

# EISENMANN

## General Terms and Conditions

### **PURCHASE GENERAL TERMS**

#### **A – GENERAL TERMS**

- The present “Purchases General Terms” Instrument (CGC) applies to all and any materials and equipments purchases accomplished by Eisenmann.
- The products supply, duly specified on the purchase order, shall be ruled by the applicable law and General Terms herein provided. When the Supplier gets and approves expressly or implicitly the purchase confirmation, he is not only committed to its respective conditions, particularly with regard to technical specifications and prices, but also to the compliance with the provisions herein contained.
- When there is any service aggregated to the products acquisition, it shall be additionally ruled by the “Assembly Technical Specifications” instrument (ETM) that shall make full part of the purchase order.
- Eisenmann does not acknowledge any terms and conditions contained in the proposals or any other documents from the supplier which conflict with or diverge from this CGC, unless Eisenmann has stated in writing its accordance with the mentioned conflicting terms.
- All and any change on this CGC, should be made in writing and undersigned by Eisenmann. In case that any of this CGC's clauses is cancelled by force of Law or by specific / separate Agreement, the remaining provisions shall be valid.
- The use of Silicone in the products and their components offered by Eisenmann is absolutely forbidden.
- The purchases are at first confirmed through the proposals approval, by fax message or electronic mean and, father on, by formal purchase order likewise transmitted by fax or by electronic mean.

#### **B - PRICES; DUTIES AND PAYMENT CONDITIONS**

- The confirmed prices shall be fixed and not adjustable and all direct or indirect duties except for IPI (Tax on Manufactured Products), besides all other federal, state and local duties calculated with a basis on the tax rates in force at the date of proposal, as well as all other costs incurred on the offered price shall be involved.
- IPI (Tax on Manufactured Products) IF due, should be detached on the proposal, according to laws and regulations.
- The right to a supplement, whatever legal basis invoked, is not valid IF the supplier does not claim his right to a supplement in writing, before the execution and with the formal consent from Eisenmann.
- Any change on taxes and duties rates occurred between the dates of proposal and the respective invoicing is approved upon the official evidence.
- Unless stated by any other way, the payment term shall be of at least 30 (thirty) days from the date of invoicing.

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- Bills of Sales not in accordance with the agreed terms shall not be received and all the consequences resulting from the non-compliance with the rules shall be exclusively on the Supplier's account. Thus, any responsibility shall be imputed to Eisenmann in which refers to eventual overdue payments settled by it due to the Supplier's invoicing unlawful procedure.
- Payments are always effectuated on Thursdays, and for that purpose, the maturity dates should be adjusted to these days of the week.
- Independently from the way of doing business, any financial cost shall fall upon the amounts.
- According to Law, taxes and fiscal arrangement should be stood out on the bills, under the penalty of being the payment interrupted for settling up the Bill and the new deadline being considered from the date of settlement, under the same agreed upon term.
- In cases under prepayment supply due to previous negotiation, a bank guarantee or credit bail from financial incorporation duly acknowledged by Eisenmann, with 30-day payment deadline after the supplier's whole products delivery.
- In case of communication about furnished products defect, Eisenmann is entitled to differ from the invoice reasonable amount payment until the question is completely clarified and solved.
- The non-compliance with any of the clauses of this CGC may result in the payment partial or total lien.

### **C - ASSIGNMENT**

The supplier may not assign or deal the respective Eisenmann's order, as well as any other rights over this Order, not even any credits on behalf of him due by Eisenmann, unless upon previous in writing allowance from Eisenmann.

### **D – TERMS AND CONDITIONS OF DELIVERY**

- The delivery terms is counted in consecutive days, from the date of purchase confirmation (proposal approval), being it fixed and specified on the correspondent purchase order.
- The terms of delivery may only be postponed under special events so deemed at the exclusive Eisenmann's discretion, which shall assess the reasons presented in writing from the Supplier, together with evidenced elements proving the request.
- In case of delay in delivery at the Supplier's responsibility, since it was not originated from casualty or force majeure (occurrence out of his reasonable control), Eisenmann shall attribute the Supplier a contractual penalty of 0.5% per day under delay over the total negotiated amount.
- Unless a purchase order expressly indicates otherwise, the material delivery should be done on the Supplier's account and the delivery destination is determined at our Mill in Cruzeiro –SP.
- The Supplier is forced to notify Eisenmann in due time and in writing if there were circumstances or if it is evident for him that the delivery term agreed upon could not be complied with. Even so, it is at Eisenmann's discretion the contractual penalty application.
- Partial or in advance deliveries may only be accomplished upon Eisenmann's consent in writing, unless these conditions make part of the contractual agreement, duly expressed on the purchase order.

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- It is assured to Eisenmann the right to not receiving or returning the exceeding or due to lapse of time quantities sent, or even cancelling the purchase order, not being compatible with the Supplier to reimburse damages or losses originated from not meeting these terms.

### **E – OCCURRENCE OF RISKS**

- Except that otherwise agreed upon in writing, the Supplier is liable for the materials losses or damages, until the same are received and approved by Eisenmann.

- In case of the Supplier's economic status having grown worse during the Purchase Order validity, in such a way that the agreement's performance is under serious danger Eisenmann reserves itself the right to cancelling the referred Agreement partially or in the whole.

### **F – FACILITIES INSPECTION, RECEPTION AND APPROVAL OF MATERIALS**

- Eisenmann reserves itself the right to inspect, when considering it necessary, the Supplier's production facilities, inclusively along with his client.

- The products, the purpose of the purchase order, are subject to be under checking, inspection and final approval tests, as per their complexity, being established that, if by any chance, they are not accepted, the corresponding payments shall be interrupted until the final approval and deadlines postponed for same interrupted periods and the expenses regarding repackaging, transportation, insurance and taxation due to return of goods shall be on the Supplier's account.

- When the decision about the need to inspection for approving the acquired product is at Eisenmann's will.

### **G - CONFIDENTIALITY**

- All written or oral information given by Eisenmann to the Supplier, in which refers to know-how, specifications, procedures and all technical information, documents and data should be dealt with as confidential and should not be disclosed to third parties without the previous consent and in writing from Eisenmann, under the penalty of being the Supplier liable for the respective losses and damages eventually caused.

Such information should be used exclusively for the Order's accomplishment or for the quotations requested by Eisenmann development.

### **H – DRAWINGS / DOCUMENTS**

- The drawings should be previously approved by Eisenmann for starting the production, under the penalty of being the Supplier liable for losses coming from the reworks and other costs, if any.

- The technical drawings pertaining to Eisenmann and handed over the Supplier, should be given back on the occasion of the equipment delivery, together with eventual annotations or changes occurred, as well as drawings which may have been developed by the Supplier.

- If researches, engineering projects, developments, drawings or similar documents make part of the agreement, the Supplier is obliged to give all the results, especially the production drawings, as well as documentation, user manuals, etc.

And if software is developed, particularly the software provision in the format of source program and object and the program development documentation and application make part of the performance scope. This also applies to the subsequent update into the context of a maintenance agreement.

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### **I - GUARANTEE**

- The Supplier guarantees the Product's due performance for a period of, at least, 01 (one) year, being that the beginning or the period counting shall occur from the beginning of its operation. The disputes taken under this guarantee should interrupt the period of guarantee until the Supplier has decided the problem, being the guarantee period postponed for the corresponding period of interruption.
- If the product, under any circumstance, is not in conformity to what has been guaranteed, Eisenmann is entitled to choose at its exclusive discretion, by means of notification handed over to the Supplier in writing, for the Order's refusal, or for such not in conformity to product refusal, and requesting the replacing product delivery or still requiring the necessary repair on the Supplier's account, independently from the annulment, the Supplier shall appear in court for eventual losses, damages caused to Eisenmann in consequence of default.
- When giving the notification on faults in writing, our claims limitation period based on faults is subject to the extension, until one or other party refuses the negotiations or their permanence.

### **J - HIVE-OFF**

- If the Supplier is authorized to hive-off part of his tasks to third-parties, such hiring should occur under his exclusive and complete liability.
- The Supplier should inform to all of the third-parties about this CGC's provisions, as well as about those ones regarding the Order and should pass on to them all the information regarding Eisenmann's requirements.
- Eisenmann reserves itself the right to refuse any hiving-off from the Supplier who are not in conformity to these terms.

### **K – INDUSTRIAL PROPERTY RIGHT**

- Eisenmann is not responsible for infringements practiced by its Supplier against third-party industrial or intellectual property, being on his account the indemnities payment by any way of, as well as the court expenses originated from manufacturing processes misuse protected by trademarks and patents.

### **L- FORCE MAJEURE**

- All and any occurrence out of its reasonable control and which could not have been anticipated or avoided, including: nature accidents, terrorism, insurrection, epidemic, should be notified to Eisenmann immediately, in writing, providing the evidences related to it, especially the impact which such occurrence may cause in terms of delay on the Order's accomplishment within the period agreed upon, being in this event result in the annulment of same, if Eisenmann so understands.

### **M- JURISDICTION**

For settling doubts and/or divergences originated from the present Purchase General Terms, the Central jurisdiction of the City of São Paulo – SP is assigned, with the exclusion of any other one, however privileged it may be.

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