

Agreement no.

Agreement entered into on this the day of 2007

Between

Name:

Address:

.....

.....

ID Card No:

hereinafter referred to as “the warranty holder”

and

RMF Ltd
Guardamangia Hill
Pieta MSD10
Malta

hereinafter referred to as RMF

In this agreement, and unless the context requires otherwise, the following terms shall be defined as follows:

‘warranty certificate’ – a certificate issued by virtue of this agreement and which warrants the warranty holder against a fault ensuing in an identified vehicle after the purchase of the warranty certificate.

‘fault’ – any defect in the vehicle which requires repair and which is not excluded in terms of this agreement or any annex thereto, and which is not covered under any other warranty issued by the manufacturer of the vehicle

‘vehicle’ – the motor vehicle bearing registration number
registered in the name of (ID Card No.....
.....) – Make..... Model.....
..... Chassis Number

‘reseller’ – persons, whether natural or legal, who deal in the purchase and re-sale of motor vehicles with the object of commercial speculation.

Whereas RMF is hereby issuing a warranty certificate to the warranty holder, who accepts to purchase such warranty certificate, under the following terms and conditions and those delineated in Annex I of this agreement which for all intents and purposes of law shall constitute an integral part of this agreement:

Preliminary

1. Prior to the issue of the warranty, the vehicle shall be submitted to an inspection in accordance with the RMF guidelines as delineated in Annex II of this agreement (hereinafter referred to as the “checklist”) and should defects be identified following such inspection no warranty shall be issued on such vehicle unless such defects identified are repaired or the warranty holder has accepted to exclude these defects from the warranty by signing the checklist identifying the defects, and accepting their existence, in which case the guarantee for these defects in virtue of the warranty cannot be invoked.

The Warranty

2. The warranty shall commence on the date stated in the warranty certificate as the “commencement date”. The warranty cover shall automatically terminate at the expiry of the agreed warranty period of twelve (12) twenty-four months (24) as specified in the warranty certificate.

The warranty cover during such period shall not be suspended and shall continue to remain in effect even if the vehicle is taken off the road for whatever reason or is temporarily or otherwise not in use. In the event that the vehicle is sold to a reseller the warranty cover shall terminate automatically on the date when such vehicle is sold to the reseller.

3. The warranty may be transferred to a third party provided that RMF is notified of this transfer by the current registered warranty holder and subject to such transfer being approved by RMF before the transfer is concluded. Such transfer shall be subject to

any administration costs determined by RMF from time to time, which shall be borne by the new owner. For the purposes of this clause, "third party" shall be interpreted as any private person not being a reseller.

If the warranty holder fails to notify RMF of any transfer of the vehicle, whether to a third party or to a reseller, and even in the case where such transfer is not registered, this agreement shall automatically lapse and the effects of the warranty shall cease immediately and no warranty may be invoked with respect to such vehicle.

4. In consideration of the issue of the warranty certificate, the warranty holder shall pay to RMF an amount according to the rate in force on the date of issue of the warranty certificate. Such amount shall represent the total warranty cover period and shall be paid as a one time payment.
5. The amount payable with respect to each warranty certificate shall be paid in full upon issuing the warranty certificate. , RMF shall have the right to terminate the warranty cover and shall have the right to refuse any claim made pursuant to the warranty arising before payment for such warranty has been affected.
6. In all cases where, following a fault in the vehicle, the warranty holder wishes to invoke the guarantee issued in virtue of the warranty certificate, the warranty holder must immediately, and in no case later than five (5) days from the discovery of the fault, inform RMF that it wishes to make a claim under the warranty certificate and submit the vehicle to RMF for an inspection.
7. The warranty holder must furnish RMF with all details relative to the claim clearly disclosing any relevant information regarding the fault. Non-disclosure on the part of the warranty holder of any relevant and material fact relative to the fault may result in the claim being refused by RMF.
8. In cases where the warranty holder wishes to make a claim under the warranty certificate, the warranty holder shall not carry out any repairs on the vehicle before obtaining approval for such repairs from RMF.
9. If a fault ensuing in the vehicle is also covered under the warranty issued by the manufacturer, the warranty holder is obliged to make a claim under the manufacturer's warranty. The warranty certificate issued by RMF shall only cover repairs and warranty claims which are not recoverable under the manufacturer's warranty.
10. The Annexes referred to in this agreement shall form an integral part of this agreement.
11. The warranty holder hereby permits RMF to save and process data arising from this agreement and its execution on the required scale and to retain its agreement and performance data in common data files. The warranty holder further authorizes RMF to pass on such data to third parties to analyse the risk.
12. This agreement shall be governed by Maltese law.
13. Any disputes arising out of or in relation with this Agreement shall be determined and finally settled through Arbitration. For this purpose the parties agree that any disputes shall be referred to the Malta Centre for Arbitration located in Valletta Malta and each dispute shall be determined in accordance with Maltese law and regulated by the procedure and Rules of Arbitration which govern arbitrations in Malta. Disputes will be settled by one arbitrator appointed in accordance with those Rules, unless the parties agree otherwise. The seat of arbitration shall be Malta unless the parties otherwise agree. The decision given by the arbitral tribunal shall be final and an appeal from such a decision shall only lie in accordance with, and subject to the provisions of, the Arbitration Act, (Cap. 387, Laws of Malta).

Signed on this the day of 2007

on behalf of RMF

Warranty holder

List of Annexes:

- Annex I Warranty Conditions
- Annex II Vehicle Checklist

**Warranty Conditions
New & Used vehicles**

A. Vehicles to a maximum of 60 months and maximum 120,000 Km and

1. Object of the warranty

All mechanical, electrical and electronic components, including the working hours stipulated by the manufacturer, for the passenger car or off-road vehicle described in the sales agreement with a maximum weight of 3.5 tons, insofar as it does not appear on the list of exclusions stated in point 2 below.

2. Exclusions

- a. All maintenance work, products and components which are stipulated at regular intervals by the manufacturer including adjustments, alignments and wheel balancing;
- b. Components susceptible to wear such as: shock absorbers, windscreen wiper blade rubbers, batteries, brake lining, brake disks, brake drums and friction materials, spark (*) and heating plugs (*);
- c. (*) Spark and heating plugs are only covered by the guarantee if their replacement results from a fault covered by the warranty;
- d. Gaskets, O-rings and sealing rings are excluded, with the exception of the cylinder head gasket;
- e. Damage due to poor, incorrect or contaminated fuel;
- f. The exhaust, exhaust suspension, exhaust fume collector and exhaust system silencer, the catalytic converted with the exception of the lambda sensor;
- g. All frame and bodywork components, damage to paint, rims, hinges, caps, windows, mirrors, luggage carriers, inner and outer lighting, covers, cushions, interior coverings, extinguishers, first-aid box, on-board tools and the warning triangle and accessories;
- h. General cabling: brake cabling, flexible cabling, water hoses, rubber and plastic hoses, hydraulic tubes for liquid and air tubes, shock absorbing and suspension rubbers;
- i. The telephone installation and electronic equipment, including alarm and anti-theft systems, GPS or navigation systems;
- j. Optional equipment not approved by the manufacturer;
- k. Folding hood mechanism and vinyl roof covering;
- l. Air and water leaks, wind noise, whistles and rattling;
- m. Costs for test, measurement and adjustment work, insofar as it is not connected to a claim eligible for the warranty;
- n. Distribution belts and consequential damage, insofar as the manufacturer's recommendations concerning periodic replacement were not followed (with a tolerance of maximum 1,000 kilometers).

B. Vehicles > 60 months and max. 96 months with max. 180,000 Km

1. Object of the warranty

The following components are covered:

- a. The engine and all its internal components;
- b. The cooling system;
- c. The turbocharger;
- d. The fuel system;
- e. Engine management (electronic components to control the engine);
- f. The electrical and electronic system;
- g. Manual gearbox with clutch;
- h. Automatic gearbox with couple converter;
- i. Continuous variable transmissions;
- j. Differential, slip differential, drive shaft and drive axles;
- k. Wheel bearings, suspension;
- l. Steering unit including power steering and sensors;
- m. Brake system, ABS, ESP and their sensors.
- n. Heating and air conditioning;
- o. Casings are covered for consequential damage;
- p. Operating materials if required for repairs under guarantee;
- q. Working hours according to the manufacturer's guidelines.

2. Exclusions

- a. Alarm and immobilization system;
- b. Central locking and remote controls;
- c. Friction materials, disk brakes and brake drums;
- d. Damage due to poor, incorrect or contaminated fuel
- e. Blocked radiators, hoses and leads;
- f. Radio and sound system, on-board computer (dashboard information) telephone installation and electronic equipment, including alarm and anti-theft systems, GPS or navigation systems;
- g. External temperature meter;
- h. Electrically operated windows, mirrors and antennae;
- i. Electrically operated roofs (sliding, strip and folding roof).

C. General guarantee exclusions

Regardless of other causes which could influence the claim, no warranty will be granted for damage:

- a. Caused by an accident, i.e. a sudden act of violence coming from an external source;
- b. Caused by willful or malicious actions, stealing, especially theft, use by unauthorized persons, robbery and embezzlement, due to direct violence, storms, hail, lightning, earthquakes, flooding, fire or an explosion;
- c. Caused by the effects of war of whatsoever kind, civil war, domestic unrest, strikes, lock-outs, seizure or any other source of *force majeure* or due to a nuclear energy accident;

- d. Arising where a third party acts or has acted as a manufacturer or supplier because of a repairs assignment or a different warranty agreement;
- e. Arising from participation in organized speed trials or associated test drives;
- f. Arising from the fact that car is exposed to higher axle or trailer loads than those established and permitted by the manufacturer;
- g. Arising from the use of unsuitable lubricants and fuels;
- h. Arising from an alteration / modification of the original car construction, e.g. turning or due to the installation of non-original components or accessories which are not recognized by the manufacturer;
- i. Caused by a component which the warranty holder or beneficiary knows that it required urgent repair, unless it can be demonstrated that the damage is unrelated to the need for repair or that the component was repaired temporarily at least at the time of the claim with approval from the supplier;
- j. To cars which were used for professional passenger transport or were hired professionally (for payment) to different people during the warranty period at least temporarily.

Moreover there is no cover in the warranty for:

- a. Damage caused due to a failure to carry out maintenance stipulated or recommended by the manufacturer;
- b. Damage caused through delayed reporting of the claim and the vehicle not being handed in for repairs;
- c. Damage due to failure to respect the manufacturer's instructions included in the vehicle's used instructions;
- d. Wear sensitive components such as: shock absorbers, windscreen wiper blade rubbers, batteries, brake lining, brake disks, brake drums and friction materials, spark (*) and heating plugs (*) – see section 2, subsection "c"

D. Territorial Validity

The warranty applies to the following European countries:

Andorra, Austria, Belgium, Bulgaria, the Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, Spain, Poland, Cyprus, Baltic States, Malta, Monaco, the Netherlands, Norway, Portugal, Sweden, Switzerland, the UK.

E. Beginning and duration of the warranty

The warranty is valid for one or two years depending on what is stated in the warranty certificate. The warranty starts on the date set out in the warranty certificate for the sold vehicle.

The warranty cover terminates with the expiry of the agreed warranty period, without any notice being required of this. The warranty cover is not affected by putting the vehicle off the road provided that the vehicle is not sold.

F. Scope of the warranty

- a. The warranty applies to damage caused to components as stated in A point 1 and B point 1. The payment of labour costs is calculated on the basis of the working hours indices defined by the manufacturer.
- b. The following are not covered by the warranty:
 - * costs for test, measurement and adjustment work, insofar as it is unrelated to the damage eligible for warranty cover;
 - * costs for consequential loss, insofar as this is not covered by the conditions stated in A point 1 and B point 1;
 - * costs for air freight.
- c. If repairs to and inspections of the vehicle covered by the warranty are carried out simultaneously with other repairs and inspections, the duration of the repairs carried out under warranty will be determined on the basis of the working hours applied by the manufacturer;
- d. In the event of the repairs under warranty the costs of these will be limited to the market value of the vehicle on the date the claim is reported.
- e. The maximum repair costs are limited to the standard replacement costs by a new spare part, including removal and fitting costs. The material costs are reimbursed according to the scale below, based on the kilometer count for the vehicle concerned at the time of the claim, with 100% taken as the standard new price for a component.

up to	120,000km	100%
up to	140,000km	80%
up to	160,000km	60%
over	160,000km	40%

G. Conditions for allocation of services under the warranty

- a. After the identification of a claim covered by the warranty the beneficiary/claimant must contact the customer/vendor immediately, if necessary by telephone, to report this claim.

If the repairs have been carried out by a repairs garage other than the customer/vendor, or by a repairs garage designated by the customer/vendor, the scale and costs of the required repairs must be agreed with the customer/vendor of the vehicle. In this case, the beneficiary/claimant shall ensure that he is given the invoice which he is to pay without delay. This invoice must be sent immediately to the customer/vendor, which will settle the expenditure after an internal verification.

- b. The beneficiary/claimant must entrust the replaced components to the repairs garage for one month to allow the possibility of an expert evaluation. The repairs garage is only bound to give these components back to the claimant if he has explicitly requested this in the repairs contract.
- c. The beneficiary/claimant of the warranty must:
 - * present the warranty certificate and car maintenance booklet in the event of a claim;
 - * refrain from altering the kilometer or interfering with it in any other way;
 - * report a defect in or the replacement of the kilometer meter, with a statement of the kilometer reading at the time, without delay;
 - * demonstrate that the maintenance work specified by the customer/vendor and manufacturer have been carried out during the warranty period by the vendor or with its approval by another repairs garage and prove this with the original invoices.

H. Warranty Fee

The warranty fee is one-off and indivisible.

I. Expiry

All claims relating to the warranty incident expire 12 months after the occurrence of a claim covered by the warranty, although at latest 24 months after the vehicle has been delivered to the purchaser.