DURATEX S.A. POLICY FOR THE SUPPLY OF GOODS AND SERVICES

1. OBJECTIVE
To establish the conditions that regulate the supply of goods and services to DURATEX by previously qualified suppliers.

2. GENERAL PRINCIPLES
All acquisitions of goods and services shall observe the basic principles of Impersonality, Morality, Economy and Quality, in view of its adequacy to the purposed of the goods and services required for compliance with DURATEX industrial and administrative operations.

3. REFERENCES
In operations with suppliers all the procedures related to the Code of Ethics and Conduct must be observed, as well as the other norms and regulations in force.

4. DEFINITIONS
4.1 – DURATEX means the company of the ITAÚSA INDUSTRIAL group, purchaser of the goods and services object of the CONTRACT.

4.2 – Requesting unit means DURATEX unit which requested the acquisition of the good or service.

4.3 – Unit of destination means DURATEX unit which shall receive the good or service acquired.

4.4 – SUPPLIER means the company which shall supply the good or service directly to DURATEX, in accordance with the CONTRACT.

4.5 – CONTRACT means the instrument of agreement of will entered into between DURATEX and the SUPPLIER, including all the documents and respective attachments incorporated or mentioned therein.

4.6 – GOOD means the whole system, equipment or any material that the SUPPLIER binds itself to deliver to DURATEX in accordance with the CONTRACT.

4.7 – SERVICE means any rendering of service by third parties, such as: installation, conditioning, technical assistance, training, civil construction and/or any other obligation by the SUPPLIER, in accordance with the CONTRACT.

5. USE OF CONTRACTUAL DOCUMENTS AND INFORMATION

5.1 The SUPPLIER shall not, without previous consent in writing by DURATEX, disclose any specification, plan, drawing, sample or information provided by DURATEX or in its name, as part of the CONTRACT, to any individual or entity which is not committed with the execution and compliance with the contractual scope.

5.2 The SUPPLIER shall not, without previous consent by DURATEX, make use of any of the documents or information mentioned in item 4.1 above, for any purposes other than those related with CONTRACTUAL execution and compliance.
5.3 DURATEX hereby binds itself to use the record data of SUPPLIERS exclusively for their intended purposes, being expressly prohibited their disclosure to third parties.

5.4 DURATEX hereby binds itself to keep the contracts under secrecy.

6. HOMOLOGATION OF GOODS AND SERVICE SUPPLIERS

6.1 IDENTIFICATION OF SUPPLIERS WHICH ARE QUALIFIED TO SUPPLY MATERIALS
In case it is necessary to develop new materials or new suppliers, there shall be identified SUPPLIERS already registered with DURATEX with potential to supply the material, or new SUPPLIERS considered to be qualified by the purchaser.

6.2 HOMOLOGATION
After verified the qualification of the SUPPLIER, it is started the SUPPLIER homologation process for that material. The Quality and Manufacturing areas request the development of a product/component sample in accordance with the Material Record Specification and the Control Plan (which contains all tests which the material shall be submitted to, as well as the dimensional points to be controlled), from the potential supplier. The SUPPLIER shall produce the samples in accordance with the request. The DURATEX Unit Receiving area shall forward the samples to Quality for tests, in accordance with an updated drawing and Material Record Specification. For SERVICES, the procedures mentioned in item 2 shall be followed. In case this material/service is approved: the Quality area issues an Experimental RIAI for the Metals area or a SUPPLIER Homologation Form (for the Wood area), which shall be forwarded to the SUPPLIER via Supply Executive Management.

It is under the responsibility of the Supply area:
   a) To record this homologation in the AMD, by typing the material and SUPPLIER codes.
   b) To forward the RIAI/SUPPLIER Homologation Form to the supplier, obtaining a mailing protocol.
   c) To keep filed in the SUPPLIER folder all the Homologations of materials granted to it. Upon the first supply in scale, tests shall be carried out in the lot and, if it is approved, the implementation RIAI is issued (for the Metals area). If the material is not approved, the Supply area checks with the SUPPLIER its interest to supply new samples, correcting the irregularities. The AMD only allows the leveling/judgment with homologated suppliers (the control is automatically made by the system, since it only allows to select homologated suppliers for materials with this kind of requirement).

6.2.1 COMMERCIAL HOMOLOGATION
The Supply area may commercially homologate the SUPPLIER in 2 situations:
- Based on its track record of supplies (SUPPLIERS that already supplied the good or service before implementation of the Quality Management System);
- In case of distributor/resale authorized by the SUPPLIER.

6.3 MONITORING
The monitoring of supplies is made at quality/quantity/term level, in the Unit, in accordance with the procedures described in item 2 and also in terms of price by the purchasers.

6.4 CANCELLATION OF HOMOLOGATION
The cancellation of SUPPLIER homologation happens in accordance with information sent by the plant to the Supply Executive Management, highlighting the supplier and material code to have the
homologation cancelled observing the proper criteria (quality, delays, etc.). With basis on this information, the homologation is cancelled in the purchase system (AMD). In case of any commercial problem, the Supply Executive Management may cancel the SUPPLIER homologation, and inform the plant.

7. SUPPLIER OBLIGATIONS AND RESPONSIBILITIES

7.1 The SUPPLIER hereby binds itself to:

7.1.1 Supply and deliver all goods and execute all services which are the object of a CONTRACT, in the form, within the deadline and with the quality stipulated in the CONTRACT and its attachments.

7.1.2 To assume, within the limits established in the CONTRACT, full responsibility for the actions and omissions of his employees, suppliers and individuals directly or indirectly employed by them. No provisions under the CONTRACT shall create any contractual relation between any sub supplier or subcontracted and DURATEX.

7.1.3 The SUPPLIER hereby binds itself to pay DURATEX the amount imposed to the latter by force of an eventual subsidiary or solidary conviction, issued by the Judicial Branch or by the competent administrative instances, with reference to non-compliance with labor, pension, tax and unemployment fund (FGTS) obligations towards employees of the SUPPLIER.

7.1.3.1 The mentioned amount shall be added of all disbursements involved, such as judicial costs, lawyer fees and extrajudicial costs, among others.

7.1.4 The SUPPLIER binds itself not to use child labor, in all activities related with the execution of the CONTRACTS, under the terms of Sub-paragraph XXXIII of art. 7 of the Constitution of the Republic, as well as to demand that the mentioned measure is adopted in all contracts signed with the suppliers of its raw materials and/or service providers, under the penalty of CONTRACT rescission.

7.1.4.1 The SUPPLIER binds itself, whenever requested by DURATEX, to issue a declaration, in writing, that it has complied or is complying with the requirement mentioned in the previous item.

7.1.5 The SUPPLIER shall conduct its manufacturing operations strictly observing occupational safety, hygiene and medicine standards, being responsible for any infractions practiced. The SUPPLIER shall also provide on its own account and maintain in perfect conditions of use the individual protection equipment.

7.1.6 The SUPPLIER shall present, whenever requested by DURATEX, the documentation relative to the regularity of its labor, tax, pension obligations and including FGTS deposits.

7.1.7 To maintain DURATEX informed, at the convenience of the latter, about all the details of the supply which is the object of the CONTRACT and elaborate specific reports, whenever requested.

7.1.8 To appear, when requested, at the locations defined in common agreement between DURATEX and the SUPPLIER, by means of representatives duly qualified and accredited, for
evaluations and clarifications of any problems related to the supply of goods and execution of services.

7.1.9 To submit reports on the development of the different good manufacturing phases or service progress, when foreseen in the CONTRACT.

7.1.10 To facilitate the action of the diligence, through representatives accredited by DURATEX, providing the necessary resources for its execution, when foreseen in the CONTRACT.

7.1.11 To repair, at its expenses, any divergences and provide for the rework or replacement of the goods and services not accepted by DURATEX, with basis on the terms of the CONTRACT and its attachments.

7.1.12 The responsibility of the SUPPLIER for losses and damages shall be limited to direct damages in accordance with the Brazilian Civil Code and the applicable legislation, excluding unearned profits and indirect damages, being the direct damages limited to 100% (one hundred per cent) of the readjusted contractual value, except provision on the contrary included in the CONTRACT.

7.1.12.1 DURATEX shall be assured the right of return towards the SUPPLIER in case DURATEX is forced to repair any eventual damage caused by the SUPPLIER to third parties, under the terms of the Sole Paragraph, art. 927, of the Brazilian Civil Code, being not applicable, in this case, the limit foreseen in item 6.1.12, except provision on the contrary included in the CONTRACT.

7.1.12.2 Without prejudice to the provisions under item 6.1.12, the SUPPLIER shall respond for the cost of additional services required to repair, rework or replace the good, resulting from his fault or bad faith in the execution of the CONTRACT.

7.1.13 To provide products in compliance with the requirements specified in the CONTRACT, regardless of approval of documents and manufacturing diligence to be carried out by DURATEX or by a company contracted by it for these purposes. In case of non-conforming product supplies, the replacement of such products must be immediately provided, at full expenses of the SUPPLIER.

7.1.14 When the good is manufactured with raw material supplied by DURATEX the SUPPLIER must submit the rendering of accounts as to the application of the raw material, as defined in the CONTRACT.

7.1.14.1 The rendering of account must be accompanied of a list of invoices relative to the raw material received and to the finished product, showing the respective dates, weight and quantity of material, per invoice.

7.1.14.2 All and any remainder of raw material supplied by DURATEX must be placed at its disposal.

8. GOOD GUARANTEE

8.1. The SUPPLIER shall ensure the quality of the good for a period of 12 (twelve) months from the date when the good starts operating or 18 (eighteen) months from the date of delivery, prevailing the one which happens earlier, unless any other term is established in the CONTRACT.
8.1.1. The period of guarantee shall be interrupted on the date any divergence is reported by DURATEX, being resumed when the good is in perfect conditions of use.

8.2. The guarantee comprises recuperation or replacement, at the expenses of the SUPPLIER, including transportation from the location where the good was delivered until the facilities of the SUPPLIER, of any component or equipment which presents divergence of characteristics or any project mistakes and manufacturing defects.

8.3. If, during the guarantee term, any defects or divergences are verified in the characteristics of the good, DURATEX shall inform the fact, in writing, to the SUPPLIER, adjusting a deadline for correction of the defects and elimination of the divergences.

8.3.1 When it is not possible for the SUPPLIER to correct the defects, DURATEX may execute the necessary repairs, directly or by means of third parties, being the SUPPLIER debited for the corresponding expenses, and adjusting the deadline for correction of the defects and elimination of the divergences.

9. TERMS

9.1. The delivery terms shall be counted on calendar days, as of the date defined in the CONTRACT.

9.2. Any eventual delays by subcontracted or sub suppliers shall be under the exclusive responsibility of the SUPPLIER.

9.3. The SUPPLIER may request, for analysis by DURATEX, extension of the delivery term, for reasons of major force, acts of God or fair reasons.

9.4. Regardless of contractual terms, the legal effects of the CONTRACT shall be extended for up to 180 (one hundred and eighty) days from its termination date.

10. SAFETY, ENVIRONMENT AND HEALTH – SEH

10.1. The SUPPLIER is responsible for the acts of its employees and for their consequences, resulting from non-compliance with any laws, norms and regulations pertaining to Industrial Safety, Occupational Health and Environment Protection in force in the Country.

10.2. During the execution of the CONTRACT, there shall not be accepted allegations by the SUPPLIER of not knowing the Norms and Regulations on Industrial Safety, Occupational Health and Environment Protection, in force on the date of proposal presentation, even if they are not attached to the present document.

10.3. The SUPPLIER must conduct its activities on a protective basis, for the protection of individuals and the Environment, contemplating and consolidating the following sub-items:

10.3.1. The SUPPLIER has the responsibility and obligation to supply IPEs [Individual Protection Equipment] free of charge to its employees and in compliance with the provisions under the Regulatory Norm no. 6 of the Ministry of Labor and Employment – TEM. The selection and technical specifications of the IPEs must be defined by the SUPPLIER as a result of the evaluation
of the risks inherent to the services rendered, having to be effective and efficient to ensure the preservation of the health of workers against the risks of the work place where they shall be developed and the levels of risks they shall be exposed to. The IPEs must show the number of Approval Certificate (AC) stamped on the IPE, itself.

10.3.2. The SUPPLIER shall be responsible for elaborating and complying with the Program for Prevention of Environmental Risks (PPER), the Program for Medical Control of Occupational Health (PMCOH), in accordance with NR-9, for its own personnel and subcontracted personnel.

10.3.3. The SUPPLIER, when it is responsible for the handling and transportation of dangerous material, either directly, or through third parties, shall ensure that all legal provisions and applicable regulations are complied with. It is worth highlighting the need to comply with Decree 96.044 of 05/18/1988 and its regulations published on the Federal Official Gazette (DOU) of 05/19/1988, Ordinance no. 204/MT, of 05/26/1997/ issued by the Ministry of Transports, and Decree 4.097, of 01/23/2002.

10.3.4. The vehicles used by the SUPPLIER shall only transit by DURATEX internal areas, provided that the National Transit Code is observed.

11. SOCIAL RESPONSIBILITY

11.1. To ensure and demonstrate through objective evidences, at any moment when requested by DURATEX the commitment to attend the assumptions foreseen in a process of Social Responsibility Management with basis on the Norms and Policies of ITAÚSA INDUSTRIAL Group.

11.2. To comply with the applicable legislation, as well as with respect the international instruments mentioned in the CONTRACT. In case any non-conformity is identified, to adopt measures for its prompt correction.

11.3. To continuously improve the conditions on the work places, so as to make them increasingly safer and healthier, not allowing situations of serious and imminent danger or that may imply risks to the health of human beings and to the environment.

11.4. To provide the necessary information to those involved across the whole supply chain of the contracted products, enabling the handling and safe use of such products throughout their life cycle.

11.5. Not allow practices such as child work, forced work or disciplinary measures such as physical, mental, psychological, hierarchic coercion, verbal abuse and other non-ethical constraints.

11.6. To ensure that no discriminations exist (race, social class, nationality, color, religious belief, sex, sexual orientation, affiliation to unions, political parties, etc).

11.7. To act so that its sub suppliers, partners and service providers commit themselves to comply with the requirements of ITAÚSA INDUSTRIAL Group Norms and Policies.

11.8. To ensure the documented disclosure to all its workers, of the social responsibility policy adopted by the Company.