

Terms for SEAT, S.A. manufacturing means / special tooling

1. Scope of application

Within the framework of this agreement, manufacturing means are considered to be tooling and its elements, molds, dies, calibers, etc. and other means of production that are necessary for the manufacture of a specific piece of SEAT, S.A. (hereinafter (in the following, the "Tooling" and / or the "Tools").

The following sections regulate the acquisition, use, installation and maintenance of the tooling between SEAT S.A. and the supplier, as well as availability rights of them between both parties.

2. Ownership and possession of the tools

- 2.1. SEAT, S.A. is the exclusive owner of the tooling and makes them available to the contractors / suppliers as a loan. In the assumption that the tools were in the possession of a subcontractor / sub-supplier, the contractor / supplier will cede in favor of SEAT, S.A. his right to demand the return of the tools to the subcontractor / sub supplier.
- 2.2. The supplier has possession of the tooling property of SEAT, S.A.
The duration of the right of possession is derived, independently of the present order, from the validity of the order of parts, unless agreed on differently by the parties.
- 2.3. The supplier is obliged to confirm electronically the possession of the tooling transferred by SEAT, S.A. within a period that will last until October 31 of each year, through the business platform of the VW Group www.vwgroupsupply.com. This confirmation of possession must indicate the location of the tooling in that moment. In addition, as particular request of SEAT, S.A., the supplier will be obliged to assure availability to SEAT, S.A. immediately, for the appropriate fiscal purposes and at its own cost, with all the documentation / information necessary to prove the confirmation of ownership of the tooling and other documents such as invoices, delivery notes, etc., required for tax refund purposes already settled and / or paid. In the event that the supplier does not comply with this obligation, SEAT S.A. reserves itself the right to claim the damages and losses caused by the breach from the supplier.
- 2.4. Without prejudice of the previous, SEAT, S.A. may request the supplier at any time, for the appropriate legal purposes, the exercise of its right of ownership over the tooling. In the event that SEAT, S.A. decides to exercise that right, the supplier will be obliged to return the tooling in his possession in favor of SEAT, S.A. in perfect state of preservation. The supplier cannot object against the return or the nullity of the resolution of the supply relationship nor the non- amortization of the apportionment of expenses for the tracking of resources, maintenance and repair, etc.

- 2.5. In case of a manufacturing authorization for the Independent after Market, the supplier is obliged to immediately develop an appropriate security process. For the supplier this will not result in any additional right of retention.
- 2.6. Equally, in case of insolvency proceedings or bankruptcy, or any other act of business intervention of the supplier, that could affect the free availability of the tooling for SEAT, the supplier will immediately advise SEAT and will collaborate so that it can remove the tooling or take the appropriate preventive measures.
- Also, in the case of an embargo by courts or public bodies, the supplier commits to communicate the execution of the property in order to avoid the embargo.

3. Identification obligation

The supplier commits to identify the tooling in a consistent manner and sufficiently visible and indelible with the note "PROPERTY OF SEAT, S.A." ("Propiedad de SEAT, S.A."), including the inventory number as well as the part number of SEAT, S.A., previously facilitated with the latter.

In relation to the preceding, the specifications contained in the standard VW 34022 will also govern the identification provided that the size of the tooling allows such identification.

The supplier must provide digital photographs of the properly identified tooling, at the latest during the update of the detailed specification, prior to sending the invoice. Digital photographs must be made in such a way that the tooling and all the adjacent devices, as well as the identification plate, can be identified unmistakably. Expenses derived from the aforementioned activities are considered included in the price of the tooling.

4. Tooling sheet and specifications of the tooling

4.1. The supplier is obliged to entirely complete the tooling sheet for each position of the order. If the tooling or part of it is located in different places or is pre-manufactured by different manufacturers, a Tooling sheet has to be created for each place or manufacturer thereof.

4.2. The specification of the tooling is the detailed list of the individual elements of a position of the tooling and forms part of it as an appendix. In particular, the cores, calibers, molds, etc. necessary for the use of the tooling must be specified. The tooling sheet and the specification of it (original forms signed and sealed correctly) must be sent by the supplier to:

SEAT, S.A., c/o AutoVision Slovakia, s.r.o. Stichwort: Werkzeugdokumentation, Jána Jonáša 1, SK - 832 02 Bratislava Slovakia.

4.3. The supplier must use the "Tools" application on the VW Group's business platform www.vwgroupsupply.com to enter data and digital photographs specified above in sections 3, 4.1 and 4.2 before printing the tooling sheet. In case of modifications in the tooling, the supplier must update the aforementioned data and photographs.

5. Maintenance, care and insurance

- 5.1. The supplier must treat the tooling with care, carry out an adequate maintenance of the tooling in the corresponding technical intervals, as well as maintain them at an updated technical level during the duration of the loan agreement.
- 5.2. The supplier, as a borrower of the tooling, is responsible for the accurate dimension of them, especially the calibers. In addition, the supplier must evaluate the deviations caused by wear and tear and, if necessary, correct them.
- 5.3. For the evaluation and correction specified in the previous point, SEAT, S.A. will give its technical support to the supplier.
- 5.4. The supplier will sign a Civil Liability policy, with minimum guarantees of Operation, Employer, Products / Post-works, support of Subcontractors, Goods in deposit, Defense and Collaterals. The supplier, if required, shall send SEAT at each renewal of the policy, a certificate issued by the insurance company that lists all coverage with their respective limits of compensation and the ones in force and in current payment. The supplier is forced to sign a Material Damage policy that guarantees that he possesses the total value of the new tool as property owned by SEAT in deposit / custody, with the guarantees of Fire, Lightning, Explosion, Flood, Water Damage, Electrical Damage, Theft, robbery and of any other damages that for any reason could be caused. In the stated supplier's policy will also be a beneficiary clause in favor of SEAT or VW Group. The supplier, whenever required, must send to SEAT at each renewal of the policy, a certificate issued by the insurance company, that lists all coverage with their respective limits of compensation, clause of beneficiary in favor of SEAT and the said policy is found in force and current payment.
- 5.5. The costs derived from the storage of the tooling will be borne by the supplier.
- 5.6. SEAT S.A. has the right to check these obligations and ask the supplier to provide the insurance documentation at any time during the length of the loan and in working hours in the place where tool is located. For such verification SEAT S.A. will announce the visit to the supplier in advance, unless this cannot be done for reasons of higher forces.
- 5.7. If, due to wear and tear, deterioration or similar reasons, the acquisition of new tools is necessary, these will become property of SEAT S.A. as long as the replaced tools were objects owned by SEAT S.A. At the time of the new acquisition, the tools will become the property of SEAT S.A. and the necessary investments for this will be considered included in the current price of the piece, unless there is another written agreement between both parties. Regarding the spare parts of the tools, the present conditions will apply, especially those established in article 2 above.

6. Right of disposition

- 6.1. The tooling must be used in order to supply parts for the mass production or to supply spare parts to SEAT, S.A. and / or, in this case, the VOLKSWAGEN Group companies.

- 6.2. In the event that, for whatever reason, the use of the tooling by the supplier was not necessary to fulfill the orders of SEAT, S.A. or any VOLKSWAGEN Group company, the supplier may not sell or in any other way transmit the tooling, neither as scrap or taken apart, without the prior authorization from SEAT, S.A. in a written form.
- 6.3. SEAT, S.A. can claim the return of the tooling from the supplier or request to proceed with its scrapping. The supplier shall be obliged to provide all the information required by SEAT, S.A. before starting any activity regarding the scrapping of the tooling, whether it will be totally or partially. The scrapping costs will run at the supplier's expense. In the event that the supplier obtained income from the scrapping of the tooling, the supplier will be obliged to inform SEAT, S.A. about the amount of the income obtained. If the said income exceeds the incurred scrapping expense, the parties will reach an agreement on the distribution of the surplus amount. If the expenses incurred by scrapping exceeded the income obtained by the same, the supplier must justify these expenses and may contact SEAT, S.A. to the object of initiating a possible negotiation so that the latter may take on part of these expenses, without assuming any obligation or firm commitment of SEAT, S.A.
- 6.4. The manufacture of parts by the supplier in favor of third parties requires in any case and beforehand the written consent of SEAT S.A., which cannot be denied unjustifiably. This will apply throughout the duration of the loan, as well as well as after the cessation of production of the pieces by SEAT S.A. and / or VOLKSWAGEN Group companies.
- 6.5. The pledge, transfer or any other type of provision on the tools by the supplier is explicitly prohibited.
- 7. Transfer / Use of tooling by subcontracted suppliers / Transfer to third parties**
- 7.1. The supplier may only transfer the tooling to any other center of production different from the initially agreed upon with the prior written consent of the Purchasing Department of SEAT S.A. The same shall apply in case that the tool is located at a subcontracted suppliers.
- 7.2. In the event that the supplier deposits the tooling or parts of it in the facilities of one or more subcontracted suppliers, the supplier must ensure, through the corresponding contract (lending / loan) that is to be signed, that the regulations and rights of SEAT S.A. are fulfilled by the subcontracted suppliers.
- 7.3. SEAT S.A. may require the supplier, especially in the case of a competitive situation of a subcontracted supplier, to display the contractual agreements (lending agreement / loan, etc.) signed between the supplier and the referred subcontracted supplier to SEAT, S.A. In case the supplier is not willing to provide SEAT S.A. the required documentation, if the consequences of this non-compliance causes damages to SEAT, S.A., the supplier must compensate SEAT, S.A. for the damages caused.

8. Liability

- 8.1. The supplier will be solely responsible for the damages caused to the tooling, while being responsible for the possession and the custody. The supplier will be responsible in case of fraud and negligence, as well as for the acts and conduct of the employees and executive assistants employed by the supplier.
- 8.2. In the event of damage to property owned by third parties and if these will perform claims against SEAT S.A., the supplier shall hold SEAT S.A. from any responsibility for said damages and assume the expenses originated at SEAT, S.A. as a consequence, including the expenses corresponding to the legal defense.
- 8.3. The responsibility of SEAT, S.A. is limited by fraud and gross negligence.

9. Approval

During the authorization of the parts manufactured with the tooling, the supplier is forced to deliver the current EU security sheet to SEAT S.A. and comply with the requirements of the VDA Recommendation VDA 260 in its current version.

The EU safety data collection sheet is available for download at www.vwgroupsupply.com.

10. Modifications of the tooling

In the event that SEAT S.A. would commission modifications of the tooling, they will be applied to the present condition of what is affected.

11. Billing and payment

11.1. A premise for the expiration and sending of the corresponding invoice by SEAT will be

1.1. *The disposition of the following duly completed documentation, necessary for the billing of the tooling investment at SEAT, S.A.:*

- 1) *Acceptance of the order signed without any conditions;*
- 2) *Report of samples with confirmed approval; and*
- 3) *Updated tooling specification signed without any conditions.*

The documentation referred to above under 1) and 3) must be filled out completely and sent to the following address:

SEAT, S.A., c/o AutoVision Slovakia, s.r.o.

Stichwort: Werkzeugdokumentation, Jána Jonáša 1,

SK-832 02 Bratislava Slovakia

11.2. The invoices must be sent electronically through the telematic portal of the SEAT Group. In case of not being registered in this telematic portal these must be sent by mail to the following address:

SEAT S.A. Cuentas Corrientes,

Autovía A-2, Km 585, 08760 Martorell.

11.3. The payment terms are specified in the order.

12. Others

12.1. Otherwise, the general Terms and Conditions of Purchase of SEAT S.A. will apply for production materials.

12.2. In the event that the supplier cedes the entire or a part of its obligations for the production of the tooling derived from this contract in favor of third parties and the said supplier is declared bankrupt, SEAT S.A., in compliance with the Terms and Conditions of Purchase of production materials, will be authorized to subrogate the position of the supplier and pay directly to these said third parties. The supplier for its part promises to carry out and conclude the corresponding contractual agreements with the said third parties to ensure the right of subrogation of SEAT S.A. in the position of the supplier.

12.3. In case the supplier obtained the rights to use the tooling, for which production would have hired a third party, with the signature of the order acceptance declares the assignment of the rights of use in favor of SEAT S.A. These rights of use will be subject to the resolutive condition consisting of SEAT S.A. paying the price agreed by the rights of use of the tooling to the suppliers. With the payment will automatically transfer the rights of use in favor of SEAT S.A.

The supplier confirms acceptance of these conditions with the signature of acceptance of the order.