

General Purchase Conditions

1. Scope; conclusion of contracts; Purpose of the Order

1.1 These General Purchase Conditions (the “Purchase Conditions”) shall apply to all purchase orders placed and purchases made by the Voith company as mentioned in the relevant purchase order (“Voith”) in connection with deliveries and services of the Supplier, as qualified under the relevant purchase order, unless otherwise agreed in writing by both parties. Other general standard terms and conditions, in particular standard terms and conditions of the Supplier, shall not apply to the relationship between Voith and the Supplier, even if they are not expressly objected to in an individual case or document or if the goods/services ordered by Voith have been accepted without reservation.

1.1.1 In the event that an Agreement is entered into between Voith and Supplier, the conditions of the Agreement shall prevail over these Purchase Conditions, regardless of having been signed on a date prior to the issuance of the Order.

1.2 Voith Orders shall be accepted by Supplier in writing. Acceptance of Orders shall be confirmed in the form created for such purpose on the occasion on which the Order is placed or by the signature of the Order by the legal representatives of Supplier, unless otherwise agreed upon.

1.3 Verbal agreements of any nature shall not be valid, except if confirmed in writing by Voith. The written form shall further include the confirmations sent by e-mail.

1.4 The Purpose of the Order shall be described in the Purchase Order and shall be performed according to the Technical Specifications described in such instrument, under penalty of not being accepted by Voith. Supplier is aware that Supplier shall provide the Purpose, perfectly functional and operational, which complies with the requirements and determinations of the Technical Specifications.

1.5 For all legal purposes, the provisions composed by these Purchase Conditions, their exhibits and the Order shall be deemed to be the contractual instrument that shall be binding upon the Parties in their terms and conditions.

1.6 In the event of conflict between the documents that compose the Order, the following prevalence order shall be adopted: (i) the Order, (ii) the Exhibits; and (iii) these Purchase Conditions.

2. Delivery; consequences of failure to meet delivery times

2.1 Agreed delivery times shall be binding and are described in the Time Schedule attached to the Order or in the Order itself. Voith shall be notified immediately of any circumstances which the Supplier understands may prevent the delivery time from being met or delay delivery. The time the goods are received at Voith’s premises or at the place where they are to be delivered as stated in the order (“Place of Performance”) shall determine whether the delivery time has been met or not.

2.2 Partial deliveries shall require the consent of Voith.

2.3 The Supplier is obliged to ensure that goods it has supplied or spare parts for them can be supplied to Voith at reasonable terms and conditions for a period of 15 years after the last delivery. If the Supplier intends to discontinue supplying such goods or spare parts for them during this period of time or after this period of time expires, it shall inform Voith immediately in writing and give Voith the opportunity to place last orders.

2.4 If agreed delivery/performance times are not observed, Voith can demand for each complete day by which the deadline is overrun a

late fine of 0.1% (point one), subject, however, to a maximum of 5% (five) of the total order value, without Voith having to evidence any damage or loss and in addition to other rights Voith may have hereunder or under the applicable laws, including indemnification for losses and damages. Acceptance of the delayed delivery or service shall not constitute any waiver of compensation on the part of Voith. The Supplier shall be liable to pay the fine and the damages referred to above even if no explicit reservation is made when the goods or services are accepted.

3. Prices; terms of payment;

3.1 Unless otherwise agreed upon, the Price specified in the Order shall be fixed and not subject to any readjustment, and its base date shall be the date of issuance of the Order. Unless otherwise agreed upon, the supplies shall be delivered in the condition DDP – Delivery Duty Paid in accordance with Incoterms 2010.

3.1.1 The Price of the Order includes any and all supplies and services for perfect fulfillment of the Purpose of the Order and is the sole remuneration due to Supplier. Thus, Supplier represents that Supplier has taken into consideration any and all circumstances that influence the Price.

3.1.2 Any additional costs or requests for change made, but not agreed upon previously and in writing, or not duly authorized in writing by Voith shall be borne by Supplier.

3.2 The invoices may solely be processed if issued according to the applicable legislation in effect, with the conditions of the Order and if they specify the Order number and all other reference information.

3.3 Unless otherwise agreed upon in writing, the invoices shall be liquidated within sixty (60) days from the receipt of the invoice or from the delivery of the goods/performance of the service, whichever occurs later, however, in both events, as applicable, provided that the invoice and/or good/services have been approved by Voith.

3.3.1 Voith may make any and all withholdings on the payments upon which Voith is bound by law or judicial measure, with no need of previous notification. The withholdings made according to this Section may not be subject matter of reimbursement to Supplier, which shall take them into consideration in the formation of its price. Furthermore, for purposes of the Order, the taxes shall be borne by the taxpayer as defined in tax applicability rule, with no right to reimbursement.

3.3.2 In any event of default, supply and/or provision of service in disagreement with the Order, Voith shall withhold the payments due to Supplier up to the occasion on which Supplier regularizes the situation of default, which shall not give rise to any right for delay of payment.

3.4 The Supplier shall not, in any case, discount, negotiate, transfer, or in any other way assign the credits originated from the relevant Order to banks, factoring companies or third parties, except upon the prior and express authorization of Voith.

4. Acceptance test; transfer of risk/ transfer of ownership

4.1 Voith and/or the end customer or the respective authorized inspector (Authorized Representative) shall be entitled, at any time, to monitor the inspections/tests of the Order at the plant of Supplier.

4.2 Supplier shall conduct the tests adopting the methods commonly used and in accordance with the existing regulations. Performance of the tests and issuance of the relevant documents and

records shall be responsibilities of the authorized inspector of Supplier, unless there are requirements resulting from a separate plan of tests of Voith, of the technical inspection authority or others.

4.3 The records, certificates of factory inspection and certificates of factory tests for the products tested shall be signed by Supplier and delivered to the Authorized Representative.

4.4 Supplier shall provide to Voith, within up to fifteen (15) days prior to the date of inspection, a list of scheduled inspections/tests to be conducted.

4.5 In the event that defects are verified, the Authorized Representative shall register them in writing, which shall be the base for the re-conduction of the tests and shall be presented to the Authorized Representative of Voith.

4.6 The presence of the Authorized Representative and its notes and/or consent shall not exempt Supplier from its obligations under the Order. Costs of the factory tests and inspections at the plant of Supplier and/or sub-suppliers of Supplier shall be borne by Supplier.

4.7 Supplier shall be responsible for all costs of any re-conduction of tests that is necessary.

4.8 Supplier agrees to:

i) Provide any and all clarifications or information requested by the inspection team of Voith, guaranteeing access thereto, at any time, at business hours, to the sites at which supplies/services are provided, as well as to the documents related thereto, maintaining confidentiality about industrial processes.

ii) Reply to the complaints, requirements or notes made by the inspection team of Voith, undoing or redoing, as the case may be, at its own expense, the part of the Order that is in disagreement with the respective projects, specifications and technical rules indicated in the Order.

4.9 The inspection team of Voith shall have further powers to refuse the Order or any part thereof that have not been performed according to the Technical Specification, projects and other documents approved by Voith.

4.10 Action or omission of the inspection shall not exempt Supplier from its contractual and legal responsibilities at performing the Order.

4.11 Failure to satisfy the requirements of the Order and of the documents attached thereto shall result in partial or total refusal of the Order, and Supplier agrees to perform, at its expense, any and all changes that may be necessary, without any burdens or expenses to Voith.

4.12 Previous approval of the Order, or of parts thereof, shall not hinder the Order from being subsequently rejected, and shall not exempt Supplier from its responsibilities, either as regards the guarantees established or as regards all its other contractual obligations.

4.13 Costs related to failure to conduct an inspection already scheduled and confirmed, for reasons other than reasons for which Voith is responsible, shall be charged from Supplier.

4.14 The inspections shall always be conducted at the Site of Performance. If, by technical reasons accepted by the Parties, such inspections need to be conducted at another site, Supplier, at its own risk, shall always be responsible for all expenses resulting from the conduction of such inspection, with exception of travel costs of the personnel of Voith, which shall be borne by Voith.

4.15 Supplier shall provide, without any burdens to Voith, all facilities, as well as full assistance for the conduction of the inspections.

4.16 Voith shall not receive any part of the Order that has not been previously approved as established in the Order.

4.17 Supplier shall notify Voith, through the site <https://login.voith.com.br>, at least fifteen (15) days in advance, as regards the date of conduction of any tests requested by the Order, and Voith, or any third party duly authorized by Voith, may witness such tests. Supplier shall provide to Voith the certificates of tests that may be requested therefrom by Voith.

4.18 Any test conducted without the presence of Voith shall not be deemed to be conducted and shall be repeated at the expense of Supplier, unless Voith has been notified within the period of time established above and has failed to attend or has failed to request for its reschedule.

4.19 In the event that the tests are conducted in another country other than Brazil, Voith shall be notified at least thirty (30) days in advance.

4.20 Any change necessary in a call notice already made shall be made at least four (4) business days in advance.

4.21 The entire tests systematic and, in particular, all tests procedures, shall be submitted, with due lead time, for approval by Voith, as the case may be. Such procedures shall describe in detail the performance sequence, conditions and pre-requirements necessary, material and tools necessary and the criteria and amounts of adjustments specified. Data sheets shall be included with the purpose of formalizing the result of the tests, in which those responsible for the tests shall certify the results obtained.

4.22 The procedures shall be analyzed and commented by Voith, if applicable, and Supplier shall introduce the changes deemed to be necessary by Voith in due course.

4.23 Supplier shall maintain engineers and/or specialized technicians during the performance of the factory tests for clarifications to the inspection of Voith.

4.24 Subsequently to the approval of the test procedures by Voith, such tests shall be fully conducted by Supplier.

4.25 No assets may be shipped without the due express release from Voith.

4.26 Subsequently to approval, by Voith, of the Acceptance Tests, as applicable, indicating that the Purpose of the Order is apt for being used by Voith and/or end customer, Voith shall issue the Provisional Acceptance Certificate (PAC) or document equivalent thereto, occasion on which the possession and ownership shall be transmitted to Voith.

4.27 The Order shall solely be deemed to be permanently accepted whenever the technical warranty term has expired and there are no outstanding matters, of any type, in relation to the Order. For purposes of the Order, the parts of the Order that have been delivered to Voith shall be received temporarily, and the permanent receipt thereof shall be established according to this Section. Upon permanent receipt of the Order, Voith shall issue a Final Acceptance Certificate (CAF) or document equivalent thereto.

5. Shipment

5.1 Notification of shipment of the goods shall be given by the Supplier, at the latest, the time the deliverables leave the Supplier's premises. The shipping address and Voith's order number, including the item number, shall be indicated on all notices of shipment, bills of lading and parcel labels. Sales for which Voith is to bear all or part of the freight costs shall be transported at the lowest freight rates or according to Voith's shipping instructions. The shipping instructions, in particular the place where the goods are to be delivered, which is also the Place of Performance, shall be stated in Voith's order.

5.2 The Supplier shall have the cargo secured by the carrier collecting it in order to indemnify for loss or damage in transit.

6. Packaging

6.1 The Supplier undertakes to ship the goods it has produced or processed only in packaging that is environmentally friendly in terms of type, shape and size and that complies with the latest version of applicable packaging regulations.

6.2 Irrespective of whether the packaging concerned is transport packaging, retail packaging or an outer protective wrapping, the Supplier agrees to take it back after use without any additional charge and to reuse or recycle, unless otherwise requested by Voith. Voith undertakes to handle any reusable packaging identified by it as such properly and make it available to the Supplier free of charge in the best possible condition.

7. Reporting after delivery

Voith shall endeavour to check incoming deliveries for their correct quantity and/or damage in transit and obvious defects, at latest. Voith shall report such defects as soon as they are discovered. In this regard, the Supplier waives the argument of receiving delayed notice of defects. In any such circumstance, the Supplier will be liable to reimburse and indemnify Voith for any good ordered but not delivered and for any good damaged during transportation.

8. Liability for defects

8.1 The Supplier warrants to Voith that the ordered goods and/or services are free of defects and imperfections in workmanship and materials.

8.2 If Voith informs the Supplier of the intended use and place of use of the goods to be supplied and/or services to be rendered, the Supplier warrants that the goods and/or service are suitable for that use and place.

8.3 Without prejudice to any legal or implicit warranty, the term of warranty of the Order shall be twenty-four (24) months from the issuance of the PAC or document equivalent thereto, by Voith, in relation to the totality of goods or services that compose the Order, with exception of another term provided in the Order.

8.4 In the event of defect and imperfection, Voith shall be primarily entitled to select the applicable remedy. In the event that Supplier fails to repair the defect within the period of time informed by Voith, i.e., correction of defects or substitution, Voith shall be entitled, in urgent events, to avoid harms or avoid/limit damages, to perform the remedy selected by Voith, or provide that such remedy is performed by a third party, for the account and at the risk of Supplier. Voith shall have the same right in the event that the correction of defects or the delivery of a substitute is not made or is refused by Supplier.

8.5 If claims are asserted against Voith due to the infringement of third-party rights in connection with the Supplier's goods and/or services, the Supplier shall indemnify Voith for all third parties' claims.

8.6 If the Supplier meets its obligation to remedy a defect by supplying substitute goods, the warranty period for said goods shall commence a new one upon they are delivered.

8.7 The Supplier undertakes to bear all installation and removal costs, including but not limited to transportation and insurance costs to and from Voith's place of delivery in cases where such costs were incurred due to product and/or service defect or deficient delivery/performance.

8.8 The Supplier hereby declares that it has or will promptly obtain all licences, authorizations and all necessary documents and rules in order to comply with these Purchase Conditions.

8.9 The Supplier also declares that has full technical, economical, financial and operational capacity to fulfill all the activities and requirements of these Purchase Conditions and the relevant Order in compliance with the best market practices.

Coincidence of defects

8.10 In the event that coincidence of defects is verified in the majority of the equipment/components/materials, resulting from project error or hidden defects, Supplier shall adopt the measures necessary to the re-project and supply of such equipment, components or materials, up to the occasion on which the defect has been resolved, even if subsequently to the Term of Warranty.

9. Software

9.1 Voith shall receive a license to use and shall be entitled to use the software that is possibly part of the scope of the Order delivery, including access to and full use of any update of the software and documentation thereof, at no additional cost. Voith may further transfer such license to use, free from any royalties, to its end customer. Voith may not grant any sublicense to any third parties. Supplier shall be required to provide to Voith the source code upon which the software product is based.

9.2 Before the software is shipped or installed on a system of Voith or its end customers, the Supplier shall confirm it is free of viruses, Trojans and other computer malware using up-to-date, customary antivirus programmes.

9.3 Voith shall be entitled to change the software products supplied by Supplier, without prejudice to the contractual obligations, if:

i) Supplier fails to comply with its obligations and/or fails to provide the solution for the system;

ii) Voith and Supplier agree that the solution shall be provided by Voith;

iii) the end customer requires that the software product supplied by Supplier be associated with its own software.

9.4 Supplier agrees to document all changes, supplements, adjustments or modifications (back-ups) and shall maintain Voith informed thereof or shall deliver such back-ups, the latest, jointly with the final documentation.

10. Quality assurance

10.1 The Supplier undertakes to warrant permanent quality assurance for the goods delivered to Voith by means of installation and maintenance of an adequate quality assurance system, e.g. EN ISO 9001 ff or any approved similar, undertaking to perform periodically quality tests and checks as agreed with Voith or, in the event an agreement on this regard is lacking, according to a suitable timeframe during and after production of its deliverables. The Supplier shall create and make it available to Voith, at Voith's written request, any documentation on these tests and checks.

10.2 Voith shall have the right to require proof of the quality assurance system installed by the Supplier, as well as to require that quality tests and checks are carried out on site, including, if applicable, at subcontractors' premises and to conduct audits at the Supplier's site.

10.3 Supplier shall immediately inform Voith about any changes in the composition of the processed material or design of its deliveries and/or services. Any change shall require the prior written consent of Voith. The same provisions shall be applied if Supplier intends to subcontract part of its goods or services.

10.4 In the event that Supplier intends to subcontract part of the Purpose, Supplier shall primarily send a notification to Voith. Solely subsequently to express approval from Voith may Supplier subcontract part of the services/supplies. Furthermore, as applicable, Supplier shall provide that all its Subcontractors comply with the provisions of the Order.

10.5 The quality warranty policy of Voith disclosed to Supplier in the Order is complementary and shall not exclude these Purchase Conditions.

11. Applicable regulations; product liability

11.1 The Supplier undertakes to comply with the relevant laws and regulations applicable to the product/and or service, including but not limited to health and safety requirements. If requested by Voith, the Supplier shall at Voith's discretion either allow Voith to inspect the risk assessment created by it or shall provide it to Voith.

11.2 Supplier is entirely responsible for damages caused to Voith and/or any third party due to product liability. Supplier shall indemnify Voith for all claims for damages made by third parties at the first time of request if the cause of the damage is in the sphere of Supplier's responsibility.

11.3 As part of its liability under Section 11, the Supplier is also obliged to reimburse any expenses incurred by Voith for or in connection with a warning issued or recall conducted by Voith. When possible and reasonable, Voith shall inform the Supplier of the content and scope of the measures to be performed and coordinate them with the Supplier. Additional rights under product liability law shall remain unaffected.

11.4 Voith advises the Supplier to maintain product liability insurance to cover the risks governed by Section 11, with coverage of at least R\$ 2,500,000.00 per damaging event.

12. Safety; protection of the environment

12.1 The Supplier shall ensure that its products and/or services meet the environmental protection, accident prevention and work safety or further security or safety relevant regulations in force and applicable to the place where the products shall be delivered and installed or where services shall be rendered, in order to avoid or reduce harmful impacts on human beings and environment. To this end, the Supplier shall install and enhance a management system, e.g. EN ISO 14001 or similar. Voith shall have the right, if applicable, to require proof of the management system run by the Supplier and to conduct audits at the Supplier's site.

12.2 The Supplier has to comply with the relevant laws and regulations on the handling and placing on the market of hazardous goods. The Supplier further has to observe the relevant laws and regulations on the disposal of waste and recycling material and point out any product handling, product storage and disposal requirements to Voith.

12.3 Supplier shall be responsible for any and all environmental damages or damages to health caused thereby, agreeing, as a consequence of the provisions of this item, to maintain Voith and its end customer, as the case may be, exempt from any responsibility, including financial responsibility. As a result of this Section, Supplier shall be responsible for all costs resulting from the resolution of such damages, including penalties suffered by Voith or customer as a result of actions or omissions of Supplier.

13. Models and tools; confidentiality

13.1 Any models and/or tools which are produced by the Supplier at Voith's expense shall become the property of Voith upon payment for them. They shall be treated with care by the Supplier, indicated as property of Voith and – where possible – stored separately from the other products of the Supplier or third parties, as well as insured at the expense of the Supplier against all risks, such as disasters including fire and flood, theft, loss and other damages. Resale of products or parts produced using these models and tools are not permitted without the express written approval of Voith.

13.2 Documents, drawings, plans and sketches and other know-how or intellectual property of Voith which Voith entrusts to the Supplier for producing the ordered products and/or services, in whatever form (regardless if in a tangible for or not) shall remain the property of Voith. Supplier acknowledges and declares that such materials and information are trade secrets and property of Voith and shall be treated confidentially. The Supplier undertakes (i) to treat them with care, (ii) to make them available only to employees who need them for fulfilling the order/contract and who are bound to confidentiality duties similar to these ones, (iii) not to make them available to third parties, (iv) to make copies only for the purposes of executing the order, and (v) to return all documents, including copies of them, to

Voith upon Voith's request or completion of delivery, whichever occurs first.

13.3 The Supplier shall indemnify and hold harmless Voith for and from all damages, claims, whatsoever nature, resulting of failure of the above mentioned conditions.

13.4. The Supplier hereby states that the goods and/or services object of the relevant Order are not under any judicial or extrajudicial debt regarding invention patents, brands, drawings or utility models, obliging to defend Voith and its successors against all and any judicial suit resulting, directly or indirectly, from the alleged infringement of third parties rights over such goods or products and indemnify it for any losses which may be caused as a consequence of third parties claims.

14. Relationship and Non Exclusivity

14.1 Nothing in these Purchase Conditions shall be construed to place the parties in the relationship of partners, joint ventures and the parties shall have no power to obligate or bind the other in any manner whatsoever.

14.2 Nothing in these Purchase Conditions can be interpreted or construed as Voith granting any type of exclusivity to Supplier with respect to the manufacturing or sale of the products or services object hereof.

14.3 The aggregate of the purchase volume between the Supplier and Voith shall not exceed 50% (fifty percent) of the total turnover of the Supplier with all its customers during one calendar year. In case the purchase volume between the Supplier and Voith exceeds this percentage, Voith shall immediately be notified in writing from the Supplier. After receipt of such notice, Voith will decide upon the necessary measures including of reduction of the actual purchase volume without further costs or damages due to the Supplier.

15. Export control

15.1 The Supplier must inform Voith of any approvals required on the (re-)export of its goods and/or services by export or customs regulations of Brazil or any other applicable export or customs regulations in accordance with EU or US export law. For this purpose the Supplier will, insofar as this was not already provided in its offer, supply the required information next to the relevant item references at Voith's request when an order is accepted and on every delivery note.

15.2 At the request of Voith, the Supplier shall inform Voith in writing of all further foreign trade and its components, as well as inform Voith immediately in writing of all changes to the data specified in Section 15.1.

15.3 If details in accordance with the previous sections are not provided or are provided incorrectly, Voith shall, without prejudice to further rights, be entitled to terminate the contract for cause.

16. Suspension

16.1 Voith shall be entitled to suspend, at any time, in whole or in part, the performance of the respective Order, by means of written notice to Supplier, if the goods and/or services are in disagreement with these Purchase Conditions or the respective Order, if the customer of Voith has suspended the agreement with Voith or, further, for any other justified reason.

16.2 In case of suspension due to the Supplier's default, Voith shall stipulate a deadline to have the breached obligations resolved by the Supplier without prejudice to any other rights and remedies provided herein or by applicable law.

16.3 Upon receipt of such suspension notice, Supplier shall promptly interrupt performance of the Order, as is, and shall cease any work related to the Order. During such period, Supplier shall carefully maintain the materials, supplies and equipment that Supplier has in progress.

16.4 Voith may remove, in whole or in part, the suspension of performance of the Order by written notification to Supplier, specifying

ing the actual date and the scope of removal. Upon receipt of such notification, Supplier shall resume works related to the Order that have been suspended, with the necessary care and on the date notified.

17. Termination

17.1 The respective Order may be terminated in whole or in part, with no responsibility of any nature to Voith in relation to Supplier, regardless of judicial or extrajudicial notification, and without prejudice to the right of Voith to recover possible damages suffered, by action or omission of Supplier, subsequently to the occurrence of any of the following events: In the event of reasons of force majeure, which delay performance of the Order for a period of time exceeding ninety (90) days;

- a) If the delivery of goods and/or services is not made in accordance with the specifications and Sections of the respective Order, or in any event that Supplier incurs any event of contractual termination provided in law;
- b) In case of judicial, extrajudicial recovery, bankruptcy and/or insolvency of Supplier;
- c) In the event that Supplier infringes any of the sections of these Purchase Conditions or of the respective Order;
- d) Any infringement to the anticorruption Law or regulations, as well as noncompliance with any provision of the Code of Conduct of Voith;

17.2 In the event of suspension of the Order for a period of time exceeding thirty (30) days, the Parties shall agree upon the continuity hereof.

17.3 Voith may further, at any time, terminate the Order, and such act shall not result in any burdens, provided that Voith communicates Supplier in writing at least thirty (30) days in advance.

17.4 In the event that Supplier, on the occasion of receipt of the communication, has not yet commenced performance of the Order, Voith may, at its exclusive discretion, request that Supplier abstain from commencing its performance, and as a result thereof, no amounts shall be due to Supplier subsequently to the date of receipt of the communication sent by Voith.

17.5 In any event of termination of the Order, Voith may immediately transfer the conclusion of the Order to whoever is deemed to be convenient thereby, at its exclusive discretion, with no need to any previous enquire to Supplier.

17.6 In any event of termination of the Order, Voith shall take possession of the part of the Order that, at its discretion, Voith intends to withhold. Anyway, Voith shall indemnify Supplier for the termination of the Order pursuant to item 17.7, and assets that Voith opts for not receiving and that may be used by Supplier shall not be indemnified.

17.7 With due regard for the provisions of item 17.4, in any event of termination and provided that Supplier is up to date with its contractual obligations, Voith shall compensate Supplier for the reasonable costs evidently incurred up until then at performing the Order, and which would represent an unrecoverable loss for Supplier, Supplier being subject to adopting all measures that are necessary to minimize its losses, and providing to Voith reasonable evidences of such costs. The compensation, in any event, shall not exceed the Price of the Order, deducting the amounts that have already been paid by Voith to Supplier.

18. Entrepreneurial responsibility; Code of Conduct

18.1 The Supplier undertakes to comply with all legal provisions, including, but not limited to environmental protection laws, tax laws, regulations relating to labour law and laws on the safety of employees, and Supplier declares that it does not employ child or forced labour in or in relation to the production and sale of its goods or the provision of its services. Upon accepting the order, the Supplier further confirms that it shall not commit or tolerate any form of bribery and corruption. Supplier represents that conforms and fully comply with the provisions of the "Voith's Code of Conduct", which can be found at: <http://www.voith.com>.

18.2 The Order that fails to comply with all requirements established in this Section shall be deemed to be defected and any infringement to this Section shall be deemed to be a serious default.

18.3 Supplier shall indemnify and exempt Voith, its affiliates, executive officers, employees or representatives from any responsibility in relation to all responsibilities, claims, expenses, losses or damages resulting from or related to the infringement, by Supplier, to its obligations and/or guarantees provided in this Section.

19. Act of God and Force majeure

19.1 All events occurred throughout the performance of the Order the effects of which may not be anticipated, avoided or hindered and provided that they have not been caused by error, serious fault or misconduct of any of the Parties, their employees, subcontractors or suppliers and that necessarily interfere, in whole or in part, in the Order, shall be characterized as act of God and/or of force majeure ("Act of God or Force Majeure"), and shall constitute causes of exclusion of responsibility.

19.1.1 Such events include, but are not limited to, shipwrecks; earthquakes; typhoons; hurricanes; epidemics; acts from public enemy that interfere directly in the Order; wars; terrorist acts; regional or national strikes of the categories employed for compliance with the Order, not caused by fault or default of the Parties or of their subcontractors or, further, local strikes, provided that evidently caused by union, regional or national movements; and acts of disturbance or wrongful possession of the site at which the Order is performed, by union movements and/or organized movements.

19.1.2 For purposes of the Order, serious fault shall be characterized whenever Supplier, even though with no intention to give rise to the damage, evidently acts, at performing the Order, without the minimally expected care, in situations in which the risk of damages is readily predictable by a common individual, and fails to adopt the measures necessary to minimize possible losses resulting from such conduct.

19.2 The Party affected by an Act of God or Force Majeure shall be exempt from compliance with its obligations provided in the Order, exclusively in relation to the part affected by the event of Act of God or Force Majeure, to the extent and during the period in which such obligations are affected by the Act of God or Force Majeure, provided that:

- (i) the Act of God or Force majeure has occurred and remained beyond control of the affected Party;
- (ii) the affected Party has not cooperated for the occurrence of the Act of God of Force Majeure; and
- (iii) the actions of the affected Party, provided that diligently and timely, have not been sufficient to hinder or minimize the effects of the occurrence of the Act of God or Force Majeure.

19.3 Notwithstanding the occurrence of the Act of God or Force Majeure, the Parties shall comply with their obligations provided in the Order to the extent in which compliance with such obligations is not hindered by the Act of God or Force Majeure.

19.3.1 No Act of God or Force Majeure shall exempt the affected Party from compliance with any of its obligations pending compliance prior to the occurrence of such event or that have been constituted prior hereto.

19.3.2 The Party that has a default that has not been resolved on the occasion on which an Act of God or Force Majeure occurs may not have its obligations excused.

19.3.3 The Parties agree that the occurrence of the events provided below, among others, shall not be characterized as Act of God or Force Majeure:

- (i) delays caused by evidenced inefficiency of Supplier;

- (ii) delay and/or failure of subcontractor at the performance of the Order;
- (iii) strike of the personnel, directly or indirectly related to Supplier and to the performance of this Order;
- (iv) financial crisis in the local or international market that results in exchange variations and/or variation of prices of inputs, materials and workforce;
- (v) financial problems of the Party that claims event of Act of God or of Force Majeure;
- (vi) suspension or lack of transportation, unless resulting from evidenced Event of Act of God or Force Majeure; and
- (vii) amendments to the legislation.

19.4 In the occurrence of Act of God or Force Majeure, the interested Party shall send a written Notification to the other Party within up to five (5) business days subsequently to the acknowledgement of the event. Such Notification shall include the estimate of Reasonable Term, which shall not exceed thirty (30) days, for delivery of report informing the event and attaching all documents necessary to characterize the Act of God or Force Majeure, the circumstances involving the obligations the fulfillment of which shall be delayed, describing the event, its consequences and, if possible, the delay duration estimate.

19.5 Failure to send the Notification within the period of time established shall be valid as evidence that the event has not interfered in the progress of the Order and, therefore, may not be characterized as Act of God or Force Majeure, within the scope of the Order.

19.6 In the event that the Party notified disagrees with the existence of the Act of God or Force Majeure or, further, disagrees with the fact that the event is capable of interrupting and/or suspending performance of the Order, such Party shall, within ten (10) business days from the receipt of the Notification, forward to the interested Party justified opinion or report that justifies its understanding.

19.7 Failure, by the notified Party, to provide any statement under the terms of the previous item within the period of time established, shall presume its tacit acceptance of the event occurred.

20. Insurances and Financial Guarantees

20.1 With exception of the Insurances expressly provided in law, in the event that it is necessary to take out additional Insurances, the contracting conditions, as well as the list of insurances necessary, shall be provided in the Order.

20.2 In the event that it is necessary to contract Financial Guarantees, the contracting conditions, as well as the list of Guarantees necessary, shall be provided in the Order.

21. Obligations and Responsibilities of Supplier

Without prejudice to the other obligations already provided in these Purchase Conditions, Supplier agrees to:

21.1 Present, whenever requested by Voith, the documentation related to the evidence of compliance with its labor, tax, social security obligations, among others.

21.2 Supplier shall, at all times, protect Voith from (i) Any losses or damages and all actions and expenses related thereto, caused by acts or omissions of Supplier, its subcontractors, and of the personnel employed for the performance of the Order, its executive officers, administrators, suppliers and assigns; (ii) Liability for death or personal injuries and all actions and expenses related thereto, caused by acts or omissions of Supplier, and of the personnel employed for the performance of the Order, its executive officers, administrators, subcontractors, suppliers and assigns.

21.3 For any and all legal effects, it is hereby expressly established that the personnel of Supplier employed for the performance

of the Order are employees of Supplier and that, therefore, there are no types of employment relations between such personnel and Voith, which shall be exempt from any and all burdens resulting from the judicial acknowledgement of such relation. As a result of the provisions hereof, the Parties agree that Supplier is solely and exclusively responsible for any obligations, of any nature, before its personnel.

22. General provisions

22.1 The assignment of any order, contract or right or obligation under these Purchase Conditions without the express prior written approval of Voith shall be null and void. Voith, however, shall be entitled to assign its rights and remedies out of the relevant Order to any of its affiliated companies.

22.2 Unless otherwise expressly provided in the Order, these Purchase Conditions are subject to the Brazilian Laws, even if Supplier is domiciled abroad.

22.3 The Parties hereby elect the courts of the State of São Paulo, as exclusively competent to resolve all issues related to this instrument, and in relation to all Orders issued by Voith, with express exclusion of any other court, no matter how privileged it may be.

22.4 The United Nations Convention to the Agreements of International Purchase and Sale of Goods (CISG) shall not be applicable.

22.5 In the event that any individual provision of these Purchase Conditions is invalid or is declared invalid, in whole or in part, such invalidness shall not affect the other provisions. Nevertheless, the Parties shall rewrite such provision, to rescue the original intention of the Parties.

22.7 For any noncompliance with the Order that has no other penalty specified, Supplier shall pay point five percent (0.5%) of the Price of the Order, per day of default, without prejudice to possible losses and damages.

22.8 None of the Parties shall be required to comply with any change in the Order up to the occasion on which such change has been confirmed by means of Amendment or document equivalent thereto signed by both Parties.

22.9 In no event shall Voith be held responsible for indirect and consequential damages, such as, but not limited to, loss of profits, production losses, financial losses, sales losses. Furthermore, full responsibility of Voith in relation to the Order is limited to ten percent (10%) of its Price.