



GENERAL PURCHASE TERMS AND CONDITIONS

1. SCOPE

1.1. These general purchasing conditions shall prevail for the Purchase Order specified on the reverse side of this document (the "Order"), same which are known and accepted by the parties. The Supplier's sales conditions which differ from the present ones, shall apply only with the written approval of ARTECHE NORTH AMERICA. To be valid, any change to the Order requires the prior and written acceptance of ARTECHE NORTH AMERICA.

2. ACCEPTANCE OF THE PURCHASE ORDER AND OF THESE GENERAL PURCHASING CONDITIONS

2.1. Both parties agree that the Purchase Order has been executed by the Seller's representatives, or by its employees, agents or dependents and shall be binding for the Supplier as well as the conditions herein, said signatures being understood as unequivocal consent. It shall also be understood that the Purchase Order and the General Conditions were accepted, notwithstanding, same has not been signed, and there is a written confirmation, through any means, from the representative, employee, agent or dependent of the Supplier (including by E-mail), or when the order is delivered in accordance with the terms required.

3. OBJECT AND PRICE

3.1. The goods object of the Purchase Order and price of same, are as described on the front of the form herein. If the prices of the goods are expressed in dollars of the United States of America, the price shall be payable in pesos at the rate of exchange to settle obligations specified in a foreign currency and payable in Mexico, as published by the Bank of Mexico in the Official Gazette of the Federation on the payment day. The prices stipulated on the Order are fixed and will continue fixed until the fulfillment of the obligations contained therein.

4. DELIVERY

4.1. The Supplier agrees to deliver the goods object of the Purchase Order, at the specified address set forth in the Order, otherwise the goods must be delivered at the industrial plant of ARTECHE NORTH AMERICA located at Calle Dos No. 7, Colonia. Fraccionamiento Industrial Alce Blanco, Naucalpan, Estado de Mexico. The Supplier shall follow the delivery and transportation instructions given by ARTECHE NORTH AMERICA. The Supplier agrees to deliver the goods object of the purchase order in accordance with the period set forth at the front of the purchase order, which in all cases shall not be less than three business days, but never more than ten calendar days after receiving the purchase order. Each delivery must include a dispatch note with the order's number. If there are several purchase orders, each one must include a dispatch note.

5. DISCOUNT FOR DELIVERY DELAYS

5.1. In the event that the Supplier is behind in the delivery term of the goods, it shall provide a discount 0.5% (point five percent) for each day of delay to a maximum of 10% of the total amount of the invoice which covers the supply of the corresponding purchase order. ARTECHE NORTH AMERICA may discount the amount as corresponds from the price agreed to in the purchase order from the goods reason of the delay in the delivery, from any payment pending to the Seller, without any prior judicial notice, with the understanding that the document herein is a full authorization for said purposes.

6. REVIEW, ACCEPTANCE OR REJECTION OF THE GOODS

6.1. At the time of delivery of the goods, ARTECHE NORTH AMERICA's staff will review the property, in the presence of the Supplier's staff. In the event that: the order is complete and complies with the conditions and specifications of the Order, the goods are of the quality needed and there is no 5% damaged good broken or defective, ARTECHE NORTH AMERICA's staff shall print the seal and execute as corresponds on the invoice. If the order is incomplete or the goods are not of the quality needed, or do not meet the specifications of the "ORDER", ARTECHE NORTH AMERICA may

reject the goods, without liability on its part. In any case, the acceptance of the goods does not imply that the guarantees set forth are waived.

7. PAYMENT TERMS

7.1. For the purpose of the payment of the goods, the Supplier must submit the invoice on the purchase order, original and a copy, with the seal and/or signature of receipt of the goods, from ARTECHE NORTH AMERICA personnel, the seal of acceptance of quality of the materials and a copy of the Order. The invoices and documents shall be accepted for review from Monday through Friday during ARTECHE NORTH AMERICA's working hours. ARTECHE NORTH AMERICA agrees to pay the invoice provided by the Supplier, by reason of the purchase order at ARTECHE NORTH AMERICA's address, covering the goods object of same and which complies with the corresponding tax requirements, be means of a deposit to the account notified in writing by the Supplier or by means of a check, no later than within 90 calendar days after submittal for collection, except if the parties agree to any other term and same is set forth in the front of this document.

8. WARRANTY

8.1. The Supplier warrants that it shall deliver the goods object of the purchase order, without any encumbrance, tax or limitation of ownership. The Supplier shall warrant that the goods will be of the quality needed, free from any defect of material or manufacture, defect or operating problem during a period of twelve months, effective from the initial day of use by the final consumer. Thus, ARTECHE NORTH AMERICA or the final consumers who hold ARTECHE NORTH AMERICA's guarantee, through ARTECHE NORTH AMERICA, will be able to return, without any cost, the defective goods or not operating, to be repaired or replaced for new ones, at the sole cost of the SUPPLIER. The repair or replacement of the goods will be done within a maximum period of 10 calendar days, being at the sole expense of the SUPPLIER any expense incurred by reason of the warranty, including costs of transportation and delivery at ARTECHE NORTH AMERICA's address. In all cases, the SUPPLIER shall be responsible for any damage caused to third parties as a direct result of goods out of order.

9. AUDIT

9.1. ARTECHE NORTH AMERICA shall have the right to inspect, at all times and without previous notice, the Supplier's office or his plants, to check the manufacturing process of the goods and the fulfillment of the quality conditions, related to the Order. The right to audit includes the right to check the process and method of manufacturing the goods. For such purpose, the SUPPLIER authorizes ARTECHE NORTH AMERICA's visits and access to its plant, store, warehouses and other work places. This activity does not imply an additional cost to ARTECHE NORTH AMERICA.

10. TECHNICAL ASSISTANCE

10.1. The SUPPLIER agrees to provide to ARTECHE NORTH AMERICA the necessary technical assistance, with respect to the adequate use of the goods of the Purchase Order. In the event the above mentioned assistance is required, the Supplier agrees to send its employees to ARTECHE NORTH AMERICA's plant, within a maximum period of 72 hours after the notice that ARTECHE NORTH AMERICA gives to the Supplier.

11. TRANSPORTATION, INSURANCE AND OTHER EXPENSES

11.1. The cost of transportation, packing and appropriate packaging for the transportation mode of the goods, the loading and unloading maneuvers and the insurance that protects the total value of the goods during transportation, as well as civil liability insurance for materials and physical damages to third parties caused by the goods during the shipment, shall be an exclusive obligation of the SUPPLIER, except when otherwise provided in the Purchase Order, set forth on the front of same. In any case, as long as ARTECHE NORTH AMERICA has not received the goods or services object of the Purchase order to its entire satisfaction, the SUPPLIER will be the

sole party responsible for the safety of the goods and for the damages that may occur during this period of time.

12. USE OF TRADENAMES AND INDUSTRIAL PROPERTY RIGHTS

12.1. Both parties recognize that neither the Purchase Order nor the general sales conditions shall be considered as a license or assignment of rights arising from the trademarks held by the parties have been registered respectively, at its name, and even less shall it be considered as a license or assignment of rights to exploit the patents or other industrial property rights of the parties.

13. DELIVER OF OTHER GOODS IN COMMODATUM

13.1. In the event that it would be strictly necessary for the fulfillment of the Purchase Order, ARTECHE NORTH AMERICA shall be able to deliver to the SUPPLIER, samples, plans, drawings, standards, specifications and other technical information, as well as the tools, instruments, models, profiles, molds and all other means of production that the SUPPLIER will receive in commodatum, with the understanding that the property of same, as well as of any patent, trademark, industrial design, trade name or copyrights arising from same shall be the exclusive property of same, as well as of any patent, trademark, industrial design, trade name or copyrights arising from same, shall be the exclusive property of ARTECHE NORTH AMERICA, the foregoing being not understood as an exploitation license. The goods delivered in commodatum must be received in writing by the SUPPLIER as such and shall be subject to the provisions of the Federal Civil Code.

14. ACT OF GOD

14.1. Both parties will bar no liability in case of delay and total or partial breach of the Purchase Order and of the present conditions, if generated by acts of God. The parties will, among others, consider acts of God the following events: atmospheric catastrophes, cataclysms and natural phenomena; social conflicts, general strikes, fires, war, sabotage, seizure, insurrection, riots, epidemics and pandemics. The parties agree that if there is more than one act of God, that make the fulfillment of the Purchase Order impossible, they shall solve the possible conflict with a friendly arrangement.

15. RELATIONSHIP

15.1. The parties accept that the only relationship between them is the one arising from the Purchase Order herein, reason why each of them will be the only party responsible for its own employees. The parties accept that there is no type of association, strategic alliance, joint venture or similar concepts between them, reason why ARTECHE NORTH AMERICA and the SUPPLIER are independent parties for all legal purposes to which there is place.

16. ADVANCE TERMINATION

16.1. Either party may terminate in advance the Purchase Order at any time, without any responsibility, by means of a prior written notice to the other party at its address, when the other party is declared bankrupt or in payment suspension or is declared in strike and, thus, is unable to carry out its activities in a regular form. ARTECHE NORTH AMERICA will be able to terminate the Purchase Order in advance without any responsibility, being sufficient a prior written notice to the SUPPLIER, delivered at its address, when the goods delivered by reason of the Purchase Order do not comply with the specifications of the same, including amounts and when the quality is not as required or when 5 % or more of the goods are damaged or broken or are defective.

17. CONFIDENTIALITY

17.1. The parties agree to handle the information which as of the day herein has been provided, as well as the one provided by reason of the Purchase Order, as strictly confidential. Thus, both parties shall abstain from divulging to third parties and to use same for their own benefit, without the written consent of the other party. In addition, the parties agree to take the preventive steps necessary in order for their

respective employees, during their employment or once they stop rendering their services, not to reveal same to third parties, whether individuals or corporations, or directly or indirectly use for their own benefit or that of third parties, the confidential information even if said information has been acquired, obtained or developed by themselves or jointly with other individuals, by reason of the Purchase Order.

18. ASSIGNMENT

18.1. The SUPPLIER may not assign any of its rights or delegate any of its obligations under this Purchase Order without the prior written consent of ARTECHE NORTH AMERICA.

19. TAXES

19.1. All the taxes generated from the activities arising from the Purchase Order will be at the expense of the party which in accordance with the respective laws is the responsible party. .

20. DEFAULT

20.1. In the event of a default of the parties' obligations arising by virtue of the Purchase Order and when same is not cured or clarified within a period of 15 calendar days effective from the date same is notified in writing to the party in default, the affected party may rescind the Purchase Order or the forced fulfillment of the agreement and, in both cases, the party in default must pay the affected party the damages suffered due to the default. In addition, both agree that without the requirement of an acknowledgement or judicial procurement, it shall be sufficient for the affected party to factually notify by any means the default incurred by the other party, for same to operate with full rights the rescission of the Purchase Order, without responsibility of the party denouncing the non-fulfillment.

21. AMENDMENTS

21.1. These General Terms and the Purchase Order included on the face of this form constitute the entire agreement between the parties in accordance with the object herein contained, with the understanding that in the event of contradictions, the provisions of the Purchase Order included in the front of the document herein shall prevail over the conditions herein. No amendment to the conditions herein shall become effective, unless executed in writing and signed by the parties.

22. ADDRESSES

22.1. For all legal purposes required by reason of the Purchase Order or the general sales conditions herein, the parties indicate their addresses, until such time as the a written information to the contrary herein, those included in the face of the document herein. All notices and communications in connection with respect to the Purchase Order herein shall be carried out in writing and sent by certified mail, return receipt requested or delivered by any other means that factually ensure that the other party received the corresponding notice or communication in their respective address.

23. APPLICABLE LAW AND JURISDICTION

23.1. In all matters relating to the interpretation, execution and performance of this document and the Purchase Order herein, the parties shall submit to the applicable laws and competent courts in México City, F. D. The parties expressly waive any other present or future jurisdiction that could correspond because of the location of their goods, addresses or due to any other cause.