

Defined Terms

These terms and conditions of sale ("Terms and Conditions of Sale") shall apply to any sale by Eaton (together with any of its affiliated entities, subsidiaries or holding companies referred to as "Seller") of any Eaton products (the "Products") to the person or entity placing an order with Seller which is accepted by Seller under these Terms and Conditions of Sale (the "Buyer"). The Buyer and Seller are collectively referred to as the "Parties" and each individually as a "Party".

1. Quotation Validity

Unless otherwise indicated on the quote, written quotations by Seller shall expire automatically thirty (30) days after the date appearing on the quotation unless Seller receives and accepts Buyer's order within that period. Prior to the expiration date any quotation is subject to change by Seller at any time upon written notice to Buyer, unless Seller receives and accepts Buyer's order within the aforementioned validity period.

2. Acceptance of Purchase Orders

Notwithstanding any contrary language in Buyer's purchase order, each purchase order shall be governed exclusively by these Terms and Conditions of Sale, except if any specific terms have been expressly and mutually agreed by the parties and confirmed in Seller's sales order acknowledgement of each purchase order. Such sales order acknowledgement is expressly limited to these Terms and Conditions of Sale. The Seller's failure to object to inconsistent or supplementary provisions contained in the Buyer's purchase order or other communications shall not be deemed to be a waiver or modification of these Terms and Conditions of Sale, or an acceptance of such provisions. Without prejudice to the foregoing, the delivery of Products or the acceptance of Products or any other act or conduct of the Buyer in confirmation of the supply of Products by the Seller shall constitute an unqualified acceptance by the Buyer of these Terms and Conditions of Sale.

3. Price Changes

In the event of (i) increase in costs of raw materials or labor (ii) introduction of new import duties or taxes or (iii) introduction of new legislation or (iv) variation in exchange rates or any specific requirements (including without limitation any design, specification, ordered quantity, shipment dates/changes) representing a price increase, Buyer will be notified and afforded an opportunity to confirm within (5) business days from Seller's notice. In the event that Buyer does neither confirm nor object in writing within (5) business days from Seller's notice, the price increase is deemed accepted by Buyer.

4. Payment Terms

4.1 Unless otherwise agreed indicated in Seller's order acknowledgement, payment shall be received by Seller within thirty (30) days from invoice date by wire transfer. Subject to Buyer's credit status at delivery Seller reserves the right to define other payment terms or to stipulate a progress payment schedule in the Quotation.

4.2 In the event of Buyer's fails to perform its payment obligations in accordance with this Clause, or in the event of any change in Buyer's creditworthiness, Seller, at its sole discretion, reserves the right, among other actions to:-

- (a) Reject any new purchase orders received from Buyer;
- (b) Require Buyer to immediately pay all outstanding invoices which shall become immediately due
- (c) Accept new purchase orders on the basis of revised payment terms, whereby Buyer will be obliged to pay for Products or Services in advance of delivery
- (d) Demand and obtain additional securities (such as payment guarantees) from Buyer, in advance of accepting any new purchase orders
- (e) Withhold shipment or cease any performance, until such time as payment is received from Buyer, at which point Seller will notify Buyer of a revised shipment date following the Buyer's payment of outstanding sums due to Seller.

The foregoing is without prejudice to any other Seller's rights or remedies which Seller may have under the applicable law. All collection costs, including reasonable attorney's fees, arising out from Buyer's non-payment in accordance with the terms herein shall be payable by Buyer. Upon written request by Seller, Buyer shall provide Seller with all then-current financial information necessary at any time to review and confirm Buyer's creditworthiness. Should Buyer not be in a position to furnish any of the payment guarantees required by Seller, Seller shall be entitled to immediately cancel any deliveries and/or purchase orders and/or terminate these Terms and Conditions of Sale by written notice with immediate effect.

4.3 Any overdue invoice will trigger the payment of late penalties by Buyer, calculated in accordance with the Late Payment of Commercial Debts (Interest) Act 1998. This payment is without prejudice to Seller's right to claim for additional, demonstrable costs incurred as a result of debt collection.

5. Taxes, Charges and others

Price is exclusive of VAT, any custom duties, taxes, levies and similar charges, premium freight costs, customized packaging, disassembly, take-back, proper recycling and disposal of waste or other costs ("Charges"). Any such Charges which are liable for payment shall be charged by Seller at the prevailing rate at the time of invoicing.

6. Delivery

6.1 Delivery date(s) shall be in accordance with the Seller's quotation, unless otherwise agreed in writing between the Parties.

6.2 Seller shall be entitled to make partial shipment of product, by providing Buyer prior notice in writing prior to the date of partial shipment, subject to Buyer having five (5) business days from the date of such notice to reject such partial shipment date.

6.3 EARLY DELIVERY - In the event that Seller is able to deliver Products or Services to Buyer prior to the original delivery date advised by Seller in accordance with Clause 6.4, and Buyer accepts such revised delivery date, the

payment term specified in Clause 4.1 shall be calculated from the revised date of delivery.

6.4 Buyer must notify Seller of any paperwork errors or required amendments to any certificates or other supplied documentation within seven (7) calendar days of receipt of delivered Products if changes are to be made free to the Buyer. Beyond the seven (7) day period, Seller reserves the right to levy an administration fee of £200 GBP per activity, for all requests of this nature.

7. Packaging

7.1 The cost of standard packaging is included in Seller's price. Any requests for customized packaging (for example, RFID tagging, specialist materials) shall be subject to Clause 5 of the Terms and Conditions of Sale.

7.2 Seller shall advise Buyer of any returnable packaging, which will be clearly marked by Seller. Failure by Buyer to return such packaging within sixty (60) calendar day, at its own cost and risk, will result in Seller's right to invoice Buyer for the costs of replacement packaging.

8. Shipment Terms

Unless Seller agrees otherwise all shipments shall be EXW at Seller's designated facility (delivery point) (per ICC Incoterms 2010). Upon Seller's written request, Buyer shall provide within 5 business days Seller with a copy of the export declaration for the Products delivered. Alternatively, if the Product shipments are made between EU Member States, Buyer shall provide Seller with a copy of the transport documentation. In the event that Buyer fails to provide Seller with either the export declaration or a copy of the transport documentation Buyer shall be liable for any and all fees/ cost, to include but not limited to any Value Added tax, paid by Seller associated with this failure.

9. Retention of Title and Transfer of Risk

9.1 Transfer of Risk: Risk of loss or damage shall pass from Seller to Buyer and delivery shall be deemed to occur upon transfer of possession to the first carrier or Buyer's

representative at the delivery point per the applicable shipping term (per ICC Incoterms 2010) in Clause 8 of these Terms and Conditions of Sale.

9.2 Transfer of Title: Title shall pass from Seller to Buyer upon transfer of possession to the first carrier or Buyer's representative at the delivery point per the applicable shipping term (per ICC Incoterms 2010) in Clause 8 of these Terms and Conditions of Sale.

10. Delays or Default in Delivery

Seller shall have no liability to Buyer for Seller's delay or default in delivery due to Force Majeure (Clause 25 of these Terms and Conditions of Sale), or other similar causes beyond Seller's reasonable control (for example, the granting of export licenses). Under no circumstances shall Seller have any liability for penalties or other damages of any kind resulting in whole or in part from Seller's delay in delivering, or failure to deliver, any products to Buyer under these Terms and Conditions of Sale, except if such liability exists pursuant to Clause 11.

11. Limitation of Liability

11.1 Notwithstanding anything else in these Terms and Conditions of Sale to the contrary, all liabilities of Seller, its affiliates, officers, directors, employees, agents and suppliers collectively for claims (including without limitation, any claims made by the Buyer for penalties, fines and/or claim(s) for compensation) under these Terms and Conditions of Sale, or otherwise howsoever arising (including without limitation, in contract or torts (including negligence) and/or under any indemnity) is limited to the maximum cap of 100% percent of the Product or Service price (exclusive of Charges) paid by the Buyer to Seller for the purchase of Products or Services under Buyer's purchase order.

11.2 This limit of liability for Products or Services is a total aggregate cap and not per incident (i.e., the existence of two or more claims will not enlarge this limit). The aforementioned limitation shall not apply in the event of bodily harm, injury or death or Seller

acting with intent.

11.3 In no event, whether under contract, statutory law or tort, shall Seller or its affiliates, officers, directors, employees, agents, be liable for indirect, incidental, punitive or consequential damages, including but not limited to, loss of profit, loss of use, loss of production, loss of reputation, loss of opportunity, penalty payments of the third parties. Seller's liability that cannot be excluded as per the mandatory applicable law shall not be excluded.

12. Intellectual Property

Buyer shall indemnify, defend and hold harmless Seller harmless or its affiliates, officers, directors, employees and agents from and against any and all damages, losses, costs, expenses, claims, demands, suits and judgments arising from actual or alleged infringements of any third-party's intellectual property rights caused by

(a) Seller having followed or used the instructions, specifications, designs or products furnished by the Buyer to be used in the Services or in the manufacturing of the Products or otherwise in relation with the Services or Products;

(b) Seller having used the products or services of the sub-supplier specified by the Buyer;

(c) Buyer's use or combination of the Products or Services in conjunction with other products or services not delivered by Seller where such infringement would not have arisen from the Products or Services itself;

(d) Modification of the Products or Services other than by Seller;

(e) Buyer's use of the Products or Services after Seller has informed Buyer of modifications or changes required to avoid infringement if the alleged infringement would have been avoided by implementation of Seller's recommended modifications or changes

13. Design and Technical Information

Unless otherwise agreed in writing between the Parties, Seller claims proprietary rights in the items and information associated with the purchase order to which these Terms and Conditions of Sale apply. Drawings and

technical information are issued by Seller in confidence for engineering information and mutual assistance only and may not be publicly disseminated, reproduced or used by Buyer without Seller's prior written consent and shall be returned immediately upon Seller's request.

14. Special Tooling

All tooling patterns, dies, jigs, fixtures and tool expense shown in connection with special production items are priced at Seller's costs, and title shall be vested in Seller. Seller agrees to maintain and replace at Seller's expense such equipment during the time that the respective items (without change) continue to be purchased from Seller. Equipment may be considered obsolete and scrapped by Seller if no items have been fabricated from it during a continuous period of one (1) year. Should Buyer wish to own the equipment outright, such purchase may be effected upon mutually agreed terms.

15. Confidentiality

15.1 Each Party agrees to keep confidential all information, including commercial and technical information and materials ("Confidential Information") of the other Party, which comes to its knowledge in the course of the business relationship and is identified to be confidential. Each Party is allowed to share Confidential Information with its affiliates on a need to know basis. The terms of this provision shall survive the termination or expiration of these Terms and Conditions of Sale for a period of five (5) years.

15.2 Confidential Information shall not include information that:

(a) Is publicly known at the time of the disclosing Party's ("Discloser") communication to the receiving Party ("Recipient") or becomes publicly known through no fault of Recipient subsequent to the time of Discloser's communication thereof to Recipient;

(b) Was in Recipient's possession free of any obligation of confidence at the time of Discloser's communication to Recipient;

(c) Is developed independently by Recipient without reference to any of Discloser's Confidential Information, as evidenced by

contemporaneous written records; or
(d) Is rightfully obtained by Recipient from a third party authorized to make disclosure without restriction.

16. Defects; Warranty

16.1 Products shall be free from defects in material, and workmanship ("Defects"), under normal use, for a maximum period of twelve (12) months ("Warranty") from the date of delivery of such Products by Seller. Under the Warranty Seller shall, at its option and as a sole remedy either repair or replace any material defect in the Products resulting from proved faulty material or workmanship which impairs the functioning of the relevant Products. Seller shall refund reasonable transportation costs, if any, of such Products to Seller's premises (or where otherwise directed by Seller) provided that its obligations to replace or repair any Products shall not apply to:

(a) Any Products which, upon inspection and determination by Seller, have been altered by Buyer or a third party or modified to include third party component;

(b) Any Products which have been subject to accident or damage caused by any negligent act or omission or circumstances beyond the reasonable control of Seller, and provided further that the warranty for Products which have been replaced or repaired pursuant to the provisions hereof shall be only for the unexpired portion of the original warranty period;

(c) Any Products which, having been inspected by Seller are not found to be defective, or outside of the Warranty Period. Seller reserves its right to charge reasonable costs to Buyer for no fault found inspections and associated redelivery costs.

(d) Wear and tear due to the normal use of the Product by Buyer;

(e) Misuse or abuse of the Product, or its operation, storage or management in a manner contrary to Seller's instructions.

16.2 The undertaking to replace or repair Products which are defective in materials or workmanship set forth in Clause 16.1. herein shall be the full extent of Seller's liability in respect of the sale of Products under these

Terms and Conditions of Sale. All warranties, conditions or representations express or implied (including merchantability, performance or fitness for purpose), statutory or otherwise and whether arising hereunder or under any prior agreement or in oral or written statements made by or on behalf of Seller in the course of negotiations with Buyer or his representative are hereby excluded. In case of any recall or field action caused by a faulty Product delivered by Seller, the Buyer shall notify Seller in advance and the Parties shall mutually agree upon the conditions and timeline of any such recall or field campaign. All Product failures must be returned to Seller for investigation prior to any final warranty remedy adjudication for warranty cases.

16.3 The Buyer shall notify the Seller of defects (including, but not limited to, incorrect or insufficient deliveries) in writing and without delay. Such notice shall no longer be deemed "without delay" where it is not given within ten (10) business days; this deadline shall be deemed to have been met if the notice is posted within this period.

17. Changes and Cancellation.

17.1 Changes: Changes to existing schedules or orders are subject to Seller's acceptance and may result in an increase in per piece price due to any reschedule and/or order changes. Upon Buyer's written request, Seller may accept temporary holds on orders for rescheduling purposes for a cumulative period not to exceed thirty (30) days. Upon the expiration of this 30 day period, if Buyer has not communicated its rescheduled date, Seller reserves the right to recommence shipments in accordance with the original schedule or cancel the order without prejudice to Seller's rights to its cost reimbursement set forth hereunder.

17.2 Cancellations: Cancellations to existing schedules or orders are subject to Seller's prior written acceptance and reimbursement by Buyer of Seller's incurred costs, including all labor costs and expenses and costs of materials that are not usable by Eaton. Such incurred costs will be determined by Seller and

communicated in writing to Buyer

18. Compliance with Laws

18.1 Seller shall comply with all laws and regulations to which Seller is subject pertaining to the manufacture of the Products. For the avoidance of doubt, "laws and regulations" do not include recommendations of standard-setting organizations. Seller shall not be responsible for noncompliance with laws arising out of combination, operation or use of the Products with products not supplied by Seller where use of the Products without such combination, operation or use would be in compliance with such laws.

18.2 Buyer acknowledges that the failure to comply with all such Applicable Laws and/or Seller's policies will be deemed a material breach of these Terms and Conditions of Sale, and shall entitle Seller to terminate these Terms and Conditions of Sale (in addition to any other remedies Seller may have at law or equity). Buyer agrees to indemnify, defend and hold Seller harmless from any breach of Buyer's obligation under this Clause.

19. Export, Re-export, Transfer and Use Controls

The Products (or Services) supplied by Seller under these Terms and Conditions of Sale may be subject to export controls under the laws and regulations of the United States (U.S.) and/or the European Union and / or any of the European Union member states. Unless otherwise provided for by applicable mandatory laws, Buyer shall comply with such laws and regulations governing export, re-export, transfer and use of Seller Products and will obtain all required U.S. or other territorial authorizations, permits, or licenses. Seller and Buyer each agree to provide the other Party with information, support documents, and assistance as may reasonably be required by the other in connection with securing authorizations or licenses. Buyer's obligations under this Clause shall survive the expiration or termination of these Terms and Conditions of Sale.

20. Termination

20.1 If a party breaches any of the provisions of these Terms and Conditions of Sale, the non-breaching party may terminate these Terms and Conditions of Sale as follows: (a) immediately upon providing written notice to the breaching Party if the breach is not capable of being cured, and (b) thirty (30) calendar days after providing written notice to the breaching Party if the breaching Party fails to cure such breach within such thirty (30) calendar day period.

20.2 The termination of these Terms and Conditions of Sale in any way whatsoever will be without prejudice to the rights, obligations and liabilities of either Party accrued prior to termination.

21. Bankruptcy

If bankruptcy proceedings are instituted against any contracting Party or an application for bankruptcy proceedings against that Party is not granted for insufficiency of assets, the other Party may terminate these Terms and Conditions of Sale without prior written notice subject to any applicable mandatory law. Notwithstanding the foregoing, Seller's title to the delivered Products shall not be affected by the bankruptcy and/or insolvency proceedings. At its discretion and at any time, Seller shall be entitled to enter Buyer's premises and re-take possession of any Products that have been delivered but remained unpaid by Buyer.

22. Assignment

Either Party shall be entitled to delegate, transfer or assign its rights and obligations arising from these Terms and Conditions of Sale, in whole or in part, to any affiliate company which is owned, directly or indirectly, by the assigning Party. All other requests for assignment shall be subject to mutual agreement between the Parties (both acting reasonably). Seller may, without Buyer's consent, assign the right to receive any amount due.

23. Personal Data Processing

Each party undertakes to treat Personal Data strictly confidential and to use them only within

the limits authorized by Seller and in accordance with the applicable data protection laws and regulation. If necessary and upon request of Seller, Buyer shall procure from its employees, agents or subcontractor that they sign Seller standard individual forms regarding the protection of Personal Data.

24. Governing Law

These Terms and Conditions of Sale, their interpretation and any contractual or non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with the laws of country where Seller (i.e. the affiliated entity, subsidiary or holding company that enters into the sale agreement) has its registered office without regard to any conflict of law rules. Any dispute, controversy or claim arising out of or in connection with these Terms and Conditions of Sale, including validity and governing law that cannot be settled amicably within sixty (60) days shall be resolved exclusively by the competent courts in having jurisdiction over the area where Seller (i.e. the affiliated entity, subsidiary or holding company that enters into the sale agreement) has its registered office.

25. Force Majeure

25.1 Neither Party will be held responsible for its failure to fulfill any of its obligations (except for Buyer's payment obligations hereunder) if and to the extent that such failure is due to acts of God (such as floods, storms, fires and earthquakes), acts of war, strike, failure of public utilities, terrorism or general civil insurrection, government and competent authorities orders, embargoes and trade limitations, changes in law or regulation, or any other matters beyond the reasonable control of, and not due to, any fault or negligence of such affected Party. Performance shall be deemed to be suspended during the force majeure period. Upon cessation of the force majeure event, Seller shall be granted an extension in its period of time to perform, commensurate with the duration of the force majeure event. In the event the force majeure continues for more than ninety (90) days, either Party may terminate the Agreement upon providing written



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notice to the other Party.

25.2 In the event of either Party electing to terminate the Agreement pursuant to Clause 25.1, Buyer shall be obligated to purchase from Seller:-

(a) Products and/or Services which may have been completed prior and up to such date of termination, at the agreed prices; and

(b) In respect of partially completed Products and/ or Services, or Seller's work in progress, Seller's justified expenses and/or unavoidable costs

of any such right hereunder preclude any other or further exercise thereof or the exercise of any other right, unless expressly waived by the relevant Party in writing.

26. Acceptance of Goods/Services

Except as otherwise stated herein the Products shall be deemed to have been accepted by Buyer thirty (30) calendar days after delivery of Product or repaired item, unless Buyer notifies Seller in writing within that period of the reasons of non-acceptance. Notwithstanding the foregoing, use of the Products by Buyer, its agents, employees or customers shall constitute acceptance of the Products by Buyer.

27. Quality

Products and/or Services shall be delivered in accordance with Seller's then-applicable quality management system. Buyer's specific quality terms and requirements shall only be complied with where such terms have been expressly agreed in writing by Buyer and Seller as being applicable to a particular order.

28. Severability

If any condition (or part thereof) of these Terms and Conditions of Sale shall be found to be invalid ineffective or unenforceable the invalidity, ineffectiveness or unenforceability of such condition (or part thereof) shall not so far as possible affect any other condition (or part thereof) and accordingly all such conditions (or parts thereof) not affected by such invalidity, ineffectiveness or unenforceability shall remain in full force and effect.

29. No Waiver

No failure on the part of either Party to exercise any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise