

Any and all supplies of Goods and/or provision of services engaged by Tupy shall be subject to the terms and conditions below (the "General Purchasing Conditions"). These General Purchasing Conditions are an integral part of the Purchase Documents and Specific Contract provided by Tupy to the Supplier and supersede any prior understandings between the Parties and any other conditions submitted by the Supplier.

The full and irreversible acceptance of these General Purchasing Conditions together with the Purchase Documents by the Supplier occurs (i) by electronic and/or written confirmation or (ii) tacitly, by the commencement of supply of Goods and/or provision of services by the Supplier, whichever occurs first.

## **SECTION 1 – DEFINITIONS**

1.1 The terms below, in the singular or in the plural, shall have the following meanings when used in this document:

**Goods:** means any type of products, materials, equipment, parts, and/or inputs, whether industrialized or not.

**Collaborators:** means the people who are members of the team of the Supplier, including employees, contractors, workers under the payroll of third parties that provide services to the Supplier, any agents, representatives, or subcontractors.

**Specific Contract:** means the specific contractual instrument executed by Tupy and the Supplier related to the supply of Goods and/or provision of services, as long as they are formally accepted and signed by legal representatives of Tupy.

**Purchase Documents:** means any request for quotation, technical scope, purchase order, or purchase shipping program provided by Tupy to the Supplier, as well as the Tupy Procedures.

**Tooling:** means any and all tools, manuals, jigs, devices, dies, molds, models, and/or other equipment, including the respective software, specifically manufactured or adapted for manufacture and/or quality control of parts and products.

**Supplier:** means the individual or legal entity that supplies goods and/or provides services to Tupy.

**Confidential Information:** means any and all information, oral or written, made available by Tupy to the Supplier, including, generally and by way of example, but without limitation, financial, operational, and commercial information, contracts, proposals, technical and legal information, information on customers, prices, costs, processes, projects, know-how, and information on employees and/or strategic plans, as well as any and all information not publicly disclosed.

**Party or Parties:** means Tupy and the Supplier, when mentioned individually or jointly, as the case may be.

**Replacement Parts:** means the parts intended to replace the original production parts for maintenance or repair purposes, characterized by having been designed through the same manufacturing process and presenting the same technical specifications as the parts they replace.

**Supplier Portal:** means the digital environments through which the Supplier participates in the approval or selection process and/or has access to Purchase Orders, Tupy Procedures, and Tupy-issued communications in general.

**Tupy Procedures:** means any procedures and/or instructions made available by Tupy, including, without limitation, the supplier's manual and the logistical protocol, applicable to the supply of Goods and/or provision of services.

**Tupy:** means Tupy Mexico Saltillo, S.A. de C.V., Blvd. Isidoro Lopez Zertuche. #4003 Zona Industrial Coahuila, Mexico, Technocast S.A, Carretera Saltillo Monterrey Km 21.5, 25900, Ramos Arizpe, Coahuila, México, and/or any company in which Tupy S.A. holds an equity interest or controls, directly or indirectly, based in Mexico.

## **SECTION 2 – APPLICABLE DOCUMENTS**

2.1 The supply of Goods and/or provision of services shall be governed by these General Purchasing Conditions, the Purchase Documents and, if concluded, a Specific Contract. Documents issued by the Supplier, including, without limitation, commercial proposals and technical proposals, shall not apply to the supply of Goods and/or provision of services. These General Purchasing Conditions may be modified by Tupy, wholly or in part, at any time, and such modifications shall be automatically updated on the website of Tupy at <https://www.tupy.com.br/es/fornecedores>, and shall become effective after 15 (fifteen) days from the date of publication of the new version.

2.2 In the event of any inconsistency between the provisions of the documents listed above, the following order of prevalence shall be observed: Specific Contract, Purchase Order, General Purchasing Conditions, shipping Program, and Tupy Procedures.

2.3 The Supplier agrees to comply with all Tupy Procedures made available on the Supplier Portal from time to time.

2.4 The Supplier agrees to observe and comply with the principles and guidelines of the Tupy code of ethics and conduct, available at [https://www.canalconfidencial.com.br/eticatupy/files/CodigodeEticaTupy\\_ESP.pdf](https://www.canalconfidencial.com.br/eticatupy/files/CodigodeEticaTupy_ESP.pdf), as well as to have its employees, subsidiaries, related companies, directors, representatives, or advisors comply with said code.

## **SECTION 3 – LEGAL REQUIREMENTS**

3.1 The Supplier agrees to:

(i) Regularly develop its activities, meeting all requirements from government entities, maintaining all authorizations and licenses necessary for the engaged supply of Goods and/or provision of services valid and updated, it being understood that the non-performance of such obligation shall not imply any joint and several or secondary liability for Tupy, and hold all authorizations, licenses, and permits for the faithful development of its activities;

(ii) Submit all mandatory documents inherent to the Supply of Goods and/or provision of services in accordance with the applicable laws and technical safety standards and/or requested by Tupy within the specified periods and deadlines; and

(iii) Solely bear any taxes, fees, emoluments, and other charges inherent to its professional activity, as well as for any fines or penalties that may be imposed for breach of any laws or regulations.

#### **SECTION 4 – DELIVERY AND CAPACITY**

4.1 The Supplier shall ensure to Tupy the Supply of Goods and/or the provision of services contracted hereunder and meet the quality requirements, deadlines, quantities, and prices set forth in the Purchase Order and/or Specific Contract.

4.2 The Supply of Goods and/or provision of services shall be performed by the Supplier without exclusivity to Tupy, unless otherwise agreed in writing by the Parties.

4.3 Any estimate of volume of Goods and/or services provided by Tupy shall be deemed only a forecast and shall not be binding on Tupy or obligate it to indemnify any investment, expense or expectation of Supplier. However, the Supplier is required to maintain a production and/or delivery capacity so that the supply of Goods or provision of services can be carried out in accordance with the estimates indicated by Tupy.

4.4 The Supplier confirms and ensures Tupy and hereby recognizes it as an essential condition for the Supply of Goods and/or provision of services that it has an organizational structure, technical, productive, and logistical capacity, including, without limitation, trained administrative and execution personnel, equipment, technical knowledge, and stocks, which allow it to supply the Goods and/or services with efficiency and quality and in a timely manner so as to meet the needs of Tupy.

4.5 The Supplier represents that, in order to comply with its contract with Tupy, it shall not need to make major investments and that, if necessary, Tupy shall not be responsible to indemnify Supplier for such investments, unless expressly agreed upon with Tupy based on an investment plan approved by both Parties in the Specific Contract.

4.5.1 If Tupy agrees to indemnify the investments under section 4.5 above, title of such investments shall automatically vest in Tupy.

4.6 The Supplier agrees to immediately inform Tupy of the existence of a risk of non-compliance with the deadlines and/or quantities of the engaged Supply of Goods and/or provision of services, regardless of whether or not the non-compliance is motivated by the Supplier, as well as to adopt, at its own expense, all necessary ordinary and extraordinary actions to ensure the performance of its obligations as contracted.

4.7 In case Tupy identifies any divergence between the Goods and/or services supplied and the contracted specifications, or defects, problems, and damage in the Goods and/or services, Tupy shall inform the Supplier, either upon receipt, or later within the following three years, when they are identified. The Supplier hereby waives any statutory period within which Tupy could claim any deficiencies or imprecisions in the Goods and/or services which became evident past the warranty period agreed upon in subsection 6.1 below and warrants that it will make the necessary efforts to correct said deficiencies or imprecisions upon receiving notice from Tupy at any time, with no additional cost for Tupy.

4.7.1 Without prejudice to the provisions of section 12, Tupy is assured the right not to receive or to return Goods or services delivered outside the deadline period or outside the contracted specifications, including with regard to quantity, validity and discrepancies in the invoices.

4.8 The Supplier shall be responsible for any equipment that Tupy makes available to enable the engaged Supply of Goods and/or provision of services, and the Supplier agrees to use it with due care as if it were its own, being liable for any damage resulting from its operations, as well as for any maintenance necessary to enable its regular use. Such equipment shall be operated by properly skilled and trained Collaborators.

4.9 The Supplier shall remain competitive in terms of price, performance, delivery, reliability, quality, and technology so that the supply of Goods and/or provision of services remains in force between the Parties.

4.10 The Supplier agrees to provide Tupy with Replacement Parts during the period of the engaged supply of Goods and/or provisions of services and for a period of not less than five (5) years after its termination, unless a longer period is agreed upon.

#### **SECTION 5 – COMMERCIAL CONDITIONS**

5.1 The price and other commercial conditions for the supply of Goods and/or provision of services shall be stated in the Purchase Order. The price shall include everything necessary for full compliance with the supply of Goods and/or provision of services, including all taxes and contributions thereon and other expenses to be incurred by the Supplier for such purpose, to which no other amounts of any nature shall be added without prior express written consent from Tupy.

5.2 The application of any price adjustment is prohibited without prior express agreement from Tupy. Price adjustments shall be considered if submitted by the Supplier to Tupy for review at least thirty (30) days in advance of the effective date intended by the Supplier, taking into account that (i) the adjustment shall only occur after negotiation and agreement by the Parties, (ii) the adjustment shall not be retroactive, (iii) the request by the Supplier shall allow Tupy to request quotations on the market and initiate a process of replacement of the Supplier in the short, medium, or long term, according to the Goods or services, and (iv) the submission by the Supplier of evidence that justifies such request for adjustment is indispensable.

5.2.1 The Supplier agrees to fully maintain the performance of the Supply of Goods and/or provision of services, without any suspension, in the event of any renegotiation of prices and/or payment terms.

5.3 Payments made by Tupy occur only on Fridays by credit to a bank account held by the Supplier (wire transfer), provided that the Supplier issues an invoice and submits the relevant documentation requested as established in section 3.2., in full compliance with all statutory requirements and specific invoicing requirements set forth by Tupy.

5.3.1 The due date of the invoices to be issued by the Supplier shall coincide with such day of the week.

5.3.2 If a given Friday is not a banking day, the payment shall be made on the first (1<sup>st</sup>) business day following the date of payment.

5.3.3 If Tupy finds that the invoice was issued with an error or in violation of the provisions of applicable laws and regulations, these General Purchasing Conditions, of the Purchase Documents, and/or of the Specific Contract, Tupy shall return the document to the Supplier, which shall make the necessary corrections and issue a new invoice replacing the previous one, as well as bear any expenses incurred by Tupy. In this case, the due date shall be extended for an equal period.

5.3.4 The Supplier is prohibited from issuing bank payment forms against Tupy. If Tupy has losses arising from any protests of instruments due to non-compliance with the provisions of this section, the measures set forth in section 12 shall be applied.

5.4 Tupy may deduct or otherwise offset any amounts due by the Supplier against any amounts due by Tupy to the Supplier, including debts that are not fixed and due, pursuant to article 2188 of the Federal Civil Code. The Supplier is not entitled to no offset amounts due, pursuant to article 2197 of the Federal Civil Code, unless otherwise agreed in writing by Tupy.

## **SECTION 6 – WARRANTIES**

6.1 The Supplier warrants that the Goods and/or provision of services (i) shall comply with the Purchase Documents and/or Specific Contract, (ii) shall be free from defects in materials, workmanship, manufacturing, and design, (iii) shall be free of any liens, including, without limitation, any pledge, mortgage, lien, security interest, trust of any kind, obligation *in rem* or *in personam*, assignment, option, right of first refusal, lease, free loan, foreclosure, attachment, burden, debt, charge, or restrictions of any nature, (iv) shall be fit and sufficient for their intended use and (v) will not infringe intellectual property title of third parties. The warranty period set forth in this section shall be twelve (12) months (unless a longer period is agreed upon) from the date of delivery, use, and/or completion of the Goods and/or services, whichever occurs last, as applicable, except that for item (v) the warranty period shall be extended for the entire useful life of the Goods and/or provision of services.

6.1.1 The warranty period set forth in section 6.1 above also applies to any replacement parts to be supplied to Tupy.

6.1.2 The Supplier also warrants to Tupy technical support in relation to the Goods and provision of services.

6.2 The Supplier, taking into account its high technical capacity in its field of activity, shall request and obtain all the necessary information in order to ensure the purpose intended by Tupy with the subject matter of the contract.

6.3 The Supplier agrees to immediately give notice to Tupy of all deficiencies or manufacturing defects found in the Goods supplied or not yet delivered.

6.4 If Tupy considers necessary to inspect the contracted Goods and/or services due to signs of a failure or quality problems, Tupy shall have the right, upon notice to the Supplier in this regard, to carry out such inspection at the expense of the Supplier.

6.5 The payment of the price and inspection, testing, and/or receipt of the Goods and/or services by Tupy shall not represent its acceptance and shall not release the Supplier from its obligations and warranties under these General Purchasing Conditions. Tupy may, at any time, reject, wholly or in part, any Goods and/or services that, as a result of sampling, show defects, and the Supplier shall redo the services regarded by Tupy as faulty or improper and/or replace the defective Goods, as applicable, at no additional cost to Tupy.

6.6. If Tupy:

(i) Is held liable to third parties due to the warranty it provides to the goods it manufactures and markets due to any inadequacy, deficiency, or defect in the Goods and/or services provided by the Supplier, including claims related to the infringement of third-party intellectual property, Tupy shall have a right of recourse against the Supplier and may exercise it by: (a) offsetting any amounts due by Tupy to the Supplier or (b) charging such liability to the Supplier for immediate collection. Tupy, whenever requested, shall inform the Supplier of the reasons for any charges by way of warranty; or

(ii) Is held liable in the judicial, extrajudicial, and/or administrative sphere to third parties, including its customers, for losses, damages, and harms directly or indirectly caused by the Supplier and/or by its Collaborators due to the supply of Goods and/or provision of services, the Supplier shall indemnify and reimburse Tupy for all damages and losses incurred by it. Tupy shall also have the right to be compensated for any damages suffered by third parties and attributable to the Supplier which have been the subject of settlement in court.

6.7 If any labor or civil claims are filed against Tupy in relation to the Collaborators of the Supplier or if Tupy receives notice from federal, state or municipal authorities, including, without limitation, the Ministry of Labor, and the Public Prosecutor's Office, the Supplier shall indemnify and reimburse Tupy for all damages and losses incurred by it, as well as, in the judicial sphere, assume the position of respondent in such claim and immediately making all the necessary efforts to attain the dropping of Tupy from the case. Tupy shall also have the right to be reimbursed by the Supplier for any losses incurred by it as a result of any settlement in connection with such claims.

6.8 If the events indicated in Sections 6.6 and 6.7 above occur, the Supplier hereby agrees to immediately indemnify Tupy for all expenses, contractual attorney's fees, and costs in which Tupy may incur. In this regard, Tupy is hereby duly authorized by the Supplier to withhold and deduct from the payments due to the Supplier for the supply of Goods and/or provision of services any amounts that Tupy is required to disburse due to any of the abovementioned reasons, without prejudice to Section 12 below.

## **SECTION 7 – TOOLING**

7.1 The Supplier shall be responsible for all Tooling owned by Tupy or by customers of Tupy which are held by Tupy and are made available to the Supplier from the time of its effective withdrawal or receipt, including during transportation, when under its responsibility, until its return to Tupy is

completed, agreeing to insure them, at its own expenses, against all the risks to which such Tooling is exposed, including, without limitation, risk of loss, destruction, damage, attachment, pledge, deposit, or any other type of judicial or extrajudicial bond or enforcement. The Tooling shall be returned in the same condition as when delivered to Supplier, except only for natural wear and tear resulting from use as provided in clause 7.1.1.

7.1.1 The Supplier is required to (i) identify the Tooling as property of Tupy or its customers, as applicable, (ii) keep the Tooling and use it solely for purposes of complying with its commitments to Tupy, assuming all the maintenance costs necessary for the regular operation of the Tooling, (iii) indicate to Tupy any extraordinary repairs or replacements of Tooling as a result of its regular use, with the necessary advance written notice, (iv) not assign any Tooling to third parties or change its place of use under any circumstances, nor offer it as a guarantee, (v) not use the Tooling or allow Collaborators or third parties to use it, except in compliance with the instructions given by Tupy, even after the Supply of Goods and/or provision of services relationship has ended, (vi) not transfer to third parties, unless expressly authorized in writing by Tupy, the Goods designed or produced based on the Tooling, (vii) and comply with the instructions form Tupy regarding the return, disassembly, and maintenance of Tooling.

7.2 Notwithstanding the terms hereby provided, the Supplier agrees to formalize with Tupy, whenever requested, a Tooling free loan agreement.

7.3 All supplies, materials, tools, manuals, dies, gauges, jigs, molds, models, equipment, and other goods supplied by Tupy to the Supplier, directly or indirectly, for compliance with the respective contractual instrument or for which the Supplier has been reimbursed by Tupy shall be and remain the property of Tupy and shall be held by the Supplier under a free loan ("Tupy Property"), even when they are specific for replacement.

## **SECTION 8 – SPECIFIC CONDITIONS FOR PROVISION OF SERVICES**

8.1 The Supplier shall have the following obligations:

8.1.1 To make available, at no additional charge, all materials and equipment, in adequate and sufficient quantity and quality, for the proper performance of the services contracted by Tupy;

8.1.2 To replace, at no cost to Tupy, within a maximum period of twenty-four (24) hours from the time of request from Tupy, any Collaborators whose behavior or attitude at the place of services is deemed by Tupy inconvenient or incompatible with the roles performed; and

8.1.3 If the services are provided within Tupy's facilities, the Supplier shall observe the following:

8.1.3.1 advise and demand compliance by its Collaborators with the Tupy internal rules, as well as keep its Collaborators identified with an identification card issued by Tupy, the manufacturing cost of which shall be borne by the Supplier, and Supplier uniform, during the performance of the services, in order to distinguish them from the employees of Tupy.

8.1.3.2 ensure that its Collaborators have the necessary work permits, in accordance with labor and immigration legislation; as well as comply in a timely manner with all payments related to the employment of such Collaborators, such as wages, salaries, benefits, social benefits, taxes, contributions and contributions (IMSS, INFONAVIT, AFORE, FONACOT, etc.), among other obligations related to its personnel and that are generated by virtue of the services to be provided by the Supplier.

8.1.3.3 submit to Tupy, in a timely manner, the documents required to prove compliance with its labor, tax and social security obligations, as well as any other documentation or information required by the applicable law, or by any competent authority,

8.2 All materials and/or equipment owned by the Supplier and used in the contracted services shall be under its custody, even when such activities are performed at the facilities of Tupy, it being understood that Tupy shall not be liable for any damage to or theft or robbery of such goods.

8.3 The Supplier warrants to comply with all safety and occupational health standards, being responsible for providing its Collaborators with Personal Protective Equipment (PPE) and Collective Protective Equipment (CPE), in accordance with the requirements issued by the competent authorities, and demand and supervise the permanent use thereof, as well as to provide its Collaborators with normative training as necessary for the performance of the contracted services and submit the respective certificates to Tupy.

## **SECTION 9 – SPECIFIC CONDITIONS FOR SUPPLY OF GOODS**

9.1 The Supplier agrees to:

9.1.1 Ensure the quality standard, lawful origin of the Goods, and schedule established by Tupy or provided for in the Purchase Documents. Supplier acknowledges that the delivery under the conditions provided by Tupy, especially with the quality established and within the deadlines, is an essential and indispensable condition for Tupy.

9.1.2 Adequately prepare, pack, and mark the Goods for transportation and dispatch in order to ensure safe delivery, in compliance with the requirements of the laws in force and with the Tupy specifications; and

9.1.3 Collect and analyze any nonconforming Goods rejected by Tupy and immediately implement necessary corrective measures based on the results of the nonconformity reports or any other method of assessment of the fitness, quality, and quantity of the Goods provided, bearing all costs arising from such actions.

9.2 When the Supplier is the owner of the Tooling used to manufacture the Goods, in the event the Supplier intends to sale such Tooling, Supplier shall offer to Tupy the right of first refusal in its acquisition, which may be exercised by the latter directly or through third parties indicated by Tupy. The Supplier shall not sell the Tooling to third parties at a price lower than that offered to Tupy or on more favorable terms.

## **SECTION 10 – OBLIGATIONS OF TUPY**

10.1. Tupy agrees to:

10.1.1 Pay the price agreed upon in the Purchase Order and/or Specific Contract for the supply of Goods and/or provision of services, in accordance with section 5;

10.1.2 Enable the satisfactory and regular performance of the contract by informing the Supplier of the names of the persons authorized to represent Tupy in the relationship to be maintained as a result of the engaged supply of Goods and/or provisions of services;

10.1.3 Provide any information requested by the Supplier under section 6.2; and

10.1.4 Allow Collaborators to access its facilities for the engaged supply of Goods and/or provisions of services, as long as (i) they are identified with an identification card issued by Tupy and Supplier uniform, (ii) the Supplier has complied with the requirements set forth in Section 8.1.3, and (iii) the Collaborators have demonstrably participated in the necessary training and integration course on Tupy internal rules.

10.2 Tupy further agrees to adopt, at its expenses, all necessary actions, ordinary or extraordinary, to ensure the performance of its obligations as contracted.

## **SECTION 11 – SUBCONTRACTING**

11.1 Any subcontracting of the supply of Goods and/or provision of services is hereby expressly prohibited, except upon prior written authorization from Tupy, duly executed by an authorized legal representative.

11.1.1 Tupy may authorize the Supplier only to contract Specialized Services other than those of its corporate purpose, or the activity for which it was contracted by Tupy, and in which case, it must submit the documentation required by Tupy in order to prove the business relationship and compliance with tax, labor and social security obligations of the legal entity to be contracted.

11.1.2 Even where Tupy authorizes the Supplier to hire a third party for the supply of Goods and/or provision of services, any and all liabilities arising from the supply of Goods and/or provision of services, such as civil, fiscal, social-security, and labor liabilities and, above all, liability for the quality, quantities and/or damages of the Goods and/or services provided, shall be borne by the Supplier.

## **SECTION 12 – DEFAULT AND PENALTIES**

12.1 In case of non-performance by the Supplier of any obligation set forth in these General Purchasing Conditions, in the Purchase Documents, and/or in the Specific Contract, Tupy may adopt, at its sole discretion, any measures it deems necessary for the full performance of the contract, including, without limitation, (a) change its deadline and location by simple notice to the Supplier, (b) require the Supplier to immediately replace the Goods and/or services that present defects, problems or damage and, if the Supplier does not immediately replace the Goods and/or services, buy Goods and/or contract services from any qualified third party, at Tupy's sole discretion and at the expenses of the Supplier, which shall be fully responsible for all additional costs and losses incurred by Tupy, (c) apply to the Supplier a daily price penalty of one percent (1%) of the amount set forth in the respective Purchase Documents and/or in the Specific Contract until the full performance of the supply of the Goods and/or contracted services, limited to twenty percent (20%) of the total amount set forth in the Purchase Documents and/or Specific Contract, without prejudice to the indemnity set forth in specific law due to delay or any failure to perform, (d) terminate the Purchase Documents and/or Specific Contract in effect between Tupy and the Supplier, subject to the conditions set forth in section 14.3.

12.1.1 The measures adopted by Tupy due to default of the Supplier and all resulting costs shall be borne or reimbursed by the Supplier, including judicial and extrajudicial costs and attorney's fees. Such reimbursement shall be made within a period not exceeding ten (10) days from the date of payment by Tupy.

12.3 In addition to the liability of the Supplier for any defects, delays, and any other nonconformities in the engaged supply of Goods and/or provision of services, the Supplier shall be liable for any direct and indirect property or moral damages incurred by Tupy due to non-compliance with the engaged supply of Goods and/or provisions of services, without prejudice to the other provisions set forth in these General Purchasing Conditions.

12.4 Without prejudice to the provisions of the preceding sections, Tupy shall have the right to (i) withhold any payments due to the Supplier until the default is cured by the Supplier and/or (ii) charge to the Supplier or offset any amounts due by Tupy to the Supplier against the amount of any losses incurred by Tupy and attributable to the Supplier, including the fine set forth in section 12.1, as well as adopt any legal measures it deems necessary.

12.5 In case of any divergence of the Supplier regarding the fitness, quantity, and quality of the engaged Goods and/or provision of services indicated by Tupy, the Supplier shall respond to Tupy within 05 (five) days from the receipt of the communication sent by Tupy. In case Supplier does not inform its opposition in a reasoned way within this term, it will be understood that Supplier does not oppose to what is informed by Tupy and will have nothing more to claim about it. It is hereby agreed that any oppositions presented by the Supplier shall be resolved based on the opinion of a technical expert, rendered by an independent professional specialized in the area related to the dispute, it being understood that the Parties may appoint retained experts to assist them during the expert inspection.

12.5.1 The expenses incurred with the performance of the expert opinion shall be initially split between the Parties. At the end, when the expert opinion is submitted, the Party deemed responsible for the fitness, quality, and quantity defect shall reimburse the other party for the expenses initially incurred by the latter.

12.6 If the Supplier issues undue invoices/trade bills, understood as those that do not correspond to the Goods and/or provision of services in the quantity or quality contracted by Tupy, a price reduction in future Goods or services equal to ten (10) times the amount of the improperly issued invoice/trade bill shall be applied in the future from the time when Tupy is given notice of its existence, without prejudice to the reimbursement of legal expenses and attorney's fees in the event of a lawsuit, it being understood that Tupy, in any event, shall be indemnified for all damages and lost profits.

## **SECTION 13 – SUSPENSION**

13.1. Tupy may, at any time, by mere liberality, determine the suspension of the engaged supply of Goods and/or provision of services, wholly or in part, for a period of up to thirty (30) days, upon written notice to the Supplier five (5) calendar days in advance, regardless of any legal proceedings, without such initiative generating the right to any compensation. The Supplier shall resume the supply of goods and/or provision of services when so determined by Tupy, upon notice from Tupy, within five (5) days.

#### **SECTION 14 – TERM AND TERMINATION**

14.1 The contractual relationship shall be in force for an indefinite period, unless otherwise expressly agreed upon in the Purchase Documents and/or Specific Contract.

14.2 The contractual relationship underlying the Purchase Document and/or Specific Contract may be terminated, wholly or in part, at any time, (i) by Tupy, upon express notice to the Supplier at least thirty (30) calendar days in advance, (ii) by the Supplier, upon express notice to Tupy at least ninety (90) days in advance, subject to the provisions of item 14.2.2 below, or (iii) by mutual agreement between the Parties.

14.2.1 In the event of termination of the contractual relationship under section 14.2 above, the Supplier agrees to fully comply with all Purchase Documents and/or Specific Contract issued by Tupy by means of the corresponding supply of Goods and/or provision of services to Tupy, unless otherwise expressly requested by Tupy.

14.2.2 The Supplier hereby acknowledges that, depending on the nature of the supply of Goods and/or provision of services, and in order to ensure the regular maintenance of the activities of Tupy, the termination period set forth in section 14.2 (ii) may be increased by Tupy by up to eighteen (18) months upon notice in this regard.

14.2.3 If the period necessary for (i) the maintenance of the regular activities of Tupy and/or (ii) the development of a new supplier is completed within a period shorter than that established in section 14.2.2, the Parties may advance the termination of the contractual relationship.

14.2.4 The initiatives set forth in section 14.2 do not generate any right to indemnity to a Party against the other Party.

14.3 Failure by the Supplier to perform any obligation set forth in these General Purchasing Conditions, in the Purchase Documents, and/or in the Specific Contract, including, without limitation, delays in the delivery of Goods and/or quality deficiencies and defects in the Goods and/or provision of services, which is not cured within a period of up to ten (10) calendar days upon receiving written notice from Tupy, shall result in termination, wholly or in part, of the engaged supply of Goods and/or provision of services, without prejudice to the other provisions set forth in these General Purchasing Conditions.

14.4 Failure by Tupy to perform contractual obligations which is not cured within a period of up to thirty (30) calendar days from the date of written notice from the Supplier shall entitle the Supplier to terminate the contractual relationship.

14.5 Additionally, the contractual relationship may be deemed terminated by the Parties in the following events: (i) bankruptcy, request for judicial reorganization, insolvency, or judicial or extrajudicial dissolution, whether ratified or decreed, of either Party, (ii) protest of an instrument from the Supplier due to lack of payment, (iii) suspension of the supply of Goods and/or provision of services by order of a competent authority resulting from non-compliance with a legal or regulatory provision attributable to the Supplier, (iv) impediment of the Supplier to perform the obligations resulting from an act of God or force majeure event that continues for a period exceeding ten (10) consecutive days from the date of the event without a solution acceptable to both Parties being achieved, and (v) negative repercussions regarding the Supplier which could harm the reputation of Tupy.

14.6 In the event of any change in corporate control, consolidation, or merger of the Supplier, the latter agrees to give notice of the fact to Tupy immediately after its occurrence, whereupon Tupy may, at its sole discretion, terminate the contractual relationship.

#### **SECTION 15 – ACT OF GOD OR FORCE MAJEURE**

15.1 Neither Party shall be liable to the other for any damages or losses resulting from non-performance, wholly or in part, of these General Purchasing Conditions, of the Purchase Documents, and/or of a Specific Contract if they arise from an act of God or force majeure event, as provided in the Federal Civil Code. No delays resulting from strikes, pandemics, epidemics, inflation, market price variations, raw material and inputs price variations, exchange rate variations, or any other economic and financial difficulties shall be deemed acts of God or force majeure events experienced by the Supplier in the course of the contractual relationship with Tupy.

15.2 If, as a result of an act of God or force majeure event, the Supplier is temporarily prevented from performing its obligations, wholly or in part, the Supplier shall give notice of the fact to Tupy within a maximum period of twenty-four (24) hours to from the inception of the event, as well as, within a maximum period of three (3) business days from the expiration of the preceding period, prove the occurrence and nature of such act of God or force majeure event, describing the effects of the damage caused and an estimate, if possible, of the duration of the impediment, as well as describing the efforts being made to resume the performance of Supplier's contractual obligations and shall also maintain Tupy informed about new facts and developments concerning the act of God or force majeure.

15.3 Supplier shall not have the right to claim any non-performance in the supply of Goods and/or provision of services in case of its failure to comply with the abovementioned deadlines or release from contractual liability based on the occurrence of an act of God or force majeure event.

15.4 Each Party shall bear its own costs resulting from the act of God or force majeure situation, and the other Party shall not be liable to any compensation or indemnity for such costs, except in the event set forth in 15.3.

#### **SECTION 16 – CONFIDENTIALITY**

16.1 The Parties agree to keep absolute secrecy and confidentiality, during and after the term of these General Purchasing Conditions, in accordance with item 16.6 below, and not to disclose or make available to third parties, directly or indirectly, any Confidential Information that they have

become aware of, whether as a result of analysis, performance, monitoring, observation, or a simple third-party report or by virtue of the supply of Goods and/or provision of services hereunder.

16.2 Keeping confidentiality shall be the responsibility not only of the Parties, but also of all those who have access to information relating to the supply of Goods and/or provision of services. Accordingly, the Parties agree to convey the contents of this commitment to the members of their work teams, including employees, contractors and other third parties, all in pursuance of the safe development of the supply of Goods and/or provision of services agreed upon in these General Purchasing Conditions.

16.3 Confidential Information shall not include any information that (a) the receiving party can prove, at the time of receipt, that it was already known to it before receiving it from the other party, (b) is or becomes public through an act that does not result from willful misconduct or fault of the party receiving the information and without breach of the confidentiality obligations established herein, (c) has been disclosed with express written authorization from the party that owns such information, (d) has been disclosed by legal or judicial order, and (e) information required by the regulations in force, by an administrative act, or by judicial or arbitral order.

16.3.1 In the event described in item (e) above, the Party obliged by law, by an administrative act, or by judicial or arbitral order to disclose any confidential information, shall give notice to the other Party, within two (2) business days, of the need to provide such information, and shall disclose only what is legally or judicially required. In any case, Tupy may oppose and impede the disclosure by the Supplier of any trade secret or particularly sensitive information.

16.4 No changes in the number, nature, and quantity of, replacements, of or additions and complements to confidential information made available to the receiving Party shall detract from or reduce the commitment or obligations agreed upon herein, which shall remain valid and produce all its legal effects in any of the described circumstances.

16.5 Any transmission of Confidential Information to third parties shall be preceded by prior express written approval from Tupy.

16.6 This section is valid for the entire term of the supply of Goods and/or provision of services and for a period of five (5) years after its early termination or expiration.

## **SECTION 17 – LABOR AND SOCIAL-SECURITY LIABILITY**

17.1 The nature of the contractual relationship established between the Supplier and Tupy is strictly commercial and does not establish any employment relationship or liability for Tupy vis-à-vis any Collaborators that the Supplier may employ in the engaged Supply of Goods and/or provision of services, whether they are directly hired or indirectly employed, it being understood that the Supplier shall bear all risk and expense of and be solely responsible as an employer for all labor, social-security, civil, and criminal charges and obligations, making all payments with the relevant entities of all taxes and contributions that are or may become due under law, and further agrees to submit to Tupy all payment records before the (Instituto Mexicano del Seguro Social (IMSS) Instituto del Fondo Nacional de la Vivienda para los Trabajadores (INFONAVIT), Sistema de Ahorro para el Retiro (SAR), Servicio de Administración Tributaria (SAT) and other relevant documents when requested, under penalty of withholding of payments and contractual termination by Tupy.

17.2 The Supplier warrants that it has own and necessary resources to perform the aforementioned obligations and responsibilities and hereby undertakes the obligation to indemnify and hold Tupy harmless of any individual and/or collective labor dispute against Tupy, with connection to the Goods and/or services and the contractual relationship, as well as of any requirement, fine, tax credit imposed by any competent authority due to actions or omissions attributable to the Supplier.

## **SECTION 18 – SOCIAL COMMITMENT**

18.1 Tupy values the construction and consolidation of a strong culture of integrity in the business environment. Accordingly, the Supplier shall be required to comply with all applicable laws, as well as to conduct its business in a socially responsible manner.

18.2 The Supplier hereby agrees to:

(i) Not use child labor, irregular work of adolescents, or forced labor, in accordance with the laws in force, as well as to monitor such condition throughout the term of this agreement, including its own suppliers, and refrain from subcontracting or maintaining business relationships with any other organizations that violate this obligation;

(ii) Comply with applicable labor provisions and collective labor agreements regarding minimum compensation and benefits, as well as the working hours and overtime limits for its employees and subcontractors; and

(iii) Require its own suppliers, partners, and subcontractors to commit to such practices, complying the strictest and most rigorous concepts and principles of ethics, morality, and good faith in conducting business.

18.3 The Supplier shall also ensure the promotion of equal employment opportunities, prohibiting any and all types of discrimination with regard to ethnicity, gender, sexual orientation, religion, origin, social class, age, nationality, physical ability, or any other diversity, visible or not, or as otherwise established in Law.

18.4 This commitment is hereby assumed as an essential condition for the execution and maintenance of the contractual relationship. Accordingly, in the event of proof of violation of the obligations set forth in this section during the term of the supply of Goods and/or provision of services, such event shall entitle Tupy to immediately terminate it, without any indemnity being due to the Supplier.

## **SECTION 19 – ANTICORRUPTION PROVISIONS**

19.1 The Supplier guarantees and warrants that, during the performance of this agreement, it shall act and cause its employees and representatives to act in full compliance with the applicable laws against corruption, including, without limitation, Law No. 12.846/2013 (the "Anticorruption Law"); the

Foreign Corrupt Practices Act (the "FCPA") of the United States of America; the United Kingdom Bribery Act (the "UKBA"); the General National Anticorruption System Law, General Administrative Liability Law and the Federal Criminal Code, both of Mexico.

19.2 The Supplier shall have the following obligations:

(i) To ensure that its employees, representatives or agents shall not divert or pay, directly or indirectly, any sum to any person, including, without limitation, government officials, employees, or agents, or use any sum due hereunder in a way that qualifies as an illegal or unlawful payment;

(ii) To ensure that no sums paid in connection with its business relationship with Tupy is used for any illegal or unlawful payment for any purpose, including, without limitation, influencing the procurement or awarding of any business, contract, or order for Tupy; and

(iii) To monitor its Collaborators or entities acting on its behalf or on behalf of Tupy so as to ensure compliance with these obligations.

19.2.1 If any sum is used or paid for such purposes, Tupy shall have the right, at its discretion, to terminate the contractual relationship and all the rights of the Supplier without any cost or liability to Tupy.

19.3 The Supplier, as the case may be, shall immediately give written notice to Tupy of the details of any breach relating to the obligations assumed hereunder.

## **SECTION 20 – ENVIRONMENTAL PROVISIONS**

20.1 The Parties agree to strictly comply with any federal, state, or municipal environmental laws, and the Supplier agrees to reimburse any and all losses that Tupy may suffer due to the Supplier's non-compliance with environmental rules, regardless of the existence of fault.

20.2 Likewise, the Supplier shall be responsible for the containment and/or remediation, at any time, of any damage caused to the environment and to third parties due to environmental accidents arising from the engaged supply of Goods and/or provision of services by indemnifying or redressing its consequences, by way of monetary and/or non-monetary compensation, whether to Tupy, to third parties, or to Government Authorities.

20.3 The Supplier also agrees to reimburse Tupy for any and all expenses in which it may incur with the promotion and/or implementation of compensatory, preventive, and/or corrective measures for any damage attributable to the Supplier caused to the environment as a result of the engaged supply of Goods and/or provision of services whether said damage violates applicable laws or regulations, as well as for any expenses and disbursements that Tupy makes as a result of fines, penalties, notices of violation, or notifications imposed or applied by government entities.

20.3.1 In the event of generation of waste arising from the supply of Goods and/or provision of services, the Supplier agrees to properly treat and dispose of such waste in accordance with the provisions of law, without any additional cost for Tupy.

## **SECTION 21 – INTELLECTUAL PROPERTY**

21.1 The Supplier warrants to Tupy that the engaged supply of Goods and/or provision of services does not infringe any intellectual property rights of third parties and that it has obtained all necessary authorizations and licenses to carry out the supply of Goods and/or provision of services. The Supplier shall hold harmless and indemnify Tupy for any losses, damages, obligations, liabilities, costs, and expenses, including attorney's fees, court costs, interest, and fines, incurred by Tupy and against any claims, lawsuits, actions, or legal or administrative proceedings suffered by Tupy as a result of any acts or omissions of the Supplier or of its subcontractors which infringe intellectual property of third parties, as well as take, at its own expenses, all relevant administrative and judicial measures to defend or settle such claims, actions, or proceedings.

21.2 All creations, such as processes, products, names, trademarks, copyright works, knowledge, and/or information, which may be protected as intellectual property rights or trade secrets, whether registrable or not, developed by a Party and/or by third parties prior to the date of acceptance hereof or which have not resulted from the supply of Goods and/or provision of services and which are or have been disclosed to the other Party merely to support the performance of the engaged supply of Goods and/or provision of services shall continue to be owned by such Party and/or by their respective third-party owners ("Prior Intellectual Property").

21.3 All creations, such as processes, products, names, trademarks, copyright works, knowledge, and/or information, which may be protected as intellectual property rights or trade secrets, whether registrable or not, developed by the Supplier or by third parties as a result of the engaged supply of Goods and/or provision of services ("Future Intellectual Property") shall be deemed works for hire and shall be owned by Tupy, which shall have the exclusive right to decide on filing for and maintaining any patentable or registrable results, without Tupy being required to make any payment to the Supplier. Accordingly, the Supplier hereby acknowledges the exclusive title of Tupy to any and all intellectual property rights arising from the performance of the supply of Goods and/or provision of services.

21.4 Nothing in these General Purchasing Conditions, in a Purchase Order, and/or in a Specific Contract shall be construed to the effect of acknowledging the Supplier as owner, co-owner, licensee, or authorized to use or exploit the names, trademarks, patents, designs, copyrights, neighboring rights, know how, products, processes, or any other intellectual property rights owned by Tupy ("Property"), including on Future Intellectual Property, unless expressly authorized by Tupy in this regard.

21.4.1 The Supplier shall not, directly or indirectly, reproduce, sell, disclose, or otherwise use or exploit Property of Tupy without its prior express consent, dispute the validity of or title to any Property of Tupy before the Instituto Mexicano de la Propiedad Industrial (IMPI) or any relevant government entity, whether domestic or international, or act in a way that may impair the exercise of any right relating to the Property.

21.4.2 Any and all uses by the Supplier of the name or trademarks owned by Tupy, including mentions made in referrals provided by the Supplier to other customers, may only be carried out upon prior express authorization from Tupy. Upon termination of the contractual relationship between the Parties, the Supplier agrees to immediately cease any use whatsoever of the name and/or trademarks owned by Tupy, under penalty of being held liable for any losses it may cause.



21.4.3 Any and all uses by the Supplier of the name or trademarks owned by Tupy shall secure and protect the image of Tupy, and the Supplier agrees to refrain from performing any actions that may harm the credibility, reputation, honor, image, or value of Tupy, of its affiliates, or of its products before its consumers, other suppliers, authorities, and/or the general public and to take all necessary measures in order to preserve and safeguard the credibility, reputation, honor, image, or value of Tupy, of its affiliates, and of its products.

21.5 If software is made available by the Supplier to Tupy in order to carry out the supply of Goods and/or provision of services, the Supplier shall grant a user license to Tupy for the duration of the supply of Goods and/or provision of services, and Tupy agrees not to make or allow the making of any reverse engineering or to translate, decompile, copy, modify, reproduce, lease, sublicense, publish, disclose, transmit, lend, distribute, or otherwise dispose of such software.

21.6 The disclosure of information by Tupy shall not, under any circumstances, be construed as a transfer or license of any intellectual property rights to the Supplier.

21.7 The violation of the provisions of this section shall trigger termination of the Contract for cause by Tupy, as well as give rise to the payment of indemnity for any damages and losses suffered by Tupy.

21.8 Any and all Property of Tupy, as well as any Prior and Future Intellectual Property, which has not yet been disclosed and published by its respective owners shall be deemed Confidential Information hereunder for all purposes.

## SECTION 22 – PERSONAL DATA PROTECTION

22.1 The Parties agree to comply with all laws, rules, and regulations applicable to the processing of any personal data processed by virtue of the performance of the engaged supply of Goods and/or provision of services, including, without limitation, (i) the General Data Protection Law, or Law No. 13.709 of August 14, 2018 (the “LGPD”), (ii) Regulation (EU) 2016/679 of the European Parliament and of the Council of April 27, 2016, and (iii) the *Ley Federal de Protección de Datos Personales en Posesión de los Particulares* (LFPDPPP).

22.2 If, as a result of the engaged supply of Goods and/or provision of services, the Supplier has access to personal information of managers, shareholders, employees, interns, agents, representatives, attorneys, customers, and suppliers of Tupy or of any third parties (“Personal Data”), as defined in specific laws, such information shall only be used for the strict fulfillment of the purpose for which such Personal Data has been provided and shall not, under any circumstances, be used for a different purpose, under penalty of immediate termination of the engaged supply of Goods and/or provision of services and full assumption of any losses caused to Tupy and/or to third parties.

22.3 The Parties guarantee that all Personal Data processed in connection with the engaged supply of Goods and/or provision of services are lawfully collected and transmitted.

22.4 The Supplier agrees not to store or share any Personal Data which it has access to by virtue of the engaged supply of Goods and/or provision of services, except upon prior express authorization from Tupy or solely when such sharing is essential for the performance of the engaged supply of Goods and/or provision of services or for compliance with applicable law.

22.5 The Supplier agrees to manage its vulnerabilities in the tools used in the processing of Personal Data resulting from the engaged supply of Goods and/or provision of services and to carry out periodic tests to identify and immediately correct any vulnerabilities that may be found.

22.6 If the Supplier finds that any Personal Data is being processed in violation of the engaged supply of Goods and/or provision of services or of law, the Supplier agrees to give written notice to Tupy, within a maximum period of forty-eight hours (48h), expressly committing to cease such irregular processing and describing:

- a) The nonconformity found;
- b) The measures taken for correction; and
- c) The maximum time for full remediation.

22.7 In the event of a Personal Data leakage incident, the Supplier shall give written notice to Tupy, within a maximum period of forty-eight hours (48h) from the time when it becomes aware of such leakage, containing at least the following information:

- a) Date and time of the incident;
- b) Date and time when the Supplier became aware of the incident;
- c) A list of types of Personal Data affected by the incident;
- d) A list of Data Subjects affected by the incident; and
- e) An indication of any measures being taken to remediate any damage and prevent new incidents.

22.8 Personal Data shall be deleted after the end of the use thereof, subject to the exceptions expressly set forth in law, and the Supplier shall take measures to protect such Personal Data against unauthorized access, loss, destruction, alteration, disclosure, or any form of improper processing, subject to the applicable laws and rules issued by the relevant authority.

22.9 If the Supplier demonstrably incurs in omission or negligence with respect to the implementation of the guidelines and/or measures imposed by virtue of the supply of Goods and/or provision of services and/or by law to ensure compliance with the rules imposed by specific laws, it shall be subject to the payment of a non-compensatory fine corresponding to ten percent (10%) of the total value of the Contract, without prejudice to the imposition of the penalties set forth in the following sections.

22.10 Any violation of the provisions of this Section 22 which is not cured within the period granted by Tupy, if any, shall give rise to automatic termination of the engaged supply of Goods and/or provision of services and to full assumption by the Supplier of liability before the relevant authorities, administratively or in court, without prejudice to liability for any losses it causes.

22.11 It is hereby established that, if Tupy is held liable for actions taken by the Supplier or by its employees, shareholders, managers, and subcontractors in violation of the engaged supply of Goods and/or provision of services or of applicable law, the former shall be entitled to recourse, exercisable through the applicable action, and indemnity for any losses incurred.

## **SECTION 23 – GENERAL**

23.1 The Supplier agrees not to offer work, hire, solicit, or induce the termination of the employment contract, directly or indirectly, of any employee or executive of Tupy during the term of the supply of Goods and/or provision of services and until the expiration of a period of two (2) years following its termination for any reason.

23.2 Without prejudice to the full liability of the Supplier, the performance of the supply of Goods and/or provision of services may be monitored and inspected by Tupy or by third parties accredited by it at any stage.

23.3 Any indulgence as to the enforcement of any obligation agreed upon herein shall be deemed a mere liberality and shall not, under any circumstances, be construed as a waiver of rights or be relied upon as a precedent for new and identical concessions from a party to the other.

23.4 If any clause or provision of this instrument is deemed null and void or ineffective, wholly or in part, the remaining clauses and conditions shall remain valid and shall be construed so as to preserve the validity of the remainder of this instrument, as well as the purposes that the Parties attributed thereto.

23.5 The rights and obligations arising from these General Purchasing Conditions, from the Purchase Documents and/or from a Specific Contract shall not be assigned or transferred, wholly or in part, except upon prior express consent from the other Party, and their provisions shall be binding on the Parties and their successors, if any, on any account. However, Tupy may transfer or assign the aforementioned rights or obligations to any branch, subsidiary, and/or company in which Tupy holds an equity interest or control, directly or indirectly.

23.6 The clauses of these General Purchasing Conditions that deal with warranties, indemnification, confidentiality, and penalties shall survive the expiration of this contractual instrument.

23.7 Any cases not covered by these General Purchasing Conditions or doubts arising from their application may be resolved by mutual agreement between the Parties.

23.8 Applicable law and jurisdiction. These General Purchasing Conditions, Purchase Documents and/or Specific Contract shall be governed by the laws of Mexico, including the *Código de Comercio* and *Código Civil Federal*. The courts of competent jurisdiction to settle any disputes arising from or relating to the contract and/or the supply of Goods and/or provision of services shall be those of the city of Saltillo, Coahuila, to the exclusion of any other courts, however privileged they may be.