

GENERAL PURCHASING CONDITIONS



MONDRAGON
ASSEMBLY

1. GENERAL ASPECTS

These General Purchase Conditions annul and replace the general conditions published before this date, any previous agreement in force between the Parties (unless their applicability is expressly agreed) as well as any other general conditions of the Supplier, regardless of the date of their creation or adoption.

For the purposes of these General Conditions, the purchasing party will be considered to be the MONDRAGON ASSEMBLY S. A. de C. V. company, with its headquarters in Carretera Estatal 431 Km. 2+200 Lote 45 Parque Tecnológico Innovación Querétaro (hereinafter, interchangeably, "**Mondragon Assembly**" or the "**Buyer**").

Furthermore, the term "**Supplier**" or "**Vendor**", shall refer, without distinction, to the supplier to whom Mondragon Assembly sends any order for which these General Conditions apply.

The General Conditions are intended to regulate the legal and business relations between the Supplier and the Buyer, and will be sent or, where appropriate, be referred to in each order sent by the Buyer to the Supplier (hereinafter "**Order**"), being applicable to all those terms or matters that have not been expressly regulated by the Parties in the Order itself or in any of its annexed or additional documents. Any exception to the application of any of the stipulations in these General Conditions will only be applicable to the specific Order for which they are agreed upon, and will not therefore extend to other orders or contracts signed with the Supplier.

These General Conditions shall apply to all Orders fulfilled by the Supplier for the Buyer and its subsidiaries (in this last case only in the absence of an agreement between them to apply their own), who shall be considered for all purposes as the Buyer. Without prejudice to the above, orders and all related agreements will only be binding on Mondragon Assembly (or its subsidiaries, if applicable), when they have been drawn up on their printed forms and endorsed with an authorised signature. Telephone agreements require written confirmation.

2. ACCEPTANCE OF THE ORDER

- a) An Order shall be deemed to have been accepted for all intents and purposes when, it is either expressly accepted by the Supplier by means of an acknowledgement of receipt, or tacitly when the Supplier has started the work for which the Order was placed, or does not submit a written objection to the Order within 5 calendar days from the date of issue of the Order. In this regard, acceptance of the Order, in any of the ways described above, will imply full acceptance of these General Conditions.
- b) Any clause inserted by the Supplier in its documents or correspondence that is contrary to these general conditions will not be considered valid unless it has been expressly accepted in writing, beforehand, by Mondragon Assembly.
- c) The order, with the written instructions to be followed and these general terms and conditions, contains the entire agreement between Mondragon Assembly and the Supplier.

Any modification to the same requires the prior, express and written acceptance of Mondragon Assembly.

- d) Acceptance of the order by the Supplier, whether express or tacit, implies the automatic waiver by the Supplier of the application of its respective general conditions.
- e) These General Conditions set out the exclusive terms and conditions under which the Supplier will sell and the Buyer will purchase the goods and products described in the Order. The terms and conditions proposed by the Supplier that differ from or are in addition to the provisions of these General Conditions will not be accepted by the Buyer, being expressly rejected by the Buyer, and will not form part of the Order, except in those cases where the prior, express and written consent of the Buyer is provided.
- f) The Supplier undertakes to carry out the modifications requested by the Buyer, both with regard to the design and characteristics of the goods and products included in the Order, and/or the manufacturing process, provided that these are notified prior to the effective execution of the Order.
- g) The Supplier shall have the right to request a revision of the purchase price in those cases where the planned modifications imply, and this can be proven, an increase in the costs of fulfilling the Order.
- h) The Supplier may not make modifications to (i) the goods and products (including engineering, design, prices, etc.), (ii) the manufacturing process, (iii) changes in subcontractors or suppliers, etc., without the prior consent of the Buyer.
- i) Modifications made without the Buyer's prior consent will be considered to have been made unilaterally by the Supplier and will not be valid or therefore applicable, nor may they have any repercussions on the Price.

3. PACKING, MARKING AND DELIVERY

All products furnished by the Supplier, shall be packed, marked and dispatched in accordance with the Buyer's specific requirements, as well as in compliance with all applicable laws, rules, regulations, orders, conventions, ordinances and standards of the country or countries of destination and with regard to labelling, marking and packing.

In all cases, and without prejudice to the guidelines or requirements issued by the Buyer, the Supplier shall guarantee the integrity and safety of the goods and products to be supplied, establishing for this purpose any measures that may be appropriate to guarantee the delivery of the goods and products that are part of the Order in good condition and in accordance with the highest market standards.

The Supplier shall provide all of the information (including written documentation and electronic transaction records) necessary to enable the Buyer to comply with its customs obligations, origin marking or labelling requirements and local origin of contents requirements, if applicable.

Unless otherwise agreed between the Parties, the export licences or authorisations necessary for the export will be the responsibility of the Supplier, unless otherwise stated in the Order, in which case the Supplier will provide such information as may be necessary to enable the Buyer to obtain the necessary licences or authorisations.

4. DELIVERY TERMS AND DEADLINES

The delivery terms and deadlines shall be deemed essential, and therefore binding and obligatory for the Supplier.

In the event that the Supplier foresees delays in the fulfilment of the order, they shall immediately inform the Buyer, without this exonerating them from any liability.

While the delay continues, the Buyer, after notifying the Supplier, may obtain the supplies from another source and shall be entitled to reduce the quantity of supplies indicated in the order by the same amount, without renouncing the right to claim compensation for any damages incurred.

The Supplier is liable for all damages resulting from any delay, as agreed in its contractual relationship, including additional transport costs and resetting costs or additional costs for purchasing the products included in the Order from third parties.

In the event of an actual or foreseeable delay, the Supplier must inform the Buyer as soon as they become aware that the delay will occur and shall undertake, at their expense, all necessary measures to avoid or minimise the delay.

In addition to the provisions of the preceding paragraph, in the event of a delay in the delivery of the products to be delivered, a penalty of 1% on the price of the Order per week of delay shall be imposed on the Supplier.

The maximum penalty for this concept may not exceed 5% of the value of the Order.

This penalty may be applied by offsetting it against the price of the invoices owed by the Buyer to the Supplier.

The delay penalty does not remove the Supplier's responsibility to compensate the Buyer for all damages incurred as a result of the delay.

If delivery takes place more than 4 weeks after the date on which it should have taken place, and provided that the delay is not due to circumstances specific to the Buyer, the Buyer shall be entitled to terminate the current contractual relationship, and may demand from the Supplier not only the above-mentioned penalty, but also any damages that the delay may have caused.

If the Supplier delivers in advance or in excess of what is stated in the order or schedule, the buyer may choose to return the advance or excess quantities or to accept them in their warehouses.

In the first case, the Supplier shall bear the risks and costs of the return;

In the second case, the acceptance will not imply any modification of the buyer's payment obligations, which will be effective within the deadlines and amounts foreseen in the order or schedule

All deliveries must be accompanied by the corresponding Invoice (and a material certificate, if applicable), with the Supplier's header and Order number, specifying the Products delivered under the same terms as the Order, and, if appropriate, their detailed breakdown by boxes or any other packing unit, as well as the number of packages and their gross and net weights.

All products must be received correctly identified, indicating the Buyer's internal code and with the appropriate packaging for the type of Product, which must be previously approved by the Buyer.

The Supplier must guarantee the traceability of the Products, as well as their components and associated materials, where applicable, and all of the operations (transport, processing, maintenance, etc.) that occur during the life of the product.

The goods must always be accompanied by the documents, such as drawings, certificates, guidelines, etc., requested, either in our order or in the drawings or standards. Without these documents the process of reception will not be activated.

5. CANCELLATION FOR CONVENIENCE

At any stage of the execution of the order, the buyer may terminate its execution, in whole or in part, by giving 15 days' written notice to the Supplier.

Upon receipt of the notification, the Supplier shall:

- 1.- Immediately terminate all work relating to the order being cancelled and cancel all their orders and sub-contracts affected by the notice of termination.
- 2.- Settle the works carried out by them, the orders made by them and the works carried out by their subcontractors.
- 3.- Transfer ownership and make the delivery to the buyer of:
 - a) All goods or finished work that are strictly in accordance with the order.
 - b) All goods or work in progress of materials or products acquired for the execution of the cancelled orders and which cannot reasonably be used by the Supplier to produce products destined for its own stock or for other customers and provided that they are in accordance with the order.
- 4.- Adopt all necessary measures to protect the goods in its possession, over which the Buyer has or may acquire some right.
- 5.- Promptly submit to the buyer, within a maximum period of 2 months from the effective date of termination (one month in the case of partial termination), its written claim in accordance with the provisions of this condition.

In the event that the Supplier does not submit this, the Buyer may determine the amount owed to the Supplier.

The assessment thus made by the Buyer would be firm and final.

- 6.- The Buyer, when terminating the contract under this condition, shall pay the Supplier the amount due for the materials, the labour involved and the proportional part of the attributable overheads. Settlement of goods in progress from the Supplier's subcontractors is made by applying the same criteria of the preceding paragraph.
- 7.- The Supplier, with a view to a possible assessment of the work incurred, shall provide the buyer with the documents that the latter considers appropriate.

- 8.- The provisions of this Clause will not be applicable if the Buyer terminates the Order due to a delay or non-compliance attributable to the Supplier, or when the event described in Clause 22 of this Contract occurs, in which case there will be no obligation whatsoever as a result of termination by the Buyer.
- 9.- Furthermore, the Buyer's liability shall be limited, in all cases, to the price of the Order, and shall not extend to any indirect and/or consequential damage, loss of profit or loss of production that may occur.

6. TERMINATION DUE TO SUPPLIER NON-COMPLIANCE

The Buyer may terminate the Order, in whole or in part, in the event of the Supplier's failure to comply with its obligations.

To this effect and without limitation, the Buyer shall be entitled to terminate the Order in the following cases of non-compliance:

- a) Reaching the maximum penalty limit for delays, under the terms established in these General Conditions.
- b) Not meeting the quality or quantity requirements required by the Supplier.
- c) Non-payment of amounts owed by the Supplier to its subcontractors, even if legal proceedings have been initiated for insolvency.
- d) The total or partial transfer or subcontracting of the Order without the Buyer's consent.
- e) Modification of the products included in the Order not authorised by the Buyer or deviation from their characteristics as established by the Buyer.

The notification of termination for non-compliance must be sent in writing to the Supplier as soon as the occurrence of the non-compliance giving rise to the termination becomes apparent.

In the notification of termination, the Supplier shall be given a period of thirty (30) days to remedy the non-compliance, after which time, if the non-compliance has not been remedied, the Order shall be automatically terminated.

In the event of termination due to non-compliance, the Supplier shall not be entitled to receive any compensation related to the Order.

7. ACCEPTANCE OF GOODS, QUALITY AND NON-CONFORMING PRODUCTS

All the goods and products delivered by the Supplier must comply with all the quality specifications stipulated by the Buyer in the Order, its annexes and in its standards, drawings, inspection guidelines, etc. and may be subject to the control systems that the Buyer applies in its reception inspections.

The Supplier will be responsible for the control, archiving and internal dissemination of the technical specifications and quality standards provided by Mondragon Assembly.

The Buyer shall notify the Supplier of any deficiencies in the products as soon as they have been discovered, although this does not mean that the Buyer is obliged to inspect the products delivered to them.

Signing the Invoice or any other delivery document may in no case be interpreted as express or implicit acknowledgement of the fulfilment of the obligations inherent in the products delivered, or as a waiver of the Supplier's obligations.

Nor shall payment constitute or be understood as acceptance of the quality of the products.

Therefore, after delivery, the Buyer reserves their rights for any fault, loss, damage or discrepancy that may be detected even after the inclusion of the Products in other goods manufactured by the Buyer.

In the event of non-compliance with the technical or quality specifications, the Buyer may choose any of the following actions.

- a) To reject and return the entire consignment, considering it not to have been received for the purpose of fulfilling the order or schedule.
- b) To reject the material, in whole or in part, without replacement by the Supplier.
- c) To reject part of the consignment, without cancelling the Order, with replacement of the rejected part.
- d) To separate the correct goods by means of unitary inspection, returning the rest for their recovery by the Supplier, if possible, or by the buyer if it is possible and necessary to do so. In any of the above cases, the buyer will pass on to the Supplier 100% of the corresponding charges for additional inspection and/or recovery operations.

If applicable, the risks and costs of the return or replacement of the parts or materials not conforming to quality will be borne by the Supplier, and they must complete the withdrawal or replacement within a maximum period of 7 days, unless a different term is agreed in writing between both parties, the costs of which will be paid by the Supplier, or reimbursed by the latter if the Buyer has had to bear such costs.

Parts manufactured from drawings provided by the buyer and which are returned without the possibility of recovery must be rendered unusable.

Failure to comply with the requirements of the documents to be attached to the shipment of the goods, such as delivery notes, drawings, instructions for use, quality guidelines, certificates, etc., entitles the buyer to apply the provisions of point a) of this condition.

The Buyer may report any hidden defects or faults in the goods received, both on receipt and at any time thereafter, within 2 years of signing the delivery note.

Complaints about differences in quantity and non-hidden defects can be made within 3 months of the date of the delivery note.

8. AUDITS

The Buyer may inspect and verify all matters relating to the goods and products included in the Order and, in particular, all those aimed at verifying the correct fulfilment of the obligations assumed by virtue of the Order and these General Conditions.

By way of illustration but by no means limited to, the Buyer may inspect and verify the quality of the materials and the various parts of the goods and products included in the Order, both at the Supplier's premises and at its subcontractors, during and after manufacture.

The inspection and verification shall be carried out at the place of manufacture, for which purpose the Buyer must notify the Supplier with at least THREE (3) working days' notice of such inspection.

For this purpose, the Supplier shall allow and assist the Purchaser in entering its premises as often as it deems appropriate, and shall provide all documentation related to the Order and any actions in connection with it.

If, as a result of the inspection and verification, the Buyer considers that certain materials or parts of the products to be supplied are defective, or do not comply with the stipulations of the Order, the Buyer shall inform the Supplier in writing, indicating their observations, and the Supplier shall be obliged to remedy the defects noted, while respecting the delivery date.

9. TRANSFER OF OWNERSHIP AND RISK

Ownership of the goods and products included in the Order shall be transferred to Mondragon Assembly at the time of signing the Invoice or any other delivery document or on payment of the price, whichever occurs first, while the risk shall be transferred, except for anything that may be expressly agreed by the parties, at the time of actual delivery of the goods and products, as specified in the signing of the delivery note at the destination.

10. SUBCONTRACTING AND CESSION

In order to subcontract part or all of the supply of the Products included in the Order to other companies, the Supplier must of necessity have the prior written authorisation of the Buyer, who shall have the right to verify at the subcontractor's premises that the subcontracted Products comply with the specified requirements.

This subcontracting shall in no way give rise to a contractual relationship between the Buyer and the subcontractor(s).

Nor may the Supplier transfer the Order in whole or in part to a third party without the prior written consent of the Buyer.

Under no circumstances will the authorised subcontracting or the transfer release the Supplier from their contractual obligations, which will remain the responsibility of the Supplier.

Non-consensual cession of the Order, whether total or partial, will be considered null and

void.

11. GUARANTEE

The machinery, work equipment and specific installations, electrics, hydraulics, etc., which form part of the Order, are considered to be guaranteed in their entirety and in their component parts manufactured or acquired by the Supplier, against any design, material, manufacturing or assembly defect, for a period of TWO (2) years from the date of signing the Invoice or delivery document, with the buyer reserving the right to pass on to the Supplier any expenses which may be incurred during this period as a result of faulty performance, as well as to demand compensation for any damages caused.

In order to recover the costs, expenses or liabilities arising from the events regulated in this clause, as well as any other liability arising from other breaches of contract, MONDRAGON ASSEMBLY may deduct such amounts from the invoices payable to the Supplier or withhold outstanding payments, regardless of whether they are payments arising from other orders. The payment or deduction of expenses shall not release the Supplier from their obligations and responsibilities under the Order.

The Supplier undertakes to replace or repair the defects reported within a maximum period of FIFTEEN [15] calendar days from the date of their notification.

If the Supplier does not meet the requirements of the Buyer in time and manner, the Buyer may repair or replace the defective goods or products at their own expense, and may pass on to the Supplier all the costs arising from the same, as well as all the damages that have been caused as a result of the Supplier's non-compliance.

Products replaced or repaired in accordance with the guarantee will be guaranteed under the same terms and conditions applicable to the products that have led to the repair or replacement.

12. SPARE PARTS

The Supplier will provide the Buyer with the list of necessary and recommended spare parts for the goods and products included in the Order, with a description of the price of each one of them, which will be applicable in all those cases in which their replacement is not covered by the Guarantee defined in the preceding clause.

Updating of the price will be possible when the increase in the cost of spare parts is duly justified by the Supplier, with a maximum limit of 10% above the stipulated price.

The Supplier must guarantee the availability of Spare Parts for a period of TEN [10] years from the beginning of the guarantee period stated in the above paragraph.

13. PRICE AND METHOD OF PAYMENT

The prices stipulated in the orders are fixed. Any order modification that is proposed by any of the parties and that implies an alteration to the agreed conditions must be accepted by the Purchasing Department and confirmed in writing before it is carried out. If this requirement is

not met, Mondragon Assembly will not be responsible for any additional increase to the agreed conditions.

Payment will be scheduled upon acceptance of the goods at Mondragon Assembly and upon receipt of the appropriate invoices.

The payment date, unless otherwise agreed in writing between both parties, will be by bank transfer, will be SIXTY (60) days from the date of receipt of the invoice, expiring on the fourth (4th) Friday of each month. This is without prejudice to the possibility that the Buyer may withhold payments pending receipt of evidence, in the manner and details that the Buyer decides, of the absence of any lien, charge and/or claim on the goods and products that are included in the Order.

14. CONFIDENTIALITY

The Parties may have access to secret and confidential information about each other, in respect of which they must maintain the strictest and most absolute duty of secrecy, both during the term of this contractual relationship and indefinitely after its termination.

The Parties guarantee one another the due secrecy regarding this information, a guarantee which extends to the partners, directors of their respective companies, as well as their employees, internal and external associates and any other person who directly or indirectly has a relationship with the Parties and who may have access to this information.

The Supplier shall treat as strictly confidential and maintain strict secrecy over all information, documentation or knowledge, techniques, equipment, drawings, product specifications, etc. of which it becomes aware in connection with the placing of the Order (hereinafter referred to as Confidential Information) and, as a consequence, the Confidential Information shall not be used by the Supplier beyond that which is strictly necessary to achieve the purpose of the Order, for which it has been provided.

All Confidential Information to which the Supplier has access must be safeguarded with due diligence, being liable for any damages that disclosure of the information may entail, and will be returned at the time requested and at the latest at the conclusion of the Order.

Access to the Confidential Information will only be granted to the Supplier's employees who require it in order to achieve the purpose for which it has been provided and those who are in possession of such information will be made aware of the confidentiality commitments undertaken by virtue of this stipulation.

The Confidential Information will not be used for any purpose other than that for which it was provided, nor will it be made available to third parties, nor will any reproduction of it be obtained, except with the express written consent of the Buyer.

Disclosure of the Confidential Information or the possible handing over of documentation shall not give rise to any rights over protected industrial and/or intellectual property rights or know-how of the Buyer.

The obligation of confidentiality established in this stipulation shall be in force as long as the parties maintain business and/or contractual relations, and for a period of TEN (10) years

thereafter.

15. INDUSTRIAL AND INTELLECTUAL PROPERTY

In general and without exception, the Supplier guarantees the Buyer that the materials it delivers are both in their entirety and in all their component parts, duly purchased, manufactured and assembled in accordance with the regulations in force and, in particular, in full compliance with those governing industrial property, including the freedom to use and trade such materials.

Any contravention of such rules, or the limitations or damages caused by them to the Buyer, shall result in their effects being assumed directly by the Supplier, who undertakes to hold the Buyer harmless with respect to any third party claims brought against the Buyer arising directly or indirectly from the use and sale of the products included in this order.

Furthermore, the intellectual and industrial property of all the material, documentation, parts, drawings and, in general, any document, part or information that the Buyer has provided to the Supplier is and will remain the exclusive property of the Buyer.

Files or drawings provided by the Buyer may not be copied by the Supplier, nor transferred to another person or organisation, nor used for any purpose other than the manufacture of the Products for the Buyer.

These drawings or files must be returned at the request of the Buyer.

Accordingly, any copying, registering, manufacturing, marketing, advertising, transfer or use by the Supplier for any purpose other than that defined in the preceding paragraph is prohibited.

The Supplier is prohibited from registering any of the Products, drawings or manufacturing processes for any industrial property right.

If the goods and products included in the Order are designed or manufactured *ad hoc* by the Supplier at the express request of the Buyer, the drawings, designs, computer programmes, tools or machinery delivered by the Buyer (if applicable), as well as any other documentation or information subject to intellectual or industrial protection, shall be the property of the Buyer, as well as all those rights subject to protection that may be generated in the execution of the Order. In such a case, the Supplier may not sell to third parties or make use of the above for any subsequent manufacture of goods or products for third parties.

16. ADVERTISING BAN

The Supplier may not, for their own benefit or for the benefit of third parties, carry out any advertising relating to the sales they make to the purchaser, unless the latter gives their written consent.

17. SUSPENSION

The Purchaser reserves the right to suspend the fulfilment of the Order, in whole or in part, at any time, with the suspension being effective from the date on which the Supplier is notified in writing.

The Supplier shall suspend the fulfilment of the Order as soon as the above-mentioned notification is received.

In this case, if the suspension of the fulfilment of the Order exceeds six months, the Parties will meet as soon as possible to examine the contractual implications and the possible subsequent resumption of the fulfilment of the Order.

In the event that the suspension is extended beyond 6 months, the Supplier shall have the right to be compensated by the Buyer for any expenses incurred as a result of the suspension, provided that these are duly notified and justified.

The resumption of the fulfilment of the Order shall be notified in writing to the Supplier, who shall not have the right to refuse.

18. CIVIL LIABILITY FOR DAMAGES INSURANCE

The Supplier shall be liable to the Buyer and to third parties for all direct or indirect damages resulting from the manufacture and delivery of the products included in the Order, without any quantitative limitation.

The Supplier must compensate the Buyer for all damages or expenses incurred in order to fulfil the commitments made to a third party (such as additional transport costs, the need to hire additional labour, etc.) and to compensate them for all the amounts that the Supplier must pay to the third party concerned, for the damages or penalties applied by the latter, which are attributable to non-compliance by the Supplier.

if the Supplier carries out any work on the Buyer's premises or uses the Buyer's property, whether on or off the Buyer's premises, the Supplier shall indemnify and hold the Buyer harmless against any liability, claims, demands or expenses (including the costs of solicitors or other professionals) for any property damage or injury (including death) to the Buyer, its workers or any other person resulting from or in connection with the Supplier's performance of its work or use of the Buyer's property, except for claims or demands resulting from the Buyer's sole negligence.

The Supplier undertakes to hold the Buyer harmless and to indemnify him in full for any liability arising from any death, injury to persons or damage to property resulting from any breach by the Supplier, from any failure to comply with safety, health or environmental regulations, including reasonable defence costs on the part of the Buyer and, where appropriate, the insurance policy excess.

The Supplier must have a civil liability policy that covers the financial consequences of any damage caused to third parties, with sufficient cover to meet any liability that may be attributed, which under no circumstances may be less than 10 million euros per claim. The Supplier undertakes to keep the policy in force for the duration of the Order, and to deliver a copy to the Buyer upon request.

The insurance policy must also cover any third party property.

The Supplier must take out Product liability insurance.

The requirement that the Supplier maintain insurance cover does not absolve, replace or limit its liability to the Buyer.

19. WAIVER OF RIGHTS

The waiving of rights by the Buyer, one or more times, to demand the fulfilment of any of the terms or conditions of this contract, to exercise any of the rights or privileges granted by them, shall not be understood as a generic waiver of such terms, conditions, rights or privileges, which shall continue in full force and effect as if such waiver had not taken place.

20. CORPORATE SOCIAL RESPONSIBILITY AND REGULATORY COMPLIANCE

Mondragon Assembly has a certified integrated management system that commits it to quality, social responsibility and strict controls to reduce the risk of committing crimes and to comply with the law, all of which is set out in its "Code of Conduct" and its various policies (available on the website).

In accordance with this ethos, Mondragon Assembly expects and requests that the Supplier follow this same responsible, ethical and legal approach.

With this in mind, the Supplier undertakes to comply with the Mondragon Assembly Supplier Code of Conduct, which is available on the website www.mondragon-assembly.com, which the Supplier acknowledges having read and to which it declares to adhere by accepting these General Conditions.

The Supplier shall also provide the Buyer with any information requested by the latter, at any time, to verify the Supplier's compliance with the Code of Conduct.

The Supplier will respect the protection of human rights, minimum working conditions, environmental responsibility, and anti-corruption regulations. Accordingly, the Supplier declares zero tolerance for criminal acts and expressly forbids their commission, either directly or through third parties, in connection with the fulfilment of the Order.

The Supplier undertakes not to engage in any acts of corruption, including bribery, influence peddling or money laundering, and to prevent such conduct within their organisation in connection with the execution of the Order. These declarations affect both the Supplier itself and all its personnel, as well as all subsequent subcontractors and any person related to the Supplier, for the purpose of fulfilling the Order.

In the event of non-compliance with the provisions of the Buyer's Code of Conduct, the Buyer may terminate the Order in advance, without prejudice to any other rights the Buyer may have, including compensation for any damages caused.

21. COMPENSATION

The Buyer, as well as any of the companies that make up the Group to which the Buyer belongs, may deduct or offset any sums owed to the Supplier by any of said companies, from or against any sums owed by the Supplier to any of these.

22. FORCE MAJEURE

Neither party shall be liable for failure to comply with its obligations, when such failure is due to Force Majeure.

The party affected by the occurrence of the Force Majeure event shall inform the other party as soon as possible, stating the circumstances it faces, the estimated duration of the Force Majeure event and the measures it will take to mitigate its effects.

If the Force Majeure event affecting the Supplier extends beyond TWENTY (20) calendar days from the time the Buyer has been informed, the Buyer may cancel the Order, in whole or in part, by registered letter with acknowledgement of receipt and provided that it has not been possible to reach a joint solution to resolve the problems caused by the Force Majeure event.

During the Force Majeure event, the parties may take such measures as they deem appropriate to prevent the damage caused by the impossibility of the Supplier to fulfil its obligations.

Notwithstanding the above, and for clarification purposes, any cases already known to the Parties and existing at the time of acceptance of the Order by the Supplier shall not be considered events of Force Majeure and, therefore, the provisions of this Clause shall not apply.

23. NULLIFICATION OF ANY OF THE CLAUSES

Should any of the stipulations and/or conditions of the Order be declared null, void or ineffective, such declaration shall not invalidate the rest of the Order, which shall maintain its validity and effectiveness.

The headings and titles of these General Conditions are only intended as an aid for reference and do not affect the interpretation of the provisions contained therein.

24. PERSONAL DATA PROTECTION

The Parties hereby inform the representatives who sign this document that their personal data will be processed by each of the Parties, for the purpose of enabling them to maintain their contractual relations.

Furthermore, the Parties guarantee not to transfer the data to third parties, except in those cases in which their transfer is legally required (Tax Authorities, Public Administrations, Court orders, etc.).

The legal basis that legitimises the processing of the data subjects' data is the need for the conclusion and execution of the Orders that may exist throughout the business and contractual relationship maintained by the parties.

25. LANGUAGE

In the event of any discrepancy between the various versions of these general conditions, the Spanish version shall prevail.

26. APPLICABLE LAW AND JURISDICTION

If a dispute arises in connection with these General Conditions and/or the Order to which they relate, the responsible representatives of the Parties to the dispute shall attempt, in good faith, to resolve the dispute.

At the request of either Party, a representative of the senior management of each Party shall participate in the negotiations.

Each Party shall have the right to terminate these negotiations at any time by giving written notice to the other Party.

All disputes arising in relation to these General Conditions and the Order to which they relate, and which are not resolved in accordance with the preceding paragraph, shall be definitively resolved in accordance with the provisions of the following paragraph.

In the event that the Parties do not reach an amicable solution to the dispute, the Parties expressly submit themselves to the Courts and Tribunals of State of Querétaro (México), expressly renouncing any other jurisdiction to which they may be entitled, for the resolution of any possible disputes that may arise in the interpretation, implementation, execution and/or resolution of these General Conditions and the Order to which they relate.

Mondragon Assembly, S. A. de C. V.
