



## **SUPPLEMENTAL CLAUSES TO PURCHASE ORDER TERMS AND CONDITIONS APPLICABLE IN MEXICO**

The parties agree that clauses contained in these supplemental clauses (the "**Supplemental Clauses**") shall amend the Purchase Order Terms and Conditions (the "**Order**"). If there is any difference between the Order and the Supplemental Clauses, the Supplemental Clauses shall prevail.

Unless otherwise defined herein, defined terms used in these Supplemental Clauses shall have the same meaning as such terms have in the Order.

### **1. Amendment to Clause 17 (Materials, Equipment, Tools and Facilities)**

(a) For the purposes of paragraph (b) of Clause 17, the Buyer's Property, while in Seller's custody or control and while in the custody or control of Seller's suppliers, contractors or agents, shall be marked and adequately identified as the Buyer's Property, and to the extent possible, will be isolated from Seller's property.

(b) Paragraph (e) is added to clause 17 as follows, under the following terms:

"(e) At the Buyer's request, the parties shall enter into a separate bailment agreement regarding Buyer's Property, which shall serve as supplemental to the Order."

### **2. Amendment to Clause 18 (Intellectual Property)**

For the purposes of paragraph (c) of Clause 18, when Seller is located in the United Mexican States, the Seller will not be obliged to give the Buyer the moral rights over copyright created as a result of compliance with the obligations of Seller under this Order. Seller will cooperate and take all actions that may be required to grant the economic rights to the Buyer without any reservation or limitation.

### **3. Amendment to Clause 23 (Insurance)**

(a) For the purposes of paragraph (a) of Clause 23, when Seller is located in the United Mexican States, the Seller will not be obliged to purchase an employer's liability insurance policy and employee compensation. Notwithstanding the above, the Seller shall be obliged to register all of Seller's employees with the Mexican Social Security Institute, and to comply with all obligations related to it.

### **4. Amendment to Clause 24 (Termination for Convenience upon Notice)**

For the purposes of paragraphs (a), (b), (c) and (d) of Clause 24, the termination of the Order shall be effective, subject to the terms and conditions of the Order, without need of a judicial resolution, judgment, order or determination.



**5. Amendment to Clauses 24, 25 and 26 (Causes for Convenience upon Notice, Seller's Default or Change Control, Bankruptcy, etc.)**

For the purposes of paragraph (a) of Clause 26, an Insolvency Event may also occur where (i) if any party is in the process of liquidation and/or dissolution, and (ii) if a liquidation and/or dissolution is approved or a liquidator is appointed in respect of any party.

Buyer's rights to terminate the Order as established under Clauses 24, 25 and 26 of the Terms may be exercised by Buyer without the need for judicial declaration.

**6. Amendment to Clause 38 (Relationship of the Parties)**

For the purposes of Clause 38, the Seller will supply sufficient and qualified personnel for rendering services that are necessary for the production or delivery of the Goods and Services. Seller will prepare and file all returns and pay all required Mexican payroll taxes applicable to the services rendered to deliver the Goods and provide the Services, including but not limited to payments to the Mexican Social Security Institute, Retirement Fund Plan ("SAR") and fees for the National Institute for Promotion of Worker Housing ("INFONAVIT"), as well as any other applicable taxes or fees, whether federal, state or municipal, required under Mexican laws and regulations related to its personnel and to the immigration permits, health care obligations and pension plan contributions, if applicable; and will show to Buyer the corresponding documentation evidencing compliance with the obligations referenced the above. Seller will immediately notify Buyer of any disputes between Seller and its personnel, the Mexican taxing authorities, any labor union, federation or labor coalition that represents Seller's employees, if such disputes or disagreements may result in Seller receiving a strike notice or in having its assets being subjected to liens, mortgages, attachments or encumbrances of any nature. Seller shall be responsible for all labor matters, labor claims or lawsuits and for complying with all applicable obligations derived from the Federal Labor Law, Social Security Law, INFONAVIT Law, Income Tax Law, State and Federal Payroll Tax Laws, Sanitation Laws, Environmental Laws and regulations, as well as any other applicable law or regulation in force in Mexico. Seller's obligations will extend to any contractor or subcontractor contracted by Seller to perform any or all of the services related to the Goods and Services and will survive the termination of the Order. Seller will indemnify and save Buyer harmless from any claims or lawsuits brought against Buyer, including substitute employer claims or lawsuits, present or future, filed by Seller's personnel, a union or by any government or other entity. Seller is obligated to use, in the rendering of the services relating to the Order, solely and exclusively those workers and employees that have previously been registered into the mandatory Social Security regime paid by Seller. Breach of this provision will subject Seller to the payment of all damages caused to Buyer and shall reimburse Buyer any expense incurred by the Buyer, including without limitation legal fees, and in such circumstances Buyer shall also have the right to immediately terminate the Order without the need for judicial intervention.

Seller, its officers, directors, contractors, subcontractors, agents, employees, representatives and guests do not have any labor relation whatsoever with Buyer, its officers, directors, contractors, subcontractors, agents, employees, guests, subsidiaries, affiliates and parent companies. The indemnity provisions hereof apply with respect to any and all labor or employment claims.



**7. Amendment to Clause 42 (Governing Law and Jurisdiction)**

(a) For the purposes of paragraph (a) of Clause 42, when Buyer and Seller are located in the United Mexican States, this Order shall be construed and enforced in accordance with the laws of the United Mexican States. For greater certainty, the United Nations Convention on Contracts for the International Sale of Goods does not apply to this Order.

(b) For the purposes of paragraph (b) of Clause 42, when Buyer and Seller are located in the United Mexican States, the parties agree that jurisdiction for purposes of contractual disputes and claims shall be the Court of the domicile of Buyer. Buyer and Seller, hereby, expressly waive any other jurisdiction that may apply by reason of their present or future domiciles.