

HEATCRAFT DO BRASIL TERMS AND CONDITIONS FOR SALE

DEFINITIONS

"Buyer" shall mean that person, firm or business entity to whom Heatcraft do Brasil Ltda. sells equipment on a non-exclusive basis; "end user" shall mean that person, firm or business entity for which equipment was originally installed; "original purchaser" shall mean that person, firm or business entity for which equipment was originally sold, but not installed; "equipment" shall mean any materials, equipment, product, part, article or item sold by Heatcraft do Brasil to Buyer; "Heatcraft" shall mean Heatcraft do Brasil Ltda.

When used in these Terms and Conditions the term "written" or "in writing" refers to a document signed by both parties or a letter, fax, electronic mail or other means of communication agreed by the parties.

GENERAL CONDITIONS

An order issued by Buyer to Heatcraft is an offer to buy equipment and constitutes acceptance by Buyer of the terms of the proposal issued by Heatcraft to sell equipment to Buyer ("Proposal"). An order is considered valid when accepted in writing by Heatcraft ("Order" or "Orders").

These Terms and Conditions for Sale ("Terms and Conditions") shall apply to all sales of equipment by Heatcraft to Buyer in executing any Orders and may not be added to, deleted, modified or altered except by a written agreement signed by Heatcraft and will be limited to the particular case for which it has been agreed upon.

Accordingly, Buyer expressly waives its general or specific terms and conditions of purchase (whether or not attached to the Orders) which shall in no way be applicable to any sale of equipment subject to the present Terms and Conditions.

Any and all Orders shall be governed by the express terms of the Order, the express terms of the Proposal and, subsequently, these express terms prescribed in these Terms and Conditions. In the event of any inconsistency or discrepancy between the provisions of the Order, the provisions of the Proposal and the provisions in these Terms and Conditions, the terms set forth in any Order shall always prevail, followed by the terms of the Proposal. Should the Order be silent in relation to any aspect, the terms of the Proposal shall prevail, failing which, the provisions of these Terms and Conditions shall come into effect.

The Order, the Proposal and any quotation related to the relevant Order or Proposal, as well as these Terms and Conditions shall constitute the "Contract." When adopted in these Terms and Conditions, the provision stipulating "agreed upon/set forth in the Contract" refers to an agreement stated in any of the documents that form part of the Contract

These General Conditions shall similarly apply to any future agreement entered into between the same parties hereto, unless otherwise agreed in writing by the parties to the contrary.

All Orders for equipment made by Buyer are subject to approval of Heatcraft's plant in São José dos Campos, SP, Brazil.

PRICE AND PAYMENT TERMS

In case of export and provided that no other trade term has been agreed upon in the relevant Contract, the prices are FCA (according to the INCOTERMS in force at the formation of the Contract), port of Santos, SP, Brazil.

In the event of sales within the Brazilian territory and provided that no other trade term has been agreed upon in the relevant Contract, the prices are to make equipment ready for pickup at Heatcraft's plant in São José dos Campos, SP, Brazil.

Unless otherwise agreed upon in the relevant Contract, the prices quoted or specified by Heatcraft do not include the cost of bundling, construction, or installation permits or sales, export/import tariffs, custom duties, excise, value added surcharges or other taxes which are



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now in effect or hereafter levied or the cost of handling and freight. Buyer agrees to bear all such costs including interest and penalties thereon.

Unless otherwise agreed upon in the relevant Contract, payment shall be made by Buyer net 30 days from invoice date.

If Buyer fails to comply with any terms of payment for more than thirty (30) days, Heatcraft reserves the right to withhold deliveries and/or, at its discretion, terminate the relevant Contract, with a notice to Buyer effective immediately, and any unpaid amount shall thereupon become due.

Unless otherwise agreed upon in the relevant Contract, if payment is not made according to the terms stated herein, any overdue amount shall be subject to monetary correction by the positive variation of the IGP-M/FGV index and interest shall be charged on any overdue portion at the rate of 1% per month or the maximum percentage permitted by law from the date the payment became due until such overdue amount is paid in full plus a 10% fine shall be charged and Heatcraft may require a deposit prior to delivery.

If at any time, for any reason, Buyer is unable to pay when due, and in the event it becomes necessary for Heatcraft to incur collections costs, charges and expenses or file a claim to collect any amount due, Buyer shall pay any such additional collection costs, charges, and expenses including reasonable attorney's fees.

LIMITED WARRANTY

Subject to the warranty periods set forth below, Heatcraft warrants that equipment shall be free from defects in material and workmanship under normal use and service. If during the warranty period any equipment fails to meet the herein warranty, Heatcraft will replace it with new or functionally operative equipment, or repair such equipment, at its election, without charge, provided that Heatcraft has provided written pre-authorization to original purchaser or end-user to return such equipment, transportation prepaid by original purchaser or end-user, for inspection and confirmation by Heatcraft that such equipment has failed to meet the Heatcraft's warranty. Heatcraft does not pay for the transportation of the equipment from purchaser or end-user to Heatcraft nor to return the equipment to them.

The term of warranty commences at the date the equipment purchase invoice is issued and remains valid for a period of eighteen months unless the equipment is installed, in which case the term of the warranty will remain valid for a period of twelve months as from the date of installation.

The warranty does not cover equipment which has been subject to any accident, alteration, abuse, misuse, improper installation or operated contrary to the directions, instructions or recommendations of Heatcraft.

The limited warranty is issued only to the end-user within the warranty period, it is not transferable, applies only to equipment installed within South America and is in lieu of all other warranties expressed or implied.

Heatcraft neither undertakes nor authorizes any other individual or company to assume on its behalf any liability not expressly herein stated.



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The equipment's refrigeration system and its component parts, which includes the condensing unit(s), unless same was sold and shipped by Heatcraft, coil(s) and related accessories, are not covered by the limited warranty. Glass is not guaranteed against breakage. Light bulbs and fluorescent lamp tubes are not covered by any warranty for length of life or for any type of breakage.

The limited warranty shall not apply:

- (i) when the equipment or any part thereof has been damaged by fire, flood, Act of God, alteration, accident, abuse, misuse and/or tampering;
- (ii) when the original model and serial number plate has been altered, defaced, or removed or used other than the recommended application by Heatcraft;
- (iii) for errors or ambiguities eventually found in the designs and specifications of the equipment or any part thereof provided by Buyer to Heatcraft;
- (iv) when the equipment or any part thereof is subject to operation on low, high or improper voltages (low and high voltage is defined as more than a 5% drop below or 10% higher than name plate voltage ratings. - Note: Proper field supply voltage to the equipment is the responsibility of the end user or third parties);
- (v) to operational issues caused by high ambient conditions (Note: all Heatcraft equipment are designed to operate in a conditioned ambient below 75 degrees Fahrenheit and 55% relative humidity. Ambient conditions are the responsibility of the end user);
- (vi) when the equipment or any part thereof is damaged, or when operation is impaired, due to improper installation or operation contrary to the directions, instructions, manuals or recommendations of Heatcraft (Note: proper installation is the responsibility of the end user);
- (vii) to the expense of any work or materials including work necessary to remove defective parts or equipment or install repaired or new parts or equipment;
- (viii) to special or expedited freight or shipping charges or to customs duties to any country; and/or
- (ix) if the warranty holder fails to comply with all the provisions, terms and conditions of these Terms and Conditions.

The parts replaced under this limited warranty are warranted only through the remainder of the original warranty.

HEATCRAFT MAKES NO WARRANTY OF MERCHANTABILITY NO WARRANTY OF FITNESS FOR ANY PARTICULAR PURPOSE AND NO WARRANTY OF NON-INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS, NOR DOES IT MAKE ANY WARRANTY, EXPRESS OR IMPLIED, OF ANY NATURE WHATSOEVER WITH RESPECT TO THE EQUIPMENT OR THE USE THEREOF EXCEPT AS IS SPECIFICALLY SET FORTH ABOVE.

Heatcraft shall in no event be liable for any damages or expenses directly or indirectly arising from the use of any equipment including loss of profits, additional labor costs, loss of refrigerant or food products, or injury to person or property. Heatcraft will also not be liable for damage or loss of any products, refrigerant, property or loss of profit due to malfunctioning of any equipment.

Heatcraft will not be liable for any default or delays in performance caused by any events beyond its control including, but not limited to, war, government restrictions or restraints, strikes, short or reduced supply of raw materials, fire, flood, or other act of God.

Heatcraft makes no warranty of any kind, either express or implied to "consumers" as that term is defined by the applicable law.

Warranty shall be void if:



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- (i) the Buyer has not paid all amounts owed to Heatcraft on time in accordance with the agreed dates;
- (ii) the installation or operation of the equipment is not performed properly (Note: proper installation is the responsibility of end user);
- (iii) a defect occurred from incorrect specifications or information supplied by Buyer;
- (iv) the equipment is not stored or handled appropriately by Buyer, end-user or their carriers;
- (v) a defect resulted from damages occurring after delivery of the equipment;
- (vi) a defect was caused by the acts, omissions or negligence of Buyer, end-user or a third party; or
- (vii) the equipment was incorrectly installed, misused, altered by Buyer, end-user or any third-party unless specifically authorized by Heatcraft, or was not maintained properly.

THE FOREGOING IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, NOTWITHSTANDING THE PROVISIONS OF ANY FEDERAL, STATE OR LOCAL STATUTORY OR COMMON LAW.

DELIVERY, SHIPMENT AND TITLE

Unless otherwise agreed upon in the relevant Contract, in case of export, all export shipments are FOB (according to the INCOTERMS in force at the formation of the Contract), port of Santos, SP, Brazil and, in case of sales within the Brazilian territory, the prices are to make equipment ready for pickup at Heatcraft's plant in São José dos Campos, SP, Brazil. The shipping dates, in case export, or delivery dates, in case of sales within the Brazilian territory, shall be computed from the date of Heatcraft's receipt of the necessary specifications pursuant to the terms of the relevant Contract.

To avoid congestion and delays in loading, when Heatcraft has the obligation to deliver the equipment outside of its plant in São José dos Campos, SP, Brazil, Heatcraft will select the mode of transportation and routing of shipment originating at Heatcraft's plant to the destination designated by the Buyer. Heatcraft will store packaged equipment for such time as Heatcraft deems reasonable without charge to Buyer. However, a reasonable charge may be made for storage and risk of loss shall pass to Buyer immediately if Buyer fails to furnish delivery instructions within 30 days after Buyer's receipt of notice that Heatcraft is ready to ship/delivery such equipment.

If shipment/delivery and/or installation are delayed by Buyer, and, if due to such delay, Heatcraft should incur a cost increase for equipment and materials, Buyer will be invoiced in the amount equal to Heatcraft's net cost increase.

Unless otherwise agreed upon in the relevant Contract, the equipment will be delivered in accordance with Heatcraft's standard scheduling practices.

Deliveries shall be subject to, and contingent upon any Force Majeure event, including, Act of God, such as, but not limited to strikes, labor difficulties, breakdowns of Heatcraft's plant, machinery or equipment, weather, floods, scheduling conflicts, riot, civil unrest, war, fire, delay or defaults of common carriers, delays, failure or curtailment in Heatcraft's usual sources of supply, delay in custom clearance by the customs, government action or inaction, or without limiting the foregoing, any other delays beyond Heatcraft's reasonable control. While Heatcraft will use its best efforts to inform Buyer of any substantial delays, in no event shall Heatcraft be liable for any loss, cost, or any damages arising from default or delay in filling Orders. Heatcraft shall have the additional right, in the event of the happening of any of the above contingencies, at its option, to cancel, delay or suspend any Order or Contract for sale of equipment or any part thereof without any resulting liability.



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Buyer shall be responsible for timely obtaining any required governmental authorization, such as an export license, import license, exchange permit or any other governmental authorization, even though any such authorization may be applied for by Heatcraft. Buyer and Heatcraft shall assist each other in every manner reasonably possible in securing such authorization as may be required. Heatcraft shall not be liable if any authorization is delayed, denied, revoked, restricted or not renewed.

In the event of export, the risk in the equipment shall pass to Buyer in accordance with the relevant INCOTERM under which the equipment was sold. In the event of sales within Brazil, Buyer shall bear the entire risk of loss, theft, damage or destruction, regardless as to whether or not Heatcraft shall bear the relevant transport costs, from and after the time of delivery of the equipment or any part thereof to Buyer or designated carrier.

Any delivery shall be paid for regardless of other controversies relating to other delivered or undelivered equipment, thus, Buyer, has no right to offset or deduct from any or all sums owed to Heatcraft any or all sums owed by Heatcraft to Buyer, if any.

Title to the equipment remains with Heatcraft until Heatcraft receives payment in full.

CLAIMS AND LIABILITIES

Heatcraft shall not be responsible for consequences of error, omission or neglect in production or delivery.

Except with respect to the limited warranty set forth above, Heatcraft shall not be liable on account of any imperfections, deviations from specifications or standard tolerances or other defect, impairing the quality, value, or suitability for any purpose, of any equipment or part sold hereunder, except in the event of Heatcraft's willful misconduct or gross negligence.

HEATCRAFT'S LIABILITY FOR DIRECT DAMAGES ARISING OUT OF THE DESIGN, MANUFACTURE, SALE OR SUPPLY OF THE EQUIPMENT OR THEIR USE OR DISPOSITION, WHETHER BASED UPON WARRANTY, CONTRACT, TORT OR OTHERWISE, SHALL NOT IN ANY CASE EXCEED THE ACTUAL PURCHASE PRICE PAID BY BUYER FOR THE EQUIPMENT IN CONNECTION WITH THE CIRCUMSTANCE GIVING RAISE TO THE ALLEGED LIABILITY.

The foregoing shall constitute the sole and exclusive remedy of any sale and the sole and exclusive liability of Heatcraft in connection with the equipment or any part thereof. In no event shall Heatcraft be liable for indirect, consequential, special, or contingent damages or loss of profits, or for any other claim or demand whatsoever, other than as provided for in the limited warranty.

Buyer assumes all risk of loss, damage or delay incident to the furnishing of any equipment or part by Heatcraft or the utilization thereof, except to the extent expressly provided above.

Buyer shall fully specify all claimed defects or nonconformity by written notice to Heatcraft within 2 business days after Buyer's receipt of the equipment and Buyer shall give Heatcraft an opportunity to investigate such defect. The equipment claimed to be defective shall not be returned without Heatcraft's prior written consent.

RETURNED EQUIPMENT AUTHORIZED

All drawings and information by Heatcraft shall remain its property and shall be considered its business and trade secrets, received in trust and confidence for the sole purpose of erecting and operating said equipment. Nothing herein may be construed as Heatcraft's consent for the use, disposal or fruition by the Buyer of any intellectual property rights (including, without limitation, any patent, trademark or



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copyright) embodied in or associated with the equipment, unless otherwise agreed upon in the relevant Contract. In any such events, the ownership of the intellectual property of the equipment shall be exclusive of Heatcraft.

Heatcraft equipment may not be returned for credit except upon Heatcraft's written consent, and Heatcraft reserves the right to apply handling and restocking charges on all returned equipment. The amount of such charges will depend upon the condition and sale ability of the returned equipment, at Heatcraft's discretion.

Equipment which are no longer manufactured by Heatcraft or made to special orders may not be returned.

In addition to the terms of the Limited Warranty section, all equipment are sold in accordance with Heatcraft's applicable standard warranty available at [<http://www.heatcraft.com.br/index.php/br/suporte/politica-garantia>] as in effect at the date of shipment, and Heatcraft undertakes no obligations beyond those stipulated therein.

Such warranty is expressly made in lieu of any other warranties, expressed or implied or statutory, including, but not limited to any warranty for merchantability or fitness.

TERMINATION

Without prejudice to any other remedies available under the applicable law, either party shall be entitled to terminate the Contract, by serving a written notice effective immediately to the other party, upon the occurrence of any of the following events:

- (i) if the other party becomes insolvent, or has a receiver of its assets appointed or suffers an execution or distress levied upon its assets or such party is under process of extrajudicial or judicial reorganization or bankruptcy;
- (ii) if an order is made or a resolution is passed for the winding-up or liquidation of the other party;
- (iii) if any discontinuance of business, merger or dissolution (whether such events affect the party itself or the other party) occurs.

If Buyer has failed to pay any amount due to Heatcraft pursuant to the Contract within 30 (thirty) days after the due date, Heatcraft may terminate the Contract by written notice to Buyer and, in addition to interest and penalties on late payment, claim compensation for the loss it has suffered.

Any cancellation of an Order which may be given by Heatcraft following the request of Buyer will be conditioned upon Buyer making immediate payment to Heatcraft for all:

- (i) work completed prior to cancellation at the unit sale price;
- (ii) work in progress on the basis of percentage completion thereof times the unit sales price;
- (iii) raw materials, unamortized tooling, engineering and other cancellation charges incurred by Heatcraft, plus handling and overhead charges.

All cancellation charges are to be determined by Heatcraft at the time of cancellation.

MISCELLANEOUS



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Buyer shall, at its sole expense, obtain and maintain in full force all permits, certificates, and governmental approvals which may be necessary to permit the purchase, resale or use of the equipment or parts thereof.

Buyer may not assign the Contract or any rights or obligations accruing hereunder, in whole or in part, without Heatcraft's prior written consent. Heatcraft may assign any Contract as well as any rights or obligations accruing hereunder, in whole or in part, to any other companies belonging to Heatcraft's economic group or to any third party in connection with the transfer, in whole or in part, of the business to which the Contract refers.

Buyer shall comply with all applicable local and national laws and regulations, including but not limited to Brazilian Anticorruption Law nr. 12.846/13 and its respective Decree nr. 8.420/15, and shall not act in any fashion or take any action that will render Heatcraft liable for a violation of the US Foreign Corrupt Practices Act of 1977 or the UK Bribery Act 2010 (jointly referred to as the "Anticorruption Laws"). If Buyer or any of its representatives violate any of the Anticorruption Laws, Buyer shall promptly and fully indemnify Heatcraft (including its affiliates and their respective representatives) from and against any and all losses, claims, damages, and liabilities (including, without limitation, all actual attorneys' fees and expenses relating thereto) assessed against Heatcraft (including its affiliates and their respective representatives) as a result of violations by Buyer or its representatives of any of the Anticorruption Laws.

The violation of any of the Anticorruption Laws by Buyer will allow Heatcraft, at its sole discretion and without any penalty to Heatcraft, to: (i) immediately terminate the Contract, by sending a notice to Buyer in this regard with immediate effects; or (ii) suspend the effects of the Contract until the conclusion of the investigation related to such violation, by sending a notice to Buyer in this regard with immediate effects.

All sales hereunder shall at all times be subject to the export control laws and regulations of the Brazilian, the United States and the country of destination of the equipment governments. Buyer agrees that it shall not make any disposition, by way of trans-shipment, re-export diversion or otherwise (except as said laws and regulations may expressly permit) of any equipment or parts thereof purchased from Heatcraft other than in and to the ultimate country of destination specified in the relevant Contract and/or declared as the country of ultimate destination on Heatcraft's invoices. Buyer undertakes sole responsibility for obtaining licenses to import/export or re-export as may be required.

The waiver by Heatcraft of any term, provision or condition herein stated shall not be constructed to be a waiver or novation of any other term, condition, or provision hereof, nor shall such waiver be deemed a waiver of a subsequent breach of the same term, condition, or provision, nor shall it be deemed a waiver or novation of any condition in any subsequent order or contract.

Buyer may not cancel or modify any Order, or make any changes in specifications without the express written consent of Heatcraft which will be given in its sole and absolute discretion.

Heatcraft may modify, change or amend these Terms and Conditions upon 30 days prior notice to Buyer.

These Terms and Conditions set forth the entire agreement between the parties with respect to the subject matter hereof, and supersede and expressly revoke all prior or contemporaneous agreements, express or implied, oral or written.

If any term or other provision of the Contract is held to be invalid, illegal or incapable of being enforced for any reason, all other terms, conditions and provisions of this Agreement shall nevertheless remain in full force and effect and shall continue to bind the Parties.



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These Terms and Conditions shall be governed by and construed in accordance with the laws of Brazil (excluding its conflicts of laws provisions). Any dispute, controversy or claim arising out of or relating to these Terms and Conditions, shall be subject to the exclusive jurisdiction of the Courts of the district of São Paulo, State of São Paulo, Brazil.

The United Nations Convention on Contracts for the International Sales of Goods (CISG), applicable in Brazil by the Decree 8.327/2014 as from April 1st, 2014, does not apply to any sale of equipment or parts and the parties hereby waive application of same pursuant to Article VI thereof.