

All of our deliveries and services to businesses, companies, legal entities subject to public law or special assets governed by public law shall be governed exclusively by the following terms and conditions:

I. OFFER AND ACCEPTANCE / WRITTEN FORM

1. Any delivery contract as well as any amendments, ancillary agreements and other agreements shall become binding only upon our written confirmation.
2. With the order of our goods or services the purchaser accepts our General Conditions of Sale and Delivery. We shall not be bound by any general terms and conditions of the purchaser that differ from these General Conditions of Sale and Delivery, even if referred to by the purchaser. Our General Conditions of Sale and Delivery will be also applicable to any future orders.

II. PRICES / PROCESSING FEES

1. The applicable prices and discounts are the ones applicable on the date of delivery or performance. Prices are exclusive VAT.
2. We may charge an additional processing fee for an order if quantities do not reach the minimum quantities and/or minimum order value as contained in the relevant price list.

III. DELIVERY TIMES / DEFAULT / SCHEDULE TRANSACTIONS

1. A delivery period shall start as from the date of confirmation of the order but in no case earlier than the date of final agreement on all matters to be clarified with the ordering party prior to the start of production.
2. In case of any unforeseen or unavoidable event in the production or other obstacles such as force majeure, labor disputes or other disruptions in our own business or in the business of our suppliers as well as delayed delivery by our suppliers may extend the delivery period by a period of time equal to the duration of such force majeure event. We shall inform the purchaser of the start and end of such circumstances as soon as possible.
3. If we are in default of any agreed delivery time and the purchaser incurs any damage as a result thereof, the purchaser may demand default compensation. Such default compensation will be one-half percent (0.5%) for each full week of delay of the value of that part of the total delivery that could not be used as anticipated by the contract as a result of the delay, but in no event more than five percent (5%) of such value. In case the purchaser can prove further damages, those claims shall be subject to the limitations as set out in Article VII.
4. To the extent that we have agreed with a purchaser that a particular delivery volume is to be delivered within a specified time period ("Agreed Period") and that the purchaser has the right to determine the specific delivery date, the purchaser must notify us of the desired delivery date not less than twelve (12) weeks prior to such date. After the Agreed Period has expired, we may invoice the purchaser for any volume of products with respect to which delivery has not been requested and deliver such products.
5. Partial deliveries are permissible to the extent that such partial deliveries are not unreasonably burdensome for the purchaser.

IV. PACKAGING / SHIPPING / INTRA-COMMUNITY SUPPLY

1. Unless specified otherwise delivery shall be EXW (Incoterms 2010) from the location designated in the offer and order confirmation.

2. The method of packaging and the packaging material will be determined by us at our sole discretion.
3. Palettes, containers, and other reusable packaging remains our property and must be returned by the purchaser to our delivery centre without undue delay and at no charge to us. In case the material is not being returned to us, we may invoice the value of the said missing material to the purchaser. We shall invoice disposable packaging at cost and will not take back such packaging.
4. The purchaser shall be responsible for additional costs for express shipping and for the mailing costs for small item deliveries.
5. In case of deliveries into other EU member states ("Intra-Community Supply") the purchaser is obliged to support us with any reasonable assistance in order to prove the Intra-Community Supply. In particular, we can request a signed and dated confirmation of the Intra-Community Supply containing at least: name and address of consignee, quantity and commercial description of the goods and place and date of receipt of goods. If the purchaser does not comply with the aforesaid cooperation obligation, the purchaser shall be liable for any damages resulting thereof, especially shall compensate any value added tax (VAT) imposed on us.

V. PAYMENT

1. Payment must be made without any deductions to one of our bank accounts within thirty (30) days of receipt of invoice unless specified otherwise. Invoices shall be deemed to have been received within 3 days of dispatch, unless the purchaser proves otherwise.
2. The purchaser shall be in payment default as soon as the agreed payment date has passed unless payment does not take place due to a circumstance for which the purchaser is not responsible.
3. A set-off or retention of payment is only permitted if counterclaims are expressly undisputed by us or adjudicated by a final judgement.
4. In case of payment default we are entitled, without having to give prior notice, (i) to interests at the interest rate of 10% per year; (ii) to an indemnity for administrative costs incurred of 5% of the unpaid invoice, without prejudice to our right for compensation for additional actual damages suffered, such as legal costs. Delay in payment is a fundamental breach if it persists after notice has been given.
5. In case of (anticipatory) breach by the purchaser, bankruptcy or liquidation of the purchaser, attachment of the purchaser's assets or any insolvency proceeding, we shall be entitled, without prejudice to any other remedies (such as damages and exercise of the retention of title clause), to suspend the performance of our own obligations, even if these obligations relate to another contract, or to declare the contract avoided by written notice.

VI. RETENTION OF TITLE

1. All goods remain our property until the purchaser has paid in full all amounts owed to us in connection with the contract or any earlier or later contract, including damages, costs and interest. The purchaser may, in the ordinary course of its business, process or resell the goods. The purchaser may not grant any pledge, privilege or any other security interest on the goods and will immediately inform us of any right, claim or action invoked by any third party regarding the goods. This retention of title shall (to the fullest extent possible under the applicable law) also apply to the new items if the goods are incorporated and to the price to be received by the purchaser when reselling the goods, whether incorporated or not. The purchaser assigns to us all its claims arising from such resale.

2. In case of payment default, we have the right to invoke the retention of title by written request. The purchaser will, within 48 hours of such request, allow us to take back the unsold goods and/or to enforce the assigned claims regarding the sold goods.
3. To the extent that mandatory legal provisions of the relevant foreign country do not contemplate retention of title within the meaning of this article VI, but do provide for other forms of security in relation to claims arising from invoices of suppliers, we hereby reserve the rights to such. The purchaser shall cooperate with us with respect to all measures we may reasonably request to be undertaken in order to protect our rights of title or other substitute rights in relation to the delivered goods.

VII. WARRANTIES / LIMITATION OF LIABILITY

1. We will not be liable if, as a consequence of an event reasonably beyond our control (such as but not limited to strikes, lock-outs, shortages of raw materials or energy, obstruction of transportation, breakdown of manufacturing equipment, governmental intervention, unexpected and unforeseen non-performance by our suppliers,...) the performance of an obligation is rendered reasonably impossible or commercially impractical. If we are prevented from supplying all our customers, we may give preference to some customers.
2. We are not responsible for damage due to natural wear and tear during the time of use.
3. To the extent that supplied goods are unusable in whole or in part due to any defect, we shall at our reasonable discretion, either cure such defect at no cost to the purchaser or deliver, at no cost to the purchaser, defect-free goods. The purchaser must grant to us a reasonable period of time and reasonable opportunity to permit such cure or replacement.
4. The purchaser is only entitled to declare the contract avoided or request a reduction of the purchase price or damages if delivery of substitute goods or remedy of the lack of conformity offered by us has not been performed within a reasonable period of time.

The purchaser has the right to remedy the lack of conformity itself or to cause a third party to perform such act and, in each case, demand reimbursement of the costs associated therewith, only (i) in case of emergency relating to operational security, (ii) to avoid unreasonably high damages or (iii) when we are in default with respect to remedying the situation. The purchaser must notify us immediately of an occurrence of any of the events described in the previous sentence.

5. Except in case of wilful misconduct we shall not be liable for any indirect or consequential damage, such as but not limited to loss of production, profit loss, personnel costs, loss of opportunities, damage to any third party.
6. As far as our liability is excluded or limited, such exclusion or limitation shall also apply to any personal liability of our employees, representatives and persons assisting in the performance of our obligations.

VIII. GUARANTEE / PROCUREMENT RISK

1. Guarantees and procurement risks require, in order to be validly assumed by us a specific assumption of risk expressly designated as such. The assumption of any guarantee or procurement risk must be in written form.
2. The purchaser agrees with us that statements in our catalogues, printed material, brochures and other general information in no event and at no time constitute a guarantee or the assumption of the procurement risk.
3. Unless otherwise provided in writing, we do not warrant that the goods are fit for any specific purpose. It is the purchaser's duty to investigate and test the goods in respect of their purpose and to check the

compliance of their import, delivery, storage and use with the laws of the countries concerned. Any possible advice by us, technical or other, with regard to the goods and their applications is not part of our obligations and is only given for the purchaser's convenience to our best knowledge, without any liability on us except in case of wilful misconduct.

4. The purchaser shall lose the right to rely on a lack of conformity of the goods if he does not give detailed notice to us (specifying the nature and extent of the alleged lack of conformity) within 5 calendar days after receipt of the goods, as far as this non conformity can be discovered by reasonable examination, otherwise within 5 calendar days after he has discovered or ought to have discovered the non conformity, and in any event within one month from the date the goods were actually handed over to the purchaser.

IX. USE OF SOFTWARE

1. To the extent that the scope of delivery includes software, we hereby grant to the purchaser a non-exclusive, non-transferable license that is limited to a definite time period pursuant to the provisions of the particular delivery, to use the software and its accompanying documentation in connection with the relevant delivered item. The software may not be used in connection with more than one delivered item. The granting of sub-licenses is not permitted.
2. The purchaser may reproduce, revise, translate or modify from object code to source code the software only within the statutorily permitted scope. The purchaser may not remove manufacturer information - in particular copyright labels or notices - or make any other modifications without our prior written express consent. We reserve all other rights to the software and the accompanying documentation, including copies.

X. CONFIDENTIALITY

1. The purchaser and we will keep confidential all information received from each other. This confidentiality provisions shall continue to apply after termination of any delivery contract. The confidentiality obligation does not apply to information that (i) the receiving party had already obtained legitimately at the time of disclosure, provided such information was not subject to a confidentiality obligation or (ii) that the receiving party later obtains independently and legitimately without being obliged to keep such information confidential, or (iii) that is or becomes generally known without any breach of contract by one of the parties.
2. Each party retains title and all rights to all documents or other media made available to the other party. Such documents or other media may be reproduced, replicated or transferred to third parties only with the consent of the party making such available.

XI. MISCELLANEOUS

1. The place from which our delivery originates shall be deemed to be the place of performance.
2. Without prejudice to any specific agreement between the parties, all disputes arising out or related to of any agreement with us shall be settled by the courts of Brussels, Belgium. Notwithstanding the foregoing, we shall have the right to also commence legal proceedings at the principal place of business or at the registered offices of the purchaser or if we are sued by a third party before any other jurisdiction, before the court seized of the original proceedings.
3. The contractual relationship shall be governed by the laws of Belgium to the exclusion of any rules governing the conflict of laws. **The application of the Convention for the International Sales of Goods (CISG) is hereby expressly excluded.**

General Conditions of Sale and Delivery of Schaeffler Belgium

SCHAEFFLER



4. The failure to assert, in whole or in part, any right arising from a delivery contract or the assertion of any such right belatedly shall not be construed as a waiver of such right or any other right.
5. If any provision of these General Conditions of Sale and Delivery is or becomes ineffective, the remaining provisions shall remain valid. In such case, we and the purchaser shall replace such provision with an effective provision which most closely reflects the commercial purpose of the ineffective provision.
6. Please note that we store and process personal data in the course of business transactions. All legal regulations concerning data privacy are observed.

Schaeffler Belgium S.P.R.L./B.V.B.A