

## GENERAL TERMS AND CONDITIONS FOR CUSTOMERS OF EDAG MÉXICO S.A. DE C.V.

### I. Glossary

“**ACCEPTANCE OF SERVICES**” refers to the declaration, by the CUSTOMER, that the service provided by EDAG complies with all agreed technical specifications, especially when the service requires an approval test.

The Acceptance of Services must be produced by a duly authorized person in writing, by E-mail or any other verifiable means of communication.

This Acceptance of Services can be either expressed explicitly or tacitly, with an Acceptance period of 15 (fifteen) days from the date of delivery applying to both cases. “**AGREEMENT**” refers to all Agreements made exclusively under these General Terms and Conditions, or by means of EDAG’s Quotation or Proposal for Services, the CLIENT’s Purchase Order (as accepted by EDAG), or, where applicable, any related contract. Agreement supersedes all prior oral or written statements made by the parties or their agents.

“**CUSTOMER**” refers to the individual or company directly purchasing Services from EDAG.

“**DELIVERY DATE**” refers to the approximate date by when a Service should be executed and delivered.

“**EDAG**” refers to EDAG México, S.A. de C.V. and/or any other individual or associated company involved in the provision of Services as defined in these General Terms and Conditions.

“**INDUSTRIAL AND/OR INTELLECTUAL PROPERTY**” refers to all creations and/or inventions produced by the human mind, especially trademarks, patents for inventions, utility models, industrial drawings and designs, layout designs or topographies of integrated circuits, geographical indications and designations of origin, and any others that are similar and eligible for registration, including registration records and applications.

“**NONCONFORMITY OF SERVICES**” refers to the expression by the CUSTOMER that a Service does not comply with the respective technical specifications.

“**NOTICE**” refers to the communication held between the parties as to the state and/or condition of the agreed Service. Communication must be delivered personally, via specialized courier or E-mail from a duly authorized person where both parties have given their prior and explicit agreement to this effect.

“**PURCHASE ORDER**” refers to the document, as accepted by EDAG, by means of which the CUSTOMER details the exact Services that EDAG will provide and the payment the CUSTOMER will make in exchange. The CUSTOMER may also specify further provisions, such as payment terms, Delivery Dates, item identification and other obligations between the parties; however, in this case, the validity of these further provisions will depend on EDAG’s express written consent.

“**QUOTATION OR PROPOSAL FOR SERVICES**” refers to the written offer submitted by EDAG to the CUSTOMER, detailing all aspects, requirements, terms and conditions of the Service.

“**RESPONSE PERIOD**” refers, unless otherwise stipulated, to a 5(five)-working-day period in which EDAG will address, but not necessarily accept, any Nonconformity of Services expressed by the CUSTOMER. The response may include a proposal to rectify said Nonconformity of Services.

“**SERVICE**” refers to a Service provided either by EDAG, its subcontractors or related parties, according to these General Terms and Conditions, the Quotation or Proposal for Services submitted, and/or the Purchase Order as accepted by EDAG.

“**TENDER PERIOD**” refers, unless otherwise expressly specified, to a 30(thirty)-day period after the submission of the Quotation or Proposal for Services in which the CLIENT must decide on said Quotation or Proposal for Services.

### II. Applicability

1. This document sets out the General Terms and Conditions to be applied to all commercial relationships and/or Agreements, present or future, between EDAG and the CUSTOMER for the provision of Services.

2. EDAG expressly denies other terms and conditions expressed in the Purchase Order or other documents generated by the CUSTOMER. Differing, complementary and/or modifying conditions proposed by the CUSTOMER will only be observed by EDAG once it has expressly accepted and acknowledged them in writing. The receipt of payments, as well as a lack of expression of its consent, does in no way presuppose the tacit acceptance of the CUSTOMER’s conditions.

### III. Proposal and Purchase Order

1. The submission of Quotations and Proposals for Services will be free of cost for the CUSTOMER, except in those cases in which EDAG provides written notification to the contrary in advance.

Images and/or descriptions of Services presented in catalogues and/or websites pertaining to EDAG and/or those appearing in any other media are intended for publicity purposes only and cannot be considered as part of any Quotation or Proposal for Services.

Therefore, solely the description and/or images of Services expressly included in the individual Quotations or Proposals for Services submitted to the CUSTOMER will be considered as corresponding to the Service offered.

2. Quotations are enforceable solely during the Tender Period. Any extension of the same remains at the sole discretion of EDAG, via written Notice. Any payment made by the CUSTOMER without said written Notice cannot be taken as EDAG’s tacit consent.

EDAG, prior to commencing in the provision of the Service, may decline to fulfill a Purchase Order; however, it will be obliged to inform the CUSTOMER in writing. In such a case, the CUSTOMER will have the right to the reimbursement of the sums paid in advance under the terms of the Purchase Order from which EDAG is withdrawing, without EDAG incurring any penalization and/or damages.

3. Prior to the acceptance of the Purchase Order, the CUSTOMER shall state any discrepancies between the Quotation or Proposal for Services and the CUSTOMER’s requirements.

Any modifications proposed by the CUSTOMER after receipt of the original Quotation or Proposal for Services will be quoted separately.

4. The Agreement will be considered valid and enforceable once EDAG has accepted and confirmed a Purchase Order.

The Agreement will also be considered valid and enforceable when EDAG commences in the provision of the Services specified in the Purchase Order, in those cases where no explicit notification to this effect has been issued by EDAG.

#### **IV. Prices and Fees, Payment and delay of Payment**

1. The agreed prices and fees are net and do not cover any additional expenses, such as taxes, packaging, customs duties, freight, insurance, travel expenses, etc.

Any additional expenses that are related to the Services but which are beyond the scope of the Quotation or Proposal for Services will require the express authorization of the CUSTOMER and will be invoiced separately.

2. The CUSTOMER must satisfy payment in accordance with the due dates and conditions agreed, free of banking expenses and commissions.

In the absence of concrete stipulation, payment in full will become due within 05 (five) working days of the submission of the electronic invoice by EDAG.

3. If payment is not made within the abovementioned period, or the amount owed is not paid in full, EDAG will charge the CUSTOMER an additional monthly fee of 5 % (five per cent) of the amount due.

If, for any reason, the CUSTOMER does not pay an invoice within 10 (ten) working days of its due date, EDAG shall be entitled to suspend the provision of the Services without the need for prior Notice.

If the CUSTOMER does not pay the amount due within 05 (five) working days subsequent to the expiry of the said 10(ten)-day period, EDAG shall be entitled to definitively cancel the Services without any further responsibility.

All payments will be applied to the oldest outstanding invoice corresponding to the CUSTOMER under the current or any prior Agreement.

4. In the event that EDAG has a reasonable doubt as to the CUSTOMER's financial solvency after the receipt of a Purchase Order, EDAG will have the right to request either full payment in advance or the provision of guaranties.

5. Where the price has been agreed in a foreign currency, such as US Dollars or Euros, the invoice shall be issued in said currency.

The invoices issued by EDAG will comply fully with Mexican law. Should an invoice fail to fulfill any legal requirements, the above described payment terms will take effect from the date of receipt of the rectified invoice.

#### **V. Services**

1. EDAG shall provide the Service specified in the Quotation or Proposal for Services in accordance with the quality, design, engineering or any other specifications, descriptions and/or technical requirements expressly agreed.

2. Up to the point of execution, EDAG reserves the right to substitute the Services for others whose quality, price, purpose and characteristics are equivalent to those specified in the Agreement. Such action cannot be interpreted as devaluing said Service or be understood to have modified it.

#### **VI. Nonconformity of services**

1. Both EDAG and the CUSTOMER commit to permanent and continuous collaboration in the provision and development of the agreed Services. Any unresolved Nonconformities must be raised in a meeting convened for this express purpose.

2. Should EDAG accept the Nonconformity and consent to take responsibility for it, it will assume the expenses incurred in the correction and delivery of said Services. In this case, EDAG will determine, at its discretion, whether said Nonconformity requires the Services to be corrected, replaced or delivered again in full. EDAG commits, in all cases, to deliver to the CUSTOMER the requested Service in optimal conditions for its intended use and in keeping with the technical specifications corresponding to the Agreement.

Should, on the contrary, EDAG determine that the Nonconformity reported by the CUSTOMER is not its responsibility, the CUSTOMER shall be entitled to propose modifications to the scope and specifications of the Agreement, thus assuming all costs, or to accept said Services as proposed and delivered by EDAG.

3. Should EDAG fail to correct a Nonconformity in accordance with the solution it has determined as adequate, the CUSTOMER may terminate the Agreement and require the reimbursement of the full amount paid to EDAG, without EDAG incurring any penalization or damages.

#### **VII. Delivery Date**

1. Compliance with the Delivery Date will depend on the timely receipt by EDAG of all equipment, components or information required for the provision of the Service. It is the responsibility of the CUSTOMER to provide said requirements.

If the CUSTOMER does not satisfy payment in accordance with the conditions specified in the Agreement, EDAG will not be obliged to meet the Delivery Dates, which will be postponed for the time period corresponding to any delay caused.

Partial deliveries will be made solely when previously agreed and when the CUSTOMER has no outstanding balance. In all cases, special delivery conditions must be expressly specified in writing.

2. Delivery Dates will be suspended due to Acts of God or force majeure, which directly impact the delivery of the Services. The Delivery Date will be reestablished once the effects of said Act of God or force majeure have been resolved or overcome.

The suspension, due to Acts of God or force majeure, of Delivery Dates, in no case, grants the CUSTOMER the right to rescind the respective Agreement and/or take action over supposed damages.

If the effects of said Act of God or force majeure cause a delay for a period of more than 8 (eight) weeks, both EDAG and the CUSTOMER will be entitled to withdraw from the Agreement.

3. If, once notified as to their availability, the CUSTOMER fails to take receipt of the agreed Services, it will be responsible for the additional expenses and automatically assume all associated risks.

## **VIII. Acceptance**

When the Agreement involves various Services or subsequent phases of the same Service, partial Acceptance will be required for each different Service or the various phases therein.

In all other cases, unless the CUSTOMER expressly declares that it does not accept the agreed Services during the Acceptance Period, they will be considered as accepted.

## **IX. Warranty**

1. EDAG undertakes to provide its Services in accordance with the necessary skill, expertise and standards which are generally achieved in the automotive industry.

In the case of a proven and indubitable defect which becomes apparent within the 3 (three) months subsequent to the Acceptance of Services, EDAG will, at its discretion, decide whether the Services are to be repaired, replaced or delivered in full again in order to meet the technical specifications and their intended use.

Aside from the above described right to subsequent correction, EDAG will provide no additional guarantee once the Services have been accepted, either in their entirety or on a previously agreed partial basis.

2. In order to be valid, special guarantee agreements must be made in writing and must contain a detailed description of the scope and duration.

3. The CUSTOMER retains no right to any warranty claim when:

- a) The CUSTOMER has failed to identify said defect and/or notify EDAG to this effect as soon as it appears;
- b) Said defect falls outside the responsibility of EDAG;
- c) EDAG has accepted its responsibility and has then rectified said defect by means of the subsequent provision of corrected Services;
- d) Said defect is an insubstantial or minor deviation which does not significantly affect the functionality of the Services or causes only slight impairment to the intended use.

## **X. Confidentiality**

1. In the fulfillment of the Services, the parties may have access to confidential information. The parties agree not to use any confidential information other than as required in order to perform their obligations under the Agreement.

The parties agree to take all reasonable measures to prevent unauthorized use and/or disclosure of confidential information, both during and after the provision of the agreed Services.

2. If required by a competent authority, the parties shall disclose any confidential information, provided reasonable steps are taken to give prior and sufficient Notice in order to allow such a requirement to be contested by the party concerned.

3. All confidential information remains the property of the respective party and/or lawful record holder of the rights, titles and interest, including all copyrights, patents, trade secrets, trademarks, trade dress and all moral rights over the confidential information. No license or other rights upon confidential information are granted aside from those expressly agreed in writing.

Upon written request, the parties agree to return or destroy, and give Notice of destruction of which, all copies of any confidential information in their possession, independently of the form of its material support.

4. Service-related information, such as specific Quotations or Proposals for Services, reports, letters or information of any other type submitted to the CUSTOMER by EDAG, is intended for the exclusive use of the CUSTOMER and shall not be disclosed without EDAG's prior written authorization.

## **XI. Intellectual Property**

1. The use of the name EDAG, its logo, insignia or seals is specifically prohibited without its prior and express written authorization.

The catalogues, price lists, brochures, drawings, designs, etc. are property of EDAG, which reserves, without any restriction, the right to exploit the copyright and/or Industrial and/or Intellectual Property of the same. In such circumstances, the total or partial reproduction of the same is strictly prohibited.

2. EDAG is obliged to make every effort to ensure that the Service executed does not in any way make use of previously registered Industrial and/or Intellectual Property rights. If the Service requires the use of objects or goods whose Industrial and/or Intellectual Property rights belong to a third party, EDAG is obliged to notify the CUSTOMER of said situation, attaching the corresponding documentation, in order that the CUSTOMER can decide how best to proceed.

3. The transfer, licensing and exploitation of the copyright and/or the Industrial and/or Intellectual Property rights generated during and resulting from the Services provided will be subject to both negotiation and special Agreement between the parties.

## **XII. Termination**

1. THE CUSTOMER has the right to terminate an Agreement at any time, provided it compensates EDAG for all the losses generated as of the date of cancellation, including but not limited to engineering, development, labor, or subcontracting costs, as well as loss of profits.

2. For its part, EDAG could, at any point, totally or partially terminate an Agreement without being subject to any sanction and without expression of cause, provided it gives written Notice no less than 60 (sixty) days prior to the date that termination will take effect.

The termination could apply to one or various parts or the totality of the Agreement. In all cases, the termination Notice must be provided in writing.

In the case of partial termination by EDAG, solely the invoices for the Services provided up to the date of receipt of the termination Notice will remain valid.

3. EDAG may terminate the Agreement without observing any period of Notice under the following circumstances:

- a) The CUSTOMER fails to comply with any of the obligations agreed and then fails to remedy said non-compliance within the period stipulated in these General Terms and Conditions;
- b) Insolvency of the CUSTOMER, as well as it being subject to bankruptcy protection proceedings;
- c) In the event that, when requested by EDAG, the CUSTOMER declines to provide information attesting to its financial solvency, make payments in advance, or provide guarantees of payment;
- d) The CUSTOMER is at risk of non-compliance with its contractual obligations due to a substantial deterioration in its assets;
- e) Those other reasons set out in law, custom and jurisprudence.

In all cases of termination by EDAG, the CUSTOMER expressly renounces any other claim or action.

#### **XIII. Damages**

The CUSTOMER expressly renounces any claim, action, responsibility or liability under any legal basis, including but not limited to damages, losses, or claims for breach of obligations deriving from any Agreement between the parties.

Should any liability arise, in no case will it exceed the value of the Agreement under these General Terms and conditions.

#### **XIV. Place of execution**

EDAG's domicile will be the place of execution of the Services, unless contractually stipulated otherwise.

#### **XV. Severability**

In the event that any provision of the Agreement is declared unenforceable, this will not affect the enforceability of the remaining clauses and/or articles.

In such a case, the unenforceable clauses and/or articles must be replaced by EDAG, based on the principles of trust and good faith and in keeping with the originally intended meaning. On agreeing to these General Terms and Conditions, the CUSTOMER gives its explicit consent to such action.

#### **XVI. Applicable Law and Jurisdiction**

For the interpretation, compliance and execution of any legal disputes arising from or in connection to any Service executed under these General Terms and Conditions, the parties expressly subject themselves to the jurisdiction of the competent courts in the City of Puebla, Puebla, Mexico, as pertaining to either the federal or local jurisdiction. Therefore, the CUSTOMER, in this act, renounces to any other jurisdiction by reason of domicile, subject matter or any other cause.

Areas unspecified by these General Terms and Conditions will be covered by the applicable commercial legislation.