

GENERAL TERMS & CONDITIONS
FOR
SUPPLY OF GOODS
FOR
FIELDWOOD ENERGY E&P MÉXICO, S. DE R.L. DE C.V.

GENERAL TERMS & CONDITIONS

These General Terms & Conditions (the “**General Conditions**”), implemented into the respective Contract by reference in Purchase Order (as defined below), shall constitute, together with such Purchase Order, the Contract between the parties stipulated in such Purchase Order (the “**Contract**”).

FIELDWOOD ENERGY E&P MÉXICO, S. DE R.L. DE C.V., a company incorporated under the laws of Mexico and having its office at Av. Jaime Balmes 8, Piso 11 (PH), Col. Los Morales Polanco, Alcaldía Miguel Hidalgo, Ciudad de México, México. C.P. 11510, is hereinafter referred to as the “**Purchaser**” in these General Conditions and the Purchase Order.

The party designated as a “**Seller**” in the respective Purchase Order is hereunder referred to as the “**Seller**”
“**Purchaser**” and “**Seller**” are collectively referred to as the “**Parties**” and individually as a “**Party**”.

WHEREAS, The Purchaser develops the activities of the Production Sharing Agreement No. CNH-R01-L02-A4/2015 in Mexico (the “**Project**”);

WHEREAS, The Purchaser, in connection with the Project, wishes the Seller to provide certain goods as more particularly described in the Contract; and

WHEREAS, The Seller has the professional expertise and resources and is willing and able to supply the Goods in accordance with the terms and provisions of this Contract in consideration of compensation in the amount specified in Purchase Order.

In the Contract words and expressions shall have the same meanings as are respectively assigned to them in the General Conditions, unless otherwise specified in the Form of Contract or a Schedule of the Contract.

The documents listed below shall form the Contract and constitute an integral part thereof (In the event of any conflict, discrepancy, or ambiguity, precedence shall be given by the descending order below):

1. General Conditions
2. Schedules to General Conditions
3. Purchase Order
4. Attachments to the Purchase Order

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1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Contract the following terms shall have the following meanings:

“Acceptance” means, in respect of the Goods, the time when all of the below requirements have been satisfied:

- a. Pre-Shipment Inspection has been successfully completed in respect of the Goods (if required in the Purchase Order);
- b. the Goods have been Delivered to the Delivery Point;
- c. the quantity of Goods delivered to the Delivery Point matches the quantity given in Purchase Order;
- d. the Seller has supplied the Goods in accordance with the requirements of this Contract, including the delivery of all Seller’s documents and other documents required Purchase Order; and
- e. Goods Acceptance Certificate is signed by both Parties;

the terms **“Accept”** and **“Accepted”** shall be construed accordingly;

“Affiliate” means, with respect to any specified person, any other person that, directly or indirectly, controls, is controlled by or is under common control with such specified person. For the purposes of this definition, “control” means the direct or indirect beneficial ownership of more than 50% of the issued share capital, stock or other participating interest or the legal power to direct or cause the direction of the general management, of the company, partnership or other person in question, and “controlled” shall be construed accordingly; where a “person” means any natural person as well as any legal entity, including without limitation, a firm, undertaking, joint venture, association, partnership, or other form of business or organization;

“ASEA” means the Mexican National Agency of Industrial Security and Environmental Protection in the Hydrocarbons Sector (Agencia Nacional de Seguridad Industrial y de Protección al Medio Ambiente del Sector de Hidrocarburos);

“Authority” means any governmental body at a federal, State or municipal level, of the executive, legislative or judicial branch, including autonomous constitutional bodies, regulatory bodies on energy matters and productive State companies;

“Authority Inspection” means any audit, inspection and/or similar procedure, carried out by an Authority (or the third-party that it appoints for such purposes) in order to verify the compliance to any Law, including without limitation, those carried out by ASEA, CNH, FMP, SENER, SE and/or the SHCP;

“Business Day” means a day when the banks in the Mexican United States are open for business;

“CNH” means the Mexican National Hydrocarbons Commission (*Comisión Nacional de Hidrocarburos*);

“CNIH” means the Mexican National Centre of Hydrocarbons Information (*Centro Nacional de*

Información de Hidrocarburos);

“CNIH Guidelines” means the Guidelines for the use of the information contained at the CNIH (*Lineamientos para el Uso de la Información Contenida en el Centro Nacional de Información de Hidrocarburos*) or any Law that substitutes such document;

“Consent” means any permit, registration, clearance, consent, approval, authorisation, contract, no objection certificate, waiver or licence which must be obtained from any person (including both private persons and Authorities) in order for the Goods to be supplied in accordance with this Contract. The meaning of **“Consent”** shall include any contracts for the obtaining of rights of way, easements, land purchase or leasing, and the like with persons who would otherwise possess rights to prevent or impede the supply of the Goods to be performed in accordance with this Contract (or towards whom the Purchaser or the Seller would otherwise incur any liability by reason of the supply of Goods in accordance with this Contract);

“Contract Price” means the maximum Total Amount that may be payable to the Seller hereunder for the supply of the Goods as specified in the Purchase Order.

“Delay Liquidated Damages” means liquidated damages payable in accordance with Clause 4;

“Delivery” means delivery in accordance with the Delivery Terms and terms and conditions of this Contract. “Deliver” and all other derivatives shall be construed accordingly;

“Delivery Date” means the date specified in the Purchase Order on which the Seller is required to deliver the Goods;

“Delivery Point” means the specific location where the Goods are to be Delivered to as specified in Purchase Order;

“Delivery Terms” means terms of delivery of Goods by the Seller, specified Purchase Order;

“FMP” means the Mexican Oil Fund for the Stabilization and Development (*Fondo Mexicano del Petróleo para la Estabilización y el Desarrollo*);

“Goods” means the goods listed and described in the Purchase Order and elsewhere in the Contract to be provided by the Seller hereunder. In case of supply of the Goods in installments (batches or otherwise) under a particular Purchase Order or if partial delivery of the Goods is permitted under the Purchase Order or approved by the Purchaser, as may be the case, reference to the “Goods” shall be construed as the reference to such portion of the Goods that are comprised in any installment (batch or otherwise) or scope of permitted and approved partial supply;

“Goods Acceptance Certificate” means a certificate signed in accordance with the form set forth in Schedule 2 (Form of Goods Acceptance Certificate) issued to confirm that Delivery and Acceptance of the Goods have occurred in accordance with Contract provisions;

“Goods Defects Certificate” means a certificate signed between the Parties or by the Purchaser only (as applicable) according to the form attached as Schedule 3 (Form of Goods Defects Certificate) stating the defects identified by the Purchaser during Acceptance or Defects Liability Period;

“Good Industry Practice” means the good industry practices, methods, equipment and procedures usually employed in engineering, design, procurement and manufacturing activities

and that degree of skill, diligence, prudence and foresight which would reasonably be expected to be observed, in each case by a skilled, qualified and experienced international supplier of goods, equipment and services engaged in carrying out activities the same as or similar to Sellers's obligations under this Contract under the same or similar circumstances;

"Gross Negligence" means any act or omission (whether sole, contributory, joint or concurrent) which seriously or substantially deviates from a reasonable course of action without justification and which is in reckless disregard of or wanton indifference to, foreseeable harmful consequences;;

"Inspection Release Note" means a document issued by the Third-Party Inspector in confirmation that the Goods are ready for shipment and are manufactured in accordance with, and correspond to, the requirements of this Contract;

"Indemnify" or "Indemnification" means release, indemnify, defend and hold harmless.

"Law(s)" means all treaties, laws, legislation, orders, decrees, regulations, decisions, statutes, ordinances, rules, directives, codes, administrative provisions, NOMs, by-laws, delegated or subordinated legislation, judgments or orders of a court of competent jurisdiction, administrative act or decision of a governmental Authority, having jurisdiction or authority over the Party and/or Services performed under the Contract (including regulations issued by (i) SE, (ii) CNH, (iii) CNIH, (iv) SEMAR, (v) FMP (vi) SHCP, (vii) ASEA and (viii) CONAGUA and others);

"Lien" means any mortgage, lien, pledge, claim, charge, lease, easement, security interest, restriction or encumbrance of any kind, or another type of preferential arrangement having similar effect;

"License" means the License for the Use of the Information relating to the PSA granted to the Purchaser by CNIH;

"License Information" means any geological, geophysical, petro-physical, petro-chemical and geo-chemical information, engineering information, as well as any other information or data obtained under or as a result of or howsoever related to the activities of exploration, appraisal, extraction and abandonment of hydrocarbons carried out under the PSA (the **"Petroleum Activities"**), including without limitations, the acquisition, processing, reprocessing, interpretation, geologic control, pre-processing of seismic data, velocity and migration model, in time and in depth; magnetic, gravimetric, geo-electric and magneto-telluric acquisition, and any other that is obtained from the aforesaid means, any and all derivatives, interpretations and maps, well's log registries, advance reports, technical documents (as such term is defined in the PSA), surveys, reports, spreadsheets and data bases in any form, related to the contractual area of the PSA or the Petroleum Activities, as well as any other information that is subject to the License in accordance with the Laws;

"Mexico" means the United Mexican States;

"Negligence" means the failure to exercise the standard of care that a reasonably prudent person or company would have exercised in a similar situation;

"NOMs" means Mexican Official Standards (*Normas Oficiales Mexicanas*);

“PSA” means the Production Sharing Agreement No. CNH-R01-L02-A4/2015, executed between the Purchaser and CNH;

“Purchaser” means the legal entity designated as such in the Contract;

“Purchaser’s Group” means individually or in any combination, Purchaser, its Affiliates, its and their officers, directors, employees (including agency personnel), agents, representatives and invitees of the foregoing, but shall not include any member of Seller’s Group;

“Release Note for Shipment” means a document that is issued by the Third Party Inspector in confirmation that the Goods are accepted and/or ready for shipment and are made in accordance with requirement of this Contract;

“SE” means the Mexican Ministry of Economy (*Secretaría de Economía*);

“Security Instruments” means Performance Bond or Security Deposit described in Clause 7.11;

“Seller” means the person designated as such in the Purchase Order;

“Seller’s Group” means, individually or in any combination, Seller, its Sub-sellers, partners, its and their Affiliates and officers, directors, employees (including agency personnel), agents, representatives and invitees of all of the foregoing, but shall not include any member of Purchaser Group;

“SENER” means the Mexican Ministry of Energy (*Secretaría de Energía*);

“SHCP” means the Mexican Ministry of Finance and Public Credit (*Secretaría de Hacienda y Crédito Público*);

“Specification” means the list of Goods descriptions and prices per unit of measurement attached to Purchase Order;

“Sub-seller” means any person, including any vendor or supplier, with whom the Seller has entered into any arrangement to supply or facilitate supply of any such part of the Goods, subject to the requirements set forth herein for such purposes, including any person at any tier with whom any sub-seller has further contracted any part of the supply of the Goods, and their legal successor and assignees including, unless expressly excluded, any ancillary sub-seller;

“Purchase Order” means a written instruction, including Specification, submitted to the Seller by Purchaser in the form attached as Schedule 1 (Form of Purchase Order) in accordance with the Contract which sets out the description of the Goods to be supplied;

“Tax” means any form of taxation, levy, duty, charge, contribution or withholding of whatever nature (including without limitation, income (whether in relation to individual or legal persons), value added, excise, customs duties, tariffs, stamp, transfer, property, occupancy, use, real estate, sales, payroll, gains, gross receipts, withholding, franchise taxes and any other similar fiscal payments that may replace or append the existing ones) together with any related fine, penalty, surcharge or interest imposed in connection with such taxes, levies, duties, charges, contributions, or withholdings and/or any other type of governmental fee, such as “*derechos*”, “*aprovechamientos*” and “*aportaciones de seguridad social*” referred to in articles 2 and 3 of the Mexican Federal Tax Code (*Código Fiscal de la Federación*), collected or assessed by, or payable

to, any Authority;

“Third Party Inspector” means an internationally recognized expert organization, engaged in supervision of manufacturing, tests, inspection and shipment of the Goods at the Seller's premises and/or manufacturing plant, Seller's intermediary shipping and or storage locations, at Purchaser's delivery point or at the Site;

“Willful Act” or **“Wilful Misconduct”** means any act or failure to act which was intended to cause significant harmful and foreseeable consequences.

1.2 Interpretation

In the Contract, unless the context requires otherwise:

- 1.2.1 a reference to a person or Party includes a reference to an individual, corporation, joint stock company, limited liability company, partnership, joint venture, association, trust, unincorporated organization, or other entity;
- 1.2.2 words importing the singular also include the plural and vice versa;
- 1.2.3 the headings used in the Contract shall not be deemed to be part thereof or be taken into consideration in the interpretation or construction thereof;
- 1.2.4 a reference in the Contract to any Recital, Clause or Schedule is, except where it is expressly stated to the contrary, a reference to such Recital, Clause or Schedule herein;
- 1.2.5 wherever in the Contract provision is made for the giving of notice, consent, approval, certificate or determination by any person then unless otherwise stated such notice, consent, approval, certificate or determination shall be in writing and the words “notify”, “approve”, “certify” and “determine” shall be construed accordingly;
- 1.2.6 all dates and periods of time referred to in the Contract shall be ascertained in accordance with the time in Mexico and the Gregorian calendar;
- 1.2.7 business day shall mean any day where banks and Authorities offices are open for business in Mexico;
- 1.2.8 “including” or “includes” means without limiting the generality of the foregoing or without limitation;
- 1.2.9 references made to Laws shall include any amendments, modifications, substitutions, or supplements thereto;
- 1.2.10 it is the intention of the Parties that this Contract shall not be construed against either Party as author or drafter of the Contract, and the Parties acknowledge that they have read and understand this Contract, are entering into it freely and voluntarily as the professional market agents, and
- 1.2.11 undefined capitalized terms in this Contract shall have the meaning set forth in the applicable Law.

2. DELIVERY, ACCEPTANCE, EXTENTION OF TIME

- 2.1 The Seller shall deliver the Goods to the Delivery Point on the Delivery Date(s) strictly in accordance with the requirements of this Contract, applicable Purchase Order and Purchaser's instructions.
- 2.2 Unless otherwise is set out in Purchase Order, partial and/or early delivery of Goods is not allowed; however, the Purchaser reserves the right to give a prior written consent to the Seller in accordance with Clause 21.7 hereof, and the Purchaser shall be under no obligation to accept partial or early delivery in case such consent is not obtained by the Seller.
- 2.3 The Seller shall ensure that all Goods are packed, described, marked and transported to the Delivery Point in a proper manner in accordance with Purchaser's instructions, this Contract (in particular the provisions of Schedule 4 (Supply Chain and Logistics Execution Procedure) and Purchase Order, as well as any statutory requirements, requirements of carriers and manufacturers.
- 2.4 The Goods shall be packaged in accordance with Good Industry Practice and shall be safely and appropriately secured and stored at all times by the Seller, in such a way as to ensure full protection of the Goods from any damage or deterioration in the process of loading, re-loading, unloading and transportation using all types of transport throughout the entire route of travel until responsibility for the Goods transfers to the Purchaser in accordance with Clause 6.
- 2.5 Marking shall be made by the Seller in accordance with the requirements of applicable standards and of this Contract, including, but not limited to requirements set out in Schedule 4 (Supply Chain and Logistics Execution Procedure).
- 2.6 Shall the Purchaser incur any costs, expenses and/or losses arising out of or in connection with Seller's improper packing, labelling and/or marking of the Goods, (including unscheduled storage of Goods, delay of customs clearance of Goods, etc.) or any other failure to comply with its obligations under Clauses 2.3, 2.4, and 2.5 above the Seller shall indemnify the Purchaser for all such costs, expenses and losses.
- 2.7 Delivery of Goods shall be deemed to be made and completed upon receipt by the Purchaser of the Goods that conform to the Contract together with documents that normally accompany the Goods (manuals, instructions, etc.) and any other documents listed in Purchase Order as evidenced by the Goods Acceptance Certificate (two originals) signed by both the Purchaser and the Seller. The Purchaser reserves the right to engage, at its cost, a Third-Party Inspector for Acceptance.
- 2.8 Where the Parties have agreed to a delivery inclusive of assembly/service, the delivery of the Goods shall not be considered to have taken place until the assembly/service has been duly carried out as stated in Purchase Order.
- 2.9 Without prejudice to other rights and remedies the Purchaser may have under the Contract or at law, the Purchaser may, by issuing a Goods Defects Certificate, reject any of the Goods which do not meet the specifications, drawings, descriptions or any other requirements of the Contract. In case the Purchaser elects to reject any of the Goods pursuant to this Clause 2.9, the Purchaser shall issue a Goods Defects Certificate within 15 (fifteen) calendar days after delivery of the non-conforming Goods to the Delivery Point. The Seller shall then repair or replace such non-conforming Goods at its own expense within the time specified by the Purchaser in the Purchase Order and furnish the Goods Acceptance Certificate for the remedied Goods in accordance with

Clause 2.7.

The Purchaser is entitled to reject the acceptance of any Goods at no cost to the Purchaser due to the following reasons including, without limitation:

- a) The Goods do not conform to the Seller's warranties set out in Clause 3.2 or any other terms of this Contract;
 - b) Broken, cracked or any other non-functioning of the Goods;
 - c) The Goods which have incomplete or missing documents which normally accompany the Goods (manuals, instructions etc.);
 - d) missing labels, illegible labels, damaged tags, including but not limited to special marking designated to prove the authenticity of the Goods (including registration codes either on paper, on labels, on tags, etc.).
- 2.10 In case the Purchaser rejects any of the Goods pursuant to Clause 2.9 above, the Purchaser may (without prejudice to other rights and remedies it may have) demand the Seller to either repair or replace (as instructed by the Purchaser) the Goods which fail to meet the specifications, drawings, descriptions or any other requirements of the Contract with Goods that conform in all respects with the Contract and due delivery shall not be deemed to have taken place until such repair or replacement has occurred. Therefore, at Purchaser's sole discretion the Seller shall repair or replace the defective or non-conforming Goods with Goods that conform in all respects with the Contract within the timeframe specified in Purchase Order.
- 2.11 Rejected Goods shall be removed by the Seller, at its cost, from the Delivery Point or any other location designated by the Purchaser within such reasonable time period set out in its notice. In the event of failure by the Seller to remove the rejected Goods within the above period, the Purchaser may dispose of such Goods as it sees fit and pending such removal, the Goods will remain with the Purchaser at the risk of the Seller.
- 2.12 For the avoidance of doubt, the Purchaser will be deemed to have accepted the Goods if it expressly states the same only in the Goods Acceptance Certificate. Such Acceptance and signing the Goods Acceptance Certificate by the Purchaser shall not constitute any acknowledgment of the completeness, condition or quality of those Goods; shall not restrict Purchaser's rights to make claims with respect to the non-conforming Goods during the Defects Liability Period and shall not relieve the Seller from its obligations under any warranty provisions contained herein.
- 2.13 In case the Seller fails to repair or provide replacement of the non-conforming Goods as per the provisions of Clauses 2.10 and 2.11 above, the Purchaser may purchase equivalent Goods elsewhere and any additional costs of such purchase, including any costs related thereto, shall be at Seller's account, and by signing this Contract the Seller unconditionally agrees with Purchaser's right to set off such additional costs from any amounts due or payable to the Seller.
- 2.14 Where the Seller replaces any Goods pursuant to Clause 2.10, all provisions of this Contract shall apply to such replaced Goods.
- 2.15 In case and as soon as the Seller recognizes that it will not be able to fulfil its contractual obligations either in full or in part, or not within the stipulated timeframe, it must notify the Purchaser in writing forthwith. The notice must state both the reason(s) for the delay and the predicted delay in delivery time.

- 2.16 The Seller may be granted an extension to any Delivery Date only in case the delivery of the Goods is delayed as a direct result of any of the following events:
- a) failure by the Purchaser to comply with its obligations hereunder directly affecting the delivery and resulting in delay;
 - b) any Force Majeure Event;
 - c) as may be mutually agreed between the Parties and formalized in an addendum hereto.
- 2.17 The Seller shall apply for extension of time within 5 (five) days from the date when the Seller became aware of or ought to have become aware (whichever earlier) of the events specified in Clause 2.16. If the Seller fails to apply for extension of time within said 5 (five) days' period, the Seller shall not be entitled to any one or more of the following:
- a) an extension of time;
 - b) any payment by the Purchaser, including for compensation of any costs, such as prolongation costs, disruption costs, acceleration costs or any combination thereof, arising out of or related with events giving rise or attributable to any actual or potential delays during the execution of Purchase Order,
 - c) and the Purchaser shall be discharged from all liability in connection with the claim.
- 2.18 For the avoidance of doubt, the Seller shall not be entitled to any extension of time where the delay has been caused by any act, omission or negligence of the Seller or any of its Sub-sellers.
- 2.19 In case and as soon as the Seller recognizes that it will not be able to fulfil its contractual obligations either in full or in part, or not within the stipulated timeframe, it must notify the Purchaser in writing forthwith. The notice must state both the reason(s) for the delay and the predicted delay in delivery time.
- 2.20 The Seller may be granted an extension to any Delivery Date only in case the delivery of the Goods is delayed as a direct result of any of the following events:
- 2.20.1 failure by the Purchaser to comply with its obligations hereunder directly affecting the delivery and resulting in delay;
 - 2.20.2 any Force Majeure Event;
 - 2.20.3 any suspension requested by the Purchaser under Clause 10;
 - 2.20.4 as may be mutually agreed between the Parties and formalized in an addendum hereto.
- 2.21. Extension of time referred to in Clause 2.20 may be granted by the Purchaser only to the extent that the Seller:
- 2.21.1 as soon as reasonably practical and within 7 days upon the occurrence of any such event gives a notice to the Purchaser of the occurrence of the matter, such notice must state the reason(s) for the delay and anticipated delay in delivery time (and shall thereafter provide such further data substantiating the existence and extent of such event as may be reasonably required to enable the Purchaser to determine the entitlement to and extent of any extension of time);
 - 2.21.2 consults with the Purchaser as to the effects of such event and the best way of mitigating such effects; and
 - 2.21.3 proceeds with diligence and at its own expense to take such steps as would be taken by a reasonable and prudent person exercising Good Industry Practice to mitigate any delay

to the Delivery Date(s).

- 2.22. For the avoidance of doubt, the Seller shall not be entitled to any extension of time to the Delivery Date(s) to the extent that the delay was caused, in whole or in part, and/or concurrently, by any act, omission or negligence of the Seller Group or anyone for whom it is responsible or by reason of delays in the clearance of Goods by any customs authority.
- 2.23. Save for the delay caused solely by events listed in Clause 2.20, the Seller shall be liable for all costs and expenses, including all costs and expenses of the Purchaser, resulting from any delay to the provision of the Goods and shall not be entitled to claim for any costs and expenses arising out of or in connection with such delay.

3. SELLER'S REPRESENTATIONS AND WARRANTIES

3.1 For the purposes of this Contract, the Seller represents and warrants that:

- 3.1.1 the Seller is duly incorporated and authorized under the laws of its domicile to be a party hereto and has all necessary rights and authority to enter into this Contract, as well as to sign amendments and addenda hereto;
- 3.1.2 the person signing this Contract on behalf of the Seller has the necessary authority required by the applicable law and Seller's corporate policies to do so and to bind the Seller with the terms of this Contract;
- 3.1.3 there are no pending or threatened litigations or claims which would materially impair Seller's ability to perform its obligations under this Contract; and
- 3.1.4 the Seller has acquainted itself and shall comply with legal requirements or such other laws, recommendations, guidance or practices as apply or may affect the provision of the Goods hereunder.

3.2 The Seller represents and warrants that:

- 3.2.1 the Seller shall perform its obligations under the Contract with due care, skill and diligence;
- 3.2.2 the Goods shall be manufactured and delivered in accordance with the terms of this Contract in a proper, workmanlike manner, with properly equipped facilities and in accordance with Good Industry Practice;
- 3.2.3 the Goods shall be new, of good and sound design, quality, fit and suitable for the purpose which they are supplied for under this Contract (if no purpose is clear, for their customary use);
- 3.2.4 the Goods shall conform to and perform in accordance with all applicable specifications, drawings, descriptions and requirements of the Contract, including Purchase Order;
- 3.2.5 the Goods supplied shall, at the time of delivery and for the Defects Liability Period, be free from any defects and failures, latent or patent, and correspond to, and comply in all material respects with the requirements of the Contract;
- 3.2.6 the Goods shall be free from any encumbrance, lien or any other defect in title; and

- 3.2.7 the Goods shall comply with all requirements of applicable laws and regulations, including without limitation statutory requirements and regulations relating to sale, packaging, labelling or marking the Goods.
- 3.3 The Seller shall be deemed to have obtained all necessary information as to risks, contingencies and all other circumstances which may influence or affect all of its obligations under the Contract. Failure by the Seller to so acquaint itself shall not relieve it of any responsibility for properly delivering the Goods or entitle it to any additional compensation, time or other relief or remedy.
- 3.4 The Seller shall be responsible for the means, methods, techniques and procedures of manufacture, fabrication and delivery of the Goods and for all the acts and omissions of the Seller and its employees, agents and Sub-sellers.
- 3.5 The Purchaser owes no duty to the Seller to inspect, check or test Seller's activities or omissions in performing its obligations under the Contract and if it does so inspect, check or test, no inspection, check or test of Seller's activities by the Purchaser will in any way lessen or otherwise affect Seller's obligations, whether under the Contract or otherwise according to Law, or affect Purchaser's rights against the Seller whether under the Contract or otherwise according to Law.
- 4. DELAY LIQUIDATED DAMAGES**
- 4.1. If stated in Purchase Order, in the event the Seller fails to achieve delivery of the Goods by or on the applicable Delivery Date(s) or fails to replace the rejected or defective Goods within the timeframe specified by the Purchaser, the Seller shall pay on demand or allow the Purchaser to set off the Delay Liquidated Damages in respect of such delay at a rate equivalent to **0,5% (half percent)** of respective Purchase Order per day for each day of delay commencing on the day after the Delivery Date or replacement date until the actual date delivered, subject to an aggregate cap of **10% (ten percent)** of Contract Price. Such Delay Liquidated Damages are acknowledged by the Seller to be a genuine pre-estimate of the Purchaser's losses in the event of a breach by the Seller referred to above, and not a penalty.
- 4.2. For the avoidance of doubt, by signing this Contract the Seller unconditionally agrees with Purchaser's right to set off such accrued Delay Liquidated Damages from any amounts due or payable to the Seller.
- 4.3. When partial delivery of the Goods is permitted under the Contract or approved by the Purchaser, as may be the case, the Delay Liquidated Damages shall apply with respect to the delayed portion of non-delivered Goods on a pro rata basis.
- 4.4. Notwithstanding the foregoing provisions and if stated in Purchase Order, the Seller shall be entitled to the period of the days set forth therein starting on the Delivery Date during which the Delay Liquidated Damages shall not apply ("**Grace Period**"), save always that should the Seller overrun and exceed such Grace Period, then the Purchaser shall be entitled to apply the full amount of Delay Liquidated Damages accrued from the Delivery Date.
- 4.5. If, after any deduction or payment of Delay Liquidated Damages under Clause 4.1, an extension to the relevant Delivery Date is granted in accordance with Clause 2, any Delay Liquidated Damages previously paid or set-off in respect of the period of such extension shall be refunded or re-credited.

- 4.6. If and to the extent any term or provision of the Contract requiring payment of the Delay Liquidated Damages is for any reason found to be void, invalid, a penalty or otherwise unenforceable, such that the Purchaser is unable to enforce its entitlement to full payment of the same, then the Purchaser shall be entitled to claim (and to set off from amounts due to the Seller as applicable) unliquidated damages in lieu of the Delay Liquidated Damages (without prejudice to the Purchaser's rights under Clause 9), provided that the Purchaser's entitlement to such unliquidated damages shall not exceed the amount the Purchaser would have been entitled to under the Contract, in respect of the applicable breach or failure of performance, had the entitlement to Delay Liquidated Damages been enforceable.
- 4.7. Any acceptance by the Purchaser of a delayed or partial (where it is not approved by the Purchaser) delivery of the Goods shall by no means constitute a waiver of any rights of the Purchaser related to late or partial delivery of the Goods.
- 4.8. The Delay Liquidated Damages payable under this Clause 4 shall accrue from Seller's failure as referred to in Clause 4.1 above and shall continue until the earlier of:
- (a) achievement of the delivery of the Goods or replacement of the rejected or defective Goods by the Seller; or
 - (b) Contract expiry, or
 - (c) termination of this Contract or/and Purchase Order by the Purchaser; or
 - (d) abandonment of this Contract by the Parties.

5. DEFECTS

- 5.1 The Seller warrants that the Goods are and will be free from any defects arising from faulty design, materials and workmanship or any non-conformances to this Contract during the period stated in Purchase Order ("**Defects Liability Period**").
- 5.1.1 In case any defects in the Goods are detected by the Purchaser during the Defects Liability Period, such defects shall be remedied by the Seller.
- 5.1.2 The Purchaser shall notify the Seller of a defect, specifying its nature, possible causes (if known). Upon examination of the defect, the Parties, or, in absence of Seller's authorized representative, the Purchaser unilaterally, shall issue a Goods Defects Certificate on the basis of which the Seller shall, without prejudice to any other rights the Purchaser may have under the Contract or at law, remedy such defects by either replacing or repairing the defective Good(s) (as instructed by the Purchaser) within the period set out in Purchase Order. Replaced or repaired Goods shall be Delivered to the Delivery Point (or other location designated by the Purchaser) on the delivery terms specified by the Purchaser and accepted in accordance with Clause 2 and shall also be subject to a further Defects Liability Period on the same terms and duration as provided under this Clause 5 for the original Goods. All costs in connection with collecting the defected Goods from the Site (when the Delivery Point is different from the Site) shall be reimbursed by the Seller;
- 5.1.3 Rectification of defects shall be performed by the Seller at its cost and expense, including the cost of removal of the defective Goods from the Delivery Point or any other location specified by the Purchaser, unless and to the extent such defects result from (i) Purchaser's violation of operating or storage rules for the Goods; or (ii) improper installation or modification by the Purchaser; or (iii) any Force Majeure Event.

- 5.1.4 In the event the Seller fails to replace or repair the defective Goods within the period referred to in Clause 5.1.2, the Purchaser reserves the right to have the defective Goods replaced or repaired by any third party, where all reasonable direct costs incurred by the Purchaser as the result of such repair or replacement shall be compensated to the Purchaser by the Seller. By signing this Contract the Seller unconditionally agrees with Purchaser's right to set off such reasonable costs from any amounts due or payable to the Seller.
- 5.2 Failure of Seller's Representative or other authorised person to sign the Goods Defects Certificate shall not relieve the Seller of its obligation to remedy the defect in pursuance with the provisions of this Clause 5 and shall not entitle it to dispute the result of the defect examination.

6. OWNERSHIP OF GOODS AND RISK

- 6.1 Ownership of the Goods shall pass to the Purchaser, to the extent consistent with the Laws and free from any Liens or any other encumbrances, upon Delivery of the Goods to the Delivery Point.
- 6.2 Risk of damage to, and loss of, the Goods shall pass to the Purchaser upon Acceptance thereof in accordance with Clause 2, or until any earlier date on which Sellers's engagement is terminated under this Contract, as the case may be, when responsibility will pass to the Purchaser.
- 6.3 In case full payment for the Goods is made prior to their Delivery, ownership thereof shall pass to the Purchaser upon such payment, however in any event the risk associated with the Goods shall not pass to the Purchaser until the Goods have been Delivered and Accepted in accordance with the Contract.
- 6.4 If any loss or damage happens to the Goods while being under Seller's care, custody and control, the Seller shall rectify the loss or damage at Sellers's own risk and cost, so that the Goods conform to this Contract.
- 6.5 The Seller shall:
- 6.5.1 ensure that all Goods and materials for incorporation therein shall be set aside and clearly marked as Purchaser's property in accordance with the Purchaser's instructions; and
 - 6.5.2 establish to the satisfaction of the Purchaser that property in the Goods or materials intended for incorporation therein has passed to the Purchaser in accordance with Clause 6.1 hereof.
- 6.6 The Purchaser may withhold any payment otherwise due to the Seller under this Contract until such Goods have been so set aside and marked.
- 6.7 By signing this Contract the Seller shall be deemed to grant to the Purchaser a perpetual, worldwide, irrevocable, transferable, non-exclusive, royalty-free, fully sub-licensable licence, to: (a) use the Goods for the purposes indicated by or reasonably inferred from this Contract, including the repair, maintenance and modification of the Goods; and (b) copy, use and communicate the Sellers's documents, including making and using modifications thereof.

7. PAYMENT AND INVOICING INSTRUCTIONS

- 7.1 The Contract Price shall not exceed Total Value stated in Purchase Order, subject to adjustments in accordance with the Contract. The Contract Price and all prices, rates, fees and other amounts specified in the Purchase Order shall be fixed and firm for the Delivery Terms and shall not be

changed unless the Parties agree to do so in writing. For the avoidance of doubt, the Purchase Order rates and the Contract Price shall not be subject to any escalation or increase in cost due to inflation, currency fluctuations, change of laws and the like.

7.2 The Contract Price is fully inclusive of all necessary costs and expenses, including but not limited to profit, overhead, plant, labour, payroll burden, all Taxes and local levies, licensing costs, equipment and materials, for the supply of the Goods. The Seller represents that it is aware of the tax Laws and their regulations of Mexico, including the Mexican Income Tax Law (*Ley del Impuesto Sobre la Renta*) (“LISR”) and the Mexican Hydrocarbons Revenue Law (*Ley de Ingresos Sobre Hidrocarburos*) and agrees that it will comply with its Tax obligations imposed pursuant to such Tax Laws and regulations in a timely and accurate manner and, if required, the Seller will, inter alia:

- register with the Tax Authority in Mexico; and
- provide evidence of such registration and the registration number (Registro Federal de Contribuyentes) to the Purchaser as soon as possible after the execution of this Contract.

7.3 The Purchaser shall pay to the Seller the Contract Price in accordance with this Clause 7 and Purchase Order. Upon complete Delivery and Acceptance of the Goods in accordance with this Contract, the Seller shall render an original invoice (or a complete set consisting of several invoices as the case may be when partial delivery is allowed) to the Purchaser in relation to the provision of the Goods, calculated by reference to the prices, rates, fees or other amounts specified in the Specifications together with the supporting documents as may reasonably be requested by the Purchaser, including timesheets, third party invoices and etc.

The Seller must submit invoices **no later than thirty (30) days** following the Delivery of the relevant part of Goods and approval of the respective Goods Acceptance Certificate by the Purchaser. **The Parties acknowledge and understand the strict nature of PSA and applicable Laws, which may preclude the recovery of Purchaser’s costs under PSA in case of late submittal of invoices; as well as that cost recovery system is a basis of the Purchaser’s business model and operations. Therefore, the Parties agree that the full compliance with requirements to invoices provided in this Clause 7 represents condition precedent to any payment; and that invoice(s) which are submitted not in compliance with this Clause 7 or beyond the term stipulated in this Clause 7.3 above, shall not be paid by the Purchaser.**

7.4 The Seller shall submit original invoice to the Purchaser to the following address: facturas@fieldwood.mx upon delivery acceptance of Goods confirmed by the Goods Acceptance Certificate signed by both Parties, and other documents specified in the Contract.

7.5 The Seller shall submit invoices charged in United States Dollars, which shall comply with the requirements set forth by Mexican Tax Laws for invoices.

7.5.1 Information provided with each invoice shall include:

- a) Seller’s complete name, tax ID, its registered address, contact phone numbers;
- b) Invoice date and place of issuance;
- c) Invoice reference number, the Contract number;
- d) Documentation sufficiently supporting and justifying quantities, deliveries, times and expenses per the Services performed which is prepared in compliance with the Mexican Laws requirements;

- e) PO number and GR/SES number;
 - f) Seller banking information referenced in the Contract;
 - g) Tax identification number;
 - h) Tax identification number of the Purchaser;
 - i) Name and billing address of the Purchaser, namely:
FIELDWOOD ENERGY E&P MÉXICO, S. DE R.L. DE C.V.,
Email facturas@fieldwood.mx
 - j) Unit value and the total amount to be charged expressed in numbers and letters;
 - l) Payment terms as per the Contract;
 - m) Currency of payment as per the Contract;
 - n) Amount of Taxes (if applicable), including VAT in accordance with the Mexican Tax Laws;
 - o) Net amount due (after deduction of Taxes);
 - p) If the Seller is a Mexican company or has Mexican permanent establishment:
 - (i) Tax regime under which the Seller is taxed according to Mexico's Law of Income Tax;
 - (ii) Folio number and digital seal of the tax Administration Service, as well as digital stamp of the issuer of the invoice;
 - q) In the case of import of goods:
 - (i) The number and date of the customs document, in the case of first-hand sales;
 - (ii) In imports made in favour of a third party, the number and date of the customs document, and amounts paid by the taxpayer directly to the foreign supplier and the amounts of the taxes paid for the importation.
- 7.6 Description of the Goods, and in the case of materials or equipment purchases, the Serial # of the equipment/ material is needed on the invoice.
- 7.7 The Contract reference number shall appear, as well as purchase order number and goods receipts number, in a prominent place, on all invoices, and other documentation submitted by the Seller.
- 7.8 The Purchaser shall pay to the Seller the Contract Price in accordance with the duly prepared and submitted invoice and bank details set out in Purchase Order, as may be amended by relevant Party from time to time, within the Payment Term period stipulated in Purchase Order, which starts from the date of receipt of a true original copy of the invoice by the Purchaser in facturas@fieldwood.mx without rejections, in one copy accompanied by Goods Acceptance Certificate and full set of documentation as provided in this Clause and Purchase Order and any further verification or documentation in relation to the invoice as may be reasonably required by the Purchaser. Once that Purchaser pays to the Seller, the Seller must issue the corresponding invoice of reception of payment (CFDI "*Complemento para recepción de pago*"), in accordance with the periods and requirements set forth for such purposes in the applicable Mexican Tax Laws.
- 7.9 The Purchaser will not accept for payment any costs not specified in the Purchase Order.
- 7.10 Payment shall not operate or be construed as a waiver of any rights of the Purchaser under the Contract or at Law.
- 7.11 NOT USED.

- 7.12 By signing this Contract the Seller unconditionally agrees that the Purchaser may at any time, without notice to the Seller, set off any liability of the Seller to the Purchaser against any liability of the Purchaser to the Seller, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under this Contract. Any exercise by the Purchaser of its rights under this Clause 7.12 shall not limit or affect any other rights or remedies available to the Purchaser under this Contract or otherwise.

7.13 NOT USED.

8. PATENT RIGHTS

The Seller shall indemnify the Purchaser's Group against and from any and all claims, which arise out of or connected with the Purchaser's purchase, use or resale of the Goods supplied by the Seller under the Contract resulting from infringement or alleged infringement of any intellectual and industrial property rights including patent registered design, inventions, designs, utility models, trade or service marks, database rights, rights in confidential information, including know-how and trade secrets, moral rights, copyright or other similar rights in any country (including those deriving from the Mexican Industrial Property Law (*Ley de la Propiedad Industrial*) (all whether or not registered, including all applications for any of them and all equivalent rights in all parts of the world).

9. TERMINATION

9.1 Termination by the Purchaser

- 9.1.1 The Purchaser shall have the right to terminate any Purchase Order immediately on the happening of any of the following events:
- a) if the Seller commits any material or persistent breach or series of breaches of any provision of this Contract;
 - b) if the Seller without reasonable cause suspends the performance of its obligations under this Contract;
 - c) if the Seller fails to proceed regularly and diligently with the performance of its obligations under the Contract;
 - d) if the Seller refuses or neglects to comply with any reasonable instruction of the Purchaser relating to the performance of this Contract;
 - e) fails to procure and maintain the insurance policies required to be effected and maintained;

provided that the Seller has failed to remedy such breach(es) referred to in paragraphs (a)

– (e) above (if the breach(es) are capable of remedy) within 10 days after receipt of a request in writing from the Purchaser;

- f) if the accrued amount of the Delay Liquidated Damages due to the Seller's delays is equal to the maximum aggregate cap of liquidated damages;
- g) attainment of the Sellers's aggregate liability;
- h) if (save in relation to a re-organisation or amalgamation) the Seller appoints a provisional liquidator or liquidator or enters into liquidation whether compulsory or voluntary (except in the case of a voluntary winding-up solely for the purposes of re-organisation or amalgamation) or suffers the appointment of a receiver or administrative receiver over any of its property or assets or makes or agrees to any compromise, arrangement or moratorium with its creditors or is deemed unable to pay its debts or becomes the subject of

administration proceedings or a petition seeking an administration order or any other analogous event under applicable Laws;

- i) the Seller's substantial violation of the obligations stipulated in Clause 15.

9.1.2 The Purchaser may at any time terminate Purchase Order for its convenience by giving the Seller a 10-day prior notice.

9.2 Termination by the Seller

9.2.1 If the Purchaser has failed to pay to the Seller the amount properly due (and not disputed in accordance with Clause 7.8) under any invoice submitted in accordance with Clause 7:

- a) within 28 days of the expiry of the time stated in Clause 7.8, then the Seller may, by giving the Purchaser a 14-day prior written notice of its intention to do so, suspend the performance of this Contract until such amount is paid; and
- b) within 56 days of the expiry of the time stated in Clause 7.8, then the Seller may give the Purchaser a 14-day prior written notice of its intention to terminate this Contract, provided that the Seller shall not be entitled to suspend the Contract or issue a notice of intention to terminate if the amount properly due is paid before the expiry of the notice periods referred to in paragraphs (a) and (b) of this Clause 9.2.1.

9.2.2 If the amount properly due is not paid before expiry of the 14-day period referred to in paragraph (b) of Clause 9.2.1, the Seller may give a further 14-day written notice on the expiry of which the Purchase Order shall terminate.

9.3 Termination for Force Majeure

Either Party shall have the right to terminate the Purchase Order in the circumstances described in Clause 10.6.

9.4 Consequences of Termination

9.4.1 If any Purchase Order is terminated by the Purchaser under Clause 9.1.1, the Purchaser shall not be bound to make any further payment to the Seller until the full and final cost of completion of delivery of the Goods by other sellers has been ascertained and upon such cost being ascertained, the Purchaser shall issue a certificate stating the amount of any and all costs, damage, loss and/or expense suffered or incurred by the Purchaser by reason of the termination of the Purchase Order. If such amount, when added to the monies paid to the Purchaser before the date of termination exceeds the total value of the Goods already Delivered and Accepted by the Purchaser in accordance with the terms and conditions of this Contract, as calculated by reference to the prices, rates and fees set out in the Specification, the difference shall be a debt payable to the Purchaser by the Seller.

9.4.2 If the Purchase Order or any Purchase Order is terminated under Clauses 9.1.2 or 9.2 or 9.3, the Purchaser shall issue a certificate stating the total amount properly due and to be paid to the Seller in respect of the Goods Delivered prior to the date of termination and/or the Goods in the process of being manufactured or having been shipped and the Purchaser shall pay such amount to the Seller on or before the expiry of 90 days from the certification thereof, provided that the Seller has submitted the supporting documents.

9.4.3 Termination of any Purchase Order by either Party shall not prejudice the right of either Party to sue for and recover any damage, loss and/or expense suffered or incurred by such Party

arising out of or in connection with any breach by the other of this Contract prior to such termination and generally to enforce any of its rights and remedies in relation to anything done prior to such termination, provided however that the terms of Clause 9 constitute a complete and exhaustive statement of the rights and liabilities of the Parties to terminate, and as to the rights and liabilities arising in consequence of the termination of, the Purchase Order. Each Party waives any other any further or other rights or entitlements, howsoever arising.

- 9.4.4 In case of termination of the Purchase Order for any reason, the Purchaser shall be entitled to, but not obliged, to purchase any Goods that are yet to be Delivered, in respect of which the title (under Clause 6) has not yet passed to the Purchaser, at the prices, rates and fees set out in the Purchase Order.
- 9.4.5 All Goods purchased by the Purchaser pursuant to Clause 9.4.4 above shall, in the event of early termination of Purchase Order, be delivered by the Seller within the period specified by the Purchaser, on the terms and conditions of this Contract.
- 9.4.6 The warranty, liability, indemnity and confidentiality provisions of this Contract shall survive its termination or final settlement. The provisions of this Contract relating to termination and dispute settlement (including choice of law and arbitration) shall survive its termination, but not its final settlement.

10. FORCE MAJEURE AND SUSPENSION

- 10.1 The Parties shall be relieved from liability under this Contract to the extent that owing to Force Majeure they have failed to comply with their respective obligations under this Contract, provided that such Party has provided notice in accordance with this Clause 10.
- 10.2 In the Contract, a “Force Majeure” means any act, event or occurrence or combination thereof which (i) is beyond the reasonable control of the affected Party, (ii) was not foreseeable, or if foreseeable could not have been avoided or overcome by the affected Party, meaning that if the performance of such obligation is just more difficult or burdensome it would not constitute a Force Majeure (iii) prevents the affected Party in its performance of its obligations under the Contract and (iv) that it is or it would not be possible for any other person in a similar situation to perform the relevant obligation in such event, subject to the other provision of this Clause **Error! Reference source not found.**, and includes the following:
- 10.2.1 pandemic, war, hostilities or warlike operations (whether a state of war be declared or not), invasion, act of foreign enemy, civil war;
 - 10.2.2 rebellion, revolution, insurrection, mutiny, usurpation of civil or military government, conspiracy, riot, civil commotion, terrorist acts;
 - 10.2.3 confiscation, nationalisation, mobilisation, commandeering or requisition by or under the order of any government or *de jure* or *de facto* Authority or ruler or any other act or failure to act of any local state or national government Authority;
 - 10.2.4 lock-out, import restriction, industrial dispute, shipwreck, epidemics, quarantines and plague;
 - 10.2.5 earthquake, landslide, volcanic activity, fire, flood or inundation, tidal wave, typhoon or cyclone, hurricane, storm, lightning, nuclear and pressure waves, or other natural or physical disaster; or
 - 10.2.6 strikes at national level or industrial disputes at a national level, or strike or industrial disputes by labour not employed by the affected Party, its Affiliates or Sub-Sellers.

Notwithstanding anything to the contrary contemplated in this Clause 18, it is agreed by the Parties that at no time during the term of the Contract shall either legal regime, security conditions prevailing on the Site or political and security conditions generally prevailing in Mexico on the Signing Date constitute a Force Majeure event. Likewise, the Parties agree that economic difficulties, the change in market conditions (including the difficulties for obtaining financing), COVID-19 and its variants and related common restrictive measures and quarantines will not constitute a Force Majeure event under this Contract.

- 10.3 If either Party desires to invoke a Force Majeure, it shall, as soon as reasonably practicable after the occurrence of the Force Majeure but in any event within five (5) days from the date of the occurrence, provide to the other Party a notice describing such event and the following:

- (a) the nature and expected duration of the occurrence;
- (b) the effect of the occurrence on the Party's performance under the Contract;
- (c) the actions to be undertaken to mitigate the effects of the event; and
- (d) such other information as the other Party may reasonably require,

provided that if a Party does not deliver such notice in accordance with the terms of this Clause 10, such Party shall not be entitled to invoke the benefits hereunder.

In addition, the Seller shall provide to the Purchaser any document or information under its care, custody and/or control required by the latter for evidencing before CNH or any other Authority that a Force Majeure occurred under this Contract constitutes a Force Majeure event under the PSA.

- 10.4 If the Parties are, on the basis of the notice provided, unable to agree as to the existence or as to the effect of a Force Majeure Event by the later of (a) forty-five (45) days after the receipt of the notice and (b) thirty (30) days after the receipt of any supporting evidence, either Party shall be entitled to refer the matter for resolution in accordance with Clause 12.
- 10.5 The Party invoking protection under this Clause 10 shall use all reasonable endeavours to prevent, minimise and mitigate the effects of any Force Majeure on the performance of its obligations under the Contract.
- 10.6 Each Party shall be entitled to terminate the Contract by a written notice to the other Party in the event that the Force majeure circumstances last for more than ninety (90) calendar days.
- 10.7 Seller has no entitlement to, and Purchaser has no liability for:
- (a) any costs, losses and expenses, damages or payment during the Force Majeure save to the extent that payments are properly due and payable for obligations actually fulfilled by Seller and accepted by Purchaser in accordance with the terms and conditions of this Contract prior to the occurrence of the Force Majeure Event; and
 - (b) any delay costs in any way incurred by Seller due to the Force Majeure Event.
- 10.8 The Purchaser may, from time to time, by notice to the Seller require the Seller forthwith to suspend performance of any of its obligations under this Contract, in whole or in part for any reason whatsoever, in which event the Purchaser shall issue a certificate stating the total amount properly due to the Seller in respect of the Goods already Delivered or shipped prior to the date of suspension and the Purchaser shall (subject to Clause 2) pay such amount to the Seller on or before the expiry of 30 days from certification thereof.

- 10.9 Upon receipt of the notice referred to above the Seller shall discontinue the performance to the extent specified therein and take such steps as are necessary to minimize costs associated with such suspension.
- 10.10 The Purchaser may, at any time after suspension hereof, require the Seller to resume the performance of its obligations under this Contract or suspended Purchase Order in which event the Seller shall resume such performance under this Contract and any payment made to the Seller pursuant to Clause 10.7 shall constitute payment on account towards the Contract Price to be paid to the Seller under this Contract.
- 10.11 Except as provided in Clause 10.7, the Purchaser shall have no liability for suspending or failing to suspend any performance and any suspension or failure to do so shall not relieve the Seller of any of its responsibilities hereunder; any costs incurred in connection with such suspension shall be borne by the Seller.

11. CONFIDENTIALITY

- 11.1 Any and all information, verbal or written, in whatever form obtained by the Seller in the course of or in connection with the supply of Goods under this Contract shall be held confidential and shall not, without prior written consent of the Purchaser, be divulged by any member of the Seller's Group, including its Affiliates, employees, servants, Sub-seller(s) or agents to any third party or otherwise used for the purposes other than performance of Seller's obligations under this Contract.
- 11.2 The Seller states and recognizes that: (i) the Purchaser shall maintain during the term of the License the right for the non-exclusive use of the License Information; (ii) the Seller cannot commercialize, establish a lien on, or in any other way dispose of the License Information, either directly or through a different person; and (iii) CNH will have, at any moment, the exclusive right of granting the use of the License Information to a person other than the Purchaser.
- 11.3 Notwithstanding any other provision established herein, the Seller represents that, for the purpose of execution of this Contract and/or as a result of the performance of this Contract, the Seller will have access to License Information and that License Information may be generated or derived from the performance of this Contract, which is property of the Mexican State and is subject to the public domain regime of the Mexican federation. Accordingly, the Seller shall: (i) maintain the License Information in the most strict confidentiality, in accordance with the provisions of the License; (ii) not disclose, reveal, publish, deliver or in any other way disseminate the License Information, directly or indirectly, to any person; (iii) not use the License Information in any other way or for any other purpose than complying with this Contract; (iv) not withdraw the License Information from the Purchaser's facilities in any way, without the Purchaser's prior consent, provided that the notification to CNH required for such purposes is made by the Purchaser; (v) not copy, replicate, photograph or duplicate in any way (including but not limited to copies, writs, transcripts and interpretations) the License Information or carry out transcriptions of the same; (vi) not transfer, sell, transmit, sublease, assign, lease, license, sub-license, exchange, commercialize, publish, impose a lien, or in any other way dispose of the License Information or harm its value, either voluntarily, by law or by any other method. The Seller shall take all necessary or appropriate actions for assuring that all of the Seller's Group (including its employees, agents, representatives, consultants and/or Sub-sellers) comply with the provisions of this Clause 11. On termination of this Contract, the Seller shall immediately return to the Seller the totality of the License Information in its possession, custody, safeguard or control and shall not retain any copy or transcription of such License Information.

- 11.4 The Seller shall be liable for and shall defend, indemnify and hold Purchaser's Group harmless from and against any and all indemnified costs of whatever nature and howsoever caused, in respect of or arising out of or in connection with Seller's Group's breach of the confidentiality obligations set forth in this Clause 11. The confidentiality obligations under this Clause 11 shall survive termination of the Contract at least 5 years.

12. APPLICABLE LAW AND ARBITRATION

- 12.1 This Contract shall be enforced, interpreted, and governed by the Federal laws of Mexico, excluding the choice of law rules that may refer to the laws of a different jurisdiction.
- 12.2 Any litigation, dispute or claim resulting from this Contract or related to this Contract, its non-compliance, revocation or nullity, shall be settled by arbitration in accordance with the Arbitration Rules of the Mexico City National Chamber of Commerce, in effect at the time of its commencement. The number of arbitrators shall be one. The place of arbitration shall be Mexico City, Mexico. The language which shall be used in the arbitration proceedings shall be English. The substantive law applicable to the dispute shall be Federal laws of Mexico.
- 12.3 Notwithstanding any reference to dispute resolution hereunder, the Parties shall continue to perform their respective obligations under the Contract unless the Parties otherwise agreed.

13. INDEMNITIES AND LIENS

- 13.1. The Seller shall indemnify and hold harmless the Purchaser's Group and its employees against and from any and all claims arising out of any bodily injury or death of any person or damage to any property arising out of or by reason of the performance or non-performance of its obligations under this Contract, except to the extent that such claims are attributable to the Gross Negligence or Willful Act of the Purchaser or its employees.
- 13.2. The Seller shall indemnify and hold the Purchaser harmless against and from any and all claims for non-compliance by the Seller with applicable laws.
- 13.3. Neither Party shall be liable to the other Party whether pursuant to any provision of this Contract (including any indemnity), by way of damages for breach of contract, in tort, for breach of statutory duty, equity, or under any other legal theory, for any loss of profit or revenue, loss of use of equipment or associated equipment, loss of production or down time costs, loss of opportunity, loss of contract or loss of goodwill or other pure economic loss suffered by such other Party, provided always that this Clause 13.3 shall not prevent, limit or exclude:
- 13.3.1. liability in the case of fraud, fraudulent misrepresentation, Gross Negligence, or Willful Act;
 - 13.3.2. any liabilities to the extent corresponding payments are received or are to be subsequently received pursuant to insurance policies required to be effected and maintained by the Seller (or where such amounts would be paid or payable but for any vitiating act or omission of the Seller which entitles insurers to avoid such payment); and
 - 13.3.3. any liabilities for such losses or costs which would otherwise be recoverable pursuant to the indemnities set out in Clause 13.1, to the extent the Seller would have been liable to the third party or parties referred to therein had such third parties brought a claim against the Seller directly.

- 13.4. The Seller's total liability to the Purchaser arising under this Contract for any loss or damage sustained by the Purchaser (including the Purchaser's personnel), arising out of or relating to the acts, omissions or Negligence of the Seller under this Contract shall in the aggregate be limited to 100% (one hundred percent) of the Contract Price, provided that such limit shall not apply to or be reduced by:
- 13.4.1. payments made by the Seller to the extent corresponding payments are received by the Seller pursuant to insurance policies required to be effected and maintained in accordance with Clause 17 (including where the Seller is subsequently reimbursed by the Purchaser from the proceeds of such insurance policies or where such amounts would be paid or payable but for any vitiating act or omission of the Seller which entitles insurers to avoid such payment);
 - 13.4.2. any liabilities of the Seller pursuant to the indemnities set out in Clause 13.1 to the extent the Seller would have been liable to the third party or parties referred to therein had such third parties brought a claim against the Seller directly;
 - 13.4.3. the Seller's liability in the case of fraud, fraudulent misrepresentation, Gross Negligence or Willful Act; or
 - 13.4.4. the Seller's liability provided by Clause 15.2.
- 13.5. The Seller shall release, indemnify, protect, defend, and hold harmless the Purchaser Group against and from all Employment Liabilities related to the Seller's personnel or arising out of any act or omission of the Seller in its capacity as the employer or prospective employer of any person. As used herein, "Employment Liabilities" means any and all loss, costs, expenses (including legal fees and expenses), demands, liability, claims, suits, actions and proceeding by any person in connections with actual or implied employment relationship, including without limitation claim, demand, action or proceeding of wrongful termination, payment of compensation, benefits or salary, payment of taxes, of joint liability with the employer, any other claim, demand, action or proceeding arising under applicable labour laws or regulations.
- 13.6. The Seller shall not file, claim or register any Lien in relation to any property of the Purchaser or the Goods and shall take all necessary steps to prevent any Lien from being filed, claimed or registered by any person (including by any employee or agent of the Seller or a sub-seller). The Seller shall ensure that each sub-sell contract contains a corresponding undertaking from the sub-seller.
- 13.7. In the event any such Lien is filed, claimed or registered, the Seller shall immediately notify the Purchaser and promptly take all necessary steps, at its risk and cost, to discharge or remove (by bond or otherwise) such Lien.
- 13.8. The Seller shall indemnify the Purchaser against any loss, damage, costs or expense (including legal fees and Purchaser's expenses in discharging or removing any Lien) arising out of, or in connection with, any such Lien being filed, claimed or registered.
- 13.9. The Purchaser shall have the right to withhold from any payment to be made hereunder an amount sufficient to offset such Lien, which the Seller fails to discharge promptly until such Lien is proven to be invalid or satisfied, discharged or settled.

14. CUSTOMS CLEARANCE WARRANTIES

- 14.1 The Parties agree and understand that the Seller shall be responsible, at its expense, for any and all customs duties (whether export and/or import), port dues, brokerage fees, handling fees, and related charges imposed on the Seller as a result of its performance of its obligations under this Contract and shall defend, indemnify and hold harmless the Purchaser's Group from any claims respecting same.
- 14.2 The Parties agree and understand that the Seller shall be responsible for provision to the Purchaser of any and all documents (or their copies), as may be required in accordance with applicable customs Laws, Consents and regulations of any jurisdiction related to this Contract, including but not limited to waybills, customs clearance documents, packing lists, certificates, any other documents required to ensure that the Goods purchased by the Purchaser from the Seller under this Contract may be used by the Purchaser without any encumbrance to this effect.
- 14.3 The Parties agree and understand that the Seller's failure to provide any such documents as stated in Clause 14.2 and documentation as provided in Purchase Order shall be a material breach of this Contract and shall entitle the Purchaser to terminate this Contract.

15. ANTI-CORRUPTION PROVISIONS

15.1 COMPLIANCE WARRANTIES AND REPRESENTATIONS

- 15.1.1 The Seller warrants that in connection with the Contract it will not, in order to obtain or retain business or any advantage in the conduct of business, offer, promise or give any improper advantage to any person (or a third party) to make that person act or refrain from acting in relation to the performance of her/his official duties. This applies regardless whether the advantage is offered directly or through an intermediary. The Seller undertakes to comply, and to cause its directors, staff, Sub-seller, and collaborators to comply, with the applicable Laws, including the anti-corruption and anti-money laundering laws applicable to the Company and/or Seller, including without limitation (i) international anti-corruption treaties and laws; (ii) anticorruption Laws applicable in Mexico, such as the General Law on Administrative Liabilities (Ley General de Responsabilidades Administrativas) and the Federal Criminal Code (Código Penal Federal) ("Anti-Corruption Laws"). The Seller shall not carry out any act or omission that may be considered as a breach of the Anti-Corruption Laws and shall release, indemnify, protect, defend, and hold harmless the Company Group against and from the loss, costs, expenses (including legal fees and expenses), damages, demands, liability, claims, suits, actions and proceeding by any person arising out of or by reason of Seller's Group members failure to comply with the applicable Laws, including Anti-Corruption Laws.
- 15.1.2 The Seller further represents and agrees that it will not offer to any third party, directly or indirectly, gifts for the purposes mentioned in the above paragraph, neither social events, meals, entertainment, promotional travel or similar.
- 15.1.3 The Seller shall not sub-contract or assign any of its duties or obligations under this Contract without express pre-approval of the Purchaser. The Seller shall ensure that all sub-contracts issued under this Contract shall contain provisions identical to the present Compliance Warranties and Representations.

15.1.4 The Seller shall upon Purchaser's request, give a written statement to the Purchaser confirming that it has complied with all requirements of these Compliance Warranties and Representations.

15.1.5 The Seller shall immediately report to the Purchaser any act or omission which could possibly be seen as a breach Compliance Warranties and Representations. In such instances the Seller shall give the Purchaser access to all documents which in Purchaser's sole opinion may be relevant to determine whether such breach has occurred.

15.2. BREACH OF COMPLIANCE WARRANTIES AND REPRESENTATIONS

15.2.1 In the event that the Seller fails to fulfill the Seller obligations according to Compliance Warranties and Representations, the Purchaser may choose to:

- (i) cease all payments until obligations are fulfilled, and/or
- (ii) terminate the Contract with immediate effect, in the event that the Seller is in material breach of its obligations, provided that any violation of the Compliance Warranties and Representations shall always be considered as a material breach, and or
- (iii) claim compensation for losses to the Purchaser which are directly related to the breach of Contract.

15.2.2 However the Seller shall not be liable for any consequential damage.

16. LAWS AND CONSENTS

16.1 The Seller warrants that it has obtained or it will obtain in due time and shall maintain throughout the duration of this Contract all necessary Consents as it is required by Law in order to perform its obligations under this Contract and/or which are (i) required by NOMs and/or (ii) to comply with relevant standards prevailing in Mexico (save where higher technical standards are set forth in this Contract, in which case such higher standards will apply). The Seller shall ensure that any Sub-seller has and/or obtains the necessary Consents for such purposes. The Seller shall in performing its obligations under this Contract at all times comply with applicable Laws and Consents which it holds and shall ensure that the performance of its obligations under this Contract does not at any point place the Purchaser or the Seller in breach of applicable Laws, and Consents and the PSA. Without prejudice to the generality of the foregoing provisions, the Seller shall receive all applicable permits and authorizations from any competent Public Sector Entity related to the employment of non-Mexican personnel in Mexico and shall procure that each member of its expatriate personnel performing the obligations of the Contract in Mexico possesses all necessary work permits and authorizations, and the Seller shall submit all data and information regarding the same as may be required by the Mexican Public Sector Entities.

16.2 Notwithstanding the foregoing, if the applicable Laws provides that the Purchaser, must obtain a Consent in connection with the supply of the Goods, the Seller shall assist the Purchaser (if requested by the latter) in obtaining such Consents and shall provide the Purchaser with all required information in possession of the Seller, if any, as the Purchaser may require.

- 16.3 The Seller shall maintain all information and documents necessary to evidence compliance with this Clause 16 at its facility, in English and Spanish language. The Purchaser may carry out audits during working hours for verifying Purchaser's compliance with such obligation and may require remediation where necessary.
- 16.4 In case of any Authority Inspection at a Seller's facility related to the Goods supplied hereunder:
- a. the Seller shall immediately notify the Purchaser's Representative;
 - b. the Seller's Representative or any other person that the Seller appoints for such purposes may attend such inspection;
 - c. the Seller shall permit access to any governmental official (or third party appointed by the relevant Authority) intending to perform such inspection, as long as the relevant Public Sector Entity or official evidences by an official written *writ* the scope or purpose of such inspection which must be signed and issued by a competent Authority; and
 - d. the Seller shall cooperate with the Purchaser for evidencing any of the matters which are being verified at such inspection, including the provision of any information and document under its care, control and custody that may be required, within a reasonable timeframe, in order to comply with the time periods, formalities and/or other conditions required by the relevant Authority and/or the Laws.
- 16.5 The Seller shall provide to the Purchaser any documents or information under Seller's care, custody and/or control required by SENER, CNH, SHCP or any other Authority for the purpose of recovering the costs incurred by the Purchaser in relation to this Contract under the PSA, as well as for accrediting Work Units in terms of such instrument. Such documents and/or information shall be provided within a reasonable timeframe, in order to comply with the time periods, formalities and/or other conditions required by the relevant Authority and/or Laws. Notwithstanding any other provision established herein, the Seller hereby grants its express written consent to the Purchaser to submit any of the information referred to in this Clause 16 before any relevant Authority solely for the purposes contemplated by such Clause 16.5.
- 16.6 Notwithstanding any other provision established herein, the Seller hereby grants its express written consent to the Purchaser to submit any of the information referred to in this Clause 16 before any relevant Public Sector Entity solely for the purposes contemplated by such Clause 16.
- 16.7 The Seller shall directly provide any information that is requested by the SHCP, CNH and the FMP to such authorities, in connection with this Contract.
- 16.8 All equipment and materials used by the Seller shall be suitable for the safe performance of its obligations under this Contract. The Seller shall not use any equipment outside the limits of the manufacturer's specification and/or recommendations.
- 16.9 The Seller agrees to retain all pertinent books and records, including but not limited to the information and documents referred to in this Clause 16, relating to the Supply of the Goods for a period of five (5) years, or such longer period as may be required under Laws commencing from the first to occur of (i) the date of completion of the Supply of the Goods (ii) the date of termination of this Contract, and for any additional period as may be necessary to (a) permit the Purchaser to

complete any audit commenced within such period, (b) comply with Laws or (c) comply with the PSA.

- 16.10 In the event that any competent Authority requests from the Purchaser the books and records contemplated by the paragraph above after expiry of the period during which the obligation to retain such books and records applies, the Purchaser shall nevertheless use reasonable endeavours to provide the Purchaser with such books and records or, if they are no longer available, with any other relevant information reasonably requested by the Purchaser.

17. INSURANCE

The Seller shall from the date hereof and throughout the term of this Contract and for as long as is required to cover its obligations under this Contract, at its own cost and expense, maintain each of the insurances listed in the Contract, as well as any other required by the Laws for the supply of the Goods, including those required by ASEA, if any. If applicable, the provisions of this Clause 17 shall apply to Sub-sellers in the same manner as applied to the Seller.

18. HSE

- 18.1 The Seller acknowledges the Purchaser's strong commitment not to harm people and the environment and confirms that it has a written HSE policy which is actively supported by the management of the Seller. The Seller shall take all reasonable steps to protect the environment from and to avoid damage and nuisance to persons and property resulting from the supply of the Goods.
- 18.2 The Seller shall, and shall cause that all its Sub-sellers, in connection with the performance of its obligations under this Contract, respect and at all times comply with the HSE requirements and shall perform its obligations under this Contract such that no acts or omissions by the Seller cause the Purchaser to be in breach of such HSE requirements
- 18.3 The Seller shall be responsible for any spill occasioned by Seller's Group in the performance of its obligations under this Contract and immediately carry out the actions and implement safety measures and works to control the pollution effects, including cleaning, remediation, neutralization, restoration, recovery, characterization and compensation of the affected areas in terms of the provisions of the Laws. The Seller shall perform the activities of the Contract in accordance with the best industry practices in industrial and operational safety matters, respecting the environmental sustainability for preserving and/or conserve the environment, without causing damages to public or private property.
- 18.4 The Seller shall maintain the site in which it will perform the obligations of this Contract in the best conditions, allowing a sustainable development. The Seller shall employ qualified personnel, materials, operational procedures and in general the most up-to-date technologies that comply with the best industry practices for the preservation of natural resources, applying the principles of prevention, precaution and preservation of natural resources, considering industrial and operational safety, the health of the population and its personnel.

19. LOCAL GOODS AND SERVICES

- 19.1 The Seller shall use reasonable endeavours to procure that in performing its obligations under this Contract in Mexico via Sub-sellers or which requires the employment of additional personnel, preference shall be given to United Mexican State entities, firms and persons, or foreign firms in

association therewith, provided that their relevant capabilities and prices are competitive with those available in the international market. The Seller and its Sub-seller shall comply with their National Content obligations set forth in Schedule 7 (National content).

- 19.2 The Seller shall use reasonable endeavours when selecting suppliers for goods or materials required for the performance of its obligations under this Contract in Mexico to give preference to locally manufactured and/or available goods, materials, equipment, consumables and the like, provided that their technical specifications, availability, prices, and time of delivery are comparable to those available in the international market.

20. STAFFING

- 20.1 The Seller shall provide at its own expense and without any reimbursement by the Purchaser all such staff as are necessary for the proper performance of its obligations under this Contract. The Seller shall make its own arrangements for the engagement of personnel, local or otherwise, and, save in so far as the Contract otherwise provides, for their transport, housing, medical testing, maintenance, payment, board and lodging and the Seller shall be responsible for the payment of all wages, salaries and benefits, employment Taxes, and for providing all support services, necessary for all Seller's personnel (including without limitation, food, water, shelter, travel expenses and security).
- 20.2 The Seller represents and agrees that it has its own and sufficient resources to comply with the Federal Labor Law (*Ley Federal del Trabajo*) ("LFT"). The Seller shall comply with and shall ensure its Sub-sellers comply with applicable Law, including but not limited to that relating to: (i) the LFT, (ii) the Social Security Law, (iii) the Institute National Housing Fund for Workers Law, (iv) the Laws applicable to the Administrators of Retirement Funds, (v) the LISR, and (vi) the Immigration Law and (vii) any other administrative and tax laws that may apply with respect to their own employees and in accordance with article 13 of the LFT, with their respective labor obligations, including the terms and conditions contained in the corresponding national and territorial collective labor agreements in force in the sector, if any, and in the area where the activities are performed.
- 20.3 All staff of the Seller's Group shall, for the Seller's obligations under this Contract, be competent, properly qualified, medically fit, skilled and experienced in accordance with Good Industry Practice and have adequate competence, accreditation, qualification and certification, including without limitations those required by the applicable Laws, if any, for rendering the part of the Seller's obligations they will be in charge of. The Seller shall ensure that all its personnel as well as personnel of its Sub-sellers and vendors involved in performance of Seller's obligation under this Contract is sufficiently knowledgeable of the level of English language for the performance of Seller's obligations under this Contract and that may be used for any emergency public address broadcast. The Purchaser reserves the right to assess the qualification of personnel of the Seller, its Sub-sellers and vendors by way of tests and questionnaires and to reject any personnel who fail such tests as to their employment.
- 20.4 The Seller warrants to the Purchaser that all staff assigned by the Seller for the supply of the Goods shall be properly qualified, competent and experienced to carry out the respective part of the supply of the Goods to which they are assigned by the Seller. All staff assigned by the Seller shall obtain a letter of no criminal record from the competent Authority.

- 20.5 The Seller may at any time and from time to time by written notice to the Seller order the removal from the supply of the Goods of any member of the Seller's staff assigned to perform Seller's obligations under this Contract who has, in the Purchaser's reasonable opinion, materially misconducted himself/herself or is considered to be incompetent or negligent, and the Seller shall promptly remove such person from the performance of its obligations under this Contract and replace him with a properly qualified, experienced and competent substitute.

21. GENERAL

- 21.1 **ENTIRE AGREEMENT.** This Contract with the Purchase Order constitutes the entire agreement between the Parties hereto and supersedes all prior negotiations, representations or agreements related to the compilation of this Contract, either written or verbal.

This Contract (the Purchase Order) may be executed in any number of counterparts, each of which is an original and all of which together evidence the same Contract. Should the Purchase Order be executed in two languages (English and Spanish), English version shall represent the understanding of both Parties. In the event of conflict between the two versions, the English version will prevail.

- 21.2 **SEVERABILITY.** If any term of this Contract not being of a fundamental nature is held to be illegal or unenforceable, the validity and enforceability of the remainder of this Contract shall not be thereby affected.

- 21.3 **AMENDMENTS.** No amendments or additions to this Contract shall be valid unless in writing and signed by the Parties authorised representatives.

- 21.4 **INDEPENDENT SELLER.** The Seller shall execute this Contract as an independent seller, without prejudice to Purchaser's right to give general directions and to inspect, as specifically stated in this Contract. The Seller shall have complete and exclusive control over the entire supply of the Goods.

- 21.5 **NO PARTNERSHIP.** Nothing in this Contract shall be deemed or interpreted as creating a joint activity or a partnership in any form under any law.

- 21.6 **ASSIGNMENT AND SUBCONTRACTING.** The Seller shall not assign or subcontract in whole or in any part the benefits or burdens under the Contract without the prior written consent of the Purchaser. The Purchaser may assign its rights hereunder to any of its Affiliates.

The Seller agrees that the assignment, as a whole or in part, of any credit accrued to the Seller under this Contract is strictly prohibited, unless approved by the Purchaser in writing. Furthermore, in no circumstance may the Seller give any special cash warrant to any third party, nor delegate, in any manner whatsoever, the collection of any of the monies due to the Seller hereunder.

- 21.7 **NOTICES AND REPRESENTATIVES.** Any waiver and all notices required to be given pursuant to the provisions of this Contract, unless otherwise agreed between the Parties, shall be sent by (i) receipted hand delivery, (ii) international courier, or (iii) email with acknowledgment of receipt, to the address identified in Purchase Order (or such other address as the other Party has specified giving seven (7) calendar days' prior notice).

The Parties shall appoint their respective representatives for all kind of communication related to the execution of this Contract, which must have a notarized power of attorney valid in Mexico with

the sufficient authorities for such purposes. Initially such representatives' names shall be specified in Purchase Order. Each Party may substitute its representative so appointed by a prior written seven (7) calendar days' notice to the other Party.

SCHEDULE 1. [FORM OF] PURCHASE ORDER No.

PR: [●]

Purchase Order (Contract) No.: [●]

Purchaser:

Fieldwood Energy E&P Mexico, S. de R.L. de C.V.
Av. Jaime Balmes 8, Piso 11 (PH), Col. Los Morales
Polanco, Alcaldía Miguel Hidalgo, Ciudad de México,
México. C.P. 11510

Seller:

[SELLER'S NAME]
[Contact Details]
[Bank Details]

Contact persons:

[Contact persons details]

Contact persons:

[Contact persons details]

Purchase Order Date: [Date of signing]

Delivery Period: [Delivery period]

SCOPE OF SUPPLY:

#	Product Name / Description (Goods) [*if required, assembly/services to be included in the Description]	Delivery Date	Q-ty	UoM	Unit Price	Total Price
1						
2						

Purchase Order Total Value (Contract Price): **MXN 00.00 Mexican Pesos (USD 00.00)**

1. Delivery Point: [●]. Delivery Terms: [DDP - Delivered Duty Paid] to Delivery Point.
2. Pre-Shipment Inspection is [not] required. [Inspection at ● by ●, to be engaged by Seller/Purchaser].
3. Partial Delivery [allowed/not allowed]. Early Delivery [allowed/not allowed].
4. Invoices are to be sent to: facturas@fwm.mx. Payment term: [60 Days].
5. Documents to be provided upon Delivery: Goods Acceptance Certificate signed by Seller; [●]
6. [All goods shall be properly packed ensuring the goods to be transported, loaded and unloaded in a safe manner and protecting them from any damage in the course of these operations. The packing shall also protect the goods from any exposure (such as rain/dust). The packing is subject to approval upon request of the Purchaser, however the following minimum requirements shall apply:
 - a) Wooden crates shall be delivered on pallets making it possible to unload them with the use of a forklift;
 - b) Oil and grease shall be either properly fastened to a pallet or put inside a wooden crate on a pallet;
 - c) Electronics and electrical equipment shall be packed in factory packing and placed inside of wooden crates;
 - d) Cable drums shall be loaded horizontally on pallets - making it possible to unload them with the use of a forklift.]
7. Defects Liability Period is 12 months following putting the Goods into operation by Purchaser or 18 months following acceptance of the Goods by Purchaser, whichever occurs first.
8. Time for repair or replacement: [●].
9. Delay Liquidated Damages are [applicable/not applicable]. [Grace Period is ● days].
10. [Delay over 7 days is a material breach].
11. [The Goods being supplied under this Contract shall be brand new, never used, and manufactured in years ●.]

[Specification Follows as Attachment]

TERMS & CONDITIONS

1. Incorporation by Reference. The General Terms & Conditions for Supply of Goods for Fieldwood Energy E&P México, S. De R.L. De C.V. rev [redacted] available at [redacted] (the “General Conditions”) are incorporated into this Purchase Order by reference for all purposes. Terms not defined in this Purchase Order shall have the meaning given such terms in the General Conditions. The Seller confirms that it has familiarized itself, and hereby agrees, with the General Conditions.
2. In the event of any conflict between the General Conditions, this Purchase Order and the referenced Attachments, then the documents shall control and govern in the following order: (a) the General Conditions, (b) this Purchase Order, (c) the referenced Attachments.
3. The Seller agrees to sell to Purchaser and Purchaser agrees to purchase from Seller as set forth herein and the referenced Attachments but subject to the terms and conditions as set forth in the General Conditions.
4. The Parties have executed this Purchase Order as of the Effective Date.
5. This Purchase Order was drafted in English and has been provided to the Seller in both English and Spanish. In the event of any conflict between the English form of Purchase Order and the Spanish form of Purchase Order, the English form of Purchase Order shall control and govern in all circumstances and shall be applicable to all Goods provided by the Seller.
6. It is a mandatory requirement to return back a signed copy of this Purchase Order.

On behalf of the Purchaser:

On behalf of the Seller:

Name: [Signer name]

Name: [Signer name]

SCHEDULE 2. [FORM OF] GOODS ACCEPTANCE CERTIFICATE No.

_____, _____

This Goods Acceptance Certificate is signed between:

- (1) **FIELDWOOD ENERGY E&P MÉXICO, S. DE R.L. DE C.V.** (“Purchaser”), in the person of _____, acting on the basis of _____; and
- (2) **[SELLER]** (“Seller”), in the person of _____, acting on the basis of _____; in line with Purchase Order No. _____ for Supply of _____ dated _____, _____ (“Contract”).

1. The Seller has delivered and handed over the following Goods to Purchaser:

NO.	GOODS DESCRIPTION	U/M	QTY	ACTUAL DELIVERY TERM	Price per U/M, USD (including all Taxes and fees)
Total, USD (including all Taxes and fees)					

2. Issuance of this Goods Acceptance Certificate shall not relieve the Seller from any other obligations which expressly or by their nature survive this Certificate.
3. The following documents are furnished by the Seller and attached to this Goods Acceptance Certificate:
- a) *[documents necessary for the acceptance to be listed, if any]*

Goods delivered on behalf of Seller:

By: _____
Name: _____
Title: _____

Goods accepted on behalf of Purchaser:

By: _____
Name: _____
Title: _____

SCHEDULE 3. [FORM OF] GOODS DEFECTS CERTIFICATE No.

_____, _____

This Goods Defects (Shortage) Certificate is made under Purchase Order No. _____ for Supply of _____ signed on _____, _____ (“**Contract**”) between:

- (1) **FIELDWOOD ENERGY E&P MÉXICO, S. DE R.L. DE C.V.** (“Purchaser”), and
(2) **/SELLER/** (“Seller”).

1. Purchaser has rejected the following Goods:

No.	GOODS DESCRIPTION	U/M	REJECTED QTY	REASONS FOR GOODS REJECTION

2. The Seller shall remove the rejected Goods from the Delivery Point within *[DAYS/WEEKS/MONTHS AS OF THE DATE OF THIS CERTIFICATE ISSUE]*.
3. The Seller shall replace the rejected Goods in accordance with the provisions of the Contract.

Issued by Purchaser on _____.

By: _____
Name: _____
Title: _____

Acknowledged by Seller:

By: _____
Name: _____
Title: _____

SCHEDULE 4. SUPPLY CHAIN AND LOGISTICS EXECUTION PROCEDURE

1. Brief Description of the Procedure

This Appendix “Supply Chain and Logistics Execution Procedure” (hereinafter the “Procedure”) provides key outlines regarding the roles of the Company and the Seller in the overall post-order process to be followed by both Parties. Applied to any kind of shipment of all materials purchased on DDP delivery terms basis.

2. General Provisions.

2. The following terms and abbreviations are used in this Procedure:

Term	Definition
AWB	Air Waybill
BL	Bill of Lading
CARTA PORTE	Transportation document commonly used in the Mexican United States. It serves as a waybill or freight document that provides information about the shipment of goods, including details about the cargo, the parties involved in the transportation, and the terms and conditions of the shipment.
CD	Import Goods Declaration - Pedimento de Importación
CI	Commercial Invoice
COO	Certificate of Origin
Customs Broker	A party engaged in foreign economic activities, authorized for provision of intermediary services related to customs clearance of the Goods, as well as payment of taxes and customs duties
Dual-Use Goods	Goods requiring special permits/approvals from Authorities of The United Mexican States
Delivery Point	As defined in Clause 1.1 of Schedule 2 (General Conditions)
Goods	As defined in Clause 1.1 of Schedule 2 (General Conditions)
HS Code	Harmonized Commodity Description and Coding System, also known as the Harmonized System (HS) of tariff terminology is an internationally standardized system of names and numbers to classify traded products
MSDS/SDS	Material Safety Data Sheet/Safety Data Sheet
MWS	Marine Warranty Survey
MXN	Mexican Peso
NOMs	Sanitary Technical regulations - Normas Oficiales Mexicanas
NoR	Notice of readiness
PL	Packing List
PoD	Proof of delivery - the documents which confirm delivery of the goods
Procedure	Supply Chain and Logistics Procedure
RWB	Road Waybill
SN	Shipping Notice
Shipment	Shipment of the Goods to/from the United Mexican States on the permanent or temporary basis
Shipping Documents	Any document that is required for the Goods for delivery purposes, i.e. AWB, RWB, BL, CIPL, Certificate of Insurance, COO, CD, PoD.
SSR	Shipping Summary Report
TPI	Third party inspection
UOM	Unit of Measure
USD	United States Dollar

- 2.1. Subject to provisions of the Contract, the Seller shall acquire in a timely manner and at its own risk, expense, and efforts any and all Consents. The Seller shall neither dispatch nor transport any shipment until all the required Consents (including without limitation any Consents with respect to any dual-use Goods, i.e. telecommunication devices, special equipment, medical, chemicals, detonators, specialized printers, etc.), are acquired by the Seller in due course. In no event shall the Company bear any responsibility or liability whatsoever for any possible demurrages or any other costs and expenses of the Seller arising directly or indirectly due to the Seller's failure to, or delay in, obtaining in due course any of the Consents unless otherwise expressly set out in this Contract.
- 2.2. The Seller shall carry out the formalities associated with the legalization/attestation of the Shipping Documents of the Goods that intended to be permanently imported/exported to/from the United Mexican States, as may be required in accordance with applicable customs laws and regulations of any jurisdiction related to this Contract. In addition, the Seller shall bear all costs and risks associated with any changes of requirements that govern the legalization of shipping documents.
- 2.3. The Seller shall execute the Shipping Documents in a clear, readable, and plain Spanish and English language, using black fonts. All the information provided in the Shipping Documents, shall be complete, accurate, and without discrepancies. The Seller shall be liable for any costs, expenses, losses, and damages related to any deficiencies, discrepancies, and inaccuracies in the Shipping Documents, and shall fully indemnify the Purchaser against them.
- 2.4. To avoid any confusion during customs clearance, unified format shall be used to indicate date, currency and numbers on the drafted Shipping Documents, for example:
 - Numbers: 123,456,789.00 or 123456789.00 or 123456789;
 - Currency: USD 123,456,789.00 or \$123,456,789.00 or \$123456789.00;
 - Date: DD.MM.YYYY or DD/MM/YYYY or DD Month YYYY

3. Carta Porte requirements.

- 3.1. The Seller is responsible (if applicable) for obtaining and providing to Company a valid electronic stamped Carta Porte (Carta Porte timbrada) for all Goods transported under the Contract by any mode of transport, in compliance with the applicable Tax regulation. A copy of such stamped Carta Porte shall be provided by the Seller to the Company to the following e-mail address: demnise.claribel@fieldwood.mx.
- 3.2. The Seller shall provide in advance all documents requested by Company, including but not limited: detailed invoice, bill of landing, packing list, pedimento (if applicable, for import materials).
- 3.3. The Seller shall provide completed Material Transfer Form (Attachment 03 to this Appendix) for all Goods, transported under the Contract to delivery point. Copy of Material Transfer Form shall be provided by the Seller to the Company to the following e-mail address: demnise.claribel@fieldwood.mx. Based on the above listed documents provided by the Seller, the Company will issue Carta Porte for offshore shipment for vessels, chartered by the Company.

4. Notifications Requirements.

- 4.1. Prior to dispatch of any Shipment, the Seller shall notify the Company's representatives regarding the readiness of the Goods by e-mail (Tamara.Duran@fieldwood.mx) according to the Company's format ([Attachment 01](#) to this Appendix).

Notice of readiness shall contain following information:

E-mail subject: NoR_Seller's Name_ Vendor_PO Nr_PL Nr_Short Description

E-mail Body: Goods Description,

Place of loading,

Type of Packages,

Nr Packages,

Total Weight

Dimensions

- 4.2. Within 1 (one) working day after departure of any Shipment, the Seller shall notify the Company's representatives by e-mail (Tamara.Duran@fieldwood.mx) regarding the Goods departure according to the Company's format ([Attachment 02](#) to this Appendix).

Shipping Notice shall contain following information:

E-mail subject: SN_ Seller's Name_ Vendor_ PO Nr_ PL Nr_ Short Description

E-mail Body: Place of loading

PL Nr,

Type of Packages,

Nr Packages,

Total Weight,

Transportation Mode,

Place of unloading

Actual date of departure,

Destination,

Estimated date of arrival

- 4.3. In case of long term delivery (more than one week), the Seller shall provide to the Company with SSR (shipment summary report) on the weekly basis by e-mail (Tamara.Duran@fieldwood.mx). The SSR should include the main stages of transportation, such as actual shipment date, mode of transportation, current location, estimate date of arrival to delivery point

5. General shipping documents requirements for importation.

- 5.1. This Clause provides key outlines regarding the contents of the Shipping Documents according to applicable Laws of the United Mexican States.
- 5.2. The basic Mexican import document is the Customs Declaration Form for customs clearance (Pedimento). The United Mexican States require import and export documentation including a completed Customs Declaration Form for all commercial crossings. This document must be accompanied by a commercial invoice (in Spanish), Packing list, AWB/BL/RWB, documents demonstrating guarantee of payment of additional duties for undervalued goods, if applicable, and, if applicable, documents demonstrating compliance with Mexican product safety and performance regulations.
- 5.3. Products qualifying as North American under the United States-Mexico-Canada Agreement (USMCA) require a minimum set of nine data elements be submitted to prove origin and receive USMCA preferential tariff treatment. This certification may be issued by the importer, exporter, or producer, and it does not have to be validated or formalized.
- 5.4. Minimum requirements for the documents that shall be provided to the custom:
- 5.4.1. Commercial Invoice (English/Spanish version):
- a) Invoice No – according to the Seller's internal standards,
 - b) Invoice Date,
 - c) Manufacturer/producer's name,
 - d) Full address and contact details,
 - e) Consigner,
 - f) Consignee,
 - g) Notify Party,
 - h) Delivery Basis (Incoterms) – according to the Contract,
 - i) Country of Export,
 - j) Place of Loading,
 - k) Place of Discharge,
 - l) General Description of the Goods,
 - m) List of items (including brand & serial number, tag number),
 - n) HS Code (The accurate HS Code will be provided by customs broker),

- o) Full Description,
- p) Serial Nr,
- q) Country of Origin,
- r) UOM,
- s) QTY,
- t) Unit Price,
- u) Total Price,
- v) Total Amount – shall correspond with total amount indicated in CD.

5.4.2. Packing List:

- a) Packing list No – shall consist of PO nr/serial nr, ex. 4600000001/0001
- b) Manufacturer/producer name,
- c) Full address and contact details,
- d) Consigner,
- e) Consignee,
- f) Notify Party,
- g) Delivery Basis (Incoterms) – according to the Contract,
- h) Country of Export,
- i) Place of Loading,
- j) Place of Discharge,
- k) General Description of the Goods,
- l) List of items (including brand & serial number, tag number),
- m) Full Description,
- n) Serial Nr,
- o) Country of Origin,
- p) UOM,
- q) QTY,
- r) Type of Package,
- s) Package dimensions,
- t) PKG UOM,
- u) Volume (CBM),
- v) Net Weight, - shall correspond with total amount indicated in CD.
- w) Gross Weight. - shall correspond with total amount indicated in CD.

5.4.3. Airway Bill/Roadway Bill/Bill of Lading:

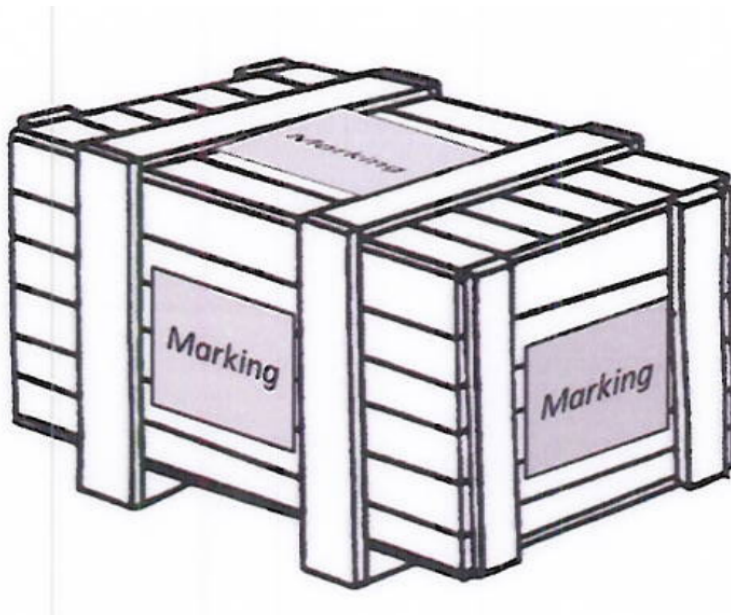
- a) Bill No – according to the Sub-seller's standards
- b) Invoice No and date,
- c) Packing list No,
- d) Consigner,
- e) Consignee,
- f) Nr of packages
- g) Total weight
- h) Place of Loading,
- i) Place of Discharge,
- j) General Description of the Goods.

5.4.4. Proof of Delivery:

- a) Invoice No and date,
- b) Packing list No
- c) CD No
- d) Nr of packages
- e) Total weight
- f) Place of Loading,
- g) Place of Discharge – final destination
- h) General Description of the Goods.

6. Labelling/Marking Requirements.

- 6.1. All products must be labelled in Spanish prior to shipment. The Goods that must comply with commercial and sanitary technical regulations (NOMs) must follow the guidelines, as specified in the applicable NOM.
- 6.2. A copy of the packing list shall be placed in a waterproof envelope and then fixed under a metallic plate marked "PACKING LIST" applied externally to the package.
- 6.3. Package marking shall allow an easy and fast identification of items (purchase order number, vendor, short description, destination, etc.) and give information for a proper lifting, transport and storage operations (for example gross weight, stackability, storage conditions, centre of gravity. etc.)
- 6.4. The package marking shall be clear, indelible and proportionate to the package dimensions, placed as minimum on two adjoining sidewalls and on the cover of each package; it can be executed directly on package by black characters on the light background.



6.5. Moreover:

- for Crates, the marking shall be written on a suitable plywood or similar panel – minimum thickness 3mm.
- for Equipment, shipped on saddles, marking can be executed directly on the apparatus or on the saddles.
- for Bundles, the marking shall be made with metallic plates or with two plastic-coated signboards fixed on plywood panels, placed at the two sidewalls tied with wire or steel straps.
- for Pallets, marking shall be placed on two adjoining sides and on upper part.
- For Reels, marking shall be placed on the flanges.

7. Packing Requirements.

- 7.1. This Clause provides minimum requirements for packing to be strictly followed by the Seller to guarantee suitable and adequate packing protection in accordance with transportation methods, environmental and storage conditions at the Seller's, freight forwarders, carrier's, customs and/or the Company's transportation and storage facilities.
- 7.2. The Seller remains the sole responsible for the correct application these requirements and the proper and adequate packing of goods and to guarantee a seaworthy packing, stackable and suitable for repeated handling, loading, and unloading.
- 7.3. The Seller is responsible for compliance with this specification and the selection of type of packing according to the nature of the Goods, origin/site climatic conditions, way of transportation (truck or container or break-bulk vessel), and storage requirements (indoor or outdoor).

- 7.4. The Seller shall be responsible for any loss or damage caused by incorrect packing and marking.
- 7.5. The Seller shall always secure the Goods to the package to avoid dangerous falls or shifts during lifting and transport operations. In the case of the transport in containers, the package shall be secured towards the container.

Attachment 01 “Notice of Readiness e-mail format”

 Send	To	
	Cc	
Subject <u>NoR_COTEMAR_SIEMENS_PO 4100003488_PL 0001_Level Transmitters</u>		

Dear All,

With this e-mail we would like to inform you that **Level Transmitters** are ready for dispatch, please find information | below:

POL: **Place of Loading**
Type of Packages – **box, crate, pallet, container, bundle**
Nr Packages – **3 pc**
Total Weight – **125 kg**

Best Regards,
Name and contact Details

Attachment 02 “Shipping Notice e-mail format”

 Send	To	
	Cc	
Subject SN_COTEMAR_SIEMENS_PO 4100003488_PL 0001_Level Transmitters		

Dear All,

With this e-mail we would like to inform you that **Level Transmitters** have been dispatch, please find information below:

PL Nr: 4100003488/0001
Type of Packages – box, crate, pallet, container, bundle
Nr Packages – 3 pc
Total Weight – 125 kg
POL: Place of Loading
Transportation Mode: Air, Sea, Road, Multimodal
Actual date of departure: 13-SEP-22
Destination: Ciudad del Carmen/ WHP Ichalkil/WHP Pokoch/WHP Tumut
Estimated date of arrival: 04-OCT-22

|
Best Regards,
Name and contact Details

Attachment 03 “Material transfer form”

														MATERIAL TRANSFER FORM		FECHA/DATE:	
OUTBOUND SHIPPING MANIFEST																	
EMPRESA/COMPANY:		FIELDWOOD ENERGY E&P MEXICO						CONSECUTIVO/CONSECUTIVE:									
ORIGEN/ORIGIN:		PWE SHOREBASE						DESTINO/DESTINATION:									
BARCO/VESSEL:								POZO/WELL:									
CAPITAN/CAPTAIN:																	
Item	Fieldwood Material No.	Qty	Serial Number	Unit	Description	Gross Weight M/T	Vendor	Dimension s	Delivery Tickets / Comments	Net weight M/T	Unit price	Total Price	Currency	SAT code			
						0.0											
Ship To Address:																	
Receiver Phone Number:																	
Attention To:																	
Nombre del solicitante/Requestor's Name:																	
Autoriza Fieldwood / Fieldwood's Author:																	
Recibido Por / Received By:																	
Firma / Signature / Stamp:																	
Firma / Signature / Stamp:																	
Firma / Signature / Stamp:																	

SCHEDULE 5. TAXES

1. DEFINITIONS

- a. **“Tax Authority”** means any government, state or municipality or any local, state, federal or other authority, body or official anywhere in the world exercising a fiscal, revenue, customs or excise function (including, without limitation, the Mexican Tax Revenue Service (*Servicio de Administración Tributaria*)).
- b. **“Tax Law”** means any Law for the time being in force in so far as it relates to or is connected with Tax and Law for these purposes shall be treated as including the prevailing practice of the relevant Tax Authority.

2. SELLER'S TAX RESPONSIBILITIES

- 2.1 The amounts payable to the Seller in accordance with this Contract shall include any and all Taxes for which the Seller or, as the case may be, the Purchaser is liable in accordance with applicable Law. Where the Purchaser has an obligation to deduct or withhold Tax in respect of any payment due to the Seller, the provisions of Article 3 shall apply.
- 2.2 The Seller shall be responsible for and pay any and all Taxes assessed on it arising as a result of or in connection with:
 - a. the performance or execution of the Contract or any income earned by the Seller under the Contract or otherwise;
 - b. any wages, salaries or other remuneration paid to persons engaged or employed, or deemed engaged or employed, by the Seller;
 - c. any wages, salaries or other remuneration paid to its Sub-sellers; or
 - d. any wages, salaries or other remuneration paid by its Sub-sellers to any persons engaged or employed, or deemed engaged or employed, by its Sub-sellers.
- 2.3. The Seller declares it is aware of the Tax Laws of Mexico and agrees that it will comply with its Tax obligations imposed pursuant to such Tax Laws in a timely and accurate manner and, if required, the Seller will, inter alia:
 - a) register with Mexico; and
 - b) provide evidence of such registration and the registration number to the Purchaser.

2.4. The Seller shall procure that any Sub-seller or any other person employed, deemed to be employed or providing Services under or in connection with the Contract shall comply with their respective Tax obligations under the Tax Laws of Mexico.

2.5. In case the Seller is providing transportation services for goods or merchandise in relation to provision of Goods or service under this Contract then the corresponding invoice shall include “Consignment Letter” (Carta Porte) Complement, in compliance with Tax Laws of the United Mexican States.

3. DEDUCTIONS AND WITHHOLDINGS

- 3.1 Where, under the provisions of the relevant Tax Laws, the Purchaser is required to deduct or withhold any amount (whether as an amount of Tax, an amount in respect of Tax or an amount on account of Tax) from any payment it is required to make to the Seller (including any advance payments), the Purchaser shall deduct or withhold from any amount paid pursuant to the Contract an amount equal to that required by the relevant Tax Laws to be deducted or withheld.

- 3.2 Where any such deduction or withholding is made by the Purchaser in accordance with Article 3.1, the amount deducted or withheld by the Purchaser shall, subject to the provisions of this Article 3, be treated for the purposes of the Contract as being having been paid to the Seller.
- 3.3 Where the Purchaser makes any such deduction or withholding it shall, upon the Seller's request, provide the Seller with a written receipt in respect of such deduction or withholding and the Purchaser shall otherwise deal with any amount so deducted or withheld in accordance with the applicable Tax Laws.
- 3.4 Where the Purchaser has failed to withhold or deduct amounts in accordance with the relevant Tax Laws from any payment to the Seller where it transpires for whatever reason it shall have made such a deduction or withholding, it may (at its option):
- a) request in writing that the Seller reimburse such amount of the payment that shall have been deducted or withheld by the Purchaser, in which case the Seller shall reimburse the Purchaser within ten (10) calendar days of receipt of such written notice; or
 - b) deduct from any further amounts due to the Seller in accordance with this Contract the amount of the deduction or withholding it was required to have made in relation to any previous payment (for the avoidance of doubt, (i) such right to deduct or withhold is in addition to the right to make a deduction or withholding from payments due to the Seller pursuant to Article 3.1 and (ii) the Purchaser shall, upon the Seller's request, provide written receipt to the Seller setting out the details of the deduction or withholdings made in accordance with Article 3.3).
- 3.5 Where the Seller claims either to be exempt from any deduction or withholding or to be entitled to a payment of the amount withheld or deducted by the Purchaser, it shall inform the Purchaser in writing and shall provide all necessary documentation and information required by the relevant Tax Laws (including a certificate of exemption from the relevant Tax Authority or similar document) to enable the Purchaser to, respectively, pay any amount of the Contract Price without deduction or withholding, or to pay the element of the Contract Price deducted or withheld to the Seller, provided that the Purchaser shall have no obligation to make a payment of the amount deducted or withheld by it, pursuant to Tax Law, to the extent it has made a payment in respect of such amounts to the relevant Tax Authority (and in such a case Article 3.7 shall apply).
- 3.6 The Purchaser may act on any information provided to it pursuant to Article 3.5 at its discretion and shall not be liable to the Seller or any other person or body in the event that the Purchaser applies the deduction or withholding according to the relevant Tax Laws.
- 3.7 Where the Seller is entitled to a refund of any Tax paid to the relevant Tax Authority by the Purchaser in respect of amounts paid under the Contract, the Purchaser and the Seller shall co-operate in seeking a refund from the Tax Authority. The Seller shall pay to the Purchaser an amount equal to the Purchaser's reasonable costs incurred in seeking any such refund on the Seller's behalf.

4. PURCHASER'S TAX INDEMNITY

- 4.1.** The Seller hereby agrees to pay (within 10 days of written notice), by way of indemnity, to the Purchaser an amount equal to:
- a) any liability for Tax assessed or imposed on the Purchaser where such Tax arises as a result of or in connection with any of the obligations, payments or actions referred to in Article 2.2 (a) to (c);
 - b) any liability for Tax assessed or imposed on the Purchaser which arises as a result of or in connection with a Tax liability of the Seller, its sub-sellers or any person employed by the Seller or its sub-sellers having not been paid by the due date or in accordance with the proper procedures imposed by Tax Law;

- c) all costs and expenses incurred by the Purchaser in dealing with the assessment or imposition of any Tax which is indemnified pursuant to this Article and all costs and expenses arising from pursuing an indemnity claim under this Article.

4.2. The indemnity above shall not apply to the extent that:

- a) such Tax has been taken into account as a deduction or withholding by the Purchaser when making payments to the Seller in accordance with this Contract;
- b) the Seller has reimbursed the Purchaser pursuant to a written request made pursuant to Article 3.4 (a); or
- c) the Purchaser has made recovery pursuant to the rights of set off set out above pursuant to Article 3.4 (b).

5. GROSS UP OF PURCHASER'S INDEMNITY PAYMENTS

- 5.1.** All payments made by the Seller pursuant to any indemnity given by the Seller or any payment of liquidated damages made by the Seller pursuant to this Contract shall be made gross, free of any right of counterclaim or set off and without deduction or withholding of any kind other than any deduction or withholding required by Law.
- 5.2.** If the Seller makes a deduction or withholding required by Law from any indemnity payment or any payment of liquidated damages under the Contract, the sum due from the Seller shall be increased to the extent necessary to ensure that, after the making of any deduction or withholding, the Purchaser receives a sum equal to the sum it would have received had no deduction or withholding been made.
- 5.3.** If a payment under any indemnity or any payment of liquidated damages under the Contract will be or has been subject to Tax, the Seller shall pay to the Purchaser the amount (after taking into account Tax payable in respect of the amount) that will ensure that the Purchaser receives and retains a net sum equal to the sum it would have received had the payment not been subject to Tax.
- 5.4.** No payment required to be made by the Purchaser under the terms of this Contract shall be subject to any right of set-off, counterclaim, withholding, abatement, suspension, deferment or reduction or any other right.

6. PROVISION OF INFORMATION

The Seller and the Purchaser shall provide or procure the provision to each other of such information and assistance as each may reasonably require to comply with their respective Tax obligations (including the Purchaser's Tax obligations in relation to its obligations to deduct or withhold any amounts from payments due to the Seller under the Contract and the Purchaser's obligations to prepare any Tax returns).

SCHEDULE 6. SECURITY RULES

“Security Rules”

1. The Seller shall do all reasonable endeavors to ensure protection of its personnel and property, involved in the works on this CONTRACT, including associated with attack, criminality or terrorist activity.
2. Seller is fully responsible and shall bear all costs for the security of:
 - a. Seller personnel.
 - b. Seller equipment, materials and supplied goods;
 - c. Seller shall ensure that Seller personnel possess the appropriate levels of security and cultural awareness, skills and training to operate efficiently and safely.
3. Seller shall ensure that Seller personnel shall:
 - a. strictly adhere to Purchaser Security Policy;
 - b. follow the security instructions given by the Purchaser either in a form of an e-mail, letter or formal procedure, guidance and / or regulation.

SCHEDULE 7. NATIONAL CONTENT

1. The Seller shall calculate and report to the Purchaser the national content proportion in accordance with the provisions issued by the Ministry of Economy of Mexico (Secretaría de Economía) (“SE”) to calculate the National Content in Assignments and Contracts for Exploration and Extraction, published on November 13, 2014 by the SE on the Federal Official Gazette (Diario Oficial de la Federación) (“DOF”), and its modification published on July 16, 2015 in the DOF, or any subsequent modifications (the “Methodology”).
2. For the purpose of verifying the compliance with Article 1 above, as well as with the provisions of the Resolution through which the guidelines for submitting national content information in the activities carried out in the hydrocarbons sector by entitlement holders, contractors and permit holders were established (*ACUERDO por el que se establecen las disposiciones para que los asignatarios, contratistas y permisionarios proporcionen información sobre contenido nacional en las actividades que realicen en la industria de hidrocarburos*), published by the SE on May 26, 2017 in the DOF and any subsequent modification to the same (the “**Resolution**”), the Seller shall have the following obligations:
 - 2.1 The Seller shall cooperate in consolidating the information with which the Purchaser will present the reports of compliance with National Content obligation in terms of the Resolution. To such effect, the Purchaser may determine the mechanism necessary to ensure compilation and compliance with the obligations provided for in this Schedule and in the applicable National Content regulations.
 - 2.2 The Seller shall provide the Purchaser with a letter executed by a legal representative of the Seller, with a letterhead of the same in terms of the Resolution, in which it is stated the proportion of national content of the Services provided under the Contract in Spanish language; the foregoing, stating under oath that the proportion of national content was determined in accordance with the Methodology and other applicable regulations, and that the same is correct, complete, truthful and that it is aware that the information may be verified in terms of the applicable regulations. The letters referred to in this section, shall be provided no later than 10 business days after the Purchaser requests the same and no later than the month of March of each year, which shall correspond to the period comprised from January 1 to December 31 of the immediately preceding year.
 - 2.3 At the end of the fiscal year the Seller shall also submit to the Purchaser, together with the national content letter, a report issued by an independent external expert with extensive experience in the calculation and verification of national content, validating the Seller’s compliance with the National Content obligations in accordance with the value established in the Methodology or in any other Applicable Law, no later than 10 business days after the Purchaser requests the same and no later than the month of March of each year.
 - 2.4 The Seller shall keep and maintain any document and/or information evidencing the proportion of national content in each Services that it stated to have complied with in the letters referred to in the paragraph above and provide the same to the Purchaser at its request. The Seller shall cooperate with the Purchaser in any Authority Inspection carried out by the SE for verifying the compliance of its national content obligations

with respect to this Contract and provide any document and/or information under its care, control and/or custody to the Company for such purposes in terms of the Contract.

3. The Seller shall give preference to the procurement of services of Mexican origin, including the hiring and training of resources of Mexican nationality at technical and management levels, as well as to purchase of goods of Mexican origin, when such items are offered in the market under the same conditions, including equal price, quality and delivery schedule.
4. Notwithstanding the engagement with any Sub-seller, the Seller shall remain liable for the fulfillment of any and all of the Seller's obligations regarding National Content arising under the Contract and the Applicable Law and shall release, indemnify, protect, defend, and hold harmless the Purchaser's Group from and against any and all loss, costs, expenses (including legal fees and expenses), damages, demands, liability, claims, suits, actions and proceeding by any person and authority arising out of or related to Contractor's failure to comply with national content requirements of this Contract or applicable Laws.

SCHEDULE 8. PRE-SHIPMENT INSPECTION

- 1.1. In order to ensure that the Goods to be supplied or materials conform to the Contract

- requirements, the Seller shall be required to make available the Goods or materials, as directed by the Purchaser for Pre-Shipment Inspection prior to any crating, containerization or any other form of packaging. Shipment of Goods to the Delivery Point shall be subject to such Pre-Shipment Inspection (unless stated otherwise in the **Purchase Order**) which shall be performed by the Purchaser or Third Party Inspector (engaged by the Purchaser or the Seller, as the Parties agree in the **Purchase Order**) at a predetermined location and as per the procedure described below followed by issuance of the Release Note for Shipment.
- 1.2. the Seller shall give the Purchaser not less than a 2-week notice of its readiness to pack any Goods for transportation to the Delivery Point and by such notice shall provide the Purchaser with a complete list of the Goods to be packed ("**Packing List**").
 - 1.3. Following the receipt of such notice and Packing List by the Purchaser, the Seller shall give the Purchaser and each of its nominated representatives a full opportunity to inspect the Goods for the purposes of Pre-Shipment Inspection at Seller's or Sub-Seller's premises.
 - 1.4. the Purchaser shall, within 14 days of the Goods inspection at the Seller's or Sub-Seller's premises, either:
 - 1.4.1. issue a Release Note for Shipment stating the date on which Pre-Shipment Inspection was successfully completed and authorizing the Seller to proceed with packing the Goods for their transportation to the Delivery Point; or
 - 1.4.2. refuse to issue the Release Note for Shipment, giving reasons and specifying the work required to be done the Seller o enable the Release Note for Shipment to be issued. he Seller shall then complete this work before issuing a further notice of readiness to pack the Goods in accordance with Clause 1.1 of this Schedule.
 - 1.5. In the event the Purchaser does not issue a Release Note for Shipment or provide comments within the timeframe stipulated in Clause 1.4 of this Schedule, a Release Note for Shipment shall be deemed to be issued by the Purchaser and the Pre-Shipment Inspection shall be deemed completed upon expiry of such timeframe.
 - 1.6. Notwithstanding the above, the Purchaser or its authorized representatives may at all times inspect or test the Goods either completed or at any stage or place of manufacture, fabrication, storage or delivery during normal business hours upon notice to the Seller and the Seller shall provide all reasonable assistance in relation to any such inspection or test free of charge. The Seller shall permit the Purchaser or its authorized representatives to enter and inspect and audit the plant facilities, equipment and methods used by the Seller in the preparation, production, packaging, storage and handling the Goods, and shall take all reasonable steps necessary to address any reasonable suggestions made by the Purchaser. Without prejudice to other provisions of this Schedule, the Seller shall remain solely responsible for quality control with respect to the Goods.
 - 1.7. In the event that the Third Party Inspector is engaged in the Pre-Shipment Inspection, all Purchaser's obligations and notices set forth in Clauses 1.1, 1.2, 1.3 and 1.6 of this Schedule shall extend to such Third Party Inspector and:
 - 1.7.1. scope and schedule of work of the Third Party Inspector shall be set forth in a Schedule 10 (Scope of Third Party Inspection) to this Contract;
 - 1.7.2. Third Party Inspector shall issue to the Purchaser an inspection report(s) based on the results of its inspection described in the Schedule referred to in Clause 1.7.1 of this Schedule;
 - 1.7.3. no Release Note for Shipment shall be issued by the Purchaser until the Third Party Inspector submits to it an Inspection Release Note (unless such Inspection Release Note is waived by the Purchaser);
 - 1.7.4. deadlines for issuing the Release Note for Shipment or refusal to issue the Release Note for Shipment, or deemed issuance of the Release Note for Shipment by the Purchaser, as set forth in Clauses 1.4 and 1.5 of this Schedule shall be adjusted for the period necessary for the Third Party Inspector to prepare and submit its inspection report(s) and Inspection Release Note, as such period to be specified in the Schedule 10 (Scope of Third Party Inspection);
 - 1.7.5. in the event that the Third Party Inspector is engaged by the Purchaser, the cost of such engagement shall be paid directly by the Purchaser;

- 1.7.6. in the event that the Third Party Inspector is engaged by the Seller, the Seller shall agree with the Purchaser the candidacy of the Third Party Inspector and the cost of its engagement, which cost shall be included in the Contract Price (provided that the Seller submits all supporting documentation reasonably required by the Purchaser, including the Third Party Inspector's invoice(s), time sheets, certificate(s) of acceptance/confirmation of Third Party Inspector services provision).
- 1.8. Completion of the Pre-Shipment Inspection and/or any inspection or testing referred to in Clause 1.6 of this Schedule and/or presentation of any records or reports resulting therefrom by the Third Party Inspector as well as failure by the Purchaser to make a complaint at the time of such inspection or testing shall not, in any event, constitute a waiver by the Purchaser of any of its rights and remedies in respect of the Goods and the Purchaser reserves the right to reject the Goods in accordance with Clause 2.9 of the General Conditions. Neither shall it constitute Acceptance of the Goods by the Purchaser, which shall only take place following Delivery of the Goods and final inspection thereof in accordance with Clause 2 of the General Conditions. Operation of this Schedule shall not relieve the Seller of its obligations and liabilities under this Contract.

SCHEDULE 9. CODES AND RULES OF CONDUCT

The Code of Business Conduct and Ethics:

- (i) describes the Purchaser's core principles and values, and
- (ii) establishes standards and rules that govern individual and collective behavior of all the Purchaser's employees and the Seller's personnel without exception.

A link to the **"Code of Business Conduct and Ethics"** is provided below:
<https://www.lukoil.com/FileSystem/9/628807.pdf>

Failure by the Seller and its personnel to comply with the requirements of the Code of Business Conduct and Ethics shall be considered as material breach of the Contract by the Seller.

SCHEDULE 10. SITE

The Site shall be defined by geographical map and coordinates of the marine Block 4 offshore Mexico, as described and drawn below, and shall include:

1. Shore base in Ciudad del Carmen, Mexico, used to provide various services to the Block 4 operations;
2. Offices, facilities, bases, personnel work places of the Purchaser, the Seller and the Seller's Sub-sellers, involved in the performance of this Contract, irrespective of their location. As it regards the Purchaser, this shall include, without limitation, the Purchaser's office.

Geographical map and coordinates of the marine Block 4 offshore Mexico

Contract Area 4 is located in the shallow waters off the offshore platform in Cuencas del Sureste, an oil and gas province that is between 40 and 50 km off the coastline of Tabasco and Campeche, at a depth between 35 and 45 m. It is situated in the Pilar-Reforma-Akal basin, has an area of 57,966 km², and comprises two (2) fields: Ichalkil and Pokoch.

The Ichalkil is situated 75 km north-west of Cd. del Carmen, Campeche at a depth of 32.5 m. In the territorial waters of the continental shelf in the Gulf of Mexico, off the coast of Tabasco. The field occupies an area of 45,096 km².

The Pokoch is situated 85 km north-west off Cd. del Carmen, Campeche, in the shallow waters of the Gulf of Mexico, within the Contract Area. The field lies at a depth of 44 m (average depth), taking up an area of 12,870 km².

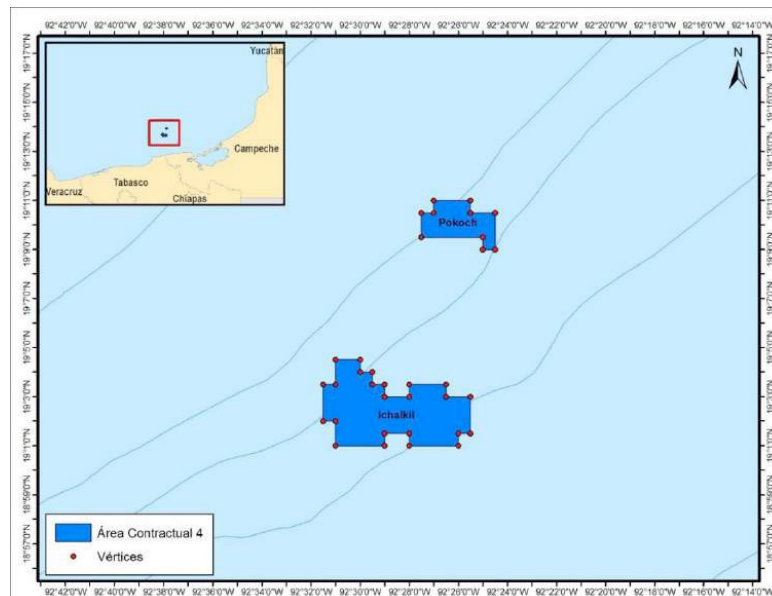


Figure 1. The position of Contract Area 4, its boundaries, and respective apexes