

# General Terms and Conditions of Purchase Neapco Components, LLC – Saltillo, Mexico



## 1. Prevailing Conditions

- 1.1. The legal relations between Supplier and Neapco Components, LLC – Saltillo, Mexico (hereinafter referred to as “**Neapco**”) are governed exclusively by these General Terms and Conditions of Purchase (hereinafter referred to as “**GTCP**”) and by any other agreements made individually. Amendments or modifications must be in writing. General terms and conditions of Supplier are inapplicable even if *Neapco* has not expressly objected to them or if *Neapco* has accepted or paid for products or services of the supplier.
- 1.2. These GTCP also apply to all future business with Supplier. The GTCP will be revised by *Neapco* from time to time and shall apply exclusively as revised at the time a purchase order is issued.

## 2. Purchase Orders and Modifications of Purchase Orders

- 2.1. The Order (as defined below) is an offer by *Neapco* to purchase the Supplies from Supplier on the Terms (as defined below). The contract is formed when Supplier accepts the offer of *Neapco*. This occurs upon the earlier of: (a) Supplier beginning work or performance with respect to any part of the Order; or (b) Supplier notifying *Neapco* of its acceptance of the offer. The Order is limited to and conditional upon Supplier’s acceptance of these Terms exclusively.
- 2.2. The “**Order**” consists of the following, the terms and conditions of which are sometimes referred to collectively as the “**Terms**”: (i) the purchase order into which these GTCP are incorporated; (ii) any Material Releases issued by *Neapco* to Supplier under the purchase order; (iii) these GTCP; (iv) all other documents (including, without limitation, prints, specifications, and performance of Supplier) specifically incorporated into or otherwise made a part of this Order by *Neapco*; and (v) *Neapco*’s Policies, described in the purchase order, as revised by *Neapco* from time to time. *Neapco*’s Policies include all statements of work as well as specific terms as written on the applicable purchase order. *Neapco*’s Policies are available via *Neapco*’s supplier portal or can be obtained by contacting Supplier’s assigned purchasing representative. Supplier is responsible for keeping current regarding the terms of *Neapco*’s Policies and any changes to these GTCP. The Terms also include any additional applicable customer requirements, as described in Section 10 and elsewhere in the Order. These GTCP prevail over any terms or conditions contained in any other documentation and expressly exclude any of Supplier’s general terms and conditions of sale or any other document issued by Supplier in connection with any purchase order, which other terms and conditions are hereby expressly rejected by *Neapco*.
- 2.3. Supplier is responsible for meeting all product details and specifications incorporated into the Order. By accepting the Order, Supplier has agreed to meet all specifications incorporated into the Order unless deviations have been agreed in writing by both parties.
- 2.4. Supplier will pack, mark, and ship Supplies in accordance with all applicable packaging standards of *Neapco* and, as appropriate, the carrier transporting such Supplies.
- 2.5. *Neapco* reserves the right to change the Supplies upon notice to Supplier, including changes to the design, specifications, engineering level, materials, packaging, testing requirements, shipping date, or time or place of delivery. If any such changes affect cost or timing, *Neapco* may, at its discretion, equitably adjust the price

or time for performance where Supplier’s direct costs are affected by such changes after satisfactory supporting documentation, including but not limited to, detailed cost breakdowns, are provided. Supplier will within seven (7) days of *Neapco*’s request or within an agreed upon time at *Neapco*’s discretion, for any such change, provide *Neapco* with any request for adjustment, if any. Supplier will not make any change in the Supplies, including the design, specifications, engineering level, materials, packaging, testing requirements, shipping date, manufacturing location, or time or place of delivery, except at *Neapco*’s written instruction or with *Neapco*’s written approval. This restriction extends to Supplier’s sub-tier supply base.

## 3. Pricing and Passing of Risk

- 3.1. Except as agreed otherwise, prices are firm and Supplies shall be delivered DDP to Supplier’s North American manufacturing or warehouse location according to Incoterms® 2010 and including, but not limited to, packaging, transportation costs, insurance, customs duties and fees and applicable taxes.
- 3.2. Unless otherwise agreed between parties in writing, the time at which the risk of damage to or loss of the Supplies shall pass to *Neapco* in accordance with Incoterms® 2010.
- 3.3. Supplier, at all times, must provide the Supplies competitive as to price, quality, delivery, technology, and partnership. Supplier acknowledges that *Neapco* will continually benchmark Supplier’s prices. Failure to meet the requirements of this subsection may result in termination provided that Supplier does not remedy within thirty (30) days.
- 3.4. Supplier will sell Supplies to *Neapco* to fulfil its customer’s past model service and replacement requirements at the contracted price plus actual cost differentials for unique packaging for a period of 15 years after EOP plus willingness to negotiate supply beyond 15-year mark.

## 4. Payment

- 4.1. Invoices are due for payment without discount within 90 days or agreed upon terms after shipment in conformity with Incoterms® 2010 as documented on the purchase order and following *Neapco*’s receipt of a proper invoice. If *Neapco* accepts early Supplies, the due date of the invoice shall be based on the Material Release date or agreed date of delivery. The invoice shall be sent to the appropriate *Neapco* division and department and shall otherwise conform with the requirements specified on *Neapco*’s Purchase Order.
- 4.2. Payment for Supplies shall not constitute acceptance of non-conforming Supplies, nor will it limit or affect any rights or remedies of *Neapco*.
- 4.3. Without prejudice to any other right or remedy it may have, *Neapco* reserves the right to set off at any time any amount owing to it by Supplier against any amount payable by *Neapco* to Supplier.
- 4.4. Supplier may not without *Neapco*’s prior written consent assign any of its claims against *Neapco* or have those claims collected by others.
- 4.5. Credits or benefits resulting from the Order, including trade credits, export credits or the refund of duties, taxes, or fees, belong to *Neapco*. Supplier will provide

# General Terms and Conditions of Purchase

## Neapco Components, LLC – Saltillo, Mexico

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all information and certificates (including NAFTA Certificates of Origin) necessary to permit *Neapco* (or its customers) to receive these benefits or credits.

### 5. Confidentiality

- 5.1. All business or technical information disclosed by *Neapco* is to be kept confidential unless such information is demonstrably in the public domain. Such information expressly remains the property of *Neapco*. Supplier, including its employees, may not without *Neapco*'s prior written consent disclose any such information or use any such information for any purpose except as may be necessary to perform its obligations to *Neapco*.
- 5.2. If *Neapco* has consented to Supplier engaging subcontractors for the fulfilment of its contractual duties, Supplier shall have any such subcontractor, including its employees, agree to be bound by this Section 5 before disclosing any business or technical information of *Neapco* to such subcontractor. Supplier shall be responsible for any breach of the confidentiality obligations hereunder by any such subcontractor as if Supplier had breached such obligations.
- 5.3. Supplier may not without *Neapco*'s prior written consent advertise its business connection with *Neapco*.
- 5.4. The confidentiality obligations of Section 5 shall survive the expiration or termination of any Order into which these GTCP are incorporated.

### 6. Delivery

- 6.1. Delivery dates and quantities shall be in accordance to the purchase order and/or delivery schedules agreed upon by Supplier and *Neapco*. Supplier acknowledges that delivery times and quantities are of the essence and *Neapco* may reject and/or return, at Supplier's expense, any delivery of Supplies thereof received before or after the delivery date or in excess of the quantity specified in the purchase order and/or delivery schedules.
- 6.2. If Supplier anticipates difficulties concerning manufacture, procurement of primary material, compliance with the date of delivery or similar circumstances that might prevent Supplier from delivering the products timely and in the agreed quantity, Supplier must promptly inform *Neapco*'s ordering department.
- 6.3. If Supplier, for any reason, does not comply with *Neapco*'s delivery schedule or any other requirement of a Material Release, *Neapco* may, at its discretion: (a) approve a revised delivery schedule; (b) require expedited or premium shipment of any of the Supplies; or (c) procure the ordered Supplies from another party and adjust any quantity requirement under the purchase order accordingly. Supplier shall be liable for all excess costs and for all other direct, consequential, and incidental damages incurred by *Neapco* as a result of Supplier's failure including: (i) additional transportation costs; (ii) the cost of any production disruption at *Neapco* and/or its customer; and (iii) the cost of obtaining goods from an alternative source. *Neapco*'s rights under this section are at Supplier's sole expense, at *Neapco*'s sole discretion and in addition to and without prejudice to any other right or remedy available to *Neapco*.
- 6.4. *Neapco*'s acceptance of a late delivery shall not be deemed to constitute a waiver of any claims available to *Neapco* with respect to such late delivery.
- 6.5. Shipments of partial quantities of Supplies or over shipment of Supplies are each prohibited without *Neapco*'s prior written consent.
- 6.6. *Neapco* has the right to refuse acceptance of early deliveries. If *Neapco* accepts an early delivery, it reserves

the right to require Supplier to pay any handling and storage costs incurred as a result of such early delivery.

- 6.7. With respect to the number of items, weights and dimensions, the values *Neapco* determines when checking the products received are decisive unless Supplier proves other values.
- 6.8. Upon request, Supplier shall promptly furnish to *Neapco* all certificates of origin or domestic value-added and all other information relating to the costs and places of origin of the Supplies as may be required by *Neapco* to comply fully with all customs, tariffs, and other applicable laws (as defined in section "Customs").
- 6.9. In the event that all or any portion of the Supplies are chemical substances, preparations or materials, Supplier shall provide *Neapco* with "Safety Data Sheets" for these Supplies. For Supplies labelled as hazardous goods for transport according to international dangerous goods regulation (e.g. ADR/RID, IMDG, ICAO/IATA), Supplier shall provide *Neapco* with appropriate safety information, for example according to VDA datasheet 290.

### 7. Termination

- 7.1. Unless otherwise provided by the law of the country (and if relevant the state / province) applicable to the Order, *Neapco* may terminate any Order immediately upon written notice to Supplier, if Supplier:
  - 7.1.1. Commits a breach of the Order that is not capable of remedy or commits a breach of the Order that is capable of remedy but is not remedied within thirty (30) days of notice from *Neapco* specifying the breach;
  - 7.1.2. Violates applicable law, promised to or gave a bribe or any undue financial or other advantage of any kind to another business or governmental representative (particularly, but not limited to, an employee of *Neapco* or public official) in order to induce or reward him in connection with the negotiation, decision-making process or performance relating to the Order; or
  - 7.1.3. Becomes insolvent, or bankruptcy or insolvency proceedings of any nature are commenced in relation to Supplier.
- 7.2. If *Neapco* is entitled to terminate an Order pursuant to this paragraph, *Neapco* shall also be entitled to terminate any other agreements between *Neapco* and Supplier.
- 7.3. The rights and remedies under this Order are cumulative and are in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise.

### 8. Neapco-Owned Tooling

- 8.1. If *Neapco* issues a Tooling Purchase Order ("TPO"), the supplier will design and fabricate, rework or acquire from such sources as *Neapco* has given prior approval, and install the tools, dies, fixtures, molds or patterns described in such TPO ("Tooling"), subject to these GTCP.
- 8.2. The right, title and interest to any part of the Tooling, including all supplies, materials, tools, jigs, dies, gauges, fixtures, molds, patterns, equipment, designs, drawings, specifications, spare parts, trial parts, and ancillary products ("Tools") shall pass to *Neapco* as soon as it is acquired, furnished or fabricated in connection with a TPO.
- 8.3. The supplier shall bear the risk of loss of and damage to all Tools. The supplier will (i) properly house and maintain the Tools on the supplier's premises, including

# General Terms and Conditions of Purchase Neapco Components, LLC – Saltillo, Mexico



making any necessary repairs to keep the Tools in good condition; (ii) not use the Tools for any purpose other than for performance under the applicable TPO; (iii) prominently mark the Tools as property of *Neapco* and refrain from commingling the Tools with the property of the supplier or a third party; (iv) adequately insure the Tools against loss or damage and (v) ensure that the Tools do not become subject to any liens or other claims. Any need for replacement Tools will be at the sole expense of the supplier.

- 8.4. The supplier expressly waives and releases any and all statutory, equitable or other liens, including but not limited to any molder liens, special tool liens, builder liens and the like, that the supplier has or might have on or in connection with the Tools for any and all work. The supplier shall indemnify, defend and hold *Neapco* harmless from and against any loss, liabilities, claims and all other obligations and proceedings, that are in any way related to releasing, terminating or otherwise removing any liens placed on the Tools, including any liens filed by a third party.
- 8.5. *Neapco* does not guarantee the accuracy or the suitability of any supplies or material furnished by it. The supplier assumes sole responsibility for inspecting, testing and approving any Tools or other materials supplied by *Neapco* prior to use.
- 8.6. *Neapco* will have the right to enter the supplier's premises at reasonable times to inspect the Tools. Upon written request, the supplier, at its expense, shall deliver all Tools to *Neapco*.
- 8.7. The supplier's obligations under this Section 8 shall continue beyond the expiration of the TPO until all Tools have been delivered or returned to *Neapco*. The supplier may not subcontract any portion of the manufacture of the Tooling without having first (i) given prior written notice to *Neapco*, and (ii) obtained for *Neapco* all of the rights contained in this Section 8 and such other documentation as *Neapco* may require from each such subcontractor.

## 9. Supplier-Owned Tooling

The following provisions shall apply for "Supplier-Owned Tooling":

- 9.1. Supplier acknowledges that the purchase order price includes a cost element to help Supplier recover the capitalization of Supplier-Owned Tooling. Supplier will properly maintain Supplier-Owned Tooling at its own expense for so long as the associated products are purchased by *Neapco* for its serial production as well as for its service and replacement part requirements.
- 9.2. If Supplier uses Supplier-Owned Tooling to produce products for other customers, including aftermarket customers, such products shall not incorporate any of *Neapco*'s logos, trademarks, trade names or unique part numbers. Supplier shall not disclose or imply in its marketing efforts that the products are equivalent to those purchased from Supplier by *Neapco* or any of its affiliates.
- 9.3. In consideration of *Neapco*'s purchase order for parts to be produced from Supplier-Owned Tooling, Supplier grants *Neapco* an exclusive, irrevocable option to purchase Supplier-Owned Tooling by paying the lesser of the outstanding unrecovered capitalization or the fair market value at the time *Neapco* exercises the option. *Neapco* may exercise this option at any time and upon such exercise by *Neapco*, Supplier will cooperate with

*Neapco*'s removal of the property from Supplier's premises. If Supplier finances any portion of Supplier-Owned Tooling, Supplier will obtain for *Neapco* the rights granted in this subsection 7.3 from its financing source.

## 10. Customer Requirements

- 10.1. Supplier agrees to comply with *Neapco*'s customer specific requirements communicated to Supplier, including, but not limited to, those requirements related to conflict minerals, sustainability, carbon disclosure, and diversity reporting.

## 11. Inspection and Audit

- 11.1. Upon reasonable notice, *Neapco*, its customer or any third party designated by *Neapco*, may enter and/or audit Supplier's facility at any time to inspect the facilities, supplies, materials and any of the *Neapco*'s property related to the order. Supplier shall provide, without additional charge, all reasonable facilities and assistance.
- 11.2. Upon reasonable notice, *Neapco* or any designated third party may review Supplier's financial condition.

## 12. Compliance with Workplace Policies

Any agents, employees or contractors of Supplier performing work at *Neapco*'s factory premises in connection with an Order must observe *Neapco*'s workplace rules, policies and regulations as revised from time to time. *Neapco* shall have no liability for accidents involving such individuals that occur at *Neapco*'s premises or for liability for damage to person or property of such individuals unless and to the extent caused by *Neapco*'s intentional or grossly negligent conduct.

## 13. Insurance

- 13.1. During the period when any Order with *Neapco* is outstanding, Supplier shall, at its own expense, maintain and carry commercial general liability insurance, as well as products liability insurance and recall insurance, with reputable and financially responsible insurance companies which are at an appropriate level in line with industry standard and which adequately cover Supplier's liability toward *Neapco* and any third parties. Supplier shall name *Neapco* as additional insured to each insurance policy.
- 13.2. Upon *Neapco*'s request, Supplier shall provide *Neapco* with a certificate of insurance from Supplier's insurer evidencing the insurance coverage specified herein. Except where prohibited by law, Supplier shall require its insurer to waive all rights of subrogation against *Neapco*'s insurers and *Neapco* or the Indemnitees (as defined below).

## 14. Force Majeure

- 14.1. Neither party shall be held liable for failure of or delay in performing its obligations under any Order if such failure or delay is the result of an act of God, such as earthquake, hurricane, tornado, flooding, or other natural disaster, or in the case of war, action of foreign enemies, terrorist activities, government sanctions or prohibitions, blockage, embargo, or failure of electrical service. The non-performing party must make every reasonable attempt to minimize delay of performance.
- 14.2. In no event will Supplier's performance be excused by:
- (i) change in cost or availability of materials, components or services based on market conditions, Supplier actions, labor disruptions, or contract disputes;
  - (ii) Supplier's financial distress; or
  - (iii) any labor strike or other

# General Terms and Conditions of Purchase

## Neapco Components, LLC – Saltillo, Mexico



labor disruption applicable to Supplier or any of its sub-contractors or Suppliers.

- 14.3. Supplier will inform *Neapco* as soon as reasonably practicable of the occurrence of an event of force majeure and the planned date for resuming performance.
- 14.4. During the time of non-delivery due to force majeure, *Neapco* has the right to procure the ordered products or services from another party, at Supplier's expense, and has the option to terminate without penalty any Order the performance of which has been interrupted by such force majeure event.

### 15. Subcontractors; Assignment

- 15.1. Supplier's obligations under any Order shall be performed by Supplier or persons having a fixed employment relationship with Supplier. Performance by subcontractors is subject to *Neapco's* prior written consent. Such consent may be subject to compliance with additional conditions by the subcontractor at *Neapco's* discretion.
- 15.2. *Neapco* has the right to assign its contractual rights and obligations under any Order issued hereunder to any affiliate of *Neapco*. If *Neapco* assigns its contractual rights and obligations, it shall remain responsible for the transferee's full performance of all contractual duties under these GTC or the assigned purchase order. Supplier shall not be permitted to assign its contractual rights or obligations hereunder without the prior written consent of *Neapco*.

### 16. Warranties

- 16.1. Supplier warrants to *Neapco* that such products will: (a) be free from any defects in workmanship, material and design; (b) conform to applicable specifications, drawings, designs, samples and other requirements specified by *Neapco*; (c) be fit for their intended purpose and operate as intended; (d) be merchantable; (e) be free and clear of all liens, security interests or other encumbrances; and (f) not infringe or misappropriate any third party's patent or other intellectual property rights.
- 16.2. The warranty period shall be the longest of: four years from the date *Neapco* accepts the Supplies, the warranty period for such Supplies provided by applicable law and the warranty period offered by *Neapco* or its customer to end-users for the products into which the Supplies are incorporated.
- 16.3. Supplier will conform to all quality assurance, environmental, and health and safety standards and processes as specified by *Neapco's* customers. These include, but are not limited to: ISO/TS 16949, IATF 16949, ISO 14001, VDA, AIAG PPAP process and applicable CQI standards, among others. Supplier will participate in *Neapco's* Supplier quality and development programs as directed by *Neapco*.
- 16.4. These warranties survive any delivery, inspection, acceptance or payment of or for the products by *Neapco*. These warranties are cumulative and in addition to any other warranty provided by law or equity.
- If *Neapco* gives Supplier notice of noncompliance with the foregoing warranties, Supplier shall, at its own cost and expense, promptly replace or repair the defective or nonconforming products and pay for all related expenses, including, but not limited to, transportation charges for the return of the defective or nonconforming products to Supplier and the delivery of repaired or replacement products to *Neapco*.

### 17. Social Responsibility and Environmental Protection

Supplier undertakes to comply with all applicable laws, regulations and ordinances in dealing with its workforce, environmental protection and work safety and to work towards reducing adverse effects of its operations on humans and the environment.

### 18. Liability for Defects

- 18.1. *Neapco* has the right to inspect the products on or after the delivery thereof. *Neapco*, at its sole option, may inspect all or a sample of any products subject to a purchase order, and may reject all or any portion of such products if it determines they are nonconforming or defective.
- 18.2. If *Neapco* rejects any portion of any products, *Neapco* has the right, effective upon written notice to Supplier, to: (a) rescind the applicable purchase order in its entirety; (b) accept the products at a reasonably reduced price; or (c) reject the products and require replacement of the rejected products. If *Neapco* requires replacement of the products, Supplier shall, at its expense, promptly replace the nonconforming products and pay for all related expenses, including, but not limited to, transportation charges for the return of the defective products, and the delivery of replacement products, any sorting/re-qualification costs incurred by *Neapco*.
- 18.3. If Supplier fails to timely deliver replacement products, *Neapco* may replace them with products from a third party and charge Supplier the cost thereof and terminate the purchase order related to such products.
- 18.4. Any inspection or other action by *Neapco* under this Section shall not reduce or otherwise affect Supplier's obligations under the applicable purchase order, and *Neapco* shall have the right to conduct further inspections after Supplier has carried out its remedial actions.
- 18.5. *Neapco* may require Supplier to reimburse it for any expenses incurred as a result of *Neapco's* customers asserting claims for reimbursement of expenses related to any nonconforming products, including the costs of shipping, transport, work and material.

### 19. Indemnification

- 19.1. Supplier shall defend, indemnify and hold harmless *Neapco* its subsidiaries, affiliates, successors or assigns and their respective directors, officers, shareholders and employees and *Neapco's* customers (collectively, "Indemnitees") against any and all loss, injury, death, damage, liability, claim, deficiency, action, judgment, interest, award, penalty, fine, cost or expense, including reasonable attorney and professional fees and costs, and the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers (collectively, "Losses") arising out of or occurring in connection with the Supplies purchased from Supplier, including, but not limited to, any product liability or warranty claims or Supplier's negligence, willful misconduct or breach of the Terms. Supplier shall not enter into any settlement without *Neapco's* or Indemnitee's prior written consent.
- 19.2. Supplier shall, at its expense, defend, indemnify and hold harmless *Neapco* and any Indemnitee against any and all Losses arising out of or in connection with any claim that *Neapco's* or Indemnitee's use or possession of any products infringes or misappropriates the patent, copyright, trade secret or other intellectual property right of any third party. In no event shall Supplier enter into any settlement without *Neapco's* or Indemnitee's prior written consent.
- 19.3. Supplier shall, at its expense, defend, indemnify and hold

# General Terms and Conditions of Purchase Neapco Components, LLC – Saltillo, Mexico



harmless *Neapco* and any Indemnitee against any and all Losses arising out of or in connection with Supplier's sale to third parties of products manufactured using Supplier-Owned Tooling, including, but not limited to, any product liability claims and Losses caused by any act or omission of Supplier or its subcontractors in connection with such sales.

## 20. Product Recalls

20.1. Before starting a product recall that wholly or partly results from a defect of any products delivered by Supplier under any purchase order, *Neapco* will endeavor to notify Supplier and allow it to be involved and to exchange views on the efficient implementation of any such product recall, provided that *Neapco* reserves the right to institute a product recall without such notice and involvement of Supplier if *Neapco's* determines that doing so is appropriate under the circumstances. Involvement in such discussions will be limited to Supplier and *Neapco*. Insofar as a recall campaign results from a defect of the products delivered by Supplier under any purchase order, Supplier shall pay all of the costs and expenses associated with such product recall. In the event that Supplier delivers defective Supplies and, as a result, *Neapco* conducts a recall of products into which the relevant Supplies have been incorporated, Supplier will indemnify and hold the Indemnitees harmless against any and all Losses occasioned by or arising out of any such recall.

## 21. Proprietary Rights

- 21.1. Supplier warrants that the Supplies and the sale and/or use thereof (before or after incorporation into products during manufacture) do not and will not infringe any intellectual property rights.
- 21.2. Supplier grants *Neapco* free of charge the right to use, reproduce, distribute and derive any proprietary rights owned by Supplier related to the Supplies, without any limitation as to territory, substance or time. With regard to licensed proprietary rights of others related to the Supplies, Supplier will ensure that the right to use, reproduce, distribute and derive such rights will also be granted to *Neapco* without any limitation as to territory, substance or time. Supplier will pay any royalties or other fees that may be charged by others.
- 21.3. With regard to software included in the Supplies (including its documentation), *Neapco* has the right to use the same within the scope permitted by applicable law. With regard to such software, *Neapco* further has the right to use the same subject to the agreed specifications and within the scope necessary for the use of the product in conformity with the contract. *Neapco* may create a backup copy with or without express agreement.

## 22. Compliance with Law

- 22.1. Supplier shall comply with all applicable laws, regulations and ordinances in carrying out its obligations under each purchase order. Supplier has and shall maintain in effect all of the licenses, permissions, authorizations, consents and permits that it needs to carry out its obligations under each purchase order.
- 22.2. Supplier shall comply with all export and import laws of all countries involved in the sale of products under each purchase order. Supplier will submit to *Neapco* evidence of such compliance. Supplier shall comply with all applicable recommendations and requirements of local customs and order agencies including but not limited to the Custom-trade partnership against terrorism, C-TPAP, Customs importer security filing, ISF. Supplier will furnish any documentation and information necessary to establish country of origin or comply with the ap-

plicable country's rule of origin requirements. Supplier assumes all responsibility for shipments of products requiring any government import clearance. *Neapco* may terminate any purchase order if any government authority imposes antidumping duties, countervailing duties or any retaliatory duties on the products.

## 23. Governing Law; Jurisdiction

- 23.1. These GTCP will be construed, governed and controlled in all respects by the laws of the State of Coahuila, Mexico without regard to its conflicts of laws principles. The UN Convention for the International Sale of Goods is expressly excluded.
- 23.2. All legal matters arising out of or relating to any Order, shall be governed by and construed in accordance with the internal laws of the state, province or territory identified at the address of *Neapco* in the Order, but excluding its choice or conflict of laws. Each of the parties is irrevocably and unconditionally subject to the exclusive jurisdiction of the federal or state, provincial or territorial courts of the state, province or territory identified in the address of *Neapco* in the Order and their appellate courts. Each of the parties hereby irrevocably consents to the exclusive jurisdiction of such courts (and of the appropriate corresponding appellate courts) in any such suit, action or proceeding, and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have thereto. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of such court, consistent with the rules of service of process for that court.