

**Standard Terms and Conditions of Sale
Including Proposal Based Terms and
Field Services.**



1. Contract Terms

These Standard Terms and Conditions of Sale (“**Conditions of Sale**”) shall apply to (i) any purchase or procurement of products (which may contain embedded software) (“**Products**”), (ii) providing any services (“**Services**”), and (iii) the grant of non-exclusive license rights to utilize certain software on a standalone basis (“**Software**”) by the legal entity procuring such Products or Services or licensing such Software (“**Purchaser**”) from the legal entity of the Schneider Electric division that provided the proposal or is selling the Products and Services or licensing the Software (“**SE**”). To the extent that there is a conflict between these Conditions of Sale and a valid signed master agreement between the Purchaser and SE, the specific conflicting terms of such master agreement shall prevail unless otherwise provided for in such master agreement. To the extent that there is a conflict between these Conditions of Sale and another set of SE terms and conditions issued to the Purchaser as part of the proposal or quotation process, the specific conflicting terms of such proposal or quotation document shall prevail. Any other variation from these Conditions of Sale shall require the signed written consent of an authorized SE representative. Any purchase order or statement of work (a “**Purchase Order**”) or other communication or document from the Purchaser that contains terms and conditions in addition to or inconsistent with these Conditions of Sale shall not be binding upon SE unless SE expressly agrees to and accepts such terms and conditions in writing; and neither SE’s acceptance of a Purchase Order nor SE’s failure to object to such terms and conditions contained in any Purchase Order or other communication or document from the Purchaser shall be construed as a waiver of these Conditions of Sale or an acceptance by SE of any such terms and conditions. The Purchaser may issue to SE a Purchase Order for purchase or licensing of the Products, Services or Software, as applicable, in written or electronic form as directed by SE. The attached Exhibit 1 shall apply, in addition to these Conditions of Sale, to the Products, Services and Software. The attached Exhibit 2 shall apply, in addition to these Conditions of Sale, to Field Services Orders.

2. Prices

- a. Unless otherwise stated in an applicable quotation or proposal from SE or Exhibit 1 for Proposal based quotations, all prices are subject to change by SE without notice.
- b. Unless otherwise agreed to in writing by SE, prices for orders scheduled for immediate release shall be those in effect at time of order entry by SE.
- c. Prices for orders placed for future shipment without an agreed price and ship date will be billed at the pricing in effect as of the shipment date.
- d. All clerical errors by SE are subject to correction.
- e. Services Assumptions: SE’s work estimates for Services are based on work performed during normal work hours (8 hours) between the hours of 06:00 and 18:00 local time, Monday to Friday, holidays excepted. Unless specified in writing the following are chargeable in addition to base rates: overtime or premium hours, travel costs, specialized tools and test goods, utility shutdowns, any delays or site issues not caused by SE, additional trips for postponement or delay. No on-site orientation, safety training, work required for site specific requirements is included in a quotation unless expressly specified by SE. Current rates are in SE’s then current SE Field Services Demand Labor Rates document. Subject to the other applicable terms and conditions of these Conditions of Sale, field specialists bill a 4-hour minimum charge for travel where Services are performed in less than 4 hours, and an 8-hour minimum charge for Services otherwise.

3. Taxes

Unless otherwise expressly set out in SE’s relevant proposal or quotation or in the relevant Purchase Order, prices do not include any tariffs, taxes, duties or any other governmental levies (including, but not limited to, all present or future gross receipts, sales, use, ad valorem, revenue, excise, value-added (VAT), withholding, harmonized sales, digital services taxes, goods and services taxes or any other similar taxes; all present or future import, export, or any other similar duties; and any other tariff or surcharge now existing or hereafter imposed by governmental authorities upon Product, Software and/or Services “Levies”). The Purchaser shall be responsible for all such Levies incurred by SE in connection with the sale of the Product, the provision of Services and/or the licensing of Software or component or part of each of the foregoing. Any such Levies shall be chargeable to the Purchaser on the applicable Product, Service, or Software invoice, unless the Purchaser furnishes SE at the time of order with a properly completed exemption certificate(s) acceptable to the authorities imposing such Levies.

4. Terms of payment

- a. Payments are due net 30 days from the date of invoice. Invoices for progress payments become due on the date of shipment
- b. Late payments will be subject to interest charges at the rate of two percent (2%) per month, or as otherwise required by law.
- c. If at the Purchaser’s request, shipments are delayed beyond the scheduled date, payments for the Products and Services completed to date will be invoiced to the Purchaser and SE shall entitled to invoice for all other amounts under the Purchase Order.
- d. Acceptance of all Purchase Orders is subject to the Purchaser meeting SE credit standards. Terms are subject to change for failure to meet such standards. For an authorized distributor or authorized reseller order, applicable terms of payment are stated in the quotation or applicable discount schedule. SE reserves the right at any time to

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demand full or partial payment before proceeding with Purchase Order if, in its sole judgment, as a result of changes in the financial condition of the Purchaser the terms of payment originally specified are no longer justified.

- e. The Products held for the Purchaser shall be at the risk and expense of the Purchaser.
- f. If completion of the Services or delivery of the Product is delayed more than 30 days after the originally scheduled delivery date and such delay is not caused by SE, SE reserves the right to take any of the following actions, as it may determine in its discretion: (i) ship all the Products to the Purchaser who will accept responsibility for such Products including payment; (ii) store all or a portion of such Products at its facility and charge the Purchaser rent in an amount to be determined by SE for such storage; (iii) sell all or a portion of such Products to a third-party without any liability to the Purchaser; and/or (iv) abandon or otherwise dispose of such Products without any liability to the Purchaser.
- g. Failure to pay any applicable payment on its due date shall automatically cause all installment amounts to become payable and in addition to SE's other lawful remedies, SE reserves the right to suspend or cancel the Purchase Order. If the Purchaser fails to pay SE for the Products and Services within thirty (30) days of when payment is due, SE reserves the right to file in its sole discretion any liens, charges, security interests, or similar encumbrances against the applicable property, building, land, or the Products and Services and the Purchaser consents to such filings and registrations.

5. Delivery, Schedule and Installments

Dates for delivery, schedule, or execution for the Services, Software or Products set out on a Purchase Order are subject to confirmation by SE and until such confirmation may change solely based on SE's circumstances. All confirmed dates are based on the prompt receipt by SE of all required information enabling achievement of such dates and SE reserves the right to change such dates in the event additional information is necessary or other information was not provided.

SE reserves the right to make shipments in installments, unless otherwise expressly stipulated in a specific Purchase Order; and all such installments when separately invoiced shall be paid for when due per invoice without regard to subsequent shipments. Delay in shipment of any installment shall not relieve the Purchaser of its obligations to pay for such shipment or to accept remaining shipments.

6. Title and Risk of loss

Unless otherwise specifically agreed by the Parties, the Products are delivered FCA (Incoterms 2020) SE's designated facility and the risk of loss or damage shall pass to the Purchaser upon collection of the Products by the first carrier at SE's premises, plants or warehouses. Delivery of the Products by SE will be deemed to be made to the Purchaser upon obtaining a signed receipt from the carrier showing receipt of the Products in good order. Unless otherwise agreed upon in a Purchase Order, title to all Products sold hereunder, except for Software (including software embedded in a Product) whose title remains at all times with SE or the third party licensor, shall pass to the Purchaser upon full payment of the Purchase Order.

7. Substitutions

SE may furnish suitable substitutes for the Products or components thereof that are unobtainable at prices or based on other terms and conditions (including delivery) acceptable to SE or because of priorities or regulations established by governmental authorities or non-availability of materials from suppliers, provided such substitutions do not adversely affect the technical soundness of the Products. SE assumes no liability for deviation from published dimensions and descriptive information not essential to proper performance of the Products.

8. Shortage

With respect to any Products, Services or Software, the Purchaser must submit to SE in writing all claims for shortages defects or errors in respect of such Products, Services or Software within 30 days after the invoice date for such Products, Services or Software, as applicable, and failure to give such notice shall constitute unqualified acceptance of such Products, Services and Software and a waiver of all such claims by the Purchaser.

9. Changes

- a. The Purchaser may request changes that affect the scope, duration, or delivery schedule (including the Purchaser's rescheduling of a shipment) of a Purchase Order, including changes in the specifications and Products, Software or Services to be delivered or licensed, that goes into effect after the date of the original Purchase Order. If the Purchaser requests any such change, SE shall provide a quotation as to revised price and schedule. Pricing of changes shall be based on the then current SE prices.
- b. Notwithstanding anything in these Conditions of Sale to the contrary, SE shall not be bound by or required to agree to any change requested by the Purchaser. In the event SE agrees to a change requested by the Purchaser, the parties will enter into an amendment to the Purchase Order in the form of a change order reflecting such agreement. A change order shall not modify any provisions of these Conditions of Sale unless the parties agree in writing to do so.

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c. For additional requirements in Changes for Proposal Based Terms see Exhibit 1.

10. Force Majeure

SE shall be excused from and not be liable for any delay or non-performance of a Purchase Order if such delay or non-performance is due, in whole or in part, to any Force Majeure Event. A "**Force Majeure Event**" means any epidemic, pandemic, public health emergency, war, revolution, insurrection or hostilities (whether declared or not), riot, economic upheaval, civil commotion or uprising, acts of God, flood, earthquake, tempest, hurricane, lightning or other natural disaster; fire or explosion; strike, lockout, boycott or other industrial disturbance whether at SE or one of its suppliers; sabotage, accident, cyber-attack, embargo, car shortage, wrecks or delays in transportation, non-delivery, unavailability or shortages of materials, parts or components or order or action of government authority or any other event, circumstance or cause beyond the reasonable control of SE, or which SE could not reasonably foresee or reasonably provide against. Any delay resulting from a Force Majeure Event shall extend the date of delivery or performance accordingly and the price will be adjusted to compensate SE for the delay. SE reserves the right to cancel a Purchase Order without liability to the Purchaser, if in SE's opinion such circumstances threaten or cause extended delay in the performance thereof. In no event shall SE be subject to any contractual sanctions including without limitation, delay penalties, liquidated or other damages or termination for default as a result of Force Majeure Event under this Section.

11. Purchaser's Cybersecurity Obligations

Purchaser's Obligations for Its Systems: The Purchaser is solely responsible for the implementation and maintenance of a comprehensive security program ("**Security Program**") that contains reasonable and appropriate security measures and safeguards to protect its computer network, systems, machines, and data (collectively, "**Systems**"), including those Systems on which it runs the Products, Software or which it uses with the Services, against Cyber Threats. "**Cyber Threat**" means any circumstance or event with the potential to adversely impact, compromise, damage, or disrupt the Purchaser's Systems or that may result in any unauthorized access, acquisition, loss, misuse, destruction, disclosure, and/or modification of the Purchaser's Systems, including any data, including through malware, hacking, or similar attacks.

Without limiting the foregoing, the Purchaser shall at a minimum:

- (a) have qualified and experienced personnel with appropriate expertise in cybersecurity maintain the Purchaser's Security Program, and have such personnel regularly monitor cyber intelligence feeds and security advisories applicable to the Purchaser's Systems or the Purchaser's industry;
- (b) promptly update or patch its Systems or implement other appropriate measures based on any reported Cyber Threats and in compliance with any security notifications or bulletins, whether publicly disclosed on SE's security notification webpage at <https://www.se.com/ww/en/work/support/cybersecurity/security-notifications.jsp> or otherwise provided to the Purchaser;
- (c) regularly monitor its Systems for possible Cyber Threats;
- (d) regularly conduct vulnerability scanning, penetration testing, intrusion scanning, and other cybersecurity testing on its Systems; and
- (e) meet the recommendations of SE's Recommended Cybersecurity Best Practices, available at <https://www.se.com/us/en/download/document/7EN52-0390/>, as may be updated by SE from time to time, and then-current industry standards.

Purchaser's Use of the Products, Software, and Services: SE may release Updates and Patches for its Products, Software, and Services from time to time. The Purchaser shall promptly install any Updates and Patches for such Products, Software, or Services as soon as they are available in accordance with SE's installation instructions and using the latest version of the Products or Software, where applicable. An "**Update**" means any software that contains a correction of errors in a Product, Software, or Service and/or minor enhancements or improvements for a Product, Software, or Service, but does not contain significant new features. A "**Patch**" is an Update that fixes a vulnerability in a Product, Software, or Service. The Purchaser understands that failing to promptly and properly install Updates or Patches for the Products, Software, or Services may result in the Products, Software, or Services or the Purchaser's Systems becoming vulnerable to certain Cyber Threats or result in impaired functionality, and SE shall not be liable or responsible for any losses or damages that may result.

Identification of Cyber Threats: If the Purchaser identifies or otherwise becomes aware of any vulnerabilities or other Cyber Threats relating to the Products, Software, or Services for which SE has not released a Patch, the Purchaser shall promptly notify SE of such vulnerability or other Cyber Threat(s) via the SE Report a Vulnerability page (<https://www.se.com/ww/en/work/support/cybersecurity/report-a-vulnerability.jsp#Customers>) and further provide SE with any reasonably requested information relating to such vulnerability (collectively, "**Feedback**"). SE shall have a non-exclusive, royalty-free, perpetual and irrevocable right to use, display, reproduce, modify, and distribute the Feedback (including any confidential information or intellectual property contained therein) in whole or part, including to analyze and fix the vulnerability, to create Patches or Updates for its customers, and to otherwise modify its Products, Software, or Services, in any manner without restrictions, and without any obligation of attribution or compensation to the Purchaser; provided, however, SE shall not publicly disclose the Purchaser's name in connection with such use or the Feedback (unless the Purchaser consents otherwise). By submitting Feedback, the Purchaser represents and warrants to SE that the Purchaser

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has all necessary rights in and to such Feedback and all information it contains, including to grant the rights to SE described herein, and that such Feedback does not infringe any proprietary or other rights of third parties or contain any unlawful information.

12. Standard Warranty

- (a) Products. With respect to the Products manufactured by SE under its own brands and supplied by SE as part of the Purchase Order, if any, SE warrants such Products, for a period of 12 months from the date of commissioning or 18 months from the date of shipment from SE, whichever occurs first, against defects in material and workmanship of those Products under normal use of such Products in accordance with their intended purpose.
- (b) Services. With respect to Services performed by SE's personnel as part of the Purchase Order, if any, SE warrants such Services, for a period of 12 months from the date of invoice for such Services, will be performed by qualified personnel with care, skill and diligence, in accordance with the applicable generally accepted standards recognized by the industry.
- (c) Software Product Warranty. With respect to Software licensed by SE, SE warrants such Software to the original licensee that such Software will perform substantially in accordance with its specification for a period of ninety (90) days from the date it is delivered. SE further warrants that the media upon which such Software is provided is free from defects in materials and workmanship under normal use and service of such media for a period of ninety (90) days from the date it is delivered.

Exclusive Warranty Remedies: In the event of any warranty covered defects or deficiencies in the Products in subsection (a) above, or Services in subsections (b) above, or Software in subsection (c) above, the sole and exclusive obligation of SE for the warranty period specified in the applicable subsection of (a), (b) or (c) respectively shall be to re-perform the Services, or repair or replace the defective Products or part of the Products, or provide an update to the Software to correct the non-conformance or replace the Software with the latest available version containing a correction, at SE's sole discretion. SE shall have no other obligation to provide updates or revisions.

The foregoing warranty coverage is contingent on the Purchaser providing prompt notification to SE once such defect or deficiency is reasonably apparent to the Purchaser.

Exclusions & Limitations: Warranties under these Conditions of Sale shall not apply (a) to the Products or Software not manufactured by SE, (b) Services not provided directly by SE, (c) to Products, Software or Services that have been repaired or altered by anyone other than SE, (d) SE's conformance with the Purchaser's design of the Products, Software, or Services, or (f) to Products, Software or Services that appear to be subjected to negligence, accident, or damage by circumstances beyond SE's reasonable control, or any non-SE operation, maintenance or storage, or to other than normal use or service. The foregoing warranties in this Section 12 do not cover reimbursement for labor, transportation, removal, installation, temporary power, or any other expenses that may be incurred in connection with repair or replacement.

EXCEPT FOR THE EXPRESS WARRANTIES IN THIS SECTION 12, SE HEREBY DISCLAIMS ALL OTHER EXPRESS OR IMPLIED WARRANTIES, CONDITIONS, REPRESENTATIONS AND GUARANTEES (EXCEPT WARRANTIES OF TITLE), INCLUDING, BUT NOT LIMITED, TO WARRANTIES OF NON-INFRINGEMENT AND IMPLIED WARRANTIES OF MERCHANTABILITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR USE. EXCEPT FOR THE EXPRESS WARRANTIES IN THIS SECTION 12, THE PURCHASER IS PURCHASING, AND SE IS SELLING OR LICENSING, AS APPLICABLE, THE PRODUCTS, SOFTWARE AND SERVICES ON AN "AS-IS, WHERE-IS", "WITH ALL FAULTS" BASIS.

SE MAKES NO WARRANTY THAT THE PRODUCTS, SOFTWARE OR SERVICES WILL MEET THE PURCHASER'S REQUIREMENTS, OR THAT THE PURCHASER'S USE OF THE PRODUCTS, SOFTWARE OR SERVICES WILL BE UNINTERRUPTED, SECURE, OR ERROR-FREE. SE DOES NOT REPRESENT, WARRANT, OR GUARANTEE THAT THE PRODUCTS, SOFTWARE OR SERVICES WILL BE SECURE OR FREE FROM VULNERABILITIES, CORRUPTION, ATTACK, VIRUSES, INTERFERENCE, HACKING, OR OTHER SECURITY INTRUSIONS OR CYBER THREATS OR THAT SOFTWARE OR PRODUCTS WILL OPERATE IN COMBINATIONS OTHER THAN AS SPECIFIED AND APPROVED BY SE, AND SE DISCLAIMS ANY LIABILITY IN RELATION THERETO. EXCEPT AS MAY BE PROVIDED IN WRITING BY SE, SE SHALL NOT BE SUBJECT TO ANY OTHER OBLIGATIONS OR LIABILITIES WHATSOEVER THAN AS STATED ABOVE WITH REGARD TO PRODUCTS, SOFTWARE AND SERVICES SOLD BY SE TO THE PURCHASER. BY USING THE PRODUCTS, SOFTWARE OR SERVICES, THE PURCHASER UNDERSTANDS THESE LIMITATIONS AND AGREES THAT THE PURCHASER ACCESSES AND USES THE PRODUCTS, SOFTWARE AND SERVICES AT THE PURCHASER'S OWN DISCRETION AND RISK AND THAT THE PURCHASER WILL BE SOLELY RESPONSIBLE FOR ANY DAMAGES TO THE PURCHASER'S SYSTEMS OR ASSETS OR LOSSES THAT ARISE FROM OR RELATE TO SUCH ACCESS OR USE.

Non-SE Products, Software or Services: With respect to the Products or Software not manufactured or developed by SE, or Services provided by non-SE providers, the warranty obligations of SE shall in all respects conform and be limited to the warranty actually extended to SE by such non-SE supplier, if any.

13. Return of Products

- a. No Products may be returned without first obtaining SE's written permission and a returned material identification tag. Returns must originate from the original the Purchaser account number. Returned Products must be of current manufacture, in the original packaging, unused, undamaged and in saleable condition. Returned Products must be securely packed to reach SE without damage and labeled with the return authorization number. For any returns, SE will pay the carrier and deduct the freight charges from the credit unless the returns result from SE breach of warranty, freight charges will be paid by SE. Any cost incurred by SE to return Products to first class condition will be charged to the Purchaser.
- b. Returns will be credited at the original price paid as indicated on the invoice or Purchase Order associated to the Products being returned as provided by the Purchaser. If no invoice number or Purchase Order number is provided, then credit will be issued based on the into stock price in effect 12 months prior to date of return authorization and will also have an additional 25% processing fee applied. SE Products, and which are accepted for credit, not involving a SE error, shall be assessed a restocking fee of 25% of the invoice price.

14. Intellectual Property and Infringement

- a. SE retains ownership of all right, title and interest in and to the intellectual property (including copyright and patent rights) arising from or relating to any and all Products, Software and Services and any work product arising from or relating to such Products, Software and Services. Nothing in these Conditions of Sale constitutes a transfer or conveyance of any right, title or interest in such intellectual property, including without limitation any Software or embedded software contained in Products, except the limited right to use it as provided in the documentation.
- b. Subject to the other terms and conditions of these Conditions of Sale, as to Products designed and furnished by SE, SE shall defend, with counsel of its choice, any suit or proceeding brought against the Purchaser by a third party to the extent such suit or proceeding is based on a claim that such Products constitute an infringement of any copyright, trademark or patent in the United States or Canada. This obligation shall be effective only if the Purchaser shall have made all payments to SE then due hereunder and if SE is notified promptly in writing and given control, authority, information, and assistance for the defense of the same. In the event the use of such Products by the Purchaser is enjoined in such a suit or proceeding, SE shall, at its expense, and at its sole option, either (a) procure for the Purchaser the right to continue using such Products (b) modify such Products to render them non-infringing, or (c) replace such Products with non-infringing Products. SE will not be responsible for any compromise or settlement or such suit or proceeding made without its written consent. The foregoing states the entire liability of SE for infringement or misappropriation of any intellectual property. Notwithstanding anything in these Conditions of Sale to the contrary, in no event shall SE be liable if any infringement or misappropriation claim, charge, suit or proceeding that is based on the use of SE Products for a purpose other than that for which it was sold by SE or for a use in a design in which the SE product is incorporated. As to any Products or Services furnished by SE to the Purchaser and manufactured or provided in accordance with designs proposed by the Purchaser, the Purchaser shall indemnify and hold harmless SE against any liabilities, losses, taxes, damages, costs, fees and expenses (including reasonable attorneys' fees), including any award made against SE for any infringement or misappropriation of any intellectual property.

15. Software

Any Software or computer information, in whatever form, embedded software in a Product or provided as part of a Service is licensed to the Purchaser solely pursuant to standard licenses of SE or its supplier, which licenses are hereby incorporated by reference and are available upon request. The Purchaser shall not reverse engineer, decompile, disassemble or apply any process, technique, or procedure or make any attempt to ascertain or derive the source code of any Product, Software or Services.

16. LIMITATION OF LIABILITY

NOTWITHSTANDING ANY PROVISION OF THESE CONDITIONS OF SALE TO THE CONTRARY, IN NO EVENT SHALL SE, ITS OFFICERS, DIRECTORS, AFFILIATES OR EMPLOYEES BE LIABLE FOR ANY FORM OF INDIRECT, SPECIAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOSS OF USE, LOSS OF PRODUCTION, LOSS OF PRODUCT, LOSS OF REVENUE OR PROFITS, OR LOSS OF DATA OR BUSINESS INFORMATION, WHETHER SUCH DAMAGES ARISE IN CONTRACT OR TORT, IRRESPECTIVE OF FAULT, NEGLIGENCE OR STRICT LIABILITY OR WHETHER SUCH PARTY HAS BEEN ADVISED IN ADVANCE OF THE POSSIBILITY OF SUCH DAMAGES. NOTWITHSTANDING ANY OTHER PROVISION OF THESE CONDITIONS OF SALE TO THE CONTRARY, AND TO THE EXTENT PERMITTED BY APPLICABLE LAW, WITH RESPECT TO ANY CLAIM ARISING FROM OR RELATED TO ANY PRODUCT, SOFTWARE OR SERVICE PROVIDED OR LICENSED TO THE PURCHASER, THE MAXIMUM LIABILITY OF SE IN RESPECT OF SUCH CLAIM SHALL NOT EXCEED THE AMOUNTS ACTUALLY PAID BY THE PURCHASER TO SE UNDER THE PURCHASE ORDER FOR THE PRODUCT, SOFTWARE OR SERVICE GIVING RISE TO SUCH CLAIM.

17. Indemnification

The Purchaser agrees to indemnify, defend, and hold harmless SE from and against any and all claims, damages, liabilities, deficiencies, settlements, interests, awards, penalties, fines, costs, expenses, judgments, losses, lawsuits, demands, actions, or other proceedings of whatever kind, including reasonable attorneys' fees, the costs of enforcing any

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right to indemnification under these Conditions of Sale and the cost of pursuing any insurance providers (collectively, "Losses"), due to, arising out of, or related to (a) the Purchaser's use of Products, Software or Services in a manner not permitted by these Conditions of Sale, the Purchase Order or the master agreement, as applicable, (b) the Purchaser's failure to comply with Section 11 of these Conditions of Sale, including the Purchaser's failure maintain a Security Program in compliance with Section 11 or the Purchaser's failure to promptly and properly install Updates and Patches for the Products, Software or Services in accordance with Section 11, (c) the Purchaser's violation of these Conditions of Sale, the Purchase Order or the master agreement, as applicable, (d) any information that the Purchaser submits, transmits, or makes available to SE, including but not limited to as part of the Feedback, or (e) the Purchaser's violation of any law, regulation, or third party rights. Without limiting the foregoing, the Purchaser shall pay any and all costs, damages, and expenses, including, without limitation, reasonable attorneys' fees and costs awarded against or otherwise incurred by SE in connection with or arising from any claim, lawsuit, action, demand, or other proceeding for which SE is indemnified by the Purchaser under these Conditions of Sale. SE may assume the exclusive defense and control of any matter subject to indemnification by the Purchaser, in which event the Purchaser agrees to cooperate with SE in asserting any available defenses. The Purchaser shall not enter into a settlement of any such claim, lawsuit, action, demand, or other proceeding that does not include a full release of SE or involves a remedy other than the payment of money, without SE's prior written consent.

18. Import and Export

SE is subject to the laws of, and the items provided by SE under this Agreement contain or may contain components and/or technologies from, the United States of America ("**US**"), the European Union ("**EU**") or other nations. The Purchaser acknowledges and agrees that the supply, assignment and/or usage of the Products, Software, Services, information, other items and/or the embedded technologies (hereinafter referred to as "**Deliverables**"), and all activities carried out under these Conditions of Sale, the Purchase Order and/or master agreement, as the case may be, shall fully comply with applicable trade, export control, economic and financial sanctions and anti-boycott requirements imposed, administered or enforced from time to time by the US, the United Kingdom, the EU, and other applicable jurisdictions (hereinafter referred to as "**International Trade Controls**").

Unless applicable International Trade Controls authorizations have been obtained from the relevant governmental authorities and SE has approved such actions in writing, the Purchaser shall not, directly or indirectly, (a) transact on SE's behalf with any party (which may include but shall not be limited to an individual, group and/or legal entity or entities) that is restricted by applicable International Trade Controls, or (b) export and/or re-export any Deliverables to any destination or party (which may include but shall not be limited to an individual, group and/or legal entity or entities) that is restricted by the applicable International Trade Controls; or (c) use any Deliverables for those purposes and fields that are restricted by the applicable International Trade Controls. The Purchaser also agrees that the Deliverables will not be used either directly or indirectly in any missiles; nor be used in any nuclear weapons delivery systems; and will not be used in any design, development, production or use for any weapons, which may include but are not limited to chemical, biological or nuclear weapons, or for any other prohibited end-use or end user unless authorized under International Trade Controls.

The Purchaser represents and warrants that it shall maintain reasonable compliance policies, procedures and controls designed to ensure compliance with International Trade Controls, and shall not otherwise undertake any action that violates or would cause SE to violate International Trade Controls.

The Purchaser agrees to fully cooperate and provide all documentation that SE identifies as necessary or advisable to support compliance with International Trade Controls. If any necessary or advisable licenses, authorizations or approvals are not obtained, whether arising from inaction by any relevant government authority or otherwise, or if any such licenses, authorizations or approvals are denied or revoked, or if the International Trade Controls would prohibit SE from fulfilling any order, or would in SE's judgment otherwise expose SE to a risk of liability under the applicable International Trade Controls if it fulfilled the order, SE shall be excused from all obligations under such order and/or these Conditions of Sale, the Purchase Order and/or the master agreement.

19. Health and Safety Compliance

SE employees shall not perform Services that, in their sole opinion, are not free of reasonably foreseeable harm. This includes, but is not limited to, working on any equipment, whether provided by SE, the Purchaser or otherwise, that in such SE employees' sole opinion has not been placed in an electrically safe working condition. The Purchaser warrants that site and working conditions shall meet or exceed those specified by applicable Occupational Health and Safety Act and Regulations.

The Purchaser shall inform SE of: (a) known hazards, or reasonably foreseeable hazards, that are related to SE's scope of Services and the site where the Services will be performed; and (b) information about the worksite necessary to identify hazards and assess risk for the protection of the health and safety of SE personnel. This information might include, but is not limited to: (i) providing an accurate up-to-date single line diagram of the electrical distribution system; (ii) providing relevant Workplace Hazardous Materials Information System (WHMIS) information such as Material Safety Data Sheets (MSDS) and floor plans indicating areas where hazardous materials are located and emergency exits for service rooms and other areas of operation; and (iii) other site specific information relative to the Purchaser's operation, process and safety systems. Any hazardous materials requiring remediation in SE's sole opinion will be separately

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chargeable to the Purchaser and will be a condition precedent to SE's performance of such Services.

20. Witness of Tests & Factory Inspections

Normal production schedules do not provide the opportunity for the Purchaser to witness routine factory tests on the Products or make factory inspections. Witness testing and factory inspections must be requested at time of quotation, are subject to additional costs and must be confirmed by SE at the Purchase Order entry.

21. Patterns, Tools and Seller's Notices, warnings instructions and recommendations

SE will give notice if special patterns or tools are required to complete any Purchase Order. Charges paid by the Purchaser for such patterns or tools do not convey title thereto or the right to remove them from SE's plant.

The Purchaser shall promptly supply the user (including its employees) of the Products with all SE supplied Product notices, warnings, instructions, recommendations and similar materials.

22. Nuclear Applications

Unless otherwise agreed in writing by a duly authorized representative of SE, the Products sold hereunder are not intended for use in or in connection with any nuclear facility or activity.

23. Nature of Relationship

The Purchaser agrees that SE is an independent contractor and nothing in these Conditions of Sales creates between SE and the Purchaser a relationship of partners, joint venturers, or agents of each other, and no party may so represent itself in any of these manners with respect to the other party.

24. Cancellation

Except as set forth in Exhibit 1 for a Proposal Based Purchase Order, Exhibit 2 for a Field Service Purchase Order or in a negotiated quote or proposal for a Purchase Order between the parties, any Purchase Order may be cancelled by the Purchaser, except if such , only (a) upon 30 days' advanced written notice to SE and (b) upon (i) payment to SE of all reasonable and proper termination charges based on the aggregate price of all Products, Services and Software that are subject to such cancelled Purchase Order, which shall include a reasonable profit for SE, and (ii) reimbursement to SE of all costs and expenses associated with such terminated Purchase Order, including, but not limited to, all costs and expenses incurred by SE in respect of work performed or to be performed under such Purchase Order or arising from or related to such termination. Notwithstanding the previous sentence, special or custom ordered Products, Software or Services are not cancelable unless otherwise agreed by SE in writing.

25. Termination

SE shall have the right to terminate any Purchase Order at any time by written notice for any material breach of these Conditions of Sale by the Purchaser, including material delays by the Purchaser or its authorized representatives in releasing the Products for manufacture or approval drawings and excessive changes to specifications or drawings.

26. Amendments

No amendment, supplement, modification, waiver or termination of the Purchase Order or these Conditions of Sale is binding unless executed in writing by both SE and the Purchaser.

27. Compliance with Laws and Antibribery and Corruption

- a. The Purchaser shall at all times conduct itself in accordance with the highest standards of ethics and comply with all laws, rules, regulations, statutes, court decisions and guidance issued by any local, state, federal or foreign governmental authority or any political subdivision or instrumentality thereof.
- b. The Purchaser shall, and shall cause its Affiliates and its and its Affiliates respective employees, officers, directors, managers, members, partners, shareholders, agents, attorneys or third-party advisors ("**Representatives**") to comply with the US Foreign Corrupt Practices Act of 1977, as amended (the "**FCPA**"), the U.K. Bribery Act and any other applicable anti-bribery or anti-corruption law. The Purchaser covenants and agrees that it shall not (and that it shall cause its Affiliates and its and its Affiliates' respective Representatives not to) promise, authorize or make any payment to, or otherwise contribute any item of value to, directly or indirectly, to any third person or entity, including any Non-US Official (as such term is defined in the FCPA), in each case, in violation of the FCPA, the U.K. Bribery Act and any other applicable anti-bribery or anti-corruption law. The Purchaser further covenants that it shall (and that it shall cause each of its Affiliates and its and its Affiliates' respective Representatives to) maintain systems of internal controls (including accounting systems, purchasing systems and billing systems) to ensure compliance with the FCPA, the U.K. Bribery Act and any other applicable anti-bribery or anti-corruption Law. Upon request by SE, the Purchaser shall provide to SE and its Affiliates responsive information and certifications (and/or allow SE to review books and records) concerning the Purchaser's, its Affiliates' and its and its Affiliates' respective Representatives' compliance with applicable anti-bribery or anti-corruption laws, rules, regulations and statutes. The Purchaser shall promptly notify SE if the Purchaser becomes aware of any violation of this Section 27 or any action, suit or proceeding brought against the Purchaser, its Affiliates or its or its Affiliates' respective Representatives in connection with any applicable anti-bribery or anti-corruption laws, rules, regulations and statutes. In the event the Purchaser has concerns related to ethics, compliance or SE's Principles of Responsibility, and/or any potential violations of these policies, the Purchaser is welcome to make use SE's TrustLine.

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The TrustLine is SE's global helpline for external stakeholders. It is a confidential channel through which purchasers can ask questions and raise concerns. Reports can be made using this link: <https://secure.ethicspoint.eu/domain/media/en/gui/104677/index.html>.

28. Applicable Laws

The Purchase Order and these Conditions of Sale, as well as all matters arising out of or relating to the execution, construction, interpretation or breach of the Purchaser Order or these Conditions of Sale shall be governed by the laws of the state of Delaware, USA without regard to the conflict of law provisions thereof. The Parties agree that the United Nations Convention on Contracts for the International Sale of Goods does not apply to these Conditions of Sale.

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**Exhibit 1
Additional Proposal Based Terms and Conditions**

The terms set forth in this Exhibit supplement the Conditions of Sale and apply to all transactions that exhibit some or all of the following attributes:

- Unique customer requirements that are typically negotiated and quoted,
- requires approval drawings and project management by SE, or
- for which there is a specific direct-ship address

The additions to the Conditions of Sale are as follows:

1. Quotations:

Quotations shall be valid for no more than thirty (30) days from the date quotation is communicated from SE to the Purchaser, unless otherwise stated in the quotation. All quotations are subject to change by SE at any time upon notice to the Purchaser. Quotations are made based on SE's interpretation of the plans and specifications submitted to SE by the Purchaser. It is the Purchaser's obligation to review the quotation carefully and to immediately advise SE of any differing interpretation the Purchaser has so any necessary change can be made prior to issuance of a Purchase Order by the Purchaser.

2. Order Entry

Considerable detail is involved in the manufacture of the Products. To facilitate timely shipment, complete details and information, including the Purchaser's requested on-site dates must be provided at the time of order entry. Shipment dates are approximate and are based upon timely receipt of all necessary information from the Purchaser. Lack of complete information may result in changes to the approximate shipment dates and may also include delays of drawings, delivery or manufacture. Such delays shall relieve SE from compliance with the quoted approximate delivery dates and may lead to a price increase. Failure to provide a complete signed Purchase Order within twenty (20) days of notification of award may result in renegotiation of price or shipment dates.

3. Approval Drawings

When required by a specific Purchase Order, drawings will be submitted for approval per agreed upon schedules, and price policy, below, to assure SE has designed the Products as described in the Purchaser's specifications, as modified by SE's quotation. If at time of drawing approval SE has not designed the Products to meet the specifications, as modified by SE's quotation, SE will make the appropriate changes at no charge to the Purchaser. Where the Purchaser's specification is not definitive, SE shall have the right to design the Products in line with good commercial practice, without further obligation to the Purchaser. If at drawing approval, the Purchaser makes changes outside the design as stated in the specifications, such changes shall be treated as a change order as provided below.

4. Price Policy

Prices cover a bill of material as described in SE's quotations to be designed and manufactured to SE's standard designs, unless otherwise agreed in writing between the parties and, in addition to all requirements in Section 2 of the Conditions of Sale, unless otherwise provided in a quote, proposal, Conditions of Sale or this Exhibit, Project prices are firm provided the Purchaser unconditionally releases to manufacturing (a) within 30 calendar days of order entry or (b) if at time of order entry approval drawings are requested, within 30 calendar days of SE delivering approval drawings. If the Purchaser does not meet the requirement set previously, then SE shall have the right to revise the price for the Products, Software and/or Services.

5. Changes and Pricing Revision

In addition to the requirements of Section 9 of the Conditions of Sale:

- (a) Changes to the Purchase Order cannot be processed until a formal signed change order is received from the Purchaser in accordance with this provision and Section 9 of the Conditions of Sale.

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- (b) Any Changes to the Purchase Order may result in an extension of time for shipment.
- (c) All changes as detailed below will be mutually agreed to by the parties, , prior to implementation of any change. SE will issue a proposal with a price increase for any change requested by the Purchaser that affects modification of Products, changes the bills of material, engineering or drawings or delivery schedule as follows:

- i) If the Purchaser makes a change to an order prior to being released to engineering, the net price will be adjusted by re-pricing the Products with prices in effect at the time of the change. A commensurate delay in the shipping date will be based on the changes involved.

- ii) For changes made after the order is released to engineering, the net price and ship date will be adjusted as described in paragraph A above. An additional charge based on SE's standard engineering billing charges and cost of parts (\$250 minimum) will be made to cover any extra engineering and drafting, scrap or rework of parts, or cost of modification.

- iii) If during the drawing approval process, the Purchaser makes changes outside the design covered by the specifications, SE will be reimbursed as described in paragraph A and B above, plus any additional charges for any extra cost incurred as a direct result of the changes and allowed a commensurate delay in shipping date based on the changes involved.

6. Terms of Payment and Progress Payments

On projects exceeding \$1,000,000 Net, unless otherwise noted on your quotation, payments are payable according to the following milestones:

- 30% Release to manufacturing
- 70% (balance) due at shipment

7. Optional Warranties: The following Optional Warranties may be purchased for certain Products as follows:

- a. **Optional Warranty 1**—Extended: 2 to 5 years from Shipment. If requested by the Purchaser, and specifically accepted in writing by SE, the standard warranty will be extended to two (2) years from date of invoice for a price addition of 1% of the net face value of the Purchase Order, will be extended to three (3) years from date of invoice for a price addition of 3% of the net face value of the Purchase Order, will be extended to four (4) years from date of invoice for a price addition of 5% of the net face value of the Purchase Order, or will be extended to five (5) years from date of invoice for a price addition of 7% of the net face value of the Purchase Order.
- b. **Optional Warranty 2**—Special Warranty: If requested by the Purchaser, and specifically accepted in writing by SE, the standard warranty will be extended, for a price addition of 3% of the net face value of the Purchase Order, to cover reimbursement of the direct costs of:
 - (i) Removal of non-conforming equipment or part thereof;
 - (ii) Transporting equipment or parts to and from the place of repair;
 - (iii) Off-loading of truck and reinstallation at the original site. Such special warranty, which may be chosen to cover a period not exceeding that of the standard or extended warranty (see above) selected, will not include the cost of providing temporary power or removing or replacing other apparatus or structures, or costs of transportation beyond a common carrier free delivery point in the continental United States. Further, the obligation of SE for expenses and costs arising under this special warranty coverage will not exceed 50% of the net invoice price on the equipment being repaired. This warranty does not change or affect the allocation of risk or loss during shipment.
- c. **Option 3**—Extended Warranty: Preventative Maintenance Agreements. If requested by the Purchaser, and **specifically** accepted by SE, a Preventative Maintenance Agreement is available to provide preventative maintenance on equipment covered by the agreement. Terms of the preventative maintenance agreement shall be as defined in a separate Services Agreement agreed to by the parties.

8. Cancellation

Notwithstanding Section 24 of the Conditions of Sale or unless otherwise agreed, any Purchase Order may be cancelled by the Purchaser only if SE agrees in writing, which shall at a minimum require payment by the Purchaser of reasonable and proper termination charges (including a reasonable profit and overhead) and reimbursement of all costs and expenses associated with the Purchase Order caused by the cancellation.

**Exhibit 2
Additional Field Services Based Terms and Conditions**

The terms set forth in this Exhibit supplement the Conditions of Sale and apply to all transactions that are for Field Services.

Cancellation

Notwithstanding Section 24 of the Conditions of Sale or unless otherwise agreed, payment for cancellation of a Field Services Purchase Order by Buyer is as follows:

The following cancellation charges may apply:

- (a) within five (5) days of Purchase Order issuance, no cancellation charge applies;
- (b) after five (5) days of Purchase Order issuance, cancellation charges will be as follows:
 - (i) 10% of Purchase Order value is a minimum charge;
 - (ii) 20% of Purchase Order value once engineering has begun or after SE issuance of approval drawings;
 - (iii) 50% of Purchase Order value once SE orders material released for manufacturing or work scheduled;
and
 - (iv) 100% of Purchase Order value once material fabrication is initiated or on-site work has begun.