



## 1. GENERAL CONDITIONS

**1.1.** All Purchase Orders placed by PAINHAS, S.A. are governed by these General Conditions of Purchase. Any alteration, variant, condition or addendum to these General Conditions will only be considered valid and effective if it appears on the Purchase Order, Particular Conditions of Order and/or Contract and has been expressly accepted in writing by PAINHAS, S.A.

**1.2.** In the event of any contradiction between these General Conditions of Purchase and the Purchase Order and/or Contract, the provisions of the latter documents shall prevail.

**1.3.** The General Conditions of Purchase of PAINHAS, S.A. prevail over any General Conditions of Sale of the Supplier.

**1.4.** The Supplier accepts these General Terms and Conditions of Purchase from the moment it accepts the Purchase Order. Alternatively, if the Supplier has previously received these General Conditions of Purchase, within the scope of its commercial relations with PAINHAS, S.A., these will be considered, for all intents and purposes, to be known by the Supplier when submitting a quotation for any equipment or material included in this Purchase Order.

**1.5.** By accepting this Purchase Order, the Supplier automatically:

**1.5.1.** Acknowledges that it has in its possession and is fully aware of all the information necessary for the execution of the Purchase Order and that the product/service fully corresponds to what is intended.

**1.5.2.** Acknowledges its ability to carry out the Purchase Order.

**1.5.3.** Waives the right to apply its own General Conditions of Sale.

**1.6.** Any incompatibilities, doubts, errors or omissions in the Purchase Order must be submitted in writing to PAINHAS, S.A. within 5 calendar days of the date of communication of the Purchase Order. The deadlines established and communicated will not be affected by these incompatibilities, doubts, errors or omissions, and therefore will not be altered.

**1.7.** Any proposed changes to the Purchase Order requested by the Supplier must be expressly approved by PAINHAS, S.A. in writing and, if they are made after acceptance of the Purchase Order, may not be carried out by the Supplier without the express written agreement of PAINHAS, S.A., without prejudice to the responsibilities assumed by the Supplier.

**1.8.** Any alteration to the production process, the origin of materials, equipment and services in relation to that defined in the negotiation phase, Purchase Order and/or Contract will only be valid with the written approval of PAINHAS, S.A.

**1.9.** If the Supplier fails to comply with the stipulations of the previous point, PAINHAS, S.A. reserves the right to reject the Materials, Equipment and Services of the Order, with the Supplier being subject to the application of the penalties provided for in point 10 of these General Conditions.

**1.10.** Within the scope of this Purchase Order, there will be no contractual relationship between the end Customer (if it is not PAINHAS, S.A.), and the Supplier and/or its Subcontractors.

**1.11.** Unless otherwise stated in writing by PAINHAS, S.A., the contractual language shall be Portuguese. For all documents contained in the Purchase Order presented in another language, it will be presumed that the Supplier can interpret them, unless otherwise indicated in writing prior to Acceptance.

**1.12.** The General Conditions of Purchase are always updated on the company's official digital site.

## 2. SCOPE OF SUPPLY

**2.1.** The Purchase Order must be fulfilled in strict compliance with the specifications, conditions and quantities set out therein, the Contract and/or other contractual documents, as well as in compliance with the legal rules and regulations applicable to the object of the supply in question.

**2.2.** The Supplier undertakes to communicate in good time any condition that may jeopardize the execution of the Purchase Order in the agreed terms.

**2.3.** In the Purchase Order, all necessary accessories and activities (i.e. detailed engineering, technical information, transportation, unloading and any testing of materials and equipment, among others) are included in the supply, for it to be fully complied with.

**2.4.** Whenever requested by PAINHAS, S.A., the Supplier must participate in person or represented by a qualified and authorized person in meetings relating to the scope of its supply.

**2.5.** The Supplier shall make available to PAINHAS, S.A., at no additional cost to the latter, all materials, documentation or any other activities within the scope of its supply that may be necessary for the correct functioning, operation and/or maintenance of the materials and equipment contained in the Purchase Order, even if not mentioned or fully specified in the Purchase Order and its annexes.

**2.6.** Whenever, within the scope of the Purchase Order, the Supplier's activity is conditioned or constrained by third parties, the Supplier undertakes to cooperate to overcome the resulting difficulties.



**2.7.** The Supplier is obliged to strictly and fully comply with and have its personnel comply with all legislation and regulations applicable to the activity pursued and to demonstrate that it is in possession of all authorizations, licenses and/or approvals that, under the terms of the law and regulations, are applicable to it and are necessary for the pursuit of its activity, as well as for the fulfilment of the obligations arising from the Purchase Order. In addition, the Supplier also guarantees compliance with all general and specific safety regulations, as well as all other specific service conditions in force at PAINHAS, S.A. and communicated to it by the latter

**2.8.** The Supplier shall be fully liable for all damage that may result from non-compliance with the standards.

**2.9.** The Supplier undertakes to provide all the necessary export documentation required by law and/or other documentation requested by Painhas in a timely manner, in accordance with its responsibilities in fulfilling the supply obligations arising from this Purchase Order.

**2.10.** The Supplier undertakes to comply with and follow all the definitions in terms of the technical specifications of the equipment and materials expressed in the Purchase Order (i.e. descriptive document, manufacturing standards and industrial processes, assembly methods, tests and their operation) and in the legally applicable rules and standards, and may not alter them or carry them out in any other way without the written approval of PAINHAS, S.A.

**2.11.** The Supplier undertakes to communicate changes to what has previously been established in the Purchase Order and must provide all the elements necessary to support them.

**2.12.** The transfer of the risk of the subject matter of the Purchase Order takes place with the delivery of the subject matter under the conditions and at the locations set out therein.

**2.13.** The international rules (Incoterms 2020) of the International Chamber of Commerce will be used to interpret the contracted supply conditions.

### **3. ACCEPTANCE OF THE ORDER FORM**

**3.1.** The Purchase Order must be accepted by sending PAINHAS, S.A. a copy of the Purchase Order, in electronic format or on paper, duly signed by the Supplier's legal representative(s) in the corresponding space. However, the delivery, even partial, of any materials, equipment or services covered by this Purchase Order shall be deemed to be acceptance of the same and of these General Conditions, even if said confirmation has not been sent to PAINHAS, S.A.

**3.2.** The Purchase Order and General Conditions of Purchase are deemed to have been accepted if the supplier does not say anything to the contrary.

### **4. PRICES**

**4.1.** Prices are fixed and not subject to revision.

**4.2.** The prices set out in the Supplier's Proposal include all costs and expenses resulting from, or arising out of, the execution of the Purchase Order and/or Contract.

**4.3.** The prices of the supplies include packaging, transportation, loading, unloading and insurance of the goods supplied, delivered to the place indicated by PAINHAS, S.A. on the Purchase Order and/or Contract, as well as the fees and taxes in force.

### **5. STORAGE, WRAPPING AND PACKAGING**

**5.1.** The equipment and materials to be supplied must be duly packaged and numbered by the Supplier so that they can be identified for warranty purposes.

**5.2.** The Supplier shall make available to PAINHAS, S.A., if so requested, together with the equipment and materials supplied, an itemized list of all the items delivered, with information on the respective numbering mentioned in the previous paragraph.

**5.3.** Unless otherwise specified in the Purchase Order and/or Contract, all packaging must preserve the equipment from any deterioration, in accordance with its normal form of storage, for a period of at least 6 (six) months.

**5.4.** PAINHAS, S.A. reserves the right to postpone the dispatch of all or part of the goods. In this case, the Supplier will guarantee their storage and protection at its premises and will be responsible for the goods pending delivery, assuming storage costs for a period of at least 3 (three) months from the specified delivery date.

**5.5.** The Supplier shall not accept any charges for packaging, boxes, wrappings or other storage and transport devices, unless specified in the Purchase Order and/or Contract.

**5.6.** All risks of transportation and conservation of the goods shall be borne by the Supplier up to the time of their delivery to the place indicated, unless any other condition is duly expressed in the Purchase Order and/or Contract.

**5.7.** The Supplier undertakes to provide a detailed delivery schedule, indicating the date, quantity and type of Material / Equipment to be supplied at any given time.

**5.8.** The supplier undertakes to load the containers at its premises or warehouse and must pack this cargo in such a way



as to guarantee the safety of the equipment and materials being transported, maximizing the use of the space available in the containers as far as possible.

**5.9.** Transhipments are not authorized unless there is a written agreement prior to the transfer.

## **6. INSPECTION**

**6.1.** The materials and equipment supplied, as well as their component parts, must be new and free from any defects.

**6.2.** The Supplier is responsible for the partial and overall quality of the materials and equipment supplied.

**6.3.** All goods and merchandise are subject to inspection and approval by PAINHAS, S.A. and will be returned if they do not correspond, in whole or in part, to the specifications on the Purchase Order, and the Supplier must replace them entirely at his own expense and will also be responsible for all costs inherent in their return, repair and replacement.

**6.4.** To be able to carry out, within the scope of the supply, audits, inspections or the verification of materials and manufacturing processes in accordance with the specifications of the Purchase Order, the Supplier will give representatives of PAINHAS, S.A. free access to its facilities, whenever the latter deems it convenient, and PAINHAS, S.A. may be accompanied by the Customer. PAINHAS, S.A. will have the right to refuse any materials or manufacturing processes that do not comply with the established clauses.

**6.5.** Supervision, or the lack thereof, shall in no way diminish the Supplier's responsibility for the Provisional and Final Acceptance of the material.

**6.6.** In the event of any non-conformities within the scope of the Purchase Order, all travel, inspection, dismantling, occurrence identification, assembly, testing and inspection costs incurred within the scope of this Purchase Order shall be borne by the Supplier.

## **7. INSURANCES**

**7.1.** The Supplier shall be responsible for taking out and maintaining in force all the insurance required and necessary for full compliance with the Purchase Order, in accordance with the provisions of these General Conditions, Particular Conditions and/or Contract, so that PAINHAS, S.A.'s position is safeguarded in relation to any loss or damage occurring during the execution of the supply.

**7.2.** The Supplier is obliged to provide PAINHAS, S.A., S.A. with proof of the insurances established under the terms of the previous paragraph whenever it so requests.

**7.3.** If, in the event of non-compliance by the Supplier with

the clauses of this Contract or the law, PAINHAS, S.A., by administrative or judicial provision, has any joint, subsidiary or direct liability to third parties, PAINHAS, S.A. will have a right of recourse against the Supplier, and may deduct the amounts it has paid as a result of this liability from the amounts due to the Supplier or covered by a guarantee provided under this Contract.

## **8. NON-CONFORMITIES**

**8.1.** Non-Conformity proceedings will be raised whenever, at any stage of the execution of the Purchase Order, anomalies, faults, errors, delays, deficiencies, poor or unsuitable packaging for the means of transport used, faults and/or incompatibilities with the technical specifications and Standards in force are ascertained.

**8.2.** The Non-Compliance process will be duly registered by PAINHAS, S.A. and a Complaint will be sent to the Supplier. These occurrences will negatively influence the Supplier's classification in the Supplier Evaluation Process in force at PAINHAS, S.A., and it may be subject to being denied Purchase Orders until it submits to PAINHAS, S.A., in writing, the appropriate justifications and responses to the Complaints, as well as implementing corrective actions to avoid the repetition of the non-conformities identified. Verification of the effectiveness of the implementation of corrective actions must be communicated in writing to PAINHAS, S.A.

**8.3.** The lifting of a non-conformity does not suspend the fulfillment of the Purchase Order in all previously agreed terms.

**8.4.** PAINHAS, S.A. may reject non-conforming materials, equipment or services, also subjecting the Supplier to the penalties or termination provided for in points 9 and 15 of these General Conditions, respectively, or to the corresponding penalties established in the Purchase Order and/or Contract.

## **9. PENALTIES**

**9.1.** PAINHAS, S.A. reserves the right, if the Supplier, for reasons attributable to it, fails to comply with the deadlines set out in this Purchase Order, to apply the penalties, without prejudice to compensation for excess damage and the right to rescind the Purchase Order:

**9.1.1.** Any delay in meeting the deadlines for dispatch and delivery of the equipment, materials and services covered by the order form shall result in a penalty for the Supplier of a daily amount corresponding to 0.5% of the total value of the order form, regardless of whether all or part of the shipment is missing, up to a maximum of 10%.



**9.1.2.** For the purposes of point 9.1.1, shipment means all materials, equipment and PPE ordered by Painhas, S.A. and which must be delivered and/or executed on a date and at a place agreed by both parties.

**9.2.** PAINHAS, S.A. reserves the right to deduct the amount of the penalties from the payment of the Purchase Order.

**9.3.** 9.3 If the Supplier is unable to demonstrate that it can correct the non-conforming materials and equipment in good time, they may be rejected in whole or in part, and the Supplier shall be obliged to compensate PAINHAS, S.A. for all damages and losses arising therefrom.

**9.4.** Insofar as they are established for late performance, the application of the penalties provided for in this clause shall not release the Supplier from the obligation to comply with the contract.

## **10. TRADEMARKS, PATENTS, MODELS**

**10.1.** The Supplier guarantees that its activity will not imply the violation of any intellectual property rights of third parties.

**10.2.** The Supplier undertakes to indemnify PAINHAS, S.A. for all losses, damages or costs arising from actions or procedures due to the use, possession or sale of the materials or equipment supplied in execution of the Purchase Order, as well as for violation of intellectual property rights, including expenses resulting from such actions and/or procedures.

**10.3.** Obligations arising from the direct or indirect use of know-how, patents, utility models, designs, including those relating to obtaining the necessary authorizations from the respective owners and those relating to the payment of the corresponding charges, shall be borne exclusively by the Supplier, who shall be held solely responsible in the event of any legal issue arising therefrom, as well as for any claim arising from the infringement or alleged infringement of these rights.

**10.4.** The Supplier may not invoke any personal rights in relation to intellectual property rights to prevent the performance of the obligations arising from the Purchase Order.

## **11. OWNERSHIP OF TECHNICAL MATERIAL**

**11.1.** Any and all material entrusted to the Supplier by PAINHAS, S.A. for the purposes of studying and executing this Purchase Order, namely drawings, tools, molds, equipment, raw materials, etc., will invest the Supplier in the legal obligations of faithful depository of such materials, obliging them to be returned in the conditions in which they were

received and as soon as they are requested.

**11.2.** The Supplier is also responsible for the loss of or damage to the items provided by PAINHAS, S.A. The Supplier shall bear all costs of replacing the lost or damaged items and all damages caused to PAINHAS, S.A. by such loss/damage.

**11.3.** All the execution projects, written or drawn parts, final screens, drawings, software, studies, reports or any other intellectual creations prepared by the Supplier under the terms of the Purchase Order, as well as all the respective intellectual property rights thereon, shall be the property of PAINHAS, S.A. for all purposes, and may be freely modified by PAINHAS, S.A. once the contractual relations between PAINHAS, S.A. and the Supplier have ended.

## **12. CONFIDENTIALITY**

**12.1.** The Supplier undertakes not to disclose to third parties and not to use, for its own benefit or that of third parties, all information contained in these General Conditions of Purchase or in other documents and/or contacts made within the scope of this Purchase Order.

**12.2.** The obligation of confidentiality continues even after the termination or fulfillment of this Purchase Order.

## **13. WARRANTIES**

**13.1.** Unless otherwise expressly provided in the Purchase Order and/or in this Contract and/or in PAINHAS, S.A.'s written acceptance of the Supplier's Proposal, the Supplier guarantees the good quality and conformity of the equipment, materials and services supplied to PAINHAS, S.A. for a period of two years from the date of delivery and/or execution.

**13.1.1.** To cover the guarantee, the Subcontractor undertakes to obtain the guarantees required by PAINHAS, S.A. During the guarantee period, the Supplier undertakes to correct, repair or replace, at its own risk, all materials, equipment or services, or any part of them that prove necessary, which show errors, faults, deficiencies, malfunctions and/or incompatibilities with any Technical Specifications or Standards and legal rules in force, making available to PAINHAS, S. A. all the materials, equipment or services, or any part thereof, which show errors, faults, deficiencies, malfunctions and/or incompatibilities with any Technical Specifications or Standards and legal rules in force. A. with a detailed report of the occurrence, bearing all indirect costs for transport, labor, travel, accommodation, meals, etc...

**13.2.** The repair or replacement of defective elements implies the start of a new warranty period, which, if PAINHAS, S.A.



deems it necessary, will also be subject to the Provisional and Definitive Acceptance process that the previous non-compliant goods and equipment were subject to.

**13.3.** PAINHAS, S.A. may have the necessary repairs, modifications or replacements carried out at the Supplier's expense and risk if the Supplier's response is inadequate or outside the necessary timeframe, notifying the Supplier to make the respective payment or, alternatively, deducting the inherent charges from the payments to the Supplier.

**13.4.** The Supplier is solely responsible, and shall be directly liable to the contractor, for all accidents, losses or damage occurring in the work covered by this contract, or caused by them to the work in general, either during its execution phase or during the respective warranty period, as a result of the execution or action of its agents, workers and other servants in its service, the poor behavior or lack of safety of the works, materials, construction elements or auxiliary equipment, directly related to the subcontracted work or under its control.

**13.5.** The Supplier is liable for any charges, costs or compensation arising from damage caused to third parties because of defects or flaws in the goods supplied and/or services provided to Painhas, even if these have not been detected through the quality controls carried out by Painhas and/or the Client Company.

#### **14. PAYMENT TERMS**

**14.1.** The terms of payment are those agreed between the Parties and indicated on the Purchase Order. Payment will be made subject to analysis and verification of the invoice.

**14.1.1.** If PAINHAS, S.A. so requests in the Purchase Order and/or Contract, the Supplier shall draw up Measurement Reports monthly or any other that may be agreed, relating to the work carried out, and shall only issue the respective invoice once these Measurement Reports have been confirmed by the PAINHAS, S.A. Site Manager.

**14.1.2.** Invoices must be issued in duplicate and must include all the information requested on the Purchase Order.

**14.1.3.** non-compliance with the applicable provisions shall constitute grounds for returning the invoices, and the payment period shall begin on the date of receipt of the new, duly corrected invoices.

**14.2.** The Terms of Payment for supplies are indicated on the Purchase Order and/or Acceptance. Payment Terms previously specified within the scope of a business relationship between PAINHAS, S.A. and the Supplier may also be used, if they are expressly referred to in writing in the Purchase Order and/or Contract.

**14.3.** Full compliance with supply obligations, the provision of any documents, the delivery of any financial guarantees and compliance with other material contractual obligations, under the exact terms and conditions set out in the Purchase Order and/or Contract, is an indispensable condition for the payment of invoices.

**14.4.** Any claim, sanction or legal penalty against PAINHAS, S.A. by its customers, related to the scope of the Purchase Order, may result in the withholding of payments until such time as:

**14.4.1.** The Supplier assumes these claims, sanctions or legal proceedings.

**14.4.2.** The legal process or procedure is concluded without consequence or any obligation for PAINHAS, S.A.

**14.4.3.** The Supplier has fulfilled all its obligations under the Purchase Order.

#### **15. RESCISSION**

**15.1.** The Purchase Order may be rescinded by PAINHAS, S.A., at any time and without any liability or financial charge, in any of the following cases:

**15.2.** If the supplies made are not in accordance with the specifications of these General Conditions of Purchase, the Purchase Order, Contract and/or other contractual documents.

**15.3.** If the goods or materials delivered are not in accordance with the samples or specifications submitted by the Supplier for approval by PAINHAS, S.A.

**15.4.** If the total or partial delivery deadlines provided for in this Purchase Order are not met by the Supplier without a justified reason accepted by PAINHAS, S.A.

**15.5.** If justified doubts arise as to the Supplier's rights over the materials, equipment or services supplied, its right to patents, trademarks, models and designs.

**15.6.** If the Supplier becomes bankrupt or insolvent or applies to the competent authorities for such insolvency or insolvency.

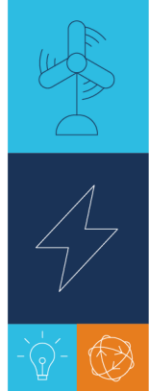
**15.7.** If the Supplier breaches any of the clauses and conditions of the Purchase Order or General Conditions of Purchase.

**15.8.** In any other case of termination provided for by law.

**15.9.** If the termination of the purchase order is only partial, Painhas, S.A. shall only be liable for the payment of the materials, equipment or services not covered by the termination, without the Supplier having any right over the materials, equipment or services affected by the termination.

**15.10.** The costs of any removal of items or replacement of premises because of termination shall be borne by the Supplier.

**15.11.** Immediately after notice of termination, the Supplier shall return, within a period to be agreed, all materials entrusted by PAINHAS, S.A., as well as all materials, studies,



drawings, tools, molds, etc., relevant to the continuation of the supplies in progress, subject to the penalties for delay provided for in point 9 of this contract.

**15.12.** PAINHAS, S.A. has the right to terminate or suspend the effects of this contract or any order form in the event that the contract between PAINHAS, S.A. and the end customer is terminated or suspended or that the end customer withdraws or suspends any order form, in which case PAINHAS, S.A. is obliged to pay the Supplier the price of the conforming goods, accepted and already delivered.

**15.13.** Without prejudice to the provisions of point 13 of this contract, all payments received by the Supplier in respect of non-conforming or defective materials, equipment or services shall be reimbursed to PAINHAS, S.A. within 30 days of the date of termination.

**15.14.** PAINHAS, S.A. reserves the right, on the date of termination, to call in any bank guarantees for its benefit.

## **16. MAJOR FORCE**

Delays resulting from duly proven cases of force majeure, such as:

- a) State of war;
- b) Mobilization or serious alteration of public order.
- c) Strike, provided it is sectoral or national in scope.
- d) Earthquake, flood, shipwreck, derailment, cyclone, epidemic, lightning or nuclear radiation.
- e) Serious accident in the Supplier's factories or facilities.

Whenever circumstances beyond the Supplier's control make the agreed deadlines unattainable, PAINHAS, S.A. will set a new deadline or a new Delivery Schedule, without prejudice to any penalty or termination of the Purchase Order.

However, for all intents and purposes, the periods between the agreed dates and the dates of receipt will be considered delays, unless the differences in time are attributable to PAINHAS, S.A.

For the avoidance of doubt, the Contractor is hereby informed that the following events, among others, do not constitute acts of God or force majeure:

- a) The COVID-19 pandemic situation.
- b) Lack of funds or financial means.
- c) Accidents or breakdowns in any installation or equipment due to negligence or lack of maintenance, as well as accidents or breakdowns that can be repaired and whose consequences can be remedied.
- d) Staff strikes not included in point c) of the previous paragraph or lay-offs.

## **17. SOCIAL RESPONSIBILITY**

PAINHAS, S.A. wants to involve its suppliers in its values and to impose and promote its commitments to sustainable development. In this context, the supplier assumes that they have read and agree to comply with the commitments made by PAINHAS, S.A., regarding ethics and social and environmental responsibility, as set out in the company's Policies.

**17.1.** The supplier guarantees that it complies with the rules of international law and national legislation with regard to fundamental human rights and, in particular, the non-use of child labor, any form of forced labor, as well as any type of discrimination within its company of its suppliers and subcontractors, embargoes, drug and/or arms trafficking, and terrorism, import and export trade licenses and customs requirements, the health and safety at work of its employees and third parties, the labor code, immigration and prohibition of illegal work, environmental protection, crimes of corruption, fraud, influence peddling, swindling, misuse of company funds, counterfeiting, forgery or use of forgeries and other similar crimes, anti-money laundering measures and competition law.

**17.2.** The supplier must cooperate and take the necessary measures to enable PAINHAS, S.A. to comply with its legal obligations and duty of care.

**17.3.** The supplier must notify PAINHAS, S.A. of any breach or potential serious breach of the rules mentioned herein. Regarding the performance of its services, the supplier undertakes to comply with the same rules on its own behalf and on behalf of its suppliers and subcontractors.

**17.4.** PAINHAS, S.A. reserves the right to demand evidence of compliance with the rules of this clause from the supplier and to carry out audits or have them carried out.

**17.5.** Qualquer violação das disposições desta cláusula constituirá uma violação contratual conferindo o direito à PAINHAS, S.A., de proceder à suspensão ou resolução dos contratos que tenham sido estabelecidos.

## **18. APPLICABLE LAW AND DISPUTE RESOLUTION**

**18.1.** These General Conditions of Purchase, the Purchase Order and/or the Contract shall be governed in all respects by the laws in force in the Portuguese legal system.

**18.2.** For the resolution of any disputes arising from this contract, regarding its interpretation, application, validity, execution, compliance and termination, the Parties assign exclusive jurisdiction to the Judicial Court of the District of Viana do Castelo.



## **19. NON-COMPETITION PACT**

**19.1.** The Supplier, by itself or through other companies in which it has any shareholding or with which it is associated in any way, may not provide any service or carry out any activity in competition with those of PAINHAS, S.A., for the Owner of the Work, within the scope of the project to which this Purchase Order and/or Contract refers, which is related to it or which is its development or which concerns the modification, alteration or extension of the work.

**19.2.** In the event of non-compliance with the stipulations of the previous paragraph, the Supplier is obliged to compensate PAINHAS, S.A., for each violation of this provision, the gross amount corresponding to the contracted services or activities, which may in no case be less than €1,000,000.00.

**19.3.** Payment of the compensation referred to in the preceding paragraph does not preclude PAINHAS, S.A.'s right to take criminal action against the Supplier.

## **20. APPLICABLE LAW AND JURISDICTION**

**20.1.** The commercial relationship between the Parties shall be governed by this Agreement and, in all matters not provided for herein, by Portuguese law.

**20.2.** In the event of legal proceedings, the place of court will be Viana do Castelo and the language will be Portuguese.