



MEMORANDUM OF UNDERSTANDING

This MEMORANDUM OF UNDERSTANDING ("MOU") is made in Roma, Italy on 4th December, 2014 ("Effective Date") by and between

[BYD Europe B.V.],

with its registered office at Vareseweg 53, 3047 AT, Rotterdam, the Netherlands. ("BYD"), under the number of companies (24288673) and registered for value added tax under the number (NL8074.06.545 B01)

and

ROMA Capital Investments s.r.l.

with its registered office at Viale Gabriele D'Annunzio n.100, 00187 ROMA_ ("RCI s.r.l. "). under number of companies registered in C.F. 13060241000 and tax value-added under number P.IVA 13060241000

Both hereinafter referred to collectively as "Parties" and individually as "Party".

WHEREAS, BYD is a leading company in electric vehicle and electric bus design and manufacturing;

and

WHEREAS, RCI has launched initiatives to define - in agreement with the Municipality of Rome and the Agency for Mobility - an innovative transportation system, based on the use of electric vehicles, called "Eco Electric Automotive";

and

WHEREAS, RCI has the organizational skills and resources to be able to process studies and research aimed at achieving the objectives of the project described above, and is able to manage the planning of the implementation processes of transport systems, management consulting, operations and management in services related to mobility, support for processes of certification of quality and regulatory compliance, planning and coordination of actions of communication, analysis and social research and market aimed at testing the feasibility of marketing, on the Italian market, vehicles electric propulsion products from BYD;

and

WHEREAS, in recognition of the strengths and development needs of each Party, BYD and RCI desire to set forth the terms and conditions relating to the cooperation in some areas as defined below in this MOU.



NOW THEREFORE, in consideration of the foregoing premises and the mutual benefits set forth herein, both parties hereby agree as follows:

1. Backgroud of the Cooperation

Due to the pollution in Roma is worsening day by day, effect from the local industry and the transportation emission, the tremendours of architectures monuments & other historical contructions endured very bad damage. The residents of Roma and tourists from the worldwide suffering the bad pollution which directly is affecting their health, and consequently getting a very negative impression of the city, Rome. Since early 2014, RCIF received directive from The Roma municipal, to develop the possibility of clean tourism vehicle transportation solution, under a series of analysis on the methods of tourist transportation, and a series of discussions and meetings with all relevant parties, such as the Ministry of Public Transportation of Roma, Municipal Construntion Department of Roma, the Organizations of Public & Private Tourism operators, and etc.. RCIF has determined that a good partner in electric vehicle (bus & coach) should be involved as early as possible, to realize the whole plan and turn this into reality. (and hence, "Green Roma Project")

2. Description of Cooperation

By the understanding of the background of above, this MOU is part of the electric vehicle (bus & coach) business development approach supported by both parties. The aim is to assist BYD in the promotion and sales of pure electric bus & coach in the market of Roma, and the Lazio Region, but not limited to the Italian market ("Territory"). Each project should be agreed by both parties, by written notice, or via email approval at minimum.

2.1. Approach and methodology

RCI will help BYD to promote electric vehicle (bus & coach) in the capacity of a lobbying company by ways of:

- Focused Marketing Data collection and analysis
- Political relationship development & management for BYD;
- Public media & press relationship development & management for BYD;
- Potential Clients (public transportation operators & private transportation operators, and so on) relationship development & management for BYD;
- Financial Supporting & solution for the future business mode;

If other items, than the topics above, need to be add to the list, both parties can agree by written notice or email.



Accordingly, RCI will choose invoice to BYD of all the cost by month, on the basis of specific job orders previously discussed and approved by both of parties (the contract format as in separate communication attached), and depending on results the cooperation will have the option to transform cooperation in a stable JV (Special Purpose Vehicle) setting up a special BYD credit account in RCI, where to balance the cost and the sales profit of the business.

2.2. Tourism Coach project

As discussed from first beginning, in next two to three years, there is a potential of 400 electric coaches, in Rome, to make the "Green Roma Project" to reality, RCI will:

- Confirm the legal and incentive advantage of the electric coach, comparing to the conventional coach, through political effort.
- Accept one electric coach from BYD China, to collect the real data and the evidence of the advantage, commercially, and eco-environmentally, for 2 to 3 months, or as deemed necessary;
- Help BYD arrange the test (testing plate, operational partner, driver, garage, insurance, etc.);
- Support BYD on the local testing.

BYD will

- Arrange one electric coach to Roma from the testing;
- Arrange one appropriate charger to support the test;
- Arrange engineers to maintain the testing

2.3. Duration

This agreement is valid for a period of 12 (twelve) months, commencing immediately on the day of signing this MOU (3rd Dec, 2014)

3. Modification

This MOU contains the final, complete and exclusive agreement of the parties related to the subject matter hereof and supersedes all prior and contemporaneous understandings and agreements relating to its subject matter. The provisions of this MOU may not be modified, amended, nor waived, except by a written instrument duly executed by the Parties hereto.

4. Termination

This MOU may be terminated by either Party on the date of the prior one:

- (1) The Parties sign any further agreement supersedes this MOU;
- (2) Either Party may terminate this MOU without any reason, provided that a written notice must be given 30 days prior to termination.



5. Governing Law and Dispute Solution

This MOU shall be governed by and construed in accordance with the laws of the Netherlands. Any disputes arising out of or in connection with this Agreement including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration in the Netherlands administered by the the Netherlands International Arbitration Center for the time being in force, which rules are deemed to be incorporated by reference in this clause. The seat of the arbitration shall be the Netherlands. The arbitration shall be conducted by one arbitrator. The language of the arbitration shall be English. The award shall be final and binding on both parties. Judgment upon such award may be entered in any court having jurisdiction thereof..

6. Other Conditions

6.1. All attachments to this MOU shall be deemed integral part of this MOU.

6.2. The two Parties agreed that all documents & correspondences shall be delivered in English language.

6.3. BYD and RCI are independent entities, each action in its own name on its own account. This MOU is not intended nor shall it be construed to create any partnership, joint venture or agency between the Parties.

6.4. This MOU has been made in Two (2) original copies and each party will keep one (1) original signed copy.

IN WITNESS WHEREOF, the undersigned have executed this MOU by their authorized officers below as of the Effective Date.

BYD EUROPE B.V.:

By

Name: **Mr. Isbrand HO**

Signature:

Title: Managing Director

Date: 4th December 2014

**ROMA CAPITALE INVESTMENTS
FOUNDATION**

By

Name: **Mr. Giorgio Heller**

Signature:

Title: Chairman

Date: 4th December 2014