



GENERAL TERMS AND CONDITIONS OF PROCUREMENT AND CONTRACTS **AUDI MÉXICO S.A. de C.V.**

These General Terms and Conditions of Procurement and Contracts (hereinafter Terms and Conditions) will be applicable to all purchases and contracts of Audi México, S.A. de C.V. (hereinafter AUDI) of goods and/or services (hereinafter the "Goods" and "Services").

These Terms and Conditions will govern any relationship between the supplier supplying Goods and/or providing Services (hereinafter the Supplier) and AUDI (jointly the "Parties").

The Supplier's conditions of sale and supply shall not be binding on AUDI, even if AUDI does not expressly reject said conditions, or due to the receipt or payment of goods or services, unless AUDI expressly agrees otherwise in writing.

AUDI reserves the right to make any change or modification to these Terms and Conditions without prior notice being necessary.

1. PURCHASE ORDER

1.1. The Purchase Order is the document or order form that must be printed, signed, and sent in original and/or electronically (according to the means and/or systems indicated by AUDI), through which an order is sent to the Supplier regarding Goods and/or Services (hereinafter Purchase Order).

1.2. AUDI will make these Terms and Conditions available to the Supplier when sending the Purchase Order, which will form an integral part thereof, as well as the technical specifications, exhibits, or any other document necessary for the execution of the Purchase Order.

1.3. Supplier will confirm the acceptance of the Purchase Order within a maximum period of 3 (three) business days from the reception of the Purchase Order, by means of the autograph and/or electronic signature of Supplier's legal representative or attorney-in-fact. Confirmation by Supplier will imply the express acceptance of the Purchase Order, of these Terms and Conditions, and, where appropriate, of the technical specifications and exhibits.

The provisions contained in the Purchase Order will be legally binding for both Parties when they have been accepted by the Supplier as indicated in these Terms.

1.4. If Supplier does not confirm the acceptance of the Purchase Order within the terms mentioned, AUDI reserves the right to cancel the Purchase Order without any liability on AUDI.

1.5. If Supplier has not accepted the Purchase Order as indicated in this section, but delivers the Goods or Services requested by AUDI, it will be understood that the Purchase Order, these Terms and Conditions and the technical specifications have been tacitly accepted by Supplier. In this case, the acceptance of the Goods or Services will be subject to approval by AUDI.

2. DELIVERY-RECEPTION

2.1. AUDI will not accept the delivery of Goods and/or the provision of Services not covered by the Purchase Order.

2.2. The delivery of Goods and/or the provision of Services must correspond in characteristics, technical specifications and execution, to what is established in the Purchase Order. Supplier is obliged to obtain in a timely manner all the necessary information for the due fulfillment and execution of the Purchase Order, guaranteeing that the Goods and/or Services meet all the technical specifications required by AUDI.

2.3. The quantities, dimensions and weight of the Goods delivered, the numbers obtained in the inspection carried out by the Materials Reception department assigned by AUDI will be final. In no case will AUDI be obliged to receive shipments in quantity, dimension or weight other than that established in the Purchase Order. AUDI reserves the right to examine and perform tests



on the Goods and/or Services delivered by Supplier in order to verify that they comply with the stipulations of the Purchase Order.

2.4. The date of delivery of the Goods and/or Services will be stated in the corresponding Purchase Order. For the Goods and/or Services to be considered delivered on time by Supplier, they must be fully delivered or completed within the deadlines and terms indicated in the Purchase Order.

2.5. The delivery of the Goods and/or the provision of the Services must be carried out by Supplier at the place, date and within the terms established in the Purchase Order. Supplier undertakes that the Goods and/or Services will be available to AUDI on time, considering the time of disembarkation. If the delivery is scheduled in periods, these will begin to be counted from the initial delivery date indicated in the Purchase Order.

2.6. Supplier must inform AUDI immediately in writing of any delay in the delivery date of the Goods and/or Services, indicating the reasons for such delay and the estimated duration thereof.

2.7. In the event of breach regarding the delivery date or deadline, AUDI can:

(i) rescind the Purchase Order and request a third party to manufacture and produce the Goods and/or to provide the Service.

(ii) accept the Goods and/or the provision of the Services in an extemporaneous manner.

In both cases, Supplier must pay a contractual penalty established in the Purchase Order, or, 10% (ten percent) of the corresponding Purchase Order. The latter, without prejudice to legal actions that AUDI is entitled to exercise in terms of the applicable legislation. The above mentioned will also apply in case of delay in any partial delivery or supply.

3. DELIVERY TERMS

3.1. AUDI will determine the delivery route, the shipping method, the means of transport and the type of packaging of the Goods.

3.2. All deliveries of Goods must be made in accordance with the INCOTERMS in force established in the Purchase Order on the date of issuance thereof, and at the location determined by AUDI. In the absence of a written provision, delivery of the Goods will be DDP (Delivered Duty Paid) at the place determined by AUDI.

3.3. The property, the risk of loss and/or deterioration of the Goods will correspond to Supplier, until they are transferred to AUDI. The Goods shall be deemed transmitted upon receipt and acceptance in writing by AUDI.

3.4. AUDI reserves the right to request Supplier to contract transport insurance, which will be at Supplier's expense and expense. If Supplier does not take out the insurance requested by AUDI, the latter may terminate the Purchase Order.

3.5. Supplier undertakes to deliver the Goods at the location indicated by AUDI. Likewise, Supplier shall be obliged to unload the Goods at the place of their storage.

3.6. Supplier shall have the obligation to obtain the respective access permits for AUDI facilities, as well as to comply with all the internal security requirements, standards, and regulations of the AUDI facilities regarding unloading and delivery of the Goods.

3.7. Supplier must attach to each shipment and delivery of Goods the respective shipping note in compliance with the requirements established by AUDI.

3.8. AUDI will determine the type and method of packing, for the adequate transportation and storage of the Goods. Supplier will be responsible for damages caused to the Goods as a result of defective packaging, and/or improper transportation or handling.

3.9. Regarding Goods whose handling, transport, use or storage implies extreme care or some danger such as fire, explosion, physical damages, Supplier is obliged to indicate such circumstance in their packaging, in accordance with the provisions of the NOMs ("Official Mexican Standards") and applicable international standards in force. Additionally, Supplier must deliver to AUDI, the respective manuals and instructions for the correct handling, transportation, use and storage of such Goods.



If Supplier subcontracts the packaging services for the Goods, Supplier undertakes that said subcontractor will comply with the provisions of this clause, being Supplier solely responsible to AUDI in the event of non-compliance.

4. SAMPLES AND PROTOTYPES

4.1. AUDI may request Supplier to prepare samples and/or prototypes of the Goods, providing all the information and technical specifications necessary for preparation thereof. In no event will AUDI be obliged to issue a Purchase Order with respect to the Goods for which AUDI requested a sample and/or prototype.

4.2. Supplier will deliver the samples and prototypes in the terms and deadlines requested by AUDI in accordance with the requirements and quality standards requested. In cases where AUDI requires Supplier to deliver samples and prototypes prior to the delivery of Goods, these shall be delivered once AUDI has previously accepted and approved in writing the corresponding samples and/or prototypes.

Unless otherwise agreed in writing, Supplier shall bear the costs for the preparation of samples and/or prototypes.

5. MEANS OF MANUFACTURE

5.1. If Supplier does not have the materials and/or tools (hereinafter Means of Manufacture) for the correct manufacture of the Goods and/or the provision of the Services stated in the Purchase Order, AUDI may provide said Means of Manufacture or require Supplier to be manufactured at AUDI's expense, prior agreement stated in writing in the corresponding Purchase Order.

5.2. The Means of Manufacture used by Supplier in the manufacture of the Goods, such as models, samples, forging dies, tools, drawings and similar materials that have been made available to Supplier or that are manufactured by Supplier according to the specifications of AUDI, must not be sold, pledged or transferred to third parties, nor must they be used by Supplier for purposes other than those described in the Purchase Order, without the prior written consent of AUDI. The foregoing also applies to goods that have been manufactured with said Means of Manufacture.

5.3. Supplier shall be responsible for taking care of the Means of Manufacture, as well as for carrying out and paying the costs of maintenance, repair and replacement thereof. Supplier must return the Means of Manufacture to AUDI without any objection once the Goods and/or the provision of Services contemplated in the Purchase Order have been completed and delivered or when canceled or rescinded, unless AUDI authorizes in writing that a different use is allowed for the Means of Manufacture.

5.4. In no case, Supplier will have the right to retain the Means of Manufacture and Supplier's obligation to deliver them to AUDI will be enforceable even if Supplier is declared bankrupt. The Means of Manufacture and Goods developed by AUDI, including in collaboration with Supplier, must be delivered solely and exclusively to AUDI.

6. QUALITY AND INSPECTION

6.1. AUDI will inspect the Goods upon receipt to verify the existence of apparent defects and will notify Supplier about them, reserving the right to carry out additional inspections of the Goods and/or Services. AUDI will notify the hidden defects of the Goods delivered as soon as they were detected in the ordinary course of use.

In no case may Supplier claim that hidden defects or defects have been pointed out too late or after the deadline in accordance with the provisions of these Terms and Conditions.

6.2. If AUDI notifies Supplier that the Goods and/or Services do not meet the quality required by AUDI, Supplier undertakes to replace them within a period of less than (10) ten business



days, being Supplier bound to maintain a written record of said replacements and guarantee the quality in the manufacture of each one, free from any defect.

6.3. AUDI may carry out, at any time and without prior notification, quality tests on the Goods and the means of production used by Supplier, as well as carry out visits to Supplier's facilities, through personnel designated by AUDI, for the purpose of inspecting manufacturing processes, labor and materials related to the Goods. Supplier undertakes to authorize access to AUDI personnel without any limitation.

6.4. If AUDI requires Supplier to make changes and/or implement measures as result of the tests or visits carried out, Supplier undertakes to make said changes and/or implement said measures within the next 30 (thirty) calendar days.

7. MODIFICATIONS

7.1. AUDI shall have the right to request Supplier, at any time, to make modifications in the design and/or preparation of the Goods and/or in the provision of Services included in the Purchase Order.

7.2. If Supplier has incurred additional expenses due to the requested modifications, AUDI shall pay said expenses provided they are duly accredited by Supplier and were made prior to the request for modification by AUDI.

7.3 If Supplier does not make the requested modifications within a period of thirty (30) days from the request for the modification, AUDI may cancel the corresponding Purchase Order and require a third party to comply with said Purchase Order. In this case, Supplier must return to AUDI all technical information, material or goods in process within a period of three (3) days upon request. The Parties must reach an agreement regarding the way to compensate those expenses incurred as result from Supplier's non-compliance, being AUDI empowered to withhold payments from Supplier until such agreement is reached, without any liability on AUDI.

8. PRICES, INVOICING AND PAYMENT CONDITIONS

8.1. The prices established in the Purchase Order are fixed and unalterable, unless the Parties agree otherwise in writing. The price of the Purchase Order includes the totality of the Goods and/or Services, as well as any additional expenses that Supplier must pay to supply the Goods and/or provide the Services. The prices set in the Purchase Order do not include Value Added Tax (VAT).

8.2. AUDI is not obliged to pay an invoice not corresponding to a Purchase Order. Supplier's invoices must be issued and sent in accordance with AUDI's instructions and must contain all the fiscal requirements in force at the time of issuance. In no case should the invoices be attached to the shipment and delivery of the Goods.

8.3. Suppliers within Mexican territory must send their invoices (CFDI) no later than 72 (seventy-two) hours after the date of delivery of the Goods and/or provision of the Services in the manner established by AUDI for such purposes.

Invoice payments will be made on the 25th (twenty-fifth) day of the month following delivery of the Good or Service, or delivery of the invoice, whichever occurs later. The invoice must meet the necessary legal and fiscal requirements to be payable.

8.4. Regarding suppliers with registered / legal domicile outside of Mexico, the payment of the invoices will be made: (i) 30 (thirty) days after AUDI has received the Good or the Service, or (ii) if an invoice is presented to AUDI by Supplier after delivery of the Good or Service, 30 (thirty) days after receipt of the invoice.

8.5. Delay in sending the invoice and other information to make the payment, as well as errors or omissions in said documents, will be justified cause for AUDI to delay the payment of the respective invoice without this being considered late payment. AUDI will have the right to choose the method of payment at AUDI's discretion.



8.6. Supplier expressly authorizes AUDI to offset or discount any amount owed by Supplier against any other outstanding debt in favor of Supplier and at the expense of AUDI, in accordance with the provisions of article 2185 of the Federal Civil Code in Mexico.

8.7. In no case will Supplier have the right to assign to a third party the rights derived from the Purchase Order.

9. RESPONSIBILITIES AND REIMBURSES

9.1. Supplier is bound to ensure that all Goods and Services have been prepared and provided in accordance with the plans, technical data, applicable performance and quality criteria and other technical specifications provided by AUDI, and that they comply with the specifications offered by Supplier.

9.2. Supplier shall ensure that the Goods supplied:

(i) are new and of the highest quality.

(ii) are free from apparent defects or hidden defects in material and labor.

(iii) are commercial, completely safe, and appropriate to fulfill the purpose for which they will be used by AUDI.

(iv) comply with the packaging conditions requested by AUDI.

(v) are not subject to any charge or encumbrance.

(vi) do not infringe Intellectual Property rights or other protected rights of third parties, in terms of the provisions of these Terms and Conditions.

9.3. Supplier undertakes to deliver only Goods that have undergone a final inspection process.

9.4. If AUDI chooses to grant a period for rework or requests the return and replacement of the defective Goods, AUDI reserves the right to: (i) withhold the full payment of the invoice corresponding to the Purchase Order, without this being considered a breach by AUDI or (ii) withhold a percentage of the value of the Purchase Order, which will be paid to Supplier until the Goods or Services are delivered to the satisfaction of AUDI, as agreed in the corresponding Purchase Order.

9.5. Reception of the Goods or Services by AUDI does not limit AUDI's right to demand compliance with the warranty given by Supplier. Regarding rework, the warranty period will be extended by the time elapsed between the notification of the defects and the conclusion of the rework.

9.6. It is hereby informed that if any extraordinary or unforeseen charge or expense is generated by AUDI due to causes attributable to the Supplier regarding lack of quality, replacement of the Supplier, repairs, rework, travel, and/or any other damage affecting AUDI, among others, in regard to the Goods or Services, Supplier expressly authorizes AUDI to charge Supplier for such expense or charge, for which a simple notification from AUDI to Supplier shall be sufficient, indicating the amounts of said expenses or charges, which shall be debited from Supplier's invoices pending payment.

9.7 Unless otherwise provided, if defective items are delivered, AUDI may demand the following:

a) Before starting manufacturing (processing or assembly), AUDI can give Supplier the possibility to carry out an inspection and, if necessary, eliminate defects or replace defective items. If Supplier is unable to do so or does not respond to such request in a timely manner, AUDI may terminate the contract without giving Supplier a new deadline and returning the defective item at Supplier's risk and expense. In urgent cases AUDI may remedy the defects or have them remedied by a third party. The costs incurred in that regard shall be borne by Supplier. If the same item is repeatedly delivered with defects, AUDI may withdraw from the contract also regarding the supply not delivered.

b) If the defect is only discovered after the start of production, AUDI may: 1) demand the elimination of the defect or the delivery of a defect-free item. If AUDI has installed the defective item in another good, in accordance with its type and intended use, Supplier shall be obliged to reimburse AUDI for the expenses necessary for the removal of said defective item and the



installation of the repaired or delivered defect-free item. Supplier must, in any case, bear the necessary expenses that may be required for repairs, transport, labor, assembly, disassembly, material, etc., to remedy the damage caused to AUDI because of such defects; or 2) reduce the purchase price.

c) If Supplier fails to comply with an obligation beyond the delivery of a defective item (e.g., regarding provision of information, advice, or inspection), AUDI may demand compensation for damages, as well as compensation for damages resulting from defects, and those which AUDI had to compensated to the end customer.

AUDI will be entitled to compensation for damages caused by the delivery of defective items as set forth herein and those contractually agreed upon.

At Supplier's request and expense, AUDI shall immediately make available to Supplier the parts to be replaced.

In case of defective deliveries, AUDI's rights under the Federal Civil Code will not be affected. Warranties of characteristics and durability will be designated as such in writing in each individual case.

9.8 Unless a different liability scope is regulated elsewhere herein, Supplier will be obliged to indemnify AUDI for damages caused by Supplier and/or third parties related to Supplier, as a result of defective delivery, inappropriate or improper use, error, negligence or non-compliance with safety regulations or any other cause attributable to Supplier and/or third parties related to the Supplier, as described below:

- a) The obligation to pay damages arises when Supplier and/or Supplier's subcontractors cause damage to AUDI.
- b) If, irrespective of the damage, AUDI faces liability claims and such liability cannot be excluded with respect to third parties, Supplier will indemnify AUDI as if Supplier were directly liable.
- c) Liability for damages will be excluded if AUDI has effectively limited the respective liability regarding AUDI's customer.
- d) Supplier will be liable for measures carried out by AUDI to prevent damages (e.g., call for service / recalls), insofar as this is legally obliged or of a preventive nature.
- e) If AUDI intends to make claims against Supplier in accordance with the above provisions, AUDI must inform Supplier to provide the opportunity to examine the causes of the damage(s). The parties shall agree on the measures to be applied, especially regarding conciliatory negotiations.

In addition to the aforementioned, AUDI shall have the right to claim the indemnities and actions to which AUDI is legally entitled in order to compensate for damages caused by Supplier's breach and that have not been contemplated in the contractual documents.

9.9 AUDI has the right to claim the replacement of Goods and/or Services with hidden defects and the payment of expenses that this may cause. Therefore, Supplier expressly waives the provisions of Article 383 of the Code of Commerce in force in Mexico.

10. PERMIT, LICENSES AND DOCUMENTATION

10.1 Supplier is bound to comply with all applicable laws, regulations and standards on security, dangerous substances and materials, environmental protection, and prevention of accidents, required for the delivery of Goods and/or the provision of contracted services. Likewise, Supplier is bound to have all necessary permits and licenses for the proper development of the corporate purpose, being bound to keep AUDI harmless from any claim related to the omission of said permits and/or licenses.

10.2 Supplier undertakes to comply with the provisions on industrial safety and the internal regulations of AUDI regarding the delivery of Goods and/or the provision of the Services.

10.3. When the Provision of Services pursuant to a Purchase Order is expressly intended to or, recognizable as intended to be exported, Supplier is obliged, without additional remuneration, to include in the delivery documents all the necessary information that allows AUDI to provide



all information and take all actions required under the export control provisions of the European Union and the United States, under German foreign trade law, and under any other relevant customs provisions.

11. CONFIDENTIALITY

11.1. Supplier undertakes to consider the Purchase Order, as well as technical drawings, know-how, designs, samples, prototypes, brands, plans and in general any information received from AUDI (regardless of how it is printed, recorded, stored or the device on which it is located) as confidential information and trade secret property of AUDI.

11.2 Supplier will only use this information if such use is necessary for the proper performance of the Services. Supplier undertakes to prevent any third party from gaining unauthorized access to such information and documents without AUDI's prior written consent in relation to such disclosure. Such consent will be given at AUDI's discretion.

11.3. Where appropriate, Supplier will ensure that Supplier's employees and subcontractors only obtain access to such information at the time and to the extent that such access is necessary and will impose the obligation to keep confidentiality on Supplier's employees and subcontractors therein, or a similar confidentiality obligation in regard to the Purchase Order and other applicable documents. Supplier, where appropriate, will enforce the confidentiality obligations in relation to Supplier's employees and subcontractors, and will inform AUDI immediately in the event of any violation of the duty of confidentiality.

11.4. The confidentiality obligation agreed upon in this section will remain in force for five years following the termination of the contractual relationship.

11.5. Obligations stated in this section will not apply to the following cases:

- a. Supplier was already aware of the information before it was communicated by AUDI and Supplier was not obliged in any way to maintain confidentiality regarding this information.
- b. The information was duly transmitted to Supplier by a third party authorized by AUDI.
- c. The information was not public knowledge at the time it was communicated by AUDI.
- d. The information was not public knowledge after being communicated by AUDI without this being due to a violation of the confidentiality obligation established in the Purchase Order or a violation of other confidentiality obligations.

11.6. If Supplier violates the confidentiality or discloses confidential information of AUDI, Supplier will be responsible for the damages that such violation causes to AUDI.

11.7. The AUDI corporate name, as well as the trademarks, logos, designs and other protected rights of the companies that make up the AUDI Group.

Supplier and AUDI may only make their business relationship public for advertising purposes upon prior written authorization from AUDI. In this same sense, it is understood that Supplier is not authorized to use AUDI's trademarks and/or company name and/or logos without written authorization from AUDI.

12. INTELLECTUAL PROPERTY AND THIRD-PARTY RIGHTS

12.1. Supplier acknowledges that any right protected by the Industrial Property Law and/or Federal Copyright Law and any right resulting from the execution of the Purchase Order, will be the exclusive property of AUDI, as well as any property right, intellectual property, be it a commercial name, commercial notice, trademark, domain name, work registration and/or reservation of rights before the Mexican Institute of Industrial Property and/or the National Institute of Copyright, respectively.



12.2. Supplier is not authorized to use the brands, commercial notices, logos and designs owned by AUDI. Only by express instruction from AUDI, or as indicated by the models or drawings by AUDI, Supplier may use said trademarks, commercial notices, logos and designs to be printed or marked on the Goods stated in the Purchase Order. Goods marked in this way may only be supplied to AUDI. Defective Goods returned to the Supplier and that have been marked with brands, logos and designs owned by AUDI, must be destroyed. AUDI will have the right to ask Supplier for evidence of said destruction.

12.3. Supplier represents and guarantees that the execution and elaboration of the Goods and/or the provision of the Services stated in the Purchase Order, do not injure or violate copyright, industrial or intellectual property, patent, registered trademarks owned by a third party duly protected by the Intellectual Property Law and/or the Federal Copyright Law and/or other laws in force in the United Mexican States or abroad.

Supplier will be responsible to AUDI for any claim that, due to the preparation of the Goods and/or the provision of the Services consigned in the Purchase Order, results in the affectation and/or violation of the rights of third parties. In this sense, Supplier undertakes to keep AUDI harmless from claims derived from the improper use of third-party rights, thus having to cover all damages and losses, expenses and costs suffered or disbursed by AUDI.

12.4. The liability of Supplier will not apply if Supplier has manufactured the Goods or provided the Services in accordance with drawings, models or similar descriptions provided by AUDI and if Supplier did not know, in relation to the Goods developed by Supplier, that third-party rights could be infringed. To the extent that Supplier is not responsible, in accordance with the provisions of this paragraph, AUDI must keep Supplier harmless from any claim filed by a third party.

12.5. Supplier undertakes to immediately inform AUDI, regarding possible risks of affecting third-party rights. Supplier must inform AUDI regarding the use of any third-party rights, published or not, related to the Goods or Services stated in the Purchase Order, regardless of whether Supplier has a license for their use or not.

13. DATA PROTECTION

13.1. Supplier will have access to personal data during the provision of Services, therefore, Supplier must comply with the applicable legislation on data protection, in particular regarding data collection, processing and/or use of personal data only for the Provision of Services (exclusive use for the intended purposes), obtaining a binding commitment in writing from Supplier's personnel to respect the confidentiality of the data, and instructing said personnel on the provisions of the law regarding data protection. Supplier will provide AUDI with proof of compliance with the above when requested.

13.2. The Parties agree that if it is necessary to carry out the processing of personal data as a result of the existing legal or commercial relationship, they must sign, prior to the start of the Services, a separate document regulating the transmission, processing and protection of said data, observing at all times the applicable provisions that derive from the Federal Law on Protection of Personal Data in Possession of Private Parties, its Regulations and other applicable guidelines and legal provisions, both National and International.

14. INCOMPLIANCE AND TERMINATION

14.1. AUDI may demand from Supplier compensation for all damages (including, without limitation, damage to Goods, indirect damages, economic damages and additional expenses) caused by or attributable to Supplier, Supplier's governing bodies, employees and other personnel, their agents and representatives, their execution assistants or other third parties who act on their behalf, provided that the damages derive from the breach of a guarantee, representation or obligation of Supplier.



14.2. AUDI may rescind the Purchase Order at any time and immediately without any liability and without the need for a prior judicial order, only by giving a written notice to Supplier of said decision in any of the following cases:

- (i) If bankruptcy is required, ordered, or approved, or dissolution and liquidation or a commercial bankruptcy procedure is initiated, be it judicial or extrajudicial, of Supplier.
- (ii) If Supplier assigns the rights of the Purchase Order to a third party, without authorization from AUDI.
- (iii) Due to technical and/or commercial incapacity and/or due to fraud, negligence, bad faith of Supplier.
- (iv) In case of a delay in compliance or partial or total non-compliance by Supplier in the execution and/or delivery of the Goods and/or Services.
- (v) If Supplier and Supplier's personnel act in an irregular, deficient, reckless, negligent and/or irresponsible manner.
- (vi) If there are unjustified interruptions by Supplier or Supplier's personnel or if they do not comply with the deadlines indicated in the Purchase Order or suspend the provision of Services and/or the delivery of Goods due to causes attributable to Supplier or does not conclude the provision of Services and/or the delivery of Goods on the agreed date.
- (vii) If Supplier refuses to comply with an AUDI request regarding modifications of the Goods.
- (viii) Any breach of the provisions of the Purchase Order and these Terms and Conditions.

14.3. Prior to termination, AUDI will request Supplier in writing to remedy the breach within a term of 5 (five) business days after the notification thereof, under penalty of termination of the Purchase Order. If there is no response that satisfies AUDI, the Purchase Order will be terminated.

14.4. The termination of the Purchase Order by AUDI will be without prejudice to any other rights of AUDI in accordance with the Purchase Order and these Terms and Conditions, such as claiming damages.

15. INDEPENDENCE OF THE PARTIES

The Parties acknowledge and accept that the only legal relationship between them is that arising from the Purchase Order and these Terms and Conditions, therefore, Supplier undertakes to supply the Goods with Supplier's own personnel, duly trained.

Supplier undertakes to contract and keep under Supplier's exclusive direction and dependence the personnel involved in providing the Services and/or Specialized Services, when applicable in accordance with these Terms and Conditions, (hereinafter the "Personnel"). Supplier expressly undertakes to sign contracts in which the Personnel expressly acknowledge that there is NO employment relationship between them and AUDI or anyone to which Supplier offers Services or Specialized Services, when applicable.

In the terms of the Federal Labor Law, the Parties acknowledge and accept that the only legal relationships between them is that arising from the commercial relationship that the Parties enter into, which is why Supplier will be the sole responsible for the personnel used for the provision of the Services or Specialized Services (when applicable), which is under Supplier's immediate direction and dependence, and Supplier is also solely responsible for the payment of ordinary and extraordinary salaries, vacations, Christmas bonus, seniority premiums, accidents, layoffs, contributions to the Mexican Institute of Social Security (IMSS) and the Institute of the National Fund for Workers' Housing (INFONAVIT), as well as any obligation derived from the existing employment relationship between Supplier and Supplier's personal; therefore, AUDI will not be responsible for conflicts that may arise from the aforementioned; Supplier is obliged to remove AUDI safely from any claim attempted against AUDI. In this sense, Supplier undertakes to be in charge of the legal defense before the authorities and judicial and/or administrative instances at no cost to AUDI and to keep AUDI harmless from any claim,



claim filed by third parties or against any type of order issued by judicial and/or administrative authorities; the foregoing regardless of the actions of a civil, criminal, administrative and/or any other nature that AUDI may exercise against Supplier.

Supplier will be solely responsible for paying all expenses arising from accidents or occupational risks incurred by the employees used to provide the Services or Specialized Services (when applicable), releasing AUDI México from any responsibility in that regard.

AUDI reserves the right to request Supplier to withdraw for the provision of Services or Specialized Services (when applicable), to elements that perform acts that endanger AUDI's facilities, its personnel and/or third parties, as well as if Supplier's personnel do not keep due composure, respect and the greatest order, attention and courtesy in their relations with AUDI and with third parties, or, in case of not complying with the rules of conduct, policies, codes and other provisions that apply within the AUDI facilities.

16. SPECIALIZED SERVICES (WHERE APPLICABLE)

16.1 Supplier undertakes to deliver to AUDI all documentation proving that Supplier follows each of the provisions on outsourcing of specialized services issued by the IMSS and INFONAVIT, including, without limitation, the following:

i. Registration of services in the Registry of Suppliers of Specialized Services or Specialized Works in the Secretariat of Labor and Social Welfare, as well as to maintain said registry during the validity of the commercial relationship that the Parties enter into for this purpose.

ii. Registration within the Tax Administration Service.

iii. Documentation showing that Supplier is providing the following information to the IMSS about the contracts signed, every four months:

a) Parties of the contract: name, denomination or corporate name; Federal Taxpayers Registry, registered or conventional address in case it is different from the fiscal, email and contact telephone number.

b) Each contract: purpose, term, list of workers or others who will provide the services, indicating their name, Unique Population Registry Code, social security number and base contribution salary, as well as name and Federal Taxpayers Registry of AUDI.

c) Copy of the registration certificate issued by the Secretariat of Labor and Social Security for the provision of specialized services or works.

iv. Documentation showing that Supplier complies with the provisions on subcontracting issued by INFONAVIT, delivering documents proving that Supplier is providing the following information on contracts signed, every four months:

a) General Data

b) Service contracts

c) The amounts of the Contributions and Amortizations

d) Employee information

e) Determination of the base salary of each contribution

f) Copy of the registration certificate issued by the Secretariat of Labor and Social Security for the provision of specialized services or the execution of specialized works

v. Evidence that the personnel used to provide specialized services is duly registered in the IMSS, as well as to deliver a copy of the provisional payment made to said institute.

vi. If applicable, the Employment Contracts of the personnel that Supplier designates for the provision of specialized services and that must contain at least the fundamental working conditions, such as salary, hours, positions, and functions.

vii. The payroll receipts of the workers that Supplier designates for the provision of specialized services, must contain at least the position they perform, the working day, the salary they receive and the deductions to which they are subject.

viii. Registration with the IMSS of workers (position or function and salary).

ix. If applicable, the Union Contract, in order to verify if the category of workers is contained in the salary tabulator.



x. Registration of workers to the Union.

Supplier must deliver to AUDI the aforementioned documentation during the course of the 30 calendar days after the payment of the consideration agreed by the Parties for this purpose or on the deadline to comply with the reporting obligations with the IMSS and the INFONAVIT. Likewise, Supplier expressly accepts that, if the aforementioned documentation is not delivered, within the stipulated period, as well as any other proving compliance with all the provisions on specialized services issued by the IMSS and INFONAVIT, as well as those provisions applicable to Value Added Tax (VAT) and Income Tax (ISR), AUDI will be entitled to suspend the payment of the consideration agreed by the Parties, until Supplier complies with the delivery of said information or, AUDI may terminate the commercial relationship in advance, without the foregoing being interpreted as a breach by AUDI.

16.2. AUDI may sanction Supplier, with a penalty of up to an amount equal to the total amount of the Specialized Services contracted, for any of the following reasons:

- a) If Supplier does not register at the IMSS all the workforce intervening directly in the activities and work related to the provision of Specialized Services.
- b) If Supplier does not have or cancels the registration certificate issued by the Secretariat of Labor and Social Welfare for the provision of specialized services or the execution of specialized works.
- c) If Supplier does not provide AUDI with all the information proving compliance with the provisions on outsourcing of specialized services to the IMSS and INFONAVIT, as well as those provisions applicable to Value Added Tax (VAT) and Tax on the Income (ISR).
- d) If personnel involved in the provision of Specialized Services are not properly identified and do not wear the appropriate protective equipment.
- e) If Supplier does not submit the respective reports to the competent authorities in labor matters every four months.
- f) If the quality, safety, hygiene and image during the validity of the commercial relationship does not meet the full satisfaction of AUDI.

The foregoing does not in any way exempt Supplier from complying with the provisions of the Federal Labor Law, Official Mexican Standards, International Treaties and circulars on safety and hygiene.

17. TAXES

17.1. Supplier and AUDI will be responsible respectively for complying with the tax obligations regarding the payment and withholding of taxes provided for in the Mexican tax provisions derived from the Purchase Order, payment of taxes and corresponding tax withholdings, and will be withheld by the Parties in accordance with Mexican tax provisions.

17.2. Supplier undertakes to provide AUDI, when requested, with a certificate (or other type of documentation) of compliance with tax obligations issued by the competent Mexican tax authorities.

17.3. If Supplier does not have a tax residence in Mexico but due to the nature of the manufacture of the Goods and/or the provision of the Services stated in the Purchase Order, Supplier is subject to compliance with tax obligations in Mexico in accordance with Mexican legislation, as well as with treaties to avoid double taxation that Mexico has signed with other countries, Supplier undertakes to fully comply with said obligations and provide AUDI with the documentation indicated in this section.

17.4. In case of breach by Supplier of the obligations indicated in this section, Supplier shall indemnify AUDI for any possible legal action that may be filed by the Mexican tax authorities against AUDI and Supplier shall reimburse AUDI any amount disbursed due to any legal action or claim by said authorities (including attorneys' fees, tax consultants, costs, expenses, etc.).



18. SUBCONTRACTORS

Supplier may not subcontract the services directly ordered by AUDI in the Purchase Order to a third party.

If, exceptionally, Supplier needs to subcontract services to a third party, Supplier shall immediately notify AUDI, as well as state in writing the reasons for said subcontracting. AUDI reserves the right to approve or not such subcontracting, on the understanding that the authorization must be granted in writing. In any case, Supplier shall be prohibited from making subcontracted personnel available to AUDI.

The obligations of data protection and confidentiality of AUDI's information set forth in these Terms and Conditions shall be applicable to all Subcontractors; if Supplier finds it necessary to share AUDI's information, Supplier is obliged to sign the respective confidentiality agreement with the Subcontractor and submit it to AUDI.

In case of non-compliance by the Subcontractor regarding data protection and confidentiality obligations, Supplier shall be liable to AUDI for any damages caused by such non-compliance.

19. FORCE MAJEURE

19.1. If AUDI is unable to receive the Goods and/or the provision of Services due to acts of God or force majeure, including without limitation, natural disasters, labor disputes, work stoppages, public disturbances, administrative measures, import restriction, interruption of transport, strikes, commercial stoppages, AUDI will not be obliged to receive the Goods and/or the provision of Services described in the Purchase Order, during the causes of impossibility and the effects thereof. In these cases, any right of Supplier to require AUDI to comply with the Purchase Order or to demand compensation for damages is excluded. For as long as the impossibility lasts and until AUDI can receive the goods, Supplier is obliged to store the Goods at Supplier's own risk and at Supplier's own expense.

19.2. If any of the aforementioned events occurs with respect to Supplier, the latter must support AUDI as possible in regard to the relocation of the Goods and/or the provision of the Services to AUDI or a third party designated by AUDI, which must include the granting of licenses on Intellectual Property rights to the extent that such rights are essential for the manufacture of the Goods and/or the provision of the Services.

19.3. Once the event has concluded, as well as its effects, AUDI will inform Supplier. In this case, Supplier will be obliged to immediately deliver the Goods and/or provide the Services consigned in the Purchase Order.

20. NOTICES

20.1. The Parties indicate as the addresses to be served those indicated in the Purchase Order. The Parties agree that any notification or communication must be made in writing and with acknowledgment of receipt. Any violation of this section will void any notification or communication.

20.2 The Parties accept that communications may be made for the supply of the Goods and/or Services through a communication platform provided by AUDI called "Virtual Object Room" (VOR) (hereinafter the Platform).

20.3. Supplier accepts that it is mandatory to use the Platform in case of administrative communications, which will not represent any cost to Supplier and should only be used for the purposes of the Purchase Order, having to register on the website: www.objekt-daten.de where in no case Supplier may claim damages from AUDI for the malfunction of the platform or claim additional costs for its use.



21. SUSTAINABILITY REQUIREMENTS IN RELATIONSHIPS WITH BUSINESS PARTNERS

21.1. The "Requirements of the Volkswagen Group regarding sustainability in relationships with business partners (Code of Conduct for Business Partners)" define the expectations regarding the way in which the Group's business partners should operate their businesses and develop their business activities to achieve the sustainability of the commercial relationship with AUDI. Therefore, AUDI will request compliance with the requirements established in said code of conduct from all its business partners.

21.2. The "Requirements of the Volkswagen Group regarding sustainability in its relations with business partners (Code of Conduct for Business Partners)" constitute an integral part of the contract in its most recent version in force at the time of contracting. Supplier undertakes to comply with each one of the requirements of the code of conduct. If the "Requirements of the Volkswagen Group regarding sustainability in its relations with business partners (Code of conduct for business partners)" are not attached to the Purchase Order or by request, they will be available at www.vwgroupsupply.com.

22. ANTI-CORRUPTION

The Parties state that they have not paid, offered payment, caused payment, offered or agreed to be paid directly or indirectly, regarding the Purchase Order and accessory agreements, any contribution, fee or political commission, they also state that they will not offer, pay, promise payment or authorize payment of money, or offer, grant or promise to grant or authorize the delivery of any asset to any authority or employees of any company or third parties.

22.1 Supplier states, for all legal purposes that may arise, that in the acceptance of the Purchase Order there is no conflict of interest, since, otherwise, the Purchase Order could be terminated immediately without any liability on AUDI.

22.2 Supplier undertakes to perform Supplier's obligations ethically and in accordance with the applicable and current laws and Regulations, including without limitation, laws that prohibit bribery and money laundering, laws that require compliance with tax legislation, regulations related to import and export and with the payment of fees and applicable government fees and human rights laws, regulations which Supplier states to know, being bound to guarantee that Supplier's directors, officers, employees, agents, subcontractors and representatives comply with these Terms and Conditions.

23. COMPETENT COURTS

The competent courts to hear any dispute arising from the contractual relationship between the parties will be the following: (i) regarding a breach by AUDI, the competent courts will be those of Puebla, Mexico, expressly waiving any other jurisdiction that may correspond to them due to their current or future domicile or for any other reason, (ii) regarding a breach by Supplier, AUDI will have the right to file a lawsuit in any court, either (a) at the domicile of the defendant, (ii) at the domicile of AUDI or (iii) at the domicile of Supplier's affiliate, subsidiary or parent company.

24. APPLICABLE LAWS

Regarding the interpretation and fulfillment of the obligations resulting from the Purchase Order and these Terms and Conditions, Mexican laws, the Commercial Code and the Federal Civil Code will be applicable. The terms of the United Nations Convention on Contracts for the International Sale of Goods of April 11, 1980 shall not apply.



25. GENERAL PROVISIONS

25.1. If a provision of these Terms and Conditions is void for any reason, this will not affect the validity of other provisions.

25.2. The Spanish version of these Terms and Conditions will be legally binding. If there are documents related to the Purchase Order in languages other than Spanish, the Spanish version will prevail.

26. ACCEPTANCE

Company name:

Date: Haga clic aquí o pulse para escribir una fecha.

Legal Representative name and signature: