



§ 1 Applicability

1. These General Terms of Sale and Delivery are applicable to any and all types of products, works, deliveries and services (hereinafter referred as "Goods") to be purchased from FFT México, S.A. de C.V. (hereinafter "FFT" or "Party") and the purchaser of beneficiary (hereinafter "Customer" or "Party"), (together hereinafter the "Parties") of said Goods.
2. Legal relationships between FFT and Customer are to be governed solely by these terms and conditions, therefore these General Terms of Sale and Delivery (hereinafter the "General Terms") are made a part of, and are considered as if incorporated in full to any and all purchase order(s), invoice(s) and or any other document relating to any contractual relationship by and between FFT and Customer regarding any Goods. Any deviations, modifications or amendments, including amendments to these General Terms are to be made in writing. Any conditions of the Customer which are contradictory or supplementary to, or which deviate from these conditions, will not apply unless they have received FFT's express, written approval. The commencement and/or execution of deliveries and services or receipt of payments without objection or silence on the part of FFT shall in no case imply that terms and conditions of Customer are or have been accepted in any manner whatsoever.
3. As far as mutual commercial business is involved, these General Terms are also to be applicable to any and all future transactions between the Customer and FFT, even if, in the individual case, no express reference has been made to these General Terms.

§ 2 Quotation and Documents included in Quotation

Verbal offers are always without engagement and subject to confirmation; therefore to become binding, written confirmation is required at all times. Unless otherwise expressly stipulated in the quotation for Goods, the quotation is valid for a period of 30 days following submission of the quotation by FFT to the Customer. Any details and information included in the documents accompanying the quotation whether by reference or actual delivery, regardless of the format include but are not limited to electronic, digital, printed, et.al., such as technical descriptions, drawings, diagrams, data, programs and performance figures of FFT, are without engagement. Any information included and submitted in the quotation and related documents is the exclusive intellectual property of FFT and therefore subject to confidentiality. The recipient must not use it for any purpose other than that contractually agreed upon and, if accepted, for the issuance of the corresponding purchase order. The recipient of the quotation is, during the offer phase, to check any information included in the documents accompanying the quotation to ascertain its feasibility for the proposed project. Should there be any discrepancies, FFT is to be notified within 10 calendar days of receipt of the documents, otherwise the Customer is to have sole responsibility for any defects and deviations occurring as a result. In the event that there is no purchase order issued by the Customer, Customer must return the documents included in the quotation to FFT including a statement whereby it attests that it has not kept or made any duplicates or copies thereto.

§ 3 Conclusion of Contract, Written Form

No declaration by FFT of its intention to enter into a contract will be considered valid unless submitted in writing. Verbal statements will not become effective until they have been confirmed in writing by FFT. Any and all additional agreements and amendments must also be made in writing. The conclusion of a contract cannot be inferred from the written, unilateral reference by the Customer to contract negotiations which have taken place. Under no circumstances will silence on the part of FFT constitute consent to any situation, inclusive of a counteroffer made by Customer. The written counter-confirmation of FFT is required for acceptance of the contents to be valid without exceptions. Only agreements made in writing will be considered valid and binding to the Parties hereto.

§ 4 Transfer of Risk/Delivery

The risk of loss of the work performed or goods supplied as part of the Goods will pass to the Customer as soon as FFT has delivered the Goods to Customer, handed it over for shipment to a forwarding agent or other person; or upon notification that the goods to be supplied have been completed and are available, as specified in the contract, at the Contractor's plant; or, in the case of data transfer, upon dispatch of the data.

§ 5 Retention of Title and Ownership/Assignment of Rights

1. The Goods will remain the property of FFT until any and all of the FFT's outstanding invoices arising from business relations with the Customer have been paid in full. Should the Customer process or treat the Goods in any way, FFT's retention of title/ownership will cover any new item in its entirety.
2. Should the Customer process, combine or merge the Goods with third party items, FFT will acquire joint ownership of the fraction thereof commensurate with the proportion of the invoice value of the Goods in relation to that of the other items used by the Customer at the time of processing, combining or merging.
3. Should the item subject to retention of title/ownership be combined or merged with a major item of the Customer or a third party, then the Customer hereby and now assigns to FFT any title or rights it might have to the new item. Should the Customer, in return for payment, combine or merge an item subject to retention of title and or rights and or ownership with a major item of a third-party, then the

Customer here and now transfers and assigns to FFT any entitlement it might have to remuneration by the third party.

4. The Customer is entitled to resell the Goods subject to retention of title or ownership in the course of well regulated business operations prior written acceptance of the resale terms and conditions, including the security payment terms, by FFT, in its capacity as lawful owner of the Goods unpaid. Should the Customer resell these Goods without receiving payment of the full purchase price either in advance, or against individual deliveries, then the Customer is to arrange with its own customer retention of title terms in accordance with these conditions. The Customer here and now accepts, transfers and assigns to FFT any title it might have to claims arising from this resale, and to any rights from the retention of title terms arranged without any further legal requirement.
5. The Customer is obliged, if requested by FFT, to notify the purchasers of such transfer of rights, and to provide FFT with any and all information and documents required by the latter to claim from the purchasers its due rights.

Notwithstanding the assignment of rights, the Customer is only authorized to collect receivables from resale as long as its own obligations to FFT are being met duly, timely and correctly in a manner acceptable to FFT.

Should the value of securities surrendered to FFT exceed its claims by more than 10%, then, if the Customer so requests, FFT will be obliged to release securities of its own choice provided however that FFT has received or is receiving its compensation accordingly and to its satisfaction. Should FFT assert retention of title/ownership, the contract will not be deemed to have been cancelled without FFT's prior, written and express approval, release and notice to this effect.

6. In the event of any breach of contract on the part of the Customer, in particular default of payment, or of the institution of insolvency proceedings against the assets of the Customer, or in the event of the rejection of such application due to lack of sufficient assets, the Customer will be obliged, at the request of FFT, to surrender any items subject to retention of title/ ownership, waiving any right to or recourse to any right of retention and or recover, analogue or similar.

Any such Goods will then be subject to the unrestricted exploitation rights of FFT. If software has been provided, then in such an event, any of the Customer's rights of utilization or exploitation granted within the context of the contract will have expired and used must be terminated immediately.

§ 6 Tools

1. Any auxiliary models, tools, models, jigs, dies, molds etc. (hereinafter referred to as "Tools") produced by FFT whilst completing the contractually agreed work do not constitute an integral part of the work performance, and will remain the property of FFT.
2. FFT will store the Tools for a period of six (6) months following acceptance of the Goods by the Customer, without acknowledging any legal obligation in this respect.
3. Upon expiry of this term, and unless arrangements in writing have been made by FFT and the Customer for the Tools to be stored for a further period, or for title to be transferred against payment of a reasonable sum, FFT will scrap the Tools.

§ 7 Periods of Delivery and Delays/Limitation of Damages

1. In order for delivery deadlines to be met, it is essential that any and all documents to be supplied by the Customer, necessary permits and releases, especially those relating to plans, are received by FFT on the dates set by the Parties hereto, and that the Customer adheres to the agreed terms of payment and fulfills any other obligations it might have as set forth in the Purchase Order or on any other document relating to the Goods. Should these conditions not be complied with, the delivery periods will be extended accordingly without FFT incurring in default and will be a cause for late delivery with justified cause ; this will not apply in the event of the FFT's being responsible for the delay.
2. If FFT is in default, then inasmuch as damages caused by this have been determined by a court of law or were acknowledged by FFT in writing, Customer can demand compensation of 0.5% of the remuneration agreed for the Goods or Goods, as the case may be, for the defaulted performance for each full week of default, but limited in total to 5% of said agreed remuneration. FFT may evidence lesser damage. Default will be considered to have taken place when the Goods have not been delivered on the agreed delivery date, and in absence of delays for justified cause as set herein.
3. In any event, any claims by the Customer for compensation for delays in delivery in excess of the above-mentioned limits are excluded, even if FFT fails to meet any deadline which has already been extended.
4. Any mandatory legal liability provisions, e.g. liability on acceptance of a guarantee, liability for intent and gross negligence, injury to life, body or health, fundamental breach of contract, liability as per product liability laws, and the regulations covering the purchase of consumer products will remain unaffected.



§ 8 Force Majeure

Acts of God of any type, in particular unforeseeable shortages of labor, energy, raw or auxiliary materials, strikes, lockouts, official measures or other obstacles not caused by the Party, which will delay, prevent, or render unreasonable the production, shipment, or approval of the Goods, will release the Parties from their obligation to deliver or approve the Goods for the duration and extent of the disturbance. If, as a result of the disruption, delivery and/or approval is delayed by more than eight weeks, then both Parties will be entitled to withdraw from the contract.

§ 9 Price and Payment, Crediting, Withholding right

1. Prices are quoted ex works, and do not include any incidentals such as statutory value added tax, packaging, customs duties, freight, insurance, etc., except when expressly indicated in the corresponding agreement in writing executed by the Parties. Unless otherwise agreed, payment in full will become due and payable immediately upon conclusion of the contract.
2. To begin with, FFT will be entitled to use payments received from the Customer to settle any previous debts, and to balance first costs and interest, and then the main purchase price for the Goods with incoming payments.
3. If, following conclusion of the contract, any justified doubt should arise as to the Customer's solvency, FFT may request payment in advance or the furnishing of securities. Should the Customer fail to meet any such request, FFT will be entitled not only to withhold its services, but also to terminate the contract without any liability. The Customer is entitled to offset, withhold or reduce only if claims are undisputed or are the subject of a final court judgement.

§ 10 Acceptance

Insofar as the Goods call for an approval test, this must be carried out without undue delay by the Customer, who is to draw up a written test report. Should the Customer fail to approve the Goods within 14 days of notice of completion and/or delivery furnished by FFT to the Customer, the service will be considered to have been duly approved and accepted, provided that during this period there has been no complaint of any defect which would impede acceptance. A partial approval test may, in accordance with the above-mentioned provisions, be requested for independent partial performances.

§ 11 Limited Warranty

1. Warranty claims by the Customer are limited to workmanship defects appearing within the twelve (12) months after delivery. Upon appearance of any defect, Customer shall immediately inform of this situation to FFT and FFT shall have the right to subsequent performance (FFT deciding whether to rectify defects, or provide replacements). Should subsequent performance provided by FFT fail to be satisfactory, the Customer will be entitled to reduce the price accordingly, or, if it prefers, withdraw from the contract. Claims for damages as per § 14 remain unaffected. Claims made by the Customer due to expenses incurred as a result of subsequent performance, in particular transport, travel, labour and material costs, will be excluded where such expenses have been increased by the fact that the item was subsequently transported to a location other than the premises of the Customer, unless its transport to this location was in keeping with its intended use.
2. The limited warranty only covers (i) defects in materials or workmanship; (ii) components made a part of or incorporated in the Goods will have the warranty as provided by the manufacturer itself and will be transferred to the Customer; and (iii) violation of third party intellectual property rights as hereunder indicated. This Limited Warranty expressly excludes (i) normal wear and tear; (ii) failure to observe the owner's manual, (iii) failure to observe the maintenance and service instructions provided by FFT, (iv) environmental conditions, (v) misuse, abuse, neglect, accidents, collision, fire, theft, freezing, vandalism or outside objects striking the Good(s), (vi) altering, disassembling or modifying the Good(s) or any of its parts, (vii) adding non-FFT approved components to the Good(s), (viii) defects caused by or induced by failures, breakdowns or damage by other machines in the same facility and (ix) acts of God, natural disasters and other similar causes.
3. grants warranty subject to the following conditions:
 - a) Components incorporated to the final FFT Product will be subject to FFT's suppliers' warranty, which will be transferred directly to the Customer.
 - b) Workmanship will be warranted for a period of twelve (12) months, starting on the delivery date and subject to Customer having observed of all FFT instructions and the damage could not be caused by customer's personnel.
 - c) Customer has the obligation, during the warranty period, to inform FFT immediately of any problems with the FFT product and refrain from attempting any repair.
 - d) Any repairs needed as a consequence of the workmanship warranty will be subject to (i) timely notice from the Customer of the problem, (ii) once FFT has been able to determine the failure, the availability and delivery of spare parts and components, (iii) FFT will do all efforts to repair the failures within a reasonable time frame.
 - e) The guarantee of FFT Mexico only is only valid when FFT performs any repair on any failure. Repairs of the Customer itself or third parties are excluded.
4. Other guarantee terms or legal regulations on warranties are hereby excluded.

5. Warranty claims will not be admissible in cases of only slight deviations from the agreed condition, or only slight impairment of serviceability, nor in the case of non-reproducible software errors.
6. Any claims for defects made by the Customer against FFT, its organs, staff and agents which go beyond or differ from those governed by § 11 hereof will be excluded in their entirety.

§ 12 Infringement of Third Party Property Rights

1. Unless otherwise agreed, FFT is to effect delivery free from industrial property rights and copyrights of third parties (hereinafter referred to as "Property Rights") solely in the country of the place of delivery. Should any third party lodge a legitimate claim against the Customer for the infringement of Property Rights by deliveries made by FFT and then put to their intended use, then FFT will be liable to the Customer within the period stipulated in § 14, as follows:

FFT will have the option, at its own expense, of acquiring the right to use the Property Rights to the items concerned, or so modifying them that there is no infringement of Property Rights, or replacing them. Should FFT not be able to do so under reasonable conditions, the Customer will be entitled to exercise its statutory rights to withdraw from the contract or reduce the purchase price. The orderer is not entitled to request reimbursement of monies expended in vain. FFT's liability to pay damages is to be governed by § 14.
2. The duties of FFT described above will be applicable only insofar as the Customer notifies the FFT in writing and without undue delay of any claims asserted by third parties, fails to recognise an infringement, and all FFT's rights to any and all means of defence and settlement negotiations will be retained. Should the Customer discontinue usage of the delivery in order to mitigate damages, or for any other good cause, then the Customer is obliged to advise the third party to the effect that the discontinuance of usage must not be construed as recognition of any infringement of Property Rights.
3. Should the Customer itself be responsible for the infringement of Property Rights, then any claims it might have will be excluded.
4. Further, claims of the Customer will be excluded if the infringement of Property Rights is caused as a result of particular demands of the Customer, of the contractual Goods having been put to a use not foreseeable to FFT, of modifications being made to the Contractual Goods by the Customer, or of their having been used in conjunction with products not supplied by FFT.
5. In the event of infringements of Property Rights, the provisions set out in §§ 7, 10, 12, 13, 14 and 15 will apply accordingly to claims of the Customer.

§ 13 Notification of Defects

1. Any complaints, in particular notices of defects, must be received by FFT in writing without delay, but within ten (10) days of receipt of the Goods (in the case of concealed defects within ten (10) days of their discovery) at the latest. Should the Customer fail to provide notification of any complaints or defects within the time limit or in the written form agreed upon, then, in the absence of any complaint, or notification of the defects not being given in due form or time, the Goods will be deemed free of defect. Should the Customer take delivery of the Goods in the knowledge of the existence of a defect, then the Customer has no entitlement to rights derivable from such defect unless it expressly reserves all rights arising from this defect in writing.
2. Notification of a defect will not extend the limitation period. The only reason for extending the limitation period will be the successful assertion of claims.

§ 14 Limited Liability and Damages

1. EXCEPT AS PROVIDED FOR IN §11, FFT MAKES NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE GOODS, WHETHER NEW OR USED, AND IN PARTICULAR MAKES NO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, AND CUSTOMER IS SOLELY RESPONSIBLE FOR DETERMINING THE PROPER APPLICATION AND USE OF THE GOODS. FFT SHALL HAVE NO TORT LIABILITY TO CUSTOMER WITH RESPECT TO ANY OF THE GOODS AND SHALL NOT BE LIABLE FOR CONSEQUENTIAL, PUNITIVE, SPECIAL OR INCIDENTAL DAMAGES ARISING FROM ANY DEFECT, DELAY, NON-DELIVERY, RECALL OR OTHER BREACH. CUSTOMER SHALL HAVE NO RIGHT OF REJECTION OR REVOCATION AFTER ACCEPTANCE OF THE GOODS.
2. FFT'S LIABILITY FOR ANY CAUSE OF ACTION, OF WHATEVER KIND AND NATURE, SHALL NOT EXCEED, AND BE LIMITED TO, THE AMOUNT OF MONEY ALREADY PAID BY CUSTOMER UNDER THE PURCHASE ORDER OUT OF WHICH THE LIABILITY AROSE.
3. Claims for damages for any loss of stored data are to be excluded if such damage would not have occurred had a data backup been duly performed.

§ 15 Impossibility

1. Should FFT refuse to deliver due to the fact that, at the time when the contract was entered into, delivery was impossible or would have called for expenditure grossly disproportionate to the Customer's interests, then FFT will be liable to the Customer for compensation in place of performance, provided FFT is responsible for the impossibility. In cases where FFT could neither know of, nor be required to know of, the impossibility of delivery, FFT will not be held accountable. Claims for damages on the part of the Customer will be limited to 10% of the value of those



parts of the delivery which, due to impossibility, cannot be put into practical operation. This restriction will not apply in cases where, in the event of intent, gross negligence, injury to life, body or health, liability is prescribed by law; this will not constitute any change to the detriment of FFT in the burden of proof. The right of the Customer to withdraw from the contract will remain unaffected.

2. Should the impossibility or disproportionate expense not occur until after the contract has been entered into, FFT will be liable for damages, unless such occurrence was neither foreseeable nor avertable.

§ 16 Inventions

1. In the event of any inventions which might lead to industrial property rights arising as a result of the contractually agreed work, then the only Party entitled to register such Property Rights will be the Party whose employees or agents have made the invention. The Parties will inform each other of any inventions they are recording or applications for industrial property rights they are planning. Should the Party in possession of the rights to a discovery not be planning to file a record of its own, the Parties will come to an agreement regarding the possibility of transferring the rights to the invention.
2. If, in the context of the contractually agreed work, inventions are made in which the employees or agents of more than one party are involved (hereinafter referred to as "Joint Inventions"), then separate arrangements will be made in each individual case to decide who is to register any Property Rights, and where. Registration may also be made jointly, in which case each Party will bear the proportion of the costs commensurate with its share in the invention. In the event of Joint Inventions or joint Property Rights and/or copyrights, each Party is entitled, at any time, to waive its share in favour of the other Party. The Party waiving such rights will, in a timely manner, make any provisions and arrangements necessary to enable the other Party to protect its interests.
3. Should one Party intend to relinquish one of the Property Rights in the sense of paragraph 1 or 2 (alternative 1), or transfer it to a third party (alternative 2) then it must inform the other Party of this intention without delay. The other Party will be entitled either to acquire these free of charge (should alternative 1 apply), or to preemptive rights (alternative 2).

§ 17 Assignment of Rights and Duties

Subject to the legal provisions governing the admissibility of assignment prohibitions, any assignment of rights and duties arising from the contract will not become effective without the approval of FFT.

§ 18 Applicable Law , Interpretation of Clauses, etc.

1. Exclusively the laws of Mexico shall apply excluding the UN Convention on Contracts for the International Sale of Goods (UN commercial law) and the conflict rules of international private law.
2. Standard commercial clauses are to be interpreted in line with the Incoterms 2020.
3. Customer assumes the customs and import duties of the destination country and all other fees, taxes and costs in connection with the purchase contract.

§ 19 Place of Performance and Court of Jurisdiction; Validity Clause

1. The place of performance for delivery is to be the dispatch office; for payment Puebla, Puebla, Mexico.
2. The exclusive place of jurisdiction for any legal disputes arising from or in connection with a contract is to be - to the extent permitted by law - the locally competent court at the location of FFT, i.e. Puebla, Puebla, Mexico. Further, the Customer is entitled to assert its claims at the general court of jurisdiction of the Customer.
3. Should all or part of any individual clause in these General Terms of Sale and Delivery prove to be legally invalid, this will not affect the validity of the remaining clauses or parts thereof. The Parties are to replace any invalid provision by one which is valid and comes closest to the economic purpose of that of the invalid provision.