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Eaton
Electrical Sector
Cooper Industries Russia
LLC

Eaton LLC, Russia
107076, Moscow, Electrozavodskaya street, 33,
bld.4
TAX ID: 7743518606
OGRN: 1047796039280

Selling Country – Russia Terms & Conditions – Sale of Goods and Services

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1. Scope

These Eaton LLC Terms and Conditions of Sale (hereinafter “**T&Cs**”) set general rules and conditions of sale of Goods (hereinafter “the **Goods**”) by Eaton LLC (hereinafter “the **Supplier**”) to any Buyer (hereinafter “the **Buyer**”) and will apply in case parties agree a supply of Goods by the Buyer's accepting a Supplier's offer with regard to specific Goods (hereinafter “**Supply contract**”) that has a reference to these T&Cs.

2. Offer and Acceptance

Any offer from the Supplier is only binding within the timeframe stated for the offer. Offer contains the list of Goods (quantity, assortment, completeness), delivery dates and prices. Supply contract on specific Goods is deemed concluded by the parties if during the term of offer the Supplier received a written accept of the offer from the Buyer or full payment for the Goods as per the offer. The Buyer should provide the Supplier with a signed original offer acceptance at the moment of Goods transfer.

3. Price Calculation

All sales are made at the Supplier's prices that were valid on the date of offer. The price is exclusive of Value Added Tax. The Supplier has the right to change the prices when the following conditions change in the time period between offer acceptance and delivery:

- a. Government taxes, fees, etc.
- b. Currency rate changes above 5%.

The same applies to necessary changes in the delivery method compared to the standard or assumed method at the Buyer's request. Any additional labour or installation will be after the invoice.

4. Delivery Terms

4.1. Unless otherwise agreed by the parties in writing the Goods will be transferred to the Buyer at the Supplier's warehouse. Supplier notifies the Buyer about readiness of Goods for shipment by e-mail. In case the Buyer doesn't come to collect the Goods on the agreed date of delivery and being timely notified

about readiness of Goods for shipment the Supplier moves the Goods to the storage area and stores the Goods at the Buyers expense. If the Buyer doesn't come to collect the Goods within 10 (ten) working days

from the date of readiness for shipment the Supplier can sell the Goods to any third party. Money paid for the Goods by the Buyer should be returned by the

Supplier to the Buyer after withholding storage expenses.

4.2. All risks and property title in Goods are transferred from the Supplier to the Buyer at the moment of transfer of Goods from Supplier to the Buyer at the Supplier warehouse address mentioned in the Supply contract and signing of the bill of lading by the Buyer.

5. Payment Terms

Unless otherwise agreed by the parties Goods should be paid upfront during validity term of the offer or 3 (three) working days.

6. Pledge

If the Goods are sold on credit the Supplier will have a pledge on such Goods until they are paid in full.

7. Goods Acceptance

The Buyer is obliged to inspect the Goods at the moment when Goods are transferred from Supplier for quality, quantity and completeness. Complaints about hidden defects shall be made within a warranty period. Complaints about hidden defects should be made in writing, during 8 (eight) working days from the moment they have been discovered.

8. Return (Sale Back)

Authorisation and shipping instructions for the return of any Goods must be obtained from Supplier in writing before any Supplies may be returned to the Supplier by the Buyer.

9. Warranty

9.1. Unless otherwise agreed in writing by the Parties, Supplier warrants to the Buyer that the Goods shall be free from defects in design, material, and workmanship (hereinafter - “**Defects**”), under normal use, for a maximum period of 12 (twelve) months (hereinafter - “**Warranty**”) from the date of supply. Supplier shall,

subject to the provisions of these T&Cs and for the duration of the Warranty, remedy any material Defect in the Goods resulting from faulty design, material or workmanship which impairs the functioning of the relevant Goods. There shall be no claims based on Defects in cases of insignificant deviations, of only minor impairment of usability or from non-reproducible software errors.

9.2. This limited Warranty shall not apply to any Goods or component thereof which:

- 9.2.1 has been repaired or altered outside of manufacturer's factory, or Supplier's premises, or premises of a third party authorized by the Supplier in any manner so as, in Supplier's sole judgment, to affect its serviceability;
- 9.2.2 has been subject to alteration, accident, misuse, abuse, neglect or abnormal wear;
- 9.2.3 has been installed, operated or used in a manner contrary to Supplier's instructions, or due to failure to follow Supplier's instructions for operation and maintenance; or
- 9.2.4 has been subjected to abnormal or unusual physical or electrical stress or environmental conditions misused or negligently handled or operated.

9.3. Supplier shall not be liable for damage due to third party acts, atmospheric discharges, excess voltage, chemical influences and for loss and damage in transit. The Warranty does not cover the replacement of parts subject to normal wear and tear. Supplier gives no warranty for the sale of used Goods. If the Goods are

manufactured by the Supplier on the basis of design data, design drawings, models or other specifications supplied by the Buyer, Supplier's warranty shall be restricted to non-compliance with the Buyer's specifications as approved by Supplier under these T&Cs.

9.4. Supplier's sole obligation and Buyer's sole remedy under the Warranty shall be, at Supplier's option and discretion, to either repair or replace at no additional charge, the defective Goods (or the defective part of

the Goods) thereof, which is proved to breach such Warranty.

9.5. Except for the express warranty set forth above, Supplier makes no other representations or warranties, express or implied, statutory or otherwise, regarding the supplies, their fitness for any particular purpose, their merchantability, their quality, their non infringement, or otherwise.

9.6. The Buyer shall expressly not have any claim with regard to expenses incurred in the course of supplementary performance, including costs for travel, transport, labour, and material, to the extent that expenses are increased the subjectmatter of the

Goods has subsequently been brought to another location than the place of delivery.

9.7. All drawings, descriptive matter, specifications and advertising issued by Supplier and any descriptions or illustrations contained in Supplier's catalogues or brochures are issued or published for the sole purpose of giving an approximate idea of the Goods described in them. They will not form part under these T&Cs in general or this Warranty specifically. Supplier may make any changes in the specifications, design or materials of the Goods which are required to conform



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with any applicable safety or other statutory requirements, or where the Goods are to be supplied to Supplier's specifications, which do not in Supplier's reasonable opinion materially affect the quality or performance of the Goods.

9.8. The Buyer shall only have a claim for damage based on Defects within the limits set forth in these T&Cs.

10. Confidentiality and Announcements

10.1. **"Confidential Information"** means all information (whether communicated in writing, verbally, electronically or by any other means and whether communicated directly or indirectly), including information in connection with these T&Cs and the transactions contemplated therein, or any related agreement, which by its nature is intended to be for the knowledge of the receiving Party alone, which is marked as "confidential" or "proprietary" or which is otherwise confidential, and all information concerning the business transactions and the financial arrangements of any Party with any person with whom that Party is in a confidential relationship with regard to the matter in question.

10.2. Neither Party, including but not limited to its affiliated entities, owners, managers and employees shall, without the prior written consent of the disclosing Party, for any purpose other than the proper performance of its obligations under these T&Cs make use of or disclose or permit the use or disclosure to any third party of any trade secrets or other Confidential Information, whether relating to the method of operation or business of the other Party or the Goods which it may receive or obtain either directly or indirectly, or make any public announcement, communication or circular concerning the transactions to which these T&Cs shall apply. This obligation shall remain in force after fulfillment of the supplies with no limitation on time, but shall not apply to any information which (i) was publicly known at the time of disclosure to the receiving Party or becomes publicly known through no fault of the receiving Party subsequent to the time of communication thereof to the receiving Party; (ii) was in the receiving Party's possession free from any

obligation of confidence at the time of communication thereof to the receiving Party; (iii) is developed independently by the receiving Party or its affiliates, and without reference to any of the disclosing Party's Confidential Information or other information has disclosed in confidence to any third party, as evidenced by contemporaneous written records; (iv) required by law, by a rule of a due authority or stock exchange to which either Party is subject or submits provided that the only such Confidential Information as is strictly required is disclosed; or (v) is rightfully obtained by the receiving Party from third party authorized to make disclosure thereof without restrictions.

10.3. A disclosing Party has no liability or responsibility for errors or omissions in, or any decisions made by the receiving Party in reliance on any Confidential Information disclosed under these T&Cs. No warranties of any kind are made in connection with the Goods as to the accuracy or completeness of the Confidential Information disclosed.

11. Liability

11.1. The remedies of the Buyer under these T&Cs are exclusive and are its sole remedies for any failure of Eaton to comply with its obligation hereunder.

11.2. In no event shall the aggregate liability of Supplier under these T&Cs exceed the price paid in respect to the Goods to which such liability relates. This limit of liability is cumulative and not per-incident (i.e. the existence of two or more claims will not enlarge this limit). Furthermore, it applies cumulatively to all of Supplier's affiliated entities.

11.3. In no event, whether under contract, statutory law or tort, shall Supplier or its affiliated entities, officers, directors, employees, agents, be liable for indirect, incidental or consequential damages, including but not limited to loss of profit, loss of use, loss of production or penalty payments.

11.4. The limitations of liability shall not apply in the following cases:

- 11.4.1. intent;
- 11.4.2. gross negligence on the part of the owners,

legal representatives or executives;

11.4.3. fraud;

11.4.4. negligent injury to life, limb or health; or

11.4.5. negligent breach of fundamental obligations arising out of or resulting of these T&Cs;

11.4.6. in other cases where limitation of liability cannot be applied according to mandatory norms of the Russian law.

12. Intellectual Property Rights

12.1. Both the Supplier and the Buyer shall remain the owner of its Background IP and nothing contained in the Supply agreement concluded in accordance with the T&Cs shall imply any transfer of title of Background IP. Supplier shall be the sole owner of all Foreground IP and shall have full title to such rights.

12.2. The Buyer shall not do or authorise any third person to do any act which would or might damage or be inconsistent with the trademarks (which term for purposes of these T&Cs shall include but not be limited to trademarks, trade names, service marks, logo marks, trade dress other trade names, whether registered or unregistered) used by Supplier in relation to the Goods or to the goodwill associated therewith and, in particular, will not do or authorise the alteration, obliteration, covering up or incorporation of other marks (in whole or in part) on to the Goods. The Buyer shall not use or authorise any third person to use the trademarks used by Supplier in relation to the Goods on any stationery, advertising, promotion or selling material other than the Goods or other such materials supplied by the Supplier to the Buyer. All advertising, promotion and selling materials supplied by the Supplier to the Buyer shall remain the property of the Supplier and the Buyer shall not permit any other person to make use thereof. The use in any form of the name "EATON" or Supplier's logo in the official name, company name, trading or business name, domain name or other similar name of the Buyer requires the prior written approval of the Supplier.

12.3. The Buyer agrees to inform the Supplier promptly about any infringement of any of Supplier's (its affiliates') trademarks or other Intellectual Property Rights or of any act of unfair competition of which the

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Buyer has knowledge. The Supplier and the Buyer shall then jointly decide on appropriate action. The Buyer agrees to assist in every way possible in legal actions taken by the Supplier or its affiliated entities in this regard.

12.4. If any claim is made against the Buyer that the Goods infringe or that their use or resale infringes the rights of any third party, the Supplier may (at its option) either secure the Buyer's right to continue to use the Goods or replace or modify the Goods to make them noninfringing, or if neither of these alternatives is reasonably available to the Supplier, refund the purchase price.

12.5. In these T&Cs:

12.5.1. **"Background IP"** means any intellectual property and Intellectual Property Rights existing before the date of the Acceptance, and any Intellectual Property Rights generated after the date of Acceptance but outside the scope of these T&Cs.

12.5.2. **"Foreground IP"** means all intellectual property and Intellectual Property Rights generated under these T&Cs.

12.5.3. **"Intellectual Property Rights"** means any intellectual and industrial property rights including, but not limited to, copyright, moral rights and neighbouring rights, all rights in relation to: inventions (including patent rights and utility models), trademarks, confidential information (including trade secrets and know how), drawings, prototypes, algorithms, software, mask works and semiconductor topographies and all other rights resulting from intellectual activity in the industrial, scientific, literary or artistic field, afforded by law anywhere in the world whether registered or unregistered or capable of registration and all applications therefore.

13. Export Regulations and Anti-Corruption

13.1. The performance of any obligations under these T&Cs is conditional upon that no hindrances attributable to applicable law of Russian Federation, United Nations (UN), United States of America (US), European Union or international rules of foreign trade law or any sanctions or any embargoes exist.



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13.2. The Buyer shall comply with all laws as set forth in clause 13.1. The Buyer shall not take any action which could place the Supplier or any other associated company in jeopardy of breaching or violating any such laws, regulations, provisions and/or acts or any interpretations thereof.

13.3. The Buyer shall observe all other policies, procedures and requirements as Supplier may reasonably establish for parties similar to the Buyer from time to time, including but not limited to Eaton's Code of Ethics.

13.4. The Buyer agrees to comply fully with all applicable anti-corruption laws and regulations, including (but not limited to) those in the jurisdiction in which the Buyer is registered, the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act. The Buyer agrees to comply with Eaton's Worldwide Anti-Corruption Policy and Worldwide Gift & Entertainment Policy, copies of which are available at www.eaton.com.

13.5. The Buyer acknowledges that the failure to comply with all applicable laws and/or Eaton's policies as contemplated in this Section 13 will be deemed a material breach of these T&Cs, and shall entitle Supplier to terminate the Supply contract (in addition to any other remedies it may have). The Buyer agrees to indemnify, defend and hold Supplier harmless from any breach of the Buyer's obligation under this Section 13.

14. Data Protection

14.1. In performing and participating in the transactions based on these Terms, the Buyer may have access to one or more databases, applications, reports, documents and/or other information in hardcopy or electronic form that contain or process data relating to identified or identifiable individuals ("**Personal Data**"), which the Buyer acknowledges may be of a sensitive nature and which the Buyer undertakes to treat in a strictly confidential manner and not to use unless explicitly authorized by Eaton in writing.

14.2. The Parties consent to the processing of their respective Personal Data and commit to process any Personal Data received from the other Party

and/or its affiliated entities in accordance with any applicable personal data processing legislation. Each Party agrees expressly that the other Party may communicate Personal Data to any service provider in and outside the European Union for accounting, financing and/or contract management purposes.

15. Force Majeure

15.1. If Eaton is prevented, hindered or delayed from or in performing any of its obligations under these Terms (other than a payment obligation) by a Force Majeure Event, Eaton's obligations under these Terms are suspended while the Force Majeure Event continues and to the extent that it is prevented, hindered or delayed.

15.2. "**Force Majeure Event**" means an event beyond the reasonable control of Eaton including, without limitation, strike, lock out, labour dispute, (but excluding strikes, lockouts and labour disputes involving employees of Eaton, supply difficulties and delays, any delays at borders and/or customs, breach of contract or disputes with the sub-contractors of Eaton, act of God, war, riot, civil commotion, malicious damage (but excluding malicious damage involving the employees of Eaton) compliance with a law or governmental order, rule, regulation or direction, embargoes and trade limitations, accident, breakdown of plant or machinery fire, flood, storm and difficulty or increased cost in obtaining workers, goods or transport.

15.3. Where a Force Majeure Event in the meaning of clause 15.2 substantially changes the economic importance of the contents of the Supplies or considerably affect the Buyer's business, the contract shall be adapted taking into account the principles of reasonableness and good faith. To the extent this is not justifiable for economic reasons; Eaton shall have the right to rescind the contract. If Eaton intends to exercise its right to rescind the contract, it shall notify the Buyer thereof without undue delay after having realized the repercussions of the event; this shall also apply

even where an extension of the delivery period has been agreed with the Buyer.

16. Governing Law and Jurisdiction

The T&Cs and the Supply contract shall be governed by Russian Law. Any disputes that may arise from these T&Cs and/or the Supply contract or in connection with the same shall be submitted to the Moscow Court of Arbitration.

17. General

If there is any conflict between the Russian version of these T&Cs and any translation into any other language, the Russian version of these T&Cs shall prevail.

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