

## **General Terms and Conditions of Purchase**

Purchaser's terms and conditions of purchase shall apply exclusively. Supplier's terms and conditions which deviate from Purchaser's conditions of purchase shall not be recognized by Purchaser unless Purchaser expressly consents to their validity in writing.

### **I. Purchase orders**

1. Purchaser orders shall be binding only if they are placed by Purchaser in writing. Verbal agreements – including subsequent amendments and additions to these terms and conditions of purchase – must be confirmed in writing by Purchaser for them to become valid. Documents used by Supplier in business dealings with Purchaser shall indicate at least: purchase order number, commission order number, plant, place of receipt, full article text/item description, volumes and volume units as well as VAT ID (for imports from the EU).

### **II. Prices**

The prices are fixed prices. They are inclusive of everything Supplier has to do to fulfill supply/service obligation.

### **III. Scope of supply/service**

1. As part of the scope of supply/service – Supplier shall transfer to Purchaser ownership of all technical documents (also for subcontractors) and other documents needed for manufacture, maintenance and operation. Said technical documents shall be in German and shall be based on the international SI standard system; Supplier shall transfer all rights of use needed for the use of the supplies/services by Purchaser or third parties taking into consideration any patents, supplementary protection certificates, brands, registered designs; – Purchaser shall have the unconditional authority to carry out or have carried out by third parties repairs and modifications to the purchased supplies/services, and also to manufacture spare parts or have them manufactured by third parties.
2. If the scope of supply/service is to differ from that agreed, Supplier shall be entitled to additional claims or schedule changes only if a corresponding supplementary agreement is concluded in writing with Purchaser prior to performance of the order.
3. The ordered volumes are binding. In the event of excess supplies/services, Purchaser shall be entitled to refuse these at the expense and cost of Supplier.

### **IV. Quality**

Supplier shall install and maintain a state-of-the art, documented quality system of suitable type and scope. Supplier shall prepare records, in particular of quality inspections, and make these available to Purchaser on request. Supplier hereby agrees to quality audits being carried out by Purchaser or Purchaser's representative to assess the efficiency of said quality system.

### **V. Supply and service periods/deadlines\_**

1. Agreed delivery dates are binding. In the event that agreed deadlines are not met, statutory provisions shall apply. Supplies/services provided before the agreed delivery dates shall entitle Purchaser to refuse supply/service until it is due.
2. If Supplier becomes aware that an agreed deadline cannot be met, he must inform Purchaser in writing without delay, stating the reasons and the expected duration of the delay.

### **VI. Delivery/performance and storage**

1. Unless otherwise agreed in writing, the supply/service shall be delivered duty paid (Incoterms: DDP) to the place of delivery/performance or use indicated in the purchase order.
2. Supplies/services must be shipped to the addresses indicated. Delivery to/performance at a place of receipt other than that designated by Purchaser shall not constitute transfer of risk for Supplier even if said place of receipt accepts the delivery/service. Supplier shall bear the additional costs of Purchaser resulting from the delivery being made to/service performed at an address differing from the agreed place of receipt.
3. Part supplies/services are not permitted unless Purchaser has expressly consented thereto. Part supplies/services are to be marked as such, delivery/service notes shall be submitted in triplicate.
4. If weighing is necessary, the weight determined on the calibrated scales of Purchaser shall apply.

5. Insofar as Supplier has the right to have the packaging needed for shipment/services returned, this shall be clearly marked on the delivery/service documents. In the absence of such marking, Purchaser shall dispose of the packaging at the cost of Supplier; in this case Supplier's right to have the packaging returned shall expire.
6. Items needed for the fulfillment of an order may be stored on the premises of Purchaser in allocated storage areas only. For such items Supplier shall bear the full responsibility and risk of the entire order until the transfer of risk.
7. During transportation the statutory provisions, in particular the provisions of the law on the transportation of hazardous goods and the applicable hazardous goods directives including the respective annexes and appendices must be complied with.
8. The declaration of the goods in the consignment notes for shipment by rail shall comply with the valid provisions of the railways. Costs and damages incurred due to incorrect declaration or failure to declare shall be at the expense of Supplier.
9. Supplier shall have the receipt of deliveries confirmed in writing by the indicated place of receipt.

#### **VII. Execution, Sub-Suppliers, Assignment**

1. Supplier shall not be entitled to transfer the execution of the contract in whole or in part to third parties.
2. Supplier is obligated to name his subcontractors to Purchaser on request.

#### **VIII. Termination**

1. Even in the event that the contract is not a work and services contract, Purchaser is entitled to terminate same in full or in part. In such an event, Purchaser is obligated to pay for all supplies/services completed up to then and make appropriate payment for material procured and work/services performed. Further claims of Supplier are excluded.
2. Purchaser is also entitled to terminate the contract if a strike statement is imminent, court insolvency proceedings are instigated in respect of the assets of Supplier or Supplier ceases payment. The same shall apply if Supplier does not meet the claims of his suppliers. Purchaser has the right to acquire material and/or semi-finished products including any special equipment on reasonable terms and conditions.

#### **IX. Invoicing, payment, setting-off**

1. Payment shall be made as agreed. Any delivery/service effected before the agreed date shall not affect the payment period tied to this delivery date.
2. Supplier may only offset against uncontested or legally established claims.
3. The supplier will only be entitled to payments or services or merchandise actually made or delivered and accepted by purchaser.
4. Purchaser have the right to compensate receivable accounts in favor of the Supplier from Purchaser against any receivable account in favor of Thyssenkrupp Components Technology or companies in which Thyssenkrupp Components Technology has a direct or indirect controlling interest at the time of compensation.
5. In absence of a Payment agreement, invoices will be paid at the end of the following month after delivery date of the merchandise or service and reception of the invoice.

#### **X. Claims under liability for defects**

1. Supplier guarantees that his supplies/services exhibit the agreed properties and fulfill the intended purpose.
2. The limitation period for defect liability claims shall begin with the full supply/performance of the scope of supply/service or, if acceptance testing is agreed, on acceptance.
3. The limited statutory period applies with respect to claims for defects. The limited period for replacement or repair of parts will restart for every event. For quality, claims notified within the limited period this period cannot be finished during the following six months after the notification. The supplier may not disagree based on late notifications by defects that are not obvious.
4. All defects notified within the limited period will be solved by the supplier as soon as possible and at no cost to the Purchaser. The supplier will cover additional cost for repairing the goods or replacing parts (e.g. freights). If the supplier does not remedy defects immediately or does not perform services as agreed or in case of an

emergency the Purchaser shall have the right to execute the actions on behalf of the Supplier, this will not affect the legal rights that protect the Purchaser, the reduction of the purchase price or compensation for damages.

#### **XI. Supplier Obligations**

Supplier shall liquidate all labor benefits or salaries for employees or workers who have participated in the production or performance of goods and services supplied to the Purchaser, proving to the Purchaser within ten (10) days at the end of the supply or provision of the service with the valid documents that demonstrate being up to date in social security contributions, housing contributions, retirement fees, income taxes, and other taxes that are caused by workers, employees or subcontractors and other personnel hired to comply with the purchase order or contract concluded with the Purchaser, the omission of this clause by the Supplier will entitle the Purchaser to withhold remaining or final payments for the price of the goods or services provided. Supplier shall operate in compliance with applicable law regarding children labor, slavery, prisoner's work or any other forced labor related to the manufacture and supply of goods.

#### **XII. Labor Responsibility**

Each and every one of the responsibilities assumed by the Supplier towards the personnel that occupy and use in the production and / or execution of the products or services described in the Purchase Order or Contract, are included in Article 13 of the Federal Labor Law in the sense that the Supplier will execute the production and services referred to in the Purchase Order or Contract with own resources. Purchaser and Supplier are independent parts, therefore, there is no work relationship between them, being expressly agreed that the Supplier will be solely responsible for the payment of wages, benefits, units dues, any type of social security dues, housing contributions, contributions to the Retirement system, income tax and other taxes caused for by workers, employees or subcontractors and other personnel hired to comply with the purchase order or contract concluded with the Purchaser. Purchaser will not be considered responsible for the obligations before mentioned and the Supplier will keep the Purchaser out of any trial or claim that is attempted against him and shall compensate any expenses and legal fees caused for the concepts before mentioned.

#### **XIII Place of fulfillment, legal venue**

1. Place of fulfillment for all supplies/services shall be the place of receipt indicated by Purchaser.
2. Place of jurisdiction shall be the domicile of Purchaser, or at Purchaser's choice, Supplier's general place of jurisdiction.

#### **XIV. Applicable law**

All legal relations between Purchaser and Supplier shall be governed by the prevailing substantive law of the Mexican United States

#### **XVI. Prohibition of advertising/secretcy**

1. The use of Purchaser's inquiries, purchase orders and related correspondence for advertising purposes requires Purchaser's express prior consent in writing.
2. Supplier shall maintain secrecy vis-à-vis third parties in respect of all operational events, facilities, plants, documents etc. used at Purchaser's premises or those of his customers which become known to Supplier in connection with his activities for Purchaser, also after submission of the corresponding offers and after completion of the contract. Supplier shall impose corresponding obligations, on his agents.

#### **XVI. Validity**

In case that any of the clauses of the Terms and conditions is not valid, complete or in part, the other clauses will remain valid.

#### **XVII. Data Protection**

Supplier declares that all data provided directly or indirectly by the Purchaser will be handled by all its employees or agents strictly confidential and will not be disclosed to any third party outside the negotiation of the Supplier.