



SCHMOLZ+BICKENBACH IBERICA, S.A.

General Purchasing Conditions

1. SCOPE OF APPLICATION

- 1.1 These General Purchasing Conditions will apply to all purchases of material made by SCHMOLZ+BICKENBACH IBERICA, S.A (hereinafter SBI).
- 1.2 These General Purchasing Conditions can be complemented with particular purchasing conditions established for a specific order.

2. PURCHASING ORDERS

- 2.1 All requests of material made by SBI will have the corresponding Purchasing Order which will be sent to the supplier. The supplier will send the order confirmation to SBI which will refer to our Purchasing Order number.
- 2.2 The Purchasing Orders will include the material description and characteristics to be supplied including the following:
- Material description
 - Quantity
 - Place and time of delivery
 - Incoterm
 - Unit Price and total value
 - Payment terms and conditions
- 2.3 All deliveries must comply with the conditions indicated in our Purchase Order. In the event of a discrepancy with any of the conditions it must be notified by writing in order to gather approval from SBI prior to following with the delivery process.
- 2.4 SBI reserves the right to cancel the Order in the event of a failure to fulfill any of the particular or general conditions established. The cancellation of the Order gives room to no claim from the supplier, who will return the amounts paid by SBI up to this moment.

3. TRANSPORTATION AND PACKAGING

- 3.1 The transportation terms will be defined by means of the Incoterms shown in the Purchasing Orders.
- 3.2 The delivery of the material must take place on the dates and in accordance to the terms defined in the Purchasing Order of SBI.
- 3.3 All the bundles must be packed up in a safe and convenient way for their transportation, conservation and storage.
- 3.4 The Supplier will be responsible for the damage caused by oxidation, dents, etc..., resulting from unsuitable protection of the material. The supplier will cover the costs due to a faulty packaging or a wrong handling or transportation.

4. DEFECTIVE MATERIAL

- 4.1 In the event of a detection of defective material, the supplier will be responsible for the expenses which will result from the quality problem found.

5. DOCUMENTATION

- 5.1 The supplier guarantees the delivery to SBI of the quality certificates corresponding to the material in every delivery.

5.2 Every delivery will have a delivery note in which the SBI Purchasing Order number, material description, heat number, quantity and delivery address will be indicated.

5.3 Every bundle will have its own identification label including the material description, quantity, heat number, and SBI Purchasing Order number.

6. SUPPLY OVERWEIGHT

6.1 SBI reserves the right to reject the deliveries with an excess over 10% of the quantity requested in the order.

7. INFORMATION REQUIREMENTS AND ACCESS TO SUPPLIERS

7.1 All material suppliers and subcontractors must provide the following information:

-Inform SBI of the Nonconformity found in the material delivered.

-In the event that a defective material is delivered, the supplier or subcontractor must inform SBI in advance and receive the corresponding acceptance.

-In the event of changes in the material or the production process, the supplier must inform about it prior to the delivery of the material.

-The supplier or subcontractor must give SBI and the competent administration the right to access his facilities.

-If the supply chain is diverted, the supplier or subcontractor will guarantee the compliance with the product or service previously defined by SBI.

-The supplier's records related to the delivery of material must have a minimum withholding time of 6 years.

-The supplier must guarantee the sensitivity of its personnel with regards to its contribution to the quality and the safety of the final product as well as with regards to its ethical behaviour.

-The supplier must guarantee the prevention against counterfeit parts.

8. APPLICABLE LAW / JURISDICTION

8.1 In the event of a dispute between the parties with relation to the purchasing relationship, the jurisdiction of the Spanish Courts will apply.