

General Conditions of Purchase of Schaeffler Iberia S.L.U.

I. General.

In case of any purchase we undertake, any legal relationship between the Supplier and SCHAEFFLER will be subject to the following terms and conditions. Conditions stipulated by the Supplier as well as any agreement deviating from Is stipulated in these General Conditions shall only be applicable if they are expressly accepted through contractual document signed by the legal representatives and / or the attorneys of the parties. The fact that SCHAEFFLER do not expressly object to an agreement or accept or pay for the goods or services shall not be understood as an acknowledgement.

The present general conditions have the condition of general terms and conditions, to the effects foreseen in the law 7/1998, of April 13, of General Terms and Conditions. Clients will have permanent and free access to the current text of the same at all times, visiting the website www.schaeffler.es. In each individual contract that is entered into within the scope of these general conditions will be expressly recorded that the Client has known the full text of these general conditions before entering into the corresponding contract and has expressly accepted its incorporation into it.

II. Conclusion of Contract and Amendments.

Any individual contract concerning the supply of goods or services as well as any amendments, additional agreements, notices of termination as well as any other declarations or notifications must be in text form unless otherwise stipulated in these Conditions.

The Supplier must send its acceptance by email to the email address indicated for this purpose, within a maximum period of fourteen (14) natural days from receipt. Unless expressly reserved by the supplier during this period, the present purchase conditions shall be considered as accepted.

SCHAEFFLER reserves the right to modify the quantities and delivery dates initially indicated, as well as the possibility of revoking it, until the supplier formally accepts the Purchase Order within the specified period.

In case of any delivery of goods, the applicable quality assurance agreement, the logistics agreement as well as the shipping and transport instructions of SCHAEFFLER in their respective applicable version shall form an integral part of this contract. The documents can be accessed at www.schaeffler.es (in the subcategory "Supplier") and will be made available to the Supplier upon request

III. Scope of Supply of goods and Services / Changes to Scope / Spare Parts / Subcontractors.

The Supplier shall ensure to acquire punctual knowledge of all significant data and circumstances in terms of its performance of its contractual obligations, as well as of the application that SCHAEFFLER wishes to give to its supplies. Offers are free of charge to SCHAEFFLER. The Supplier shall ensure before providing any offer that has exactly examined the local circumstances and is certain of the situation as a result of inspecting the documentation for performance and compliance with technical and other regulations. The Supplier shall check all documents provided for matters including the local situation, correctness, feasibility as well as the performance of preliminary work by third parties. The Supplier shall notify SCHAEFFLER in writing, without unreasonable delay, of any concerns with details of the reasons and the Supplier shall agree with SCHAEFFLER to carry out of the work.

SCHAEFFLER is entitled to request from the Supplier modifications in the design and construction of the supplied articles, so long as Supplier can be reasonably expected to meet such requests. The Supplier shall implement such modifications within a reasonable period of time. Mutually satisfactory agreements shall be concluded concerning the consequences of such modifications, in particular with regard to delivery dates and additional and reduced costs. In the event that agreement cannot be reached on the matters described above within a reasonable period of time, we will determine the consequences according to SCHAEFFLER'S reasonable discretion.

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In the case of delivery of production material, the Supplier shall ensure that it will continue to be able, for a period of 15 years following the termination of the supply relationship and on reasonable terms and conditions, to deliver to SCHAEFFLER the supplied articles or parts thereof as spare parts.

The Supplier may subcontract its obligations only with prior written approval of SCHAEFFLER, but shall be responsible of subcontractors' performance at any time.

IV. Prices / Terms of Payment

The agreed prices are firm. Unless otherwise agreed, the payment will be made according to the stipulations of the purchase order by bank transfer to the current account of the person who issues the invoice. Unless otherwise agreed, payment will be made within 60 days.

Any discount for prompt payment will be stipulated exceptionally in the Purchase Order at SCHAEFFLER'S discretion.

If we receive and accept a delivery on a date prior to the agreed date, the payment period starts with the billing date. Invoices will be presented without duplicate copies and will indicate the purchase order number, the purchase order line, SCHAEFFLER'S customer account and customer reference, download location, Supplier number, part number, number of pieces, price per piece, drawing number and volume per delivery. Without such information, the goods / services will be rejected and returned.

V. Delivery Dates / Government Authorizations / Export Control

Unless otherwise stated, supplies will be DAP (incoterms 2010) in the place determined by SCHAEFFLER, including packaging and conservation. Our company and the consignee determined by SCHAEFFLER shall be advised about a shipment on the day of its dispatch. Each shipment shall include a duplicate delivery note including SCHAEFFLER'S order number, item number and Supplier number. Agreed dates and time limits are binding. The Supplier shall inform SCHAEFFLER immediately in written form about any delay in delivery. The Supplier must also indicate the reasons for such delay and its expected duration. If the reason for the delay is beyond the Supplier's control, the Supplier may invoke such reason only if it fulfils its obligation to notify SCHAEFFLER within a reasonable time.

Agreed dates and time limits are binding. Supplier shall be responsible for any costs and damages caused by delay, unless a new delivery date is agreed in written form.

The Supplier shall notify SCHAEFFLER of any governmental permits or notification requirements that may be required for the import and the use of the delivered items.

For shipments from preferential countries, the Supplier must provide a proof of preferential status with each shipment. The long-term Supplier Declaration in accordance with EEC Regulation 1207/2001 must be submitted annually. SCHAEFFLER must be notified immediately if the delivered goods require an export license. Furthermore, the Supplier is obliged to comply with the respective export control regulations and inform SCHAEFFLER in writing no later than the delivery and without prior request of export control designation of the contracted products, in accordance with the legislation of the EU and the United States.

VI. Acceptance of Work Performed

Any acceptance of work shall take place after completion of such by means of SCHAEFFLER'S signature on the respective acceptance record. In relation to any performance which cannot be subsequently checked or examined, the Supplier shall give SCHAEFFLER in good time written notice requiring the examination. In no case will it be understood that the lack of response to an inspection request, the use of the goods or the payment suppose an acceptance by SCHAEFFLER.

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Acceptance in cases of service provision will be made on receipt of the preliminary report of the services by the Supplier. Acceptance in cases of supply will be made on the stub of the invoice upon receipt of the machine / equipment / products.

Acceptance of any type required by the official authorities, in particular acceptance by recognized experts, shall be arranged by the Supplier at its own expense before acceptance of the works insofar as such is not expressly excluded from the scope of performance. Any official certificate of a defect-free nature or any official approval or acceptance must be provided to SCHAEFFLER prior to acceptance of the works.

VII. Confidentiality / Information

The Supplier (i) shall keep secret all information, including without limitation, drawings, documents, know how, samples, production devices, models, media (collectively, the "Information"), (ii) may not make such Information available to third parties (including sub-Suppliers) without SCHAEFFLER'S written consent and (iii) may not use such information for purposes other than those determined by SCHAEFFLER. These obligations apply respectively to copies and duplicates. This confidentiality obligation does not apply to information (i) that the Supplier had already obtained legitimately at the time of disclosure, provided that such information was not subject to a confidentiality obligation, (ii) which the Supplier obtained subsequently and legitimately without being obligated to keep such information confidential, (iii) which is generally known, without any breach of contract by one of the parties or (iv) for the disclosure or the independent use of which the Supplier has received permission. The Supplier may not advertise its business relationship with us without our prior written consent.

SCHAEFFLER retain ownership and reserve all other rights (including copyright) relating to the Information. Copies may be made only with SCHAEFFLER'S prior written consent. Ownership of the copies will be transferred to SCHAEFFLER at the time they are created. Supplier hereby agrees with SCHAEFFLER that it will store copies on behalf of SCHAEFFLER as a co-modeficiary. The Supplier agrees to properly store at its expense all documents and other objects, including copies thereof, that were have been made available to the Supplier, to keep them in perfect condition, to obtain insurance for them and to return them to us or destroy them, in each case at SCHAEFFLER'S request. The Supplier has no right, on whatever grounds, to retain such objects. The Supplier shall confirm the complete return or destruction of the relevant object in writing.

If the Supplier breaches its obligations set forth in VII, a contractual penalty in the amount equivalent of € 25,000.00 current at the time of the violation and shall become due and payable immediately for each breach.

Such compensation shall not replace possible compensation for damages and the payment of interest in the event of default, nor shall it relieve the supplier of its obligation.

VIII. Quality Control

The Supplier shall constantly monitor the quality of its performance. Before any delivery of contracted goods, the Supplier shall ensure that goods intended for delivery are free of defects and conform to the agreed technical requirements and the Supplier shall guarantee the fulfilment of the obligation cumulatively to SCHAEFFLER in writing.

IX. Warranties / Reimbursement of Costs / Warranty Period / Indemnification

SCHAEFFLER will inspect incoming goods only with respect to externally defects and deviations in identity or volume externally apparent. SCHAEFFLER will give notice of such defects without undue delay. Furthermore, we will also give notice of defects as soon as such defects have been detected in the ordinary course of business. With respect to the foregoing, the Supplier hereby waives the right to assert that the defects have been asserted too late.

If the delivered goods are defective, SCHAEFFLER will be entitled to the protection afforded by law, unless the following conditions provide otherwise. If industrial safety is threatened, if there is a danger of unusually high

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damage or for the purpose of maintaining SCHAEFFLER'S ability to deliver to its customers. SCHAEFFLER may be entitled, following notification of the Supplier, to remedy the defects ourselves or have them remedied by a third party. The Supplier shall be liable for all damages and expenses arising directly or indirectly from the defects of the merchandise goods assumed by our company.

If the Supplier avails itself of a third party to carry out a performance, the Supplier will be held responsible for this third party, as for any other person employed in performing an obligation.

Unless a longer period is determined by law, the Supplier is liable for hidden defects that arise within 6 months of the date of receipt of the delivery or of the date of acceptance, provided that such acceptance was legally or contractually stipulated. In case of rectification of defects or delivery of goods free of defects, this period is extended by the time during which the delivery item cannot be used as stipulated in the contract.

Except in the case where the Supplier is not liable for the defect in question, the Supplier shall hold us harmless from any claim by a third party as a result of a defect.. If the damage is caused by an object supplied by the Supplier, the Supplier shall indemnify us against all claims from a third party. This right to be held harmless shall also apply in cases where the Supplier responds directly. In the case of subjective civil liability on the part of the Supplier, the Supplier shall only hold us harmless if he is held liable for fault.

X. Performance of Work at SCHAEFFLER'S Premises.

In relation to any activity carried out in SCHAEFFLER'S facilities, the "Manual for Contracts and Subcontracts" will be applied and made available to the Supplier upon request. The Supplier must comply with the instructions of the factory's security service.

The Supplier may not hire persons for fulfilling its contractual obligations at SCHAEFFLER'S premises which are employed by us or have been employed by us within the last 6 months without prior written approval.

Supplier's employees or Supplier subcontractors' employees will mandatorily need to be registered at the National Institute of Social Insurance in order to allow them to enter our premises. We reserve the right to deny access to SCHAEFFLER'S facilities to any Supplier's employees or Supplier subcontractors' employees that do not comply with this requirement.

The allocation of workforce at SCHAEFFLER'S facilities requires prior approval of the Department of Human Resources.

Since SCHAEFFLER and the Supplier are independent entities in the management of their respective businesses, and there is no other relationship between them than the one established by means of the contract signed by them, SCHAEFFLER shall not create any employment relationship between SCHAEFFLER and the personnel assigned by the Supplier to the purposes of the contract, being, consequently, the exclusive account of the Supplier the fulfilment of its obligations as an employer and the application of the legal provisions in commercial, labour, fiscal and Social Security matters that are legally required of it.

XI. Materials, Packaging and Tools Provided by SCHAEFFLER

Substances, parts, containers, special packaging, tools, measuring instruments or similar items (each, an "accessory") remain SCHAEFFLER'S property. The Supplier shall not have any rights of retention on whatever basis to the Accessories.

All drawings specified in the Purchase Order are SCHAEFFLER'S property and must be returned with the goods delivered.

XII. Tools

Notwithstanding any other agreement, SCHAEFFLER shall receive full ownership of the tools to the extent we have contributed to the proven costs for tools used in the manufacture of the supplied goods. SCHAEFFLER will

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acquire the (co-) ownership of the tools upon payment and shall be deemed to have been loaned to the Supplier. The Supplier shall refrain from legally or effectively disposing of the tool, transferring it or rendering it unusable, without SCHAEFFLER'S authorization. The Supplier shall identify the tool as SCHAEFFLER'S (co-) ownership. The Supplier shall bear the costs for the maintenance, repair and replacement of the tool. The replacement tool shall be SCHAEFFLER'S property in the same proportion as in the original tool. The Supplier may only use the tool of SCHAEFFLER'S (co)property for the purpose of manufacturing the supplied goods. Once the project is finished, the Supplier must, upon SCHAEFFLER'S request, immediately return the tools to us. In no event shall the Supplier have a right to retain the tools. The Supplier's obligation to return the tools shall apply also in case of insolvency proceedings against the Supplier and in cases of long term interruptions of the supply relationship. The Supplier shall insure the tools within the agreed scope.

XIII. Force Majeure / Long Term Inability to Supply

Natural disasters, riots, acts of government and any other event that is unpredictable and unpreventable exempt both SCHAEFFLER and the Supplier from the contractual obligations, in each case for such time as the disturbance exists and within the scope of its effects. The party affected by the force majeure event must fully inform the other party and must make all efforts, within the limitations of what can reasonably be expected, to limit the effects of such events. The party affected by the force majeure event shall immediately notify the other party once the force majeure event has been resolved.

If the Supplier suffers any incapacity to make the stipulated supplies, is in a state of insolvency prior to the declaration of an insolvency proceeding, SCHAEFFLER is entitled to rescind the contract with respect to the part that has not yet been performed. If any of the foregoing events occur with respect to the Supplier, the Supplier shall support SCHAEFFLER to the best of its ability in SCHAEFFLER'S efforts to move the manufacture of the goods supplied to SCHAEFFLER'S facilities or to a third party. This support shall include the granting of licenses to intellectual property rights to the extent that such rights are necessary for the manufacture of the relevant product(s), such licenses to be granted on terms customary in the industry.

XIV. Compliance

The Supplier shall refrain from actions or omissions that, regardless of the form of participation, may lead to administrative or criminal sanctions, in particular, for corruption or violation of antitrust or competition laws, by the Supplier, by employees of the Supplier or by third parties engaged by the Supplier (hereinafter, "Violation" or "Violations"). The Supplier shall be obligated to take all steps necessary to avoid Violations. For this purpose, the Supplier shall be responsible for the compliance and proper behavior of its employees and all third parties with all relevant laws.

Upon SCHAEFFLER'S written request, the Supplier shall submit information about the above measures, in particular regarding the content and status of their implementation. The Supplier shall be obliged, upon SCHAEFFLER'S written request, to respond completely and accurately to a compliance questionnaire issued by SCHAEFFLER and will provide us with the documents related to such questionnaire.

The Supplier will inform SCHAEFFLER without undue delay of the commencement of official investigations by any authority regarding a Violation. Additionally, if there are any indications of a Violation by the Supplier, SCHAEFFLER is entitled to request written information about the Violation and all steps taken by the Supplier for rectification and future compliance.

In the event of a Violation, the Supplier shall immediately cease such actions and shall compensate SCHAEFFLER for any and all damage suffered by us due to such Violation.

XV. Miscellaneous

The place of fulfillment for all the deliveries and works is the place specified by SCHAEFFLER.

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The contractual relationship shall be governed by the laws of Spain. In the event that any conflict or discrepancy arises in the interpretation or application of these contractual conditions, the Courts and Tribunals that, where appropriate, will hear the matter, will be those provided by the applicable legal regulations on matters of competent jurisdiction.

The application of the United Nations Convention on Contracts for the International Sales of Goods of April 11th, 1980 will not be applicable.

If a specific provision of these terms and conditions is or becomes invalid, the remaining terms and conditions shall remain valid.

This Agreement is executed in Spanish and English. In case of any divergence of interpretation, the Spanish version will supersede the English version.