

**AGREEMENT FOR THE SUPPLY OF GOODS AND MATERIALS**

**PST – PST ELETRÔNICA LTDA.**, a limited business company, headquartered at Avenida Açaí, 2045 Lote - 2.2, Distrito Industrial, Manaus-AM, CEP 69075-020, corporate taxpayer register under CNPJ No. 84.496.066/0001-04 and with branch at Alan Turing Avenue, n 385, Cidade Universitária, in Campinas, SP, CNPJ/MF No. 84.496.066/0002-95, hereinafter simply referred to as **PST**.

Page of introduction of the Agreement for the Provision of Legal Management Services, which is comprised by the Initial Considerations ('CI'), if any, by the General Clauses and Conditions of Contracting ('CCGC/PST'), by the Specific Clauses and Conditions of Contracting ('CCEC') and by other documents mentioned in these instruments.

Campinas, June 01, 2012

**INITIAL CONSIDERATIONS OF THE SUPPLY OF GOODS AND MATERIALS (CI)**

**INITIAL CONSIDERATIONS**

**WHEREAS** PST is one of the largest companies of the automotive security segment, which develops, manufactures, provides service and distributes high technology products to car makers and the local consumer, acting basically in three large business areas: (i) through the corporate brand PST Electronics new businesses are identified for the car makers and export. (ii) With the brand Pósitron, it is the leader of the market in the aftermarket (independent retail stores) and provider of tracking and monitoring service. (iii) It also operates in the aftermarket with the brand Concept with only one line of products.

**WHEREAS** PST adopts a policy of price reduction, continuous improvement and zero nonconformity with its customers, especially, the large assemblers of the automotive sector, its SUPPLIERS must be aligned to these policies.

**WHEREAS** PST agrees to acquire from the SUPPLIER the products specified in this agreement, based on the premise of its competitiveness in quality, price, term of delivery and other factors, defined in this agreement.

**WHEREAS**, finally, both PARTIES shall make their best endeavors to establish, develop and maintain a long-term relationship, based on good faith and best commercial practices, to be applied in the commercial transactions established herein.

**RESOLVE** to formalize it in this instrument, which they do upon the clauses and conditions described below.

Campinas, June 01, 2012

**SPECIFIC CLAUSES AND CONDITIONS OF THE AGREEMENT FOR THE SUPPLY OF GOODS AND MATERIALS (“CCEC”), AND DOCUMENT INTEGRATING AND INSEPARABLE FROM THE ATTACHED INSTRUMENT REFERRED TO AS “GENERAL CLAUSES AND CONDITIONS OF CONTRACTING FOR THE SUPPLY OF GOODS AND/OR PROVISION OF SERVICES TO THE COMPANIES OF GROUP PST” (“CCGC/PST”) AND OF THE OTHER ATTACHMENTS**

This instrument establishes the Specific Clauses and Conditions of Contracting (“CCEC”), whose observation and compliance with by the **SUPPLIER**, constitute requirements for the supply of goods and/or services to **PST ELETRÔNICA LTDA**. Both parties are already identified in the introduction page which, with these CCEC, with the Specific Clauses and Conditions of Contracting for the Supply of Goods and/or Provision of Services to Companies of Group PST (“CCGC/PST”) and other documents mentioned in it and attached hereto, constitute all the obligations and rights assumed and reciprocally attributed and form the agreement.

**CORPORATE SOCIAL RESPONSIBILITY - PST**

PST reinforces its commitment with the sustainable development aiming the simultaneous promotion of the economic growth, the environmental protection and the social justice, ensuring that the anxiety for the present progress do not jeopardize the next generations in the future.

PST achieves your social responsibility by accomplishing your social objective, satisfying its clients with quality and productivity in commercialized services and products, and simultaneously:

- Working with high ethical principles.
- Preserving the Environment.
- Respecting the human diversity of its work force.
- Providing the job opportunity and personal development.
- Supporting the eradication of child and slave labor.
- Respecting the law of each place of work.
- Developing economically and socially sustainable business.
- Ensuring a safe and healthy environment work for all employees.
- Respecting and suitable compensating the labor journey.
- Supporting and sponsoring community projects.

These actions confirm PST’s social responsibility and its contribution to the communities where the company operates.

PST encourages its employees, suppliers, partners and other participants in the supply chain to

valorize actions and paradigms related to Social Responsibility.

The SUPPLIER adopts this same policy and undertakes to extend it to its sub-suppliers.

**Conflict Minerals.** Under legislation passed by the U.S. Securities and Exchange Commission (SEC) in 2012, manufacturers who file certain reports with the SEC must disclose whether products they manufacture, or contract to manufacture, contain conflict minerals that come from sources that support or fund inhumane treatment in the region of the Democratic Republic of the Congo or an adjoining country. To ensure compliance with these SEC requirements, Buyer must request information regarding the use of conflict minerals, from Supplier.

Any Supplier contacted by Buyer, must support Buyer by completing all requested data and reporting. Additional information on conflict minerals reporting can be found at <http://conflictminerals.aiag.org/>

**1. DEFINITIONS.**

**Supply of Goods and Materials:** Supply to be made by the SUPPLIER of several types of materials, goods, inputs used by PST in its production chain, to be industrialized or not and which must comply with this agreement, contractual documents and attachments.

**General Clauses and Conditions of Contracting – “CGC/PST”:** Contractual documents which contains all the general conditions of contracting of the

supply of goods and materials, including of service providers which come to make covenants with PST.

**Purchase Orders:** It is an order made by PST to the SUPPLIER for the supply of a specific quantity of the CONTRACTUAL PRODUCT in a definite period. Upon receiving the order, the SUPPLIER shall issue a quotation to PST.

**Remittances Program:** It is a previous schedule of acquisitions of the CONTRACTUAL PRODUCT, and which is provided and updated periodically by PST to the SUPPLIER.

**Technical Specification(s):** Data which mention with accuracy the types of materials acquired by PST, taking into account the dimensions, weight and other characteristics inherent to the goods and products.

**Samples:** Small part or portion of CONTRACTUAL PRODUCT for use in proofs and analyses.

**Lead time:** It is the period between the beginning of an activity, productive or not, and its termination. The most conventional definition for *lead time* in *Supply Chain Management* (SCM) is the time between the moment of entry of the material and it leaves the inventory.

**Contractual Product:** Material to be supplied, contemplated in this agreement and which fully meets the technical specifications of SHC, of the Quality Manual for Suppliers, of the PPAP, if any, and other documents that make up this instrument.

**Purchase Schedule:** It is a programming of purchase provided to the SUPPLIER, by PST, which contains information of estimate of acquisitions and commitment of acquisitions.

**Estimate of Acquisitions:** Estimated quantity of CONTRACTUAL PRODUCT to be acquired by PST, but, differently from the commitment of acquisitions, when cancelled, does not oblige PST to make the purchase. It must be interpreted by the SUPPLIER only as mere information, and not commitment of acquisitions.

**Commitment of Acquisitions:** Quantity of CONTRACTUAL PRODUCT in which PST undertake to acquire from the SUPPLIER.

**SUFRAMA:** It is an Autarchy linked to the Ministry of Development, Industry and Foreign Trade, which administers the Manaus Tax Free Zone - ZFM, with the responsibility of constructing a regional model through the management of tax incentives and private companies.

**PST Code of Material (Part Number PST):**

**Nonconforming Contractual Product:** CONTRACTUAL PRODUCT which does not meet the technical specifications of the SHC, Quality Manual for Suppliers or of the PPAP, if any. Error in the specification can be the result of the production process, of the inadequate transportation of the contractual product or of the use of inadequate packaging.

**Rework:** Submission of the nonconforming CONTRACTUAL PRODUCT to new work, so that it may fully comply with the technical specifications of the SHC, Quality Manual for Suppliers and of the PPAP, if any.

**SHC (Request for Homologation of Product):** Contractual document which brings fully all the technical specifications of the CONTRACTUAL PRODUCT.

**Quotation Approval:** Quotation issued by the SUPPLIER and which was approved by PST. After the approval, the quotation shall be an integral part hereof legally binding the PARTIES.

**Quality Manual for Suppliers:** It is a guide for suppliers where all the requirements to be met by the supplier, regarding the quality of the CONTRACTUAL PRODUCT, are set forth in full.

**PPAP (Process of Approval of Production Part):** It is a set of documents which are formed from the study of the processes and parts in a production line. It is used in the automotive industry to establish a production and quality standard among the suppliers, aiming at reducing failures and consequently waste and *recalls*.

**Assured Quality:** It means that all the products that shall be supplied to PST shall be perfectly apt for use, where PST shall scarcely perform an analysis of the product before using them in its production process. This Assured Quality shall be certified and validated by the Supplier before delivery of the product to PST.

## 2. PURPOSE

2.1. The purpose of this agreement is the supply by SUPPLIER to PST of the CONTRACTUAL PRODUCT described in the SHC, in the conditions specified by the Quotation Approval, especially price, quantities and term, in compliance with the conditions and clauses of this instrument, its contractual documents and attachments.

## 3. ATTACHMENTS

3.1. This Agreement is comprised by, as its attachments, the following contractual documents, whose terms the PARTIES hereby declare to know and undertake to comply with: **a)** SHC; **b)** PPAP, when PST requires; **c)** Quality Manual for Suppliers; **d)** Quotation Approval; **e)** Other documents, reports and certifications eventually required by PST;

### **a) SHC (REQUEST FOR HOMOLOGATION OF COMPONENTS)**

a).1. The SHC shall be sent to the SUPPLIER for awareness by it. The remittance shall be made by e-mail, or another means which the PARTIES covenant.

Sole §. The application of the SHC does not depend on the approval of the SUPPLIER, as a result of the nature of its constitution, which depends on full negotiation by the PARTIES for its composition, and, therefore, when finalized, presupposes that the PARTIES have already approved it.

a).2. The technical specifications set forth in the SHC may never be unilaterally altered by the PARTIES, and, if there are alterations, the same shall be deliberated upon and approved by both PARTIES, and shall be an integral part of the agreement as a contractual document after approval.

a).3. The SHC is a contractual document, which shall bring all the technical specifications of the CONTRACTUAL PRODUCT, which shall be fully complied with by the SUPPLIER.

### **b) PPAP (PROCESS OF APPROVAL OF PRODUCTION PART)**

b).1. PST, at any time, may require from the SUPPLIER submission of the CONTRACTUAL PRODUCT to the Process of Approval of Production Part – PPAP.

b).2. The approval process shall be governed in the terms of the Quality Manual for Suppliers, attached hereto.

b).3. If the SUPPLIER does not obtain approval in the PPAP, PST may terminate this agreement, without the application of the fine of the penal clause.

### **c) THE QUALITY MANUAL FOR SUPPLIERS**

c).1. The SUPPLIER shall fully comply with the rules and conditions established in the Quality Manual for Suppliers.

c).2. If the SUPPLIER does not comply with the Quality Manual for Suppliers fully, PST may apply the penalties contemplated herein, in addition to being able to terminate this agreement, the penal clause being applied.

c).3. The Quality Manual for Suppliers is revised periodically, and after any new revision, the SUPPLIER shall receive a new version of the Manual herein. **The new version may be sent, among other means, by e-mail. Within 7 (seven) running days after remittance of the Manual, if the SUPPLIER does not manifest its opposition or agreement, the Quality Manual for SUPPLIERS shall be considered tacitly approved.**

c).4. The manifestation of opposition to the Quality Manual for Suppliers by the SUPPLIER shall be substantiated so that PST may evaluate the reasons of the opposition. If PST deems that the manifestation has grounds, the SUPPLIER may supply the CONTRACTUAL PRODUCT in the terms

of the Quality Manual for Suppliers prior to the new version. Otherwise, PST may terminate this agreement, without the application of the fine of the penal clause.

#### **4. REQUEST OF MATERIALS**

4.1. PST, at its sole discretion, shall use the following means of request of the CONTRACTUAL PRODUCT:

4.1.1. Purchase Order: PST shall issue a purchase order taking into consideration the lead time informed by the SUPPLIER to PST. The purchase order issued by PST shall set forth: a) the list of CONTRACTUAL PRODUCTS to be supplied, with their respective Technical Specifications, quantities and scheduled dates; b) prices and taxes accruing; c) data of the PST to issue a bill of sale; d) Location of Delivery of the materials; e) term of delivery of the materials;

4.1.2. Remittances Program: The Remittance Program contemplated a previous schedule of acquisitions of the CONTRACTUAL PRODUCT, and which is provided and updated periodically by PST. The periodicity of updating of the schedule of acquisitions of the CONTRACTUAL PRODUCT shall be agreed by the PARTIES.

4.2. Any advance of delivery of the CONTRACTUAL PRODUCT greater than 5 (five) business days of the term of delivery shall be previously authorized in writing by PST;

4.3. Upon receiving the Purchase Order and/or Remittance Program, the SUPPLIER shall have 2 (two) business days, from receipt, to manifest any opposition to compliance therewith, which shall be made in writing and be substantiated. The term having elapsed without opposition, the SUPPLIER undertakes automatically to comply with the terms of the purchase order and/or Remittance Program.

4.4. The SUPPLIER shall inform the Logistics Department of PST all and any shipment of CONTRACTUAL PRODUCT, confirming the respective date of shipment, list of CONTRACTUAL PRODUCT and quantities involved.

#### **5. PURCHASE SCHEDULE**

5.1. If requested by the SUPPLIER, PST shall provide a Purchase Schedule which shall set forth an estimate of the quantity of CONTRACTUAL PRODUCT which shall be acquired for the subsequent months.

**5.2. Because it is a mere estimate, the Purchase Schedule shall not be considered as a commitment of acquisition of the CONTRACTUAL PRODUCT by PST to the supplier, only a mere informative document of guidance, with the exception of the acquisitions pointed out as commitment of acquisition.**

5.2.1. The Purchase Schedule for acquisitions made by the Remittance Program shall contain the estimates of acquisition with estimates of quantities (“estimate of acquisition”) and the acquisitions with the quantities in which PST undertakes to make acquisitions (“commitment of acquisition”) from the SUPPLIER.

5.3. The Purchase Schedule shall be provided to the SUPPLIER in a periodicity defined by the PARTIES.

5.4. For the extraordinary deliveries of CONTRACTUAL PRODUCT, the conditions shall be negotiated punctually by the PARTIES.

5.5 The SUPPLIER needs to have a risk assessment process in place to identify areas within the supply chain that could affect the ability to meet PST’s requirements as well as develop a contingency plan that would be implemented in the event of a deviation or disruption from the normal business process.

#### **6. SAFETY INVENTORY**

6.1. The SUPPLIER shall maintain a safety inventory of at least 20% (twenty percent) of CONTRACTUAL PRODUCT, or another percentage negotiated by the PARTIES, and the SUPPLIER be released from this requirement – safety inventory – with the express authorization of PST.

6.2. PST may conduct an audit, or request information, at any time, on the safety inventory maintained by the SUPPLIER.

6.3. If the safety inventory is below the aforementioned level, the SUPPLIER shall inform PST immediately.

## **7. DISCONTINUATION**

7.1. PST, at its sole discretion and at any time, may cancel the Purchase Schedules or Remittances Programs, with the exception of the following situations:

7.1.1. Purchase Order: PST shall guarantee the payment to the SUPPLIER if the purchase order cannot be cancelled, in function of the period between the request of cancellation and the remittance date being smaller than the lead time informed.

7.1.2. Remittances Program: Purchases contemplated for the 30 (thirty) days subsequent to the date of cancellation, and also quantities of CONTRACTUAL PRODUCT indicated as commitment of acquisition may not be cancelled.

7.1.3. Any other agreement on the cancellation of purchase orders and remittances shall be accepted, provided that negotiated and approved by both PARTIES.

## **8. PRICES, FISCAL PROCEDURES AND ISSUANCES OF BILLS OF SALE**

8.1. The SUPPLIER shall inform, clearly and objectively in its quotations, the following conditions of supply of the CONTRACTUAL PRODUCT, without exception: a) Unit price and currency; b) All the accruing taxes, with their respective percentages; c) Fiscal classification of the material; d) Lead Time; e) Location of delivery; f) Term of payment; g) Financial charges; h) Minimum batch of purchase; i) Minimum quantity per package; j) Type of package; l) Full name and code of the manufacturer of material; m) Description / technical characteristics of CONTRACTUAL PRODUCT; n) Exchange rate used for conversion of currency (in the cases of CONTRACTUAL PRODUCT quoted in foreign currency and invoiced in domestic currency); o) Number and date of quotation; p) Person in charge of the quotation and respective title;

8.2. The SUPPLIER shall issue a bill of sale with the price, quantities and lead time set forth in the quotation, under penalty of PST: (i) Rejecting the receipt of the CONTRACTUAL PRODUCT or (ii) Receiving the CONTRACTUAL PRODUCT, but complying with the conditions specified in the Quotation Approval.

8.3. The SUPPLIER shall issue bills of sale, according to the legislation in force, there being compliance including with the requirements of SUFRAMA, for materials intended for the unit of PST in Manaus-AM.

8.4. In the case of national supply intended for the unit of PST in Manaus-AM, the SUPPLIER shall be responsible for following up on internment of all the bills of sale issued to SUFRAMA (Manaus Free Zone Superintendence), and for such its shall make its registration with this body and comply with the determinations present in the ordinances issued by it. The SUPPLIER shall inform to PST on any problem which comes to occur during such process of internment of bills of sale.

8.5. The SUPPLIER undertakes to comply with all the fiscal and tax legislations which involve the supply of products to the ZFM (Manaus Tax Free Zone), including all the ordinances of SUFRAMA. The SUPPLIER declares to assume all responsibility, including financial, on any losses which have been caused by adoption of incorrect procedures according to the aforementioned legislations and ordinances.

8.6. The SUPPLIER shall include in the bills of sale the following information: a) Exchange rate used for the conversion of quotation in foreign currency and invoicing in domestic currency; b) PST Code of Material (*Part Number* PST); c) Number of purchase order issued by PST; d) Respective number of the item within the purchase order issued by PST; e) Observations required by the Tax Authorities, such as: values of deduction of ICMS, values not collected of PIS/COFINS (Social Integration Program/Contribution for Social Security Financing) for the supply of materials to the Manaus Tax Free Zone, all the legal texts relating to tax incentives granted by the State; f) Registration of PST at SUFRAMA;

8.7. If PST does not comply with the payment of the amount by the date of its respective maturity, it shall be subject to the payment of a fine of 2% (two percent) on the value in arrears, restatement according to the variation of the IGPM-FGV (General Market Price Index of FGV) and interest of 1% (one percent) per month. **The SUPPLIER may only apply the fine of the penal clause, if PST delays cumulatively 3 (three) consecutive payments.**

8.8. The SUPPLIER undertakes to: a) not sue PST for lack or delay of payment without prior formal notification to PST; b) issue the collection referring to the CONTRACTUAL PRODUCT in a Financial Institution; c) If there is negotiation of title where PST figures as drawee with *Factoring*, previously inform the name of the Company.

## **9. NONCONFORMING CONTRACTUAL PRODUCT AND DIVERGENCE OF QUANTITIES**

9.1. Upon identification of nonconforming CONTRACTUAL PRODUCT, PST, at its sole discretion, considering the criticality of consumption of this CONTRACTUAL PRODUCT, may adopt one of the procedures below:

9.1.1. Return: PST shall notify the SUPPLIER about the nonconforming CONTRACTUAL PRODUCT and (i) will refuse to receive it or (ii) shall return it, the penalties specified in this agreement being applied to the SUPPLIER. Subsequent to the notification of PST about the identification of the nonconforming CONTRACTUAL PRODUCT, the SUPPLIER shall provide for its immediate substitution.

9.1.1.1. The SUPPLIER shall always substitute immediately the nonconforming CONTRACTUAL PRODUCT, even if it has not received it for analysis or inspection.

9.1.2. Rework: After identification of the nonconforming CONTRACTUAL PRODUCT, PST shall notify the SUPPLIER. PST, at its sole discretion, may submit the nonconforming CONTRACTUAL PRODUCT to rework, SUPPLIER being imposed the penalties specified in this agreement.

9.2. If there is divergence in the quantity of CONTRACTUAL PRODUCT received compared to the QUOTATION APPROVAL, PST shall notify immediately the SUPPLIER, who shall provide immediately the complementation, assuming in full the costs inherent to this complementation.

9.2.1. PST reserves the right to withhold the payment referring to the quantity of CONTRACTUAL PRODUCT not sent, until the effective receipt, at which time PST shall check if the complementation was made correctly proceeding with the payment.

9.2.2. If SUPPLIER sends a quantity of CONTRACTUAL PRODUCT above that contemplated in the Quotation Approval, PST, at its sole discretion, may request to the SUPPLIER the immediate removal of this surplus of CONTRACTUAL PRODUCT from its facilities, or, alternatively, PST may negotiate with the SUPPLIER the purchase of this CONTRACTUAL PRODUCT.

## **10. GUARANTEE**

10.1. The SUPPLIER, in the terms of the law, assumes full responsibility for the materials to be supplied as a result of this agreement, undertaking to deliver them in strict compliance with the technical specifications of SHC, including assuming responsibility for their suppliers.

10.2. In the cases where the SUPPLIER only distributes materials from other manufacturers, the SUPPLIER guarantees that it will supply only CONTRACTUAL PRODUCT of the respective suppliers previously approved by PST, provided that the SUPPLIER is in condition of evidencing formally the origin of the CONTRACTUAL PRODUCT.

**10.3. All the CONTRACTUAL PRODUCTS supplied to PST shall be guaranteed by the SUPPLIER for a period equal to the term of guarantee offered by PST to its Customers.**

## **11. PENAL CLAUSE**

11.1. The party that adversely affects the other in no compliance with any clause above is obliged to reimburse the adversely affected party in the exact



proportion of the damage caused, in addition to a fine of 20% (twenty percent) of the amount of the commercial transactions made by PST and the SUPPLIER in the retroactive period of 1 (one) year counting from the date of the breach.

## **12. PENALTIES TO THE SUPPLIER AND REIMBURSEMENT OF LOSSES**

12.1. All and any breach by the SUPPLIER of the clauses of this instrument, as well as its contractual documents and attachments shall lead to the application of the penalties, in addition to reimbursement for losses and damages.

12.2. The SUPPLIER shall be penalized in the situations listed below, but not limited to: (i) Nonconforming contractual product; (ii) Delay in delivery of the contractual product; (iii) Receipt of quantities different from those indicated in the purchase order/remittances program or schedule of purchases by PST; (iv) Any situation resulting from the supply which imposes loss on PST.

12.3. The penalties shall be applied to the SUPPLIER shortly afterwards the verification of nonconformity, or of the problem that caused the loss to PST, whereas the identification may occur at any time, i.e., from the act of delivery of the CONTRACTUAL PRODUCT until the use of the CONTRACTUAL PRODUCT by the customer of PST.

12.4. The rates of the fines may vary between 1% and 100%, and PST may choose exclusively the rate to be applied, and which may be applied based on (i) the total value of the supply relating to the 12 months prior to the offense or (ii) the total value of the losses borne by PST. The losses may be resulting from, but not limited to: (i) shutdown production line; (ii) materials used to remedy the problem; (iii) reparation of machines, equipment or components damaged in function of the use of nonconforming CONTRACTUAL PRODUCT; (iv) overtime spend by PST to remedy the problem; (v) extra freight; (vi) reworks; (vii) mistaken fiscal classification or insufficiency of tax; impossibility of new business or disqualification of PST by its customer as supplier;

12.5. Upon every new offense by the SUPPLIER, which does not lead to termination of this

agreement, the SUPPLIER shall be disqualified in the system of performance evaluation of suppliers of PST.

12.6. PST shall present the statement of calculation of the penalties and/or reimbursement for losses and damages to the SUPPLIER, if it is thus requested.

**12.7. The collection of penalties and/or reimbursements for losses and damages shall occur upon issuance of debit note with discounts in trade bills to fall due. When the values relating to the penalties or reimbursement for losses and damages are greater than the values of the trade bills to mature, the form of payment shall be negotiated by the PARTIES. Occasionally, another form of collection may be negotiated by the PARTIES.**

12.8. The recurrence of the breach committed by the SUPPLIER may be the cause of termination of this agreement, with application of the fine of Clause 11.1.

12.9. The penalties to the SUPPLIER shall not be applied in the cases where the loss is directly or indirectly related to natural phenomena, tornadoes, earthquakes, storms, lightning, etc., or events not controlled by any of the PARTIES, such as strike of employees linked to services of governmental inspection.

## **13. EFFECTIVENESS AND TERMINATION**

13.1. This agreement shall be effective for an indefinite term, while the supply of materials of the SUPPLIER to PST lasts.

13.2. This agreement may be terminated by any of the PARTIES, at any time, upon prior notice, in writing, addressed to the other party at least 90 (ninety) days in advance.

## **14. OTHER PROVISIONS**

14.1. This agreement substitutes all and any other contract and/or agreement and/or order which may have existed and/or been exchanged and/or formalized and/or signed by the PARTIES, relating to the supply of goods and materials.

In witness whereof, the PARTIES execute this agreement, being bound for themselves and their successors on any account, in 02 (two) counterparts of equal tenor and form, with two witnesses, countersigning all the counterparts.

Campinas, June 1<sup>st</sup> 2012.

**GENERAL CLAUSES AND CONDITIONS OF CONTRACTING FOR THE SUPPLY OF GOODS AND/OR PROVISION OF SERVICES TO THE COMPANIES OF GROUP PST (CCGC/PST)**

This instrument establishes the General Clauses and Conditions of Contracting (CCGC), whose observation and compliance with by the **SUPPLIER** constitute requirements so that the latter act as supplier of goods and services to **PST ELETRÔNICA LTDA**. Both parties are already identified in the introduction page which, with these CCGC, with the Specific Clauses and Conditions of Contracting (CCEC) and other documents mentioned therein and attached to these instruments, constitute all the obligations and rights assumed and attributed reciprocally and form the agreement.

**1. DEFINITIONS.**

**1.1. Confidential Information:** there shall be considered as confidential information all those transmitted by any of the PARTIES upon warning, by any means, that they are secret or confidential, such as, but not limited to reports, inventions, discoveries, research projects, fabrication technological data, schemes, drawings, flowcharts, industrial drawings, source codes, e-mails, images, economic-financial data, administrative documents, cost spreadsheets, contingencies, strategic plans, data on the formation of prices, developments, derivations, analyses, conciliations, studies and any other information which denotes technical knowledge or competitive advantage.

Sole §: in addition to the information recorded as confidential, there shall also be considered as such any information of a financial or personal nature of the partners, administrators and employees of any of the PARTIES.

**1.2. Intellectual Property Rights:** are all and any patents, utility models, rights over projects, copyrights, or rights to make copies (including any rights on software and computer programs), right over databases or topographic rights (regardless of any of these being or not recorded and including the requests for registration relating to any of these rights), as well as any rights or forms of protection of a similar nature, or which has an equivalent or similar effect to any of these rights, which may exist anywhere in the world.

**2. ASSIGNMENT OF RIGHTS**

**2.1.** It is prohibited to any of the PARTIES to assign, on any account, the rights and obligations contracted between them without prior and express consent by the other PARTY.

**3. OBLIGATIONS OF THE SUPPLIER**

**3.1.** Supply to **PST**, whenever requested by any means, information, technical documents and clarifications relating to the performance of the Agreement.

**3.2.** Maintain updated and in full force, with the area of supplies of **PST**, its corporate documents and other registration data.

**3.3.** Bear with the assessments under its responsibility for normative force, applicable to the purpose contracted, of a federal, state and municipal nature, as well as assume responsibility for the tax offenses resulting from the performance of the Agreement, authorizing **PST** to withhold any amounts not collected or unduly collected, as soon as the irregularity is evidenced.

**3.4.** Assume responsibility for the obligations that it comes to contract before third parties, during and by virtue of the performance of the Agreement, releasing **PST** from any responsibilities resulting from this fact.

**3.5. The SUPPLIER declares its absolute understanding that no value shall be paid, on whatever account, while this instrument is not signed and not delivered to PST. Therefore, even if performs any services or makes any deliveries, the obligation of payment by PST shall only begin when this instrument is signed and delivered for its steps to be taken.**

**4. OBLIGATIONS OF PST**

**4.1.** Make the payments due on the date covenanted, as determined in the Specific Clauses

and Conditions of Contracting, unless there are inconsistencies in the information of the bill of sale or invoicing, a fact that shall lead to formal communication by **PST** to **SUPPLIER** and to the postponement of the date of payment without any accrual or fine, interest or monetary indexation.

**4.2.** Guarantee that the conditions of supply are always compatible with the agreement executed and make its best endeavors to remedy such irregularities notices and formally communicated by the **SUPPLIER**.

## **5. OBLIGATIONS OF THE PARTIES**

**5.1.** Maintain the understanding among themselves always in writing, with the exception of the cases determined by urgency of the measures, whose verbal understandings shall be confirmed in writing.

**5.2.** Assume responsibility for the indemnity for direct or indirect damages, which, with evidence and by virtue of the performance of this Agreement, through negligence or willful misconduct, it causes to the other PARTY or to third parties foreign to the contractual relationship.

**5.3.** Observe good commercial and business practices and always formally communicate to the other PARTY situations where inappropriate attitude and conduct by its representatives and agents are verified.

## **6. LABOR RELATIONS**

**6.1.** The **SUPPLIER** shall rigorously follow the labor regulations, maintaining absolutely in good standing the payment of salaries and of all the labor charges due as a result of its condition as employer. The same observation of labor relations shall occur in relation to third parties directly involved in the supply contracted herein.

**6.2.** This agreement does not generate any labor relationship between the PARTIES. The **SUPPLIER** undertakes to indemnify **PST** for any legal action which the latter comes to sustain as a result of labor claims filed by its employees or subcontractors and which involve **PST**.

**6.3.** In the cases where **PST** is administratively or judicially sued as subsidiary or joint party responsible for the employees, agents or third parties subcontracted by the **SUPPLIER**, **PST** shall be entitled to withhold 10% of the payment due to the **SUPPLIER** and deposit such amount in a current account, repeating this procedure at each payment due to **SUPPLIER**, until the total value involved in the claim has been withheld and it may offer to **PST** the guarantee that it shall not sustain equity losses resulting from these claims. In the event of transit in rem judicatum of a labor action, **PST** is hereby authorized to use this amount to settle the lawsuit, if **SUPPLIER** does not do so. In the event of the lawsuit being groundless with transit in rem judicatum, **PST** shall release immediately the amounts withheld in favor of **SUPPLIER**.

**6.4.** **SUPPLIER** shall answer the labor claims filed by its employees, agents or subcontractors which, directly or indirectly, involve **PST**. It shall also supply all the documents and information necessary so that **PST** may elaborate its defense and cause itself to be represented in court. It shall further plead, in its first manifestation of defense in the procedural records, the exclusion of **PST** from the dispute. If the exclusion does not occur, **SUPPLIER** shall bear with all the costs relating to the expenses in which **PST** incurs as a result of the lawsuit, including but not limited to lawyers' fees, legal costs, expert examinations and others.

**6.5.** Upon expiry of the contractual effectiveness or in the event of termination of the Agreement, **SUPPLIER** shall evidence its labor regularity to **PST**, by presenting the relevant certificates. **PST** is granted the right to withhold the sums due to **SUPPLIER** on any account, in the cases where the latter does not evidence the effectuation of the payment of all the labor charges in the legal period.

## **7. OCCUPATIONAL SAFETY AND MEDICINE.**

**7.1.** **SUPPLIER** shall comply with all the requirements imposed by the federal, state and municipal legislations, with respect to occupational safety, hygiene and medicine, particularly those pertaining to Law No. 6.514, of December 22, 1977

and Ordinance No. 3.214, of June 08, 1978, where the Regulating Rules – NR, are contained.

**7.2. SUPPLIER** is responsible to observing the Regulating Rules mentioned above, as well as the consequences deriving from no compliance therewith, both regarding its employees and its contractors.

**7.3. SUPPLIER** shall be responsible for all labor accidents/occupational illnesses, observing the Occupational Safety, Hygiene and Medicine Rules, according to the legislation in force, related to the persons directly or indirectly employed by it to perform the purpose of the agreement.

## **8. SOCIAL SECURITY**

**8.1. SUPPLIER** shall comply with all the determinations of the Social Security, evidencing settlement of the obligations related to Law No. 8.212/91, the Service Orders issued by the INSS and subsequent alterations, as well as the other legal rules that govern the matter, especially regarding the presentation of the documentation and certificates required and necessary.

**8.2.** As a condition of payment and under penalty of withholding of the sums due, **SUPPLIER** shall present to **PST**, whenever formally requested, by the tenth day of each month, with the invoice of services performed, payroll listing all those involved in the provision of services and authenticated copies of documents that evidence full payment of the salaries, FGTS Collection Form (FGTS), Form of Information to the Social Security (GFIP) and Form of Collection of Social Security (GRPS). When requested, **SUPPLIER** shall have fifteen running days to present the documents or information.

## **9. QUALITY CONTROL**

**9.1.** Quality inspection and control shall be performed by a representative designated by **PST**, and **SUPPLIER** shall, for such, permit access, at any time and regardless of any prior notice, to the control of materials, products and equipment used in the supply, enabling the control and appreciation of the quality of the same.

**9.2.** The verification of faults and/or deficiencies in the supplies of goods and performance of services shall lead to warning to the **SUPPLIER**, who shall make its best endeavors to remedy them within a reasonable period. If such faults and/or deficiencies persist, this agreement shall be terminated, without prejudice to eventual fines and reparation to **PST**.

## **10. CONFIDENTIALITY**

**10.1.** Except for prior written authorization by **PST**, **SUPPLIER** undertakes to maintain, under utter secrecy, the CONFIDENTIAL INFORMATION of **PST**, of companies linked to it and of its customers, to which it has access as a result of this relationship of supply. It is expressly prohibited, directly or indirectly, to disclose, assign or transfer, on any account and in any way, the CONFIDENTIAL INFORMATION, or use it for purposes other than the performance of the activities incumbent upon it, in the terms of this instrument, under penalty of responsibility for losses and damages, as well as of termination of any contractual legal relationship in force between the PARTIES.

## **11. INTELLECTUAL AND INDUSTRIAL PROPERTY**

**11.1.** The Parties retain individually their respective intellectual and industrial property rights of the works created, developed or modified during the effectiveness of this Agreement.

**11.2.** No intellectual and industrial property right currently existing, or which comes to be acquired or licensed by a Party, shall be granted to the other Party, with the exception of eventual licenses of use or of systems jointly developed by the Parties to regulate the performance of this Agreement.

**11.3.** Each Party shall be responsible, at no additional cost to the other Party, for obtaining the licenses relating to the intellectual and/or industrial property right of third parties, used to comply with their respective obligations in this Agreement.

## **12. SEVERABILITY.**

**12.1.** If any term of this instrument, of the CCEC or of any other instrument is considered illegal, invalid or unenforceable, as a result of any laws, all the other terms and conditions established shall not be affected by this fact. The **PARTIES** agree to substitute the obsolete term by provisions which have the same effect or similar meaning, or by at least the nearest possible to the economic purpose initially agreed by the **PARTIES** through such terms.

### **13. EXTINCTION OF THE AGREEMENT.**

**13.1.** The Agreement may be extinguished due to the following motives:

**a)** When any provisions of this agreement are not complied with and, especially, the Clauses of this document of General Clauses and Conditions of Contracting PST (CCGC/PST) and its attachments.

**b)** By undue appropriation of intentional deterioration of goods by employees of both Parties, or employees of subcontracted companies, as well as adulteration of any document, without prejudice to eventual losses and damages being verified.

**c)** By undue use of the name, brand or trademark, patent or any other form of intellectual property of the other Party or of third parties.

**d)** In the event of requirement of judicial recovery or bankruptcy of one of the Parties, provided that they impact the performance of the contractual purpose.

**e)** When **SUPPLIER**, through its responsibility, does not begin the performance of the services on the date established in the Agreement or abandons the performance of the services, without prior justification accepted by **PST**.

**f)** When the results of the evaluations do not reach the minimum parameters to assure the quality of the supplies, including as detailed in a Commercial Proposal or Agreement.

**g)** By the other motives described in the CCEC.

### **14. GENERAL PROVISIONS**

**14.1.** As of the execution of the Agreement, any alteration of the contractual conditions stipulated, especially those that affect the contractual purpose, prices and financial conditions, shall be made by contractual amendment.

**14.2.** Failure to exercise by the Parties rights guaranteed by Law or by the Agreement, with the respective applicable documents, shall not represent waiver or novation, the Parties being able to exercise them at any time.

**14.3.** All the notifications by one Party to the other shall be sent so that its effective receipt by the other party is assured. For all effect, the domiciled declared in the Agreement are established as domiciles of the Parties, and any change of domicile shall be immediately informed to the other Party.

**14.4.** The Parties declare and recognize that they are companies that are totally independent from each other, so that no provision of this Agreement may be interpreted so as to create any employment relationship among the Parties, as well as the employees of a Party and the other Party.

**14.5. The PARTIES guarantee and declare that the execution and formalization of this agreement were duly authorized by all the respective corporate acts, and that signed and formalized, it shall constitute a legal, valid and binding obligation of the PARTIES, enforceable according to its terms and relevant legislation.**

**14.5.** The Parties elect the Forum of the Judicial District of Campinas – SP, as competent to resolve any conflict of interests which may arise as a result of this Agreement, expressly waiving any other, however privileged it may be.

**PST ELECTRONICS®**

IN WITNESS WHEREOF, **PST** and **SUPPLIER**, binding themselves and their successors on any account, execute this agreement in 02 (two) counterparts of equal tenor, countersigning all of its pages, so that they integrate it in the manner necessary:

Campinas, June 1st, 2012.