

Inc.'s Terms and Conditions of Purchase

TRELLEBORG SILAO, S. DE R.L. DE C.V.'S TERMS AND CONDITIONS OF PURCHASE

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These Terms and Conditions of Purchase (the “**Terms**”) are incorporated into every Purchase Order through which Trelleborg Silao, S. de R.L. de C.V. or its affiliated company (“**Buyer**”) purchases Goods from any supplier (“**Seller**”). The particular Seller is the entity designated as such on the Purchase Order. As used in these Terms, the Purchase Order means not only the Purchase Order itself, but also the Terms, any Releases, and any other incorporated documents, as well as any modifications to any of these documents. As used in the Terms, the Goods are the products, parts, components, Tooling, matters, services, or materials (including related documentation and the source code and object code of any software) the delivery of which is the subject of the Purchase Order.

1. APPLICATION

- 1.1. The Purchase Order governs Seller's deliveries of the Goods to Buyer. Buyer expressly objects to and rejects any other terms or conditions, including any terms and conditions of Seller or any additional, different, or contradicting terms or conditions in any quotation, invoice, confirmation, offer or acceptance issued by Seller, which are not part of the agreement between the parties. Any such terms shall be deemed a material alteration of Buyer's Terms and shall have no force or effect unless expressly accepted in writing by Buyer. No action or inaction on the part of Buyer, including acceptance of or payment for any Goods, is an acceptance of any terms other than the Terms.
- 1.2. Seller acknowledges that the Purchase Order and these Terms may differ from the terms set forth in Seller's quotations or other documents. Buyer's personnel from the procurement department are not authorized to receive or accept any notifications or documents purporting to modify or supplement these Terms, including any terms printed on or attached to Seller's invoices or other documentations.
- 1.3. The Purchase Order, together with these Terms and any documents expressly incorporated therein, constitute the entire and final agreement between Buyer and Seller, and supersedes any prior or contemporaneous negotiations, communications, or agreements, whether written or oral regarding the Goods.
- 1.4. The Purchase Order may not be amended or modified, nor may any collateral agreements be formed, unless the amendment, modification, or agreement is in a writing signed by an authorized legal representative of Buyer that expressly references the Purchase Order or these Terms.

2. OFFER AND ACCEPTANCE

- 2.1. A Purchase Order is Buyer's offer to Seller. Until it is accepted under Section 2.2, Buyer may revoke, cancel or amend any Purchase Order at any time without incurring any liability to Seller.
- 2.2. Seller accepts the Purchase Order, in its entirety and without modification, by agreeing to it in writing or taking any step in furtherance of performing its obligations under the Purchase Order, including engineering, design, development, or manufacturing work, procuring raw materials or equipment, or beginning to manufacture the Goods. Any response by Seller that proposes additional, different, or conflicting terms shall be deemed a counteroffer and shall not constitute acceptance of Buyer's Purchase Order.

3. FIXED-QUANTITY AND REQUIREMENTS CONTRACTS

- 3.1. Fixed-Quantity Contracts: If the Purchase Order states a specific quantity (other than "O," which indicates a 100% requirements contract under Section 3.2), the Purchase Order is a fixed-quantity contract. Seller must supply Buyer with the specified quantity of Goods, and Buyer must purchase from Seller that quantity of Goods at the price indicated in the Purchase Order. Seller must deliver the Goods to the locations and at the times in the Purchase Order or in any Release issued by Buyer.
- 3.2. 100% Requirements Contracts: If the Purchase Order does not state a specific quantity, or if the Purchase Order states the quantity as "O," "REQ," "100% REQ," "100%," "AS REL," "as released," or similar, the Purchase Order is a 100% requirements contract under which Seller shall supply all of the Goods that Buyer may need during the Term of the Purchase Order (as defined below). Seller must deliver to Buyer all of the Goods so ordered, and Buyer must pay for those Goods as stated in the Purchase Order. Seller must deliver the Goods in the quantities, at the times, and to the locations in any Release issued by Buyer. Buyer's needs for the Goods are

determined primarily by the needs of Buyer's customer, and Seller acknowledges that such requirements may vary over time. Buyer will determine its needs for Seller's Goods, including quantities and delivery dates, and communicate those quantities and delivery dates to Seller through Releases. Any forecast or prior estimate provided shall be non-binding and for reference only. Buyer shall not be liable for any losses or damages incurred by Seller due to fluctuations, reductions, or cancellations in Buyer's requirements, provided that Buyer acts in good faith under applicable law.

- 3.3. Less-Than-100% Requirements Contracts: If the Purchase Order states the quantity as a specific percentage of Buyer's requirements that is less than 100% (such as "70% REQ," "70%," or similar), the Purchase Order shall be deemed a requirements supply contract for the indicated percentage of Buyer's requirements. Seller shall supply the indicated percentage of the Goods that Buyer may need during the Term of the Purchase Order (as defined below). Seller must deliver to Buyer all of the Goods so ordered, and Buyer must pay for those Goods as stated in the Purchase Order. Seller must deliver the Goods in the quantities, at the times, and to the locations in any Release issued by Buyer. Buyer's needs for the Goods are determined primarily by the needs of Buyer's customer. Buyer will determine its needs for Seller's Goods, including quantities and delivery dates, and communicate those quantities and delivery dates to Seller through Releases. Any forecast or prior estimate provided shall be non-binding and for reference only. Buyer shall not be liable for any losses or damages incurred by Seller due to fluctuations, reductions, or cancellations in Buyer's requirements, provided that Buyer acts in good faith under applicable law.

4. FIRM DELIVERY DATES AND QUANTITIES/ CAPACITY

- 4.1. The Purchase Order or Release may specify a firm quantity of Goods or a firm quantity of raw materials or components, as well as a firm delivery date. All firm quantities and delivery dates are binding on both Buyer and Seller. Seller shall acknowledge receipt of Purchase Order from Buyer within 24 hours of submittal by Buyer. Failure to comply with firm quantities or delivery dates may result in Buyer claiming damages under applicable law.
- 4.2. Seller acknowledges that time is of the essence for all obligations of Seller under the Purchase Order, including for the firm quantities and delivery dates identified in the Purchase Order or in any Release. In the event Seller fails to timely deliver Goods as specified in the Purchase Order, it shall use its best efforts, including expedited delivery of Goods, at Seller's expense, to deliver the Goods to Buyer. Seller shall be liable for any damages arising from delayed delivery, in accordance with applicable law.
- 4.3. Unless the Purchase Order, Release, or a separate agreement between the parties states otherwise, the only quantities on a Release that are firm are those shown for the first two weeks (for finished goods) and the following four weeks (for raw materials only).
- 4.4. Unless expressly identified as firm, all quantities and delivery dates in the Purchase Order, any Release, or any other document are estimates, are for planning purposes only, and Buyer has no obligation to purchase or pay for estimated quantities, and shall not be liable for any losses or damages incurred by Seller due to changes in such estimates.
- 4.5. Seller expressly acknowledges that any delivery of Goods before Buyer's firm delivery schedule is at Seller's risk and expense. If Seller delivers Goods in advance of Buyer's firm delivery schedule, Buyer may either: (A) return the Goods at Seller's expense for proper delivery; or (B) withhold payment for the Goods until the scheduled delivery date and place such Goods in storage, at Seller's expense, until the scheduled delivery date.
- 4.6. Unless otherwise negotiated or noted in the Purchase Order or in

any supplier agreement executed with the Seller, Delivery must be made DDP (Delivered Duty Paid) (Incoterms 2020) to Buyer and must include the return of the packaging in circulation to Seller.

- 4.7. Seller must notify Buyer immediately in writing of any delays that become apparent. Seller shall be liable for any damages resulting from its failure to provide timely notice.
- 4.8. If it becomes apparent that Seller will be permanently unable to meet the delivery dates, Seller must, at Buyer's request, surrender all tools and other devices required for production of the Goods so that Buyer may produce or have a third party produce the Goods. Buyer's rights to claim damages are not affected by that request, and Buyer expressly reserves all of its repossession rights and remedies, including the right to claim further damages under any security interest, lien, lease, gratuitous bailment, or any other document that Buyer and Seller may enter into.
- 4.9. Seller must maintain sufficient capacity to satisfy any quantities, including estimated quantities, in the Purchase Order or any Release.

5. PRICE AND PAYMENT

- 5.1. Each price in the Purchase Order is a fixed price and represents the total price for the manufacturing and delivery of Goods under the Purchase Order. Seller may not adjust prices or invoice any additional costs of any nature whatsoever. The prices do not include applicable Value Added Tax, which will be added as required by law.
- 5.2. Invoicing:
 - (A) Seller will invoice Buyer upon delivery of the Goods. Invoices and packing lists must be sent to locations identified by Buyer. For shipments that will cross national borders (exports), the required documentation must be provided to parties identified by Buyer no later than the time of shipment and comply with all applicable Mexican tax regulations.
 - (B) Buyer may reject any invoice that does not comply with applicable Mexican tax regulations, show the complete Purchase Order number, Release number, and any other numbers necessary to identify the contract under which the Goods were manufactured and delivered. If Buyer rejects an invoice, payment is due based on the date Buyer receives a corrected invoice.
 - (C) Invoices issued from Seller must match the corresponding Purchase Order amounts. Any discrepancy in costs or invoices must be communicated to Seller prior to invoicing. Invoices received without notification of price discrepancy will be processed at the Purchase Order unit price or rejected, without any obligation or liability of Buyer for the difference.
- 5.2. Buyer will pay for conforming Goods at the price stated in the Purchase Order. Payment terms are sixty (60) days from the date of acceptance of Buyer of a correct and compliant invoice. Unless otherwise stated in the Purchase Order or in any supplier agreement executed with the Seller, all payments are in U.S. dollars and include all storage, handling, packing, freight, insurance, taxes, duties and any other charge of any nature. Seller represents and warrants that the prices charged to Buyer are no less favorable than those that Seller extends to its most-favored customers for like goods and services.
- 5.3. Buyer's liability for any of the Goods is strictly limited to the price for those Goods shown on the Purchase Order or Release.
- 5.4. Buyer is not obligated to pay for defective deliveries until such defects are corrected or otherwise resolved to Buyer's satisfaction.
- 5.5. Seller may not assign to, or have collected by, third parties any of Seller's claims against Buyer. If Seller assigns Seller's claims against Buyer to a third party without Buyer's prior written consent, Buyer may at its choice discharge its obligation either toward Seller or toward the third party.

- 5.6. If Buyer's customer requires Buyer to reduce Buyer's price during the term of the Purchase Order, then Seller must also reduce its price to Buyer in a proportionate amount.

6. DURATION

- 6.1. The duration of the Purchase Order shall be effective on the date specified in the Purchase Order, or if no date is specified, when issued to Seller. The Purchase Order shall terminate on the date specified in the Purchase Order or in accordance with these Terms. If no date is specified in the Purchase Order, then the duration is the life of product program into which the Goods are ultimately incorporated, as determined by Buyer, its customer or ultimate OEM end customer, and including any period during which Buyer will provide service or replacement parts incorporating the Goods to Buyer's customer (the "Term"). The Term may be lengthened or shortened as a result of Buyer, its customer or ultimate OEM end customer increasing or decreasing the life of the applicable product program. Nothing in this section affects Buyer's rights to terminate the Purchase Order in Section 29.
- 6.2. Seller may not terminate nor suspend any Purchase Order before the end of the Term. Any attempt by Seller to do so will constitute a material breach of the Purchase Order. Seller acknowledges that Buyer relies on Seller's full performance throughout the agreed Term.

- 6.3. Upon the expiration or termination of any Purchase Order, Seller will cooperate with Buyer and provide all reasonably requested support and information required by Buyer to facilitate Buyer's sourcing of the Goods to a replacement Seller. Such cooperation shall be provided in a timely manner and in a manner that avoids any interruption to Buyer's production or supply chain. Without limiting the foregoing, Seller shall return or transfer to Buyer all tools, molds, fixtures, or other equipment provided by Buyer or paid for by Buyer that are used for the production of the Goods.

7. PACKAGING, SHIPPING, AND PROOF OF ORIGIN

- 7.1. All Goods must be properly packed, labeled, and shipped in order to ensure the lowest transportation costs, using customary care and diligence. The Goods must be packed according to the packaging specifications of Buyer. Seller will be liable for any damage, loss, or additional cost arising from faulty packaging, labeling or shipment. Buyer may reject or return, at Seller's expense and without liability, any Goods not properly packed or labeled.
- 7.2. Seller must immediately obtain all documents and other information required under customs provisions or any other applicable state provisions, including drawback documents, proofs of origin, and other information relating to the origin of the Goods and the materials they contain under commercial law or provisions governing preferential trade. Seller represents and warrants that all such documentation is accurate and complete and shall indemnify Buyer against any costs, penalties, or liabilities arising from inaccurate or incomplete documentation.
- 7.3. If Buyer determines a carrier or a means of transport, Seller must ship the Goods with that carrier and means of transport.

8. SUBCONTRACTING AND ASSIGNMENT

- 8.1. Seller may not subcontract nor assign any of its obligations under a Purchase Order without the express written consent of Buyer. Any unauthorized subcontracting or assignment shall constitute a material breach of the Purchase Order.
- 8.2. Regardless of whether Seller subcontracts or assigns any of its obligations under the Purchase Order, Seller remains directly responsible to Buyer for the performance of those obligations.

- 8.3. Buyer is entitled to assign, subcontract, novate or otherwise transfer its rights and obligations under any Purchase Order, in whole or in part, to any of its parent entities, affiliates or subsidiaries, with a prior written notice to Seller.

9. FORCE MAJEURE

- 9.1. Any delay or failure of either party to perform its obligations under the Purchase Order will be excused to the extent that Seller is unable to produce, sell, or deliver, or Buyer is unable to accept delivery, buy, or use, the Goods, directly as the result of fires, floods, windstorms, explosions, riots, pandemics, natural disasters, wars, sabotage, government orders, embargoes or blockades in effect on or after the date of the Purchase Order (collectively, a "Force Majeure Event") excluding all labor issues, tariffs, duties, expedited freight or other instances of mere increased cost of performance. Written notice of the Force Majeure Event (including the anticipated duration of the delay) must be given by the affected party to the other party as soon as possible (but in no event more than 10 days after the Force Majeure Event occurs).
- 9.2. During any Force Majeure Event affecting Seller's performance, Buyer may, at its option, purchase the Goods from other sources and reduce its delivery schedules to Seller by those quantities, without liability to Seller, or require Seller to provide Goods from other sources in quantities and at times requested by Buyer at the price the Purchase Order.
- 9.3. Seller will use all diligent efforts to ensure that the effects of any Force Majeure Event are minimized and, as promptly as possible, resume full performance under the Purchase Order. If requested by Buyer in writing, Seller will, within 5 days after Buyer's request, provide adequate assurances that the delay in Seller's performance resulting from the event will not exceed 30 days. If the delay lasts more than 30 days or Seller does not provide those adequate assurances, Buyer may immediately terminate the Purchase Order without liability to Seller.

10. QUALITY AND COMPLIANCE WITH SPECIFICATION

- 10.1. All Goods, including prototype and production parts, delivered under the Purchase Order must strictly comply with the Specification. The Specification includes each drawing and written specification approved by Buyer. Buyer may revise or amend the Specification on its own initiative or at the request or suggestion of the Seller. If, during the course of production of any prototype, Seller develops any changes or improvements that it has verified are suitable for the intended purpose and required quality of the Goods, Seller must inform Buyer of that change or improvement so that Buyer may consider amending the Specification accordingly, subject to Buyer's sole discretion. Supplier shall not make any change to the Goods or Specification, their characteristics, performance, composition, sourcing or production, without the Buyer's prior written consent.
- 10.2. Seller must comply with the accepted state of the art, as well as the agreed Specification, the agreed quality standards, environmental, safety, and testing rules and regulations, and the agreed technical data, including applicable Mexican regulations and standards (such as NOMs). Any change of the Goods or of materials, tools, or production processes (including the location of manufacture) requires the prior written consent of Buyer, and Seller acknowledges that it may often also require the prior written consent of Buyer's customer. Seller must review the Specification and notify Buyer immediately of any modifications that may be necessary.
- 10.3. Buyer reserves the right to make, or require Seller to make, modifications to the Goods, the Specification, or the production processes at any time. Seller will, within ten days of the date it is notified of a modification by Buyer, demonstrate the effects of the modification on the price and delivery date through a cost

breakdown and other appropriate documentation. If the modification requires any deviation in price or delivery date, Buyer and Seller will agree on an appropriate adjustment in writing.

- 10.4. Seller must comply with all requirements under identified Buyer quality control requirements, including, but not limited to, quality manuals and certifications (the "Quality Guidelines") that shall be provided to the Seller as any additional requirements that both parties agree upon in writing. The Quality Guidelines may be periodically updated, revised, and amended, and it is Seller's obligation to comply with the current Quality Guidelines at all times. Seller's certification regarding the Quality Guidelines is incorporated into these Terms by reference.
- 10.5. Seller must observe the standards, statutes, and other rules and regulations relevant to the Goods of the countries in which the products containing the Goods are marketed and are manufactured, including applicable Mexican regulations (such as NOMs). Seller will provide to Buyer all required inspection documents and certificates. Furthermore, Seller will, at Seller's cost, feed the required information into corresponding systems that serve to comply with the provisions listed in this section (such as the International Material Data System).
- 10.6. Seller will control the quality of the Goods in regular intervals and will present the agreed inspection documents to Buyer. Seller will inform Buyer immediately and in writing of any quality problems with the Goods.
- 10.7. Buyer has the right upon advance notice to reasonably check compliance with the provisions of this section and to inspect the corresponding records at Seller's premises. Seller will support Buyer, make records available, and provide information as required.
- 10.8. To the extent that any public authority competent for product safety, emissions, labeling, rules, or similar regulations (including, but not limited to, Mexican authorities such as PROFEPA, SEMARNAT, COFEPRIS, PROFECO and Ministry of Economy) requests access to the production process and the inspection documents of Buyer, Seller will, on Buyer's request, grant the authorities the same rights at Seller's premises and provide all reasonable support.

11. COMPETITIVENESS

Maintaining the competitiveness of the Goods is of critical importance to the parties' commercial relationship. Competitiveness of the Goods is ensured if the Goods correspond to comparable goods of Seller's competitors in terms of prices and technology. If a comparable product is offered to Buyer at competitive conditions, Buyer will notify Seller in writing and will set a reasonable period of time, not less than 30 days, for Seller to restore full competitiveness of the Goods. Upon receiving that notice, Seller will promptly prepare a plan of actions that Seller will take in order to restore competitiveness of the Goods, and will furnish Buyer with that plan, together with a corrected offer. Through the corrected offer, Seller will restore competitiveness of the Goods within the period of time set by Buyer. Seller's obligation to maintain competitiveness is a material contractual obligation.

12. NOTICE OF DEFECTS

- 12.1. Buyer is not required to perform incoming inspections of any Goods, and Seller waives any right to require Buyer to do so. Payment by Buyer is not acceptance of nonconforming Goods. Any inspection by Buyer or its customer is not acceptance of the Goods or a waiver of strict performance and does not relieve Seller of any liability or warranty for the Goods.
- 12.2. Neither any payment made before the detection of defects, nor the acceptance of Goods, nor Buyer's issuance of further Releases means that the Goods are free from defects or that Seller is

released from the warranty.

13. WARRANTIES AND WARRANTY CLAIMS

13.1. Seller warrants that:

- (A) all Goods conform to all applicable Specifications and other requirements for the Goods;
- (B) all Goods are free from any defect in design (to the extent Seller provided the design), workmanship, production, and material, and are compliant with any application regulation and specifications, including applicable standards, including but not limited to applicable Mexican laws and regulations (such as NOMs);
- (C) all Goods are new, of merchantable quality and workmanship, in accordance with market standards and first-class professional practices or such other level of standards agreed between the parties;
- (D) it is aware of the particular purpose for which the Goods will be used, and that all Goods are fit for that particular purpose;
- (E) The Goods transferred to the Buyer pursuant to any Purchase Order do not infringe the rights of any third party, including any intellectual property rights; and
- (F) it conveys good and unencumbered title to Buyer to all Goods free and clear of all liens and encumbrances.

These warranties are in addition to all other warranties provided by the applicable Mexican law.

- 13.2. Defective Goods are Goods that fail to conform with any warranty in the Purchase Order, including those in Section 13.1.
- 13.3. If Seller delivers Defective Goods, Buyer, in its sole discretion, may: (A) request that Seller, at Seller's own risk and expense, rework the Defective Goods or replace the Defective Goods with Goods that conform to the Purchase Order; or (B) if the Defective Goods are already in the production process of Buyer, its customer, or its ultimate OEM end customer, at Seller's cost and expense, have the Defective Goods replaced or reworked by Buyer, Buyer's customer, or a third party. If the Defective Goods have already been installed in a product and delivered to Buyer's customer and Buyer does not receive the Defective Goods from its customer for inspection, Seller will accept the determination of Buyer's customer, or Buyer's ultimate OEM end customer, or its agents or contractors (such as a dealer) as a reasonable determination that the Goods are Defective Goods.
- 13.4. Seller must reimburse Buyer for all direct and indirect costs incurred by Buyer or charged to Buyer by its customer in connection with the delivery of a Defective Good (including costs for transport, examination, handling, sorting, dismantling, material, and work).
- 13.5. Seller's warranties and its responsibility for delivering Defective Goods may not be waived, limited, or altered in any way except through a written document signed by an authorized legal representative of Buyer expressly referencing the Purchase Order and this Section 13.
- 13.6. The warranty period for delivered Goods begins upon delivery of the Goods and continues through the longest of: (A) 36 months after the initial registration of the end product (vehicle or machine) or, for Goods for retrofitting purposes, from the assembly of the Buyer product; (B) the warranty period provided by applicable Mexican law; or (C) the warranty period offered by Buyer's customer to end-users for the Goods. If Buyer or any direct or indirect customer, voluntarily or pursuant to a government mandate, makes an offer to owners of vehicles (or other finished products) on which the Goods, or any parts, components, or

systems incorporating the Goods, are installed to provide remedial action or to address a defect or condition that relates to product safety or the failure of a product to comply with any applicable law, safety standard, or corrective service action, the warranty will continue for the period of time that may be dictated by the customer or the federal, state, local, or foreign government where the Goods are used or provided.

- 13.7. Nothing in this section waives or alters Buyer's rights with respect to any claims for damages or costs according to any applicable statutes or laws, including any claims under product-liability laws, or any indemnity claims by Buyer against Seller.

14. RECALL AND OTHER FIELD ACTIONS

If Buyer, its customer, or the manufacturer of any end products into which the Goods, or products, components, or systems containing the Goods, have been assembled performs a recall, any other field action, or a customer-service campaign, either upon its own initiative or upon the decision of any public authority (a "Recall"), Seller will be liable to Buyer for all damages in connection with the Recall to the extent that the Recall results from the delivery of Defective Goods or from any other breach of the Purchase Order by Seller.

15. LIABILITY

- 15.1. Seller is liable to Buyer for any breach of the Purchase Order. Seller's liability includes Buyer's direct, indirect, incidental, and consequential damages, and any other damages or other remedies available under applicable law. Seller will reimburse Buyer for all attorney's fees, other professional fees, and court costs incurred by Buyer in connection with any breach of the Purchase Order by Seller or any action by Buyer to enforce its rights under the Purchase Order.
- 15.2. Seller shall defend, indemnify and hold Buyer harmless for any loss that is caused by Seller's breach of the Purchase Order, or that arises from or relates to warranty, product-recall, or product-liability claims asserted by any party against Buyer, or that arises from or relates to any injuries to persons, including death, or damage to property caused by Seller. But Seller shall not pay for any loss that is caused solely by Buyer's negligence.
- 15.3. As used in Section 15.1:
 - (A) A "loss" means any amount that Buyer is legally responsible for or pays in any form. Amounts include any judgment, settlement, fine, penalty, damages, Cost, or expense, including attorney's or other professional fees. A loss can be tangible or intangible; can arise from bodily injury, property damage, or other causes; can be based on tort, breach of contract, or any other theory of recovery; and includes Buyer's direct, indirect, incidental, and consequential damages and any other damages.
 - (B) A loss is caused by an event if the loss would not have occurred without the event, even if the event is not a proximate cause of the loss.
 - (C) Buyer includes its affiliated companies and Buyer's and its affiliated companies' directors, officers, employees, invitees, agents, and customers.
 - (D) Seller includes Seller's employees, subcontractors, and agents.
- 15.4. Seller expressly waives the application of the doctrine of comparative negligence and other doctrines that may otherwise allocate the liability covered by Seller's obligations under Section 15.1. Those obligations are in addition to Seller's warranty obligations.
- 15.5. Buyer will notify Seller within a reasonable time after Buyer knows of a claim for a loss that Seller might be obligated to pay. Buyer's

failure to give notice within a reasonable time does not terminate Seller's obligation under Section 15.1, except to the extent that the failure prejudices Seller's ability to defend the claim or mitigate losses.

- 15.6. Seller, at Buyer's option and at Seller's expense, will defend the claim through counsel approved by Buyer. Seller may not settle the claim without Buyer's written authorization unless the terms of settlement could not materially adversely affect Buyer. In the alternative, Buyer may elect to defend the claim itself, and if Buyer does so, Seller must reimburse Buyer on a monthly basis for all costs and expenses of defense, including attorney's and other professional fees. If any third party asserts any claim against Buyer under liability without fault that arises from the delivery or performance of Seller and that the third party could also assert against Seller, Seller will indemnify Buyer to the extent Seller would be directly liable to the third party.
- 15.7. Limitations on Buyer's liability to Seller: Buyer is not liable to Seller for anticipated profits or for special, incidental, punitive or consequential damages under any circumstances. Buyer's liability for a claim of any kind or for any loss arising out of or in connection with or resulting from each Purchase Order, the Goods, or any other agreement between Buyer and Seller is limited to any amounts due Seller through a termination claim under Section 30.
- 15.8. No action or omission by Buyer, including the payment for Goods or acceptance of a later delivery, is a waiver of any of its rights under the Purchase Order, including its rights to pursue any claim against Seller.
- 16. SELLER'S FINANCIAL, OPERATIONAL CONDITION AND BUYER'S AUDIT RIGHTS**
- 16.1. Seller warrants to Buyer as of the date of each Purchase Order, and repeats on the date of each Release or delivery, that: (A) it is not insolvent and is paying all debts as they become due; (B) it is in compliance with all loan covenants and other obligations, not to exceed quantities in firm production releases; and (C) all financial information provided by Seller to Buyer concerning Seller is true and accurate.
- 16.2. At Buyer's request, Seller will provide copies of its quarterly or annual financial statements to Buyer. Upon reasonable notice to Seller, either Buyer or its Customers (or a third-party designee) may audit Seller's production facility, processes and any other relevant Seller or Buyer property (including all pertinent documents, data and other information) related to the Purchase Order at facility for the purpose of verifying Seller's costs and its compliance with its obligations under the Purchase Order and Seller's overall financial condition. If Seller experiences any delivery or operational problems, Buyer may designate a representative to be present in Seller's facility to observe Seller's operations. If Buyer provides to Seller any accommodations (including financial or providing designated representatives) that are necessary for Seller to fulfill its obligations under any Purchase Order, Seller will reimburse Buyer for all costs, including attorney's and other professional fees, incurred by Buyer in connection with the accommodation, and will grant a right of access to Buyer to use Seller's premises, machinery, equipment, and other property necessary for the production of Goods (and a lien to secure the access right) under an access-and-security agreement. Additionally, Seller must provide prompt written notice to Buyer of any impending or threatened insolvency of the Seller.
- 16.3. Upon reasonable notice to Seller, either Buyer or its Customers (or a third-party designee) may audit Seller's production facility, Supplies and any other Buyer property (including all pertinent documents, data and other information) related to the Purchase Order at facility for the purpose of verifying Seller's costs and its compliance with its obligations under the Purchase Order. Seller shall provide, without additional charge, all reasonable facilities

and assistance.

17. INSURANCE

- 17.1. Seller must purchase and maintain comprehensive general liability insurance, including contractual liability, all risk cover for all Goods provided by Seller, comprehensive automobile liability insurance, as well as any other insurance which Seller deems appropriate in connection with fulfilling the duties hereunder, with an appropriate limit of indemnity, at least USD\$5,000,000.00 per occurrence. Such insurance must cover all relevant activities under the Purchase Order and be valid in Mexico where applicable. Seller must provide Buyer with evidence of this insurance, regarding both the objects of insurance coverage and the limits of indemnity, through an annual written confirmation of the insurer.
- 17.2. Seller will require any of its authorized subcontractors to maintain appropriate insurance consistent with Section 17.1.
- 17.3. Seller's liability under the Purchase Order is not limited to its insurance coverage or that of any of its authorized subcontractors.

18. PROPRIETARY RIGHTS AND RIGHTS OF USE

- 18.1. Seller warrants that the use of the Goods as intended by Buyer does not infringe any domestic or foreign patents, utility models, copyrights, or other intellectual-property rights (Proprietary Rights) of any third party. Seller will indemnify Buyer from and against all legal disputes, damage, claims or demands arising out of the actual or alleged infringement of Proprietary Rights by the use or the sale of the Goods. Section 15.2 applies to this duty to indemnify.
- 18.2. Where the use of the Goods by Buyer requires Proprietary Rights of Seller, Seller grants Buyer free of charge the world-wide, irrevocable right to use, sell, repair, or copy the Goods, either directly or through third parties.
- 18.3. If standard user software is the subject of a Purchase Order, the right of use under Section 18.2 applies and is freely transferable. Seller must provide Buyer with the required software. Further payment for multiple use is explicitly excluded. Seller warrants that the software is free from any virus or similar defect.
- 18.4. If a Purchase Order contains development work paid for by Buyer, either by means of a unique payment or through the price of the parts, any and all results of that development work, including any Proprietary Rights, are the exclusive property of Buyer.

19. PRODUCT LABELING

- 19.1. Seller will label the Goods as specified by Buyer in compliance with all Mexican laws and NOMs.
- 19.2. Any Goods bearing a trademark proprietary to Buyer or provided with corresponding equipment or packed in Buyer original packaging must be delivered by Seller only to Buyer or to a third party designated by Buyer. Seller has no additional right to use the trademark. If trademarked Goods are rejected as defective, Seller will disable them at Seller's cost.
- 19.3. In addition to any other rights under the Purchase Order, if Seller violates this Section 19, Buyer may terminate the Purchase Order without notice, and Seller will surrender that which Seller gained from the violation as compensation of the damage incurred to Buyer.

20. TOOLING AND OTHER PROVIDED PROPERTY

- 20.1. All tools, parts, templates, matrices, measures, devices, jigs, gauges, fixtures, other appurtenances, and related drawings and forms (collectively, "Tooling"), equipment or material, if it:
- (A) is provided to Seller by Buyer, Buyer's customer, or Buyer's ultimate OEM end customer;

- (B) has been paid for or is to be paid for directly or through amortization by Buyer; or
- (C) is Tooling identified on the face of any Purchase Order issued by Buyer, as well as any and all replacements, additions, attachments, accessories, and maintenance (collectively "Provided Property"), are the property of Buyer, its customer, or its ultimate OEM end customer, unless agreed otherwise, and are held by Seller on a bailment basis only.
- 20.2. Seller may use the Provided Property solely for the production of Goods under a Purchase Order issued by Buyer. Seller may not use the Provided Property for any other purpose or permit others to use it without the Buyer's prior written consent.
- 20.3. Seller must clearly mark all Provided Property as property of Buyer, Buyer's customer, or Buyer's ultimate OEM end customer. Seller must store all Provided Property safely and separately from Seller's property. Seller must maintain all Provided Property in good condition and replace it if necessary, all at Seller's cost. Seller bears the risk of loss of and damage to the Provided Property while the Provided Property is in its possession or control. Seller must insure the Provided Property in the event of loss to an amount equal to the replacement cost that would have to be paid to Buyer, its customer, or Buyer's ultimate OEM end customer, all at Seller's cost. Seller assigns all claims for payment against the insurer to Buyer, and Buyer accepts this assignment. Seller must treat the Provided Property carefully and safely and must hold Buyer harmless for any claim, liability, costs, or damages arising from or related to the assembly, use, safekeeping, or repair of the Provided Property. Buyer, Buyer's customer, or Buyer's ultimate OEM end customer is entitled to enter Seller's premises during regular business hours and to inspect the Provided Property and any records relating to it.
- 20.4. Buyer may remove the Provided Property or demand its surrender at any time and without any reason and without any payment, regardless whether Buyer has terminated any Purchase Order with Seller. Upon a demand by Buyer that Seller surrender any Provided Property, Seller must immediately surrender the Provided Property and prepare it for shipping (in accordance with the requirements of the carrier and Buyer) or deliver it to Buyer or elsewhere, as directed by Buyer. If Buyer chooses to remove the Provided Property from Seller's premises itself, Seller will fully cooperate with that removal. If Buyer directs that Seller deliver the Provided Property to Buyer or elsewhere, Buyer will reimburse Seller for reasonable delivery costs. Seller may not retain the Provided Property, either from outstanding payment demands or for any other reason, and its cooperation with delivery and removal of Buyer's property is not contingent on final payment.
- 20.5. Seller affirmatively waives any right of retention, lien, or any other encumbrance, whether statutory, that it might otherwise have on any Goods or Provided Property for any work done on the Goods or Provided Property or for any other reason. Seller assigns to Buyer any claims Seller has against any third party relating to any Provided Property.
- 20.6. If the Provided Property is in the possession of any third party, including any authorized sub-supplier or service provider such as a repair shop, Seller's obligation to cooperate with Buyer's removal of the Provided Property or to surrender the Provided Property under this Section 20 includes an obligation to secure the Provided Property's release by the third party. Seller's obligation to secure the Provided Property's release includes the immediate payment of any claims made by the third party and the immediate payment of any amounts necessary to remove, at its own cost, any lien asserted by the third party for any reason. In other words, Seller will immediately take all steps necessary to place the Provided Property in Buyer's possession, including the payment of any

amount.

21. TOOLS OF SELLER

- 21.1. Seller grants Buyer the irrevocable option to acquire possession of and title to any tools that are necessary for, and specific to, the production of the Goods ("Necessary Tools"). To exercise this option, Buyer must pay to Seller the Necessary Tools' netbook value, less any amounts already paid to Seller by Buyer or amortized via the purchase price of the Goods. Seller warrants to Buyer that it is not using the Necessary Tools for production of goods to any customer other than Buyer.
- 21.2. Seller will provide Buyer with any technical information required by Buyer in order to install, assemble, or use the Necessary Tools. Technical information includes: design, component, and installation drawings; technical documentation, test logs and results, and data; and any other information relating to Goods and Necessary Tools. Subject to Seller's intellectual property rights, technical information may be used and published by Buyer without any limitation. Design or production information that is subject to any intellectual property right of Seller may be used by only Buyer for its own purposes.

22. DELIVERY OF SERVICE AND SPARE PARTS

For Goods that will be incorporated into products for vehicles or aircraft, Seller will supply Buyer with 100% of its requirements for service and spare parts for 15 years after the end of production. During this 15-year period, the price will be the price on the most recent production Purchase Order, plus any additional costs for packaging and processing to which Buyer agrees. If requested by Buyer, Seller must provide servicing literature and other materials at no extra cost in order to support Buyer's spare-parts-sales activities. Such materials shall comply with any applicable safety and labeling requirements, including local language obligations, where applicable.

23. CONFIDENTIALITY

- 23.1. Seller acknowledges and understands that, in connection with its business relationship with Buyer, it may receive or otherwise obtain information or data that constitute trade secrets, know-how, or other confidential or proprietary information of Buyer ("Confidential Information"). Seller agrees to keep such Confidential Information in strict confidence, to use it solely for the purposes of performing its obligations under the Purchase Order, and to take all legally available measures to protect such Confidential Information in the same manner and with the same degree of care as it protects its own confidential information.
- 23.2. Seller shall not sell, transfer, publish, disclose, display, or otherwise make available, in whole or in part, any Confidential Information or related documentation, materials, or services to any third party, nor shall Seller use the Confidential Information for its own benefit or for the benefit of any other person or entity. Seller shall ensure that its employees, agents, representatives, and subcontractors are bound by written confidentiality obligations no less restrictive than those set forth herein.
- 23.3. Seller acknowledges and agrees that any actual or threatened breach of this Section 23 would cause Buyer immediate and irreparable harm for which monetary damages alone would be inadequate. Accordingly, Buyer shall be entitled to seek injunctive relief, specific performance, or any other equitable remedy, in addition to any other remedies available under applicable law or equity, to prevent or remedy any such breach or threatened breach.
- 23.4. In the event Seller discloses Buyer's Confidential Information to any third party that incorporates such information into its products or services, Seller acknowledges and agrees that Buyer's remedies shall include, without limitation, recovery of damages from Seller, restitution or disgorgement of profits from such third party, and any other legal or equitable relief necessary to restore

- Buyer to the position it would have been in had no such breach occurred.
- 23.5. Seller further acknowledges and understands that any violation of the obligations contained in this Section 23 shall cause Buyer substantial damages that are difficult to quantify, and that such breach shall be presumed intentional, given the parties' understanding of the nature and value of the Confidential Information. Seller recognizes that such conduct may constitute a criminal offense under the Mexican Federal Law for the Protection of Industrial Property, the Federal Criminal Code, and the applicable state criminal codes of the United Mexican States, including Mexico City.
- 23.6. The confidentiality obligations established herein shall survive indefinitely, including after the expiration or termination of the Purchase Order, regardless of the reason for such termination.
- 24. RESERVATION OF TITLE**
Title to the delivered Goods will pass to Buyer upon delivery in accordance with the applicable Incoterm, free and clear of any liens, encumbrances, or retention of title rights. Seller shall not retain or claim any ownership or security interest in the Goods once delivered
- 25. BUYER'S RIGHT OF SETOFF**
Buyer or its affiliates may set off any claim, whether due or not due, present or future, that it has or may have against Seller or its affiliates or to offset against any such claim that Seller or its affiliates may have against Buyer or its affiliates.
- 26. CHANGE IN CONTROL OF SELLER**
26.1. A change of control of Seller includes:
(A) the sale, lease, or exchange of a substantial portion of Seller's assets used for the production of Goods, or Seller's entrance into an agreement for the same;
(B) the sale or exchange of more than 20% of Seller's stock or other ownership interest (or of such other amount as would result in a change of control of Seller), or Seller's entrance into an agreement for the same; or
(C) the execution of a voting or other agreement providing a person or entity with control of Seller or control of more than 20% of Seller's stock or other ownership interest (or of such other amount as would result in a change of control of Seller).
- 26.2. If Seller enters into an agreement for change of control, or an event described in this section occurs, Seller must notify Buyer promptly in writing.
- 27. DEFAULT AND REMEDIES FOR DEFAULT**
27.1. Default means:
(A) Seller's repudiation, breach, or threatened breach of any of the terms of any Purchase Order, including any of Seller's warranties or delivery obligations (e.g., Buyer may terminate any or all of its Purchase Orders with Seller if Seller breaches any one of its Purchase Orders with Buyer);
(B) Seller's failure to provide Buyer with adequate assurance of Seller's ability to perform timely any of Seller's obligations under a Purchase Order or Release; or
(C) Seller's failure, after being provided with the notice described in Section 11, to remain competitive with respect to price, quality, delivery, technology, payment terms, or customer support.
(D) insolvency of Seller, assignment for the benefit of creditors, sale or transfer of a substantial part of Seller's assets, or initiation of bankruptcy proceedings by or against Seller;
- (E) any false, misleading, or inaccurate representation, statement, or declaration by Seller.
- 27.2. Upon the occurrence of a Default, Buyer may, at its sole discretion and without judicial intervention, exercise one or more of the following remedies:
(A) waive all or any part of the Default;
(B) agree in writing to any modification of the Purchase Order:
(C) demand specific performance or immediately terminate the Purchase Order or this Agreement, and claim damages resulting from the Default;
(D) purchase goods in substitution for those to be supplied by Seller under the Purchase Order and charge Seller for any excess costs resulting from that purchase; and
(E) exercise any other legal or equitable rights or remedies it has.
- 28. SELLER MAY NOT STOP DELIVERIES**
Under no circumstances may Seller cease deliveries to Buyer that are required by the Purchase Order. Seller acknowledges that its failure to deliver as required by the Purchase Order will cause irreparable harm to Buyer.
- Accordingly, if Seller stops or threatens to stop deliveries, Buyer shall be entitled, in addition to any other rights or remedies, to seek precautionary or protective measures (medidas precautorias) before a competent court compelling Seller to resume and continue deliveries as required by the Purchase Order.
- 29. TERMINATION**
29.1. Termination for convenience: Buyer may, at its sole discretion and for any reason or for no reason at all, terminate without the need of a judicial resolution and without liability all or any part of a Purchase Order at any time by giving 30 days' written notice to Seller.
29.2. Termination due to customer termination: If Buyer's customer terminates all or any part of its order with Buyer for any reason, Buyer may terminate all or any part of a Purchase Order by giving written notice to Seller without the need of a judicial resolution and without liability. Seller acknowledges that in such event, a notice period of 30 days or of any other length is not required the termination may be immediate.
29.3. Termination for cause: Buyer may immediately terminate and without the need of a judicial resolution and without liability all or any part of a Purchase Order without any liability to Seller in the event of any Default by Seller. If, after termination for cause, it is determined that Seller was not in Default, the rights and obligations of the parties will be the same as if the termination were for convenience under Section 29.1.
29.4. Termination for change in control: In addition to its other remedies, Buyer may, at its option, terminate the Purchase Order without any liability to Seller if there is a change of control of Seller. Buyer must give Seller 30 days' notice of a termination for change in control.
29.5. Termination in event of a Seller Insolvency: Buyer may immediately terminate each Purchase Order without the need of a judicial resolution and without any liability to Seller in the event of a Seller Insolvency. A Seller Insolvency includes: Seller's insolvency; Seller's inability to promptly provide Buyer with adequate assurance of Seller's financial capability to timely perform any of Seller's obligations under any Purchase Order; the filing of a voluntary petition in bankruptcy by Seller; the filing of an involuntary petition in bankruptcy against Seller; the appointment of a receiver or trustee for Seller; or the execution of an assignment for the benefit of creditors of Seller.

29.6. Seller may not terminate the Purchase Order.

30. TERMINATION CLAIMS AND OBLIGATIONS

30.1. Once it receives notice of termination, Seller, unless otherwise directed in writing by Buyer, must (A) immediately terminate all work under the Purchase Order or Release; (B) transfer title and deliver to Buyer the usable and merchantable finished Goods, work in process, and raw materials and components that Seller produced or acquired in accordance with firm Release amounts under the Purchase Order and that Seller cannot use in producing Goods for itself or for others; (C) settle all claims by subcontractors approved by Buyer on the face of a Purchase Order or in a signed writing, if any, for reasonable actual costs that are rendered unrecoverable by such termination; (D) take actions reasonably necessary to protect all property in Seller's possession in which Buyer has an interest; and (E) at Buyer's request, cooperate with Buyer in resourcing the Goods covered by the Purchase Order to an alternative Seller designated by Buyer.

30.2. If the termination is for convenience or for change in control as defined in Section 26, Buyer will pay to Seller the following amounts without duplication:

(A) the Purchase Order price for all finished and completed Goods that conform to the requirements of the Purchase Order and were not previously paid for; (B) Seller's reasonable actual cost of the usable and merchantable work in process and raw materials and components transferred to Buyer in accordance with Section 30.1 and within firm release amounts; (C) Seller's reasonable actual cost of settling claims for Seller's obligations (in the absence of termination) to the subcontractors so long as those costs were approved by Buyer on the face of a Purchase Order or in a signed writing; and (D) Seller's reasonable actual costs of carrying out its obligations to Buyer under this section.

30.3. If the termination is for cause or Seller Insolvency, Seller is not entitled to any further payments by Buyer.

30.4. Except as stated in this Section 30, Buyer is not be liable for and is not required to make payments to Seller, directly or on account of claims by Seller's subcontractors, for any alleged losses or costs, including loss of anticipated profit, unabsorbed overhead, interest on claims, product-development and engineering costs, facilities and equipment rearrangement costs or rental, unamortized depreciation costs, ancillary exit charges (including costs of riggers, warehousing, premium manufacturing costs, loading of trucks, or other standard business procedures related to transitioning production to an alternative Seller), obsolescence costs, or general and administrative burden charges resulting from termination of the Purchase Order or otherwise. Notwithstanding anything to the contrary, Buyer's obligation to Seller upon termination will not exceed the obligation Buyer would have had to Seller in the absence of termination.

30.5. Within 30 days after the effective date of termination for convenience or for change in control, Seller must furnish to Buyer its termination claim, together with all supporting data (which will consist exclusively of the items of Buyer's obligation to Seller that are listed in Section 30.2). Buyer may audit Seller's records before or after payment to verify amounts requested in Seller's termination claim.

31. TRADE SECURITY AND CUSTOMS COMPLIANCE

For Goods to be imported into the United States of Mexico, Seller will: (A) comply with all applicable customs, import, and trade-security requirements established by Mexican authorities or by Buyer's customer; and (B) implement and maintain any trade-security programs or measures reasonably requested by Buyer or by relevant authorities to ensure safe and lawful import, handling, and delivery of Goods At Buyer's request, Seller shall certify in

writing its acceptance, implementation, and compliance with such programs and measures. Seller will indemnify and hold Buyer harmless from and against any liability, claims, fines, demands, or expenses (including attorney's or other professional fees) arising from or relating to Seller's failure to comply with applicable customs, import, or trade-security requirements.

32. LABOR INDEPENDENCE

Seller represents and warrants that all personnel engaged for the delivery of Goods and/or the provision of any related services shall remain under Seller's exclusive responsibility, direction, economic and labor subordination, and dependency. Accordingly, Buyer shall have no civil, labor, or any other relationship with any individual or with Seller's employees. Seller shall indemnify and hold Buyer harmless from any claim or action brought by any third party arising from Seller's failure to comply with its obligations as an employer or regarding its employees under applicable laws, including but not limited to the Federal Labor Law, Social Security Law, the Institute of the National Housing Fund for Workers (INFONAVIT), and any other applicable laws.

The purpose of this Purchase Order is strictly commercial. Nothing in this Purchase Order shall be interpreted as implying that, as a result of its execution, Seller provides or makes available to Buyer any of its employees for Buyer's benefit under Article 12 of the Federal Labor Law or Article 15-D of the Federal Tax Code. Accordingly, this Purchase Order shall not create any form of labor subordination between the Parties (and their contractors) and/or any labor outsourcing or intermediation. Each Party is an independent entity conducting its own activities, using its own resources, tools, assets, and clients, and holding its own authorizations or licenses. Each Party derives financial benefits from performing its own business activities, enabling it to have financial solvency to fulfill its obligations. Each Party provides its own employees to perform activities within the scope of its corporate purpose.

Seller shall indemnify and hold Buyer harmless against any labor claims filed by any worker or employee of Seller, as well as any claims filed by the Mexican Social Security Institute (IMSS), the National Workers' Housing Fund (INFONAVIT), or the Ministry of Finance and Public Credit (SHCP), arising from Seller's failure to comply with its employer obligations.

Seller shall be solely responsible for any matters related to its employees, including any accident occurring during the execution of any services by Seller to Buyer or as a result of such services, as well as for the payment of any salaries, benefits, withholdings, taxes, contributions, settlements, or any other costs arising from the employment relationship, its existence, termination, or any other obligation toward its personnel or federal, state, or municipal authorities or their agencies, under any applicable law, regulation, resolution, or statute resulting from activities performed in accordance with the delivery of the Good or any related services. Accordingly, Buyer shall not be responsible for Seller's personnel or to any federal, state, or municipal authority, or any of their agencies, for any damage, disability, salary, benefits, withholdings, taxes, contributions, or settlements, including but not limited to IMSS contributions, INFONAVIT contributions, retirement fund (SAR) contributions, payroll taxes, income tax withholdings, and any other payments arising from an employment relationship or its termination by Seller to carry out or fulfill its obligations under this Purchase Order.

Seller represents and warrants that (i) it has entered into individual employment contracts with each of its employees and/or workers for whom it acts as employer; (ii) any services to be provided under this Purchase Order are considered independent services under applicable labor, tax, and social security laws; (iii) it has its own infrastructure and provides services to various individuals and legal entities, Mexican and foreign, and recognizes that providing

services to Buyer does not create any economic dependence or exclusivity, nor labor subordination to Buyer; and (iv) execution of this Purchase Order does not create any employment relationship with Buyer, and Seller assumes full responsibility for itself and for all personnel used to provide the services related to the Goods. In this regard, there shall be no subordination or economic dependence between the Parties under this Purchase Order.

Accordingly, Buyer shall under no circumstances be considered jointly liable with Seller toward its employees or any authority, as Buyer has no relationship with the personnel used by Seller to comply with its obligations hereunder, and under no circumstances shall Seller's personnel be considered employees or workers of Buyer.

Seller releases Buyer from any liability arising from the employment relationship regarding Seller's personnel, before the IMSS, INFONAVIT, the Retirement Savings System (SAR), the National Consumer Fund for Workers, or any other authority.

Both Parties agree that any labor risks or accidents suffered by Seller's employees and/or workers shall be the sole responsibility of Seller, who shall bear all associated costs and fees. This obligation of Seller shall apply regardless of where such risks or accidents occur, and Seller shall indemnify Buyer for any damages caused by claims that Seller's employees and/or workers may bring against Buyer.

Additionally, Seller shall reimburse Buyer for any amounts paid by Buyer in connection with any claims, whether individual or collective, brought by Seller or its employees or workers, as well as any amounts paid by Buyer for any contingencies, fines, or penalties imposed on Buyer by IMSS, INFONAVIT, SAR, the National Consumer Fund for Workers, or any labor or social security authority.

Accordingly, Buyer may withhold any amount owed to Seller, whether for the Purchase Order price or any other reason, until Seller reimburses Buyer for any amounts disbursed by Buyer due to any claim by Seller and/or its employees or workers.

Any services to be provided by Seller to Buyer under this Purchase Order shall be strictly independent services and not considered specialized subcontracting under Article 13 of the Federal Labor Law. Otherwise, Seller shall be solely responsible to Buyer for all obligations related to such specialized services and shall immediately notify Buyer thereof, who may immediately terminate such services. Furthermore, Seller shall indemnify and hold Buyer harmless from any claim, allegation, action, demand, liability, loss, damage, injury, illness, judgment, settlement, costs, and expenses arising in whole or in part from, or otherwise relating to, the provision of specialized services.

Seller shall not subcontract the execution of this Purchase Order or any of its obligations hereunder without Buyer's prior written consent. If Seller subcontracts any part of the execution, Seller shall ensure that such subcontractor complies with all obligations herein and shall remain jointly and severally liable for any failure by such subcontractor to comply.

33. COMPLIANCE WITH LAWS AND CERTIFICATIONS/ TOXIC SUBSTANCES/ OSHA/ COUNTERFEIT PARTS

- 33.1. Seller will comply and shall ensure that all authorized subcontractors comply with all applicable laws, rules, regulations, orders, conventions, or standards enacted by the United States of Mexico or otherwise applicable to the manufacture, labeling, transportation, licensing, approval, or certification of products or services, including those relating to environmental matters, data protection and privacy, wages, hours and conditions of employment, subcontractor selection, discrimination, occupational health and safety, and motor vehicle safety, and each Purchase Order incorporates by reference all the clauses required by the

provisions of those applicable Mexican laws, orders, rules, regulations, and ordinances.

Seller has established processes and maintains policies and procedures to prevent violation of this clause 33. If Seller breaches any of its obligations or representations in this clause, Buyer may terminate any Purchase Order with immediate effect without incurring any liability and Seller shall indemnify and hold Buyer harmless from any fines, penalties and all associated expenses arising out of or resulting from the violation by Seller of any of its obligations in this clause 33.

- 33.2. All purchased materials used to manufacture the Goods must satisfy current governmental and safety constraints on restricted, toxic, and hazardous materials, as well as environmental, electrical, and electromagnetic considerations applicable to the country of manufacture and sale. Prior to shipment, Seller will furnish applicable Material Safety Data Sheets as well as information on the safe use and hazards associated with use of the Goods. Seller must be in compliance with ISO14001, TS16949 and ELV or their successors, as amended from time to time. Seller warrants that neither it nor any of its subcontractors uses or will use child, slave, prisoner, or any other form of forced or involuntary labor, or engages or will engage in corrupt business practices, in the supply of the Goods under this Purchase Order. At Buyer's request, Seller will certify in writing its compliance with this section.

- 33.3. In addition to the obligations of clause 33.1, Seller shall respect and commit to follow Buyer's Code of Conduct as amended from time to time and found at <https://www.trelleborg.com/en/about-us/code-of-conduct>, and Seller agrees – if and when so requested – to provide necessary documentation as well as accommodate any audit by Buyer in order to verify the same. Seller shall require their own suppliers to follow similar rules and, as appropriate, pass on such requirements to their sub-suppliers and so on. Seller's non-compliance with this clause 33 shall be considered a material breach which entitles Buyer to terminate any Purchase Order with immediate effect without incurring any liability.

- 33.4. Seller will indemnify and hold Buyer harmless from and against any liability claims, demands, fines, or expenses (including, without limitation, attorney's or other professional fees) arising out of or in connection with Seller's failure to comply with the provisions of this section.

- 33.5. Seller will plan implement and control processes appropriate to the organization and the product, for the prevention of counterfeit or suspect counterfeit part use and their inclusion in product(s) delivered to the customer. Counterfeit part prevention processes should consider: (a) training of appropriate persons in the awareness and prevention of counterfeit parts; (b) application of a parts obsolescence monitoring program; (c) controls for acquiring externally provided product from original or authorized manufacturers, authorized distributors, or other approved sources; (d) requirements for assuring traceability of parts and components to their original or authorized manufacturers; (e) verification and test methodologies to detect counterfeit parts; (f) monitoring of counterfeit parts reporting from external sources; and (g) quarantine and reporting of suspect or detected counterfeit parts.

34. DATA PROTECTION AND PRIVACY

In connection with this Purchase Order, Seller shall provide, upon Buyer's request, personal data of the personnel assigned in relation to this Purchase Order. The parties agree that Buyer shall act solely as the "Data Controller" in accordance with the Federal Law on Protection of Personal Data Held by Private Parties ("Data Protection Law"), its Regulations, and other applicable regulations. Buyer, in its capacity as Data Controller, shall process personal data in accordance with the instructions provided by Seller, and, in accordance with Article 50 of the Regulations, shall:

- a. Process personal data solely in accordance with Seller's instructions;
- b. Refrain from processing personal data for purposes other than those instructed by Seller;
- c. Implement security measures in accordance with the Data Protection Law, its Regulations, and other applicable rules;
- d. Maintain confidentiality of the personal data processed;
- e. Delete personal data once the contractual relationship with Seller ends, or upon Seller's instructions, unless retention is required by applicable law; and
- f. Refrain from transferring personal data unless directed by Seller, required due to subcontracting, or as mandated by competent authorities.

If Buyer requests personal information regarding Seller's personnel to comply with any applicable law, Seller shall provide such data to Buyer for that purpose.

Seller represents and warrants that it has informed and obtained consent from each data subject for the processing of their personal data through the applicable privacy notice, as required by the Data Protection Law, making any transfer to Buyer lawful and any processing by Buyer in accordance with Seller's instructions permitted. Seller shall be solely responsible for any fines, penalties, or sanctions imposed on Buyer due to any unlawful processing or transfer of personal data by Seller and shall indemnify and hold Buyer harmless for any resulting damages, including, without limitation, attorneys' fees at Buyer's sole discretion.

Seller shall ensure that any personnel assigned under this Purchase Order comply strictly with the Data Protection Law and related regulations regarding the processing of personal data to which they have access in connection with this Purchase Order, and shall comply with Buyer's policies and procedures regarding personal data protection.

35. ANTICORRUPTION

The Seller acknowledges full awareness of the United States Foreign Corrupt Practices Act ("FCPA"), the Mexican General Law of Administrative Responsibilities ("LGRA"), and any other applicable law, regulation, or standard relating to bribery and corrupt practices (collectively, the "Global Anti-Corruption Laws").

The Seller represents that it has complied and will continue to comply in all respects with the Global Anti-Corruption Laws in the course of its business dealings with the Buyer under this Purchase Order.

During the term of the Purchase Order, neither the Seller nor any of its employees, officers, directors, representatives, agents, subcontractors, or advisors has authorized, offered, or made, nor will authorize, offer, or make, directly or indirectly, any payment, promise of payment, or transfer of money, property, or anything of value to:

- (a) any public official or employee (regardless of rank or position), political party, party official, candidate for public office, employee of a state-owned or state-controlled entity, or employee of a public international organization;
- (b) any private individual or entity with which the Seller has business dealings under this Agreement; or
- (c) any close family member (including parent, grandparent, spouse, child, grandchild, or sibling) of any of the foregoing persons; for the purpose of: (i) improperly influencing any act, decision, or omission of such person in their official or professional capacity; (ii) inducing such person to use their influence to affect an act or decision of any governmental authority, public international organization, or business entity;

or (iii) securing any improper advantage.

The Seller shall maintain complete and accurate books and records reflecting all business transactions carried out with the Buyer, and shall make such records available to the Buyer, or to any person designated by the Buyer, for review and audit during the term of the Purchase Order and for a period of three (3) years thereafter.

Any breach by the Seller of the obligations set forth in this clause shall constitute grounds for immediate termination of the Purchase Order, at the Buyer's sole discretion, without any cost or liability to the Buyer and without the need for judicial declaration.

36. GENERAL PROVISIONS

36.1. In these Terms, including and its variants means including but not limited to.

36.2. If any provisions of the Purchase Order, any Release, these Terms, or any other related or incorporated documents is found invalid, the validity of the remaining documents and Terms will be unaffected. The parties will replace the invalid provision with a provision that comes as closely as possible in terms of economic results to the invalid provision.

36.3. Governing Law: The Purchase Order, including these incorporated Terms, shall be governed by and construed in accordance with the laws of Mexico. The provisions of the United Nations Convention on Contracts for the International Sale of Goods do not apply. Any conflict-of-laws or choice-of-law provisions or principles that would require application of the laws of a jurisdiction other than those of the state of Indiana are excluded.

36.4. Jurisdiction: Any action arising under or relating to a Purchase Order is subject to the exclusive jurisdiction of the courts located in Mexico City. The parties consent to the jurisdiction of these courts, and Seller will stipulate to dismiss any lawsuit brought in any court other than these courts.

36.5. Exclusive Venues: The exclusive venues in which any dispute arising under or relating to the Purchase Order may be litigated are the . Seller will stipulate to dismiss any lawsuit brought in any court other than these courts may be dismissed as improperly venued. The remainder of this section notwithstanding, Buyer reserves the right to bring a lawsuit in any court with jurisdiction over Seller.

valid as of November 2025