



SUPPLIER TERMS AND CONDITIONS

The terms and conditions set forth below shall be deemed incorporated into all orders and its acceptance must be through a written contract or through the acceptance of the order and/or in the case that the order is not rejected within three business days after the receipt by the seller.

1. CHANGES

Buyer shall have the right at all times to make changes to an order by giving written notice to Seller, who agrees to comply with such changes. If such changes would result in a material increase or decrease in Seller's costs or performance time, Seller will promptly notify Buyer and negotiate an adjustment. Seller may not change material of manufacture, sources of supply, manufacturing process or location, without Buyer's prior written consent.

2. PRICES/INVOICES

The prices will be according to the quotation, including shipping and packaging costs, if so agreed according to the agreed INCOTERM. For shipments it is necessary to take into account the address mentioned in the purchase order. Extra costs may not be added that have not been previously mentioned and approved.

Invoices from Mexican suppliers must be uploaded to the portal of Aluminio de Baja California, following the instructions of the "procedure manual for the use of the web module - receipt of invoices" and complying with all the requirements mentioned therein. Invoices from foreign suppliers should be sent to the email contabilidad@abc-aluminum.com.

For machinery and equipment invoices, these must include detailed information from the equipment delivered, such as a description of the equipment, Brand, Model, Serial number and Customs document number and it must physically match these documents (if the product was imported to Mexico by the supplier). Payments will be made in accordance with the agreed credit terms, except when otherwise negotiated and previously accepted by the buyer. For payment in advance invoices from Mexican suppliers, the seller must ask the buyer for an advance payment format (replaces the delivery note), to attach it to the paperwork uploaded to ABC portal

3. SHIPPING

The supplier will be in charge of the delivery or shipment, and packaging of the product in such a way as to avoid damages and losses, unless otherwise agreed in advance, by means of the quote and specified in the purchase order. Shipments and responsibilities will be based on the INCOTERM agreed and mentioned in the purchase order.



For international shipments or collections, the supplier must use wooden pallets or packaging that meet the requirements of ISPM 15. The material or equipment must be identified with a label for quick inspection and the supplier must send in advance the following information necessary for its importation and transportation : Packing List with weight and dimensions of each box or package; certificate of origin; photos of the equipment(s) and its identification plate(s); invoice with detailed costs of each component, origin and incoterm; and technical sheet of the equipment. In case of using containers, sufficient space must be left for inspection, without unloading it. If the last requirement is not complying, unloading and loading fee will be the supplier responsibility.

4. DELIVERY

The delivery of the materials or services required, must be in the facilities of Aluminum of Baja California (as mentioned on the purchase order), unless otherwise agreed in advance; at the specified times and must be properly packaged and labeled. It must also match the requested quantity, unless otherwise approved by the buyer, and match what is stated on the invoice or delivery document. Must include, as the case may be, a safety sheet, a technical sheet, a quality certificate or a certificate of origin.

For rentals of machinery and equipment, the supplier must submit documentation that proves legal stay in the country and proof of maintenance performed on it.

For chemical substances, these must be properly labeled with the name of the product in Spanish and include pictograms that match with the attached safety sheet, which are in accordance with all federal, state or local laws and regulations.

For services/jobs, the contractor must submit the FORM- CO-11 form for receipt/validation of the work performed, completely filled out and signed by the parties, to receive its delivery note.

a NON-COMPLIANCE: The supplier undertakes to supply the services or products described in this purchase order in a timely manner and in the event of not being able to comply, it must immediately notify the Buyer; that is unable to deliver within the agreed period, leaving the Buyer at the discretion of either granting an additional period for delivery, or canceling the Purchase Order without any liability to the Buyer."

This termination does not release the Supplier from the obligations of guarantee, confidentiality and responsibility for the goods and/or services already provided under this Purchase Order. The lack of exercise of action or right of the Buyer derived from the breach of the Supplier, does not imply its waiver to claim past, present or future breaches.

5. INSPECTION AND REJECTION



The goods supplied by the Seller will be received subject to the inspection and approval of Aluminum of Baja California, within a reasonable time after delivery, notwithstanding the previous payment. The receipt does not mean acceptance of them. In the event that the specifications or guarantees, quantity, instructions and requested packaging are not met, the goods will be returned to the Seller, who must absorb all expenses incurred, such as inspection, packaging, storage and replace the material or refund what was paid.

6. SECURITY AND ACCESS

By remaining in the Buyer's facilities, the Seller and its subcontractors will comply with the specific regulations of the Buyer's site, and requirements mentioned in the FORM- SH-93 format, based on their activities to be developed; In addition, you will ensure that all your employees, subcontractors and representatives have a safe working environment. For services within the company, the provider must previously submit the following documents. MEXICANS SUPPLIERS: 1. Updated social security settlement (SUA) 2. Proof of payment of updated settlement. 3. Submit a document that certifies the skills required to develop their "consistency of skills" activities. 4. Form for payment of worker-employer fees, contributions and amortizations, issued by the IMSS. 5. Registration of employees (IDSE). 6. Have PPE, helmet, boots, glasses, earplugs, vest and PPE according to the activity to be carried out. 7. Present identification (INE, Passport, License) at the booth. 8. In the case of the employer when he is a legal person, he needs to prove his legal participation in the company and/or present some insurance for major medical expenses. 9. If you are a natural person, submit a current employer registration and/ or insurance for major medical expenses. 10. Receive security talk. 11. ABC agreement for suppliers and contractors (FORM- SH-25), signed and completed. 12. REPSE registry. 13. List of personnel to enter 14. Internal contact, job description and duration of the activity. FOR FOREIGN SUPPLIER: 1. Present FM3 (Issued by the INM), 2. Have PPE, helmet, boots, glasses, earplugs, vest and PPE according to the activity to be carried out. 3. Submit a current employer registration and/or insurance for major medical expenses. 4. List of personnel to enter. 5. Internal contact, job description and duration of the activity. 6. Receive security talk.

The Seller shall be solely responsible for the safety of its employees and subcontractors, as well as for the means and methods used by it or the employees of its subcontractors when providing the services provided for in this instrument; furthermore, the Seller agrees that the Buyer shall have no liability. In the event that an employee of Seller or one of its subcontractors is injured while on Buyer's premises, Seller will promptly notify Buyer of the time, nature, and severity of the injury, and will further cooperate with Buyer and will provide you with information pertaining to any investigation of such injury. The Supplier shall comply with all applicable Environmental Laws.

7. WARRANTIES



Seller warrants that when delivering the goods hereunder, all applicable regulations will have been complied with and further represents and warrants the following: (I) the goods, when shipped, will meet specifications, drawings, samples or other descriptions supplied by Seller or specified by Buyer of merchantable quality; will be appropriate and safe; and will be free from defects in material, design and workmanship; (II) the goods will not infringe patent or trademark rights; (III) will have all the licenses and permits required by any state, federal or municipal agency and that are necessary to sell the goods; (IV) the goods will comply, and will be manufactured and labeled to comply, with all applicable federal, state and local laws, rules and regulations, including all laws, rules, regulations or precepts that regulate the environment, health, safety, weights, measurements and dimensions; in the case of the Services, perform in the manner specified and reflect the highest standards of professional knowledge and judgment; (V) be designed and built to be safe and without risk to human health; (VI) the goods will be appropriate for the particular use intended; (VII) Buyer shall have full title to all goods sold to Buyer and shall be free of all liens claims; (VIII) Seller will be in strict compliance with all applicable anti-money laundering and corrupt practices laws; and (IX) Since Aluminum of Baja California is committed to eradicating prohibited forms of labor such as: forced labor, in prisons, in bonded labor or bonded child labor, it reserves the right to establish commercial relations with those countries/suppliers who carry out this type of work, especially with the Xinjiang Uyghur Autonomous Region (XUAR) of the People's Republic of China. Therefore, ABC will comply with regulations when purchasing conflict minerals such as coltan, cassiterite, gold or wolframite, or their derivatives, tantalum, tin and tungsten, as defined in the Dodd-Frank Wall Street Reform and Consumer Protection Act.

8. CONFIDENTIAL INFORMATION

The Provider undertakes to save and take all measures reasonably necessary to preserve the secrecy of the Confidential Information, and refrain from disclosing the total or partial content of the Confidential Information to third parties. Confidential information means; all personal and private information of each of the parties, whether printed, written, oral, or contained in electronic media or data messages, which is revealed by, or to any of the parties, as a result of discussions, including but not limited to trade secrets, designs, drawings, inventions (whether patented or not), notes, customer lists or records, reports, analyses, financial information, tax information, compilations, studies, forms, manufacturing methods, business methods, marketing information, rate and price details, computer systems and programs, projections, forecasts, trademarks, any information on the financial position, with the understanding that any material in writing or by electronic means that is delivered or made available to the other party, shall be considered as Confidential Information.

They will maintain and preserve the strict confidentiality of the Information disclosed to them, and must not use said information for their own benefit (except as expressly agreed by the PARTIES); agreeing not to disclose the information to third parties with a specific need to



receive such information for the purpose of developing the product, process and/or service requested by ABC, and who must commit to the terms of this Agreement.

9. FORCE MAJURE

The fulfillment of the agreed commitments will be excluded only in cases where the supplier cannot carry out its obligations, due to natural or unforeseeable events such as fire, flood, war, delays or lack of transportation, health emergencies, government priorities, or any other reason that cannot be controlled by them. In the event that the Supplier is unable to comply with the obligations of this Purchase Order due to fortuitous event or force majeure for a period and this condition is extended for a period equal to or greater than twenty calendar days, the Buyer may, without any responsibility, terminate this Purchase Order.

10. INDEMNIFICATION

The Supplier shall assume the risk of all damages, losses, expenses and costs, forcing itself to indemnify and hold harmless the Buyer, its representatives, directors and employees for any damage, claim or judicial or administrative proceeding and to reimburse any fine, penalty or expenses (including attorneys' fees), arising from or related to this Purchase Order and attributable to the Supplier. These indemnities will survive the termination or cancellation of this Purchase Order, or any part thereof.