

CONFIDENTIALITY AGREEMENT.

Motores y Aparatos Eléctricos de Durango S.A. de C.V. (MAEDSA) and the undersigned party designated as (RECIPIENT) below its signature are entering into discussions concerning a potential contract between Motores y Aparatos Eléctricos de Durango S.A. de C.V. (MAEDSA) and (RECIPIENT) with respect to the supply of certain products / components from (RECIPIENT) to Motores y Aparatos Eléctricos de Durango S.A. de C.V. (MAEDSA) ("Prospective Contract"). To access the viability of the Prospective Contract, Motores y Aparatos Eléctricos de Durango S.A. de C.V. (MAEDSA) and (RECIPIENT) (collectively the "Parties") anticipate that they will share with each other certain confidential proprietary information. The parties hereby enter into this Confidentiality Agreement to govern the Parties use and treatment of such information.

As used in this agreement, the term "Information" means any and all confidential proprietary information and all other information, material, drawings, specifications, services or products concerning, owned or licensed by one Party (the "Furnishing Party") whether prepared by Furnishing Party, its advisors or otherwise, furnished or disclosed to the other Party (the "Recipient") in connection with the Prospective Contract, whether or not reduced to writing or other tangible medium of expression, whether or not patented, patentable, capable of trade secret protection, or protected as an unpublished or published work under Mexican Laws, as amended. "Information" does not include information or material that (1) is or becomes generally available to the public other than as a result of the disclosure by Recipient or its officers, employees, agents or advisors, or (2) becomes available to Recipient on a non-confidential basis from a source other than Motores y Aparatos Eléctricos de Durango S.A. de C.V. (MAEDSA).

Motores y Aparatos Eléctricos de Durango S.A. de C.V. (MAEDSA) and (RECIPIENT) agree that the disclosure, furnishing, receipt and review of all information shall be subject to the following conditions:

- a) The information shall not be used by Recipient in any way detrimental to Furnishing Party, including, without limitation, for purposes of competing with Furnishing Party or soliciting existing employees and/or agents of Furnishing Party to leave Furnishing Party or soliciting existing clients or customers of Furnishing Party.
- b) The Information will be used solely for the purposes of the Prospective Contract.
- c) The Information shall be kept strictly confidential by Recipient and its advisors and employees and shall not be used, disclosed, published, re-printed, duplicated or reproduced by Recipient in whole or in part; provided, however, that (i) the Information may be disclosed by Recipient to those of its employees, agents or representatives who need to know such information for the purposes of evaluating or negotiating the Prospective Contract, on the condition that such employees, agents or representatives shall be informed by Recipient of the confidential nature of such information and shall be directed by Recipient to treat the Information strictly confidentially and that, in any event, Recipient shall remain responsible for any violation of the terms of this Letter Agreement by any of them, and (ii) any disclosure of the Information may be made to which Furnishing Party consents in writing.
- d) Recipient shall not, without the prior written consent of Furnishing Party, and will direct its employees, agents and representatives not to (i) disclose to any third party the fact that Recipient has received the Information, (ii) disclose to any third party the fact that the Information has been provided to Recipient in connection with the Prospective Contract or the fact that discussions or negotiations are taking place concerning the Prospective Contract, or (iii) disclose to any third party any of the terms, conditions or other facts with respect to the Prospective Contract, including the status thereof.
- e) Recipient shall take reasonable precautions to avoid an impermissible disclosure or use of the information by its employees, agents and representatives.
- f) Recipient shall not directly or indirectly use any Information for its own use or permit its use by others in any way against the interest of Furnishing Party its subsidiaries, affiliates, successors and assigns.

Further, unless agreed to in writing by Furnishing Party: (i) all information furnished by Furnishing Party shall remain the property of Furnishing Party; and (ii) Furnishing Party has not conveyed to Recipient any patents, patents pending, trade secrets, copy rights, trade marks, logos, inventions, products, processes, apparatus or designs, patentable or unpatentable, conceived, invented or originated or owned by Furnishing Party including manufacturing processes, products, publications, signs, logos, and other materials protected by copy rights, trade marks, patents, or any other Information or other proprietary rights of Furnishing Party, and has not granted any express or implied license or any right to Recipient to any of the foregoing.

Upon request by Furnishing Party, Recipient shall promptly re-deliver to Furnishing Party all Information and any other tangible material or medium containing or reflecting the material regarding the Information and all copies thereof, including without limitation, all documents, software, databases, and other materials containing any confidential proprietary information of Furnishing Party, and Recipient shall not retain any copies, extracts, reproductions or other tangible medium in whole or in part of such material.

If Recipient or its directors, officers, employees, representatives or advisors were to breach this agreement, Recipient acknowledges that monetary damages would not be sufficient remedy for Furnishing Party. Recipient therefore agrees that, in addition to other remedies available, Furnishing Party shall be entitled to equitable relief, including injunctive relief, in the event of such breach and Recipient shall not oppose the granting of such relief. Recipient also agrees that any failure or

delay by Furnishing Party in exercising any rights, power or privilege hereunder, not shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege of Furnishing Party.

DISPUTE RESOLUTION.

For all matters relating to this agreement, including its interpretation, compliance and enforcement, the parties expressly agree to submit to the jurisdiction and competence of the laws and courts of Durango, Durango, México, waiving any other jurisdiction that may be applicable due to their address present, future or for any other reason.

This Agreement shall be effective from January 2, 2018, and may be terminated by either party with two (2) months prior written notice. Notwithstanding such termination, all obligations of confidentiality and limitation of use contained in items (a) to (f) above shall remain in force for a period of five (5) years from the date of such termination.

IN WITNESS WHEREOF, both Parties hereto have had this agreement executed by their respective authorized representatives.

BY RECIPIENT

Name and signature of legal representative:

Address: _____

BY DISCLOSING

Motores y Aparatos Eléctricos de Durango, S.A.
de C.V.

Name and signature of Legal Representative:

HÉCTOR RENÉ MONTOYA DEL CAMPO
RFC: MOCH631030N69
CURP: MOCH631030HDGNMC05

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