

GENERAL TERMS AND CONDITIONS OF ACQUISITION OF GOODS AND SERVICES

1. SCOPE OF APPLICATION

1.1. These General Terms and Conditions apply to the acquisition of goods and services made by Proadec Brasil Ltda (Proadec) to any entity (Supplier) and regulate the rights and obligations of the parties, prevailing over any non - mandatory uses, commercial practices, or legal provisions.

1.2. Any derogation or modification of the provisions set forth in these General Terms and Conditions shall be defined in a specific contractual document or extra terms and conditions for these General Terms and Conditions, which shall in any case be formalised in writing and signed by the legal representatives of the parties; in the event of there being the specific contractual document or specific terms and conditions, as the case may be, these will prevail over these General Terms and Conditions.

1.3. The documents referred to in 1.2 above shall constitute, together with these General Terms and Conditions, the Contract Documents by which the contractual relationship between Proadec and the Supplier (Agreement) shall be governed.

1.4. Any conditions or specifications that the Supplier may include in the documentation of any nature, in particular in its proposal or in the General Terms and Conditions that it uses in the supply of its goods or services, that are in contradiction with the provisions in the Contract Documents shall be deemed ineffective.

2. PURCHASE ORDER

2.1 A Purchase Order formalises Proadec's intention to purchase the goods and/or services, referred to in the order, from the Supplier, in the exact terms set forth in the Agreement and the Contract Documents applicable to it under the terms of the previous clause.

2.2 The acceptance of a Purchase Order by the Supplier implies the full knowledge and agreement without reservations or limitations to the respective content and the other applicable Contract Documents, considering that the Agreement between the parties was concluded on that date, unless specified otherwise in the Contract Documents.

2.3 Acceptance of a Purchase Order must be confirmed in writing to Proadec within the period indicated in the Purchase Order itself, or in the absence of an indication, within five working days of receipt, being considered fully accepted by the Supplier after this period.

2.4. The start of the supply of the goods or services without formal acceptance of the Purchase Order within the applicable period will be understood as acceptance of the respective content and the applicable Contract Documents.

3. SCOPE OF AGREEMENT

3.1 All supplementary and/or complementary activities - such as transportation, loading, unloading, testing, and tests - are deemed to be included in the scope of the Agreement, provided that they are necessary for the complete fulfilment of the same.

3.2 The materials, documents, and other elements necessary for the correct functioning, operation, and/or maintenance of the goods to be supplied are also included, even if not expressly mentioned or fully specified in the Contract Documents.

4. GENERIC SUPPLIER OBLIGATIONS

4.1. The Supplier undertakes to:

- a) Comply with all the legal and regulatory standards applicable to the activity carried out and, in particular, to the supply of the contracted goods and/or services;
- b) Obtain and maintain in force all the authorisations, licenses, and other formalities required for its operation in general and those that are applicable to the execution of the specific supply;
- (c) Comply with and enforce all applicable labour and regulatory standards on safety, hygiene, and health in the workplace by all personnel involved in the supply, and to ensure the adoption of all environmental and sustainability practices required by law, general regulations, and the specific Proadec standards communicated to the Supplier by Proadec;
- d) Define and enforce policies consistent with the sustainability and ethics principles adopted and communicated by Proadec;
- e) Ensure that it is in compliance with its tax and social security obligations;
- f) If it is expressly authorised to use the brands, logos, or other distinctive Proadec signage, it is to do so for the sole purpose of complying with the Agreement and with all instructions and regulations relating to such use that may be communicated to the Supplier by the Client Company.

5. INDUSTRIAL AND INTELLECTUAL PROPERTY RIGHTS

5.1 All materials and documentation delivered by Proadec to the Supplier for the purposes of compliance with the Agreement shall be used by the Supplier for this exclusive purpose with respect to the intellectual and industrial property rights that affect them and returned to Proadec as soon as requested.

5.2 The Supplier is to ensure that it is the holder of all industrial and intellectual property rights necessary to carry out the supply or obtain, for its own benefit or the benefit of Proadec, as applicable, the licenses, authorisations, or assignments of rights that allow Proadec to use and regulate the goods and services purchased from the Supplier.

5.3 Specifically, the Supplier guarantees that the execution of the Agreement will not breach industrial and intellectual property rights of third parties, and is to be obliged to pay compensation to Proadec in the event of any liability for the misuse of materials, documents, and information that are object of such third party rights.

5.4 Unless otherwise agreed to in the Contract Documents, all projects, drawings, software, studies, reports, and other original creations prepared by the Supplier for the execution of the supply shall, for all purposes, be the property of Proadec.

6. CONFIDENTIALITY

6.1 The Supplier undertakes to keep in rigorous and strict confidentiality all information which it has or will come to know by virtue of the Agreement, or in connection therewith, including all those received prior to its conclusion.

6.2 The Supplier shall ensure that its employees and subcontractors respect the confidentiality of the information to which they are entitled and shall be liable for any breach of the duty of secrecy by the persons or entities concerned

6.3 The duty of confidentiality shall remain in force for a period of five years from the date of termination of the Agreement, and for any reason.

6.4 Any public disclosure relating to the Agreement shall be subject to prior written approval by Proadec.

6.5. The Supplier shall destroy all documents, records, and files containing confidential information, original or copy, regardless of their format, as soon as the reason for its availability by Proadec ceases and, in any event, after termination of the Agreement.

7. HUMAN RESOURCES

7.1. Employees whom the Supplier uses for the execution of the Agreement shall be subject to the supervision, management, and authority of the Supplier, and the latter undertakes to ensure compliance with all legal, regulatory, and conventional standards applicable to the relationship established with such employees, namely those related to the entry and permanence of foreigners in the territory of the jurisdiction applicable to the Agreement, the Supplier furthermore being the sole and full liable party for the obligations resulting from the applicable legislation.

7.2. When, in order to comply with the Agreement, any person who represents the Supplier or who is indicated by the latter has to go to the Proadec premises, they must comply with all the rules and regulations in force herein.

8. EXECUTION OF THE SUPPLY

8.1 The Supplier undertakes to carry out the supply in accordance with all the technical requirements and conditions in the quantities agreed to and within the terms contracted.

8.2 The Supplier shall communicate to Proadec in a timely manner any circumstance that may prevent, hinder, or condition the full and timely execution of the supply.

8.3 The Supplier undertakes to inform Proadec of any deviation verified in the specifications, characteristics, and requirements of the goods and services to be provided, proposing the changes that it deems necessary to comply with the Agreement.

8.4 Any changes in specifications, characteristics, and requirements of the goods and services to be supplied, as well as the execution or conclusion period, must be previously approved in writing by the Client Company.

9. QUALITY CONTROL

9.1. The Supplier shall be liable for the quality of the goods and services to be supplied to Proadec.

9.2 Proadec shall have the right, at any time and even after delivery, to carry out the inspections, audits, surveys, and tests of materials and processes that prove necessary for the quality control of the goods and services and may, for this purpose, enter the Supplier's premises for that purpose whenever it is deemed necessary, with reasonable prior notice, never less than three days.

9.3 Inspections and audits do not affect the Supplier's liability for the quality of goods and services.

9.4 If, during the inspections and audits, Proadec detects any non-compliance with the agreed to contractual conditions, the costs of the inspections and audits in question will be borne by the Supplier, without prejudice to other rights that Proadec is entitled to under the Agreement and the applicable legislation, in particular the right of refusal of goods which are not in conformity.

10. PACKAGING, STORAGE, AND TRANSPORTATION

10.1. The goods to be supplied must be properly packaged and stored in such a way as to preserve their state of preservation according to their usual form of storage.

10.2. All expenses related to the packaging and transportation of goods shall be borne by the Supplier.

11. DELIVERY

11.1. The deadlines and place of delivery of the goods or execution of the services to be provided are those agreed to in the Contract Documents and are an essential condition of the Agreement.

11.2. Where applicable, the supplies must be accompanied by legally enforceable supporting documents or those which are required by Proadec from the Supplier, such as technical data sheets, certifications, policies, etc. In the case of services, the Supplier must provide Proadec with a service plan guide/worksheet, with an accurate indication of the work carried out, and which must always be validated by Proadec.

11.3. Acceptance of the goods supplied and/or services rendered outside the deadlines does not imply, for any reason whatsoever, that Proadec waives the aforementioned rights.

11.4. In the event that the Supplier delivers the goods on a date earlier than that which was agreed upon, Proadec shall have the right, if it so chooses, to return them to the Supplier or to store them, with the Supplier bearing the cost of the return or storage, as the case may be.

11.5. The risk of loss or deterioration of the goods will be borne by the Supplier until the moment of delivery to Proadec, reason why the Supplier will be liable for its storage and conservation until that moment.

12. ACCEPTANCE OF GOODS AND SERVICES

12.1. The goods and services provided are only considered accepted after verification, by Proadec, that they comply with the contractually agreed to requirements and conditions.

12.2 The Supplier shall carry out all the tests and testing for which it is liable under the supervision and inspection of Proadec, if the latter so requests.

12.3. When the goods or services to be supplied do not correspond in whole or in part to the requirements and conditions defined in the Contract Documents, Proadec will have the prerogative to reject them, the Supplier being obliged to repair or replace them, as well as to bear all the expenses related to the return, repair and/or replacement.

12.4 Alternatively, Proadec may choose to accept the goods and services supplied, in which case a document proving the reception will be drawn up, in which all the non-conformities detected will be specified and the deadlines for solving these non-conformities will be defined, and the Supplier will be obliged to eliminate them as agreed.

12.5 The rights of Proadec defined in the previous paragraphs do not affect the possibility of terminating the agreement in the terms defined below.

13. PRICES

13.1 Except as provided in the Contract Documents, prices include all costs and expenses incurred in the execution of the supply, namely packaging, loading, shipping, transportation, unloading, and insurance.

13.2. Unless there is a revision or update mechanism in the Contract Documents, prices shall be fixed and not revisable.

13.3 The prices also include all taxes and duties in force at any time, regardless of their nature.

13.4 The risk of variations in the incidence rules and amounts of taxes, fees, and charges referred to above shall be borne by the Supplier, and this right shall not be subject to any price adjustment due to possible variations.

14. PAYMENT CONDITIONS

14.1. The prices of the goods and services shall be invoiced after their delivery or conclusion, except in the event of another date or schedule included in the Contract Documents

14.2 If another is not included in the Contract Documents, the invoice payment date is 90 days from receipt of the invoice by Proadec.

14.3. The payments will be made by means of bank transfer, the Supplier being obliged to indicate in writing the necessary bank details.

14.4 Payment will always be made subject to analysis and verification of the invoice.

14.5 If mistakes are detected in the invoices, Proadec may retain the amount related to the mistakes and pay the remainder.

15. INVOICES

15.1. The invoices must be sent to the address of the Proadec head office, clearly indicating the number of the Purchase Order and including the other elements required by the legislation in force.

15.2. When applicable, all invoices are to be issued in such a way as to give Proadec the right to deduct, retain, or pay any charges, duties, or taxes that it may have or deduct, retain, or pay under applicable law.

15.3. Reasons for returning invoices are the non-compliance with applicable provisions, incorrect invoiced amounts or quantities, or the non-conformity of goods or services supplied; in the case of a return, the start of the payment period will begin from the date of receipt of the new duly corrected invoices.

15.4. Proadec reserves the right to choose, at any moment, the electronic invoicing system, in which case the Supplier is obliged to comply with all applicable legal provisions.

16. WARRANTY

16.1 Unless otherwise provided by law or written agreement, the warranty period for the goods and services provided shall be at least two years from the date of acceptance.

16.2. Proadec will notify the Supplier of any defects detected.

16.3. The Supplier is obliged to eliminate, at its own costs, all defects relating to the goods and services covered by the Agreement, within the time period which Proadec may define for that purpose and under the conditions which the latter considers satisfactory.

16.4. In the event that the Supplier fails to carry out the elimination of the defects in accordance with the previous paragraph, as well as in urgent cases where such immediate elimination is necessary to prevent greater risks or damages, Proadec shall have the right, at the Supplier's expense, to eliminate the detected defects itself or by means of a third party indicated by Proadec.

16.5 The components and materials incorporated in the goods under warranty shall be granted a new warranty period of two years from the date of their incorporation.

17. SUB-CONTRACTING AND ASSIGNMENT OF THE CONTRACTUAL POSITION

17.1 The Supplier shall not subcontract the supply from any third party, in whole or in part, except upon prior written agreement from Proadec.

17.2 In the event of subcontracting, in whole or in part, the Supplier shall remain solely liable to Proadec for compliance with the Agreement.

17.3 The Supplier shall not assign, in whole or in part, its contractual position in the Agreement, or any rights arising therefrom, without the prior written consent from Proadec.

18. ACTS OF GOD OR FORCE MAJEURE

18.1 In the event of objective and unforeseeable circumstances occurring or, if they are foreseeable then unavoidable, beyond the parties' control and impeding the execution of their respective obligations, neither party may be liable for the non-compliance with such obligations under the applicable law.

18.2 The Supplier must inform Proadec in writing, as soon as possible, and in any case within a period of not more than two days from the date on which it is informed, of the cause, beginning, and foreseeable end of the situation of force majeure.

18.3 The following circumstances shall not be considered a fortuitous event or force majeure:

- a) Lack of labour force and/or materials;
- b) Delay or default by subcontractors;
- c) Strike, lock-out, and other measures for resolution of labour conflicts.

19. INSURANCE

19.1 The Supplier shall purchase, at its own expense, and keep in force during the term of the Agreement and with reputable insurance companies, all insurance policies required by law, as well as any others required by the Contract Documents.

19.2 The Supplier shall provide to Proadec, if requested, proof of the purchase and validity, at any moment, of each of the insurance policies required in the Contract Documents, with the scope of coverage provided therein.

19.3 In the event of subcontracting, the Supplier undertakes to ensure that subcontractors enter into and continue with the above-mentioned insurance policies.

20. LIABILITY

20.1 Each party undertakes to promptly comply with the obligations arising from the Agreement and shall be liable to the other for any damages that are directly due to the party's non-compliance

20.2 The Supplier shall be solely responsible for the supply of goods and services, and shall accept liability for the tasks carried out by its employees involved in its execution, as well as for the activities carried out by any subcontractors.

20.3 The Supplier shall be liable for any charges, costs, or compensation arising from the damage caused to Proadec or to third parties due to defects in the goods and services supplied to Proadec, even if they have not been detected through the inspections and surveys carried out by Proadec.

20.4 The Supplier shall accept full extra-contractual liability for all and any damages to property, material or non-material, caused by the Supplier, its employees, and subcontractors to Proadec, its employees or workers and/or any third parties.

21. TERMINATION

21.1. Proadec has the right to terminate, totally or partially, the Agreement in the following cases:

- a) Insurmountable breach of obligations by the Supplier;
- b) Contractual breach by the Supplier which, although surmountable in the understanding of Proadec, is not corrected by the Supplier within the period defined by Proadec for that purpose;
- c) Dissolution or liquidation, voluntary or administrative, as well as any judicial or extrajudicial filings for the payment of Supplier liabilities, namely insolvency or administrative proceedings in agreement with creditors;
- d) Termination, regardless of its nature, even if only a de facto termination, of the Supplier's activity;
- e) Social alteration or objective modification of the Supplier's structure that has proven to have a negative impact on the conclusion of the Agreement;
- f) Occurrence of any other causes for termination provided for in the Agreement or in the law.

21.2. The termination will always be communicated to the Supplier by registered letter with acknowledgment of receipt, effective from the date of receipt.

21.3. In the event of a total or partial termination, Proadec will pay the Supplier part of the price corresponding to the goods and services that have been accepted and are not yet paid and the Supplier will reimburse Proadec of the surplus he has penalties or damages due to non-compliance.

22. PENALTIES

22.1. Failure to comply with the contractual obligations by the Supplier entitles Proadec to demand, as a penalty clause, the daily amount corresponding to 0.5% of the price of the goods or services contracted, up to a maximum of 50%, unless the Contract Documents include a different amount or percentage.

22.2. The penalties provided for in the previous number or other provisions of the Agreement shall be considered as payable and demandable credits, Proadec being expressly and irrevocably authorised to compensate such credits with any debts that may be incurred with the Supplier.

22.3. The payment of the penalties does not exclude Proadec's right to demand compensation for the excess damages from the Supplier, as well as to terminate the Agreement.

23. NOTIFICATIONS

Unless otherwise stated by Proadec, the communications to be made under the Agreement shall be made in writing by registered letter with acknowledgment of receipt when required by the Contract Documents or, in the event that it is not, by any other means of communication accepted by the parties to the addresses indicated in the Purchase Order and acceptance thereof, or to other addresses that are communicated in writing between the parties for that purpose.

24. GOVERNING LAW AND JURISDICTION

All disputes arising out of the Agreement shall be governed by Portuguese Law and shall be submitted to the jurisdiction of the Porto District, with the express waiver of any other.

25. GENERAL PROVISIONS

25.1 Whenever any provision of the Agreement is in conflict with a mandatory provision of law applicable to it, the parties shall replace the provision affected by another provision in accordance with the law that allows for the attainment of an economic result as close as possible to that resulting from the application of the superseded provision.

25.2. The tolerance of either party for any breach of the provisions of the Agreement shall not in any case constitute renewal or waiver of any right.

26. DATA PROTECTION

26.1 In addition to the obligation of confidentiality provided in section 6, the Supplier is also obliged to preserve the confidentiality and integrity of all personal information, either from Proadec or its employees, to which it has access as a result of its contractual relationship with Proadec.

26.2 The Supplier may only transmit personal data to third parties to the extent strictly necessary to comply with the contractual relationship with Proadec and provided that consent has been obtained, in which case the Supplier shall ensure that the data transfers take place in strict compliance with applicable legal regulations in force – General Law of Data Protection (GLDP) - under penalty of payment of compensation for damages caused.