

## GENERAL TERMS AND CONDITIONS OF SALES AND SERVICES

### I. DEFINITIONS

The terms used in these General Terms and Conditions of Sale and Services shall mean:

<b>Buyer</b>	an entity who has entered into a Contract with the Seller, who is not a consumer,
<b>GSC</b>	these General Terms and Conditions of Sale and Services,
<b>Product</b>	products, goods and services that are the object of the Seller's business activities covered by the Seller's commercial offer,
<b>Seller</b>	IKANO INDUSTRY MEXICO S.A. DE C.V. is a company established under the laws of Mexico, located in the city of Ramos Arizpe, Coahuila, Mexico.
<b>Force Majeure</b>	a sudden event beyond the Seller's reasonable control which could not have been prevented by its nature, including strikes, lock-outs or other industrial disputes (involving its own workforce or third parties), failure of subcontractors to deliver, failure of energy sources or of the transport network, fortuitous events, wars, terrorism, riots, civil and military authorities interference, national or international disasters, armed conflicts, breakdown of machinery or equipment, fires, floods, hurricanes, earthquakes, epidemics, natural disasters or extremely adverse weather conditions,
<b>Contract</b>	a contract of sale or supply or a contract for the provision of services, the subject matter of which is the sale or supply of goods by the Seller or the provision of services by the Seller.

### II. GENERAL PROVISIONS

1. These GSC shall determine the rights and obligations of the Parties to the Contract, unless the Parties to the Contract agree otherwise in writing (written form reserved under pain of nullity).
2. These GSC shall apply only to business customer, i.e. contracts concluded by the Seller where the other party is not a consumer. s,
3. These GSC shall be binding on the Buyer from the time they are communicated at the conclusion of the Contract or from the time when the Buyer could easily have become acquainted with their contents. The GCS are posted by the Seller on the Seller's website at: <http://www.ikanoindustry.mx>, where the Buyer can easily consult their content.
4. Any terms and conditions of the Contracts that do not comply with the GSC shall not be binding on the Seller, even if not expressly negated by the Seller. Such conditions shall be binding upon the Seller insofar as it agrees in writing to a different regulation of the mutual rights and obligations of the Parties.
5. Information about the Products presented in catalogues, folders, brochures, price lists or on the Seller's website is of advertising nature only and does not constitute a binding offer.

6. Any assurances, warranties, promises or amendments to the Contract made orally by the Seller's employees in connection with the conclusion of the Contract or the submission of an offer shall not be binding on the Seller.
7. In the event that the Seller, to the Buyer's order, is to manufacture the Product on the basis of designs provided by the Buyer, the Buyer warrants and guarantees that it is entitled to the copyrights, in particular the property copyrights, to the designs of the Product to the extent necessary for the Seller to perform the Contract. In such a case, the Buyer shall authorise the Seller to use the designs of the Product to the extent necessary to perform the Contract. In the event that the manufacture of the Product to the Buyer's order on the basis of designs provided by the Buyer infringes the rights of third parties, including in particular intellectual property rights of third parties, the Buyer shall in particular indemnify the Seller against all liabilities to third parties in connection with the manufacture of the Product on the basis of designs provided by the Buyer and shall repair any damage incurred by the Seller on this account. The Buyer shall be solely liable for any claims of third parties for copyright infringement in connection with the manufacture of the Product by the Seller on the basis of designs provided by the Buyer.

### **III. THE PRICE**

1. The price for the Product that is the subject matter of the Contract shall each time be specified in the Seller's offer or in the Contract. The prices quoted by the Seller are net prices and shall be increased by the value added tax (VAT) due in accordance with the applicable legislation.
2. The Buyer shall be obliged to pay the price within 30 days from the date of issue of the VAT invoice, unless a different period results from the provisions of the Contract. Payment shall be made by transfer to the bank account specified by the Seller in the VAT invoice, unless otherwise specified in the Contract.
3. If the Buyer is more than 14 days late in paying any amount due to the Seller, the Seller shall be entitled to suspend performance of the Contract (including suspending delivery of the Product). The execution of the Contract shall be resumed within 14 days from the date of payment by the Buyer of all amounts due to the Seller. Any delay by the Buyer in paying the price for the Product shall result in the immediate enforceability of all other pecuniary claims of the Seller against the Buyer.
4. Lodging of a complaint by the Buyer shall not release the Buyer from its obligation to make payment for the Product within the agreed period.
5. Payment by the Buyer for the delivered Product shall be made without set-off, deduction or any other encumbrance and regardless of any disputes or legal proceedings between the Buyer and the Seller.
6. If the Buyer is in default in paying the price for the Product, the Seller shall be entitled to interest calculated in accordance with the applicable legislation.
7. The Seller shall establish for the Buyer the so-called credit limit up to the amount set by the Seller (hereinafter referred to as the "**Limit**"). The setting of the Limit means that the sum of the matured and unmatured receivables to the Seller may not exceed the amount of the Limit set by the Seller.
8. If the Buyer's liabilities towards the Seller (including unmatured receivables) exceed the amount of the Limit, the Seller shall have the right to suspend performance of the Contract. The performance of the Contract shall be resumed within 14 days from the date on which the sum of both the unmatured and matured liabilities of the Buyer to the Seller is below the amount of the Limit.
9. The Seller shall have the right to suspend performance of the Contract if, as a result of performance of the Contract, the Buyer's liabilities towards the Seller (including both

the unmatured receivables and future receivables under the Contract) exceed the amount of the Limit. The performance of the Contract shall be resumed within 14 days from the day on which the sum of the Buyer's unmatured and matured liabilities of the Buyer to the Seller (including receivables resulting from the suspended Contract, including future receivables from the suspended Contract) is below the amount of the Limit.

10. The limit referred to in paragraph 7 above shall be set by informing the Buyer in writing or by e-mail to the Buyer's e-mail address from which the Buyer contacted the Seller.
11. The Seller, taking into account in particular the Buyer's payment history, the Buyer's timely payment of debts or other relevant circumstances, may change the Limit referred to in paragraph 7 above. The Seller will inform the Buyer about the change to the limit. Paragraph 10 above shall apply mutatis mutandis to the Limit change.

#### **IV. THE DELIVERY**

1. Delivery of the Products shall be made on the dates indicated in the Contract. The time limit for the performance of the Contract by the Seller may be subject to change in the event of:
  - a) delivery being suspended for reasons attributable to the Buyer, in particular if the Buyer is in default of payment to the Seller or the Buyer fails to provide the Seller with the information necessary for the performance of the Contract, or
  - b) Force Majeure.
2. In such an event, the delivery period shall be extended by the period of time during which such circumstances exist, taking into account the time necessary for the Seller to resume delivery.
3. Unless otherwise specified in the Contract, the delivery of the Products shall take place on an EXW basis (Ex-Works) at the Seller's plant located in México (in accordance with the Incoterms 2020 rules).
4. Notwithstanding any other rights of the Seller, if the Buyer delays in collecting the Product from the place of delivery, the Seller shall be entitled to charge the Buyer with a contractual penalty in the amount of 2% of the net price of the Product for each day of delay. In the event of the Buyer's delay in collecting the Product, the Seller shall also be entitled to store the Product or to hand over the Product for storage at the Buyer's expense and risk (in which case the Buyer shall be charged with the costs of Product storage).
5. In the event that the Buyer is delayed in collecting the Product from the place of delivery for more than 7 days, the Seller shall be entitled to (at its option):
  - a) send the Product to the Buyer's premises at the Buyer's expense and risk,
  - b) withdraw from the Contract in whole or in part and to claim from the Buyer a contractual penalty amounting to 30% of the net price of the uncollected Product.
6. If the Product is to be shipped by the Seller to the Buyer, the risk of loss of or damage to the Product shall pass to the Buyer upon shipment from the Seller's premises.
7. The Buyer shall be responsible for unloading the Product. The Buyer shall inspect the Product on arrival.
8. If deliveries of Products are made on exchangeable Europallets and their exchange does not take place for whatever reason, the Buyer shall be charged for the Europallets that have not been exchanged. The preceding sentence shall apply mutatis mutandis in the event that the Europallets to be exchanged provided by the Buyer are incomplete or damaged.
9. The Seller reserves the right to make partial deliveries.

10. In the case of a contractual right of withdrawal under the GSC, the period for withdrawal from the Contract shall be 6 months from the date on which the circumstances entitling the Seller to withdraw from the Contract arise.

## **V. LIABILITY**

1. The Seller's liability for damages against the Buyer in connection with non-performance or undue performance of the Contract for losses, indirect and consequential damages as well as lost profits shall be excluded to the extent permitted by the applicable regulations.
2. The total aggregate amount of the Seller's liability in connection with non-performance or undue performance of the Contract shall be limited to the net amount received by the Seller on account of the price for the Product to which the claim relates. The preceding sentence shall not apply to cases of wilful misconduct and gross negligence, nor to liability which cannot be excluded in accordance with the law.
3. The Seller shall not be liable in the event of non-performance of its obligations under the Contract if this was due to Force Majeure.

## **VI. COMPLAINTS**

1. The Buyer shall be obliged to check the compliance of the delivered Product with the Contract immediately after receiving the Product. In the event of damage or loss of the Product, the Buyer shall file a complaint with the carrier, providing a detailed description of the damage on a document presented to the Buyer by the carrier, and shall retain a copy of such document. In addition, the Buyer shall immediately inform the Seller of the damage or loss of the Product and the claim filed with the carrier.
2. Under pain of losing rights due to physical defects of the Products the Buyer undertakes, upon receipt of the Product, to:
  - a) carefully examine its packaging for any visible damage during transport and to examine the Product in terms of quantity, quality and detectable defects (e.g. dents and other mechanical damage), as well as in terms of compliance with the Contract,
  - b) indicate any qualitative or quantitative defects of the Product on the consignment note or the Product receipt report from the Seller,
  - c) not later than on the day of delivery inform the Seller about the defects referred to in point b) above to the Seller's e-mail address: [jose.chavez@ikanoindustry.mx](mailto:jose.chavez@ikanoindustry.mx)
3. If, for objective reasons, it was not possible to detect quality defects on the date of acceptance of the Product in accordance with section 2 above, on pain of forfeiture of rights on account of physical defects of the Product, in the event of quality defects of the Product, the Buyer shall be obliged to:
  - a) within 2 days from finding the quality defects - to inform the Seller by sending an e-mail to [jose.chavez@ikanoindustry.mx](mailto:jose.chavez@ikanoindustry.mx) with photo documentation of the defect, description of the defect and information on the use and storage of the Product,
  - b) at the Seller's request, send the defective Product to the Seller or make the defective Product available to the Seller at the Buyer's premises.
4. If quality defects are found in a Product, the Seller shall, at its discretion, replace the defective Product with one free of quality defects, remove the defect, refund the value of the Product to the extent that quality defects have been found or reduce the price of the defective Product. In the event of a quantitative defect in a Product, the Seller shall, at its discretion, deliver the missing Product or refund the value of the Product, to the extent that a quantitative defect has been found.

5. The Buyer's entitlement to make claims for defects in a delivered Product shall expire 14 days after delivery.
6. Liability under the statutory warranty for physical defects of the Product is excluded.
7. The Seller may provide a guarantee under the conditions indicated in the Contract or a separate agreement.

## **VII. PERSONAL DATA**

1. The parties understand referral as the communication of personal data between the Seller and the Buyer, within or outside the Mexican territory.
2. The parties declare that they are aware of their obligations under the Federal Law for the Protection of Personal Data in Possession of Individuals and its Regulations and, in particular, Articles 49 and 50 of the aforementioned Regulations, which regulate the obligations of national or foreign third parties with respect to the transfer, transmission, processing and protection of personal data.
3. By virtue of this, the parties are obliged to have, as of the date of signature of this contract, the legal, technical and administrative mechanisms necessary and sufficient to guarantee the storage, treatment, cancellation and destruction of the personal data, which by virtue of the contract any of the parties sends or may send to the other party, for the execution of the contract.
4. The provision of personal data is voluntary, however, failure to provide such data may prevent the performance of the provisions of the Contract.
5. Individuals whose personal data is processed by the Data Controller shall have the right to access their data and to receive a copy thereof, the right to rectify (modify) their data, the right to delete their data, the right to limit the processing of their data, the right to object to the processing of their data, the right to data portability.
6. The recipients of personal data shall also be, among others, subcontractors of the Controller to the extent necessary for the performance of the Contract, service providers supplying the Controller with technical solutions and organizational management (in particular ICT service providers, IT service providers, courier and mailing companies), entities providing legal and advisory services and assisting the Controller in the enforcement of due claims (in particular law firms, debt collection companies).
7. The data shall be processed and retained for the entire period of execution of the Contract and the time necessary for its settlement. The provisions of common law may extend these periods. After the expiry of these periods, the personal data will be deleted or anonymized.

## **VIII. COPYRIGHTS**

1. Intellectual property rights and copyrights in the designs of the Product shall vest in the Seller, unless otherwise agreed in writing between the Parties.
2. The Buyer undertakes towards the Seller:
  - a) not to manufacture any Product in respect of which the Seller owns any intellectual property rights in the design,
  - b) not to commission the manufacture of any Product for which the Seller owns any intellectual property rights in the design.
3. In the event of breach by the Buyer of paragraph (2) above, the Buyer shall pay to the Seller a contractual penalty in the amount of \$4,000,000.00 (four million pesos 00/100 MXN) for each case of breach.

## **IX. CONFIDENTIALITY**

1. The Buyer undertakes for a period of ten [10] years from the date of conclusion of the Contract to keep confidential and treat as confidential in accordance with the Contract

all information received directly or indirectly from the Seller in connection with the conclusion or performance of the Contract and to use it exclusively for the purpose of performing the Contract. The obligation of secrecy shall apply to all information obtained in connection with the conclusion or performance of the Contract, including but not limited to the following:

- a) information classified as secret or identifiable as a business or trade secret,
  - b) marketing or corporate strategies, business development plans, marketing plans, sales reports, sales results and surveys conducted, organisation, sales strategies and prices used, costs incurred, product sales results, accounting, tax, transport and logistics data,
  - c) methods and procedures used, computer programs, licences held and sold, technical and technological information and know-how, trade secrets,
  - d) business contacts, databases of customers and suppliers, lists of customers and suppliers and details of contracts concluded with them, as well as information on the Seller's employees and associates or the Seller's contractors,
  - e) budgeting, accounting, commercial reports, including reports on sales by the Disclosing Party or the Seller's counterparties, reports required by law and other financial reports, as well as other financial matters,
  - f) technical, technological, commercial and organisational information,
  - g) personal data.
2. Confidential Information, within the meaning of the GSC, shall be any information referred to in paragraph 1 above which is communicated to the Buyer or the persons referred to in paragraph 6 below in connection with the conclusion or performance of the Contract, whether such information is communicated/acquired in writing, orally or in any other form, or whether it is expressly designated as confidential information, subject to paragraph 3 below.
3. The obligation of secrecy shall not apply to information which:
- a) is or will be generally available to the public when such information is communicated to the Buyer (except as a result of a breach of this Contract by the Buyer), or
  - b) was already in the possession of the Buyer and was not subject to an obligation of confidentiality before the Buyer received the information from the Seller, as demonstrated by the Buyer in writing, or
  - c) the Buyer obtained such information from a third party who had the right to disclose it without restriction, which shall be demonstrated by the Buyer in writing.
4. The Buyer shall be obliged to:
- a) use the Confidential Information solely for the purpose of performing the Contract. This means that the Confidential Information made available to the Buyer will not be used for any other purpose;
  - b) not to copy or reproduce the Confidential Information provided/obtained in any way whatsoever, except as may be necessary for the performance of the Contract;
  - c) protect Confidential Information with all possible care against loss, theft, uncontrolled or unauthorised disclosure to third parties not authorised to possess such information.
5. In the event that the Buyer or any of its representatives is subject to a statutory obligation or a court or official order to disclose Confidential Information, the Buyer shall:
- a) insofar as is legally permissible, immediately notify the Seller in writing, by fax or by e-mail of this obligation, and

- b) disclose only such Confidential Information as is required to be disclosed due to a statutory obligation or a judicial or official order and shall use its best endeavours to ensure that the Confidential Information disclosed is treated as far as possible in accordance with the GSC.
6. The obligations of the Parties set out in paragraphs 1 - 5 above shall also extend to all employees, contractors, associates, members of bodies, proxies or agents and subcontractors of the Buyer, and the Buyer warrants and guarantees that its employees, contractors, associates, members of bodies, proxies, agents and subcontractors will not breach the provisions of paragraphs 1 - 5 above.

## **X. FINAL PROVISIONS**

1. If any provision of the GSC is invalid or ineffective, or becomes so, the invalid or ineffective provision shall be replaced by a provision whose sense is as close as possible to the invalid or ineffective provision. The invalidity or ineffectiveness of one provision shall not affect the validity of the remaining provisions of the GSC.
2. The contractual penalties stipulated in the Contract and in the GSC shall not exclude the Seller's right to seek damages on general terms in the event that the damage suffered exceeds the amount of the stipulated contractual penalty.
3. The Parties agree that the application of the United Nations Convention on Contracts for the International Sale of Goods to the GSC and the Contract is excluded.
4. Any disputes arising out of the Contract or the GSC shall be subject to the jurisdiction of the courts in Mexico. Any and all disputes arising from the Contract or the GSC shall be resolved by the common courts having jurisdiction over the Seller's registered office.
5. In the event of a conflict between the Contract and these GSC, the provisions of the Contract shall prevail.
6. The Buyer shall not be entitled to assign any rights under the Contract to any third party without the prior written consent of the Seller (written form reserved under pain of nullity).
7. The Seller shall not be bound by any terms and conditions of purchase (including model contracts) applied by the Buyer. The conditions referred to in the preceding sentence shall not apply to the Contract.