

GENERAL PURCHASE CONDITIONS

1. Orders

- 1.1 The acceptance of the Purchase Order (“Order”) issued by THYSSENKRUPP METALÚRGICA CAMPO LIMPO LTDA. (“BUYER”), shall subject the Supplier to comply with all clauses and conditions mentioned below, which are an integral part of the Order.
- 1.2 The conditions listed below shall prevail over the Supplier ones. Any and all terms and provisions specified by the Supplier which, in any way, change, modify or supplement the Order are null and void and of no effect unless BUYER expressly consents to their validity in writing. In particular, in case of conflicting language, the provisions of the Order shall override any disclaimer, limitation of warranty, limitation of liability or any other provisions contained in the documents of the Supplier. The general purchase conditions shall also apply exclusively if BUYER accepts or pays for supplied products and services in full awareness of contradictory or varying terms and conditions of supply.
- 1.3 Supplier may not assign or transfer the rights and obligations arising out of the Order or permit third parties to collect same without the prior written consent of BUYER.
- 1.4 The use of subcontractors by the Supplier may only be done if justified and accepted by the BUYER in written form. Supplier shall identify its subcontractors to BUYER.
- 1.5 Orders shall be binding only if they are placed by BUYER in writing. Verbal agreements – including subsequent amendments and additions to these general purchase conditions – must be confirmed in writing by BUYER for them to become valid.
- 1.6 Documents used by Supplier in business dealings with BUYER shall indicate at least: Purchase order number, commission order number, plant, place of receipt, full article text/item description, volumes and volume units as well as the applicable taxes.

1. Prices

- 2.1 The price contained in the Order is fixed and determined and may only be changed upon the written consent of the BUYER. They are inclusive of everything Supplier has to do to fulfill contractual obligations, except the applicable taxes and contributions, which shall be separately detached in accordance to the law.
- 2.2 The BUYER may require a price reduction, provided a reduction in any of the items that compose this price is proven.
 - 2.a. Payment
 - 2.a.1. Unless differently agreed in written form by the BUYER, payments made by the BUYER shall be deposited in a bank account of the Supplier with prior Supplier’s signature of the document “Termo de Aceitação de Forma de Pagamento” containing the bank account data. Any delivery effected before the agreed date shall not affect the payment period.
 - 2.a.2. In case the BUYER accepts “boletos bancários” for purposes of payment, they shall be issued by banks with branches located in the city of Campo Limpo Paulista-SP.
 - 2.a.3. Supplier may only offset against uncontested or legally established claims.
 - 2.a.4. BUYER is entitled to offset receivables due to Supplier from BUYER against all receivables due to ThyssenKrupp AG or companies in which ThyssenKrupp AG holds a direct or indirect controlling interest at the time of offsetting.
 - 2.a.5. The invoice shall be settled at the end of the month following the supply and receipt of the invoice unless specific conditions are differently agreed.

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2.a.6. The BUYER will not accept invoices containing any divergence with the Order, inclusively by not limited to price, quantity, term or place of payment, or any other.

3. Supply

- 3.1 For the delivery of the products and services, the Supplier shall meet the quality and terms set forth in the Order or in a writing issued by the BUYER.
- 3.2 The terms and quantities established in the Order shall be strictly observed by the Supplier. Agreed delivery dates are binding. If Supplier becomes aware that an agreed deadline cannot be met, he must inform BUYER in writing without delay, stating the reasons and the expected duration of the delay. Unreserved acceptance of the delayed supplied products and services may not be construed as relinquishment of any compensation to which BUYER is entitled.
- 3.3 The BUYER is entitled to refuse and return quantities shipped by the Supplier in excess or out of term, or even to terminate this Order, without prejudice to the right of receiving from the Supplier a refund for the respective resulting damages and/or losses.

4. Inspection and testing

- 4.1 Before dispatching the products the Supplier shall carefully inspect and test them for compliance with the specifications. The Supplier shall, if requested by the BUYER, give the BUYER reasonable notice of such tests and the BUYER shall be entitled to be represented thereat. Supplier shall also, at the request of BUYER, supply to the BUYER a copy of Supplier's test sheets certified by Supplier to be a true copy.
- 4.2 If it is expressly agreed by the Parties, the BUYER is entitled to inspect and test the products during manufacture, processing, and/or storage. If BUYER exercises this right, the Supplier shall provide or shall procure the provision of all such facilities as may reasonable be required by the BUYER therefore.
- 4.3 If as a result of any inspection or test under items 4.1 or 4.2 of this clause the BUYER's representative is of the reasonable opinion that the products do not comply with the Order, or are unlikely on completion of manufacture or processing so to comply he shall inform the Supplier accordingly in writing and the Supplier shall take such steps as may be necessary to ensure such compliance.
- 4.4 The BUYER shall notify the Supplier in writing about any deficiencies of a shipment as soon as such deficiencies have been discovered in the course of an orderly business practice. In case the BUYER complies with the afore-stated condition the Supplier hereby waives any right to reject delayed notification of deficiency.

4.a. Quality

Supplier shall install and maintain a state-of-the art, documented quality system of suitable type and scope, which shall be according to the requirements of the automotive industry in case of supplies for production. Supplier shall prepare records in particular of quality inspections and make these available to BUYER on request. Supplier hereby agrees to quality audits being carried out by BUYER, BUYER's representative or BUYER's customer to assess the efficiency of said quality system.

5. Warranty and Liability

- 5.1 The Supplier guarantees that the products and services shall be produced and delivered strictly under the Order specifications including requirements of BUYER's customers, in perfect usage conditions, without any defects or failures and fulfill the intended purpose.
- 5.2 The payment of the price by the BUYER shall not imply an acceptance of the products and services.
- 5.3 The BUYER may reject and return the products and services that do not meet the requirements under 5.1.
- 5.4 In case of products or services in non conformity with applicable specifications, there is no limitation period for defect liability claims. For the other cases, the limitation period for defect liability claims shall begin with the full supply of the scope of supply or, if acceptance testing is agreed, on acceptance. The limitation period for defect claims is as agreed in the Order or according to the law in case of omission, and specifically for production parts and services it shall be the same as agreed by the BUYER and its customer,

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but no less than 36 months from registration of the vehicle by the end-customer. Longer statutory limitation periods shall remain unaffected by this. For newly supplied or repaired parts the period of limitation starts anew. For defects notified within the limitation period, the period shall end no earlier than six months after assertion of the notice of defects.

- 5.5 All defects which are notified within the period of limitation shall be remedied by the Supplier without delay and at no costs for the BUYER. The costs of remedying goods or replacements, including all incidental costs, e.g. freight, shall be borne by Supplier. If Supplier culpably fails to begin remedying the defect immediately or realize the supply as contractually agreed, BUYER is entitled to carry out the necessary measures himself or have same carried out by third parties at the expense and risk of Supplier. In the event of an emergency where, due to particular urgency it is no longer possible to inform Supplier of the defect and impending claim and set Supplier a deadline for redress, BUYER shall be entitled to eliminate the defects himself or have them eliminated or procure replacement at Supplier's expense. This shall not affect statutory rights of withdrawal, purchase price reduction or compensation for damages.
- 5.6 The Supplier shall be liable for all expenses and risks arising out of the return of products and/or services. In case these expenses are born by the BUYER, they will be charged to the Supplier and may be deducted through compensation in any payment to be made by the BUYER to the Supplier, or in accordance to item 2.a.4 above.
- 5.7 In case of late shipment of the products or services, the Supplier shall be liable for all resulting direct and indirect losses or damages including all costs resulting from extraordinary arrangements that may be necessary to mitigate the consequences thereof, such as overtime, special freights, air freights, use of special products and services, etc.
- 5.8 The Supplier shall be liable for the damages its default causes to the BUYER and shall indemnify the BUYER for damages arising out of losses and impairments to components delivered to it for execution of a repair or warranty, such indemnification comprising the respective cost for replacement, in addition to tax and administrative charges.
- 5.9 In case the BUYER becomes liable before third parties for bad quality of the products and services, it shall have the right of recourse against the Supplier, and it shall exercise such right:
 - a) upon compensation of eventual credits the Supplier is entitled to;
 - b) Upon entering a charge to the Supplier for immediate collection.
- 5.10 The Supplier shall indemnify and hold BUYER harmless with respect to the costs of property damage, personal injury, recall campaigns and other corrective service actions, as well as the costs associated with shut down of production lines.
- 5.11 The Supplier will be liable to BUYER for any and all damages incurred by BUYER, including without limitation, direct, incidental, special and consequential damages arising out of any default, breach of contract/Order, breach of warranty or repudiation by the Supplier.
- 5.12 In the event of defects of title, Supplier shall hold BUYER harmless from any claims arising from third parties.

6. Packaging, Transportation and Risks

- 6.1 If not defined differently in the Order, the packaging, packing and transportation expenses shall be borne by the Supplier.
- 6.2 When expressly defined in the Order, the responsibility for packaging, packing and transportation shall be based on rules that govern the INCOTERM 2000 as agreed upon in the tender. (Not applicable to local purchase). Unless otherwise agreed in writing the supply shall be delivered duty paid (Incoterms: DDP) to the place of delivery/performance or use indicated in the purchase order.



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6.3 Supplied products and services must be shipped to the addresses indicated. Part supplied products and services are not permitted unless BUYER has expressly consented thereto. Part supplied products and services are to be marked as such.

6.4 If weighing is necessary, the weight determined on the calibrated scales of BUYER shall apply.

6.5 During transportation the statutory provision, in particular the provisions of the law on the transportation of hazardous goods and the applicable hazardous goods directives must be complied with.

7. Property Rights and Scope of Supply

7.1 Any and all materials delivered to the Supplier for execution of the Order are the sole property of the BUYER and shall be returned to it after the performance of such Order or upon BUYER's request.

7.2 Supplier shall transfer to BUYER ownership of all technical documents (also for sub-contractors) and other documents needed for manufacturer maintenance and operation. Said technical documents shall be in Portuguese and/or English and shall be based on the international SI Standard System.

7.3 Supplier shall transfer all rights of use needed for the use of the supplied products and services by BUYER or third parties taking into consideration any patents, supplementary protection certificates, brands, registered designs.

7.4 BUYER shall have the unconditional or authority to carry out or have carried out by third parties repairs and notifications to the purchased supplied products and services and also to manufacture spare parts or have them manufactured by third parties.

8. Environment

8.1 The Supplier warrants that the supplied products and services will be produced or rendered under the applicable laws, rules and regulations that govern the environment protection, as well as under specific environmental rules applicable to the automotive industry or agreed by the BUYER and its customers.

9. Patents and Trademarks

9.1 The Supplier represents it holds all rights in connection with trademarks, patents, drawings or utility models on the products that are the subject-matter hereof and that, consequently, will be liable for all claims filed by third parties.

9.2 The Supplier shall fully indemnify the BUYER against any action, claim, demand, costs, charges, and expenses arising from or incurred by reason of any infringement or alleged infringement of any letters patent, registered design, trademark, or protected trade name by the use or sale of the products and against all costs and damages the BUYER may incur in any action for such infringement or for which the BUYER may become liable in such action.

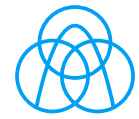
9.3 In the event of any claim being made or action brought against the BUYER arising out of the matters referred to in this clause, the Supplier shall be promptly notified thereof and may at his own expense conduct all negotiations for the settlement of the same, and any litigation that may arise there from.

10. Documents

10.1 The products shall be followed by the documents required by the Order, other written requests from the BUYER and relevant Brazilian laws plus the following: (i) Original Commercial Invoice, (ii) Original Packing List and (iii) Original AWB/BL. (Not applicable to local purchase).

10.2 Products and services locally purchased shall also be followed by the tax documentation required by law, including "NFe/Danfe" (electronic invoice) and the "XML" file shall be addressed to NFE.TKMCL@THYSSENKRUPP.COM, with the following information: (a) number of the Order, (b) "Supplier code" as defined by the BUYER and (c) the product identification number.

10.2 BUYER may refuse the products and/or services whose documentation presents irregularities and the Supplier shall be liable for the losses resulting thereof.



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11 Extra Charges, Taxes

- 11.1 No extra charges will be allowed to the Supplier including, without limitation, charges for packing, crating, cartage or storage unless stated herein or mutually agreed by the Parties in writing. Supplier assumes full liability for, and shall pay before delinquency all sales, use, customs, excise or other taxes or government impositions of any kind now or hereafter imposed on the products sold or services rendered hereunder, and Supplier shall indemnify and hold BUYER harmless from any liability and expense thereon.

12 Termination

- 12.1 The BUYER may terminate this order in full or in part at any time and for any reason. In such an event, BUYER is obligated to pay for all supplied products and services completed up to then and make appropriate payment for material procured and work performed. Further claims of Supplier are excluded unless specifically agreed upon in writing.
- 12.2 The BUYER may extraordinarily terminate this Order without liability or charges in the following events:
- 12.2.1 Force majeure events, such as strike, fire, revolutions, suspensions of the manufacturing or assembly services etc, which make it impossible for the BUYER to proceed with its regular production;
 - 12.2.2 Reorganization or bankruptcy of the Supplier, as well as insolvency evidenced by the protest of notes/securities of any nature.
 - 12.2.3 Supplier violates any of the clauses or conditions contained in the Order, if it gives cause to successive product returns, or upon the occurrence of any of the termination events provided for by law.
 - 12.2.4 Supplier is subject to a change of control with respect to his shares or material assets.
- 12.3 In case of termination under 12.2 the BUYER may request for temporary supplied products and services upon the conditions of the Order until BUYER has successfully established an alternative supplier.

13 Inexistence of Links

- 13.1 The Supplier assumes full liability for any act of its employees, representatives and/or agents, representing, furthermore, that there is no labor relationship between such personnel and the BUYER. Therefore the Supplier will immediately bear and take full responsibility for any labor claim filed by such personnel.

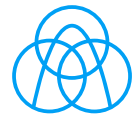
14 Ethics

- 14.1 The Supplier commits itself to comply with the ThyssenKrupp Supplier Code of Conduct, which outlines BUYER's understanding of sustainability and compliance as well the standards to be met by its suppliers.
- 14.2 The Supplier commits itself (i) not to hire child labor or irregular labor of adolescents, (ii) not to tolerate harassment or discrimination, (iii) not to use any forced labor, (iv) to respect the freedom of association and freedom of collective bargaining, (v) to preserve workers' health and safety, (vi) to comply with applicable law regarding working hours, (vii) to pay competitive wages and benefits and (viii) to provide full social insurance.

15 Health and Safety

- 15.1 The Supplier shall provide the labor protection, working conditions and protection against occupational hazards. Safety measures like safety shoes, safety belts, hand gloves, uniforms, helmets to its employees at its cost. The Supplier shall abide by all the safety rules and regulations prevailing at the time of performance of the services and also arrange for safety training to its employees.
- 15.2 The Supplier will be solely responsible at all time for proper control and supervision of its employees while on duty and to initiate a disciplinary action wherever lapses occur on the part of its employees.

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15.3 Any of the Supplier's employees if found medically unfit or any other reason, the Supplier will have to replace such employees as and when they are called upon.

16. Confidentiality

16.1 Supplier commits itself to keep confidential the information received from BUYER as a result of the Order, such as specifications, technical data, commercial data and others, not disclosing them in any way, under any pretense, otherwise than to its employees that need the information for the performance of the Order, under penalty of being liable for damages, with no prejudice of the criminal responsibility of its legal representatives and employees, if any.

17. Invalidity of Clauses

17.1 The invalidity enforceability of one or more clauses hereof shall not involve the invalidity, enforceability or termination of the Order as a whole, and the Parties undertake to replace any invalid or ineffective clauses in good faith with other clauses which as far as possible have the same effect.

18. Governing Law and Jurisdiction

18.1 The interpretation and performance of the Order and of all matters related hereto shall be governed by the laws of Brazil. All disputes claims, controversies or differences which may arise between the BUYER and the Supplier out of or in relation to or in connection with the Order or of the breach thereof shall in the first place be amicably settled by and between both Parties. If both Parties fail to amicably settle such dispute within (fifteen) 15 days, the dispute then shall be finally settled by the courts of the City of São Paulo, State of São Paulo, Brazil.

19. Effective Date

19.1 This General Purchase Conditions shall become effective on the same date the Order becomes effective.

20. Place of Fulfillment

20.1 Place of Fulfillment for all supplied products and services shall be the place of receipt indicated by BUYER.

Legal Responsible