

I. SCOPE OF THESE GENERAL CONDITIONS OF SALE AND DELIVERY

1. These General Conditions of Sale and Delivery (GTSD) shall apply to all our business transactions with our Customers. In particular, these GTSD shall apply to all contracts concerning the sale and/or delivery of movable goods regardless of whether or not such movable goods are manufactured by us or purchased from a third party supplier or subcontractor.
2. Our GTSD shall apply exclusively even if we, whilst being aware of the general business conditions of the Customer, accept orders unconditionally, provide services or directly or indirectly refer to documents or similar instruments containing the Customer's or any third party's general conditions. We shall be deemed to have accepted any conflicting, deviating or additional business conditions of the Customer only if we have expressly agreed to such in writing.
3. Our GTSD in their respective current version at the time shall apply as a framework agreement for all future offers and contracts concerning the sale and/or delivery of movable goods with the respective Customer without any need for reference to be made to such in each individual case; in the event that our GTSD are amended or changed, we shall notify the Customer of such without undue delay.

II. CONTRACT FORMATION / WRITING / REPRESENTATION

1. Our offers are subject to confirmation and non-binding insofar as such are not expressly marked as being binding or requiring acceptance within a specific period.
2. An order by the Customer shall constitute a legally-binding offer to form a contract. Our acceptance shall be by way of writing (e.g. by our order confirmation or dispatch notice/notice of readiness for collection) or by way of delivery of the goods. The terms of such written confirmation or notice shall be incorporated into and prevail as part of the contract. After contract formation, any notices given to us in connection with such contract by the Customer (e.g. notice of deadline, notices of default, notification of defects) must be in writing in order to be effective.
3. An unsigned electronic document, unsigned email or fax sent from such electronic mailing address or facsimile number (as the case maybe) designated by us or the Customer (as the case may be) from time to time shall be deemed to be writing for the purposes of these GTSD.
4. The written contract including these GTSD, which also shall form an integral part of the written contract, shall constitute the entire agreement between the Customer and us in relation to the subject matter of such written contract. Any other oral understandings made before the concluding of the written contract shall not be legally-binding and shall be superseded by the written contract in full unless otherwise expressly agreed.
5. Separate contractual agreements entered into to vary the terms of the GTSD shall prevail over these GTSD. The exact content of such contract agreements shall be determined by way of a written contract or our written confirmation.

III. RESERVATION OF RIGHTS / NON-DISCLOSURE / CONFIDENTIALITY

1. We reserve all rights of ownership of the intellectual property rights and all other rights in relation to all documents, materials and any other items (including but not limited to offers, catalogues, price lists, quotations, plans, drawings, illustrations, calculations, product descriptions or product specifications, samples, models or any other tangible and/or electronic documents, information and software) made available by us to the Customer. Subject to any requirements under applicable laws, the Customer shall not make available the above documents, materials or items or the contents of any of the above documents, materials or items to any third party or notify such to any third party, exploit such, or copy or change such without our prior written approval. The Customer may use the above documents, materials and items only for the purposes of fulfilling its obligations as set out in the contract [referenced in Section II, paragraph 2] and shall, upon our request, return the above documents, materials and items and destroy any existing (including electronic) copies (or erase such) insofar as such are no longer required in the ordinary course of business or in order to comply with retention obligations existing at law. Upon our request, the Customer shall provide confirmation or evidence of the return or destruction/erasure in full of the documents, materials or items or, as appropriate, give notice as to which of the documents, materials or items for whatever reason are still required to be retained in the ordinary course of business or to comply with retention obligations existing at law. In relation to software, the provisions set out under XII shall additionally apply.
2. Both parties agree to keep confidential all information received from the other party in the course of the contractual performance. This shall apply also for an indefinite period after the termination or expiry of the contract [referenced in Section II, paragraph 2]. This obligation shall not apply to any information already known to the receiving party by legitimate means without a corresponding breach of duty of confidentiality or, to any information which the receiving party becomes aware of subsequently by legitimate means and without any corresponding breach of duty of confidentiality or, to any information which is, or becomes, generally known without such being caused by a breach of contract by any of the parties.

IV. PRICES / PROCESSING CHARGES / DELIVERY

1. Unless otherwise agreed, all our deliveries shall be ex works (EXW Incoterms (2010)) (with respect to the warehouse from which we undertake the respective delivery).
2. Notwithstanding IV (1) above, and subject to agreement with the Customer, we shall deliver the goods to a destination specified by the Customer. In such event, the Customer shall bear the transport costs of such delivery (including the costs of packaging). Any risk of accidental loss or deterioration of the goods in relation to any delivery undertaken in accordance with the first sentence of IV (2) shall pass to the Customer upon receipt of notification of the readiness of the goods for shipping or, if the contract does not provide for such notification of readiness for shipping, such risk shall pass at the latest when the goods are handed over to the transport company, freight company or other transportation personnel for delivery to the Customer. This shall also apply in case of any part delivery or in circumstances where we also provide other services (e.g. the above mentioned shipping or transport or assembly).
3. Any risk of accidental loss or deterioration of the goods shall pass to the Customer even if the Customer is delayed in accepting the goods.

4. In relation to any order quantities not achieving the minimum level specified in our applicable price list and/or the specified minimum order value, we shall charge a processing fee at the rate of 10 %, unless agreed otherwise.
5. We are entitled at our own reasonable discretion to determine the method of transport (including in particular the responsible transport company and the transport route) and the packaging (in terms of both material and type) of the goods.
6. We shall retain all ownership rights to palettes, containers and other reusable packing and the Customer shall return such to our point of delivery free of charge and without undue delay. Any disposable packaging shall be charged to the Customer at cost and shall not be accepted for return.
7. Unless otherwise agreed, the net list prices applicable at the time of the concluding of the contract plus any Goods and Services Tax, if applicable, shall apply to all transactions. Prices quoted shall be ex works (EXW Incoterms (2010)). The Customer shall bear all costs for insurance, transportation, packaging and additional costs for any express shipment as well as any other taxes or duties unless agreed otherwise.
8. If the agreed prices are our net list prices, no specific fixed (unchangeable) prices have been agreed and if delivery is made more than four (4) months after the concluding of the contract, the current net list prices at the time of delivery shall apply.

V. EXPORT CONTROLS

1. Customer shall observe and comply with export control regulations of the EU, the US, Singapore or with any other applicable export control laws or regulations. Customer shall also observe and comply with all obligations and restrictions in the context of export regulations as may be imposed on the Customer by us.
2. Customer shall inform us in advance if goods, technology, software or services (hereinafter "Schaeffler Items") are ordered for use in connection with (i) a country, a territory, a natural or a legal person subject to restrictions or sanctions of Singapore, the EU, the USA, or any other applicable export control laws or regulations or sanction laws or regulations or (ii) the construction, development, production or use of military or nuclear goods, chemical or biological weapons, missiles, space or aircraft application or launching systems therefor.
3. We hereby inform Customer (i) that the US Department of the Treasury's Office of Foreign Assets Control (OFAC) treats us as a US-Person under the sanction regulations on Iran ("ITSR") and Cuba ("CACR"), and therefore (ii) that Schaeffler Items shall not – without prior authorisation by the competent governmental authorities and as far as applicable anti-boycott laws or regulations do not stipulate otherwise – (a) be used in any country or territory that is subject to any restrictions or sanctions of the competent government or by any person or entity on any sanction list maintained by the competent government, or (b) supplied, exported, re-exported, sold or otherwise transferred, directly or indirectly, to any country or territory that is subject to any restrictions or sanctions of the competent government or to any person or entity on any sanction list maintained by the competent government.
4. Customer shall indemnify us and hold us harmless from (i) any and all damages and (ii) any and all claims by third parties (including – without being limited to and as far as legally possible –

finances and penalties imposed by public authorities), that may arise directly or indirectly from the violation of export control laws, regulations or instructions given by us pursuant to the provisions of the GTSD. In particular, Customer must issue to us upon request end user certificates or, if applicable, international import certificates necessary for the application of an export license. In no case shall we be liable for any damages incurred by Customer due to Customer's failure to issue such documents.

5. We shall be entitled to withhold its obligations under the contract [referenced in Section II, paragraph 2] with no liability towards the Customer in the event that, in our unilateral discretion, we determine that fulfillment is in conflict with applicable national or international export control laws or regulations or our internal restrictions based on such regulations, or that there are risks that penalties or sanctions could be imposed on us for fulfilling any obligations under the contract (e.g. secondary sanctions). Customer shall disclose to us any information necessary for us to assess how to comply with such laws, regulations or restrictions in the individual case.
6. We shall be entitled to terminate the contract [referenced in Section II, paragraph 2] immediately and without liability towards Customer, if we can withhold any obligation for more than 90 days pursuant to section V.5.

VI. DELIVERY DATES / DEFAULT DELAY / CALL ORDERS / PART DELIVERIES

1. Any delivery periods/dates for the provision of goods and materials (delivery deadlines) stated by us shall be deemed to be approximate only. This shall not apply if a firm delivery date has been expressly confirmed or agreed. Confirmed or agreed delivery deadlines shall start to run only after order confirmation or, in relation to deliveries subject to advance payment, only when payment is received and in any event no delivery period shall start to run earlier than from the date of a final agreement being made with the Customer concerning any matters to be clarified before the start of production.
2. We shall not be liable in any event of impossibility or delay in our performance insofar as such arises from circumstances involving force majeure or other events unforeseeable at the time of the concluding of the contract and for which we are not responsible (e.g. operational disruptions of any type, fire, natural catastrophes, weather, flooding, war, uprisings, terrorism, transportation delays, strikes, legitimate lockouts, labour shortages, energy or raw material shortages, delays resulting from the granting of any necessary official permits, measures of any authority/sovereign). Such events shall also include incorrect or delayed deliveries by our suppliers for which we are not responsible and in relation to which we had entered into an appropriate contract with the respective supplier for the satisfaction of our requirements prior to or at the time of the concluding of the contract. In case of any of the above events, the related delivery deadlines shall be extended automatically by the period of the respective event plus any necessary additional lead time. We shall notify the Customer as to any such event without undue delay and at the same time shall provide notice of the likely new delivery deadline.
3. In the event that we are not able to deliver within four (4) months after the delivery deadline initially proposed, either party is entitled to withdraw in full or part from the contract with respect to the performance affected by the events; we shall refund any amounts already paid by the Customer without undue delay.
4. Default in relation to any delay in delivery shall be determined in accordance with the provisions of law. In any case the Customer shall be required to serve us with notice of default. If, any

default or damage resulting from the delay is incurred by the Customer, the Customer shall be entitled to claim damages from us for such delay. The amount of such damages shall be 0.5% of the net price for each full week of delay but no more than a maximum of 5% of the value of the respective part of the total delivery which, as a result of the delay, cannot be used in time or cannot be used in accordance with the respective contract. Any exercising of this right to claim damages must be made in writing and shall be binding. By exercising this right to claim damages for default delay the Customer waives any right to claim further costs, damages or compensation for any damage caused by the default delay in delivery. In lieu of the compensation for default delay the Customer may claim for the actual damage caused by the default delay in delivery in accordance with the provisions of X.

5. Insofar as it is agreed with the Customer that a fixed quantity shall be delivered within a fixed period ("completion period") and the Customer has the right to specify the date for each delivery, the deliveries shall be requested at least twelve (12) weeks before the desired delivery date. Upon expiration of the completion period, we may deliver and charge the Customer for any quantities not yet requested.
6. We shall be entitled to make part deliveries in the event that (a) a part delivery can be used by the Customer in terms of the agreed purpose of the contract, (b) the provision of the remaining performance has been ensured and (c) the Customer shall not incur any significant additional costs due to the part delivery.

VII. PAYMENTS

1. Payments shall be made without any deductions to one of our bank accounts within 30 days of receipt of invoice. An invoice shall be deemed to have been received within three (3) days of sending unless the Customer is able to prove otherwise. We are entitled, even in relation to ongoing transactions, at any time to require payment in advance in whole or in part for any delivery. Such a requirement shall be communicated by us to the Customer in our order confirmation at the latest.
2. The Customer shall be deemed to be in default in relation to any payment as soon as the Customer fails to pay by the agreed payment date unless payment has been delayed as a result of circumstances for which the Customer is not responsible. In case of default in payment, the Customer shall in addition to the purchase price in default, pay an interest of 5% per annum (calculated on a daily basis) on the purchase price in default. We further reserve the right to assert additional rights and claims arising from damage due to default.
3. The Customer shall be entitled to set-off or claim a right of retention only if (a) the Customer's counterclaim is undisputed or legally established in a way that cannot (any longer) be appealed or challenged or (b) in case of any legal proceedings the last oral hearing is pending judgment or (c) such exists on the basis of reciprocity (synallagma) in relation to the main claim.

VIII. RETENTION OF TITLE

1. Any goods for which payment has been made in advance shall not be subject to a retention of title. Otherwise, we shall retain title to all goods delivered by us until such time as the full purchase price has been paid (goods subject to retention of title), notwithstanding delivery and the passing of risk in such goods to the Customer.

2. In the event of any resale of goods subject to retention of title, the Customer hereby assigns to us as security any rights to receive payment it may have against its customers as well any other claims the Customer may have concerning the goods subject to retention of title, including but not limited to claims against its customers or third parties regardless of the legal basis for such (in particular claims based on tortious acts or insurance matters) and covering all account balances, based on our co-ownership share if we hold co-ownership rights to the goods subject to retention of title. We hereby accept this assignment.
3. We herewith authorise the Customer on its own account, but subject to any subsequent revocation by us, to collect on our behalf the claims assigned to us. Our right to collect these claims on our own shall not be affected hereby. Notwithstanding the above, we shall not collect the claims ourselves and shall not revoke any authorisation to collect claims provided that the Customer satisfies its payment obligations to us (and in particular is not in default with any payment) and provided that no application to commence insolvency proceedings in relation to the assets of the Customer has been filed in any court or other body and on condition that there is no impairment to the ability of the Customer to duly perform its obligations under the contract. In case that of any one or more of the above events occurring we shall be entitled to require that the Customer discloses to us the assigned claims and the respective debtors and that further the Customer notifies the respective debtors of the assignment (such notification may also be undertaken by us taken directly at our discretion) and provides to us all documents and information required to assert the claims.
4. If requested by the Customer we shall release any goods subject to retention of title and any substitute items or claims insofar as the retention of a right of security is no longer necessary. In such case the selection of the goods to be released from the retention of title shall be undertaken by us at our discretion.
5. The Customer shall not have any right to pledge, transfer, assign or charge by way of security any goods subject to a retention of title. If goods subject to a retention of title are accessed or confiscated by any third party, the Customer shall in each case expressly notify such party of our ownership and notify us in writing without undue delay to allow us to pursue and protect our ownership rights. If a third party is unable to reimburse our costs related to any court or out-of-court proceedings, the Customer shall be liable to us for these costs.
6. Insofar as the applicable legal provisions of the respective country do not allow for a retention of title in terms of VIII sections 1 to 5, but do recognise other rights to secure claims arising from invoices of the supplier, we hereby reserve such rights. The Customer shall provide support in relation to any measures available to us to protect our rights of ownership or other substitute rights in relation to the goods subject to retention of title.

IX. WARRANTY

1. Any statutory right of Customer with respect to defects in the goods and defects of title shall apply only insofar as no alternative or supplementary provisions are contained in these GTSD.
2. Unless otherwise expressly agreed, (a) our products and services comply exclusively with the statutory requirements applicable in the Sale of Goods Act (Chapter 393 of Singapore) and (b) the Customer alone shall be responsible for integrating products into its in-house technical, structural and organisational systems (Customer's responsibility of system integration). The parties agree that typical signs of wear and tear to the goods resulting from normal use and age do not constitute defects.

3. Unless alternative acceptance procedures have been expressly agreed between the parties, the Customer shall undertake to inspect the delivered goods without undue delay upon receipt at the premises of the Customer or a designated third party and the Customer shall further notify us of any defects without undue delay. To satisfy the requirement of not being in delay, any notification of defects shall be sent within seven (7) working days of the delivery date or, where a defect was not detectable during inspection, within no more than three (3) working days of the actual detection of the defect. Notwithstanding the above, if any defect not apparent at inspection was or ought to have been reasonably apparent to the Customer at an earlier date in the normal course of usage than the date it was actually detected, the notification periods set out above shall be deemed to run from the earlier date on which the defect should have been detected. If the Customer fails to undertake a correct and timely inspection and/or notification of any defect, our warranty obligations and other liabilities for the related defects are hereby excluded unless we have fraudulently concealed such defect.
4. Upon our request the Customer shall return any alleged defective goods to us without undue delay and such shall initially take place at the expense of the Customer. In case a notification of defects proves to be justified, we shall reimburse the Customer for the cost of the least expensive transport method; such reimbursement shall not cover any costs incurred due to the goods being at a location other than the location of intended use.
5. Insofar as any claim of the Customer arises against us as a result of defective goods, we shall, at our reasonable discretion, either rectify the defect at no charge or deliver defect-free substitute goods at no charge (hereinafter collectively called "subsequent performance"). The Customer must give us sufficient time and opportunity to provide the subsequent performance required at our discretion. Our right to refuse any subsequent supplementary performance under the conditions set down by statutory law, if any, shall not be affected hereby.
6. If the subsequent performance proves not to be successful or if such is not performed within a reasonable time period as determined by the Customer or, if such is dispensable under the provisions of statutory law, the Customer may withdraw from the contract or reduce the purchase price for the defective goods. Notwithstanding the above, a right of withdrawal shall not apply with respect to any claim for minor defects. The right of the Customer to claim damages and reimbursement of any wasted expenses due to defective goods shall be governed by condition X of these GTSD.
7. Any right to claim for defects shall expire 24 months after delivery of the goods unless applicable law requires a longer limitation period for such rights to claim.

X. LIABILITY FOR DAMAGES

1. Unless otherwise stated in these GTSD, we shall assume liability for breach of contractual and non-contractual duties in accordance with the provisions of statutory law.
2. We shall be liable, regardless of the legal basis and without limitation, for any damage resulting from, and reimburse wasted expenses in relation to, any intentional or grossly negligent breach of duty by us, our legally-authorized representatives or our agents.
3. In the event of a breach of duty involving simple or light negligence by us, our legally-authorized representatives or agent, we shall be liable subject to a lesser level of liability existing in accordance with the provisions of applicable law (e.g. for due care in own matters),

- a) without limitation, for any resulting damage and/or economic loss due to injury of life, body or health;
- b) or reasonably foreseeable losses due to the breach of an obligation under the contract. The limitations of liability arising under b) shall not be applicable if we fraudulently conceal a defect, give a guarantee as to the quality of the goods or assume the risk of procurement.

Provided that all other requirements are satisfied, the Customer shall be entitled to assert any claim for damages covering any contractual penalty claim or liquidated damages for which the Customer is liable in relation to a third party in connection with the goods delivered by us, only if such is reasonably foreseeable and if the Customer has notified us of this risk in writing before contract formation.

The Customer is obliged to notify us in writing without undue delay of any damage or loss which we are liable to make good, or allow us to record such damage or loss.

4. Any contractual and non-contractual claim for damages/reimbursement of wasted expenses on the part of the Customer and which result from a defect in the goods shall expire after a period of 24 months from the date of the delivery of the goods, unless applicable laws provides for a longer limitation period.
5. Insofar as our liability is excluded or limited under the above provisions, such shall apply also to any liability of our bodies, legally-authorized representatives, employees, staff and agents.

XI. GUARANTEE / PROCUREMENT RISK

1. Any provision of a guarantee or a risk of procurement by us must be made by way of an express written agreement designated as such.
2. Both parties agree that any information provided in catalogues, printed documents, advertising materials and other general forms of information as well as in technical forms or release certificates and similar documents shall not at any time constitute a guarantee or assumption of a risk of procurement.

XII. USE OF SOFTWARE

1. If the scope of any delivery includes software, the Customer shall receive a non-exclusive, non-transferable right to use the software exclusively in connection with the goods designated for use with the software, such right being for the finite period set out in the delivery contract [referenced in Section II, paragraph 2] and not sub-licensable without our written consent.
2. The Customer shall not duplicate, process or decompile the software without our permission unless such is otherwise allowed under applicable laws. The Customer shall not remove any details applied on the software or accompanying documentation, including but not limited to any copyright notices, names and trademarks, or modify such without our prior written express consent. All other rights to the software, including any copies thereof, are reserved by us.

XIII. DUTY TO NOTIFY IN CASE OF MEASURES RELEVANT TO PRODUCT SAFETY LAWS

In the event that any measures relevant to product safety laws are carried out at the premises of or against the Customer in connection with our products (e.g. monitoring of market activities by the authorities, such as a returning of goods or a recall order) or if the Customer intends to carry out such measures (e.g. report to market monitoring authorities), the Customer shall notify us in writing without undue delay.

XIV. MISCELLANEOUS

1. The place of performance for deliveries shall be the location or warehouse from which we undertake the delivery.
2. The exclusive jurisdiction, also in relation to cross-border matters, for all disputes arising under or in connection with the business relationship between the Customer and ourselves shall be Singapore.
3. These GTSD shall be governed by, and construed in accordance with, the laws of Singapore to the exclusion of the conflict of laws. The application of UN Sales Law (CISG) is hereby expressly excluded.
4. In the event that any provision of these GTSD is or becomes void or ineffective in part or in whole, the effectiveness of the remaining provisions shall not be affected thereby. To the extent that any provision did not become part of the contract or is ineffective, it shall be replaced with an effective provision that most closely reflects the commercial intent of the parties.
5. A person who is not party to the contract has no rights under the Contracts (Rights of Third Parties) Act (Chapter 53B of Singapore) to enforce any term of the contract, but this does not affect any right or remedy of a third party which exists or is available apart from the said Act.
6. We will store personal data in accordance with applicable laws. The Customer hereby gives its consent to our collection, use and disclosure of personal data provided by Customer to us for the purposes of the exercise of our rights and the performance of our obligations under this GTSD and all contracts entered into between us and the Customer.