

**SIG - PRODOC****ABA-CYC-0013 - CONDICIONES GENERALES DE COMPRAS Y CONTRATACIONES-6**

Emitido por: Goldman, Heman

Autor: Goldman, Heman

Revisado por:

Aprobado por: Goldman, Heman

**Procedimiento**

Revisión N°: 6

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**DOCUMENTO PRINCIPAL**

This document details the **General Contracting Conditions**, and is part of Procedure **ABA-CYC-0012 Management of Corporate Purchases**.

**IMPORTANT:** Profertil S.A. has adopted for its performance the provisions in the International Standard for Energy Management Systems ISO 50001:2011, Section 4.5.7., so starting from the enforcement date of these Conditions, vendors and contractors that formally adhere to this standard will have a priority.

Regarding the purchasing of goods that require energy for their operation, Profertil S.A. will give priority to those that meet the established energy efficiency as per verifiable specifications.

Considering the use made by our company of chemical products supplied and/or used by you and according to the requirements stated in the Argentine Law, we request you to update your work and transport standards and procedures according to those requested in Decision SRT 801/2015, considering: labeling, MSDS and the staff training in the Globally Harmonized System of classification and labelling. As from 10-10-2015, the enforcement of the above mentioned law will be compulsory in our facilities.

**Content:**

- **PART I: Purchasing and contracting commercial guidelines**
- **PART II: Social Security, Legal, and Insurance Standards for Contractors and Subcontractors.**
- **PART III: Insurance Requirements for Contractor Companies.**
- **PART IV: Environment, Health, and Safety Basic Standards to be observed by the contractor.**
  
- **Annex I: Purchasing and contracting conditions for foreign vendors.**

**PART I PURCHASING AND CONTRACTING COMMERCIAL GUIDELINES****1. VALIDITY**

- 1.1 These Purchasing and Contracting commercial guidelines are part of the Purchase Order, which contains the purchasing terms and conditions and annuls any previous proposal or correspondence. In these General Conditions and appendixes, the terms "Purchase Order", "Service Order", "Contract", "Master Agreement" and "Tender Letter" shall be considered synonyms.
- 1.2 The terms and provisions of Supplier catalogs, their General Sale Conditions, Offers, Price Lists, or any other document prepared by the supplier are not applicable to this Purchase Order.
- 1.3 The Purchase Order and all attached documentation are mandatory for the parties as of the date of acceptance, even in the case that there is only a tacit acceptance by the Supplier.

**2. PURCHASE ORDER MODIFICATIONS**

Modifications or change of terms, conditions and/or specifications in the Purchase Order shall be valid only in case they have been expressly agreed upon in writing by the parties.

**3. ASSIGNMENT OF ORDERS.**



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3.1 The Supplier binds himself not to totally or partially assign the rights and obligations contracted without previous authorization by the Purchaser/Principal. Under no circumstances shall the assignment diminish the responsibilities of the Supplier in relation to compliance of the obligations totally or partially assigned. The supplier shall continue to be jointly and severally liable. The total or partial assignment of the obligations and/or rights contracted without previous written authorization by the Purchaser/Principal shall enable the purchaser/principal to cancel the Purchase Order, partially or totally, and to demand compensation by the Supplier for any damage incurred.

3.2 The Supplier shall not partner with third parties to execute or subcontract all or part of the contracted services without the previous written authorization of the Purchaser/Principal. Granting said authorization shall not imply any obligation on the part of the Purchaser/Principal to the eventual subcontractor or partner neither shall it relieve the Supplier, partially or totally, from the obligations and responsibilities assumed by the Supplier as per the Purchase Order and these General Conditions.

In case of partnership or subcontracting, the Supplier shall obtain from the subcontractor or partner the adoption of the same obligations, indemnities and waivers contracted and granted by the Supplier of this Purchase Order, particularly, but not limited to, as regards compliance of labor and Social Security, safety, insurance, confidentiality, environment, personal, and indemnities standards. The Supplier shall hand in the Purchaser/Principal a certified copy of the adoption of said obligations and concession of said waivers and indemnities by the associated third party, and once this requirement is complied with the authorization granted by the Purchaser/Principal shall come into force.

**4. OWNERSHIP OF CONSTRUCTIVE DRAWINGS**

Drawings and technical specifications attached to this Purchase Order are owned exclusively by the Purchaser/Principal and they are to be returned once work execution is completed. Should the return of drawings and technical specification not be carried out, payment for invoiced services shall not proceed.

**5. SUPPLIED ELEMENTS**

Tools, drawings, standards, samples, guides, matrices, models, etc. supplied by the Purchaser/Principal, belong to the Purchaser/Principal and are to be maintained by the Supplier in perfect conditions and should not be handed over to third parties without previous written authorization by the Purchaser/Principal; nor shall they be employed in uses other than the agreed production by the Purchaser/Principal, as for example: Supplier's personal uses or advertising.

**6. SUPPLY OF MATERIALS**

Materials supplied by the Purchaser/Principal are still of its property and are to be stored and administered separately and identified with proper labeling. They are to be employed only for the execution of Purchase Orders or jobs requested by the Purchaser/Principal. Use of these materials shall be only for Purchaser/Principal's contracted services.

**7. TRADE SECRET**

The Supplier, its directors, employees and consultants are obliged to strictly keep trade secret and confidentiality of all the information provided by Profertil, its employees or consultants, whether it is commercial, technical and/or general, notwithstanding its content, purpose and/or format, including any information related to Profertil, its affiliates and/or subsidiaries, not revealing it to third parties the elements, neither during nor after contracting.

The Supplier, in no case will manufacture or have manufacture for the Supplier or third parties any element/good equal or similar to those being purchased using the information and knowledge gained from Profertil or use the information above mentioned in any way without having for each case the previous written approval of Profertil.

Disclosure of this confidential information by the Supplier, its directors, employees and consultants without the previous written authorization of Profertil, or the use of information by the Supplier for other purposes than those included in the contract among them, will be deemed as an use contrary to honest commercial uses. (Act 24.766)



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## 8. PLACE OF DELIVERY

Locations where goods are to be delivered and reception hours are indicated in the box corresponding to place. Said box is at the bottom of the Purchase Order. It is important that this is strictly observed because goods shall not be accepted at other locations.

## 9. PACKING AND TRANSPORTATION

9.1 Packing, insurance, and transportation costs to the indicated delivery location shall be by the Supplier.

9.2 The Supplier shall be responsible for damages, breakdowns, and/or wear that goods may suffer under any circumstances until delivery is concluded.

## 10. LEAD TIME

10.1 The term or the date stated on the Purchase Order as lead time shall be strictly observed by the Supplier, except in cases of Acts of God or force majeure.

10.2 Acts of God or force majeure shall be as defined in sections 513 and 514 of the Civil Code and their Notes, which directly affect the Supplier, who shall notify in writing to the Purchaser/Principal within 48 hours of the beginning of the event. Verification justifying the existence of said events is at the expense of the Supplier. The Supplier shall also notify in writing the expiration of the event leading to the Act of God or force majeure within 48 hours of said completion. In case the Act of God or force majeure lasted more than fifteen (15) running days, the Purchaser/Principal will be able to cancel the Purchase Order without any right to indemnity claims whatsoever on the part of the Supplier.

However, a trade union conflict with the Contractor personnel or the contractor's subcontractors that does not result from a general conflict in the country or in the province shall not be considered force majeure. Likewise, desultory work, lack of collaboration, work to rule, partial strikes, etc., decided by the contractor personnel or contractor's subcontractors shall not be considered force majeure. The delay of the supplier in delivering the materials shall not be considered force majeure, when such delay was foreseeable according to the market conditions at the quoting moment. The lack of due notice as stated before will make these delays not to be counted to extend the lead time.

10.3 Lack of due notification as per point 10.2 shall cause that said delays be not considered as extension of lead time, making it clear that price adjustment will be effective only up until the lead time stated in the Purchase Order.

10.4 In case the Supplier does not comply with the total or partial lead time, or if it were irrefutably proved that the status of the Purchase Order does not allow for the fulfillment of the agreed upon term, the Purchaser/Principal may choose at its own will among the following solutions:

- Cancel the Purchase Order with right to compensation by the Supplier of the damages the Purchaser/principal might have suffered.
- Keep the Purchase Order imposing a penalty on the Supplier equivalent to two per cent (2%) of the full amount of the Purchase Order per each week or fraction higher than three (3) running days between the actual and total delivery of work and/or materials ordered and the date stated in the Purchase Order.

When said penalty overcomes fourteen per cent (14%) of the value of the Purchase Order, the Purchaser/Principal may opt directly for cancellation, in which case the Supplier is liable to the penalty originated up to the time of cancellation and for the obligations as per 10.4 a. herein.

- Obtain from third parties the materials, equipment and/or works ordered, and the Supplier shall have to absorb both major costs and emerging damages.

10.5 The Supplier shall incur in automatic default for reason of mere expiration of any of the obligations at the supplier's charge, without need of any judicial or extrajudicial demand.

10.6 No special prize shall be paid in case manufacturing or delivery of materials and/or ordered jobs are performed before the stated date. Neither shall price increases be accepted for the delivery of materials after the stated term, even though the delay results from replacements of packing state, deterioration, etc.

## 11. DELIVERY OF MATERIALS

11.1 Partial deliveries are not allowed. Where, due to Supplier's convenience, and with the conformity of the Purchaser/Principal, deliveries were



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partially performed, additional transportation costs, etc. shall be at the Supplier's expense.

**11.2** Merchandise is subject to inspection previous to its acceptance within a reasonable term as of its reception. In case of any non-conformity of the material, due to non-observance of the conditions stated in the Purchase Order, the Purchaser/Principal has the right to return it, return costs at the Supplier's expense. The Supplier is to send the corresponding Credit Note. It shall be up to the Purchaser/Principal to request the immediate replacement of the material or obtain it from third parties at the Supplier's expense. If Purchaser/Principal shall deem it fit and may adapt the material delivered to the purposes for which it was purchased, the expenses incurred for said work shall be by the Supplier, this clause being valid in all its application for latent defects.

### **11.3 VERIFICATION OF PURCHASED PRODUCTS**

Verification of purchased products/services performed by Profertil or the client at the Supplier's or at reception does not release the supplier from the responsibility for compliance with quality requirements.

**11.4** The Supplier shall indicate in all invoices and delivery notes the number of the Purchase Order and the corresponding item number.

## **12. PAYMENTS, WITHHOLDINGS**

**12.1** In case a Purchase Order is accompanied by advance payment without effective delivery of materials and/or equipment, the Purchaser/Principal reserves the right to request a collateral at its own satisfaction for the amount of said advance payment up until the time the delivery of the ordered supplies is completed as per contract.

**12.2** If for any reason the Supplier was indebted to the Purchaser/Principal, the latter may at its own option debit said amounts from the Supplier's invoices. Payments made for materials and equipment shall not affect the right of the Purchaser/Principal to recover the amounts in case the materials and equipment are rejected according to the provisions.

## **13. PROFERTIL SAFETY STANDARDS**

The Supplier shall provide proper and efficient safety measures to safeguard health and physical integrity of its personnel and eventual subcontractors. The Supplier shall comply with all in force standards in relation to industrial safety and also with Profertil S.A. Safety Standards (PART IV). The supplier certifies the reception and knowledge of said standards, which are integral part of these general conditions. Materials, equipment, and tools used by the Supplier shall comply with Safety requirements as per Purchaser/Principal criterion. The Supplier shall provide all safety elements and clothes required to the personnel to meet the standards in these General Conditions.

## **14. PERSONNEL**

The Supplier shall carry out the corresponding services with the supplier's own or subcontracted staff (see Item 3.2 in this Part) complying with the rules, legal and competence requirements necessary to observe this Purchase Order in a correct and efficient manner. The competence of the workers should be shown in the initial documents submitted, including registrations and/or certifications of ability to perform said task.

In relation to its staff, the Supplier shall comply with legal and procedural obligations regarding labor, Social Security and Health and Safety, including those in Parts II, III and IV.

The Purchaser/Principal can, at any time, request the Supplier, the presentation of documentation proving the compliance of said obligations and the Supplier is to submit said documentation within 72 hours of being requested. Delivery of said documentation is an essential and not an ancillary obligation of the Supplier. Lack to deliver said documentation shall lead to the assumption that the Supplier has not fulfilled the above mentioned labor and Social Security obligations.

Any registration in or removal from the payroll, and any registration in or removal from the payroll of workers covered by a Labor Risk Insurance Company (known in Spanish as ART.) shall be notified to the Principal within 24 hours of its occurrence.

Any change in the tasks or activities of any person of supplier company is to be notified within the same time period. Actions in case of

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personal accidents are detailed in PART IV, without detriment of what is stated in these Commercial Conditions.

Profertil S.A. reserves for itself the right to exclude one or several members of said payroll, without Contractor's right to claims. Profertil S.A. can also demand the immediate removal of the staff violating regulations related to order, safety, behavior, health, etc.

The Supplier shall submit, together with the payroll, the Health and Safety professional person, committing, at the same time, to notify any change that may arise in this aspect during the duration of its service.

When the vendor/contractor/subcontractor, because of the task to be performed for Profertil S.A., should get a Technical Representative involved, this person shall be an engineer registered at the Colegio de Ingenieros de la Provincia de Buenos Aires, with the appropriate skills, and the corresponding contract will be also registered at the Colegio, and the retirement contributions applicable will be made to the Caja de Previsión Social para Agrimensores, Arquitectos, Ingenieros y Técnicos de la Provincia de Buenos Aires.

**15. MACHINERY AND MOBILE EQUIPMENT**

Upon contracting, the Supplier will submit a list of machines and mobile equipment to be used during the service to Profertil S.A. These categories include cars, trucks, trailers, cranes, etc. Each of them should have the corresponding insurance (detailed in Part III), the Vehicle Technical Verification and, if applicable, the corresponding authorizations by qualified entities (for example, cranes, load hoisting equipment, radioactive equipment, ASP, etc.). The Supplier shall submit a copy of this documentation which he shall keep updated during the term of its service.

When transporting products depicted as hazardous substances, of Profertil S.A. or acquired by Profertil S.A., the details in the corresponding paragraph under Part IV should be considered.

Supplier's personnel operating machinery or mobile equipment shall have authorizations and/or permits that comply with the applicable legislation.

**16. FIRST AIDS**

In case the Purchaser/Principal, through its Medical Service, provides emergency medical care to Supplier's personnel due to humanitarian reasons, it is specifically stated and agreed that said service does not imply recognition by the Purchaser/Principal of any responsibility or obligation, be it direct or joint and several, in relation to said assistance, or to the event that originated said need.

The eventual medical assistance provided by the Purchaser/Principal in case of emergency shall be previous to transferring the injured person for his/her ultimate assistance at a medical center indicated by the Supplier, being said transfer and assistance at the expense of the Supplier. The Supplier assumes all costs, expenses, and responsibilities derived from said emergency assistance, committing to hold the Purchaser/Principal and the Medical Service members free and harmless of any consequences and/or claims that may arise.

Notwithstanding the fact that first aid may be provided to Supplier's personnel, in the way and under the conditions hereby foreseen, should an accident take place, the Supplier shall immediately be in charge of the situation, providing whatever it deems fit in relation to the injured person, be it the discharge of the injured party or his/her referral to a medical center, or what the Supplier considers may be appropriate.

The Supplier takes exclusive responsibility of the consequences that may result if it does not take immediate charge of the injured party. For the purposes in this section, the Supplier shall name in writing one or more persons, indicating addresses and phone numbers where they can be reached and be informed at any time of the day of the possible occurrence of an accident involving the Supplier's personnel. The person appointed by the Supplier shall be responsible for making decisions pertaining to the injured person.

**17. WITHHOLDING RIGHT**

The Supplier expressly and irrevocably waives the withholding right it may exert on assets and/or property of the Purchaser/Principal, whichever the contingencies may be during the course of the contractual relationship with the Purchaser/Principal.

**18. ENVIRONMENT**



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The Supplier commits itself to observe all contractual terms and national, provincial and municipal legal standards related to the protection of the environment and to comply with the service agreed to enable the Purchaser/Principal to observe said standards at all times. The Supplier also agrees to adopt all necessary steps to limit environmental risk to its utmost.

**19. INDEMNITIES.**

The Supplier commits itself irrevocably to hold the Purchaser/Principal free and harmless of any kind of judicial and/or extrajudicial claim, cost, expense, charge and/or consequence resulting from the fact, action, or omission by the Supplier, its staff, possible subcontractors, and employees.

The Supplier irrevocably commits to hold the Purchaser/Principal free and harmless of any kind of judicial and/or extrajudicial labor, Social Security, civil, or commercial claim posed by the Supplier's staff, its eventual partners or subcontractors or by personnel belonging to the latter.

The Supplier waives any claim resulting from a diverging interpretation due to the nature of the service or the work requested seeking the protection of regulations that rule the activity the Supplier performs.

Likewise, the Supplier holds the Purchaser /Principal free from any claim made by the Supplier professionals regarding the contracted work, and, if by virtue of these claims the Purchaser /Principal would have to pay amounts of money, the Purchaser/Principal will be able to recover them by withholding the amount from any amount to be paid to the Supplier.

**20. CANCELLATION/TERMINATION**

**20.1** Resolution for causes attributable to the Supplier. The Purchaser/Principal shall be able, through a certified notification and without need of an advanced notice, to cancel this Purchase Order under the following circumstances:

- Petition of meeting of creditors, request, or declaration of own bankruptcy by the Supplier.
- Dissolution, liquidation or intervention of the Supplier.
- Total or partial assignment of rights emerging from this Purchase Order, without due authorization.
- Non-existence, expiration or suspension of insurance established for Contractors and Subcontractors in Part II of this document.
- Repeated non-compliance by the Supplier of its obligation to prove the appropriate fulfillment of labor and Social Security obligations in relation to its personnel, according to the provisions in item "Non-compliance by the Supplier of any of the obligations at its charge".

**20.2** Resolution for reasons attributable to the Purchaser/Principal: the vendor shall be able, through a certified notification and without need for an advance notice, to cancel this Purchase Order under the following circumstances:

- Presentation of the Purchaser/Principal at pre-bankruptcy proceedings, request or declaration of bankruptcy.
- Dissolution, liquidation, or intervention of the Purchaser/Principal.
- Total or partial assignment of rights emerging from this Purchase Order, without due authorization.

**20.3 Cancellation by the Purchaser/Principal:** The parties agree that the Purchaser/Principal may, at any time, without need to cite cause and at the Purchaser/Principal sole decision, cancel the Purchase Order under execution, with a thirty (30) day prior notice to the Supplier. In this case, the Supplier shall have no right to any compensation whatsoever; except for being paid the amounts corresponding to the services under the supplier's charge already fulfilled and that were not previously paid.

Also, the Purchaser/Principal can cancel the Purchase Order in case of Force Majeure or Act of God lasting more than the time specified in Section 10.2 of these Commercial Guidelines.

**21. LITIGATION.**

In purview of the effects related to the Purchase Order, the parties submit to the jurisdiction of competent regular courts of Capital Federal, renouncing any other jurisdiction, and establishing domicile by choice in those indicated in respective letterheads.



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**22. MODIFICATIONS TO PROCESSES AND MANUFACTURING CONTROLS**

Any partial or total change in the processes and/or control of manufacturing shall be performed with Profertil S.A. previous authorization.

**PART II: SOCIAL SECURITY, LEGAL AND INSURANCE STANDARDS FOR CONTRACTORS AND SUBCONTRACTORS****1. DOCUMENTS FOR VENDOR REGISTRATION**

The Vendor/Contractor shall submit to Profertil S.A. "Administration and Finance", Bahía Blanca, Phone 0291-4598024/8063, with minimum five 5 (five) working days in advance to the beginning of service the following documents:

1. Updated fiscal permit issued by the AFIP (Argentine Public Collection Agency).
2. Certificate of Turnover Tax inscription or, if necessary, in a Multilateral Agreement.
3. Evidence of Income Tax, VAT and/or Turnover Tax non-retention and/or collection, if applicable.
4. Supplier Registration Internal form.
5. CBU certificate in agreement with the name or holder to be registered, issued by a bank.

**2. DOCUMENT TO ACCESS THE SITE**

The Contractor shall submit to Profertil S.A. "Administration and Finance", Bahía Blanca, Phone: 0291-4598023/8063, with minimum five 5 (five) working days in advance to the beginning of service the following documents:

- Headed letter from the company reporting its taxpayer ID number (CUIT) and requesting the registration of:
  - ✓ Personnel: declaring Employee Tax Registration (CUIL)
  - ✓ Vehicles: declaring plate number and VTV (vehicle technical verification), for 0 km vehicles, a copy of the ownership certificate or green card should be presented.
  - ✓ Machinery and equipment: stating chassis number.
- Where the person is the driver of a vehicle (car, light truck, truck, crane, etc.) he/she should submit a copy of driver's license corresponding to the category of the vehicle to be driven.
- In the case of drivers of vehicles carrying hazardous substances, additional documents to be submitted are detailed in Part IV.
- If a contractor totally or partially subcontracts the service to be rendered, it shall submit a headed letter specifying the name of the subcontracted company, personnel with detail of tasks and other requirements demanded from contractors.
- Induction course as per requirements stated in Part IV, section 5.1.1.5.
- Personal protection elements as per requirements stated in Part IV, section 5.1.1.7.
- Safety program as per requirements stated in Part IV, section 5.1.1.6.
- Psychological physical fitness certificate of the personnel for special activities, according to Part IV section 5.1.1.8.
- The incorporation and removal of personnel/ vehicles / machines shall be reported through headed letter by the contractor or subcontractor company, as applicable. The letter should be signed by the attorney or legal representative of the company.
- For insurance paid by automatic debit, the payment certificate issued by the insurance company for each of the payments should be presented, stating the due date of each.



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- **Documents sent via fax or e-mail shall not be accepted.**

**3. DOCUMENTS TO BE PRESENTED BY FOREIGN COMPANIES**

- Letter with heading of the company reporting the personnel that will perform tasks at Profertil S.A., stating passport or equivalent international identification document number.
- Policy or certificate of personal accident coverage hired in the Argentine Republic for 24 hours and not lower than 100,000 US dollars.
- Payment receipt of the policy or personal accident certificate.

**4. FOREIGN WORKERS**

Foreign workers are classified as follows:

**a. Workers related to technical assistance / consulting / administrative services,****must submit:**

- Working visa
- They must submit policy from abroad (including Profertil as beneficiary)
- If they meet both requirements, they enter with the authorization of the Payable Accounts area, Contractor Control.
- If they do not meet the requirements they must submit a local policy for USD 100,000 or equivalent in pesos at the valid currency exchange rate, meeting the normal requirements required for these policies.
- If they submit the local policy, they enter with the authorization of the Payable Accounts area, Contractor Control.
- If they do not submit the local policy, the only alternative to enter is the addition to Profertil's Personal Accident Policy authorized by the Administration Chief.

**B. Technical Assistance Services that involve physical risks / elevated work / confined spaces / any other considered risky for their nature,****must submit:**

- Working visa
- They must submit a local policy for USD 100,000 or equivalent in pesos at the valid currency exchange rate, meeting the normal requirements required for these policies.
- If they submit the local policy, they enter with the authorization of the Payable Accounts area, Contractor Control.
- If they do not submit the local policy, they must submit a foreign policy (including Profertil as beneficiary) and they enter with the authorization of the Accounts Payable area, Contractor control.
- If they do not submit any policy, the only alternative to enter is the addition to Profertil's Personal Accident Policy authorized by the Administration Chief.

**c. Visits (persons that enter the site for observations or other activities that do not entail paid services), they enter as "Visit" according to the Security procedures in force.**

On the other hand, the Contractor will submit the following insurance policies:

**5. WORK RISKS COVERAGE Act 24557.**





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The contractor is to conclusively prove contracting of an ART (Labor Risk Administrator) or be self-insured, as per Law 24557, its modifications and regulatory decrees. It shall submit the original or photocopy of the original insurance policy or provisional coverage certificate of the ART whose form and terms are stated in "Insurance Obligation by Contracting Companies", PART III for its employees. Medical and pharmaceutical assistance and absences (temporary incapacity) are exclusively at the Contractor's expense. Profertil is to appear as co-insured.

**Compulsory Life Insurance (Decree 1567/74)**

The contractor is to submit the original insurance policy or a copy with the corresponding payment voucher or provisional coverage certificate of Compulsory Life Insurance, including the list all the persons working at the works/service and complying with Decree 1567/74, modifications and other legislation in force.

**Personal Accident Insurance**

The insurance policy with payment voucher or coverage certificate including payroll is to be submitted. **If payment were to be performed through automatic debit, presentation of a certificate proving coverage is necessary**, as per requirements established in Part III.

**Liability Insurance**

The insurance policy together with payment voucher is to be submitted as per requirements stated in Part III.

**Performance Bond**

The insurance policy together with payment voucher is to be submitted as per requirements stated in Part III.

**Construction and Assembly Insurance**

The insurance policy together with payment voucher is to be submitted as per requirements stated in Part III.

**Equipment and Machinery Technical Insurance**

The insurance policy together with payment voucher, including payroll, is to be submitted as per requirements stated in Part III.

**Automobile Insurance**

The insurance policy together with payment voucher, including payroll, is to be submitted as per requirements stated in Part III.

**Construction Industry Registration, if applicable - Act 22250**

The contractor shall submit proof of registration in the Construction Industry National Register and notify this Body as of the beginning and location of works.

**6. UPDATE OF SUBMITTED DOCUMENTATION**

Any documents with expiry date, either to register the supplier or enter the site, shall be updated before Profertil S.A. "Administration and Finance, Bahía Blanca, Phone: : 0291-4598023/8063, at least 72 working hours in advance.

Said documents are listed below:

- Coverage certificate or payment vouchers of Compulsory Life Insurance.
- Coverage certificate or payment vouchers of Work Risk Insurance (ART).
- Coverage certificate or payment vouchers of Personal Accidents Insurance.
- Coverage certificate or payment vouchers of Civil Liability Technical Insurance.
- Coverage certificate or payment vouchers of Automobile/Equipment Insurance.
- Coverage certificate or payment vouchers of Civil Liability Insurance.
- Coverage certificate or payment vouchers of Construction and Assembly Insurance.



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All documentation non-complying with these Purchasing and Contracting General Conditions shall be considered incomplete and consequently rejected.

Also, before the 20th day of each month the contractor shall also submit:

- Clearing of AFIP-DGI 931 form, with detail of the payroll and corresponding payment voucher.
- Payment vouchers of Salaries and Wages of personnel rendering services.

Photocopies are to be clear and legible.

Payment of corresponding bills shall be delayed until said requirements are completed.

In case the contractor does not comply with the obligation of proving fulfillment of labor and Social Security obligations in relation to its staff, Profertil may withhold any pending payment, as it deems fit, to cover payment of labor and Social Security obligations of the employee/employees whose compliance was not proved as foreseen herein.

PROFERTIL S.A. may do the same in relation to subcontracted personnel by the main contractor.

In relation to invoicing pending payment, if this was caused by contract cancellation, its value shall be applied first to the payment by Profertil S.A., on account of the Contractor, of Contractor's personnel payments for the corresponding period and the withholdings deposit, Social Security contributions, etc. owed by said Contractor.

Payment of one or more invoices without presentation of the information detailed above does not imply wavering by the Purchaser/Principal of the right to demand submission of said documentation in the future, as a requirement previous to payment of invoices.

## 7. INVOICE PRESENTATION

Electronic invoices will be uploaded at [www.checkpagos.com](http://www.checkpagos.com) portal.

All invoices, which are not electronic, are to be submitted/sent to Cuentas a Pagar, Bahía Blanca, Zona Cangrejales S/N Ing. White (CP 8103).

Please remember that business hours for invoice reception will be Monday, Wednesday and Friday from 8:00 AM to 12:00, while call center hours shall be Tuesday and Thursday from 8:00 AM to 5:00 PM at our Supplier Service Line 0291 459 8027.

Due to the enforcement of the Credit Invoice System as of July 01, 2002, Profertil S.A. shall pay invoices from its suppliers within 30 days of their issuance, as stated in the standards regulating the System.

**These payment terms exempt the supplier / contractor from the obligation to issue a credit invoice, so that in no case this document is to be submitted for its acceptance by Profertil S.A.**

At the same time, if no credit invoice is issued, there is no need to issue the corresponding credit invoice receipt.

According to the provisions in the contracting general standards, the invoice shall always indicate number of Purchase Order or the number of Delivery Order in case of a Master Agreement.

On the other hand, any invoicing for services is to have its approval attached, which is to be sent via e-mail by PROFERTIL S.A. respective user.



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Invoices older than 5 days will not be accepted

**Should these requirements not be fulfilled, Profertil S.A. shall not accept the invoice.**

In no case shall Profertil SA accept the "assignment of invoices" for canceling debts with its suppliers.

**8. CURRENCY EXCHANGE ADJUSTMENTS**

Differences in exchange rates in Argentine pesos higher than the equivalent to 100 (one hundred) United States dollars, shall be recognized or demanded according to the applicable exchange rate at Banco Nación dollar selling rate of the day previous to payment date.

**PART III - INSURANCE REQUIREMENTS FOR CONTRACTOR COMPANIES**

During the execution period of the work or service, the contractors/subcontractors shall have to hire at their expense the following insurances:

**1. LABOR RISK INSURANCE**

The contractor shall comply with Act No. 24557 (Labor Risk Law) and any future modification that may affect it, as well as with the provisions in Decree 84/96, keep PROFERTIL SA free of harm at every moment by means of the following Covenants:

Covenant 1

"..... ART" expressly waives the filing of any action for recovery against PROFERTIL SA, its managers, employees or operators, either based on section 39 of Law 24 557 or any judicial standard, in relation to services in kind or money that it is obliged to grant or to pay to depending or previously depending personnel (A) covered by the coverage of this contract, for work accidents or work illnesses suffered or contracted by the deed, or while working or in transit between the worker's domicile and the workplace.

Covenant Number 2

".....ART", commits to communicate PROFERTIL SA to its address in Zona Cangrejales S/N Ing. White (CP 8103), Bahía Blanca, in an irrefutable way, failure to comply with the policy by the insured party, and especially the failure to pay it in term, within ten days of the verification.

Covenant Number 3

".....ART" agrees not to modify, alter whatsoever, terminate or cancel this contract for any reason, including the covenants herein, without prior reliable notice to PROFERTIL S.A. at least thirty (30) days in advance.

The coverage certificate shall also include the corresponding payroll.

(A) State Business Name of the Contractor/s and Subcontractor/s.

**2. PERSONAL ACCIDENT INSURANCE**

For Contractors and Subcontractors under the Self Employed category, in full compliance of Law 24 547 and of present and/or future legislation in force.

In these cases the Personal Accident Insurance coverage is to be required, with the following characteristics:



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Insured party: PROFERTIL S.A. sole beneficiary

Coverage: Death.  
Permanent total disability.  
Permanent partial disability.  
Pharmaceutical medical assistance (\$ 50,000,-)  
In itinere risks.

Minimum amount: \$ 750,000

### 3. AUTOMOBILE INSURANCE.

#### 3.1 General provisions:

The contractor shall submit the vehicle policies covering civil responsibility for material and personal damages to third parties and and/or death of people being transported and not transported.

The indemnification limits shall be of \$ 10,000,000 for automobiles and light duty vehicles and pickup trucks, and of \$ 22,000,000 for heavy vehicles and trucks.

The following indemnity clauses are to be included in these policies:

- a. In the event that a third party directly or indirectly made a claim to PROFERTIL S.A. for an accident with indemnification by this coverage, PROFERTIL S.A. shall be considered insured by this policy .
- b. In case the vehicle causes damages to PROFERTIL S.A. facilities or its personnel, PROFERTIL S.A. shall be considered a third party for the present policy.
- c. The insurer agrees not to modify, alter whatsoever, terminate or cancel this contract for any reason, including the causes in the policy, without due prior notice to PROFERTIL S.A. at least 30 (thirty) days in advance.

In the event of transport of products of PROFERTIL S.A. by other transport companies, said companies shall cover the responsibilities resulting from the cargo transport, including damages to the environment.

#### 3.2 Provisions for vehicles delivering or taking away goods from Profertil SA business areas

The vehicles delivering or taking away goods from the Bahía Blanca plant (Laboratory, Warehouse, Maintenance and Production) should meet the following requirements:

- Have the corresponding insurance when entering the Plant,
- Have a valid Vehicle Technical Verification,
- The driver must be authorized to drive the vehicle and he/she must have passed the induction course to enter the plant.
- Once the vehicle is inside the Plant, it will only be allowed to circulate along road 4 up to crossing with 5 and then to Maintenance Sector. Any additional way up to Fuel Warehouses and Oil materials and Surplus stock will only be made with the express authorization of the employees in the Warehouse area.
- Similar requirements should be set forth in other business areas of Profertil S.A.:

### 4. CONTRACTOR EQUIPMENT AND MACHINERY TECHNICAL INSURANCE

The contractor is to submit PROFERTIL S.A. a full coverage policy that covers the Contractor's equipment, and a waiver covenant to its subrogatory rights against PROFERTIL S.A. in the event of damage or loss of said equipment..



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**5. LIABILITY INSURANCE**

The Contractor shall have coverage covering any damages that may be caused by it or its subcontractors to third parties and/or property of third parties, contamination and/or pollution, sudden or accidental, and at the same time those that may be brought about to PROFERTIL S.A. and/or its personnel and/or its property, with a limit that cannot be less than USD 100,000.

**The increase of said limit may be required at PROFERTIL S.A.'s sole option.**

Said policy shall cover property under care, custody and control as well as the following crossed indemnity and Civil Responsibility covenants:

- a. In the event that a third party directly or indirectly made a claim to PROFERTIL S.A. for an accident with indemnification by this coverage, PROFERTIL S.A. shall be considered insured by this policy .
- b. This policy protects PROFERTIL S.A. and/or contractors and/or subcontractors as if a separate policy had been issued for each of them.
- c. PROFERTIL S.A. shall be considered third party for policy purposes, in the case the case damage has been caused on its facilities, assets or employees.
- d. The insurer agrees not to modify, alter whatsoever, terminate or cancel this contract for any reason, including the causes in the policy, without due prior notice to PROFERTIL S.A. at least 30 (thirty) days in advance.

**6. FULL COVERAGE CONSTRUCTION AND ASSEMBLY INSURANCE**

The contractor shall have a Full Coverage Construction and Assembly Insurance during the Start Up period, Performance Tests and Guarantee Period, with an indemnification limit equal to the contract value, including PROFERTIL S.A. as additional insured.

**NOTE:** If coverage is extended to cover civil liability, the limits and conditions shall be the same as those in section 5).

**7. OTHER INSURANCES.**

PROFERTIL S.A. shall have the right to demand the hiring of additional insurances when the services so require. Said insurances shall be specified in the Specific Conditions of the corresponding contract.

**8. CONTRACTOR'S OBLIGATIONS IN CASE OF ACCIDENT.**

The contractor shall notify PROFERTIL S.A. every accident immediately and by reliable means, and shall declare it to its insurance company within 24 hours after the event.

The contractor shall furnish PROFERTIL S.A., a copy of the complaint filed and shall provide all information related thereto that might be requested.

**9. EXCESS CLAUSES OR UNDERINSURANCE**

Any difference arising from payment of accident compensation, be it owing to the existence of underinsurance or the application of excess clauses shall be at the expense of the contracting company, and PROFERTIL S.A. can discount said difference from payments the contractor may have to make in the future.

**10. PERFORMANCE BOND**



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In case of advance payments for service rendering, when expressly stated by Profertil S.A. in the Purchase Order, the contractor shall take at its charge a performance bond in the terms and conditions stated by Profertil S.A.

If damage under these conditions is higher than the bonded amount, or should the insurance company not pay the claim, for any reason, the contractor shall respond jointly and severally and inexcusably until covering the remaining amount.

#### **PART IV ENVIRONMENT, HEALTH, AND SAFETY BASIC STANDARDS TO BE OBSERVED BY THE CONTRACTOR**

##### **1. PURPOSE**

Spread knowledge and compliance of basic Environment, Health and Safety standards for Contractor Companies staff and promote and request the observance thereof.

##### **2. SCOPE**

All Contractor and Subcontractors companies performing tasks at different Profertil S.A. Sites or that perform activities under the company's control, according to the classification in Annex III of the Procedure MAS-SYS-0008 Safety programs.

##### **3. LEGISLATION.**

The contracting company shall comply with the provisions in the entire applicable legislation of its activity that includes, at least:

- National Act No. 19.587/72, Decrees No. 351/79, 1338/96 and modifications, Work Health and Safety.
- National Act No. 24 557, SRT Decisions on Health and Regulatory Decrees, Labor Risks.
- For Safety in Construction, Decree Number 911/96 and SRT Decisions 51/97, 319/99 and 35/98
- Act Province of Buenos Aires No. 11.459, Decree No. 1741/96, Establishment of industries
- Decree No. 1/95 of the National Administration of Work Health and Safety. Carcinogenic.
- National Act N° 24.449, Decree N° 779/95. For Traffic and Road safety
- Agreement on Hazardous Materials Transportation in the MERCOSUR (Decree GMC 2/94)
- Decision Prov. of Buenos Aires Number 150/96
- Act 11720/95- Decree 806/97 – on Special Waste
- Act 5965/58- Decree 1074/18 – on Gas Effluents
- Act 11347/92- Decree 403/97 – on Pathogenic wastes
- Profertil S.A. internal Environment, Health and Safety Standards and Procedures.

##### **4. QUALITY**

When metering devices are used in tasks that may impact the environment, health and safety of people or facilities, and the quality of the products, they will be calibrated by authorized organizations, and the corresponding certificates will be submitted, both for calibration and accreditation. The same will apply when own calibration patterns are used.

##### **5. HEALTH AND SAFETY**

###### **5.1 DOCUMENTATION.**

To comply with the laws in force about Environment, Health and Safety, and to supplement the provisions in "Purchasing General Conditions", the documents requested in this Part will be submitted to Profertil S.A., Administración y Finanzas, in Bahía Blanca, or to the sector indicated by Profertil S.A. in the other plants of the company.

###### **5.1.1. BEFORE BEGINNING OF TASKS**

The documents detailed in 5.1.1. (items 5.1.1.1 to 5.1.1.7) is to be submitted four (4) working days before starting the job.

**5.1.1.1** Presentation of the Person Responsible for Labor Health and Safety Service, attaching photocopy of registration.



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5.1.1.2 Presentation of Labor Medicine Service.

5.1.1.3 Report the contracted emergency service and medical center to care for injured parties (according to what is reported by the ART of the providing company).

5.1.1.4 Report address and telephone number of the company's responsible person in Bahía Blanca or the place where the service is rendered for Profertil S.A., in case of emergency.

5.1.1.5 The supplier shall ensure the training of all employees that will perform tasks at Profertil before beginning of works, as regards entrance induction on safety and health at Profertil SA. This training is in charge of the UTN under the agreement entered into by Profertil SA and this Universidad Tecnológica Nacional, Facultad Regional Bahía Blanca (phone: 0291-4557109 / 0291-4523099). Exceptionally, in case the above mentioned cannot be applied, alternative mechanisms will be analyzed.

5.1.1.6 Depending on the tasks to be performed inside Profertil S.A. industrial plant or site, a risk prevention program shall be provided by the Contractor according to Procedure GG- MASSS/-0008, with the description of the tasks to be developed and the description of the risks and how to control them at the industrial site.

5.1.1.1 Photocopies of personnel protection elements delivery voucher, signed by each worker (according to Dec. 299/11).

5.1.1.8 When the contractor personnel has to perform special tasks (such as elevated work, confined space entry, use of self-contained breathing apparatus, etc.) the Supplier shall certify the psychological-physical fitness of these employees as stated in Procedure GG-MASSSS/-0008.

5.1.1.9 When the incoming personnel has to work with other dangerous and/or special products in addition to those reported (such as catalysts, chemicals, etc.), they should be trained and the training certificates presented as regards risk prevention and emergency response with these materials..

5.1.1.10 When required by the EH&S Department, a hazard identification and risk evaluation should be performed according to the Procedure MAS-SYS-0025-0025, in addition to the one made according to Procedure MAS-SYS-0008.

5.1.2. When special activities are developed such as Electrical Risk, Confined space entry, Elevated work, etc., the people that execute them shall submit competence certificates and training records signed by the Safety Professional. These documents have to be submitted formally to Profertil SA together with the Safety Program to the EH&S Department, according to the provisions in Procedure MAS-SYS-0008.

5.1.3. **EH&S inquiries** The supplier shall request a user number and password to access, through [www.profertil.com.ar](http://www.profertil.com.ar) web page, all the EH&S procedures applicable to the services to be performed at Profertil. This request should be sent to [dgimenez@profertil.com.ar](mailto:dgimenez@profertil.com.ar) stating the name of the company, CUIT, and name and e-mail address of the person receiving the password. Any inquiry about EH&S can be made to the e-mail address above mentioned belonging to Lic. Diego Giménez.

**5.2 AFTER BEGINNING THE TASKS**

5.2.1 Record of Health and Safety recommendations, inspections, audits performed by the personnel of the supplying company during performance of tasks.

5.2.2 Monthly accident statistics, signed by the representative/agent of said company, according to Profertil S.A. internal procedure which is to be submitted to the Supplier at the beginning of the service. In addition, when required, the annual statistical reports supplied by the ART must be submitted.

5.2.3 Communication certificates of safety standards to personnel..



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**5.2.4 In case of accidents:**

5.2.4.1 Immediately inform Profertil's supervisor (from the area where the task is performed) and Profertil's Medical Service.

5.2.4.2 Written preliminary report within 24 hours after the event, and another report with the accident investigation within 5 days. Reports are to be submitted to the Health and Safety Sector of Profertil S.A., which holds to itself the right to request a complimentary investigation.

5.2.4.3 Copy of accident report to the ART of providing company.

5.2.4.4 Keep Profertil S.A. informed on the evolution of the injured person.

5.2.4.5 Copy of the ART medical discharge, without which the employee shall not be able to return to his/her tasks.

5.2.5 The person responsible for the Health and Safety service is to attend periodic coordination meetings on the days and hours stated by Profertil S.A..

**6. PERSONAL PROTECTION ELEMENTS (PPE)**

6.1 Basic personal protection equipment required by Profertil S.A. during stay at the site is the following:

6.1.1 Safety hard hat (white)

6.1.2 Safety glasses with side shields.

6.1.3 Ear protection in hard hat.

6.1.4 Full face or half face mask (1) with ammonia filter (1), with Ammonia filter.

6.1.5 Safety shoes with steel toe.

(1) It will be decided together with the Safety Department of Profertil S.A.

6.2 In the event of performing specific and special tasks, safety elements shall be completed with the equipment deemed necessary by the person responsible for the task, according to the risk of the task. Said additional elements are to be detailed in the corresponding box of the work permit .

6.3 All workers should guarantee care and maintenance of their PPE.

6.4 Contractor's PPE model and quality is to be reviewed by Profertil S.A. Environment, Health and Safety Department.

6.5 For road transportation of products rated as hazardous substances, the driver has to carry safety protection elements suitable for the product he/she carries during the whole journey. Said protection elements are to be reviewed by Profertil S.A.

**7. WORK CLOTHES.**

7.1 Clothing to be worn may be trousers and shirt, overalls or aprons.

7.2 Long sleeves with buttons are mandatory in every area of the plant.

7.3 For road transportation of products rated as hazardous substances, the driver has to wear proper work clothing suitable to the product he carries during the entire trip..





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7.4 According to the service, Profertil S.A. has the right to request clothes made of fire retardant material.

**8. GENERAL PROVISIONS**

8.1 Profertil S.A., has the main purpose to perform every reasonable effort to prevent any type of accident in the sites of the company and during the performance of activities under its control, so, if required and without prior notice it can request the exclusion of the crew of the contracting company and of every person acting unsafely, by putting at risk his/her integrity and/or that of his/her workmates as well as that of the facilities of Profertil S.A.

8.2 The performance of all tasks requires a Work Permit as per Profertil S.A.'s internal procedures.

8.3 Each worker is responsible for his/her personal safety. He/She is also responsible for the safety of those working with him/her and that can be affected by his/her actions.

8.4 The following actions shall always be kept in mind when performing a task:

8.4.1 Know the workplace.

8.4.2 Study the execution of the job, analyzing the risk of the activities.

8.4.3 Never perform a task that has not been thoroughly understood.

8.5 When working with machines or mobile equipment, none of these elements should be used: chains, rings, bands, scarves, loose clothes or too slack that might pose additional risks..

8.6 People are not allowed to walk on piping or pipe racks.

8.7 The use of the fire network and/or firefighting equipment is not allowed for other use but an emergency without the authorization of Profertil EH&S, .

8.8 Safety signs at the complex as well as marking for special works are to be always observed

8.9 All the personnel will walk along the sidewalks or rails indicated for said purpose, and never inside the diverse production or operation sectors without previous authorization.

8.10 Hair, including facial hair, representing any kind of risk for personal safety or that may interfere with the efficient use of certain safety equipment is to be cut, removed, tied or restricted as per Profertil S.A. indications.

8.11 It is forbidden to carry weapons or drugs or alcoholic beverages or be under their effects.

8.12 It is forbidden to work stripped to the waist.

8.13 **Smoking is allowed only in places specially authorized by Profertil S.A.**

8.14 Fire cannot be lit without due authorization or work permit.

8.15 Always keep order and cleanliness and do not leave waste or material left-overs. Noncompliance may cause injury and loss of time.

8.16 **At the end of each work day, equipment and electrical switchboards are to be disconnected, cylinders closed and depressurized, and cables and hoses coiled.**



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**8.17 Contractor personnel cannot operate commands or switches of any equipment at the plant. He/she has to request this to the operator at the sector.**

**8.18** No jobs shall be performed on pieces of equipment that have not been previously blocked, disconnected, decompressed or without the corresponding work permit.

**8.19** Neither roads nor emergency exits shall be obstructed and free spaces are to be left where there are hydrants or safety equipment.

**8.20** Whenever workers or equipment in use are involved in an accident, the accident is to be reported and assistance of the medical service of Profertil S.A. is to be requested.

**8.21** Any spill or irregularity affecting safety or the environment is to be quickly notified to the persons responsible in the sector and it shall be afforded by the Contractor or Profertil S.A. at the contractor's expense.

**8.6** In case of an emergency, contractor's personnel shall act according to Profertil S.A. guidelines.

**9. HOUSEKEEPING**

**9.1** It is everybody's responsibility to always keep order and cleanliness at the workplaces.

**9.2** Accesses, entries and exits to buildings, tool shacks or emergency equipment, such as fire extinguishers, hydrants, autonomous breathing equipment, stretchers, etc. shall not be blocked.

**9.3** Waste shall not be mixed.

**9.4** The contractor shall adapt to Profertil S.A. standards.

**10. ACTIONS IN CASE OF EMERGENCIES**

**10.1** In case of any abnormal event or when an alarm is heard all work should be interrupted until the situation is back to normal again. In case electric equipment, open flame generators or similar equipment are in use, they are to be placed in a safe position, disconnected and/or shutdown.

**10.2** Roads or emergency equipment shall not be obstructed with equipment or vehicles.

**10.3** Individuals shall go to the meeting points, bearing in mind wind direction, and stay there following the instructions of the Profertil S.A. Team Leader.

**10.4** Remember that people with no specific function related to the emergency should not get involved in it.

**10.5** At every moment, the role assigned in the Emergency Response Procedure from Profertil S.A. must be followed (as detailed in previous items), which will be delivered when starting the job.

**11. TRANSPORTATION OF HAZARDOUS SUBSTANCES ON THE ROAD**

When the service implies road transportation of products (Profertil SA own products or purchased by Profertil SA) rated as hazardous substances by the legislation in force (in Argentina and Mercosur countries) the Supplier is to submit before the beginning of the activity the following information:

**11.1** Documentation/information of units, drivers and products to be transported:



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**11.1.1** Presentation note with the list of drivers (names and surnames and ID numbers), driving units (description and plate number) and trailers (description and plate number).

**11.1.2 For each driver****11.1.2.1** ID

**11.1.2.2** Proper driver's license for this category.

**11.1.2.3** Authorization for transportation of hazardous substances (psychophysical test)

**11.1.2.4** Proof of attendance to compulsory course for drivers of hazardous substances.

**11.1.2.5** ART (Labor Risk Administrator) or accident insurance (with pertaining clauses as detailed in corresponding sections).

**11.1.3 For each driving/trailer unit****11.1.3.1** ID card (green card)

**11.1.3.2** Insurances on the vehicle as per conditions established in the corresponding sections.

**11.1.3.3** Technical Verification for transportation of hazardous substances.

**11.1** Hydraulic test of the tank unit (if applicable).

**11.1.5** Hydraulic test on hoses that shall be used for product loading/unloading (if appropriate)

**11.1.6** Product loading/unloading procedure (it has to be compatible with internal standards of Profertil S.A.)

**11.1.7** Emergency Response Plan on the Road. This plan must be approved by Profertil S.A. and it should have at least a road map, that will include a map/sketch of the roads to be used, contact phone numbers (with the units throughout the whole trip and with the main office of the transport company, tolls, etc.), maneuvers in case of mechanic problems, spills, etc. When preparing the road map, Decision No.1570/96 of the Province of Buenos Aires should be considered that "forbids circulation of transport of toxic or hazardous substances in the Provincial Road 51 from intersection with Provincial Road 72 up to the access to Cabildo. National Road 3 will be used as an alternative to enter and leave the districts of Bahía Blanca and Punta Alta 3.

**11.1.8** Safety Data Sheet (MSDS) of transported product. Profertil S.A. shall hand in pertaining data sheet for products produced by the company. In case the product was purchased by Profertil S.A., this information shall be submitted by the supplier.

**11.1.9** Connection systems characteristics (connection diameter, material, type of thread, etc.).

**11.1.10** This list is not exhaustive, and shall be updated/modified if transport conditions have any particular aspect requiring so.

**11.1.11** In case of transportation of hazardous materials, from or to countries not included in the Mercosur Agreement, legislation in force in the countries through which these carriers pass is to be considered.

**11.2 General Provisions in relation to transportation conditions:**

**11.2.1** All units, hoses, tanks, and other fittings used and contracted for product transportation are to be in proper conditions of cleanliness and reception of product before starting loading.

**11.2.2** All units (driving and towed) must have the product identification as established in valid legislation and according to the product to be transported.

**11.2.3** At all times during transportation, standards established by legislation in force in the territory through which the carrier passes are to be complied with.



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**12. ENVIRONMENT**

The Contracting Company shall:

- Know and respect Profertil S.A. Integrated Quality, Environment, Health and Safety Policy.
- Know and respect the legislation in force in relation to waste management:
  - Provincial Act 11 720/95 – Decree, Special Waste.
  - National Act 5.965/58- \*Decree 1074/18, Protection of supply sources and of receiving courses and bodies and to the atmosphere.
  - Decision SPA No. 389/98, Liquid Effluent Parameters.
  - National Act 24.051/92-Decree 831/93, Hazardous Waste
  - National Act 24.449-Decree 779/95, Road and Traffic Safety.
  - Act 11347/92- Decree 403/97 – Pathogenic wastes
  - Sector Agreement on Hazardous Merchandise Transportation in the MERCOSUR.
  - Municipal ordinances.
- Respect procedures developed by Profertil S.A. for management of different types of waste.
- Identify aspects and evaluate impacts of its activities according to EH&S applicable Procedures
- Prepare procedures for management of own waste, in agreement with Environment sector.
- Observe legal waste classification: Domestic, industrial and special. Subdivisions determined by Profertil S.A. are to be observed too.
- Classify and separate waste at place of origin and place them in containers Profertil S.A. shall provide for this end.
- Avoid waste mixture without express consent by Profertil S.A.
- Have, for the case of spills, absorbing material approved by the Environment sector.
- Agree with the Environment sector on the type of liquid effluents that may be sent to plant draining systems.
- Complete monthly a record of generated waste in agreement with Environment sector.
- Submit a statement indicating products used and possible generated waste.
- Develop a contingencies plan for waste management.
- Always work to:
  - Reduce Special Waste quantity.
  - Minimize potential risks in their treatment and disposal.
  - Promote the use of the most adequate Technologies, from the environmental point of view.

In face of the need to gather waste at the plant, this is allowed only at locations specially authorized by Profertil S.A.

When planning special jobs, the type of waste generated is to be determined and its final destination is to be agreed upon in advance.

Waste generated by the contractor is to be managed by Profertil S.A. to ensure compliance of legislation in force.



Emitido por: Goldman, Hernan

Autor: Goldman, Hernan

Revisado por:

Aprobado por: Goldman, Hernan

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Any action to take waste out from the Plant shall be under the supervision of Profertil S.A.

**12. ALCOHOL AND DRUG POLICY**

PROFERTIL S.A. is committed to providing a safe work environment for the performance of the duties of its employees as well as the personnel of the contractor companies that provide services in any of its facilities and works actively in the prevention and control of alcohol and/or drug addictions.

PROFERTIL S.A. recognizes that the consumption of alcohol and drugs is harmful to health, increases human error and has a negative impact on the workplace. These addictions represent a risk to the health, safety and physical integrity of employees, suppliers and third parties, as well as to facilities and assets.

In order to maintain a safe work environment, PROFERTIL SA Has an Addiction Prevention and Control Policy for employees that must be adhered to by contractors providing services at any of PROFERTIL SA's facilities. Controls for entry to its plants are performed according to Procedure GPE-SPE-0026 "Alcohol and Drug Testing"

PROFERTIL S.A. understands that alcohol and other drug dependence is an individual and social medical condition that can be addressed. Those employees who suffer from alcohol and/or drug abuse or addiction must be treated in a comprehensive manner, tending to recover a better quality of life, without discrimination and ensuring confidentiality.

**ETHICAL CONSIDERATIONS:**

- - *Profertil SA produces and commercializes fertilizers under a scheme of honest relationships with employees, clients, shareholders, vendors, the local and international community and other stakeholders, based on integrity, cooperation, transparency and mutual value contribution; all of this with a strict observance of national rules (Acts 25246 and 26268 for Asset Laundering Prevention coming from illegal activities and other decisions of the Financial information unit) and international rules (Foreign Corrupt Practices Act – FCPA of the USA and other related international legislation) in force as well as Act 27401 on Prevention, Detection and Punishment of Corruption Acts. Consequently, we request the same attitude from our staff, partners, clients, vendors and contractors and subcontractors. As regards national legislation, we assume that the undersigned are not “Politically exposed persons” as stated in Decision Number 52/2012 amending Decision UIF Number 11/11 of the Financial Information Unit depending on the Ministry of Justice and Human Rights of the Nation, and, if included in this Decision, a note is attached with the corresponding signatures explaining the nature of such exposure.*

**- UNITED NATIONS GLOBAL COMPACT:**

*Since 2014, Profertil SA adheres to the "United Nations Global Compact and its 10 Principles"; focusing on Environment, Labour Standards, Human Rights and Anti-Corruption. Similarly, Profertil SA wishes to extend the commitment assumed to its Suppliers, Contractors and Subcontractors.*

**IMPORTANT:**

*The list of laws, standards and resolutions named in this document is not restrictive and any other future standard replacing or completing the quoted ones shall be considered included.*

**General Note:****When applicable:**

- Profertil SA shall develop indexes to assess Environmental Performance.
- Profertil SA, shall perform periodic performance audits in EH&S as per indications in this document.



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ABA-CYC-0013 - CONDICIONES GENERALES DE COMPRAS Y CONTRATACIONES-6

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- The unsatisfactory result of two audits within a 12 month period will be a valid cause to terminate the contract.

#### PROCEDIMIENTOS VINCULADOS

N/A

#### REFERENCIAS EXTERNAS

N/A

#### ANEXOS

N/A

#### LISTA DE DISTRIBUCIÓN

Por proceso ABA