



BRAZILIAN NAVAL COMMISSION

TERMS AND CONDITIONS

1. DEFINITIONS: As used in this Purchase Order, the following terms shall have the meanings given to them below:

1.1 The Term "Buyer" shall mean the Government of Brazil for and on behalf of the Republic of Brazil acting through its Brazilian Naval Commission.

1.2 The term "Seller" shall mean the legal entity to which this Purchase Order is issued.

1.3 The term "P.O." shall mean this Purchase Order.

1.4 The term "Product" shall mean any good(s) or service(s) covered by this P.O.

1.5 The term "complete" or "completion" shall mean finishing a product or service in accordance with the applicable specifications or requirements, provided that any Product that does not conform to applicable specifications or requirements, or that is deficient or contains defects that would require to be corrected to be accepted, will not be deemed to have been accepted until such Product is corrected, repaired, or replaced so that the Product then conforms to applicable specifications or requirements identified on the face hereof or in any expressly incorporated attachment hereto.

2. ACCEPTANCE: BUYER is hereby ordering the Products identified on the face hereof, subject to each of the following Conditions:

2.1 Unless it has already been withdrawn by Buyer, this P.O. can be accepted only by either (a) signing and returning the acknowledgement of this PO prior to the specified delivery date; or (b) delivering the Products ordered by the specified delivery date; and

2.2 This P.O. may be accepted only on the precise Terms appearing on the face of the pages of this Purchase Order and its attachment(s). BUYER does not agree to any proposed addition, alteration or deletion by SELLER of the Terms Herein. These Terms and Conditions can only be altered in writing and signed by BUYER. Any failure of SELLER to acknowledge this order or any written statement from SELLER that is not agreed in writing by BUYER shall not alter, add to, or otherwise affect these Terms and Conditions. All conflicting or Additional Terms are objected to, and not assented to.

3. OBJECT: The Object of this Purchase Order is described in the body of the "Purchase Order".

4. PRICES: Unless otherwise specified on the face of the P.O., prices are firm-fixed prices under FCA trade term according to Incoterms 2010. Seller warrants that prices charged for the items are not higher than those charged to any other customer for items of like grade and quality in similar or lesser quantities. The P.O. price is also inclusive of all charges for boxing, crating, storage, dunnage, bundling, packaging, handling and all other charges, whether similar or dissimilar, unless otherwise indicated on the face of this P.O.

5. INVOICE: Invoices issued by Seller must conform strictly to this P.O., and any amendment hereto agreed to and signed by the Buyer with regard to Order Numbers, Part Numbers, Description and Condition of Material, Unit, prices, Quantities, etc. No deviations whatsoever in the invoice, as compared with the entries shown on this P.O. and amendment hereto agreed to and signed by the Buyer, shall be accepted by the Buyer unless so approved and processed by the Buyer.

6. PAYMENT: By Brazilian Government laws, Payment Terms will be "net 30 days" after Buyer receives the Invoice, proof of delivery, packing list and copy of export license or declaration that it is not required at his headquarters in Washington DC. When the parties agree in more than one payment, the amount for each payment will be payable within 30 days from the receipt of the invoice and all necessary documents tied to the specific payment.

7. PACKING AND SHIPMENT: All Products shall be packaged and packed in accordance with common carrier requirements to ensure safe arrival at their destination and secure the lowest transportation cost. Buyer's P.O. and item numbers, and symbols, must be plainly marked on all invoices, packages and shipping orders.

7.1 If Seller encounters or anticipates difficulty in meeting the delivery schedule, Seller shall immediately notify Buyer in writing, giving all pertinent details (including stating the cause(s) and the Seller's efforts to eliminate or diminish the effect of those causes).

7.2 If any such failure or delay lasts for more than 90 days, the other party may terminate the P.O. by giving notice to the party so excused. In the event of such termination, the affected party shall not be liable for damages to the extent attributable to such excused failure or delay.

8 SHIPPING INSTRUCTIONS: The object of the Purchase Order must be delivered in one (1) batch, according to terms FCA-Sterling, VA, unless otherwise specified and approved by buyer, as per Incoterms 2010 and as per delivery schedule set forth on the PO.

8.1 See marking instructions and shipping address on the face of the PO.

8.2 It is understood and agreed that Buyer will inspect the Products upon their arrival at destination in Brazil. At this inspection in Brazil the Buyer shall have the right to reject any Products that are defective in material or workmanship or otherwise not in conformity with the requirements of the P.O. In the event of such rejection, the Buyer shall have the right to require the Seller to replace at the Seller's own risk and expense, the rejected items or lots in order that the Products furnished will be in strict conformity with applicable specifications and requirements. In this case, after notice of rejection the Buyer shall return the rejected items to Seller who shall bear the costs of return of the rejected items.

9. DEFAULT:

9.1 In the event of a material breach by either party of its obligations under the P.O., or, in the case of the Seller, non-delivery of conforming products (goods or services) in accordance herewith, the aggrieved party may, but is not required to, terminate the P.O. for default in whole or in part, and seek the remedies as set forth below.

9.2 Buyer may terminate the P.O. in whole or in part for Seller's default by written notice to Seller. If Buyer terminates the P.O. in part, Seller shall continue performance of the P.O. to the extent not terminated.

9.3 In the event of termination for Seller's default, Buyer shall have all remedies provided in the P.O. and all rights and remedies available under applicable law. The rights and remedies of Buyer under the P.O. are cumulative with, and in addition to, all other rights and remedies available under applicable law.

10. AMENDMENTS: The P.O. shall be changed only by means of written Amendment to the P.O., dated and signed by the Seller and the Buyer.

11. NOTICES: All notices required or permitted to be given hereunder shall be in writing and shall be deemed to be properly given if delivered personally or sent by email and acknowledged by the other party or by express mail with tracking number to the addresses set forth on the face of the P.O., with postage thereon fully prepaid. The effective time of notice shall be at the time of mailing.

12. GOVERNING LAW: This Purchase Order is governed by the laws of District of Columbia, USA. The Buyer and Seller agree that the rights and obligations under this Contract shall not be governed by the U.N. Convention on Contracts for the International Sale of Goods, being its application expressly excluded. Any controversy or claim arising out of or relating to this Contract will be determined in accordance with the laws of the District of Columbia, USA, and Buyer and Seller will submit to the federal courts sitting in the District of Columbia.

13. EXPORT LICENSES: required for the export of the products from USA to Brazil. Seller must obtain all export licenses required before delivery of products. If no validated export license is required, Seller shall provide Buyer with a written declaration that the License is not required.

14. MISCELLANEOUS: The headings and titles to the articles, sections, and paragraphs of the P.O. are inserted for convenience only and shall not be deemed a part hereof or affect the construction or interpretation of any provision thereof. No cancellation, modification, amendment, deletion, addition or other change in the P.O. or any provision hereof, or waiver of any right or remedy herein provided, shall be effective for any purpose unless specifically set forth in writing and signed by the parties. No waiver of any right or remedy in respect of any occurrence or event on one occasion shall be deemed a waiver of such right or remedy in respect of such occurrence or event on any other occasion. The P.O. supersedes all other agreements, oral or written, heretofore made with respect to the subject hereof and the transactions contemplated hereby, and contains the entire agreement of the parties.