



Standard Terms and Conditions

Each Purchase Order placed by Buyer for goods and/or services is subject to these standard purchase terms conditions and the terms of the applicable Purchase Order, and is conditional upon Buyer's agreement to such terms. Buyer shall be deemed to have agreed to be bound by such terms by accepting the Purchase Order, acceptance of the goods, and/or receiving the services.

1. **Definitions.** In these Standard Purchase Terms, the following definitions apply:
 - a. "Agreement" means the agreement between Supplier and Buyer for the purchase and sale of Goods and/or Services.
 - b. "Buyer" means the Buyer as defined in the corresponding Order.
 - c. "Deliverable" means any deliverable or other product or result from Services that is referred to in a Purchase Order, and any related materials, data, documentation, and includes any Intellectual Property Rights developed by Supplier pursuant to such Purchase Order.
 - d. "Delivery Date" means the date of delivery for Goods or performance of Services as specified in a Purchase Order.
 - e. "Delivery Point" means the location identified by Buyer in the Purchase Order to which the Supplier is to deliver Goods and/or perform the services, or such other delivery area or point which is specified in writing by Buyer.
 - f. "Goods" means the goods that are required to be delivered by Supplier pursuant to a Purchase Order, and include all materials, component parts, packaging and labelling of such goods.
 - g. "Intellectual Property Rights" means all intellectual and industrial property rights and rights of a similar nature including all rights in and to, patents including all issued patents and pending applications therefore and patents which may be issued therefrom

(including divisions, reissues, re-examinations, continuations and continuations-in-part); trade-marks; copyrights; industrial design rights; rights pertaining to trade secrets and confidential information; publicity rights; personality rights; moral rights; and other intellectual property rights whether registered or not and all applications, registrations, renewals and extensions pertaining to the foregoing.

- h. "Purchase Order" means the purchase order between Buyer and Supplier for the purchase and sale of Goods and/or Services, to which these Standard Purchase Terms are attached or are incorporated by reference.
- i. "Services" means any services to be provided by Supplier to Buyer pursuant to a Purchase Order.
- j. "Specifications" means the requirements, attributes and specifications for the Goods or Services that are set out in the applicable Purchase Order. Specifications also include:
 - (a) documentation published by Supplier relating to the Goods or Services;
 - (b) operational and technical features and functionality of the Goods or Services;
 - (c) standards or levels of service performance for Services; and
 - (d) Buyer business requirements that are expressly set out in a Purchase Order.
- k. "Supplier" means the party indicated on the face page of the Purchase Order that is contracting with Buyer for the purchase and sale of Goods and/or Services.
- l. "Supplier Proposal" means any acknowledgement, estimate, quote, offer to sell, invoice, or proposal of Supplier relating to the supply of Goods and/or Services to Buyer, including any delivered in connection with a request for quotations, request for proposal or similar process initiated by Buyer.
- m. "Warranty Period" means in respect of any Goods or Services, the longer of: (i) the express written warranty period provided by Supplier for the Goods or Services; and (ii) the period commencing on the date of Acceptance of such Goods or Services and ending on the date that is one (1) year from that date.

2. **Agreement.** The Agreement consists only of: (a) these Standard Purchase Terms; (b) the applicable Purchase Order; and (c) any Specifications or other documents expressly referenced in the Purchase Order. Any reference in the Purchase Order to any Supplier Proposal is solely for the purpose of incorporating the descriptions and specifications of the Goods and/or Services contained in the Proposal, and only to the extent that the terms of the Supplier Proposal do not conflict with the descriptions and Specifications set out in the Purchase Order. If there is any conflict or inconsistency between the documents constituting the Agreement, then unless otherwise expressly provided, the documents will rank in the order of precedence in accordance with the order in which they are listed in this Section 2.
3. **Delivery of Goods and Services.**
 - a. Supplier agrees to supply and deliver the Goods to Buyer and to perform the Services, as applicable, on the terms set out in this Agreement.
 - b. Supplier or Buyer, as the case may be, within each applicable Order, shall, at its own expense, pack, load, and deliver Goods to the Delivery Point and in accordance with the invoicing, delivery terms, shipping, packing, and other instructions printed on the face of the Purchase Order or otherwise provided to Supplier by Buyer in writing. No charges will be allowed for freight, transportation, insurance, shipping, storage, handling, demurrage, cartage, packaging or similar charges unless provided for in the applicable Purchase Order or otherwise agreed to in writing by Buyer.
 - c. Time is not of the essence with respect to delivery of the Goods and performance of Services. Goods shall be delivered and Services performed by the applicable Delivery Date. Supplier must immediately notify Buyer if Supplier is likely to be unable to meet a Delivery Date.
 - d. Title and risk of loss or damage shall pass to Buyer upon receipt of Goods at the Delivery Point, unless otherwise agreed to by the Buyer in writing. Buyer has no obligation to obtain insurance while Goods are in transit from Supplier to the Delivery Point.

- e. Supplier shall follow all instructions of Buyer and cooperate with Buyer's customs broker as directed by Buyer (including by providing requested shipping documentation) with respect to all Goods that originate from sources or suppliers based outside Mexico. Supplier shall comply with all the requirements of the Mexican Border Agency (or any successor organization) with respect to the importation of Goods from outside Mexico.

4. Inspection; Acceptance and Rejection.

- a. All shipments of Goods and performance of Services shall be subject to Buyer's right of inspection. Buyer shall have **fifteen (15) days** (the "**Inspection Period**") following the delivery of the Goods at the Delivery Point or performance of the Services to undertake such inspection, and upon such inspection Buyer shall either accept the Goods or Services ("**Acceptance**") or reject them. Buyer shall have the right to reject any Goods that are delivered in excess of the quantity ordered or are damaged or defective. In addition, Buyer shall have the right to reject any Goods or Services that are not in conformance with the Specifications or any term of this Agreement. Transfer of title to Buyer of Goods shall not constitute Buyer's Acceptance of those Goods. Buyer shall provide Supplier within the Inspection Period notice of any Goods or Services that are rejected, together with the reasons for such rejection. If Buyer does not provide Supplier with any notice of rejection within the Inspection Period, then Buyer will be deemed to have provided Acceptance of such Goods or Services. Buyer's inspection, or Acceptance or use of the Goods or Services hereunder shall not limit or otherwise affect Supplier's warranty obligations hereunder with respect to the Goods or Services, and such warranties shall survive inspection, test, Acceptance and use of the Goods or Services.
- b. Buyer shall be entitled to request replacement or repair of the Goods at the Supplier's expense and risk. Supplier shall not deliver Goods that were previously rejected on grounds of non-compliance with this Agreement, unless delivery of such Goods is

approved in advance by Buyer, and is accompanied by a written disclosure of Buyer's prior rejection(s).

5. **Price/Payment Terms.** Prices for the Goods and/or Services will be set out in the applicable Order. Price increases or charges not expressly set out in the Purchase Order shall not be effective unless agreed to in advance in writing by Buyer. Supplier will issue all invoices on a timely basis. Notwithstanding the foregoing, Buyer agrees to pay the balance of the undisputed amounts on any invoice that is the subject of any dispute within the time periods specified herein and no later than thirty (30) calendar days from the issuance of the corresponding invoice.
6. **Taxes.** Unless otherwise stated in a Purchase Order, all prices or other payments stated in the Purchase Order are exclusive of any taxes. Supplier shall separately itemize all applicable taxes each on each invoice and indicate on each invoice its applicable tax registration number(s). Buyer will pay all applicable taxes to Supplier when the applicable invoice is due. Supplier will remit all applicable taxes to the applicable government authority as required by applicable laws. Notwithstanding any other provision of this Agreement, Buyer may withhold from all amounts payable to Supplier all applicable withholding taxes and to remit those taxes to the applicable governmental authorities as required by applicable laws.
7. **Hazardous Materials.** Supplier agrees to provide, upon and as requested by Buyer, to satisfy any applicable laws governing the use of any hazardous substances either of the following: (a) all reasonably necessary documentation to verify the material composition, on a substance by substance basis, including quantity used of each substance, of any Goods, and/or of any process used to make, assemble, use, maintain or repair any Goods; or (b) all reasonably necessary documentation to verify that any Goods and/or any process used to make, assemble, use, maintain or repair any Goods, do not contain, and the Services do not require the use of, any particular hazardous substances specified by Buyer.

- c. **Intellectual Property Warranty.** Supplier further warrants to Buyer that at all times all Goods and or Services (including any Deliverables) will not be in violation of or infringe any Intellectual Property Rights of any person.
9. **Intellectual Property Rights.** All Intellectual Property Rights in and to each Deliverable shall vest in the Supplier. To the extent that any Deliverables contain any intellectual property of Supplier, Supplier shall not grant to Buyer any worldwide, royalty-free, non-exclusive, perpetual license to use, copy, modify and distribute such intellectual property as part of the Deliverables.
10. **Confidentiality.** Supplier and Buyer shall safeguard and keep confidential any and all information relating to Buyer and Supplier obtained by it or provided to it by Buyer and/or Supplier in connection with this Agreement, and shall use such information only for the purposes of carrying out its obligations under this Agreement.
11. **Insurance.** Supplier represents and warrants to Buyer that it has in place with reputable insurers such insurance policies in coverage amounts that would be maintained by a prudent supplier of goods and services similar to the Goods and Services provided hereunder, including, as applicable, professional errors and omissions liability insurance and comprehensive commercial general liability insurance (including product liability coverage, all-risk contractors' equipment insurance, and automobile liability insurance). In addition, Supplier will take out and maintain, at its own cost, such insurance policies and coverages as may be reasonably required by Buyer from time to time. Supplier will promptly deliver to Buyer, as and when requested, written proof of such insurance. If requested, Buyer will be named as an additional insured under any such policies. If requested by Buyer, such insurance will provide that it cannot be cancelled, or materially changed so as to affect the coverage provided under this Agreement, without the insurer providing at least 30 days prior written notice to Buyer.
12. **Limitation of Liability.** EXCEPT FOR SUPPLIER'S OBLIGATIONS UNDER SECTION 14, AND EXCEPT FOR DAMAGES THAT ARE THE RESULT OF THE GROSS NEGLIGENCE OR

WILFUL MISCONDUCT OF A PARTY, IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY OR ANY OTHER PERSON FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES, INCLUDING ANY LOST PROFITS, DATA, GOODWILL, OR BUSINESS OPPORTUNITY FOR ANY MATTER RELATING TO THIS AGREEMENT.

13. **Independent Contractors.** Supplier will perform its obligations under the Agreement as an independent contractor and in no way will Supplier or its employees be considered employees, agents, partners, fiduciaries, or joint venturers of Buyer. Supplier and its employees will have no authority to represent Buyer or its Affiliates or bind Buyer or its Affiliates in any way, and neither Supplier nor its employees will hold themselves out as having authority to act for Buyer or its Affiliates.
14. **Further Assurances.** The parties shall sign such further and other documents, cause such meetings to be held, resolutions passed and do and perform and cause to be done and performed such further and other acts and things as may be necessary or desirable in order to give full effect to this Agreement and every part thereof.
15. **Severability.** If any provision of this Agreement is determined to be unenforceable or invalid for any reason whatsoever, in whole or in part, such invalidity or unenforceability shall attach only to such provision or part thereof and the remaining part thereof and all other provisions shall continue in full force and effect.
16. **Waiver.** No waiver of any provision of this Agreement shall be enforceable against that party unless it is in writing and signed by that party.
17. **Assignment.** Supplier may assign or subcontract this Agreement, in whole or in part, without Buyer's prior written consent. Supplier's permitted assignment or subcontracting of this Agreement or any part thereof will not release Supplier of its obligations under this Agreement, and it will remain jointly and severally liable with the assignee or subcontractor for any obligations assigned or subcontracted. The acts of omissions of any subcontractors of Supplier

will be deemed to be the acts and omissions of the Supplier. Buyer may assign this Agreement, in whole or in part, to any Affiliate of Buyer, without the consent of Supplier. This Agreement shall enure to the benefit of and be binding upon the parties and their respective legal personal representatives, heirs, executors, administrators, assigns or successors.

18. **Survival.** Any provision of this Agreement which expressly or by implication from its nature is intended to survive the termination or completion of the Agreement will continue in full force and effect after any termination, expiry or completion of this Agreement.
19. **Interpretation.** The headings used in this Agreement and its division into articles, sections, schedules, exhibits, appendices, and other subdivisions do not affect its interpretation. Unless the context requires otherwise, words importing the singular number include the plural and vice versa; words importing gender include all genders. References in this Agreement to articles, sections, schedules, exhibits, appendices, and other subdivisions are to those parts of this Agreement. Where this Agreement uses the word “including,” it means “including without limitation,” and where it uses the word “includes,” it means “includes without limitation.”
20. **Governing Law.** The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement. This Agreement shall be governed by the laws of Mexico City and the federal laws of Mexico applicable therein. The parties irrevocably attorn to the jurisdiction of the courts of Mexico City, which will have non-exclusive jurisdiction over any matter arising out of this Agreement.
21. **Language.** It is the express wish of the parties that this Agreement and any related documentation be drawn up in English.