

These terms and conditions of sale (the "Terms") are between the buyer (hereinafter referred to as "Buyer") and Eaton Technologies GmbH (hereinafter referred to as "Seller") selling the products or services (hereinafter referred to as "Product" or "Service").

## 1. Quotations and Price Lists

**1.1. Quotation:** Unless otherwise indicated on the quote, written quotations by Seller shall expire automatically ninety (90) 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 the Buyer.

**1.2. Price Lists:** Price List means the list of prices applicable for the Seller's products and as published by the Seller. Different price lists may apply for each of Seller's product category. Each Price List is valid from its effective date as indicated on such Price List until its revision by the Seller. The Price List is subject to these Terms and Conditions of Sale.

## 2. Acceptance of Purchase Orders

Notwithstanding any contrary language in Buyer's purchase order, each purchase order shall be subject to acceptance by an authorized employee of Seller and each transaction shall be governed exclusively by these Terms and Conditions of Sale ("Contract"), 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 acceptance is expressly limited to these Terms and Conditions of Sale, and any additional or different terms proposed by Buyer are automatically rejected unless expressly agreed to in writing by Seller. No contract shall exist except as hereinabove provided.

## 3. Price Changes

Prices (provided by way of a Quotation or a Price List) are subject to change to the prices in effect at the time of delivery. Seller reserves the right to make any corrections to prices quoted due to clerical errors or errors of omission. In the event of any specific requirements (including without limitation any design, specification, ordered quantity, or shipment changes) representing a price increase, Buyer will be notified and afforded an opportunity to confirm.

## 4. Payment Terms

**4.1.** Unless otherwise agreed in writing by Seller, payment shall be made within thirty (30) days net from the invoice date. 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.** If at any time, Buyer is delinquent in any of its payments for the Product or Service under these Terms, Seller may, in its discretion, and without prejudice to its other rights, suspend shipment (including partial shipments of any purchase order) of Product or delivery of Service, or require Buyer to prepay for further Product shipments or Service delivery, until complete payment has been received. Seller shall apply late payment interest from the day following the stipulated date for payment of the invoice until full payment is received by Seller. The interest rate shall be the higher of the then-current ECB interest rate – Marginal lending facility - as published by the European Central Bank plus 7 (seven) percentage points or the maximum rate permitted by the applicable law. Buyer shall bear all costs (including without limitation any reasonable attorney's fees, legal costs, collection costs) incurred by Seller. 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. The Buyer has no right to offset against claims and has no right of retention or withholding payment unless Buyer's counterclaim has been established by a final and binding decision of the competent court or is undisputed.

## 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 applicable at the delivery date by Seller.

## 6. Delivery

Lead times are for Buyer's reference only and are subject to change by Seller. Design and/or specification changes are subject to review for possible adjustments to delivery. Order quantities subject to scheduled delivery dates must be mutually agreed upon. Delivery shall be made at the date or within the time period mutually agreed upon in writing. Seller shall have the right to make partial shipment of the Product or Service and Buyer shall pay such invoices in accordance with the payment terms set forth in Clause 4 herein.

## 7. Packaging

The cost of standard packaging for shipment in the European Union is included in Seller's price subject to Clause 5 herein. Additional charges may be imposed for domestic packaging, overseas packaging, or special marking performed at Buyer's request and agreed to by Seller. Packaging materials will not be taken back by Seller unless Seller so agreed in writing.

## 8. Shipment Terms

Unless Seller agrees otherwise all shipments shall be FCA (Free Carrier) at Seller's designated location (delivery point) (per ICC Incoterms 2010). Seller shall also be entitled to impose additional charges for the completion, at Buyer's request, of forms with respect to shipping. Unless otherwise agreed, shipment may be made by lots of reasonable commercial size as Seller deems appropriate.

## 9. Title and Risk of Loss

**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 common carrier or Buyer's representative at the delivery point per the applicable shipping term (per ICC Incoterms 2010).

**9.2. Retention of Title:** Seller retains title to all Products delivered by Seller until receipt of all amounts invoiced including interests and charges. In the event Buyer re-sells the Products before property in the Products passes to Buyer in accordance with Clause 9 herein, Buyer shall account to Seller for all of the proceeds of any re-sale and prior to paying such proceeds to Seller, Buyer shall hold the same in a fiduciary capacity keeping the same separate from its other money. Unless mutually agreed in writing, Buyer assigns hereby to Seller the portion of the Buyer's claim against its end-customer to the extent the Products have been processed, transformed or combined with other products sold by Buyer to such end-customer. Seller shall be entitled to recover directly from Buyer's end-customer any unpaid portion of the Product value owed by Buyer. Upon request Buyer has to notify the assigned claim and the debtor thereof to Seller, and to make all information and material required for the debt collection available and to notify the assignment to the third-party debtor. If the Products are attached or otherwise levied upon, Buyer shall draw attention to Seller's title and immediately inform Seller of the attachment or levy. Seller shall be entitled to carry out all applications and registrations as it deems necessary for securing its title and Buyer shall assist upon request. The retention of title shall not affect the passing of risk under the Clause 9.1.

## 10. Delays or Default in Delivery

Under no circumstances shall Seller have any liability for penalties or other consequential 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 this Contract.

## 11. Limitation of Liability

**11.1.** In any and all events, Seller shall only be liable for direct damages under this Contract. Seller's total aggregate liability is limited to either:

- (a) the value of the defective Products (or Services as applicable) in case of breach of contractual warranty or
- (b) the value of the individual purchase order in the performance of which Seller breached any of its obligations (other than warranty) under this Contract.

**11.2.** In no event, whether under contract, statutory law or tort, shall Seller or its affiliated entities, directors or its representatives be liable for indirect or consequential damages, including but not limited to loss of profit, loss of use, loss of production or penalty payments.

**11.3.** The limitations of liability set forth in this clause shall not apply in case of intent, gross negligence, fraud or negligent injury to life, limb or health; claims under the product liability law (Produkthaftungsgesetz), which cannot be excluded by law; claims resulting from fraudulent concealment of a defect; acceptance of a guarantee and in the event of a breach of a material contractual obligation (an obligation without the fulfillment of which the proper performance of the contract would not be possible, and upon the compliance with which the other party regularly relies and is entitled to rely). Notwithstanding the foregoing in case of a breach of material contractual obligations the liability of the Seller shall be limited to the reimbursement of contract-typical damage which was foreseeable at the time the agreement pursuant to these Terms is concluded.

## 12. Intellectual Property (IP)

In the event that any claim, suit or proceedings (hereinafter "Infringement Claim") is made against Buyer that the Products and/or Services infringe any third party IP rights, Seller shall, at its own expense and option, settle or defend the Infringement Claim and pay all damages and costs finally awarded against Buyer. Provided that Seller shall not be liable for any Infringement Claim which arises due to Seller having followed or used the instructions, specifications, designs or products furnished by Buyer to be used in relation with the Products and/or Services. Further, Seller will be only liable for such Infringement Claim on the conditions that Buyer promptly informs Seller, Seller has full control of the defense of the Infringement Claim, and that at Seller's expense Buyer provides all assistance and information reasonably required to allow Seller to handle the infringement Claim. The foregoing states the entire liability of Seller for intellectual property infringement.

## 13. Design and Technical Information

Seller claims proprietary rights in the items and information associated with this order the Products and/or Services. Drawings and technical information are issued 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. Confidentiality

The parties agree to keep confidential and not to disclose to any third party all commercial and technical information of the other party, which comes to their knowledge in the course the supply of the Products and/or Services, unless such information is or becomes public knowledge without fault of the receiving party. Affiliated companies of the Seller are not deemed to be third parties for the purpose of this clause. The terms of this provision shall survive for a period of 5 (five) years after the last supply of the Products and/or Services.

## 15. Warranty, Defects

**15.1.** Unless otherwise agreed in writing by the Parties, Seller warrants to the Buyer that the 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 for such Products. Seller shall, subject to the provisions of these Terms and for the duration of the Warranty, remedy any material Defect in the Products resulting from faulty material or workmanship which impairs the functioning of the relevant Products.

**15.2.** This limited Warranty shall not apply to any Product or component thereof which:

- (a) has been repaired or altered outside of Seller's factory in any manner so as, in Seller's sole judgment, to affect its serviceability;
- (b) has been subject to alteration, accident, misuse, abuse, neglect or abnormal wear;
- (c) has been installed, operated, modified, improved or used in a manner contrary to Seller's instructions, or due to failure to follow Seller's instructions for operation and maintenance; or
- (d) has been subjected to abnormal or unusual physical or electrical stress or environmental conditions.

**15.3.** Seller's obligation and Buyer's remedy under the Warranty shall be, at Seller's option and discretion, to either repair or replace at no additional charge, the defective Products (or the defective part of the Products) thereof, which is proved to breach such Warranty. If repair or replace is unsuccessful, the Buyer is entitled to rescind the contract or reduce the remuneration.

**15.4.** Except as provided in these Terms, the Seller disclaims all guarantees, expressed and implied, including merchantability and fitness for a particular purpose. The Seller's declarations in catalogues, brochures and price lists with regard to the products available and their performance serve only as descriptions, designations and guidelines and do not constitute or be construed as a guarantee.

**15.5.** Industry-standard divergences shall only be deemed defects where this has been expressly agreed in writing by the parties. Wear and tear of expendable parts during the course of normal use does not represent a defect.

**15.6. Defects Notification:** 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. In case of obvious defects, the period shall begin at the time of delivery of the affected goods, in the case of hidden defects at the time of their discovery.

**15.7.** The Seller shall not be required to remove a defective item from a different item (not supplied by the Seller) in which the defective Product is integrated. Subject to applicable laws the final buyer's rights of recourse against the Seller (Rückgriff des Unternehmers) shall only exist subject to prior written consent by Seller.

**15.8. Limitation Period:** Claims resulting from quality defects or breaches of Seller's warranty shall be subject to a limitation period of twelve (12) months from the delivery date of the Product or Service by the Seller, if longer terms are not required by the applicable German statutory law.

## 16. Changes and Cancellation

**16.1. 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.

**16.2. 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.

## 17. Returns

No products shall be returned to Seller, whether for inspection, repair, replacement, or any other reason, without prior approval from Seller. Products and parts must be returned in new or like new condition with complete identification in accordance with our instruction or the shipment may not be accepted. All returns must be sent to Seller DDP to Seller's designated location (per ICC Incoterms 2010) unless otherwise instructed. Where authorization has been obtained to return products and parts for reasons beyond warranty a restocking charge of forty percent (40%) and any additional transportation charges are applicable.

## 18. Minimum Order

Minimum order amount is EUR 250 (two hundred fifty Euros) unless otherwise approved in writing by Seller.

## 19. Currency

Unless otherwise indicated on the Quotation, order acknowledgement or invoice, all payments are to be made in Euro currency.

## 20. Compliance with Laws

**20.1.** 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.



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Eaton Technologies GmbH  
Filtration EMEA  
Industrial Sector

Terms & Conditions of Sale

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**20.2.** Buyer shall obtain all licenses, permits and approvals required by any government or applicable authority, including any recycling or take-back programs applicable to packaging of Products shall comply with all applicable laws, rules, regulations, policies and procedures and any requirements applicable to the use, sale, loan, purchase, destruction and distribution of Products under any laws and regulations, of any government or other competent authority where the Products are to be used or deployed (collectively, "Applicable Laws"). In the event of any third party claim against Seller relating to the foregoing, Buyer shall provide all necessary information and assistance in the resolution of the claim and Buyer shall indemnify and hold Seller harmless against any such third-party's claim. Buyer warrants that it shall not take any action or permit or authorize any action that will render Seller liable for a violation of the U.S. Foreign Corrupt Practices Act, UK Bribery Act and any applicable local law, which prohibits the offering, giving or promising to offer or give, directly or indirectly, money or anything of value to any official of a government, political party or instrumentality thereof in order to assist it or Seller in obtaining or retaining business. Seller strives to maintain the highest standards of business integrity. If Buyer has any cause for concern regarding any business practices these should be reported to Seller. Buyer acknowledges that the failure to comply with all such Applicable Laws and/or Seller's policies will be deemed a material breach of this Contract, and shall entitle Seller to terminate this Contract (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.

## **21. Export, Re-export, Transfer and Use Controls**

The Products (or Services) supplied by Seller under this Contract may be subject to export controls under the laws and regulations of the United States (U.S.), the United Nations, the European Union or the country of export pursuant to applicable law. Such regulations include but are not limited to the U.S. Export Administration Act and Trading with Enemy Act and the International Traffic in Arms Regulation (ITAR). 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., UN, EU and local 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 this Contract. Buyer shall not take any action in connection with Seller's Products and Services deemed to support a boycott of any country un-authorized by the Government of the United States, the United Nations, the European Union or any government and pursuant to applicable law, or otherwise take any action which will place Seller or any other associated company of Eaton group in jeopardy of breaching or violating any such laws or regulations or interpretations thereof.

## **22. Termination**

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

**22.2.** The termination of the Contract in any way whatsoever will be without prejudice to the rights, obligations and liabilities of either party accrued prior to termination.

## **23. 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 the agreement pursuant to these Terms with a prior written notice subject to any applicable mandatory law. Notwithstanding the foregoing, the 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 the Buyer's premises and re-take possession of any Products that have been delivered but remained unpaid by the Buyer.

## **24. Assignment**

Seller shall be entitled to delegate, transfer or assign its rights and obligations arising from the Contract, in whole or in part, to any affiliate company of Seller. Seller may, without Buyer's consent, assign the right to receive any amount due.

## **25. Personal Data Processing**

In performing the Contract as defined, the parties 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"). Such individuals may include employees, temporary workers, contractors, consultants, students, third parties' employees, end-users or other business partners. Each party acknowledges that Personal Data, in whichever form, is of a very sensitive nature, and hereby undertake to treat Personal Data strictly confidential and to use them only within the limits authorized by Seller and in accordance with applicable data protection laws. If necessary and upon request of Seller, Buyer shall procure from its employees, agents or subcontractors that they sign Seller standard individual forms regarding the protection of Personal Data.

## **26. Force Majeure**

Neither party shall be liable to the other for any failure to perform its obligations under this Contract, to the extent causes beyond its reasonable control make performance impossible or impractical, including but not limited to acts of God, riots, war, accidents, fires, floods, explosions, vandalism, strikes or labor disputes, government and competent authorities orders, embargoes and trade limitations, changes in law or regulation, or any other force majeure event or circumstance, whether or not foreseeable.

## **27. Governing Law**



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These terms and conditions of this Contract shall be exclusively governed by and construed in accordance with the substantive laws of Germany, excluding its conflict of laws principles and excluding the UN Convention on Contracts for the International Sale of Goods. Any dispute, controversy or claim arising out of or in connection with this Contract as defined, including governing law, validity, invalidity, breach or termination, that cannot be settled amicably within sixty (60) days shall fall within the exclusive jurisdiction of the competent court at the registered office of Seller in Germany.