



CONSTRUCTION SERVICES TERMS AND CONDITIONS OF AUDI MÉXICO S.A. de C.V.

AUDI MÉXICO S.A. de C.V. and Contractor agree that the terms and conditions set forth below shall govern all transactions agreed upon between the parties' AUDI Real Estate Planning and/or Plant Engineering Planning areas and other areas involved, electronically and through physical documents in writing, unless found contrary to what has been agreed in the electronic or written document called Purchase Order entered into by the parties and/or to what has been agreed by the parties in other contracts and/or specific documents related to the Purchase Order and/or to said contracts.

1. DEFINITIONS

For the purposes of these Terms and Conditions, which are an integral part of the Purchase Order, the following words shall have the meanings designated below:

AUDI TECHNICAL AREA: The area in charge of the entire project, in the applicable specialty, from concept development to final delivery. In AUDI, this area is called Real Estate.

AUDI: The legal entity called AUDI MEXICO S.A. de C.V.

PROJECT LOGS: These will be the only documents in which the progress of the Projects will be recorded, as well as the proper compliance with the Specifications and observations in relation to the Projects. The Project Logs shall be prepared and signed by the Supervisor and the Construction Manager, in addition to Audi's Planning area; and in the case of studies and/or engineering, they must be signed by the Construction Manager Responsible for the Project (CMR) designated by AUDI.

ADDITIONAL PROJECT ITEMS: The surplus volumes already contracted and listed in the price catalog negotiated with the Purchasing area in the original Purchase Order for the Project. These additional items may be a maximum of 20% of the total amount of the Project, taking into consideration the pre-settlement or also known as the Plus-Minus of the project.

EXTRAORDINARY PROJECT ITEMS: The volumes or items not included in the original scope, but necessary for the correct delivery of the contracted product or service. These extraordinary items need to be previously negotiated and approved by the Purchasing area, for which Contractor must present the unit price card with the proper support to be technically and then commercially certified.

CONTRACTOR: Individual or legal entity providing goods and/or construction services, and who is identified as such in the Purchase Order.

DAY: A calendar day.

CONSTRUCTION MANAGER: The person appointed by Contractor for purposes of representation, responsible for the execution and development of the Project, who shall be present at the Site from the Start Date to the Completion Date.

CONSTRUCTION MANAGER RESPONSIBLE FOR THE PROJECT (CMR): The individual or legal entity appointed by AUDI as the person responsible for overseeing the construction process and ensuring that the Projects are carried out in accordance with the regulations in force. The CMR must be registered with the corresponding authority in the municipality or delegation or City Hall by virtue of the location of the Projects carried out by AUDI.

DOCUMENTATION: Any document made in addition to the Purchase Order and these Terms and Conditions, either by physical or electronic means, including without limitation the following:

- i. Scope of Project
- ii. Requirements Record (hereinafter referred to as Lastenheft)
- iii. Laws and Mexican Official Standards
- iv. Applicable standards according to the specialty (International or corporate)
- v. Specification Catalogs
- vi. Specifications
- vii. Drawings, plans, designs
- viii. Delivery schedules
- ix. Technical approvals
- x. Tenders



- xi. Quotations
- xii. Letters of nomination
- xiii. Negotiation protocols
- xiv. Marketing agreements
- xv. RACI matrix
- xvi. Requirements established in the suppliers' portal published in www.vwgrouppsupply.com, <http://www.vwgrouppsupply.com> including the registration in said platform or others of the AUDI Group, as well as the use thereof, insofar as it does not oppose the provisions of the Purchase Order and any additional exhibits that AUDI or VWM may determine.
- xvii. Requirements for the quotation of suppliers via Electronic Supplier Link (ESL) (when applicable to the contracting process)
- xviii. Any additional exhibits that AUDI MEXICO or VOLKSWAGEN DE MEXICO may determine, particularly _____ at: http://www.vwgrouppsupply.com/one-kbp/pub/en/kbp_public/information/procurement_conditions_new/AUDI_ag.html and <http://ldb1-vwm.vw.com.mx/>, and;
- xix. In general, any other information, contained in electronic or printed media received by Contractor or agreed by the involved departments of both parties, to carry out the negotiation or operation of the Purchase Order, with the prior written approval of AUDI's Legal Affairs Department.

PROJECT DOCUMENTS: Means the calculations, computer programs and/or software, drawings, technical proposal, handbooks, prices, models and other documents prepared by Contractor in accordance with the Purchase Order and Specifications including, without limitation, Lastenheft, Contractor Safety Handbook, Environmental Handbook and Conditions; HLS Procedures and AUDI's requirements.

DELIVERY ACCEPTANCE: The act in which Contractor shall deliver the completed Project(s) to AUDI in accordance with the Purchase Order, by means of a document called the Project Delivery Protocol.

CONSTRUCTION EQUIPMENT: The labor, as well as all equipment, machinery, vehicles, temporary facilities or other elements required for the execution of the Projects, however, it does not include Materials.

SPECIFICATIONS: The documents containing the procedures, guidelines and technical requirements to which Contractor must adhere for the execution of the Project, in accordance with the Purchase Order.

INVOICE: Document detailing the goods sold or services provided and their price, which is delivered as proof of payment made by AUDI, in accordance with the applicable legislation in Contractor's jurisdiction and which allows for tax deductibility.

START DATE: The date on which Contractor undertakes to start the Project, which shall not be later than 5 (five) business days from the date of issuance of the Purchase Order. The start shall be determined by the kickoff meeting, in the understanding that the physical execution of the works will depend on the dimensions and characteristics of the Project.

AUDI GROUP. Group of subsidiaries and/or affiliates of AUDI AG worldwide.

MATERIALS: The raw materials and manufactured products that will be used in the Projects, which must comply with the quality standards required and authorized by AUDI and the applicable legislation.

SAMPLES: All those elements considered as an example or model of the goods and/or services requested to Contractor through the Purchase Order.

GENERATING NUMBERS: The graphic and accounting representations that indicate the quantities of Materials, Construction Equipment that were used in the Project and that Contractor intends to prove for the collection of the progress of the Project.

PROJECT(S): All work and design (if any) to be performed by Contractor under the Purchase Order and any VARIATION thereof, if any.

PURCHASE ORDER: The document entered into electronically (or through the systems and/or means indicated by AUDI at any time) or in writing, which records the negotiation or order for goods and/or services (with or without cost) agreed with Contractor, under the terms and conditions contained in



such document and with the specifications and/or modifications contained in the related Documentation.

PARTIES: AUDI and Contractor jointly.

PLANS: The drawings prepared by Contractor for the Projects, as well as any VARIATIONS thereof, if any.

PLANS AS BUILT: Means the drawings prepared by Contractor upon completion of the Project, including all changes authorized by AUDI.

QUALITY WARRANTY PERIOD: The period granted by Contractor, as established in the Purchase Order, beginning on the Delivery Acceptance based on the Project Delivery Protocol.

PRICE OF THE PROJECT: The agreed amount specified in the Purchase Order for the execution of the Project, including the repair of any defects, as well as adjustments, if any, in accordance with these Terms and Conditions.

PROJECT SCHEDULE: The program scheduled by the Parties to which Contractor must adhere for the completion of the Project.

TECHNICAL PROPOSAL: The technical document prepared by Contractor, in accordance with AUDI's requirements and Specifications (Lastenheft).

PROJECT DELIVERY PROTOCOL: Document that endorses the completion and delivery of the Project to the client and areas involved, with the corresponding signatures.

SITE: The place indicated by AUDI in which the Projects are to be carried out or any other place specified in the Purchase Order.

SUPERVISOR: The individual or legal entity appointed by AUDI to supervise the Project as provided in the Terms and Conditions.

COMPLETION DATE: The term by which Contractor must have completed the Project to AUDI's satisfaction, and which will be established in the Purchase Order, beginning on the Start Date.

TERMS AND CONDITIONS: These rules of a general nature, and binding between the parties which are an integral part of the Purchase Order.

VARIATION(S): Means a change to the Specifications and/or Drawings and/or Documents of the Project requested in writing by AUDI or upon proposal, if any, by Contractor.

2. CONTRACTOR'S STATEMENTS REGARDING AN INVITATION TO TENDER

By submitting an offer, Contractor represents and agrees that:

- i. Contractor is familiarized with these Terms and Conditions, as well as with the tender services chart of the Additional Technical Conditions of Contract, including all its exhibits, agreeing therewith and being bound to comply with them for the provision of the services.
- ii. Contractor can timely perform all services, and all services are included in the tender documents completely and unambiguously for the submission of an error-free offer without the need to inform AUDI of any ambiguities and/or inaccuracies that may arise.
- iii. Contractor has verified the completeness of the invitation to tender, fully aware that it is neither incomplete nor ambiguous; Contractor has read the invitation to tender completely and knows that all questions can be clarified with the author thereof; Contractor accepts that the offer is legally binding, submitting it as the basis for the Purchase Order. Therefore, Contractor may not claim ambiguities regarding the tender documents after submitting the offer.
- iv. Contractor duly complies with the respective legal and fiscal obligations such as payment of taxes and social security contributions, as well as those of the National Fund for Workers' Housing (INFONAVIT) and maintains the appropriate certificates to demonstrate due compliance thereof.
- v. Contractor is familiarized with local conditions and has visited the Site and, in particular, has determined a location for public waste disposal and supply lines, among others.
- vi. Contractor must contractually ensure in an appropriate manner that subcontractors commissioned by Contractor also accept the above obligations as binding.



- vii. Regarding a consortium of contractors, an authorized representative will be appointed, who shall have the authority to receive payments on behalf of the consortium of contractors; the members of the consortium of contractors shall be jointly and severally liable for the compliance with the Purchase Order and shall be directly obligated to perform the contractual services.
- viii. No price agreements have been entered into to date.
 - 2.1** If Contractor is guilty of misrepresentation or non-compliance with the statements described above, Contractor shall indemnify AUDI for all claims and for all damages resulting therefrom.

In the event of non-compliance by Contractor or subcontractors with the aforementioned obligations, Contractor undertakes to take measures in coordination with AUDI to mitigate the effects of said non-compliance. Furthermore, AUDI shall be entitled to terminate the Purchase Order.

3. TENDER PROCESS

The tender process is carried out by the purchasing area of Volkswagen de México, S.A. de C.V., either on its behalf, or on behalf of AUDI, specifying that Contractor's offer shall apply exclusively to AUDI.

3.1. Contractor shall comply with the following when preparing the offer:

- i. The offer must be made based on the Federal Civil Code and other applicable documents.
- ii. By submitting the offer, Contractor acknowledges and accepts these Terms and Conditions and AUDI's General Conditions of Purchase, including amendments thereof. This shall also apply to possible supplementary or additional offers and modifications to orders.
- iii. All documents and copies related to the offer may not be passed on to third parties or published without the prior written consent of AUDI. The same applies to information of Contractor, subcontractors and suppliers, such as specifications, plans, photos, drawings, among others.
- iv. The offer shall be binding, however, that requested in the invitation to tender shall always prevail over what is offered by Contractor.
- v. The offer shall be submitted through the following means:
 - o Regarding offers: through the commercial platform www.vwgroupsupply.com where it must be entered on the platform no later than the deadline established for each tender.
 - o Regarding offers by e-mail: the offer must be signed and sent to the address indicated for the person requesting the offer.
- vi. The offer documents must be processed in the format in which they were delivered by AUDI (XLS, DOC, XML and PDF according to the type of document to be processed), otherwise it will be qualified as technically not approved and the offer will be automatically discarded without any responsibility for AUDI.
- vii. The offer must indicate the name of the company, the registered office and conventional address, the authorized contact person, the RFC cover page (tax identification number), the registration number and bank account number, as well as the articles of incorporation and amendments to bylaws and notarial deeds showing the powers of the legal representatives.
- viii. AUDI reserves the right to award partial services.
- ix. By submitting the offer and if Contractor is awarded the Purchase Order, Contractor undertakes to:
 - o Perform the Project on the terms and conditions established in the Lastenheft and those contained in the offer in each case.
 - o Designate a Construction Manager Responsible for the Project, in accordance with the respective construction regulations. Contractor is obliged to provide a Spanish-speaking Site Manager who also understands English and/or German, who must always be available to AUDI.



Specifically for AUDI, Contractor shall communicate relevant project information to all parties involved through the software: think project! (internal VOR).

*If Contractor has any questions about the **VOR System (not general questions about the project)** Contractor should contact the responsible planner at the following address: vor-support@audi.mx. Regarding the registration in the system, Contractor undertakes to contact **think project! GmbH** immediately after the award of the Purchase Order at the following link: <http://www.thinkproject.com/de/>

4. THE OFFER

4.1. General Information:

Projects shall be carried out by a Contractor or a consortium of contractors, with all the legal requirements to enter into contracts and the capacity to perform construction works on a fixed date and subject to the present conditions and documents; regarding the tender, the following shall be observed:

- The offer is free of charge and non-binding for AUDI.
- Contractor is familiarized with all documents included and/or referred to in the Lastenheft; those to be delivered subsequently are intended to provide additional explanations to the originally delivered descriptions and shall be considered as supplements to ensure the necessary functional aspects of construction.
- By submitting the offer, Contractor shall be bound for 3 (three) months from the submission of the Lastenheft and the offer on the platform or from the reception of the offer by AUDI.
- Contractor is obligated to comply with all Mexican regulations, as well as those indicated in the Lastenheft, with the Lastenheft taking precedence.
- The offer shall be made exclusively based on AUDI's tender and the corresponding Lastenheft. Contractor must adhere to the description of the Project and the wording of the invitation to tender. In the event of variations, Contractor must submit a clarification letter in addition to the offer expressly specifying such variations and they must be clarified at the latest during the technical approval.
- If Contractor, during the preparation of the offer, finds that the scope of the offer cannot be complied with, Contractor must clearly indicate this. Doubts must be clarified with AUDI's technical area before submitting the offer and no notes or exclusions indicated by Contractor in the offer will be applicable; for this purpose, a project clarification meeting must be held, in addition to a field visit with the companies participating in the tender before submitting any offer.
- When submitting the offer, Contractor shall declare whether, based on the tender documents provided by AUDI, it was possible to determine the prices without any doubt and whether Contractor was informed of the local conditions and feasibility of the services, in particular regarding technical, programming, logistical, operational, industrial safety and legal aspects of the construction of the Projects. The preparation and follow-up of the offer must be based on the Lastenheft, all drawings, other documents and instructions made available to Contractor.
- Offers based on or contain information other than that contained in the invitation to tender will not be acknowledged.
- If the offer is submitted by a consortium of contractors, the name of the principal Contractor and the names of all participants must be indicated in the offer. The offer shall be signed by all members of the consortium of contractors, and all shall be jointly and severally responsible for the proper and complete execution of the corresponding Purchase Order. The Responsible Contractor shall be deemed to be authorized by AUDI to represent the consortium and each of its members.
- The formation of a consortium after submission of the offer shall only be permitted with AUDI's prior written consent. This does not constitute a justifiable reason for delaying the



work and delivery of the Projects beyond the Completion Date indicated in the Purchase Order.

- The services offered shall be on a fixed unit price basis.
- The final net amount shall include the final gross amount and Value Added Tax, if applicable, or any other applicable tax, identifying each of these separately.
- AUDI reserves the right to designate in writing the suppliers for the supply of the Materials; only in this case shall AUDI be responsible for the suitability of said suppliers.
- The Materials used must be of the brands authorized by AUDI and must comply with the quality standards issued by the Mexican authorities, contemplated in applicable official standards and/or endorsed or approved by industrial associations. Likewise, Contractor shall be responsible for the volumes and/or quantity of the Materials necessary for the execution of the Project, guaranteeing that their quality is adequate. If the Materials do not comply with the foregoing, Contractor shall, at Contractor's own risk and expense, remedy the noncompliance and ensure that the Materials are replaced and adhere to the terms and conditions established. The foregoing shall in no event be construed as an extension of the Completion Date established between the parties.
- Prices shall include all costs and expenses related to the construction of the Projects, including obtaining all necessary permits related thereto.
- The unit prices are fixed prices during the Completion Date until full acceptance of the Projects.

4.2 Optional Conditions:

If different terms are agreed upon during negotiations, either i) extension to the Start Date or ii) an option to update the Price of the Project, the following provisions shall be set forth in the corresponding Purchase Order:

- i. Extension to the Start Date: If Contractor requests in writing to AUDI, an extension to the Start Date, AUDI reserves the right to extend said term, at AUDI's discretion, subject to the same terms and pricing as that stated in the Purchase Order, with the understanding that the term AUDI grants to Contractor in writing shall be deemed the Start Date.
- ii. Update of the Price of the Project: AUDI reserves the right to negotiate the Price of the Project offered by Contractor to choose a target price or request a percentage discount, establishing a date and time limit for the submission of the new Price.

The established Price of the Project shall be agreed upon prior to the aforementioned date. To exercise such right, only a written statement from AUDI to Contractor shall be required, explaining that AUDI thereby makes use of its price update right; however, AUDI is not obliged to exercise any price update right.

4.3 Alternative offers:

- Alternate and subsidiary offers, as well as special offers, may be submitted in connection with the main tender, which must be accompanied by a written statement of explanation.
- If Contractor considers it appropriate, Contractor may propose variations to the design, equipment, accessories, calculation or other details of the Project as appropriate, regarding the tender documents or project planning, always in compliance with AUDI's authorized markings and all applicable standards. Proposed variations must always observe AUDI's purpose, the individual functionality of the modified part of the project, equipment or installation, as well as the architectural effect, as applicable. All proposed variations to the Projects must be described in detail and in full.
- Contractor, before making the technical approvals, must document, justify and present the proposed variations to the planner responsible for the project of the corresponding technical area of AUDI, in addition to the CMR in civil and/or structural projects or as applicable, in order for them to be reviewed and technically validated, without this meaning, in principle, a tacit approval to be considered in the project, therefore these proposals will not be shared to the other contractors participating in the tender, until they are approved.



- If Contractor's proposals are validated by AUDI's technical area, in order to be considered as accepted, they must have the approval of the Manager of the corresponding technical area. In this case, it will be considered as a change to the scope of the Lastenheft and the tender process must be restarted, making the new Lastenheft known to Contractors participating in the tender, taking into account the time to submit their offers and the deadline for the execution of the project.

5. ACCEPTANCE OF OFFER AND PURCHASE ORDER

If AUDI accepts the offer, Contractor shall confirm said offer through the electronic systems designated by AUDI or by signing the Purchase Order once it is sent by AUDI, or otherwise, it shall be deemed to be confirmed by Contractor in the following cases:

5.1 If Contractor does not notify a disagreement in writing within 3 (three) working days after receiving the Purchase Order, it shall be understood that Contractor has accepted all the conditions stipulated both in the Purchase Order and in these Terms and Conditions.

5.2 If Contractor does not return AUDI's advance payment within 72 (seventy-two) hours after delivery, the Purchase Order and these Terms and Conditions shall be deemed to have been tacitly accepted.

5.3 If Contractor starts construction of the Project, both the Purchase Order and these Terms and Conditions shall be deemed to be tacitly accepted.

5.4 Once the offer has been accepted, AUDI shall issue the corresponding Purchase Order, which shall be legally binding for both Parties upon confirmation by Contractor.

5.5 During the development of the Projects, Contractor undertakes to adhere to the most current state of science and technology, bases of profitability, savings and functionality, being responsible for the application of all the rules and regulations in force, including without limitation, the Mexican Official Standards (NOM), Construction Regulations for the Federal District and Complementary Technical Standards, the N. F.P.A. for fire protection, NEC for electrical installations, accident prevention manuals, IMC, IPC, ASME, ASHRAE, and for the execution of work and assembly, if applicable, with the understanding that those indicated in the Lastenheft shall always prevail.

5.6 Contractor accepts to be bound by these Terms and Conditions, acknowledging to had prior knowledge thereof, as well as of the Project Documents and Documentation, accepting that the provisions contained therein shall form part of the Purchase Order; and that in case of different provisions between the Purchase Order and the Terms and Conditions, those set forth in the Terms and Conditions shall prevail.

5.7 The Purchase Order only creates obligations and rights between the Parties, therefore, if Contractor does not have prior written authorization from AUDI, Contractor may not assign all or part of the obligations and/or rights acquired from the Purchase Order, nor rights or obligations acquired with third parties, originated therefrom, nor to subcontract with third parties.

5.8 Likewise, Contractor states that Contractor's conditions of sale or supply or any other conditions are not applicable, except for agreements executed in writing between the parties, either through AUDI's Purchasing area and/or other documents executed by the legally authorized representatives of the parties.

6. TECHNICAL DOCUMENTS RELATED TO THE PURCHASE ORDER

6.1 The official language of the Purchase Order shall be Spanish, followed by English as an alternative.

6.2 The chronological technical bases and orders for the offer and subsequently of the Purchase Order will be considered binding, which are mentioned herein without limitation, depending on the specialty and which will be delivered or stated by the technical areas at the beginning of the Tender and/or at the latest in the technical approval:

- i. Lastenheft and its corresponding exhibits or AUDI Tender.



- ii. Any other correspondence prior to the Purchase Order, provided AUDI has expressly consented in writing to the content thereof.
- iii. The schedule of services or catalog for tenders with additional technical conditions, including all attachments.
- iv. All applicable International Technical Specifications (ISO) and Mexican Official Standards (NOMs).
 - v. AUDI's General Terms and Conditions of Purchase, in the currently valid version.
 - vi. Safety requirements for AUDI's external companies in the currently valid version.
 - vii. Applicable environmental regulations.
- viii. Attendance lists regarding rounds requested in the Lastenheft.
 - ix. Technical approval protocol.
 - x. Technical clarification bulletins and/or minutes of clarifications.
 - xi. Contractor's offer.
 - xii. Minutes of negotiations.

6.3. In the event of contradictions between the Purchase Order and the documents indicated, the above sequence shall apply, unless by legal provision one must prevail over the other. If any of the above implies different degrees of compliance, the one that implies a higher degree of compliance by Contractor shall be applicable.

6.4. The Purchase Order and any addition or modification must be in writing and must expressly state the consent of the parties involved.

7. DOCUMENTS

The Purchase Order and the Project Documentation contain the totality of the agreements reached by the Parties with the technical approval notes, leaving without effect and cancelling all previous agreements, reports, negotiations, correspondence, commitments and communications, whether oral or written, with the referred technical documentation prevailing.

7.1. Contractor, by accepting the Purchase Order, accepts and validates the Specifications, the Plans and the Documents of the Project, hereby acknowledges that AUDI shall not be liable for any error, inaccuracy or omission in that regard.

7.2. Contractor hereby states that all the Plans, Specifications and Project Documents have been reviewed, and therefore any errors, omissions, ambiguities, inconsistencies, inadequacies or other defects shall be corrected at Contractor's expense, and, in any case, AUDI shall not be liable for any errors, inaccuracies or omissions of any kind in the Plans and Specifications. Any data or information received by Contractor from AUDI, or from the Supervisor or a third party, shall not dispense Contractor from responsibility for the execution and performance of the Project.

7.3. Contractor agrees that the necessary plans and drawings for the development of the Project will be made, and Contractor shall submit to those in charge of supervision, copies of said plans or drawings for review and approval. Said plans shall also become part of the Documents of the Project and shall be delivered updated during the Delivery Acceptance process.

7.4 AUDI and the Supervisor will have the right to review the Project Documents, without this implying any type of liability. AUDI may notify Contractor in writing if any of the Project Documents do not comply with the Purchase Order. In this case Contractor shall rectify and resubmit the Project Documents.

7.5. Any such approval or consent, or any revision under this section or otherwise, shall not relieve Contractor of any obligation or liability in respect of the Project.

8. PERMITS AND LICENSES

Contractor, as a professional in the field, knows and undertakes to obtain all permits, licenses and authorizations issued by the competent Federal, State and Municipal authorities required for the provision of services and/or execution of the Project in full compliance with the Laws, Regulations and Mexican Official Standards in force and applicable, the Social Security Law, (SATIC) or (SIROC).



Contractor hereby states that the permits, licenses and authorizations referred to above are accurate, complete and necessary to execute the Projects, releasing AUDI from liability for any error, inaccuracy or omission in that regard. It shall be Contractor's obligation to adhere to the provisions of the permits, licenses and authorizations granted by the corresponding authorities for the proper execution of the Project, releasing AUDI from any liability, whether civil, labor, criminal or any other, either for the omission or breach thereof, as well as for the imposition of any fine or penalty related to such permits or licenses.

Contractor undertakes to deliver all the necessary documents and information in order to process the necessary documents required in connection with the completion of the Projects.

9. MATERIALS

Contractor is solely responsible for supplying the Materials for the due development of the Projects, in accordance with the Purchase Order and these Terms and Conditions. In no case may Contractor request a higher cost in the Price of the Project under the argument of an increase in the cost of the Materials, since Contractor acknowledges that the referred price includes the total of the Materials necessary for the development of the Projects.

9.1 All Materials shall comply with the Specifications and the Technical Proposal, meeting the quality standards and those issued by the Mexican authorities, applicable official standards and/or industry associations. Likewise, Contractor shall be responsible for the quantity of the Materials, ensuring that their quality is adequate for the development of the Projects. If the Materials do not comply with the foregoing, Contractor shall, at Contractor's own risk and cost, remedy said non-compliance and ensure that the Materials are replaced to comply with these Terms and Conditions. The foregoing shall in no event be construed as an extension of the Completion Date.

9.2 Contractor shall require prior written authorization from AUDI for the replacement of the Materials, and the Parties shall adjust the Price of the Project in writing.

9.3 The Parties agree that all taxes regarding the Materials are included in the Price of the Project.

9.4 Contractor undertakes that the delivery and supply times of the Materials shall not affect the Completion Date of the Project.

9.5 AUDI reserves the right to designate in writing the supplier for the supply of the Materials; only in this case shall AUDI be responsible for their quality and suitability.

10. SUPPLEMENTS AND VOLUME INCREASES

10.1. All discounts agreed upon in the main offer, including volume discounts, shall also apply to all volume increases, accessory work and hourly work.

10.2. All discounts agreed to in the main offer do not alter the quantities, qualities and specifications required in the Lastenheft.

10.3. Supplementary offers shall be calculated in accordance with the terms of the main offer and shall be broken down in detail in the production costs (in particular by hours, Materials, equipment, subcontractors, surcharges, utilities and overheads etc.); in accordance with a Unit price chart, to be reviewed and to be authorized as volumetric and yields by AUDI's technical area, and subsequently to be approved economically by the purchasing department.

10.4. AUDI and Contractor agree that in case of increases or reductions not exceeding 20% (twenty percent) to the original purchase volume, the parties will not make any claim or revision of the contracted unit prices or the final agreed price, in case the reduction is between 21% and 50%, Contractor will be credited 5% of the total amount not executed.

10.5. If AUDI requires Additional Project Items, Contractor must respect the prices already negotiated in the Purchase Order, with the understanding that these concepts have already been negotiated, are part of the original catalog and are only modifications to the contracted volume. Before using Additional Project Items, Contractor must be expressly authorized in writing by AUDI. In no case shall payments be made for Additional Project Items not authorized by AUDI.



10.6. If Extraordinary Project Items (items NOT considered or negotiated in the original Purchase Order) are required by AUDI, Contractor undertakes NOT to use any of these Extraordinary Project Items, until there is a negotiation in regard to volume and price, in which the Purchasing area shall grant express authorization for their use, by means of a Unit price chart, prior release of Contractor and AUDI's technical area, on the yields and volumes thereof. The Unit price chart shall contain: proof of the direct cost of the Materials plus their indirect costs and utilities. Offers for these Extraordinary Project Items shall be subdivided into partial services of manufacturing costs and shall be submitted using the calculation rates/surcharges based on the original Purchase Order negotiation protocol. No payments will be made for Extraordinary Project Items not authorized by AUDI.

11. PRICE OF THE PROJECT

The Price for the Project is the one indicated in the Purchase Order, which both Parties accept as fair and correct for all legal purposes, and neither Party shall have the right to change the Price for the Project, unless so agreed in writing. Contractor acknowledges that all risks within the scope of the development of the Project have been taken into consideration.

11.1 The Price for the Project includes all those items provided for in the Project Documents, as well as all those costs not specifically mentioned in the Purchase Order but deemed necessary for the construction of the Project. Prices shall be expressed in net values (excluding VAT and any other applicable taxes) in Mexican pesos, U.S. dollars and/or Euros.

11.2 The Price of the Project shall in no event be adjusted for unforeseeable difficulties or costs arising from the conditions of the Plans, Specifications, Project Documents and/or the necessary documentation provided by AUDI to Contractor for the performance of the Projects subject of the Purchase Order.

11.3 Contractor shall bear all costs and charges regarding special and/or temporary easement rights that may be required, including, if applicable, those for access and stay on the Site, undertaking to restore the conditions in which Contractor found the areas and easements, at no cost to AUDI.

11.4 Contractor shall carry out at Contractor's own expense and cost the connections to the water supply, electric cables, telecommunication lines and other internal and/or public facilities necessary for the execution and correct operation of the Projects from the Site. If the consumption of utilities used by Contractor is charged by the authorities to AUDI, said costs shall be deducted from the Price of the Project. Likewise, Contractor undertakes to settle the costs of such services and, if applicable, to pay them upon completion of the Project.

11.5 The Parties agree that under no circumstances shall additional or secondary costs or modifications to the Price of the Project be accepted unless previously agreed in writing by the Parties. Regarding unit prices, the applicable procedure shall be the presentation of a Unit price chart, supported by the invoices of the materials to be considered as additional.

11.6 The Price for the Project includes Materials, Construction Equipment, as well as any ancillary and necessary expenses for the performance, achievement and installation of the Project in accordance with the Purchase Order, including without limitation, labor, topographical surveys, consumption and supply of electric power (when AUDI does not have a nearby source available), telecommunications, water, water discharges, as well as all direct and indirect expenses and the corresponding profits and taxes, particularly those indicated below, unless otherwise specified in the Purchase Order:

- i. **Transportation Costs:** Regarding delivery and removal of materials and tools at the Site. Deliveries of Materials shall be made in accordance with the progress of the project.
- ii. **Storage costs:** Regarding the unloading, storage, preservation and guarding of Materials, Construction Equipment and components supplied by Contractor, including any necessary temporary storage, among others. AUDI, depending on the magnitude of the project, may assign to Contractor a temporary area at the Site with space to store the minimum necessary materials, tools, equipment, machinery, etc. Contractor shall be responsible for the expenses generated in that regard and regarding protection (mesh fencing, booths, etc.), in addition to properly safeguarding what is stored there, ensuring compliance with the Health and



- Safety and DOL (Discipline, Order and Cleanliness) conditions required by AUDI. Contractor undertakes to leave the assigned area clean and sanitized at the end of the Project.
- iii. **Travel Expenses:** Regarding general expenses such as per diem (transportation, lodging and meals) and other salary compensation, always subject to AUDI's travel expense policies.
 - iv. **Preparation/supply of drawings and documents:** Regarding drawings, shop drawings, assembly documents for execution of services, inventory and review documents, application documents and additional approval documents, Site documentation and certificates of conformity.
 - v. **Site Facilities:** The electricity and water connection points, as well as wastewater sanitation and common areas, dressing rooms, sanitary facilities, storage rooms, etc.
 - vi. **Construction Equipment and Materials:** Construction Equipment and Materials as specified in the Purchase Order or such other document as AUDI may designate.
 - vii. **Supply of Construction Equipment and Materials:** The delivery and supply of Construction Equipment such as ramps, fixed and mobile scaffolding and the like for the required construction and assembly. Relocation, dismantling and rebuilding of fixed scaffolding and mobile scaffolding shall be as instructed by AUDI site management and shall not be paid for separately.
 - viii. **Site Management:** supervision of work, acceptance, testing and others.
 - ix. **Tests:** Commissioning, operation and supervision of the installations during testing, instruction of operating personnel and rectification of defects, if any.
 - x. **Cleaning and waste disposal:** AUDI shall be entitled at any time to require Contractor to prepare and deliver any reports and documentation evidencing any of the items listed above.

12. SITE FOR THE PROJECT

12.1 AUDI shall allow Contractor, Contractor's personnel and construction equipment access to the Site in accordance with the following schedule:

- Monday to Friday: from 7:00 am to 6:00 pm.
- Saturdays: from 7:00 am to 2:00 pm.

Contractor may only have access to the Site outside these hours with prior written authorization from AUDI, without the foregoing constituting an additional cost, as Contractor shall do so in compliance with the obligation to complete and maintain the Project in accordance with the Lastenheft, the schedule and as required by the nature of the Project. Contractor undertakes to comply in a timely manner with all internal processes required by AUDI for access of personnel to the Facilities.

12.2. Contractor accepts and acknowledges that the Plans, Specifications, Project Documents, as well as all documentation provided by AUDI are adequate, complete and sufficient for the performance of the Project.

Unless expressly stated otherwise in the Purchase Order, the following shall be deemed to be true:

- a. Contractor has obtained and examined all information relating to risks, contingencies and other circumstances that may influence or affect the execution and performance of the Projects.
- b. Contractor accepts full responsibility in respect of difficulties and costs due to unforeseeable and avoidable events for the successful completion of the Projects.
- c. If necessary, Contractor shall establish appropriate offices at the Site to be used by AUDI's personnel. In addition, Contractor shall cooperate with the Supervisor, as well as with any third party related to the Project.

12.4. During the performance of the Projects, Contractor shall clean, segregate, and remove from the Site any debris, scrap or temporary works that are no longer required, undertaking to do so continuously and with the necessary frequency in order to guarantee the conditions of Safety, Hygiene and DOL (Discipline, Order and Cleanliness), which allow the execution of the Project. In case of failure to comply with the above, AUDI shall be entitled to withhold any payment to Contractor. Contractor shall process and maintain in force the permits required for such purpose.



12.5. Prior to the Delivery Acceptance, Contractor shall clean and remove from the Site all Construction Equipment, surplus materials, debris, rubble, tools, scaffolding, scrap metal, temporary works and other implements used during the development of the Project. If Contractor fails to comply with this obligation, Contractor shall pay AUDI the cost of the removal and cleaning work contracted with a different person, and AUDI may retain the amount of the costs generated by the aforementioned work.

12.6. It shall be Contractor's obligation to leave the Site and the Project in a clean and safe condition.

12.7. All Materials found on the Site shall be considered property of AUDI, as the case may be, and Contractor shall supply in quality and quantities as close as possible to those to be used in the Projects. The corresponding surplus, waste and surplus shall remain the property of AUDI and, if applicable, shall indicate to Contractor where they should be delivered within AUDI's facilities for their disposal.

12.8. Contractor is responsible for the security required to:

- a. Comply with all applicable safety regulations.
- b. Make provisions for the safety of all persons who may be on the Site, especially AUDI personnel, agents and customers.
- c. Implement security measures to prevent unauthorized access to the Site and the Project, in order to prevent theft, vandalism or destruction of the Project and Materials.
- d. Keep the Site and the Project free of unnecessary obstructions in order to prevent damage to third parties.
- e. Provide, as the case may be, fencing, lighting, guarding and custody of the Project until their completion and Delivery Acceptance.
- f. Provide at Contractor's own expense any temporary works (including roads, paths, walkways, guards and fences) that may be necessary for the development of the Projects, for the use and protection of third parties, as well as the owners and occupants of adjacent land.
- g. Comply with the laws and regulations of Mexico relating to transportation, noise prevention, environmental protection of the Site and comply with the required formalities.

13. PAYMENT TERMS AND BILLING

The Parties agree that AUDI may pay Contractor a percentage of the total amount of the Project as an advance payment, which shall be established in the Purchase Order derived from the corresponding negotiation with the Purchasing Department, which shall be invoiced once Contractor delivers to AUDI a Surety Bond Policy to guarantee the performance of the Project and the correct use of the advance payment, or otherwise, to reimburse the advance payment. Contractor undertakes to keep the aforementioned Surety Bond in force until the day on which the repayment of the advance payment is proven and the performance bond remains in force, in accordance with this section of the Terms and Conditions.

13.1 The Parties agree that, for the cancellation of the aforementioned bond, AUDI shall issue a written authorization addressed to the Surety Institution.

13.2 AUDI shall pay the advance payment upon presentation and authorization of the Surety Bond Policy and the invoice shall comply with all fiscal requirements that allow its deductibility in accordance with the dates, procedures and payment schedules that AUDI's Finance areas have for such purpose. The foregoing in no way limits or modifies the Start Date of the Project.

13.3 Regarding any advance payment, AUDI shall make partial payments to Contractor, which may be 60% (sixty percent) and no more than 90% (ninety percent) of the total amount of the consideration, for the progress recorded in accordance with the Project Schedule. If there is NO advance payment, payments of up to 90% (ninety percent) may be made partially to Contractor for the progress recorded in accordance with the Project Schedule. Said progress shall be recorded in the Project Logs and the generator numbers. Contractor shall send AUDI the corresponding invoice with the breakdown of the payment for the progress made. Contractor accepts that any payment made by AUDI shall not be construed as total or partial acceptance of the Project.

13.4 Contractor agrees to not prepare or send the invoice until AUDI provides written authorization. Once the invoice has been received, AUDI shall corroborate that the Project Logs and the generator



numbers are in accordance with the Project Schedule in order to authorize the corresponding payment.

13.5 The Parties agree that partial payments shall be amortized with the advance payment in the same proportion in which 30% (thirty percent) of the amount revised and authorized as advance payment of the Project was registered. Amortizations shall be indicated and itemized on the invoice. Contractor shall ensure that at a maximum of 80% (eighty percent) of the progress in the development of the Project, the advance payment shall be 100% (one hundred percent) amortized.

13.6 The Parties agree that in order to guarantee compliance with the Project, Contractor authorizes AUDI to withhold 10% (ten percent) of the amount reviewed and authorized as progress of the Project; this amount will be invoiced, and after the Delivery Acceptance will be released in accordance with the payment conditions and against the signature of the Project Delivery Protocol.

13.7 AUDI will pay the corresponding partial amounts by bank transfer to the bank account designated for such purpose by Contractor and in accordance with the schedules and procedures established by AUDI for making payments, but in all cases at least 30 (thirty) days prior to the due date. Contractor is obliged to issue invoices containing all fiscal requirements in accordance with applicable and current laws, otherwise AUDI shall have the right to withhold payment, and must return the invoice and request a new one, in which case the payment date shall be modified in accordance with AUDI's policies.

13.8 The equivalent value of the invoice shall be deemed paid if transferred to Contractor's bank account. Contractor guarantees the accuracy of the bank account, it being understood that the consequences of an erroneous transfer due to the indication of an incorrect account number shall be borne by Contractor.

13.9 Contractor's invoices and/or other documentation required for payment must be submitted physically and/or electronically in accordance with the tax legislation in force in Mexico, at AUDI's domicile, to the department indicated by Contractor, unless AUDI indicates another form of submission. If Parties so agree, AUDI shall incorporate Contractor into the secure invoicing system (only applicable to Contractors whose fiscal domicile is in Mexico), which may invoice the goods and/or services received by Contractor. It is understood that AUDI is not obligated to receive goods, services or invoices that are not covered by the Purchase Order and/or respective agreement.

13.10 The Parties agree that once 80% (eighty percent) of the Project have been developed, Contractor is obliged to submit the As Built Documents in order to continue with the estimating process.

13.11 No payment made by AUDI shall be deemed to be acceptance by AUDI of the Project.

13.12 The total or partial Project carried out at the Site shall be the property of AUDI.

13.13 Contractor agrees that AUDI shall have the right to withhold any payment for default by Contractor as provided in this section of these Terms and Conditions.

13.14 Upon Delivery Acceptance, Contractor shall provide AUDI with all the technical and legal documentation required to enable AUDI to ensure the completion of the Project. The 10% final payment shall be subject to acceptance and conformity by AUDI and the receiving departments (applicant, production and maintenance) of all documents. A copy of the acceptance by AUDI shall be attached to the final invoice as confirmation of Delivery Acceptance.

13.15 Contractor shall pay taxes and Social Security contributions in accordance with Mexican law. AUDI shall not be liable for any taxes or social security contributions and/or fines or surcharges imposed on Contractor arising therefrom. Contractor undertakes to submit, within a period not exceeding 72 (seventy-two) hours, the documentation payment compliance of the aforementioned items when AUDI so requests, and Contractor undertakes to deliver said documentation at the Delivery Acceptance.

13.16 AUDI shall have the right to withhold up to 5% (five percent) of the Price of the Project in order to ensure that Contractor has paid contributions in a timely and correct manner to the Mexican Social Security Institute and the Labor Union. If not, the Parties agree that this amount may be used to make good such payments, or otherwise will be returned to Contractor. The amount withheld shall only be returned to Contractor once Contractor proves payment thereof and that is up to date with the



contributions referred to in this paragraph. Likewise, AUDI's receipt of the Projects or Services with defects and/or deviations shall be considered just cause for withholding such amount.

13.17 AUDI shall notify Contractor of the amount of the damage and the need for compensation. Once the amount has been agreed with Contractor, AUDI may apply it against any outstanding debt in favor of Contractor and payable by AUDI, in accordance with the provisions of Article 2185 of the Federal Civil Code and other related provisions. In addition to damages, Contractor shall agree with AUDI any other mechanism to reimburse AUDI for all expenses incurred by AUDI, until full payment of all claims.

13.18 Contractor's claims and/or rights that may result from the Purchase Order against AUDI may not be assigned to third parties without the prior written consent of AUDI.

13.19 It is hereby agreed that AUDI shall be legitimately entitled to refrain from making any payments that may correspond to Contractor if AUDI is required by order of an administrative and/or judicial authority or provision of law to withhold such payments and/or make them available to the corresponding authority.

13.20 Contractor understands and accepts from now on, that AUDI may request third party financing schemes to obtain funding for the development of projects, of which the deliverables of this Purchase Order may be part. For such purpose AUDI may be required to provide both AUDI's own information and that of Contractors participating in the project, for which Contractor accepts that AUDI may provide the required information.

13.21 In accordance with the foregoing, Contractor undertakes to provide AUDI and/or the entity designated with all information and documentation requested by AUDI and/or the entity designated in order to comply with the requirements both to manage the granting of the financing and to be able to exercise the provisions thereof. The information/documentation to be required includes, without limitation: commercial invoices, shipping documents, certificates of origin, letter of confirmation from Contractor regarding payments made by AUDI, as well as confirmation of the validity of the Purchase Order; letter of commitment to reimburse in the event of breach of contract, declaration of anti-corruption practices, etc.; to the extent that the delivery of such documentation is one of the conditions for the granting of the financing and provisions thereof, Contractor acknowledges and accepts that the delivery of the information/documentation required may be a condition for payments contained in the Purchase Order to be made to Contractor.

13.22 Contractor shall provide AUDI with unrestricted access to records and documentation relating to cost and/or pricing structures.

14. SUBCONTRACTORS

Contractor may partially subcontract the execution of the Project with the prior written consent of AUDI. For this purpose, Contractor shall inform AUDI of the type of activity to subcontract, the full name of the subcontractor, tax domicile, RFC, information on experience in the field, number of workers, engineers, technicians, employer registration number before the Mexican Social Security Institute, as well as all documentation that proves that the subcontractor is up to date in the payment of the worker-employer dues and obligations.

14.1 AUDI reserves the right to reject any subcontractor, regardless of whether said subcontractor has been previously authorized, by notifying Contractor in writing.

14.2 Contractor shall guarantee and shall be jointly and severally liable to AUDI that the subcontracted individual or legal entity is obligated and complies with the specific requirements of the Purchase Order, including the eventual penalties for non-compliance therewith and the contracting of the following policies: i) General Liability Insurance with General Coverage, or its local equivalent (broad coverage: injuries and property damage), for an amount not less than the amount of \$2'000,000.00 USD (Two Million Dollars 00/100) per event. Coverage shall include Subcontractors Liability; and ii) any other policy that is necessary to insure persons, assets, machinery, furniture and equipment owned by AUDI located within the Site.

14.3 Contractor is obliged to sign with the company or the subcontracted individual for specialized services, the respective contract or purchase order, as the case may be, in which reference is made to



the obligations set forth in this section and the others established in the Terms and Conditions and the Purchase Order. Prior to signing any contract relating to the partial subcontracting of the Project, it shall be Contractor's obligation to submit it to AUDI for knowledge and review, and AUDI shall be entitled to make modifications to such contract, which Contractor undertakes to make and include in the document signed with the subcontractor.

14.4 Contractor represents and warrants that all subcontractors shall be fully qualified and eligible to complete and perform the Subcontract Project, including, without limitation, all applicable permits, licenses and approvals.

14.5 Contractor shall be liable for the acts or omissions of any subcontractors, their agents, employees and/or personnel, as if they were the acts or omissions of Contractor. Contractor shall be solely liable to AUDI in respect of any part of the Project. AUDI shall under no circumstance have any obligation to pay Contractor's subcontractors directly. It is expressly agreed that any subcontracting not approved in writing by AUDI shall be considered a breach of the Purchase Order and these Terms and Conditions, for which Contractor shall be liable to a penalty equal to 10% of the Price of the Project.

15. INSURANCES AND SURETY BONDS

AUDI shall have no obligation to take out any insurance in connection with the Project. Contractor shall, at Contractor's own cost and expense, take out and keep valid and fully effective the following insurance policies and bonds until the Completion Date and during Quality Warranty Period to AUDI and/or as long as Contractor has not delivered the Project to AUDI.

15.1 INSURANCES:

- i. General Liability Insurance with General Coverage, or the local equivalent (broad coverage: injuries and property damage), for an amount not less than \$2'000,000.00 USD (two million dollars 00/100) per event. Coverage shall include subcontractors' liability,
- ii. Any other policy that may be necessary to insure persons, assets, machinery, furniture and equipment owned by AUDI located within the Site.

15.2 SURETY BONDS:

Contractor undertakes, at Contractor's own cost and expense, to execute and maintain in force the following Bonds in favor of AUDI:

- a. Bond to guarantee the proper use of the advance payment, equivalent to the amount granted for advance payment in case it has been so negotiated.
- b. Performance Bond equivalent to 10% (ten percent) of the total Price of the Project, regardless of whether or not an advance payment is requested.
- c. Warranty and Defects Bond equivalent to 10% (ten percent) of the Price of the Project. It shall be contracted by Contractor once the Projects are completed to AUDI's satisfaction, in accordance with the final Delivery Acceptance and the Performance Bond is cancelled.

Once the Project has been completed, the cancellation of the bonds indicated in items a) and b) will be requested and the warranty and hidden defects bond will be requested in accordance with item c). The bonds foreseen in items a) and b) of the previous section must be delivered to AUDI within the following 5 (five) days following the date of issuance of the Purchase Order.

Contractor undertakes to keep the policy indicated in subsection a) in force until the day on which the repayment of the advance payment is evidenced. If the Projects are extended beyond the Completion Date for good cause and accepted by AUDI, Contractor shall renew or extend the term of the surety bond policy at no cost to AUDI.

The Parties agree that if during the Project Schedule, VARIATIONS are required and accepted, the Price of the Project shall be updated and it shall be on that amount that Contractor shall submit the Bond set forth in paragraph c) above. The bond for guarantee and hidden defects shall be delivered upon completion of the Projects.

15.3 Contractor shall provide AUDI with documents evidencing that any required policies are in force and duly paid, and shall send a copy of such policies to AUDI.



If Contractor fails to comply with this obligation, AUDI shall be entitled to retain, for the duration of Contractor's default, an amount equal to 10% (ten percent) of any and all payments to be made in favor of Contractor, which shall be used to guarantee compliance with the obligations under the Purchase Order and these Terms and Conditions.

15.4 If Contractor fails to obtain and/or maintain in full force and effect the aforementioned insurance policies and bonds, AUDI shall have the right, but not the obligation, to take out the corresponding policies and such expense shall be deducted from the Price of the Project.

15.5 AUDI reserves the right to suspend the Project while Contractor regularizes any of the insurance policies and bonds without this representing for the Parties a justified cause for delay in the Completion Date, for which reason the conventional penalties indicated in section 2.4 of the Terms and Conditions may be applied.

15.6 AUDI's Insurance and Surety Bonds department is empowered to request Contractor to submit sufficient documentation in order to verify the coverage, validity, amount and validity of policies.

15.7 Any of the aforementioned bonds may only be cancelled when AUDI authorizes their cancellation in writing.

15.8 The bonds arising from the Purchase Order may be claimed up to 180 (one hundred and eighty) calendar days after the end of the term of the Purchase Order and must contain at least the following statements:

- i. That AUDI be designated as the sole beneficiary.
- ii. That they are granted in compliance with all the stipulations contained in the Purchase Order.
- iii. That they may be adjusted to the changes that the Purchase Order may undergo.
- iv. That they will continue to be in force if the Purchase Order performance is delayed or extended (even if they have been authorized extemporaneously).
- v. They shall be cancelled when Contractor has complied with all the obligations guaranteed by such bonds.

15.9 Any insurance policy and/or bond that insures or guarantees the obligations of the Purchase Order must be issued by a surety institution authorized by the Secretariat of Finance and Public Credit, which institution must have a long-term international investment grade rating (issuer and/or debt category). All insurance (regardless of its nature) and/or advance payment and/or performance and/or good quality bonds must be issued with the wording indicated by AUDI's Insurance and Surety Bonds Management and through its authorized agent.

16. HIDDEN INSTALLATIONS

When any part of the Project must be covered or concealed, Contractor shall notify AUDI and the Supervisor in writing to participate in the inspection of the Project forty-eight (48) hours prior to its covering or concealment. The notice of inspection shall include the Materials, the contents to be covered or concealed and the time and place of the inspection.

16.1 The inspection shall be recorded in the Project Log and only after it has been signed by the Supervisor may Contractor proceed with the covering or concealment thereof. If AUDI and the Supervisor do not approve the inspection, Contractor shall rectify the Project within the term set by AUDI and submit to a new inspection.

16.2 Whenever AUDI and the Supervisor request a re-inspection regarding the Project already covered and concealed, Contractor shall uncover said work in accordance with the request and re-cover or repair that part after re-inspection. If the re-inspected Project is approved by AUDI and the Supervisor, AUDI shall pay any costs incurred and shall grant the appropriate extension of the Completion Date. If the re-inspected Project does not pass the re-inspection, Contractor shall bear all costs arising therefrom and no extension of the Completion Date shall be granted.

16.3 The Parties agree that the Quality Warranty Period shall be the period established in the Purchase Order, beginning on the Delivery Acceptance and which shall not be less than:

- i. 5 years, regarding structures and civil works.
- ii. 2 years, regarding machinery and equipment.
- iii. 1 year, regarding defects generated by workmanship and materials.



iv. Unless otherwise stated in the Lastenheft.

16.4 AUDI may request Contractor in writing to repair defects or hidden defects that appear during the Quality Warranty Period.

16.5 Contractor shall be obliged to repair any hidden defects that arise in the Project during the Quality Warranty Period, as from the Delivery Acceptance of the Project, upon signature of the Project Delivery Protocol.

16.6 Contractor shall start the repairs within a term not to exceed 24 (twenty-four) hours from receipt of the request by AUDI, which shall be completed within a term not to exceed 15 (fifteen) days, taking into consideration the nature and complexity of the repairs. If the repair period is longer due to the nature of the defect, this shall be agreed in writing between the Parties. If Contractor fails to commence repairs within the time period set forth herein, AUDI may engage a third party to repair the hidden defect, in which case the costs of such repair (which shall be reasonable and based on market value) shall be reimbursed by Contractor to AUDI within a period not exceeding 5 (five) days from the delivery of the invoices corresponding to the total cost of the repairs of the hidden defect.

16.7 If Contractor fails to comply with the foregoing, AUDI may enforce the hidden defects bond provided for in Section 15.2.

17. WARRANTY

All quality specifications and other conditions required by AUDI through the Purchase Order constitute the characteristics to be guaranteed by Contractor.

The Quality Warranty Period shall be counted as from the Delivery Acceptance, in accordance with the current and applicable legislation, unless a different period has been agreed in writing between the Parties. These conditions and terms are equally applicable to deliveries made by Contractor for replacement of goods and/or services due to elimination of defects, in which case the warranty period shall be deemed to commence upon receipt of the replacements. In the case of rework, the Quality Warranty Period shall be extended by the time elapsed between the removal of defects and completion of the rework.

17.1 Any financial consequences arising from the above-stated shall be agreed in advance between AUDI and Contractor. If AUDI claims against Contractor for goods and/or services with deviations, defects and/or flaws, the amounts demanded from Contractor shall include all costs regarding labor and Materials, packaging and transportation, etc., which were used to remedy said claim. Contractor may make such representations deemed appropriate only within 30 (thirty) days after receiving a notification thereof.

17.2 It is hereby agreed by the Parties that quality test reports or even AUDI's acceptance or receipt of the goods and/or services provided shall in no way affect AUDI's right to claim under Contractor's warranty.

17.3 The Parties may at any time enter into specific warranty agreements, which shall be deemed to be Documentation relating to the Purchase Order with respect to such specific warranty agreement.

17.4 Contractor shall be liable to AUDI for the goods and/or services supplied by Contractor, regardless of whether Contractor has acquired goods from and/or subcontracted from third parties for their preparation and/or execution. Consequently, Contractor shall enter into contracts or purchase orders with such third parties, establishing the terms and conditions that guarantee compliance with the various premises that under this Purchase Order are required of Contractor for the final product or service, particularly in terms of warranty and quality.

18. SUPERVISOR

AUDI shall appoint an individual or legal entity, hereinafter referred to as the Supervisor, who shall be in charge of supervising the correct execution of the Project.

18.1 AUDI reserves the right to replace the Supervisor, and shall inform Contractor in writing of such situation, with effect from the date of notification.

18.2 It is the Supervisor's responsibility:



- a) Supervising that the Project is carried out subject to the Price of the Project.
- b) Issuing instructions to Contractor for the correct execution of the Project and, as the case may be, as provided in a Variation.
- c) Supervising the development of the Project by Contractor in accordance with the Plans, Technical Proposal, Specifications, Works Documents, Construction Equipment, Materials and Project Schedule.
- d) Ensuring that the Project is executed in accordance with the Start Date and completed within the Completion Date.
- e) Being present at the Site during the development of the Project until the Delivery Acceptance of the Projects.
- f) Reviewing and approving the Materials for the Project and verifying the quality conditions of such Materials, ensuring that Contractor follows the installation and testing instructions indicated by the manufacturers of the Materials.
- g) Reviewing the Progress Reports made by Contractor.
- h) Preparing and signing the Project Logs.
- i) Validating that the content of the Project Logs corresponds to the physical progress of the execution of the Project.
- j) Carrying out the tests of the Project Logs.
- k) Carrying out the tests deemed necessary to corroborate that the Projects are executed in accordance with the provisions of the Specifications.
- l) Issuing the necessary reports to inform the Parties of the irregularities and anomalies detected during the development of the Project.
- m) Participating in the inspection of the concealed works prior to their covering or concealment.
- n) Other obligations inherent to the supervision of the Project.

18.3 The Parties confirm that:

- a) The Supervisor has no authority to grant authorization to postpone or change the Start Date and/or increase the Price of the Project, or any modification related thereto.
- b) Any act of the Supervisor shall not increase AUDI's obligations or release or mitigate Contractor from all obligations under these Terms and Conditions.

18.4 If the Supervisor acts outside the powers granted by AUDI, said acts shall not be recognized by AUDI and AUDI shall not assume any liability arising therefrom.

19. ADDITIONAL RESPONSIBILITIES OF CONTRACTOR

Contractor shall designate a Construction Manager, who shall be Contractor's permanent representative at the Site from the Start Date until the Completion Date. Contractor shall be responsible to determine, at the time of preparing the respective Tender, the number of Construction Managers that will be required for the correct development of the Project.

19.1 Under no circumstances may the Construction Manager make modifications to the Project, as this shall be agreed by the Parties in writing.

19.2 Contractor's responsibilities include:

- a) Executing, coordinating and supervising the Projects subject to the Price of the Project, carrying out the corresponding accounting, controlling the costs through the review of invoices.
- b) Carrying out and developing the Projects in accordance with the Plans, Specifications, Project Documents, Construction Equipment, Materials, Technical Proposal and Project Schedule.
- c) Ensuring that the Projects are carried out in accordance with the Start Date and are completed within the Completion Date, as well as that the Projects are executed in compliance with the permits and licenses granted by the corresponding authorities.
- d) Ensuring that the Projects are subject at all times to the highest quality standards existing in the industry, as well as in compliance with the Laws and Official Mexican Standards related to the construction of industrial spaces.



- e) Being always present at the Site from the Start Date until the Delivery Acceptance is concluded.
- f) Making regular rounds within the Site, documenting the progress of the Project.
- g) Maintaining the safety and cleanliness of the Site during the development of the Project, including the removal of any debris, scrap and temporary works that are not required.
- h) Preparing the Progress Reports.
- i) Preparing and signing the Project Logs.
- j) At the request of AUDI and/or the Supervisor, carrying out the necessary tests to corroborate that the Projects are executed in accordance with the provisions of the Specifications.
- k) Reporting to AUDI and the Supervisor the irregularities and anomalies detected during the execution of the Projects.
- l) Notifying AUDI and the Supervisor 48 (forty-eight) hours in advance of the day and time when the inspection of the concealed works will be carried out prior to their covering or concealment.
- m) Attending any visit, inspection and/or requirement of any authority, having for such purposes all the documentation inherent to the execution of the Projects that may be required by such authority. For such purposes, Contractor shall notify AUDI and the Supervisor of such circumstance.
- n) Validating and signing any document required or requested to the corresponding authorities during the development of the Projects until the Delivery Acceptance.
- o) As well as any other obligations arising from the development of the Projects.

19.4 Failure to comply with the provisions of this section and without just cause, Contractor undertakes to pay AUDI a contractual penalty of USD \$300 for each day such non-compliance lasts.

19.5 Contractor shall immediately notify AUDI and the Supervisor in writing of any situation directly related to the Project and that may cause any delay in the execution thereof, and shall take the necessary measures to ensure compliance with the Purchase Order.

20. PROGRESS REPORTS

Contractor shall prepare weekly written progress reports of the Project from the Start Date and notify AUDI and the Supervisor in that regard. Contractor's obligation to prepare and notify progress reports of the Project shall remain in force until the Completion Date.

20.1 Each report shall include:

- a) Detailed descriptions of the progress of the Projects, including each stage of design, construction, erection, and testing operations.
- b) Photographs showing the progress of the Projects.
- c) Copies of quality assurance documents, test results and certificates for the Materials, as well as information regarding the supplier of the Materials.
- d) Safety statistics, including details of any incidents or hazardous activities, environmental aspects and human resources related to the Projects.
- e) If the physical progress of the Project is inconsistent with the Project Schedule or there are circumstances that could compromise the completion of the Project, Contractor shall propose and execute measures to overcome such delays.

21. PROJECT LOGS

The Parties agree that the Project Logs shall be the only documents that validate the progress of the Projects in accordance with the Project Schedule.

21.1 The Project Logs are the official means of communication, so that decisions and any other changes that impact the Completion Date, quality or Price of the Project must be documented and authorized therein; electronic media shall be recognized only as informative, but not as indicators.



21.2 The Project Logs shall be signed by the Supervisor and the Construction Manager and the technical area responsible for AUDI, and shall be prepared in accordance with the Project Schedule and shall be accompanied by the Progress Reports established in Section 20.

22. SUSPENSION OF THE PROJECT

AUDI may, at any time, partially or totally suspend the Projects by written notice to Contractor, stating the date from which the suspension shall take effect, without the foregoing being considered as a breach by AUDI.

22.1 In case of partial suspension, it shall be Contractor's obligation to protect and safeguard the Projects and Materials at the Site against any deterioration, detriment, theft or damage.

Only when the partial suspension of the Projects is caused by causes not attributable to Contractor, the latter shall be entitled to an extension in the Completion Date, up to a term equivalent to the time the Projects remained in partial suspension, the Parties agreeing that such suspension is covered by the Price of the Projects. Only in this case of partial suspension due to causes not attributable to Contractor, the renewal or extension of the term of the Surety Bond shall be an additional cost and AUDI shall pay for this modification.

22.2 In case of total suspension, Contractor shall immediately deliver all the Projects developed up to the notification sent by AUDI, and the Parties shall sign the Delivery Acceptance thereof. In this case, Contractor shall be entitled to payment of the unpaid balance corresponding to the progress recorded and validated in the Project Logs in accordance with the Project Schedule. AUDI shall not be obliged to pay any costs, expenses or penalties to Contractor.

22.3 Under no circumstances may Contractor unilaterally suspend all or part of the Project. If Contractor unilaterally suspends the Project:

- Contractor shall NOT be entitled to an extension of the Completion Date.
- Contractor shall assume liability for late Completion as set forth in Section 24.5 of these Terms and Conditions.
- Contract shall bear all expenses incurred in connection therewith.
- Contract shall cover all damages and losses incurred by AUDI and third parties.

23. DELIVERY ACCEPTANCE

Contractor shall notify AUDI in writing when the Projects are completed as provided in the Purchase Order. AUDI shall within 5 (five) days of such notice, inform Contractor of the dates on which final testing of the Project will be carried out in conjunction with the intervention of the Supervisor and the Construction Manager. Where applicable, such final tests shall include, without limitation, stress and/or thrust analyses, including those agreed to in the Project Documents.

23.1 Contractor is obliged to deliver to AUDI at the commencement of the final tests all necessary information and documentation in respect of the Project for the purpose of conducting such tests. This includes, without limitation: Operation and Maintenance Manuals, Technical Folders with the approved submittals of all the Project, As Built Drawings, Drawings in HLS in any other program or technique that comes to replace it duly reviewed and validated by the Supervisor or, Punch list, copies of the warranties that the manufacturers offered to Contractor to support the warranty that will be offered by Contractor to AUDI.

23.2 If at the time of the final test AUDI and/or the Supervisor have observations regarding the Project, the Parties shall agree in writing on the time and manner they shall be remedied by Contractor. If Contractor fails to remedy the observations within the agreed period, the contractual penalty provided for in these Terms and Conditions shall apply. Once the observations made by AUDI and the Supervisor have been remedied, or if at the time of the final test of the Project at the Site, AUDI and the Supervisor are satisfied that the Project have been executed in accordance with all the provisions of the Purchase Order and other documentation, the Parties together with the Supervisor and Contractor shall draw up the corresponding minutes recording the Delivery Acceptance of the completed Projects to AUDI's satisfaction.



23.3 AUDI shall give Contractor a date of beneficial occupation, which does not serve as a Delivery Acceptance, but only as a release of the area so that third parties may also comply with the programs and objectives of the Project. From this date, Contractor must accelerate the final delivery by resolving the Punch list, deliver the documentation and as-built drawings, 3D models under the HLS rules in any other program or technique that may replace it, among others; and proceed to the Delivery Acceptance and start the process of cancellation of performance bonds and initiation of the warranty and hidden defects bonds.

23.4 AUDI shall give Contractor a date of entry into operation, which is not a delivery date, but only the release and start-up of the equipment or integral system so that third parties may also comply with the programs and objectives of the project. As of this date, Contractor must accelerate the final delivery by resolving the Punch list, deliver the as-built documentation and drawings, 3D models under the HLS rules or any other program or technique that may replace it, among others, and thus proceed with the Delivery Acceptance and initiate the process of cancellation of performance bonds and initiation of the warranty and hidden defects bonds.

23.5 The signature of the Delivery Acceptance shall not release Contractor from any liability incurred for late completion or for the quality of the Projects and/or Materials.

23.6 AUDI has the right to occupy or dispose, if deemed appropriate, of part of the Projects already completed without this being construed as a Delivery Acceptance of the Projects. Entry to these areas shall be subject to the prior written authorization of AUDI's personnel.

23.7 The following items and the Delivery Acceptance shall be delivered to AUDI without limitation and as specified in the Lastenheft of the area of specialty:

1. Electrical Diagrams Drawings.
2. Gas or electrical or other plans and documents, validated by the verifying units of the constructed.
3. Calculation Memories.
4. Technical data sheets of materials used.
5. Updated plans of the areas intervened in the project in 2D and 3D Microstation format (as applicable).
6. Water and electricity bills up to date on the date of the Delivery Acceptance.
7. Notification of completion of work to the Mexican Institute of Social Security.
8. Notice of completion of the Projects to the corresponding authorities, as well as the document issued by them in this regard.
9. Invoice for the completion of the construction.
10. Any other document necessary or useful for the purpose of evidencing compliance with these Terms and Conditions.

23.8 It is Contractor's obligation, at Contractor's own risk and expense, to satisfy all procedures in connection with the completion of the Projects in accordance with applicable Mexican laws, including the requirements of the local authorities. These procedures shall include, without limitation, the registration of all necessary documents and forms.

24. COMPLETION DATE

Contractor shall start the development of the Projects on the Start Date and shall proceed diligently and without delay and shall complete the Projects by the Completion Date.

24.1. Contractor undertakes to execute the Projects in accordance with the Project Schedule. The Supervisor and/or AUDI shall supervise the physical progress and proper execution of the Projects, recording such supervision in writing in the Project Logs, which shall be signed by the Supervisor and the Construction Manager.

24.2. If the physical progress of the Projects is inconsistent with the Project Schedule, Contractor shall propose improvement measures within the day following the date of signature of the Project Logs, in order to comply with the Project Schedule. The improvement measures shall not relieve Contractor of any responsibility with respect to compliance with the Project Schedule, the quality of the Materials, the execution of the Projects or the Price of the Project.



24.3. Adjustments to the Project Schedule, as well as an extension of the Completion Date, shall only proceed upon prior written agreement between the Parties.

24.4. Contractor accepts that, if the improvement measures to comply with the Project Schedule, in AUDI's opinion, are not sufficient to maintain the delivery of the Project on the Completion Date, AUDI may request a third party to carry out the works without this representing an invasion of the Projects and Contractor shall be responsible for paying for the works carried out by a third party. If Contractor does not pay in accordance with the conditions established, AUDI may make the payment with the corresponding discount to Contractor in the next payment in favor of Contractor.

24.5. If Contractor does not complete the Project within the Completion Date, Contractor shall pay AUDI as a contractual penalty the amount resulting from applying 0.5% (five percent) of the Price of the Project for each day of delay in the delivery of the Project until reaching the maximum amount referred to in the Purchase Order of the total amount of the Project. The aforementioned contractual penalty does not release Contractor from the obligation to complete the Project, nor from any other obligation or liability it may have under these Terms and Conditions.

24.6. If for any reason Contractor is unable to carry out the taking-over in a timely manner, such circumstance must be made known to AUDI immediately, who may take any of the following options:

- a. Terminate the Purchase Order, AUDI shall only make payments for goods and/or services rendered up to the time the delay is generated.
- b. Receive or accept the Project extemporaneously.
- c. Carry out the Projects through a third party, at Contractor's expense (including in this case the reimbursement to AUDI of the costs arising from the change that Contractor would have had to pay).

24.7 Choosing of any of the above options shall be without prejudice to AUDI's right to charge Contractor for the costs, damages and losses caused by Contractor's non-performance.

24.8 If AUDI decides to accept the delivery of the Projects with a delay on the part of Contractor, Contractor agrees that AUDI may collect the contractual penalty, without AUDI having to prove that damage or loss was suffered due to Contractor's non-performance. The enforceability of the performance of the Purchase Order and the payment of the contractual penalty shall be optional for AUDI, since AUDI reserves the right to demand, in lieu of the foregoing, the payment of damages that would have suffered due to Contractor's breach.

25. RESCISSION

The Purchase Order may be terminated by AUDI at any time and immediately without liability, at AUDI expense and without the need for prior judicial declaration, only by giving written notice to Contractor of such decision in any of the following cases:

- a) If bankruptcy or dissolution and liquidation, whether judicial or extrajudicial, of Contractor is required, ordered or approved.
- b) In case of assignment of the Purchase Order by Contractor to a third party, without authorization from AUDI.
- c) Due to technical and/or commercial incapacity and/or willful misconduct, negligence or bad faith on the part of Contractor.
- d) When, in AUDI's opinion, there is a delay in compliance or partial or total non-compliance by Contractor in the execution and/or delivery of the Projects.
- e) If Contractor and Contractor's personnel act in an irregular, deficient, imprudent, negligent and/or irresponsible manner.
- f) In the event of unjustified interruptions by Contractor or Contractor's personnel, or failure to commence the Project on the Start Date or suspension of the execution thereof for causes attributable to Contractor, or failure to complete the Projects on the agreed date.
- g) If Contractor abandons the Project or omits or refuses to comply with a request from AUDI and/or the Supervisor.
- h) Any failure to comply with the provisions of the Purchase Order and the Terms and Conditions.



25.1 Prior to termination, AUDI will request in writing to Contractor to remedy the breach within a period of 5 (five) days after the notification and if there is no response that satisfies AUDI, the Purchase Order will be terminated, applying the corresponding bond for non-compliance.

Likewise, in the event of early termination of the Purchase Order for causes attributable to Contractor, the maximum contractual penalty provided in section 24.5 shall apply.

25.2 If AUDI wishes to terminate the Purchase Order, AUDI shall notify Contractor in writing 5 (five) days prior to the date on which it wishes to terminate the Purchase Order. Such notice shall be given at the address indicated in the Purchase Order.

25.3 In the event of rescission or termination of the Purchase Order, Contractor must stop the execution of the Projects and deliver to AUDI the Project Documents and all documentation generated regarding the Purchase Order for the due continuation and completion of the Projects, as well as all those Materials already paid for by AUDI that are on the Site, vacating the Site within a term not more than 5 (five) days after the date of rescission or termination.

25.4 Termination of the Purchase Order by AUDI shall be without prejudice to any other rights of AUDI under the Purchase Order and these Terms and Conditions, such as claims for damages.

25.5 In the event of termination without cause attributable to Contractor, Contractor shall be entitled to payment of the unpaid balance corresponding to the progress of the Projects recorded and validated in the Project Logs in accordance with the Project Schedule. AUDI shall not be obliged to pay any costs or other expenses to Contractor. Contractor shall not be entitled to any claims other than those stipulated in this paragraph for rescission or termination of this legal instrument, waiving any claim in this respect.

25.6 In no event shall Contractor have any claim against AUDI for Projects not performed at the date of termination of the Purchase Order.

25.7 In the event of rescission or termination of the Purchase Order, AUDI shall carry out an analysis of the progress of the Projects in order to determine whether the amount covered by way of advance payment has been applied by Contractor in its entirety to cover expenses generated by the execution of the Project. Otherwise, Contractor undertakes to return to AUDI the amount of the advance payment not applied for the development of the Projects, within a term not exceeding 10 (ten) days. Should Contractor fail to repay within the time indicated herein, Contractor acknowledges the obligation to pay a default interest of 1.5% (one point five percent) per month on the unpaid balances and, if applicable, the costs and expenses of the trial and recovery.

26. CONTRACTOR'S OBLIGATIONS

Without prejudice to the obligations stipulated in these Terms and Conditions, Contractor obligations include:

- i. Carrying out the necessary surveys for the execution of the Projects, if provided by AUDI, Contractor accepts that they will only have the purpose of serving as a reference.
- ii. Carrying out the calculations and measurements necessary for the execution of the Projects.
- iii. Participating, if applicable, in meetings with the corresponding authorities related to the Projects, as well as filling out forms and submitting the documentation that the authority requires.
- iv. Conducting regular rounds with the Construction Manager and the Supervisor in order to corroborate the proper development of the Projects.
- v. Applying reasonable skill, care and diligence in the development of the Projects.
- vi. Providing the Construction Materials and Equipment in accordance with the Specifications for the proper execution of the Projects.
- vii. Using properly trained personnel for the execution of the Projects.
- viii. Preparing the Progress Reports, in due time and form, as well as the Project Logs.
- ix. Preparing and delivering to AUDI, upon signing the Delivery Acceptance, the piping and electrical connection plans and other hidden installations, together with the license or document issued by the corresponding authority regarding the completion of the Project.



- x. Following AUDI's instructions in relation to the execution of the Projects, adhering to the Specifications and the Project Documents.
- xi. Starting the Projects on the Start Date and to execute them in accordance with the Project Schedule and deliver them in accordance with the Completion Date. The Projects shall be fit for the purposes set out as defined in the Purchase Order. Projects shall include any work necessary to fulfill the purpose of the Purchase Order, Contractor ensuring the proper operation and structural stability of the Projects.
- xii. Regarding delays, obtaining extensions, modifications, extensions of permits and licenses granted by the appropriate authorities and as may be necessary for the proper execution of the Project.
- xiii. Proposing improvement measures to comply with the Project Schedule. Contractor shall notify AUDI if economic and ecological alternatives for the execution of the Project that are feasible from the point of view of construction engineering are identified, or alternatives that are appropriate to facilitate the operation and maintenance of the Project. Any potential cost reductions identified by the Parties and/or Supervisor and/or Construction Manager after the execution of the Purchase Order shall be jointly agreed in writing by the Parties.
- xiv. Complying with the Quality Warranty Period.
- xv. Giving notice in accordance with that stated in the section "Hidden Installations".
- xvi. Adhering to the provisions of the permits or licenses granted by the corresponding authorities for the proper execution of the Projects, as well as to all technical standards, guidelines and legal provisions in force, releasing AUDI from any liability, whether civil, labor, criminal or any other, either for the omission or failure to comply thereof, as well as for the imposition of any fine or penalty related to such permits or licenses.
- xvii. Being liable for any civil, commercial, criminal or legal claim by third parties regarding Contractor's personnel and subcontracted personnel, obliging Contractor to indemnify AUDI against such claims, or, if applicable, to cover the damages that such claims generate, whether to AUDI or third parties.
- xviii. Contractor's personnel, suppliers and subcontractors (if any) are subject to the instructions given by AUDI's personnel in order to comply with the requirements of Access Control to AUDI's facilities and/or the Site, and Contractor is obliged to use AUDI's facilities correctly, being responsible for any damage caused to them. It is a requirement for any person to comply with all AUDI's Access Control requirements, otherwise they will not be allowed access to AUDI's facilities, without any liability for AUDI regarding the Purchase Order. Likewise, in the event of entry of Contractor's personnel, suppliers and subcontractors to AUDI's facilities, they must comply with the instructions issued by AUDI's personnel regarding security and conduct within AUDI's premises or facilities, and such personnel must also maintain due composure, respect and the utmost order, attention and courtesy in their relations with AUDI and with third parties, otherwise AUDI may, at AUDI's discretion, remove Contractor's personnel, suppliers or subcontractors from said property or facilities, without the foregoing being construed as a breach of this legal instrument.
- xix. Contractor's personnel must comply with the indications contained in AUDI's Internal Regulations, Industrial Safety, Environment Rules; such personnel must maintain due composure, respect and the utmost order, and courtesy in their relations with third parties.
- xx. Being liable for any damage and/or harm generated directly by Contractor's personnel derived from negligence, fraud, bad faith or lack of expertise, whether such damage is generated to AUDI or to third parties; also being liable for any act, omission or negligence of Contractor's officers, personnel, employees, agents, representatives and/or any person who, for any reason, is or may be linked to the Purchase Order.
- xxi. Being responsible for the adequacy and safety of all operations on the Site, as well as the correct execution of all Projects.
- xxii. Assuming full responsibility for the execution of the Projects if prior to the issuance of the Purchase Order, Contractor did not express any objection in relation to the Specifications, Materials and Documents of the Projects, releasing AUDI from liability for any error,



inaccuracy or omission of any kind with respect to these documents, as well as with respect to the development of the Projects.

- xxiii. Being responsible for the content of all written or electronic documentation relating to the development of the Projects prepared by Contractor, since the respective liability shall not be excluded or limited by the fact that the documentation has been reviewed or approved by AUDI or the Supervisor, waiving any claim or right to assert any defense that Contractor has not been duly supervised.
- xxiv. Granting AUDI and all successors an irrevocable, exclusive, royalty-free license to use and reproduce any of the plans, details, specifications and calculations and any other materials (whether in printed, digital or electronic form which have been or are prepared by or on behalf of Contractor relating to the Projects and the designs contained therein for all purposes in connection with the Projects as well.
- xxv. Complying with the Occupational Safety and Health measures in accordance with the provisions of the Federal Occupational Safety and Health Regulations, as well as the applicable standards for such purpose; if applicable, provide documents that support the Occupational Safety and Health Diagnosis, the Occupational Safety and Health Program, as well as the follow-up of such program; integrating the Safety and Hygiene commissions, generating a healthy organizational environment, as well as other applicable measures in accordance with the legislation in force.
- xxvi. Guaranteeing that the Construction Manager complies with the obligations set forth in the Purchase Order, as well as those inherent to the nature of the assignment.
- xxvii. Participate in the Delivery Acceptance ceremony, as well as in the partial delivery of areas of the Project already completed, without this being interpreted as a Delivery Acceptance of the Project.
- xxviii. Carrying out all the tests of the Project and of the facilities thereof in order to verify their correct operation and in case of irregularities, proposing and carrying out immediately the corrective measures regarding defects of the Project in order to deliver them to AUDI or in correct operation.
- xxix. Complying with other obligations set forth in the Purchase Order, in the Project Documents and these Terms and Conditions, as well as other applicable legal provisions.

27. OBLIGATIONS OF AUDI

Without prejudice to the obligations established in each of the sections of these Terms and Conditions, AUDI's obligations include the following:

- i. Allowing Contractor and Contractor's authorized personnel and subcontractors, access to the Site for compliance with the Purchase Order.
- ii. Avoiding physical obstructions that hinder access to the Site during the development of the Projects, as well as removing such obstructions provided, they are cause attributable to AUDI and these are notified within twenty-four (24) hours after they became known to Contractor.
- iii. Paying the Price of the Project to Contractor in accordance with these Terms and Conditions.
- iv. Other obligations set forth in the Purchase Order and the Terms and Conditions.

28. INDEPENDENCE OF THE PARTIES

The Parties acknowledge and accept that the only legal relationships between them are those resulting from the Purchase Order and these Terms and Conditions, therefore, Contractor undertakes to supply the Goods with duly trained Contractor's own personnel and workers.

Contractor undertakes to contract and keep under Contractor'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"). Contractor expressly



undertakes to sign contracts in which the personnel expressly acknowledge that there is NO employment relationship between them and AUDI or whoever Contractor offers Services or Specialized Services, where applicable.

In the terms of the Federal Labor Law, the parties acknowledge and accept that the only legal relationships between them are those resulting from the commercial relationship that the Parties entered into, which is why Contractor will be the sole responsible for the personnel used for the provision of Services or Specialized Services (when applicable), under Contractor's immediate direction and dependence, and therefore Contractor 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 Contractor and Contractor's personnel; therefore, AUDI will not be responsible for conflicts that may arise from the aforementioned concepts; Contractor is obliged to keep AUDI harmless from any claim filed against AUDI. Contractor undertakes to take the legal defense before the authorities and the necessary judicial and/or administrative instances at no cost to AUDI and to keep AUDI harmless from any claim, demand from third parties or against any type of request from judicial and/or administrative authority; the foregoing regardless of the actions of a civil, criminal, administrative and/or any other nature that AUDI may exercise against Contractor. Contractor will be solely responsible for attending and paying all expenses arising from occupational accidents or risks incurred by the employees used to carry out the Services or Specialized Services (where applicable), releasing AUDI México from this moment on from any responsibility in that regard.

Contractor shall be solely responsible for meeting and paying all expenses arising from accidents or occupational hazards incurred by the workers used for the performance of the Services or Specialized Services (where applicable), releasing AUDI México from any liability in this regard.

AUDI reserves the right to request Contractor to withdraw for the provision of Services or Specialized Services (where applicable), elements that acting in ways that endanger AUDI's facilities, AUDI's personnel and/or third parties, as well as if Contractor'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 to the interior of the AUDI facilities.

29. SPECIALIZED SERVICES (WHERE APPLICABLE)

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

1. Registration of services in the Registry of Contractors 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.
2. Registration within the Tax Administration Service.
3. Documentation showing that Contractor 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.



4. Documentation showing that Contractor complies with the provisions on subcontracting issued by INFONAVIT, delivering documents proving that Contractor 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

5. 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.

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

7. The payroll receipts of the workers that Contractor 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.

8. Registration of workers in the IMSS (position or function and salary).

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

10. Registration of workers to a Union.

Contractor must deliver to AUDI the aforementioned documentation during the course of the 30 (thirty) days after the payment of the consideration agreed by the Parties or on the deadline to comply with the reporting obligations with the IMSS and the INFONAVIT. Likewise, Contractor 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 Contractor 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.

29.2. AUDI may sanction Contractor, 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 Contractor does not register in the IMSS all the workforce intervening directly in the activities and work related to the provision of Specialized Services.
- b) If Contractor 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 Contractor 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 Contractor 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 Contractor from complying with the provisions of the Federal Labor Law, Official Mexican Standards, International Treaties and circulars on safety and hygiene.



30. RISK AND LIABILITY

Contractor shall have full responsibility for the proper development of the Projects from the Start Date until Delivery Acceptance, in accordance with the applicable rules and regulations in force in the Republic of Mexico, whether Federal, State or Municipal.

30.1 Contractor shall be liable for any damage caused by Contractor, Contractor's employees, suppliers and, if applicable, subcontractors, unless proven that there is no fault on Contractor's part or on the part of the aforementioned, and shall be liable in accordance with civil, criminal and other legislation applicable to the case.

30.2 The Parties shall be responsible for covering, at their own expense, the expenses generated by any damage or harm deriving from negligence attributable to them, as well as for non-compliance with the Purchase Order.

30.3 Contractor shall be liable for any damage or loss caused to AUDI and/or third parties arising from negligence, willful misconduct, bad faith or lack of expertise; and shall also be liable for any act, omission or negligence by Contractor or Contractor's officers, personnel, employees, agents, representatives and/or any person who, for any reason whatsoever, is or may be connected with the Projects.

Likewise, Contractor shall be responsible for the correct execution of the Projects, including damages caused by errors and inaccuracies of any kind, and shall be liable for any offenses arising from non-compliance in the execution of the Projects.

30.4 In no case shall AUDI be liable for having signed any document related to the Purchase Order, since the responsibility for the development of the Projects shall be Contractor's.

30.5 Contractor undertakes to observe the safety standards within the Site, providing training and adequate safety equipment to workers, and observing and complying with all the measures provided for in section 15 of the General Terms and Conditions of Purchase. If Contractor fails to comply with such standards, AUDI shall request in writing to Contractor to remedy the safety omissions within a period of no more than 24 (twenty-four) hours following notification of the request. Otherwise, AUDI may temporarily or permanently suspend the Projects, at Contractor's expense, and in case of delay in the Delivery Acceptance, the contractual penalty provided in section 24.5 of these Terms and Conditions shall be applied.

31. CONFIDENTIALITY / THIRD-PARTY RIGHTS AND PERSONAL DATA PROTECTION

Contractor 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.

31.1 Contractor will only use this information if such use is necessary for the proper performance of the Services. Contractor 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. Where appropriate, Contractor will ensure that Contractor'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 Contractor's employees and subcontractors therein, or a similar confidentiality obligation in regard to the Purchase Order and these Terms and Conditions. Contractor, where appropriate, will enforce the confidentiality obligations in relation to Contractor's employees and subcontractors, and will inform AUDI immediately in the event of any violation of the duty of confidentiality.

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

31.3 Obligations under this section shall not apply in the following cases:

- a) Contractor was already aware of the information before it was communicated by AUDI and Contractor was not obliged in any way to maintain confidentiality regarding this information.
- b) The information was duly transmitted to Contractor by a third party authorized by AUDI.



- c) The information was public knowledge at the time it was communicated by AUDI.
- d) The information was 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.

31.4 The AUDI MÉXICO, S.A. de C.V. corporate name, as well as the trademarks, logos, designs and other protected rights of the companies that make up the AUDI Group.

Contractor 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 Contractor is not authorized to use AUDI's trademarks and/or company name and/or logos without written authorization from AUDI.

31.5 Contractor guarantees AUDI that by executing the contracted activities, no patent rights, registered trademarks, copyrights, industrial or intellectual property rights, or any other rights of third parties protected by law in the United Mexican States or abroad will be infringed. If for any reason AUDI were to be held liable for the infringement of third-party rights, Contractor shall take such claim at its own expense, and shall cover all damages, expenses and costs that AUDI may suffer or incur directly or indirectly resulting from the claims regarding the infringement of legally protected third party rights incurred by Contractor.

31.6 In accordance with the Federal Law for the Protection of Personal Data in Possession of Individuals (hereinafter LFPDPPP) and its Regulations, if the contractual and/or commercial relationship involves the processing of personal data, whether delivered by AUDI to Contractor and/or collected by Contractor on behalf of AUDI by any means, Contractor shall, as data processor, process the data solely and exclusively according to AUDI's instructions, and in all cases, acting as data processor, shall comply with the obligations provided for such purpose in said Regulations, including without limitation the following:

- i. Only process personal data in accordance with AUDI's instructions.
- ii. Refrain from processing personal data for purposes other than those instructed by AUDI.
- iii. Implement the security and personal data protection measures established in these Terms and Conditions, in the LFPDPPP, its Regulations and other applicable legal provisions.
- iv. Keep confidentiality regarding the personal data processed.
- v. Delete the personal data subject to processing once the legal relationship with AUDI is fulfilled or upon instructions from AUDI, if there is no legal provision that requires its preservation.
- vi. Refrain from transferring personal data, except in the case that AUDI so determines, the transfer derives from a subcontracting, or when so required by the competent authority.
- vii. Establish and maintain security measures, administrative, physical and, where appropriate, technical, for the protection of personal data, in accordance with the provisions of the LFPDPPP and its Regulations, regardless of the processing system. For the purposes of these Terms and Conditions, security measures shall be understood as the control or group of security controls to protect personal data.
- viii. Accept visits by the National Institute of Transparency, Access to Information and Protection of Personal Data (INAI) to gather the necessary elements of conviction to continue with the verification procedure established in the Regulation, as well as any other audit that AUDI wishes to implement.

31.7 All obligations regarding the protection of personal data contained in this Purchase Order shall survive even after the end of this contractual relationship, in accordance with the LFPDPPP.

31.8 Contractor undertakes to ensure that Contractor's personnel is trained in the Processing of Personal Data, in order to know and perform the obligations set forth in the LFPDPPP during the performance of the object of the Purchase Order.

31.9 Contractor assumes responsibility for compliance with the obligations mentioned in these Terms and Conditions and shall be liable to AUDI for any non-compliance, whether Contractor's or of subcontractors. Contractor acknowledges that the first contact for settling disputes are those designated and notified to AUDI for such purpose.



31.10 Contractor undertakes to hold AUDI MEXICO, VOLKSWAGEN DE MEXICO and/or any of the companies of the AUDI Group or VOLKSWAGEN DE MEXICO, their officers and/or personnel harmless regarding:

- i. Any litigation, administrative proceeding, controversy, which is a consequence of the breach of the obligations set forth in these Terms and Conditions, Purchase Order and/or other related documentation.
- ii. Any lawsuit, action, claim and/or complaint attempted by any member of the direct or indirect personnel in charge of Contractor and/or of the authorized subcontractors.
- iii. Any fine, requirement, proceeding, seizure or attachment of assets, collection action, lawsuit, action, claim and/or complaint attempted by any authority, due to any action or omission attributable to Contractor directly or indirectly or due to the breach of the obligations established in these Terms and Conditions, the LFPDPPP and its Regulations and other applicable provisions on the protection of personal data, before the INAI or of any other nature.

31.11 In any of the cases referred to in this section, Contractor undertakes to pay and/or reimburse AUDI and/or any of the companies of the AUDI Group, their officers and/or personnel, any amount that they may have to pay in regard to such actions, fines, claims, requirements and procedures in general, including attorneys' fees, expenses and associated costs, as well as any amount to be paid as a sentence as a result of a resolution of a judicial and/or administrative authority or as a result of agreements or settlements that tend to end the controversy.

32. COPYRIGHTS

If Contractor holds copyright or other rights regarding any of the drawings and/or documents and/or in the works made in accordance with said drawings, and/or documents and/or instructions, Contractor shall grant AUDI free of charge the exclusive, irrevocable, transferable, temporary, related and unrestricted rights in terms of the provisions of the Federal Copyright Law in any possible form, in whole or in part, authorizing their reproduction as many times as desired, in unaltered or redesigned form.

In particular, the granting of rights includes, without limitation, the right to publish, multiply, distribute, reproduce, edit, exploit, as well as any other legal position regarding ideas, concepts, solutions, drafts and design of the Projects or services granted in any form. If employees or other agents of Contractor own or have acquired copyrights or other rights over the Projects or services to be provided to AUDI, Contractor undertakes to acquire such rights and to transfer them free of charge to AUDI in the same manner as set forth in this provision.

Contractor warrants that the Goods received by AUDI are not subject to any rights, in particular copyrights of third parties. However, if AUDI is held liable to third parties for infringement of the rights of such third parties in connection with the Projects carried out by Contractor, Contractor shall indemnify AUDI for such claims and shall guarantee AUDI the continued use of the contractual services by means of appropriate measures.

33. FORCE MAJEURE

None of the Parties shall be liable or shall be deemed to be in breach of any of their obligations under the Purchase Order, if such breach results, directly or indirectly, from an Act of God or Force Majeure. By Act of God or Force Majeure shall be understood any external circumstance, beyond the control of the Parties, reasonably unforeseeable and unavoidable, which makes the fulfillment of the Purchase Order absolutely impossible, provided that there is no fraud, negligence or bad faith attributable to any of the Parties.

Likewise, the Parties accept that, regarding the Purchase Order, the following shall not be considered Acts of God or Force Majeure: events attributable to the obligated party or events that being unforeseeable are avoidable by the obligated party. Neither shall be considered an Act of God or Force



Majeure with respect to Contractor's temporary or definitive absence, the seizure or intervention of bank accounts, bankruptcy, insolvency, or liquidation.

33.1 If any of the Parties is affected by a circumstance of an Act of God or Force Majeure, they shall notify the counterparty within 24 (twenty-four) hours after becoming aware of the event, indicating the effects of such circumstance on the performance of obligations under the Purchase Order, as well as the estimated duration of such circumstance. If necessary, AUDI shall instruct Contractor to suspend the performance of the Projects and/or the stoppage of the Construction Equipment. The party affected by an Act of God or Force Majeure shall notify the counterparty within 24 (twenty-four) hours the moment in which such circumstance ceases. If the event continues for a period of 90 (ninety) days, either Party may give written notice of termination, which shall take effect 3 (three) days after the respective notification.

33.2 Resulting from the termination of the Purchase Order due to an Act of God or Force Majeure, Contractor shall be entitled to payment of the unpaid balance corresponding to the progress recorded and validated in the Project Logs in accordance with the Project Schedule. AUDI shall not be obliged to pay any costs or other expenses to Contractor, Contractor's suppliers and/or subcontractors.

34. MISCELLANEOUS

The Parties agree that no verbal agreements or additional agreements have been entered into and the Purchase Order, the Documentation and the Project Documents are valid. Modifications and additions to the Purchase Order must be made in writing and expressly consented to by the Parties to be legally effective.

34.1 All obligations under the Purchase Order shall be performed in the manner, place and on the terms and/or conditions agreed. The ownership and risk of the goods shall be borne by Contractor and shall pass to AUDI only until such goods are received and accepted by AUDI in conformity.

34.2 Contractor shall keep in force all governmental permits, licenses, orders, applications and approvals required for the construction of the Projects.

34.3 Contractor also undertakes to comply with all applicable provisions established by AUDI regarding regulations for contractors and subcontractors, environmental measures, safety measures, logistical processes, and systems and/or any other in force, and therefore undertakes to comply with the content thereof when complying with the Purchase Order. The same shall be applicable regarding the Mexican Official Standards and/or any other legal regulation related to the object of the Purchase Order, and Contractor shall be responsible for any damages caused to AUDI, AUDI's property, or visitors, contractors or clients derived from the non-compliance of any of these provisions.

34.4 Contractor, upon entering AUDI's facilities, is obliged to comply with the legal regulations and AUDI's provisions in force at the time of entry.

34.5 Regarding Safety and Industrial Hygiene, the Industrial Safety area is authorized to request Contractor to present the pertinent documentation in order to verify compliance with the laws in force and AUDI's provisions at the time of the review and in accordance with its activity within AUDI.

34.6 Contractor may not subcontract the services directly ordered by AUDI in the Purchase Order. If Contractor exceptionally needs to subcontract services to a third party, Contractor shall immediately notify AUDI and justify in writing the need for subcontracting. AUDI reserves the right to approve or not such subcontracting, on the understanding that the authorization must be in writing. In any case, Contractor shall be prohibited from making subcontracted personnel available to AUDI.

If Contractor is authorized to subcontract to comply with the Purchase Order, Contractor shall ensure all subcontractors comply with the provisions of both the Purchase Order and these Terms and Conditions, as well as any other document applicable to the Project.

The obligations regarding data protection and confidentiality of AUDI's information set forth in these Terms and Conditions shall apply to all subcontractors, therefore, if Contractor finds it necessary to



share AUDI's information, Contractor is obliged to sign the respective confidentiality agreement with the subcontractor and submit it to AUDI.

In case of breach by the subcontractor of the data protection and confidentiality obligations, Contractor shall be liable to AUDI for any damages caused by such breach.

34.7 AUDI may modify at any time the Specifications and quantities established in the Purchase Order, as well as the Plans and drawings that serve as reference, the indications on the mode of transport of the Projects covered by the Purchase Order, being at AUDI's expense the additional expenses that may be incurred in that regard.

Modifications to the Purchase Order shall be made and agreed upon through the electronic means and/or systems designated by AUDI (or otherwise in a written document executed and signed by both Parties), and AUDI shall be released from any modification not made under such terms.

34.8 Each Party shall act independently of the other, and neither Party shall have the authority to act, bind or commit on behalf of the other Party.

34.9 Regardless of the causes stated in these Terms and Conditions, in the Purchase Order or in a written agreement between the parties, it shall be considered a cause for termination of the Purchase Order if Contractor fails to comply with the obligations acquired or resulting from conditions agreed in writing with AUDI, Contractor acknowledges AUDI's right to terminate the Purchase Order without the need for prior judicial proceedings and/or resolution, and therefore Contractor expressly acknowledges the validity of the agreement contained herein and waives the right to invoke any other provision seeking to render such agreement invalid.

34.10 If any of the provisions of these Terms and Conditions and the Purchase Order are found invalid, this shall not affect the validity of the other provisions contained herein. The Parties shall replace the invalid provisions within the scope of reasonableness and in good faith with a provision that comes as close as possible to the legal and economic success of the invalid provision.

34.11 Whenever there is a request from AUDI's specialized departments, Contractor undertakes to contact the specialized department within a period of no more than 24 (twenty-four) hours from the notification.

35. ENVIRONMENT

Contractor states that in the elaboration of the Project Documents everything related to the environmental quality and the system to be used in the development of the Project was foreseen, complying with the environmental measures established in the applicable legislation, as well as those proposals issued by the competent administrative authorities.

Likewise, Contractor undertakes to have and apply specific measures and procedures for the reduction or reuse of waste during the development of the Project, as well as for the protection and improvement of the fauna and flora of the Site.

35.1 Contractor shall be responsible for the handling of all hazardous substances, as well as for the storage thereof, and undertakes to take all necessary safety precautions to that effect. The final disposal of hazardous and non-hazardous waste shall be the full responsibility of Contractor.

35.2 If soil, water or air pollution is generated, it shall be Contractor's responsibility to take all necessary measures to remedy the damage caused, as well as to cover any fines or infractions imposed by the corresponding authorities, releasing AUDI from any liability.

35.3 Regarding the use or handling that implies care, risk or danger (e.g., flammable, explosive, perishable, danger or harm to the persons handling said materials), Contractor is obliged to clearly indicate such characteristics on the containers, wrappings, or on the articles themselves with legends such as care, danger, explosive or other applicable phrase, as required by the applicable Mexican Official Standards and international standards in force.

35.4 Regarding the Projects, Contractor shall respect and abide by the regulations for contractors, which have been provided prior to the date of issuance of the Purchase Order, and which Contractor hereby accepts. If applicable, all containers of products and chemical substances that enter AUDI's facilities must be identified in accordance with the requirements established in the Official Standards that, in terms of safety and hygiene, include identification of containers and any others that may



become applicable on the date of the Purchase Order and/or in the future, which will be send by mail to Contractor.

35.5 If Contractor fails to comply with the aforementioned provisions, Contractor shall be directly liable for any type of damage that AUDI may suffer in accordance with the provisions of these Terms and Conditions. The Parties agree that Contractor shall cover, at Contractor's own cost and expense, all expenses incurred by AUDI due to Contractor's failure to comply with any safety measures in force at the time of the incident. In addition, Contractor shall ensure that AUDI is indemnified and held harmless if any third party attempts to affect AUDI's interests as a result of Contractor's failure to comply with the safety measures.

36. SUSTAINABILITY REQUIREMENTS IN RELATIONSHIPS WITH BUSINESS PARTNERS (CODE OF CONDUCT FOR BUSINESS PARTNERS)

Whenever Contractor makes an offer to AUDI and/or accepts this Purchase Order and/or complies with an Order, Contractor confirms to be aware of AUDI's requirements for sustainable development, which can be found at: www.vwgroupsupply.com, under "Sustainability".

AUDI reserves the right to check, by means of experts, on-site compliance of business partners with the requirements, upon prior notification and in the presence of representatives of Contractor, within normal business hours and in compliance with respectively applicable legislation, especially data protection legislation.

Contractor accepts and acknowledges that the resources that make up Contractor's assets do not come from activities derived from or related to money laundering, financing of terrorism, or any activity considered by law as illicit; likewise states that the resources delivered to AUDI in the development of this Contract do not come from the activities described above. For purposes of the foregoing, Contractor states not to be in any of the lists, information systems or databases of entities that finance terrorism or actively or passively contribute to money laundering.

Additionally, Contractor states to have prevention measures against any activity of money laundering, financing of terrorism, or any activity considered by law as illicit.

If Contractor does not comply with the respective measures, Contractor agrees to respond to AUDI and to hold AUDI harmless from any fine or damage generated due to Contractor's use of resources of illicit origin, money laundering, financing of terrorism, or any activity considered by law as unlawful.

The requirements for sustainable development define the expectations of Volkswagen Group companies regarding the conduct of suppliers involved in the value added of their products. These requirements can be found at www.vwgroupsupply.com under "Sustainability."

37. 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.

37.1 Contractor 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.

37.2 Contractor undertakes to perform Contractor'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 Contractor states to know, being also bound to guarantee that Contractor's directors, officers, employees, agents, subcontractors and representatives comply with these Terms and Conditions.



38. NOTICES

38.1 The Parties state as their addresses to receive notices and being served, the addresses set forth in the Purchase Order. The Parties agree that any notice or communication shall be in writing and with acknowledgment of receipt. Any contravention of this section shall render any notice or communication null and void.

38.2 The Parties accept that communications of an administrative nature for compliance with the Project may be made through a communication platform provided by AUDI called Virtual Object Room (VOR). Contractor accepts that it is mandatory to use said platform regarding administrative communications, which will not represent any cost for Contractor and must only be used for the purposes of the Purchase Order, Contractor must be registered on the website: www.objekt-daten.de; in no case Contractor may claim damages to AUDI for the malfunction of the platform or claim additional costs for its use.

39. LANGUAGE, JURISDICTION AND VENUE

The official language of these Terms and Conditions shall be Spanish; any German or English version shall serve informational purposes only and in the event of inconsistencies thereof, the Spanish version shall always prevail.

Regarding the interpretation, execution and fulfillment of the Purchase Order and this Terms and Conditions, the Parties expressly agree to submit to the applicable Federal Mercantile and Civil Legislation, as well as to the jurisdiction of the courts of the State of Puebla, waiving any other jurisdiction that may correspond to them due to their present or future domiciles.

40. ACCEPTANCE

Razón Social del Proveedor:

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

Nombre y Firma del Representante Legal: