing.
- Provisional Agreements and Orders are binding upon the Client once issued or placed.
- WE reserves the right to revoke or amend any Offer or Quotation prior to its acceptance if new information, conditions, or circumstances necessitate such changes.
- Descriptions, depictions, and illustrations of Products and Services provided by WE are for informational purposes only and shall not form part of any warranty or legal claim unless explicitly incorporated into the Agreement.

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## Article 4 – Agreements

- An Agreement may be concluded verbally, in writing, or electronically. Following the conclusion of such an Agreement, WE shall confirm the terms by issuing a written Order Confirmation.
- WE reserves the right to modify any Order Confirmation by providing written notice to the Client if such modification becomes necessary due to changes in circumstances, including but not limited to changes in costs, supply chain conditions, or regulatory requirements. Where any such modification is material — meaning it significantly affects the scope, price, or delivery terms of the Order Confirmation — the Client shall have the right to dissolve the Agreement without liability by written notice to WE within ten (10) business days of receipt of WE's notification of the modification. Failure to exercise this right within such period shall be deemed acceptance of the modification. This applies regardless of whether such circumstances were foreseeable at the time of the original order.
- Any Agreement entered into by WE constitutes an undertaking to perform or deliver as specified. WE does not guarantee that the goods, services, or actions provided will meet any specific objectives or purposes expected by the Client unless expressly agreed in writing.
- Any judicial actions taken by or between the Client and third parties shall not bind WE unless WE has expressly agreed to such actions in writing.
- The Client acknowledges and agrees that WE may subcontract all or part of the performance of the Agreement to a third party, provided WE remains fully responsible for fulfilling its obligations under the Agreement.

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## Article 5 – Prices

- All prices are: (I) net and exclusive of all applicable taxes, government fees, and duties; (II) based on the delivery terms specified in the Order Confirmation; and (III) determined according to the prices and specifications in effect on the date of the Order Confirmation.
- Unless otherwise agreed, all prices are quoted in Euro. Any currency exchange fluctuations shall be the sole responsibility of the Client.
- If the Agreement specifies pricing in United States Dollars (USD) or Canadian Dollars (CAD), the invoice amount shall be converted and paid based on the exchange rate of Euro to USD or CAD on the day payment is made.
- The applicable exchange rate for Euro to USD or CAD shall be determined by WE at the time payment is processed.
- The following costs are excluded from the Price and shall be calculated and charged separately: (a) costs for insurance and/or warehousing of all Products provided to or ordered by the Client; (b) transport costs, which are governed by Article 5B.
- Any costs specified above shall be itemized and detailed in the Order Confirmation.
- Prices previously agreed to or applied do not establish any obligation on WE to maintain or apply those prices in the future.

### 5.7 Trade Measure Change

In the event of a Trade Measure Change occurring after the date on which the Client remits the deposit payment specified in the applicable Order Confirmation, WE reserves the right to adjust the Price to reflect the documented increase in costs directly resulting from such Trade Measure Change. WE shall notify the Client in writing of any such

adjustment, including: (a) identification of the Trade Measure Change by reference to the applicable law, regulation, or governmental measure; (b) the effective date of such Trade Measure Change; (c) WE's documented calculation of the resulting cost increase; and (d) the adjusted Price. Any price adjustment under this Article 5.7 shall be limited to the documented cost increase directly attributable to the Trade Measure Change and shall not be applied to general market fluctuations, currency movements, or operational cost increases unrelated to a Trade Measure Change. The valid reason for any price adjustment under this Article 5.7 is the objective, externally imposed governmental measure constituting the Trade Measure Change, which is beyond the reasonable control of WE and was not foreseeable at the time of Order Confirmation.

### **5.8 Effect of Deposit Payment — Order Confirmation and Non-Refundability**

Payment by the Client of the deposit amount specified in the applicable Order Confirmation constitutes formal confirmation of the order. From the moment of deposit payment, production of the Products is initiated at WE's manufacturer and WE incurs non-recoverable obligations. The deposit is non-refundable from the moment of payment under all circumstances, including in the event of a Trade Measure Change, because production of the Products — which are manufactured specifically for the Client and are not suitable for sale to others in the ordinary course of WE's business — commences immediately upon deposit receipt and cannot be reversed without incurring substantial non-recoverable costs. Where a Trade Measure Change occurs after the Client has remitted the deposit, the Client shall have no right of cancellation in connection with such Trade Measure Change. A price adjustment issued pursuant to Article 5.7 shall not constitute a breach of the applicable Order Confirmation or a ground for termination under Article 16. Upon receipt of WE's notice pursuant to Article 5.7, the Client shall respond in writing within ten (10) business days. In the absence of written objection within such period, the adjusted Price shall be deemed accepted by the Client. The adjusted amount shall be due and payable in accordance with the payment terms of the applicable Order Confirmation.

### **5.9 Pre-Deposit Window**

Where a Trade Measure Change occurs after WE has issued a quotation or proposal to the Client but before the Client has remitted the deposit payment, WE reserves the right to adjust the quoted or confirmed Price prior to deposit receipt to reflect the documented cost increase. WE shall notify the Client of any such adjustment in writing. The Client may, within five (5) business days of receipt of such notice, either (a) remit the deposit at the adjusted Price, whereupon the order shall be confirmed on the adjusted terms; or (b) withdraw from the transaction without liability by written notice to WE, whereupon any amounts paid prior to deposit shall be refunded in full within thirty (30) calendar days. In the absence of written response within five (5) business days, the adjusted Price shall be deemed accepted by the Client and WE may proceed with confirmation of the order.

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## **Article 5B – Transport Cost Estimation and Confirmation**

### **5B.1 Indicative Transport Cost**

Where transport costs are stated separately in a quotation or Order Confirmation, such amounts constitute indicative estimates only, based on carrier rates, fuel surcharges, freight capacity, and logistical conditions prevailing at the time of quotation. Transport cost estimates do not form part of the fixed Price and are expressly subject to confirmation pursuant to this Article 5B. This applies to all modes of transport arranged by WE, including but not limited to LTL road freight, FCL and LCL ocean freight, and multimodal shipments to all countries of destination.

## **5B.2 Transport Procurement Service**

Where WE arranges transport on behalf of the Client, WE does so as a procurement convenience and not as a transport or logistics provider. All transport is contracted directly with third-party carriers. WE charges an administrative fee of EUR 250 per shipment for this service, which covers coordination, documentation, and carrier management. This fee is earned upon booking of transport and is non-refundable thereafter.

## **5B.3 Price Confirmation at Booking**

The definitive transport cost is determined at the time WE books the applicable carrier, which occurs when the Products are ready for shipment. At that time, WE shall provide the Client with a Transport Confirmation in writing. The Transport Confirmation shall state the definitive transport cost and shall be accompanied by documentary evidence of the carrier's booking confirmation or quotation supporting such cost.

## **5B.4 Tolerance and Pass-Through**

(a) **Within Tolerance.** Where the definitive transport cost does not exceed the indicative estimate stated in the Order Confirmation by more than ten percent (10%), the definitive cost shall apply automatically. WE shall absorb any cost difference up to such ten percent (10%) threshold. No further Client approval is required.

(b) **Exceeding Tolerance.** Where the definitive transport cost exceeds the indicative estimate by more than ten percent (10%), WE shall notify the Client in the Transport Confirmation and the Client shall have five (5) business days from receipt of such notice to elect one of the following options:

(i) **Option A — WE-Arranged Transport.** The Client accepts the definitive transport cost as confirmed by WE, plus the EUR 250 administrative fee. WE shall proceed to arrange delivery in accordance with the applicable Order Confirmation. Payment of the definitive transport cost shall be due in accordance with the payment terms of the Order Confirmation; or

(ii) **Option B — Client-Arranged Transport.** The Client elects to arrange its own transport, in which case WE shall make the Products available for collection at the shipping point identified in the Order Confirmation on a date to be mutually agreed. The EUR 250 administrative fee shall not apply. Risk of loss shall transfer in accordance with Article 6 of these Conditions. WE shall have no further obligation with respect to transport, insurance, or delivery.

(c) **Absence of Response.** In the absence of written response by the Client within five (5) business days of receipt of the Transport Confirmation, the Client shall be deemed to have accepted Option A at the definitive transport cost confirmed by WE.

## **5B.5 Causes of Transport Cost Variation**

Transport cost variations may result from, without limitation, fuel surcharges, carrier rate adjustments, geopolitical events affecting international shipping routes or capacity, port congestion, container availability, war risk surcharges, Suez or Panama Canal disruptions, and applicable regulatory charges. WE shall have no liability to the Client for transport cost increases attributable to such factors, except to the extent that such increases are directly caused by a Trade Measure Change, in which case Article 5.7 shall govern the applicable portion of the cost increase.

## **5B.6 No Delay in Production**

The transport confirmation process under this Article 5B shall not affect production timelines. Products will be produced in accordance with the Order Confirmation regardless of whether transport arrangements have been finalized.

### **5B.7 Worldwide Applicability**

This Article 5B applies to all shipments arranged by WE, regardless of the country of destination. Where local laws at the country of destination impose mandatory requirements on transport arrangements, risk allocation, or carrier liability that conflict with this Article 5B, WE shall notify the Client and the parties shall cooperate in good faith to comply with such requirements while preserving the intent of this Article to the greatest extent possible.

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## **Article 5C – Pre-Owned Brokerage**

### **5C.1 Scope and Role of WE**

WE acts exclusively as broker and payment intermediary in all pre-owned Product transactions under this Article 5C. WE is not the seller, owner, or dealer of any pre-owned Product listed through the brokerage program. WE does not acquire title to any pre-owned Product at any point in the transaction. Title passes directly from Seller to Buyer upon completion of the transaction. WE's role is limited to: (a) listing and marketing the pre-owned Product on behalf of Seller; (b) introducing qualified Buyers; (c) facilitating offer and negotiation between Seller and Buyer; (d) receiving and holding Buyer's payment on behalf of Seller pending disbursement; and (e) coordinating transport where agreed. This Article 5C applies to all pre-owned brokerage transactions arranged by WE regardless of the country of origin or destination of the Product.

### **5C.2 Brokerage Agreement**

Each brokerage engagement requires a separate Brokerage Agreement between Seller and WE prior to listing. The Brokerage Agreement shall cover at minimum: (a) unit identification, serial number, and condition; (b) listing price; (c) brokerage fee and payment terms; (d) listing period; (e) Seller's representations and warranties regarding title and condition; (f) inspection authorization; and (g) exclusivity terms. WE reserves the right to decline any listing at its sole discretion. Seller represents and warrants that: (i) Seller holds clear, unencumbered title to the Product; (ii) Seller has full authority to sell; (iii) all information provided regarding the Product is accurate and complete; and (iv) all known defects and material facts have been disclosed to WE in writing prior to listing.

### **5C.3 As-Is Basis**

All pre-owned Products are sold on an as-is basis unless otherwise expressly agreed in writing between Seller and Buyer and confirmed by WE. No manufacturer warranty or other product guarantee transfers through a pre-owned sale unless separately and explicitly documented. WE makes no representation as to the condition, fitness, or suitability of any listed pre-owned Product.

### **5C.4 Payment Intermediary**

(a) **Payment Flow.** Buyer shall remit full payment of the agreed purchase price to WE's designated bank account as specified in the applicable transaction documentation. WE holds such funds on behalf of Seller pending disbursement.

(b) **Disbursement to Seller.** WE shall disburse the purchase price to Seller, less WE's brokerage fee and any agreed deductions, within five (5) business days of receipt of cleared funds from Buyer.

(c) **WE as Fiduciary.** WE holds Buyer's payment in a capacity strictly limited to facilitating disbursement to Seller. WE does not acquire any beneficial interest in such funds. WE's obligation to disburse to Seller is contingent solely on receipt of cleared funds from Buyer.

(d) Failed Disbursement. If disbursement to Seller is prevented by circumstances beyond WE's control, including but not limited to regulatory restrictions, sanctions, bank compliance holds, or obligations under applicable Dutch anti-money laundering legislation, WE shall notify both parties immediately and the funds shall be held until the impediment is resolved or until a court of competent jurisdiction directs otherwise.

(e) Refund to Buyer. If the transaction does not complete due to Seller's failure to deliver or material breach of Seller's representations under Article 5C.2, WE shall refund Buyer's payment within ten (10) business days, less any documented costs incurred by WE in connection with the transaction. WE's refund obligation is limited to the amount actually received from Buyer and held by WE at the time of refund.

#### **5C.5 WE's Liability as Intermediary**

WE's total liability in any pre-owned brokerage transaction is limited to the brokerage fee earned for that specific transaction. WE is not liable for: (a) any misrepresentation by Seller regarding the condition, title, or specifications of the Product; (b) any defects, whether latent or apparent, in the pre-owned Product; (c) any failure by Seller to deliver; or (d) any disputes between Seller and Buyer arising after disbursement. Seller's representations under Article 5C.2 survive closing and Seller remains fully liable to Buyer and WE for any breach thereof.

#### **5C.6 Inspection**

WE may arrange an independent third-party inspection of the listed Product at Buyer's cost. Any inspection report supplements but does not replace Buyer's independent due diligence. WE makes no representation as to the accuracy or completeness of any inspection report.

#### **5C.7 Transport**

Where Buyer arranges its own transport, risk of loss transfers upon collection of the Product from Seller's location by Buyer or Buyer's designated carrier. Where WE coordinates transport on behalf of the parties, Article 5B applies to transport cost estimation and confirmation. All transport costs are borne by Buyer unless otherwise expressly agreed in writing.

#### **5C.8 Anti-Circumvention**

If Seller completes a sale to a Buyer introduced by WE within one hundred eighty (180) days after the expiration or termination of the Brokerage Agreement, the brokerage fee remains payable to WE as if the sale had occurred during the listing period.

#### **5C.9 Fees**

Brokerage fees are as specified in the applicable Brokerage Agreement and are not stated in these Conditions. WE's brokerage fee is earned upon receipt of cleared funds from Buyer and is non-refundable thereafter. Late payment of brokerage fees is subject to the interest provisions of Article 8.

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### **Article 6 – Delivery and Risks**

- From the moment of delivery at the agreed place of destination, as specified in the Order Confirmation, the delivered Product is at the Client's risk and expense, even if WE retains ownership of the Product pursuant to Article 9.1 of this Agreement.
- Products furnished by WE shall be delivered to the agreed place of destination, as specified in the Order Confirmation.

- Transportation of the Products to the agreed place of delivery shall be conducted in accordance with the Conditions of Transport stipulated in the Order Confirmation and subject to Article 5B.
  - A clean receipt by the carrier for Products presented by WE for transportation shall serve as sufficient proof that the Products were accepted in good condition unless transport damage is noted on the waybill or transportation receipt and supported by photographic evidence taken at the time of delivery.
  - Unloading at the point of destination using equipment or personnel provided by the Client or its subcontractors is conducted entirely at the Client's risk and expense. WE accepts no liability for delays, damages, or injuries arising from such equipment, personnel, or actions.
  - The Client is responsible for obtaining adequate insurance to cover risks associated with unloading equipment and actions. In the event of damages arising during unloading, the Client agrees to indemnify and hold WE harmless from all claims, including claims by third parties.
  - In the event WE is unable to meet a delivery or other agreed term, the Client shall only be entitled to compensation if specifically agreed upon in writing and limited to the remedies outlined in the Agreement. Where WE issues a valid Trade Measure Change notice pursuant to Article 5.7, any applicable delivery timeline shall be tolled for the duration of the period from the date of such notice until the adjusted Price is accepted by the Client or the underlying governmental measure is resolved. During such tolling period, no compensation or cancellation right shall accrue in respect of the delayed delivery.
  - If the Client fails to collect purchased goods within 30 days of the purchase date, WE reserves the right to charge storage and holding fees at a rate of EUR 100.00 per day, up to a maximum of 180 days, unless otherwise agreed in writing.
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### **Article 7 – Security and Ownership**

- WE reserves the right to conduct due diligence on the Client's solvency before initiating or continuing performance under the Agreement.
  - All Products delivered remain the property of WE until full payment is received. The Client must take reasonable measures to protect WE's property interests and notify WE immediately of any third-party claims.
  - If payment defaults occur, WE may repossess Products and retain ownership rights until obligations are fully met.
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### **Article 8 – Payment**

- The Client shall pay invoices as rendered without any reduction, deduction, or offset for damages, claims, or other adjustments. Payment is due within seven (7) calendar days from the invoice date, unless otherwise specified in the Order Confirmation, in compliance with applicable Dutch commercial payment term legislation. All payments shall be: (I) in Euro, unless otherwise specified in the Agreement; (II) made in strict compliance with the payment conditions stipulated on the invoice; and (III) remitted to the bank account designated by WE.
- Unless otherwise specified in the Order Confirmation, the Client shall pay WE no later than upon delivery of the Products or services.
- Upon receiving a reasonable request from WE for payment of a deposit or installment, the Client is obligated to remit such payment promptly as specified.

- The entire agreed price becomes immediately due and payable if any of the following occurs: (a) the Client fails to make timely payment of any installment; (b) the Client files for bankruptcy, is declared bankrupt, or enters receivership; (c) a petition is filed to place the Client under guardianship or similar legal protection; (d) the Agreement is dissolved; or (e) the Client's property or claims are subjected to seizure or attachment. Prior to demanding immediate payment, WE shall provide the Client with written notice of default and an opportunity to cure the default within five (5) business days.
- If the Client defaults on any payment due to WE, the Client is liable for: (I) interest at the statutory commercial interest rate applicable under Dutch law, plus two percent (2%) per annum, accruing from the first day after the payment due date until the outstanding amount is fully paid; and (II) reasonable collection costs.
- Payments shall be applied in the following order: (I) accrued interest; (II) fees and expenses; and (III) outstanding principal amounts, applied in chronological order of due dates.

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## Article 9 – Conservation of Ownership

- All Products delivered to the Client remain the property of WE until the Client has fully paid all amounts owed to WE under the applicable Agreement, including the purchase price, any additional charges, and any claims arising from non-performance of that Agreement. During this period, the Products shall be at the Client's risk and expense.
- WE reserves the right to retain possession of the Products, ownership thereof, and any related information or documents produced in connection with the Agreement until the Client has satisfied all payment obligations.
- If WE has delivered Products that remain its property under this conservation of ownership clause, the Client shall:

Ensure continuous insurance coverage for Products against risks including fire, theft, explosion, and water damage, for a minimum amount equal to the Price specified in the Order Confirmation, until all obligations are satisfied.

Not encumber, sell, lease, or otherwise transfer the Products without WE's prior written consent unless such actions are part of the Client's ordinary course of business.

Treat the Products as the property of WE and take reasonable measures to protect and preserve them.

Notify WE within 24 hours of any third-party claims, liens, or attempts to assert rights over the Products.

Indemnify and hold WE harmless from any claims or actions that could jeopardize WE's ownership rights in the Products.

Immediately return the Products to WE upon WE's request, regardless of where they are stored.

Upon WE's demand, grant WE immediate access to the Products, wherever they are located, to enable WE to recover possession.

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## **Article 10 – Warranties, Product Condition, Verification, and Claims**

### **10.1 WE's Warranty Position — Distributor Only**

WE is a distributor of the Products and not the manufacturer thereof. WE does not manufacture, design, engineer, or test the Products and accordingly provides no warranty, guarantee, or representation of any kind with respect to the Products, whether express or implied, including without limitation any implied warranty of merchantability, fitness for a particular purpose, or conformity with any specification. ALL PRODUCTS ARE SOLD AND DELIVERED ON AN AS-IS BASIS AND WITH ALL FAULTS. This disclaimer applies to all aspects of the Products including but not limited to mechanical performance, structural integrity, electrical systems, safety characteristics, and regulatory compliance. In the event of any inconsistency between this Article 10 and any other provision of these Conditions, this Article 10 shall prevail with respect to warranty matters.

### **10.2 Manufacturer Warranty Pass-Through**

The Products may be covered by the New Train Limited Warranty issued exclusively by the Manufacturer in its capacity as manufacturer of the Products. Where applicable, WE shall transfer to the Client, to the extent permitted by the Manufacturer, whatever warranty rights the Manufacturer extends with respect to the Products. Such warranty rights, if any, are governed exclusively by the terms and conditions of the applicable New Train Limited Warranty issued by the Manufacturer. WE has no authority to modify, extend, or supplement the terms of the Manufacturer's warranty. WE assumes no independent warranty obligation to the Client beyond the pass-through described in this Article 10.2.

### **10.3 WE's Role in Warranty Claims**

Where the Client believes it has a warranty claim with respect to the Products, the Client shall notify WE in writing with full details of the claimed defect. WE shall, as a commercial courtesy and without assuming any legal obligation to do so, endeavour to facilitate communication between the Client and the Manufacturer. Such facilitation shall not constitute: (a) an acknowledgment by WE of any liability; (b) a representation by WE that the claim is valid; (c) an assumption by WE of any repair, replacement, or reimbursement obligation; or (d) a waiver of any defense available to WE under these Conditions or applicable law. WE shall have no obligation to facilitate communication where the Manufacturer has rejected the claim, where the warranty period has expired, or where the claimed defect falls outside the scope of the applicable New Train Limited Warranty. All costs associated with warranty investigation, repair, replacement, transport, or related expenses shall be borne exclusively by the Manufacturer, the Client, or both, as determined by the applicable New Train Limited Warranty. WE shall not bear any such costs unless expressly agreed in writing by an authorized representative of WE.

### **10.4 Transport Damage**

If the Client identifies transport damage upon receipt of the Products, the following steps must be taken without exception: (a) report the damage to the driver or carrier immediately and before departure; (b) take clear photographs of the packaging condition, the interior of the container or vehicle, and the specific damage to the Products; (c) note the damage explicitly on the delivery documents and obtain the driver's or carrier's countersignature where possible. Transport damage must be reported to WE in writing within twenty-four (24) hours of receipt. Failure to comply with these requirements will result in the Client waiving any claims against WE, the carrier, or the Manufacturer for transport-related damage.

### **10.5 Latent Transport Damage**

If transport-related damage is discovered after delivery and was not apparent at the time of receipt, the Client must notify WE in writing within forty-eight (48) hours of discovery, supported by photographic evidence. Failure to comply will result in the Client waiving such claims.

### **10.6 Acceptance Verification**

Upon receipt of the Products, the Client must immediately verify whether the Products conform to the description in the applicable Order Confirmation. If the verification reveals any discrepancies, the Client must notify WE in writing, supported by clear photographic evidence, no later than five (5) calendar days after delivery. Receipt of such notification by WE does not constitute acceptance of liability by WE but will prompt WE to investigate in accordance with these Conditions.

### **10.7 Deemed Acceptance**

The Client shall be deemed to have accepted the Products and waived any claims relating to visible defects, non-conformity with the Order Confirmation, and transport damage if the Client: (a) places the Products into commercial service; (b) uses or operates the Products; (c) delivers the Products to a third party or allows a third party to use or operate them; or (d) fails to notify WE within the timeframes specified in Articles 10.4, 10.5, and 10.6.

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## **Article 10A – Product Safety, Certification, and Regulatory Compliance**

### **10A.1 WE Does Not Certify**

WE does not test, inspect, certify, approve, or otherwise attest to the safety, technical conformity, or regulatory compliance of the Products. WE makes no representation, warranty, or guarantee of any kind with respect to the safety characteristics, structural integrity, electrical performance, or regulatory compliance of the Products, whether under European, Dutch, or any other applicable law or standard. Any statement by WE regarding product certifications or standards refers exclusively to certifications obtained by the Manufacturer and communicated to WE by the Manufacturer.

### **10A.2 Manufacturer Certifications**

Certifications, approvals, and safety attestations applicable to the Products are obtained exclusively by the Manufacturer. Where the Manufacturer has represented to WE that the Products carry specific certifications — including without limitation CE marking, TÜV certification, or compliance with EN 13814:2019 (Parts 1-3) or equivalent standards — WE passes such representations to the Client solely as information received from the Manufacturer. WE does not independently certify or verify such representations. The Client acknowledges that all certification documentation is issued exclusively by the Manufacturer and that any warranty or representation regarding such certifications is made exclusively by the Manufacturer. WE relies on the Manufacturer's representations regarding product certifications and conformity documentation and has no reason to doubt their accuracy at the time of sale. WE shall not be liable for any inaccuracy, lapse, or invalidity of certifications that was not known or reasonably ascertainable by WE at the time of the applicable Order Confirmation.

### **10A.3 Client's Responsibility for Local Regulatory Compliance**

The Client is exclusively responsible for: (a) verifying that the Products comply with all applicable laws, regulations, safety standards, and licensing requirements in the country or jurisdiction of operation; (b) obtaining all permits, approvals, and authorizations required to operate the Products in the jurisdiction of the Client; (c) ensuring that the

Products meet any local technical, safety, or operational requirements that may differ from or supplement the certifications obtained by the Manufacturer; and (d) engaging qualified technical advisors or regulatory specialists where required by local law. WE makes no representation that the certifications obtained by the Manufacturer are recognized, sufficient, or valid in any particular jurisdiction outside the countries for which such certifications were specifically obtained. The Client shall indemnify and hold WE harmless from any claims, fines, penalties, or liabilities arising from the Client's failure to comply with applicable local regulatory requirements.

#### **10A.4 No Liability for Regulatory Non-Compliance**

WE shall not be liable for any loss, damage, cost, penalty, or claim arising from: (a) the Products not meeting local regulatory requirements in the Client's jurisdiction of operation; (b) the revocation, suspension, or non-recognition of any manufacturer certification in the Client's jurisdiction; (c) changes in applicable law or regulatory requirements after the date of the Order Confirmation; or (d) the Client's failure to obtain required operating permits or approvals.

#### **10A.5 Modifications**

Any modification, alteration, or adaptation of the Products by the Client or any third party, whether for the purpose of meeting local regulatory requirements or otherwise, is carried out entirely at the Client's risk and expense. WE accepts no responsibility for the consequences of any such modification, including without limitation any effect on the original certifications, warranty, or structural integrity of the Products. Any modification that affects the structural, electrical, drivetrain, or safety systems of the Products voids the applicable Manufacturer warranty in respect of the affected systems. Where the Client or any third party modifies the Products and such modification results in a change to the configuration or safety characteristics of the Products, the Client shall be deemed the manufacturer of the modified configuration for the purposes of all applicable product safety and liability legislation, including the EU Product Liability Directive and any applicable national implementation thereof. WE has no responsibility for the conformity, safety, or regulatory status of any modified Product.

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### **Article 11 – Liability**

- Notwithstanding any other provision of these Conditions, WE's total liability with respect to any claim arising from or relating to: (a) defects in the Products; (b) the safety, performance, or conformity of the Products; (c) any warranty claim relating to the Products; or (d) any certification, approval, or regulatory compliance of the Products, is limited to EUR nil. All such claims are governed exclusively by the applicable New Train Limited Warranty issued by the Manufacturer, and the Client's sole recourse for such claims is against the Manufacturer. WE's role with respect to such claims is limited to facilitation as described in Article 10.3.
- WE's liability for all other damages towards the Client or third parties is limited to the amount of coverage for direct damages stipulated by the liability insurance policy held by the manufacturer for the applicable event, plus the amount of the deductible specified in the policy.
- If no payment is made under the policy referenced above, for any reason, WE's liability is limited to the lesser of the invoice value or EUR 75,000.
- The liability limitations outlined above do not apply in cases of deliberate misconduct or gross negligence by WE or its management.
- WE's liability is strictly limited to direct damages. Direct damages are defined as reasonable, demonstrable, and necessary costs directly incurred due to WE's breach, excluding speculative, punitive, or incidental damages.

- WE shall not be liable for any indirect damages, including but not limited to consequential damages, loss of profits, lost savings, or damages resulting from business interruption or operational delays.
  - WE exercises due care when subcontracting third parties or utilizing equipment, software, programs, databases, or other tools in the execution of the Agreement. However, WE assumes no liability for defects, errors, or malfunctions caused by such third parties or tools.
  - Nothing in these Conditions shall exclude or limit liability where such exclusion or limitation is not permitted under applicable law, including liability arising from willful misconduct or gross negligence to the extent such liability cannot be limited under mandatory Dutch law.
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### **Article 12 – Force Majeure**

- Force Majeure refers to circumstances beyond WE's reasonable control that wholly or partially prevent the execution of the Agreement, including but not limited to: war, terrorism, civil unrest, natural disasters, regulatory changes, cyberattacks, pandemic-related disruptions, or non-performance by critical suppliers. For the avoidance of doubt, Trade Measure Changes as defined in Article 1 may constitute Force Majeure Events where their impact satisfies the requirements of this Article 12. WE may invoke this Article 12 independently of or concurrently with Article 5.7. Where both provisions apply to the same Trade Measure Change, Article 5.7 shall prevail with respect to price adjustment rights.
  - If a Force Majeure event persists for more than ninety (90) days, WE may terminate the Agreement by providing written notice to the Client. Before termination, the Parties shall consult to explore reasonable alternatives. In such cases: (I) the value of the portion of the Agreement completed as of the termination date shall be calculated proportionally; and (II) WE is entitled to payment for expenses incurred in the performance of the Agreement up to the termination date.
  - If the execution of the Agreement becomes impossible due to actions or omissions by the Client, WE is entitled to the full agreed Price, plus any applicable additional costs, less any savings realized due to non-completion of the work.
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### **Article 13 – Intellectual Property**

- WE and its suppliers retain all intellectual and industrial property rights associated with the Products, services, and materials provided to the Client under the Agreement. These rights remain the exclusive property of WE and its suppliers, and nothing in the Agreement shall be construed as transferring ownership of such rights to the Client.
- The Client is expressly prohibited from reproducing, distributing, modifying, reverse-engineering, or otherwise exploiting WE's intellectual property without prior written consent.
- The Client shall notify WE in writing of any potential or actual infringement claims involving the Products within ten (10) business days of becoming aware of such claims.

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## **Article 14 – Expiration**

All warranty claims relating to Products covered by the New Train Limited Warranty issued by Wattman Trains & Trams Inc. shall be governed exclusively by the applicable warranty period, limitations, and procedures set forth in that warranty.

Any non-warranty claims arising out of or relating to the Agreement, including contractual or tort claims against WE, must be brought within one (1) year from the date of delivery of the relevant Product, failing which such claims shall be time-barred.

Nothing in these Conditions shall be interpreted to limit, shorten, expand, or otherwise modify the warranty period granted under the New Train Limited Warranty issued by Wattman Trains & Trams Inc.

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## **Article 15 – Hold Harmless**

- The Client agrees to indemnify and hold WE harmless from third-party claims arising from damages connected to the execution of the Agreement, provided such claims do not exceed the scope of the Agreement or arise from WE's gross negligence or willful misconduct.
  - The Client also agrees to indemnify and hold WE harmless from fines, penalties, claims, assessments, or other actions imposed by governmental authorities. If WE is held liable by a third party or governmental entity for such matters, the Client shall provide full cooperation and assistance to WE in legal and extrajudicial proceedings.
  - The indemnification obligations outlined in this Article extend to all management, employees, agents, and associated personnel of WE.
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## **Article 16 – Termination of the Agreement**

### **16.1 Termination by Mutual Consent**

An Agreement may be terminated in full or in part by mutual written consent of the parties. In the event of such termination, WE is entitled to: (I) a fixed termination fee equal to 10% of the total Agreement amount if the termination occurs within 30 days of the Agreement date; or (II) a fixed termination fee equal to 25% of the total Agreement amount if the termination occurs 30 days or more after the Agreement date. Any deposit paid by the Client is non-refundable under all termination circumstances. A price adjustment issued pursuant to Article 5.7 shall not constitute a basis for termination under this Article 16.

### **16.2 Termination for Cause**

Either party may unilaterally terminate the Agreement if the other party materially breaches any of its obligations under the Agreement. The terminating party must notify the defaulting party in writing, providing: (a) full details of the alleged breach; and (b) a reasonable period for the defaulting party to cure the breach. Termination may proceed only if the defaulting party fails to cure the breach within the specified timeframe.

### **16.3 Immediate Termination**

Either party may unilaterally and immediately terminate the Agreement by written notice, without prior warning, if: (a) the other party is declared bankrupt or placed in receivership; (b) the other party requests deferment of payments; (c) a petition is filed to place the other party in receivership; or (d) the other party's firm or enterprise is

liquidated or closed for reasons other than a lawful business reorganization or merger. In such cases, WE shall not be obligated to refund any payments received, including deposits.

#### **16.4 Obligations upon Termination**

Obligations for products and services already provided remain in force unless the Client demonstrates that WE is in default. Obligations for undelivered products are limited to refunds, replacements, or other remedies expressly outlined in the Agreement. WE shall not be liable for any consequential damages resulting from such undelivered products.

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#### **Article 17 – Jurisdiction and Disputes**

- These Conditions, along with all Offers, Quotations, Provisional Agreements, Order Confirmations, Agreements, and other legal relationships governed in full or in part by these Conditions, are subject to the laws of the Netherlands.
  - Disputes shall first be submitted to mediation within thirty (30) days of notice. If mediation fails to resolve the dispute within sixty (60) days, the matter shall be submitted to the exclusive jurisdiction of the courts in Amsterdam, The Netherlands.
  - Notwithstanding the above, WE reserves the right to bring any dispute before any other court having competent jurisdiction.
  - Applicability of the Trade Convention of Vienna (CISG) is excluded.
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#### **Article 18 – Translation**

In the event the present Conditions are translated, and a difference of interpretation occurs between the English text and the text of the other language, the English version shall be the defining one.

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