



## GENERAL TERMS AND CONDITIONS OF AGREEMENT

This instrument is an integral part of the PURCHASE ORDER and establishes the General Terms and Conditions of Agreement that will govern the commercial relations maintained between PRINCIPAL and CONTRACTOR.

### SECTION I – PREAMBLE

#### 1. Definitions

1.1. Unless the context or the document itself otherwise indicates, the terms below shall have the following meanings, regardless of whether they are capitalized terms or not, in the singular or plural:

- **“CONTRACTOR”**: means the legal entity qualified in the PURCHASE ORDER which has a commercial relation with **PRINCIPAL**.
- **“PRINCIPAL”**: means ALPARGATAS S.A., with its principal place of business at Avenida das Nações Unidas, 14.261, Ala A - 9º to 11º floor, in the city of São Paulo, State of São Paulo, enrolled with the National Register of Legal Entities of the Ministry of Finance (CNPJ/MF) under No. 61.079.117/0001-05, including its branches or even companies that are directly controlled by it, regardless of their location or territory of operation.
- **“PARTY”**: means PRINCIPAL or CONTRACTOR, individually.
- **“PARTIES”**: means PRINCIPAL and CONTRACTOR, when jointly designated.
- **“PURCHASE ORDER”**: means a document issued electronically by PRINCIPAL which, once confirmed by CONTRACTOR, will imply formal acceptance of the conditions set forth in these GTC.
- **“AGENT”**: means the any natural person or legal entity that will act under demand and responsibility of CONTRACTOR, including - without limitation - employees, contractors, subcontractors, officers, sales representatives, agents at any title, among others.
- **“GTC”**: means the General Terms and Conditions of Agreement, i.e. this instrument.

#### 2. Application

2.1. The GTC establishes the terms that will govern the commercial relations between PRINCIPAL and CONTRACTOR. CONTRACTOR's acceptance of the PURCHASE ORDER will imply automatic and full acceptance of this GTC, unless otherwise stipulated in writing. The PURCHASE ORDER expressly approved by

CONTRACTOR will be considered accepted, or once the services or supply provided for therein have begun.

2.2. The GTC shall not be deemed in any way modified by any terms and conditions proposed by CONTRACTOR, unless such change is confirmed in writing by PRINCIPAL's legal representatives.

2.3. The conditions contained herein in SECTION II of this GTC shall be applicable to all scopes and activities under Agreement, and the specific conditions of each contractual nature shall be referred individually in SECTION III, which shall contain the conditions applicable to: supply of raw material and other goods, provision of services of any nature, lease of assets, free loan of assets and purchase and sale of assets.

### SECTION II – GENERAL CONDITIONS APPLICABLE TO ALL SCOPES AND ACTIVITIES

#### 1. Purpose

1.1. The purpose and details of the agreement are those described in the PURCHASE ORDER.

#### 2. Price and payment method

2.1. PRINCIPAL shall pay CONTRACTOR the amount defined in the form agreed upon in the PURCHASE ORDER as remuneration for the activities under the Agreement.

2.2. The prices stated in each PURCHASE ORDER may not be subject to any adjustment, unless otherwise agreed in writing between the Parties.

2.3. The payment will be made upon presentation of the Invoice, to be sent by CONTRACTOR upon notice in advance specified in the PURCHASE ORDER.

2.4. If an Invoice in advance is not submitted by CONTRACTOR, PRINCIPAL shall be released from the payment on the due date and shall make the payment within the period to be agreed upon between the parties in due course.

2.5. Once the amounts set forth in this clause are paid, CONTRACTOR shall grant to PRINCIPAL the general, irrevocable, irreversible and full release, and shall make no further claims at any time and at any title whatsoever.

**2.6.** PRINCIPAL shall make payments to CONTRACTOR preferably by wire transfer or in the manner agreed upon in the PURCHASE ORDER:

**2.7.** CONTRACTOR may not assign or transfer any credits under this agreement to third parties, including banks and commercial development companies. CONTRACTOR under no circumstance may issue or endorse any trade bills or other securities against PRINCIPAL.

**2.7.1.** CONTRACTOR acknowledges that in the event of issuance of trade bills or other securities in disagreement with this clause, such trade bills or securities will be void and null.

**2.7.2.** CONTRACTOR may not, under any circumstances, submit for protest any securities that indicate PRINCIPAL as debtor.

**2.7.3.** In the event of breach of the provisions of this clause, CONTRACTOR shall pay PRINCIPAL, by way of pre-fixed loss and damages, the amount corresponding to ten (10) times the value of the trade bills or securities issued, plus interest of one percent (1%) per month until actual payment. Pursuant to articles 416 and 946 of the Civil Code, the fine shall be due by CONTRACTOR to PRINCIPAL regardless of any allegation or proof of actual loss, or calculation or settlement beyond a simple arithmetic operation.

**2.7.4.** CONTRACTOR acknowledges that if it had intended to be free to issue trade bills or other securities against PRINCIPAL, or to assign or transfer any credits under this agreement to third parties, PRINCIPAL would only have agreed to enter into it with CONTRACTOR on other economic bases, or it would have engaged another company, or it would not have entered into the PURCHASE ORDER.

### **3. Penalties**

**3.1.** Unless there is a specific penalty provided for in this GTC, in the event of non-compliance with any obligation undertaken by CONTRACTOR, including delays in the schedule or in complying with the agreed upon deadlines, CONTRACTOR shall pay PRINCIPAL a non-compensatory fine corresponding to one percent (1%) per day, calculated on the value of the respective Purchase Order, while the non-compliance lasts, without prejudice to the termination of the agreement and the determination of additional losses and damages, if any.

**3.2.** Any fines imposed shall be deemed to be due and payable debts, and PRINCIPAL is authorized to

discount them from payments due to CONTRACTOR or to collect them in court.

### **4. Term and termination**

**4.1.** This document will remain valid and enforceable while the sales relationship between the parties is in force.

**4.2.** For agreements that have a term equal or greater than six (6) months, the PURCHASE ORDER may be terminated without cause, by either party, without any charges, upon notice to be sent up to 30 days in advance. For agreements with a term of less than six (6) months, termination without cause will not be applicable.

**4.3.** Without prejudice to the imposition of other penalties provided herein, the sales relationship maintained between the Parties may be immediately terminated, upon the occurrence of any of the events listed below:

- a) In case CONTRACTOR fails to meet the deadlines agreed upon with PRINCIPAL;
- b) In case of non-compliance with the obligations contained in the Purchase Order, this GTC or any other obligations assumed by CONTRACTOR;
- c) In case of bankruptcy, judicial or extrajudicial recovery of any of the Parties.

**4.4.** In the event of termination due to CONTRACTOR's breach of contract, the Purchase Orders that have already been forwarded by PRINCIPAL may be cancelled, at PRINCIPAL's sole discretion.

**4.5.** Without prejudice to the compensation due to CONTRACTOR until the effective date of termination, PRINCIPAL shall in no event be liable to CONTRACTOR for any losses and damages resulting from the termination caused by CONTRACTOR or that is made as expressly permitted in this GTC. Further, in the event of termination caused by CONTRACTOR, PRINCIPAL may withhold any payments to compensate for damages caused by CONTRACTOR.

### **5. Guarantees and charges**

**5.1.** CONTRACTOR shall comply with all federal, state and municipal legislation, including, but not limited to the due payment of taxes, such as INSS, FGTS, among others, applicable within the scope of the Agreement, as well as the relevant resolutions in force by the applicable agencies, such as CRA, CREA, ANEEL, ANATEL, Secretary of Health Surveillance, among others, being the only responsible for any burden arising from violations of any of these actions, undertaking, furthermore, to hold the PRINCIPAL

harmless from any claims and or penalties resulting from their failure.

**5.2.** If PRINCIPAL is compelled by governmental authorities, legal determination or court order, to bear any burden resulting from CONTRACTOR's failure to comply with the obligations mentioned in this clause 5, PRINCIPAL is hereby authorized to discount them from any credits that may exist in favor of CONTRACTOR.

**5.3.** CONTRACTOR shall be liable to PRINCIPAL for all claims, proceedings, demands, damages, costs or expenses related to the violation of third parties' rights and claimed by them judicially or extrajudicially at any title, eventually arising from the activities set forth in the PURCHASE ORDER and shall indemnify PRINCIPAL for the respective expenses.

## **6. Obligations of the parties**

**6.1.** Without prejudice to the other obligations described in this GTC, CONTRACTOR undertakes to:

- a) Perform the activities in accordance with the instructions received from PRINCIPAL, as well as in accordance with the specifications contained in the PURCHASE ORDER, or that are provided from time to time by PRINCIPAL;
- b) Comply faithfully all terms herein set forth in the GTC and the PURCHASE ORDER and refrain from practicing any acts that will imply discredit to PRINCIPAL's business;
- c) Provide information to the PRINCIPAL whenever so requested;
- d) Comply fully with the environmental legislation in force and applicable, preventing itself with standards, procedures and appropriate equipment, with permits and administrative licenses required and being liable for all the burdens and obligations of any kind relating to such legislation, as well as all damages and losses that may be caused by CONTRACTOR or its agents for any reason, including to third parties, as a result of noncompliance with this clause;
- e) Hold the PRINCIPAL harmless from any and all liability and or indemnity claimed or imposed for any acts performed by CONTRACTOR during the performance of the activities under the agreement. In no event, the CONTRACTOR's liability referred to in this item shall be minimized or excluded as a result of supervision performed by PRINCIPAL for monitoring the performance of

the activities provided in the PURCHASE ORDER;

- f) Deliver to PRINCIPAL a copy of its articles of association/by-laws, duly filed with the competent board of trade, and, whenever requested, submit, within five (5) days, proof of compliance with its tax, labor and social security obligations;
- g) Perform the activities under the agreement observing and complying with all applicable laws, regulations, and normative acts destined to the protection of personal data, in force during the sales relationship.
- h) Insert the PURCHASE ORDER number and item line into the Invoice, sending the respective Invoice in a XML format, at the moment of the issuance, to the email [nf\\_e@alpargatas.com](mailto:nf_e@alpargatas.com), or another to be indicated by the PRINCIPAL, being certain that the PRINCIPAL will not receive any material without the respective Invoice in XML file, with the shipping costs for the return, in this case, being borne by the CONTRACTOR.

**6.2.** Without prejudice to the other obligations described in this GTC, PRINCIPAL undertakes to:

- a) Provide CONTRACTOR full cooperation and clarification on the products it sells, providing it with all information necessary for the proper continuation of the activities set forth in the PURCHASE ORDER;
- b) Pay the price stated in the PURCHASE ORDER, according to the deadlines set forth therein, provided that CONTRACTOR has complied with its obligations.
- c) Extend the representatives appointed by CONTRACTOR to access the facilities and systems necessary for the proper performance of activities, by sending relevant information and documents by CONTRACTOR, if so required by PRINCIPAL.

## **7. Confidentiality**

**7.1.** For the purposes of this GTC, the following are considered confidential information:

- a) Information of any nature related to PRINCIPAL, and/or its business and activities, including strategic, technical, operational, financial, administrative, legal, accounting, commercial information and

documents or any other nature, provided prior or subsequently to the acceptance of the PURCHASE ORDER, and obtained in discussions held with PRINCIPAL's management, employees or subcontractors;

- b) Analyses, studies and any other documents prepared by PRINCIPAL or any of its subsidiaries, employees or subcontractors that contain, reflect or have been developed based on the information specified in item 'a' above.

**7.2.** With respect to Confidential Information, unless otherwise authorized, CONTRACTOR, its employees and subcontractors agree to:

- a) Keep and cause to be kept confidential all confidential information to which it has access, not sharing them with third parties not authorized by PRINCIPAL;
- b) Use and cause to be used all confidential information only for the purpose of supporting its work related to the PURCHASE ORDER, taking all precautions to protect the confidential information.

**7.3.** CONTRACTOR also undertakes to maintain strict confidentiality and not to disclose or reveal to third parties the existence of discussions regarding the scope of the PURCHASE ORDER, except when authorized by PRINCIPAL.

**7.4.** CONTRACTOR acknowledges that, in the event of breach of any of the obligations mentioned in this clause, CONTRACTOR shall be subject to a punitive and non-compensatory fine in the amount of one hundred percent (100%) of CONTRACTOR's sales revenue to PRINCIPAL in the last twelve (12) months, without prejudice to the applicable civil and criminal penalties, as well as any termination of contract, being obligated to exempt and/or indemnify PRINCIPAL from any and all damage, loss or liability that may be sustained or suffered, with respect to actions, damages, losses, costs and expenses that may suffer as a result of the violation.

**7.5.** If CONTRACTOR is required to disclose any confidential information or the existence of the sales relationship with PRINCIPAL, by legal determination or competent authority, it shall notify PRINCIPAL at least ten (10) days in advance, informing the extent of what has to be disclosed. CONTRACTOR undertakes not to disclose any information beyond what is strictly necessary to comply with the decision issued by the competent authority or the law.

## **8. Intellectual Property**

**8.1.** For the purpose of this GTC, intellectual property rights shall include rights in any and all creations, including, but not limited to, patents, trademarks, industrial designs, software, copyright, database rights, design rights, molds, tooling, patterns and styles, confidential information (including know-how), and any similar rights (whether registrable or not).

**8.2.** CONTRACTOR acknowledges and agrees that the PURCHASE ORDER or the GTC does not license or transfer any intellectual property rights of PRINCIPAL to CONTRACTOR. Thus, the intellectual property rights that are disclosed to CONTRACTOR to enable the performance of the activities under the agreement shall only be used for this purpose and shall remain the property of PRINCIPAL.

**8.3.** In the event that the activities under the agreement consist of provision of Services or supply of customized product exclusively for PRINCIPAL, it is understood that it is part of the scope, and the assignment of all intellectual property rights produced specifically for the scope under the agreement is included in the price, which are assigned in their entirety to PRINCIPAL, without additional payments, and CONTRACTOR shall ensure the validity of such assignment.

**8.4.** PRINCIPAL, as the sole and exclusive owner of such rights, is hereby authorized to register in its name, use, modify, dispose of, export, edit, reproduce, translate, produce derivations, in whole or in part, of all the results/products generated, as it sees fit, in any territory, time and for any purpose.

## **9. Protection of personal data**

**9.1.** During the processing of personal data in the course of the performance of the activities under the agreement, the Parties undertake to perform such activity in accordance with the applicable legal requirements, including, but not limited to, the Federal Constitution, the Consumer Protection Code, the Civil Code, the Civil Rights Framework for Internet Use (Federal Law No. 12.965/2014), its regulating decree (Decree 8.771/2016), and the General Data Protection Law (Federal Law No. 13.709/2018).

**9.2.** During the processing of personal data, as defined by the applicable legislation, the Parties undertake, but not limited to:

- a) Ensure that the processing is duly classified into one of the situations permitted by law;
- b) Follow the principles of good faith, purpose, adequacy, necessity, free access, data quality, transparency, security, prevention,



non-discrimination and accountability, as defined in the applicable legislation;

- c) Adopt security, technical and administrative measures to protect personal data from unauthorized access and accidental or unlawful destruction, loss, alteration, communication or any form of inappropriate or unlawful treatment;
- d) Communicate, within a reasonable period of time, to the National Data Protection Authority and to the data subject the occurrence of a security incident that may cause risk or relevant damage to the data subjects;
- e) Not to retain or use personal data for a period longer than necessary for the fulfillment of the legitimate purposes for which the processing was authorized;
- f) Not to sell, assign to third parties, or in any way use personal data, without the authorization of the data subject, or in a manner contrary to law;
- g) Facilitate and collaborate, to the extent of their responsibilities, with the exercise of the legal rights of the data subjects, in the manner assured to them by law;
- h) Keep a record of the personal data processing operations they carry out, especially when based on legitimate interest;
- i) Whenever requested by the National Personal Data Protection Authority, carry out evaluations and reports of impact on the protection of personal data, including sensitive data, concerning their data processing operations, subject to the commercial and industry secrets.
- j) Restrict access to personal data to only those people who effectively need to access it for the fulfillment of the agreed obligations and to the extent necessary for the treatment, also ensuring that those who, within the limits and terms agreed between the Parties, have, or may have access to the personal data respect and maintain the confidentiality and security of such personal data, as well as observe the provisions of this GTC and the applicable law.

**9.3.** Each Party acknowledges that it shall be fully and exclusively liable to the other Party, the subjects of the personal data, the applicable regulatory and inspection entities and/or any interested third parties for the data processing activities carried out by it (including by

employees and/or collaborators acting on its behalf), and shall thus indemnify, at any time, any and all damages it may cause as a result of such data processing, whether financial, moral, individual or collective.

**9.4.** In the event a Party is questioned (administratively or judicially) about the legality and legitimacy of any personal data processing activity carried out under the responsibility of the other Party, the latter shall immediately (a) identify itself as exclusively responsible for the questioned processing activity; (b) take any and all measures within its reach to exclude the non-breaching party from the questioning in question.

**9.5.** The Parties shall eliminate from their systems and servers the personal data processed as a result of the PURCHASE ORDER, (i) after verifying that the purpose has been achieved or that the data is no longer necessary or relevant to the achievement of the specific purpose; (ii) at the end of the processing period; (iii) in the others.

## **10. No relationship**

**10.1.** Acceptance of the PURCHASE ORDER shall not create any employment or social security relationship between the employees of CONTRACTOR and PRINCIPAL, and CONTRACTOR declares that all its employees are fully trained and familiar with the conditions under which the activities are to be performed, as well as is solely responsible for the payment of their wages, also stating that it is and will be strictly complying with all the rules of the labor and social security laws, regularly paying the salaries and collecting, within the legal timeframe, the contributions, social charges and respective taxes that are or may be levied on this agreement.

## **11. Assignment or transfer**

**11.1.** Considering that the PURCHASE ORDER is signed with CONTRACTOR after careful selection criteria made by PRINCIPAL to ensure the excellence of its products and standardization of the quality of its service providers, partners and suppliers, CONTRACTOR is expressly prohibited to assign or transfer to third parties the rights and obligations under the PURCHASE ORDER at any title whatsoever and, consequently, from this GTC.

**11.2.** However, upon authorization by PRINCIPAL, to be requested by prior written notice, CONTRACTOR may subcontract part of the activities with a view to their efficient performance, being fully responsible for all activities performed by the subcontracted company and for the fulfillment by it of all terms and conditions agreed between PRINCIPAL and CONTRACTOR.

**11.3.** PRINCIPAL, for justifiable reasons, may request CONTRACTOR to replace any subcontracted companies, which shall be done within no more than forty-eight (48) hours.

## **12. Miscellaneous**

**12.1.** The conditions herein may only be added to or modified by written instrument, signed by both Parties, duly represented and in the presence of two witnesses.

**12.2.** Any waiver, tacit or explicit, shall not be deemed as novation or modification of the conditions herein agreed upon, and any and all waiver of obligation, tacit or implicit, shall not imply future, identical or analogous circumstances.

**12.3.** Any and all communications between the parties will only be deemed effective and regularly carried out when addressed to the Parties' business addresses by letter upon Return Receipt Requested, with the receipt from the post office or courier company being considered proof of delivery, or by e-mail, with the e-mail acknowledgement of receipt being considered proof of delivery in these cases.

**12.4.** CONTRACTOR states that it knows and agrees with the contents of the Policy of Relevant Act or Fact, available at [bit.ly/ComplianceAlpa](http://bit.ly/ComplianceAlpa) and undertakes to comply with it in full, under penalty of incurring a fine of one hundred percent (100%) of the amount invoiced by CONTRACTOR to PRINCIPAL in the last twelve (12) months, without prejudice to losses and damages, if any.

**12.5.** CONTRACTOR declares that it knows and agrees with the contents of Alpargatas' Code of Conduct and Ethics and Alpargatas' "Anti-corruption Manual", available at [bit.ly/ComplianceAlpa](http://bit.ly/ComplianceAlpa) and undertakes to comply with all its determinations, under penalty of incurring a fine of one hundred percent (100%) of the amount invoiced by CONTRACTOR to PRINCIPAL in the last twelve (12) months, without prejudice to losses and damages, if any. CONTRACTOR is aware that PRINCIPAL does not tolerate, in any way, violent, prejudiced, discriminatory or disrespectful attitudes, in any form, and undertakes to encourage and promote in its facilities and its contractors, an environment of integrity and ethics.

**12.6.** CONTRACTOR shall be responsible for compliance with the legal standards of labor safety, occupational health and environmental protection in relation to its employees and agents in the performance of activities under the agreement, including the internal policy of ALPARGATAS SSMAC 009/00, under penalty of incurring a fine of one hundred percent (100%) of the amount billed by CONTRACTOR to PRINCIPAL in the last twelve (12) months, without prejudice to losses and damages, if any.

**12.7.** If there is a specific contract between PRINCIPAL and CONTRACTOR, the conditions agreed upon in the specific contract shall prevail, only with respect to the purpose of the specific contract, in prejudice to this GTC.

**12.8.** PRINCIPAL shall be entitled to terminate this Agreement immediately and without opportunity for remediation, without any charge or fine to PRINCIPAL, without prejudice to the imposition of penalties provided for in this Agreement and the ascertainment of any additional losses and damages, if at any time during the term of this Agreement, CONTRACTOR (i) is accused, ordered or publicly exposed for a potential crime, tort, misdemeanor or immoral act, by itself, its partners, officers and/or agents; (ii) becomes a person/company of public disrepute or scandal that, in PRINCIPAL's sole reasonable opinion, may negatively and materially affect its image; (iii) disparages PRINCIPAL or any of its products or services.

## **13. Governing Law and Jurisdiction**

**13.1.** The sales relationship between the Parties shall be governed and interpreted in accordance with Brazilian law.

**13.2.** The Parties elect the District Court of São Paulo - SP, to settle any disputes arising out of the execution of the PURCHASE ORDER, with exclusion of any other, however privileged it may be.

## **SECTION III – SPECIFIC CONDITIONS**

Without prejudice to the other obligations contained in SECTION II of this GTC, CONTRACTOR shall also follow the specific obligations contained below, depending on the nature of the activities under the agreement.

### **A. Supply of raw material and other goods**

**i.** CONTRACTOR hereby declares and acknowledges that the materials/products will be supplied directly by it, and any form of outsourcing is prohibited, unless previously authorized by PRINCIPAL in writing.

**ii.** The materials/products shall be delivered by CONTRACTOR to the address and deadlines agreed upon between the parties and indicated in the PURCHASE ORDER.

**iii.** Deliveries of materials/products shall be made at once. Deliveries divided into portions may only be made upon written authorization from PRINCIPAL.

**iv.** All costs relating to freight, insurance and responsibility for transportation to the place of

delivery indicated in the PURCHASE ORDER are the sole responsibility of CONTRACTOR, unless otherwise agreed in the PURCHASE ORDER.

- v. In all volumes shipped and in the documents to be issued and sent by PRINCIPAL to CONTRACTOR, including the Invoice, the PURCHASE ORDER number shall appear.
- vi. CONTRACTOR shall issue one or more Invoices for each PURCHASE ORDER, according to the instructions to be given by PRINCIPAL. If this obligation is not respected, PRINCIPAL may reject the receipt of the materials/products and no payment will be due.
- vii. The warranty period shall be set forth in the PURCHASE ORDER, and technical assistance or exchange shall be free of charge during the warranty period.
- viii. The materials/products must be delivered with the definitive identification of the manufacturer and date of delivery. If any problems occur with the materials/products supplied, they shall be replaced immediately by CONTRACTOR, at no cost to PRINCIPAL. If replacement is not possible, CONTRACTOR shall indemnify PRINCIPAL for the losses resulting from this fact.
- ix. Whenever deemed necessary, PRINCIPAL or third parties appointed by it may conduct quality audits of materials/products, processes related to them, and CONTRACTOR shall allow PRINCIPAL's representatives to visit its facilities, as well as access to all necessary information.

## **B. Lease of movable goods**

- i. For purposes of the lease of movable goods, PRINCIPAL shall be the lessee, and CONTRACTOR shall be the lessor.
- ii. Any movable goods, including, but not limited to, equipment, tools, molds, machines, among others, may be subject to lease.
- iii. The purpose and description of the leased movable goods will be detailed in the PURCHASE ORDER.
- iv. CONTRACTOR will deliver the movable goods to PRINCIPAL within the period and at the address defined in the PURCHASE ORDER.
- v. CONTRACTOR's obligations are:
  - a. Forward the movable goods to PRINCIPAL within the period agreed upon in the PURCHASE ORDER;

- b. Provide warranty of the movable goods against factory defects or natural wear and tear;
- c. Make available and provide, if requested by PRINCIPAL, reserve movable goods in case of defects or malfunction of them;
- d. Be responsible, directly or through accredited third parties, at no cost to the PRINCIPAL for the technical services of maintenance and repair of the movable goods, replacing, also at its expense, all parts that are necessary. The maintenance services, if necessary, will be provided at times previously agreed upon between PRINCIPAL and CONTRACTOR;
- e. Start all corrective technical interventions within the period to be agreed with PRINCIPAL, and, if it is impossible to repair within this period, CONTRACTOR shall provide the replacement of the leased movable goods with others of the same kind and quality, until the repair is completed, at no cost to PRINCIPAL, except in cases of damage caused by misuse, accidents or improper intervention on the movable goods;
- f. Unless otherwise expressly provided for in the PURCHASE ORDER, maintain, at its expense, during the entire term of the PURCHASE ORDER, regardless of whether the manufacturer's warranty has expired or not, the movable goods in good conditions of use and maintenance and to make all necessary repairs due to natural wear and tear to keep them in normal operating conditions, as well as protect them against any disturbances from third parties;
- g. Be responsible for the full operationalization of the movable goods on the date of their delivery;
- h. Be responsible, both civil and criminal, due to any failure in the execution of maintenance, installation or operation procedures of the movable goods, executed by its employees or by anyone indicated by it.

## **vi. PRINCIPAL's obligations are:**

- a. Ensure the conservation of the movable goods, following the usage instructions indicated by CONTRACTOR;
- b. Not to sublease the properties to third parties, without express authorization from CONTRACTOR;
- c. Be responsible for the safekeeping of the properties throughout the period of the agreement, being liable for loss, theft, robbery or misplacement of the properties

and their accessories, misuse, negligence, incompetence or in disagreement with the technical standards, as well as all the content of the communication made and the purpose of the use of the rented goods.

- d. Bear the costs in case of damages described in the item above.
- e. Return, at the end of the sales relationship, the properties in perfect conditions of use, except in case of natural wear and tear.

### **C. Free loan of movable goods**

- i. For purposes of the free loan of movable goods, the Parties will be treated as LENDER and BORROWER, and either PRINCIPAL or CONTRACTOR may appear as either one, depending on the position they are in the sales relationship.
- ii. Any movable goods, including, but not limited to, equipment, tools, molds, machines, among others, may be lent.
- iii. The purpose and description of the movable goods granted in lending will be detailed in the PURCHASE ORDER.
- iv. The Parties agree that the provisions on price and payment method contained in the GTC are absolutely inapplicable to the lending relationship, since it is about the free loan of movable goods, without any payment being due.
- v. The LENDER will deliver the movable goods to the BORROWER in the period and address defined in the PURCHASE ORDER.
- vi. The BORROWER's obligations are:
  - a. Use movable goods for its intended purpose;
  - b. Use the movable goods correctly, and the sublease, assignment or transfer to third parties is forbidden, without previous and express consent of the LENDER;
  - c. Do not introduce or make changes of any nature in the movable goods;
  - d. Do not remove the movable goods from the installation site, except if previously agreed with the LENDER;
  - e. Keep the movable goods in perfect conditions of conservation, as received, in order to return them when the PURCHASE ORDER is terminated or expired;
  - f. Allow the LENDER, or its legal representative, to examine or inspect the properties whenever it considers

convenient, as long as it gives 48 (forty eight) hours notice to the BORROWER;

- g. Allow the access of the LENDER's technicians in its facilities, for the execution of maintenance services of the properties, and the BORROWER reserves the right to refuse the LENDER access to areas where the BORROWER is developing activities that constitute a "business secret";
  - h. Return the properties in conditions of immediate use, in the same state it was received, except for the damages resulting from its normal use;
  - i. Obtain previous and express authorization from the LENDER, in writing, for any modification to be implemented in the properties, being responsible for all the consequent expenses; and
  - j. Be responsible before the LENDER for any damages caused to the properties, since they are caused by gross negligence or willful misconduct of the BORROWER.
  - k. In case of termination of the sales relationship, immediately return to the LENDER the properties given in lending.
- vii. Besides the delivery of the movable goods in lending, the LENDER will be responsible for
- a. The preventive and corrective maintenance of the movable goods, without any charge for the BORROWER, except in the event of damages resulting from the malice by the BORROWER, either by malpractice, imprudence, negligence, use not indicated by the LENDER and/or still by virtue of the execution of the maintenance of the movable goods by a person not authorized by the LENDER.

### **D. Purchase and sale of movable goods**

- i. For purposes of the purchase and sale of movable goods, PRINCIPAL shall be the buyer, and CONTRACTOR shall be the seller.
- ii. Any movable goods, including, but not limited to, equipment, parts, tools, molds, machines, among others, may be subject to the purchase and sale.
- iii. The purpose and description of the movable goods to be acquired by PRINCIPAL will be detailed in the PURCHASE ORDER.
- iv. CONTRACTOR will deliver the movable goods to PRINCIPAL within the period and at the address defined in the PURCHASE ORDER.



- v. All costs relating to freight, insurance and liability for transportation and delivery of the movable goods to PRINCIPAL's premises shall be borne by CONTRACTOR, unless otherwise agreed upon in the PURCHASE ORDER
  - vi. Unless otherwise agreed upon by the Parties, the contracting of insurance for the movable goods transported to the address indicated by PRINCIPAL at the full responsibility of CONTRACTOR, which, thus, is responsible for all repair expenses arising from any damage to the movable goods purchased by PRINCIPAL.
  - vii. The warranty period shall be established in the PURCHASE ORDER, and the technical assistance or exchange shall be free during the warranty period.
  - viii. CONTRACTOR's obligations are:
    - a. Forward the movable goods to PRINCIPAL within the period agreed upon in the PURCHASE ORDER;
    - b. Provide warranty of the movable goods against manufacturing defects;
    - c. Make available and provide, if the Parties so negotiate, reserve movable goods in case of defects or malfunctioning of them;
    - d. Be responsible, directly or through accredited third parties, at no cost to the PRINCIPAL, for the technical services of maintenance and repair of movable goods, replacing, also at its expense, all parts that are necessary. The maintenance services, if necessary, will be provided at times previously agreed upon between PRINCIPAL and CONTRACTOR;
    - e. Start all corrective technical interventions within the period agreed with PRINCIPAL, and if it is impossible to repair within this period, CONTRACTOR shall provide the replacement of the leased movable goods with others of the same kind and quality, until the repair is completed, at no cost to PRINCIPAL, except in cases of damage caused by misuse, accidents or improper intervention on the movable goods;
    - f. Be responsible for the full operationalization of the movable goods on the date of delivery of them;
    - g. Be responsible, civil and criminal, resulting from any failure in the execution of the procedures of maintenance, installation or operation of the movable goods, performed by its employees or by whom it indicates.
- E. Rendering of services of any nature**
- i. CONTRACTOR shall provide the services described in the PURCHASE ORDER.
  - ii. PRINCIPAL's criteria for acceptance of the Services provided by CONTRACTOR shall be aligned between the Parties prior to the commencement of the provision of the Services for the purpose of validation and approval of payment.
  - iii. CONTRACTOR shall forward to PRINCIPAL, at least five (5) business days prior to the start of the Services, the personal identification data of any employee assigned to perform these services according to the procedures indicated by PRINCIPAL.
  - iv. In case of replacement or removal of employees allocated for the performance of the Services, CONTRACTOR must inform the PRINCIPAL, updating the personal identification data, at least five (5) working days prior to the replacement in question, according to the procedures indicated by the PRINCIPAL. CONTRACTOR is aware for all purposes that the access data to PRINCIPAL's tools are personal and non-transferable, and therefore is fully and exclusively responsible for the acts performed by the professional staff allocated to the performance of the Services.
  - v. PRINCIPAL may, at any time, always accompanied by CONTRACTOR, inspect and/or survey the exact and timely performance of the Services herein contracted and compliance with other obligations under this Agreement, and CONTRACTOR shall provide any and all clarifications requested.
  - vi. The inspection and/or survey conducted by PRINCIPAL, and/or third parties previously and expressly appointed by it, shall not relieve CONTRACTOR of the responsibilities arising or resulting from the provision of the Services contracted herein.
  - vii. CONTRACTOR is fully responsible for any and all accidents occurring to its employees on the premises of PRINCIPAL, providing them with all Personal Protective Equipment necessary to perform the services;