

1. GENERAL

- 1.1. These General Terms of Sale ("GTS") shall govern any offer made by Schneider Electric Zrt. (the "Seller" or "Party"), and any sales agreements entered into by the Seller with any buyer (the "Buyer" or "Party") pertaining to the supply of Products, Software, and/or Services in Hungary (the "Contract"). Any sale by the Seller is expressly subject to Buyer's full acceptance of the terms and conditions stated below and waiver of Buyer's general purchase conditions, which shall be deemed to have been given in any order placed with the Seller.
- **1.2.** These GTS shall apply exclusively. Any diverging, contrary or complementary general terms and conditions of Buyer shall only become a part of the Contract if and to the extent Seller has expressly consented to their validity. This consent requirement shall apply in any case, i.e. where Seller makes a delivery without reservation to the Buyer even though Seller is aware of the Buyer's general terms and conditions
- **1.3.** The Buyer hereby warrants and represents to the Seller, that it is a business customer acting in the course of business and is not a consumer, for sales made by Seller, within the meaning of the laws of Hungary.

2. **DEFINITIONS**

- **2.1.** "Anti-Corruption Law" means all applicable laws which prohibit the conferring of any gift, payment or other benefit on any person or any officer, employee, agent or advisor of such person including but not limited to the French "Sapin II" Law, the United States' Foreign Corrupt Practices Act, and the United Kingdom Bribery Act or which prohibit money laundering, tax evasion or the facilitation thereof.
- **2.2.** "Confidential Information" means any and all information in any form that each Party provides to each other in the course of the Contract and that either (i) has been marked as confidential; (ii) is of such nature that a reasonable person would treat as confidential under like circumstances. Confidential Information does not include work products resulting from the Services performed hereunder and information which (a) is already known to the other Party at the time of disclosure; (b) is independently developed without the benefit of the other's Confidential Information; (c) is received from a third party that is not under any confidentiality obligation towards the owner of the information; or (d) has entered the public domain through no fault of the recipient.
- 2.3. "Intellectual Property Rights" means patents, utility models, rights to inventions, copyright and neighbouring and related rights, trademarks and service marks, business names and domain names, rights in get-up and trade dress, goodwill and the right to sue for passing off or unfair competition, rights in designs, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how and trade secrets), and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world.
- **2.4. "Products"** means any hardware, Software, supplies, accessories and other commodities provided by the Seller under the Contract.
- **2.5.** "Services" means the testing, assessment, per-diem or specific time-limited engineering services, installation, commissioning, start-up, configuration, repair and maintenance activities, and any development of application programs, customization, implementation, training and any other services agreed upon between the Parties in orders hereunder, to be performed by the Seller in connection with the sale of the Products pursuant to the Contract, or any other activities that may be agreed by the Seller to be performed.
- **2.6.** "Software" means digital products and content, computer software, applications and firmware in all forms, but excludes source code, which for purposes of these GTS shall be defined as the expression of computer software applications and firmware in human readable language which is necessary for their understanding, maintenance, modification, correction or enhancement.
- **2.7. "Third Party Products"** means products and software of a third party vendor. If Third Party Products are supplied by the Seller under the Contract, notwithstanding anything to the contrary, such supply is made on a "pass-through" basis only and is subject to the terms and conditions of the third party vendor, including



but not limited to warranties, licenses, indemnities, limitation of liability, prices and changes thereto. Third Party Products are quoted subject to price changes imposed by third party vendors between the date of order encompassing such Third Party Products and the date of Seller's invoice related to that Third Party Product.

3. PURPOSE AND SCOPE OF PROPOSAL

- **3.1.** Unless the Seller issues a specific proposal to the Buyer, the applicable prices are those set out in the Seller's price lists in force on the date when the order is placed.
- **3.2.** When the Seller has issued a proposal, the prices and terms and conditions of this proposal relate exclusively to the Products, Services and Software which are specified therein and they remain valid for one (1) month from the date of the proposal, unless there are express stipulations in the proposal to the contrary.

4. CHANGES

- **4.1.** Either Party may request changes that affect the scope, duration, delivery schedule or price of an order, including changes in the Products, Software or Services to be delivered or licensed. If either Party requests any such change, the Parties shall negotiate in good faith a reasonable and equitable adjustment to the order, including if necessary, any price and schedule adjustment and changes to the payment schedule and milestones, where relevant. If the Seller incurs any delay in achieving any milestones as a result of such negotiations, the Seller shall be entitled to submit an interim invoice for the percentage completed of such milestone. Payment of such invoice shall be in accordance with Article 7. Neither Party shall be bound by any change requested by the other until an amendment to the order in the form of a change order has been accepted in writing by both Parties. Pricing of changes shall be based on the then current Seller's prices.
- **4.2.** The Seller reserves the right to make any changes to the Products at any time, including their specifications, in its catalogues and brochures.

5. DELIVERY

- **5.1.** Unless otherwise specified in Seller's proposal or other specific agreements, deliveries are deemed as having been made once the Products are made available in the Seller's facility/ warehouse (FCA, ICC Incoterm in force on the date of the order).
- **5.2.** If the Buyer does not take possession of the Products on the scheduled delivery date, the Seller may send a notice to Buyer to collect the Products within 8 days. If the Buyer fails to collect the Products within 8 days of the receipt of this notice, the Seller may cancel the sale with immediate effect without prejudice to any damages Seller may claim. Should the Seller not exercise this right, the Buyer shall settle the Products' handling and warehousing expenses until it takes possession thereof.
- **5.3.** If Buyer fails to notify Seller of any material non-conformities of the Products, within a reasonable period following delivery, not to exceed thirty (30) calendar days, or is using those Products, Software or Services in a production environment or for the regular conduct of its business, the Products, Software, or Services shall be deemed accepted, without prejudice to the warranty provisions hereunder.
- **5.4.** Unless other acceptance criteria are agreed upon in an order at Buyer's expense, Seller's standard testing procedures, including factory acceptance test and site acceptance test, where applicable, shall apply to Products, Software and Services provided. If Buyer's representative is unable to attend any of these tests having received reasonable notice thereof, Buyer shall be deemed to have waived its entitlement to attend such tests. To the extent that any Products, Software or Services have been, or can be deemed approved by Buyer pursuant to the terms of the Contract or the applicable order at any stage of Seller's performance, Seller shall be entitled to rely on such approval for purposes of all subsequent stages of its performance hereunder.

6. DELAYS IN DELIVERY

- **6.1.** Delivery periods are provided as an indication unless the Seller expressly accepts firm deadlines.
- **6.2.** The delivery periods commence on the latest of the following: (i) the Seller's unconditional acceptance of the order; (ii) the Seller's receipt of information which the Buyer is responsible for providing

Effective as of March 22, 2021



where the commencement of the order fulfilment is conditional upon the provision of that information; or (iii) receipt of the agreed down payment.

- **6.3.** Absent any specific period set forth in the Contract, if the conditions precedent to the coming into force of the Contract have not been fulfilled within six (6) months from its conclusion, said Contract shall be automatically terminated and the Seller and the Buyer hereby waive any claim for damages in relation thereto.
- 6.4. In the event of a delay in delivery, where a firm deadline has been accepted and in the absence of provisions to the contrary, the Seller shall pay liquidated damages of zero point five (0.5) % of the net price of the Products for which the delivery is delayed for each full week of delay following a one-week grace period, it being hereby stipulated that these liquidated damages shall not, in all cases, exceed five (5) % of the amount of this net price. The Buyer may not set off any liquidated damages owed by the Seller against any amounts owed by the Buyer, without the Seller's prior written consent. The aforesaid liquidated damages shall constitute the sole remedy of the Buyer for delays and shall only be payable by Seller if the delay is exclusively attributable to the Seller.
- **6.5.** If the Buyer delays, prevents or impedes performance by the Seller, the Seller shall be entitled to an extension of time and to recover any additional costs incurred due to such delay, prevention or impediment including additional storage costs, de-mobilization/re-mobilization costs, travel and transportation costs.
- 6.6. The Buyer acknowledges that the Products or part thereof are produced in, or otherwise sourced from, or will be installed in areas already affected by, or that may be affected in the future by, the prevailing COVID-19 epidemics/pandemic and that the situation may trigger stoppage, hindrance or delays in Seller's (or its subcontractors) capacity to produce, deliver, install or service the Products, irrespective of whether such stoppage, hindrance or delays are due to measures imposed by authorities or deliberately implemented by Seller (or its subcontractors) as preventive or curative measures to avoid harmful contamination exposure of Seller's (or its subcontractors') employees. The Buyer therefore recognizes that such circumstances shall be considered as a cause for excusable delay not exposing Seller to contractual sanctions including without limitation, delay penalties, liquidated or other damages or termination for default.

7. PRICES - PAYMENT - TAXES

- **7.1.** The prices are expressed exclusive of taxes, whether payable in Hungary, or in the country of delivery of the Products.
- 7.2. The Buyer shall be responsible for the payment (by addition to the prices or adjustment to the list price for the Products, as applicable) of all trade tariffs (or changes to such trade tariffs) imposed after the date on which this Contract was concluded on any Products supplied under this Contract, which are a duty, tax or levy imposed on imports or exports into or out of the EU or the European Economic Area and Switzerland, or any country with which the EU has a free trade agreement. This shall apply to all Products or any raw materials or components used by the Seller to manufacture the Products or any other Products into which the Products are to be incorporated or in conjunction with which the Products are to be commercially exploited.
- **7.3.** If Buyer is required by law to make any tax withholding from amounts paid or payable to Seller under the Contract, (i) the amount paid or payable shall be increased to the extent necessary to ensure that Seller receives a net amount equal to the amount that it would have received had no taxes been withheld; (ii) Buyer shall forward proof of such legally required withholding to Seller.
- **7.4.** The Seller shall be entitled to revise the prices applicable to the Contract as follows:
 - (a) by one (1) weeks' written notice to the Buyer in the event of:
 - (i) any fluctuation in the currency exchange rates applicable at the date of the Contract;
 - (ii) any increases in the cost of raw materials, transport or labour;
 - (iii) any changes in legislation or technical standards;

Effective as of March 22, 2021



- (iv) any changes connected to or arising out of the United Kingdom (or part of it) ceasing to be a member state of the EU whether such change occurs before, during or after the date on which the United Kingdom ceases to be a member state of the European Union or, where a transition period has been agreed, the date on which the transition period expires; or
- (v) other events beyond its reasonable control that affect the Seller's ability to perform or the cost of performance under the Contract; or
- (b) by two (2) months' written notice to the Buyer in all other cases.
- **7.5.** The new prices provided in Article 7.4 shall take effect upon expiration of afore-mentioned notice period, or, if a later date is specified in such notice, on the date so specified.
- 7.6. Unless otherwise provided in the Contract, Seller shall be entitled to issue an invoice no later than the date of delivery or acceptance of the Products and/or Services, whichever is later (irrespectively whether the certificate on the performance has been issued or not) and Buyer shall pay such invoices within thirty (30) days of the invoice date and payment shall be made in Hungary, free of any charge for the Seller. A minimum order value that is specified in the effective Commercial Policy of Seller shall apply to all sales: HUF 30,000; in case of wholesalers over HUF 400,000 turnover per year: HUF 100,000. The Seller can issue invoices by regular post, mail or electronically in a PDF or XML format. An EDI payment process can be established by Seller. In case of a non-standardized/not accustomed demand or requirement by the Buyer, all required development costs will be borne by the Buyer. In no event shall such non-standardized/not accustomed demand relieve the Buyer from its payment obligations as defined in these GTS.
- **7.7.** In case of any delayed payment:
 - (a) Buyer shall be liable to pay late payment interest of [2 %] per month late, applied to the outstanding amounts, which may not be less than three (3) times the legal interest rate in all cases, and
 - (b) Buyer shall be liable to pay a fixed debt collection fee of forty (40) Euros for each invoice, in accordance with the applicable mandatory statutory provisions.

However, if the debt collection costs actually incurred by the Seller exceed the amount referred to in this Article 7.7, the Seller reserves the right to claim additional compensation from the Buyer.

- **7.8.** Failure to pay an instalment on the due date shall automatically cause all amounts owed by the defaulting Buyer to become payable. Moreover, the Seller reserves the right to suspend the performance of its own obligations until the Buyer has paid all outstanding amounts in full.
- **7.9.** Should the delay in payment exceed thirty (30) days, Buyer shall be considered in breach. Without prejudice to any other remedies available to it by law or in equity, Seller may terminate the Contract for reasons attributable to the Buyer and at Buyer's cost if Seller provides written notice sent by registered post to Buyer of this breach and Buyer fails to cure that breach within eight (8) days of such notice.
- **7.10.** The foregoing provisions shall apply without prejudice to all damages which may be claimed by the Seller.

8. RETENTION OF TITLE AND PASSING OF RISK

- **8.1.** Unless otherwise agreed upon in an order, Seller will retain title to the Products until the Buyer has paid the price for the Products in full. Title to Software shall remain at all times with Seller.
- **8.2.** If the Products are transformed or incorporated into other goods, the Seller shall have a lien on the transformed Products or the goods in which they have been incorporated until full payment of the price. The Buyer undertakes to confirm the existence of this retention of title to third parties to whom it may sell the Products in their original condition or incorporated in other goods.

Effective as of March 22, 2021



- **8.3.** Should Products be returned, under this Article 8 any down payments received by the Seller will vest in the Seller as indemnity, without prejudice to any damages which the Seller may claim.
- **8.4.** The Seller's rights contained in this Article 8 will survive expiry or termination of the Contract however arising.
- **8.5.** As from delivery, the Buyer assumes all the risks relating to the possession, custodianship and/or use of the Products as per the applicable Incoterm and shall from said date be liable for any damages caused by the Products.

9. MARKING AND PACKAGING

- **9.1.** The Seller warrants that it complies with the provisions of Regulation EC No. 765/2008, Decision No. 768/2008/EC and the harmonised EN 50581 standard for all sales of its Products, including the manufacturer's obligation to provide a declaration of conformity. Proof of conformity will be made available to the Buyer at its request, in the form of technical documents.
- **9.2.** The Seller warrants that it complies with the essential requirements of Hungarian legislation and regulations, EU directives and regulations and the standards applicable to the Products.
- **9.3.** The prices set out in the proposal include ordinary packaging in accordance with the Seller's standard practice. If the Buyer wishes to use a different type of packaging from the packaging normally used by the Seller, an extra packaging fee will be charged. The Seller does not take back packaging, in any circumstances whatsoever.

10. CARRIAGE – CUSTOMS – EXPORT CONTROL

- **10.1.** Unless otherwise expressly accepted by the Seller, the Products are sold on FCA basis (see Article 5). Accordingly, the Buyer is responsible for the carriage and insurance of the Products, if any.
- **10.2.** The Deliverables provided by Seller under the Contract may contain components and/or technologies from the United States of America ("**US**"), the European Union ("**EU**") and/or other nations. Buyer acknowledges and agrees that the supply, assignment and/or usage of the Products, Software, Services, information, other deliverables and/or the embedded technologies (hereinafter referred to as "**Deliverables**") under the Contract shall fully comply with related applicable US, EU and other national and international export control laws and/or regulations.
- 10.3. Unless applicable export license/s has been obtained from the relevant authority and the Seller has approved, the Products shall not (i) be exported and/or re-exported to any destination and party (may include but not limited to an individual, group and/or legal entity) restricted by the applicable export control laws and/or regulations; or (ii) be used for those purposes and fields restricted by the applicable export control laws and/or regulations. Buyer also agrees that the Deliverables will not be used either directly or indirectly in any rocket systems or unmanned air vehicles; 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 not be limited to chemical, biological or nuclear weapons.
- 10.4. 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 applicable export control laws and/or regulations would prohibit Seller from fulfilling any order, or would in Seller's judgment otherwise expose Seller to a risk of liability under the applicable export control laws and/or regulations if it fulfilled the order, Seller shall be excused from all obligations under such order and/or this Contract.
- **10.5.** The Seller disclaims all liability for any late deliveries and other consequences caused by the implementation of and amendments to those regulations.
- **10.6.** "Software" is a "commercial item" as those terms are defined under 48 CFR 2.101 (October 1995), consisting of "commercial computer software" and "commercial computer software documentation" as such terms are used in 48 CFR 12.212 (September 1995) and is provided to U.S. Government only as a commercial

Schneider **Electric**

Effective as of March 22, 2021

item. Consistent with 48 CFR 12.212 and 48 CFR 227-7202-1 through 227.7202-4 (June 1995), all U.S. Government end-users acquire the Software with only those rights set forth herein.

- **10.7.** Either Party shall execute and deliver to the other any documents as may be required to effect or evidence compliance.
- **10.8.** The Parties may correspond and convey documentation via the Internet unless Buyer expressly requests otherwise. Neither Party has control over the performance, reliability, availability or security of the Internet. Seller shall not be liable for any loss, damage, expense, harm or inconvenience resulting from the loss, delay, interception, corruption or alteration of any communication over the Internet due to any reason beyond Seller's reasonable control.

11. ENVIRONMENTAL REGULATIONS

- 11.1. Removal & disposal of Product waste. The party possessing the waste is responsible for removing and disposing it or for having it removed and disposed. For the professional electrical and electronic equipment (hereinafter "EEE") concerned by European Directive 2012/19/EU entered into force on the 13th of August 2012, and European Directive 2006/66/EC dated September 6, 2006 and resulting implementation regulation, the organisational and financial responsibility for the removal and processing of waste originating from this EEE is transferred to the direct Buyer which accepts such. The direct Buyer undertakes to assume responsibility, on the one hand, for the collection and removal of waste originating from the EEE subject to the sale and, on the other hand, for their processing and recycling. The Buyer's failure to comply with these obligations may lead to the application, among other sanctions, of the criminal sanctions provided for by each member state of the European Union.
- **11.2.** Provisions applicable to chemicals under REACH Regulation No. 1907/2006. For Products delivered after the publication of the candidate list of substances for authorisation as defined in REACH Regulation No. 1907/2006 and its various updates, and in accordance with Article 33(1) of that Regulation, the Seller hereby informs the Buyer of the presence of those candidate substances in an amount of more than 0.1% (zero point one per cent) weight by weight compared to the total weight, via the following website: www.schneider-electric.com, to allow the said Products to be used safely.
 - (a) The Seller represents that the substances, used alone or contained in preparations or Products integrated by it for the relevant production, were used in accordance with the registration, authorisation and restriction provisions of that Regulation. The Seller shall inform the Buyer, via the same website, of any changes to the composition of the relevant Products/items of which it becomes aware.

12. BUYER'S OBLIGATIONS

- **12.1.** Buyer 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 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 Buyer's Systems or that may result in any unauthorized access, acquisition, loss, misuse, destruction, disclosure, and/or modification of Buyer's Systems, including any data, including through malware, hacking, or similar attacks.
- **12.2.** Without limiting the foregoing, Buyer shall at a minimum:
 - (a) have qualified and experienced personnel with appropriate expertise in cybersecurity maintain Buyer's Security Program, and have such personnel regularly monitor cyber intelligence feeds and security advisories applicable to Buyer's Systems or Buyer'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 Seller's security notification webpage at



https://www.se.com/ww/en/work/support/cybersecurity/security-notifications.jsp otherwise provided to Buyer;

or

- (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 Seller's Recommended Cybersecurity Best Practices, available at https://www.se.com/us/en/download/document/7EN52-0390/, as may be updated by Seller from time to time, and then-current industry standards.
- 12.3. Seller may release Updates and Patches for its Products, Software, and Services from time to time. Buyer shall promptly install any Updates and Patches for such Products, Software, or Services as soon as they are available in accordance with Seller'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. Buyer 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 Buyer's Systems becoming vulnerable to certain Cyber Threats or result in impaired functionality, and Seller shall not be liable or responsible for any losses or damages that may result.
- 12.4. If Buyer identifies or otherwise becomes aware of any vulnerabilities or other Cyber Threats relating to the Products, Software, or Services for which Seller has not released a Patch, Buyer shall promptly notify Seller of such vulnerability or other Cyber Threat(s) via the Seller Report a Vulnerability page (https://www.se.com/ww/en/work/support/cybersecurity/report-a-vulnerability.jsp#Customers) and further provide Seller with any reasonably requested information relating to such vulnerability (collectively, "Feedback"). Seller shall have a non-exclusive, 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 analyse 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 Buyer; provided, however, Seller shall not publicly disclose Buyer's name in connection with such use or the Feedback (unless Buyer consents otherwise). By submitting Feedback, Buyer represents and warrants to Seller that Buyer has all necessary rights in and to such Feedback and all information it contains, including to grant the rights to Seller described herein, and that such Feedback does not infringe any proprietary or other rights of third parties or contain any unlawful information.
- **12.5.** Unless otherwise specifically agreed in the order, Seller's personnel shall not perform Services on equipment in operation on Buyer's work site.
- **12.6.** If Seller is to perform Services on Buyer's work site, Buyer shall be responsible for obtaining all applicable permits, visas or other governmental approval required. Buyer shall be responsible for ensuring the safety of work conditions at its site and the safety of Seller's personnel.
- **12.7.** Seller ensures that its employees, subcontractors and agents adhere to and comply with Buyer's health, safety, security and environmental policies while at the work site, to the extent these policies have been made available to Seller.
- **12.8.** The obligations of Buyer shall be set forth in the applicable order. Buyer agrees to cooperate with Seller in the performance of the project described in the order hereunder, including, without limitation, providing Seller with reasonable facilities, timely access to data, information and personnel of Buyer and a safe working environment. Buyer acknowledges and agrees that Seller's performance is dependent upon the timely and effective satisfaction of Buyer's responsibilities hereunder and timely decisions and approvals of Buyer where required.



12.9. Buyer acknowledges and agrees that Seller may, in performing its obligations pursuant to these GTS, be dependent upon or use data, material, and other information furnished by Buyer without any independent investigation or verification thereof, and that Seller shall be entitled to rely upon the accuracy and completeness of such information in performing its obligations.

13. ANTIBRIBERY AND CORRUPTION

- **13.1.** The Buyer acknowledges that Seller is committed to eliminating all risk of bribery and corruption, influence peddling, money laundering and tax evasion or the facilitation thereof in its business activities. The Buyer must immediately notify Seller of any suspected, or known, breaches of Anti-Corruption Law. The Buyer may raise this alert through their point of contact or through the Green Line: https://secure.ethicspoint.eu/domain/media/en/gui/104677/index.html.
- **13.2**. None of the Buyer's employees, beneficial owners, shareholders, or any other person who is involved in or will benefit from the performance of the Contract or has an interest in the Buyer:
 - (a) is a civil servant, public or governmental official;
 - (b) is an official or employee of Seller or one of its affiliates; or
 - (c) has been convicted of, or otherwise been subjected to any administrative sanction or penalty for, any offence involving fraud, bribery, corruption, influence peddling, money laundering, or any other criminal offence involving dishonesty as an element. Buyer will immediately notify Seller if any such individuals are the subject of any investigation into any such offenses.
- **13.3.** The Buyer undertakes and covenants to Seller that it shall not, alone or in conjunction with any other person, directly or indirectly, offer, pay, give, promise to pay or give, or authorize the payment or giving of any money, gift, undue advantage, or anything of value to any employee, official or authorized representatives of Seller.

14. INTELLECTUAL PROPERTY AND SOFTWARE LICENSE

- **14.1.** Seller may utilize proprietary works of authorship, pre-existing or otherwise, including without limitation software, computer programs, methodologies, templates, flowcharts, architecture designs, tools, specifications, drawings, sketches, models, samples, records and documentation, as well as Intellectual Property Rights and any derivatives thereof, which have been originated, developed or purchased by Seller or to a parent or affiliated company of Seller (all of the foregoing, collectively, "**Seller's Information**"). Seller shall retain at all times ownership of the Seller's information.
- **14.2.** Seller or the applicable third party owner shall retain at all times the ownership of its Software, firmware and third party software, regardless of the media upon which the original or copy may be recorded or fixed. Without prejudice to the license(s) expressly granted hereunder and under an order, no right, title or interest in or to the Software, firmware, Seller's Information, any copies thereof and any Intellectual Property Rights residing in the Products, Software or result of Services is transferred to Buyer. Buyer acknowledges that the prices for Services and Software charged by Seller under the Contract are predicated in part on Seller's retention of ownership over such Software and any results of the Services.
- **14.3.** In consideration of the receipt of full payment of the Software license fee applicable as part of the price under an order, and subject to Buyer's compliance with its obligations under the Contract and/or the order, Seller shall provide to Buyer a personal, non-transferable, non-exclusive limited license to use the Software described in the relevant order and the Seller's Information incorporated into the Products, Software and Services, if any, for purposes of the Buyer's ordinary business as defined in the order and in the particular location(s) and/or on the particular systems for which Buyer licensed such Software.
- **14.4.** Seller's Software licensed to Buyer may contain components that are owned by third parties. The third party owner shall retain exclusive right to its firmware and software. Use of such third party components may be subject to restrictions contained in the third party's end user license agreement in addition to the conditions set forth herein. Seller shall make available to Buyer upon request the third party's end user license

Effective as of March 22, 2021



agreement applicable. Copyright and other proprietary rights notices of Seller and third parties are contained in the Software and Buyer shall not modify, delete or obfuscate such notices.

- 14.5. The Buyer may not, without Seller's prior written express consent (i) copy, modify, sublicense, loan or transfer in any manner the Software licensed herein; (ii) create derivative works based on the Software licensed herein; (iii) subject the Software licensed herein to translating, decompiling, disassembling, reverse assembling, reverse engineering, emulating or performing any other operation on the Software, except to the extent that any reduction of the Software to human readable form (whether by reverse engineering, decompilation or disassembly) is necessary for the purposes of integrating the operation of the Software with the operation of other software or systems used by the Buyer, unless the Seller is prepared to carry out such action at a reasonable commercial fee or has provided the information necessary to achieve such integration within a reasonable period, and the Buyer shall request the Seller to carry out such action or to provide such information (and shall meet the Seller's reasonable costs in providing that information) before undertaking any such reduction. Buyer shall hold the Software licensed herein in strict confidence and will not allow third parties, other than its employees with a need to use the Software and who have agreed to comply with the terms of this Contract, to access or use the Software without Seller's prior written consent.
- **14.6.** Notwithstanding the foregoing restrictions but subject to all restrictions applicable to Third Party Products as set forth in Articles 14.2 and 14.4, Buyer shall be entitled to make one (1) copy of the Software for backup or archival purposes and may make a limited reasonable number of copies of the instruction manuals and documentation related to the Software for purposes of their use by Buyer in connection with the authorized use of the Software. All titles, trademarks and copyrights and restricted rights notices shall be reproduced in such copies.
- **14.7.** Buyer shall maintain complete and accurate records documenting the location and use of the licensed Software in Buyer's possession. No later than thirty (30) days, upon receipt of Seller's written request, Buyer shall provide Seller with a signed certification of compliance with the Software licensing conditions. Seller has the right to conduct an audit of Buyer's use of the Software. Any such audit shall be conducted during regular business hours at Buyer's facilities. If an audit reveals any underpayment of license fees, Buyer shall be invoiced for additional license fees consistent with Seller's then current price list for the Software, without any discount being applicable in that instance. Buyer shall then immediately pay the underpaid amount together with interest at a rate of one- and one-half percent (1.5%) per month or partial month during which such amount was due and unpaid. The assessment of additional license fee is without prejudice to Seller's other remedies in the event of breach by Buyer of other licensing conditions.
- **14.8.** Unless otherwise set forth in an applicable Seller's license agreement, Buyer may not transfer its license to use the Software and related documentation and written materials to a third party without the Seller's prior written consent, which shall not be unreasonably withheld. In case of Seller approval of such transfer, Buyer shall be responsible to ensure that the recipient agrees to the terms of this Article 14.
- **14.9.** The conditions governing the use of the Software and databases and the length of the corresponding user rights are set out in the relevant licences.
- **14.10.** Seller may cease to deliver any Products or Software or Services, which it reasonably considers could infringe third party's rights, without being in breach of the Contract.
- **14.11.** In case the results of Services, Software or Products, or any part thereof, is adjudged to infringe and/or its use is enjoined, the Seller shall, at its own expense and option either (i) procure the Buyer a royalty-free license to continue using such Software, results of Services or Products, or (ii) replace same with substantially equal but non-infringing equipment or modify it so it becomes non-infringing, provided that no such replacement or modification shall in any way amend or relieve Seller of its warranties and guarantees set forth in the Contract. In the event Seller is unable to do either of the foregoing, the allegedly infringing item shall be returned to Seller and Seller's maximum liability shall be to refund to Buyer the amount paid for such item, less a reasonable depreciation for use and damage.
- **14.12.** This Article 14 states the Parties' entire liability and sole remedy with respect to infringement or claims thereof.



15. WARRANTY

15.1. Seller warrants that:

- (a) Products manufactured by Seller under its own brands and supplied by Seller will be free from defects in design, materials and workmanship arising under normal use and in accordance with any instructions issued by the Seller;
- (b) Services performed by Seller's personnel will be performed by qualified personnel with the reasonable care, skill and diligence, to be expected of similarly qualified personnel experienced in providing services similar to the Services and in accordance with the applicable generally accepted standards recognized by the industry; and
- (c) Software provided with the Products will perform its essential functions during the Warranty Term, as defined herein, or as otherwise applicable to the Products. Seller does not warrant that the operation of any Software will be uninterrupted and/or error-free.
- **15.2.** In the event of any warranty covered defects or deficiencies in Products in subsection (a) above, or Services in subsection (b) above, or Software in subsection (c) above, the sole and exclusive obligation of Seller 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, replace the Software with the latest available version containing a correction, at Seller's sole discretion, or replace the media and the licensed Software residing on the media. Seller shall have no other obligation to provide updates or revisions. The foregoing warranty coverage is contingent on Buyer providing prompt notification to Seller once such defect or deficiency is reasonably apparent to Buyer.
- **15.3.** This warranty shall not apply to: (a) Third Party Products, (b) Services not provided by Seller, (c) Products, Software or Services that has been repaired or altered by anyone other than Seller so as, in Seller's judgment, affects the same adversely, (d) Seller's conformance with Buyer's design of the Products, Software, or Services; (e) Products, Software, or Services that appear to be subjected to negligence, accident or damage by circumstances beyond Seller's control or improper or any non-Seller operation, maintenance or storage, or to other than normal use or service; or (f) transfer of the Software from the device on which it was originally installed. The foregoing warranties do not cover reimbursement for labour, transportation, removal, installation, temporary power, or any other expenses that may be incurred in connection with repair or replacement.
- **15.4.** Seller shall bear no responsibility for the performance, repair or warranty of any Third Party Products and Buyer shall look solely to third party vendor for all remedies and support with regard to such Third Party Products. If such Third Party Product is expressly procured by Seller to Buyer under an order, that Third Party Product shall be warranted only in accordance with the warranties given to Seller in respect thereof by the relevant third party vendor and to the extent that Seller has the right to assign or transfer such warranties.
- 15.5. THESE WARRANTIES, CONDITIONS, EXCLUSIONS ARE EXCLUSIVE AND IN LIEU OF ALL OTHER EXPRESS OR IMPLIED WARRANTIES, CONDITIONS, REPRESENTATIONS AND GUARANTEES (EXCEPT WARRANTIES OF TITLE), INCLUDING BUT NOT LIMITED, TO IMPLIED WARRANTIES OF MERCHANTABILITY, MERCHANTABLE QUALITY AND FITNESS FOR A PARTICULAR PURPOSE. SELLER MAKES NO WARRANTY THAT THE PRODUCTS, SOFTWARE OR SERVICES WILL MEET BUYER'S REQUIREMENTS OR THAT BUYER'S USE OF THE PRODUCTS, SOFTWARE OR SERVICES WILL BE UNINTERRUPTED, SECURE, OR ERROR-FREE. SELLER 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 AND SELLER DISCLAIMS ANY LIABILITY IN RELATION THERETO. EXCEPT AS MAY BE PROVIDED IN WRITING BY SELLER, SELLER SHALL NOT BE SUBJECT TO ANY OTHER OBLIGATIONS OR LIABILITIES WHATSOEVER THAN AS STATED ABOVE WITH REGARD TO PRODUCTS, SOFTWARE AND SERVICES SOLD BY SELLER TO BUYER, BY USING THE PRODUCTS, SOFTWARE OR SERVICES, BUYER UNDERSTANDS THESE LIMITATIONS AND AGREES THAT BUYER ACCESSES AND USES THE PRODUCTS, SOFTWARE AND SERVICES AT BUYER'S OWN DISCRETION AND RISK AND THAT BUYER WILL BE SOLELY RESPONSIBLE FOR ANY DAMAGES TO BUYER'S SYSTEMS OR ASSETS OR LOSSES THAT RESULT FROM SUCH ACCESS OR USE.

Effective as of March 22, 2021



- 15.6. The Seller does not warrant, in any way, that the Products will meet any targets and/or performance determined by the Buyer itself unless those targets and/or performance were expressly accepted by the Seller. All terms such as "guarantees", "warranty" or "assured properties" which are mentioned in the contract documents shall be understood to mean quality features within the meaning of the statutory warranty provisions and not to mean additional manufacturer or performance guarantees, even if the term "guarantee" or phrases with the same meaning are used.
- **15.7.** The above mentioned warranty only applies to Products which prove defective (as described hereabove) during the term of the warranty ("Warranty Term"). If the e-catalogue or the offer/contract do not state the Product's Warranty Term, the default will be eighteen (18) months from the date of delivery, as defined in Article 5. However, if the date of delivery, as referred to above, cannot be determined for certain, the Warranty Term will start on the date of the manufacturing of the Product, as marked on the relevant Product, and last for twenty-four (24) months.
- **15.8.** The repairing of, changes to, or replacement of the Product or part of it during the Warranty Term shall in no case cause the Warranty Term to be extended, with the exception of a defect corrected less than three (3) months before the expiry of the Warranty Term. In such case, the warranty covering the repaired, changed or replaced Product will be extended for up to three (3) months, as of the date of the delivery of the repaired, changed or replaced Product to the Buyer.
- 15.9. The Buyer's claims for defects shall be subject to the Buyer's compliance with its statutory duties to inspect and to report defects as soon as the defective operation of the Product manifests itself. If a defect becomes apparent during examination or afterwards, the Seller must be notified accordingly in writing and provide all supporting documents of such defective operation, without undue delay. The notification shall be deemed without undue delay if made within two weeks. Should the Buyer fail to duly examine the delivery and/or to duly report defects, the Seller's liability for the defect which was not reported shall be excluded. Under this warranty, the Seller remedies the notified defects, at its expense, as soon as reasonably possible and using the means which it deems fit. Replaced parts once again become the Seller's property and shall be returned to the Seller at its first request.
 - (a) At the Seller's request, the Buyer shall return the allegedly defective Product to the Seller, at Buyer's own expense, within thirty (30) calendar days. After due examination, and if the default is covered by the warranty, the Seller shall bear the cost of delivering the replacement or repaired Products. If the Seller sends a replacement Product before completing the above procedure, it will be invoiced to the Buyer if it is subsequently established that: (i) the allegedly defective Product is not covered by the warranty, after due examination, or (ii) in all cases, if the allegedly defective Product is not returned to the Seller within the above-mentioned period of thirty (30) calendar days.
 - (b) Under no circumstances does the warranty cover any travel expenses, expenses relating to searching for the defective item on-site, or to dismantling and reassembling the Product in its environment.
 - (c) The Seller may elect, at its own discretion, to carry out repairs at the site where the Product is installed, in which case the Seller will only pay the labour expenses relating to such repair work and/or replacement of the Product (and will not cover the cost of time spent waiting and the costs incurred by any failure to make the Products available for repair).
 - (d) The Buyer shall not carry out the repair work by itself or have such work carried out by a third party, unless it has the Seller's express agreement.
- **15.10.** All warranties provided herein are personal to, and intended solely for the benefit of, Buyer and do not extend to any third party, except in the case of transfer of the software in accordance with Article 14.8 or Article 22.

16. LIABILITY

Effective as of March 22, 2021



- **16.1.** The Contract and these GTS set out Seller's entire liability and are in lieu of all other warranties whether statutory, express or implied, including but not limited to implied warranties of merchantability and fitness for purpose.
- **16.2.** Nothing in the Contract and the GTS shall limit or exclude the Seller's liability:
 - (a) for death or personal injury caused by its negligence or the negligence of its employees, agents or subcontractors;
 - **(b)** for fraud or fraudulent misrepresentation;
 - (c) for breach of any export regulations; or
 - (d) to the extent that any attempt by the Seller to exclude or restrict liability would be unenforceable or void under the laws of the applicable jurisdiction.
- **16.3**. Subject to Article 16.2, the Seller shall not have any liability to the Buyer (whether for breach of contract, tort (including but not limited to negligence or breach of statutory duty), misrepresentation, restitution or otherwise) including pursuant to any indemnities and/or conditions for any a) loss of profits; b) loss of bargain; c) loss of contract opportunity or expectation; d) loss of use; e) loss of revenue; f) loss of anticipated savings; g) loss of tender and/or bid costs; h) loss of re-tender and/or re-bid costs; i) loss of or corruption of data or information; j) loss of sales; k) losses arising out of increased operating costs; l) loss resulting from third party claims; m) loss of reputation; n) depletion of goodwill or similar losses; or o) pure economic loss (in each case whether direct or indirect) or for any special, indirect, or consequential loss costs, damages, charges or expenses whatsoever and howsoever arising.
- **16.4.** Subject to Article 16.2, the Seller's total liability arising out of or in connection with the Contract and/or the GTS whatsoever and howsoever arising shall in all circumstances, including pursuant to any indemnities and conditions and whether or not expressly made subject to this Article 16, be limited to the Contract price (exclusive of taxes).

17. SUSPENSION AND TERMINATION OF THE CONTRACT

- **17.1.** Either Party may suspend the performance of its obligations if the other Party has not effectively performed its own obligations that are due, including but not limited to, Buyer's non-compliance with its obligations to secure the site where the Seller shall perform services or works, or non-payment by the Buyer of Seller's invoice. If a Party is in breach, the non-defaulting Party may not arrange for the defaulting Party's obligations to be fulfilled by a third party, in any circumstances whatsoever.
- **17.2.** If the Contract is suspended for a reason that is not exclusively attributable to the Seller, the Buyer shall reimburse all reasonable costs and expenses incurred by the Seller as a result of such suspension. The costs to be reimbursed include, but are not limited to, handling, storage, insurance and labour costs, financial costs and the bank fees charged to extend the validity of the bank guarantees borne by the Seller and its subcontractors and, all costs generated by the extended delivery time. If the performance of the Contract is suspended for more than ninety (90) days for any reason whatsoever, the Seller will be entitled to terminate the Contract and receive all costs referred to above, without prejudice to any potential claim.
- 17.3. If the Buyer fails to make any payment by its due date or fails to deliver input data or validate deliverables issued by the Seller, in accordance with the Contract, the Seller may terminate the Contract, thirty (30) business days after providing written notice to perform with which the Buyer fails to comply. If the Buyer fails to take possession of the Products on the agreed delivery date, the Seller may terminate the Contract in accordance with Article 5.2 without prejudice to any potential claim. If the Seller does not exercise that right, the Buyer shall bear all handling and storage costs until it takes possession of the Products. Either Party may unilaterally terminate the Contract, if the other Party fails to fulfil any of its obligations and fails to cure that breach within thirty (30) days of written notice of same sent by registered post with acknowledgement of receipt. The provisions relating to confidentiality, intellectual property and liability will survive any termination, regardless of the reason for the termination.



Effective as of March 22, 2021

- The Seller may terminate this contract immediately by giving written notice to that effect to the 17.4. Buyer, if the Buyer:
 - (a) has a receiver, administrator or provisional liquidator appointed;
 - (b) is subject to a notice of intention to appoint an administrator;
 - (c) passes a resolution for its winding-up (save for the purpose of a solvent restructuring);
 - (d) has a winding up order made by a court in respect of it;
 - enters any composition or arrangement with creditors (other than relating to a solvent (e) restructuring);
 - (f) ceases to carry on business; or
 - (g) has any steps or actions taken in connection with any of these procedures, and the Buyer will notify the Seller immediately upon the occurrence of any such event or circumstance.
- 17.5. Following expiry or termination of this Contract:
 - (a) any conditions which expressly or impliedly continue to have effect after expiry or termination of the Contract will continue in force; and
 - (b) all other rights and obligations will immediately cease without prejudice to any rights, obligations, claims (including claims for damages for breach) and liabilities which have accrued prior to the date of expiry or termination.
- 17.6. Within ten (10) days after the date of expiry or termination of the Contract each Party will:
 - return to the other Party all confidential information (including all copies and extracts) and all other property (whether tangible or intangible) of the other Party in its possession or control; and
 - (b) cease to use the confidential information of the other Party;

provided that each Party may retain any confidential information of the other Party which it has to keep in order to comply with any applicable law or which it is required to retain for insurance, accounting or taxation purposes. Article 14 will continue to apply to retained confidential information.

18. **DATA PROTECTION**

The Seller reserves the right to save and process the Buyer's data for its own purposes in compliance with current data protection legislation. The Buyer, its officers, employees, agents and representatives will keep all information and data relating to the Seller and the Contract safe and secure.

19. **CONFIDENTIALITY**

- 19.1. Each Party retains ownership of its Confidential Information.
- Each Party agrees to (i) protect the other's Confidential Information in the same manner as it protects the confidentiality of its own proprietary and confidential materials but in no event with less than reasonable care; (ii) use the other's Confidential Information only in relation to the orders.
- 19.3. Upon termination of the Contract or a relevant order or upon written request submitted by the disclosing Party, whichever comes first, the receiving Party shall return or destroy, at the disclosing Party's choice, all of the disclosing Party's Confidential Information.
- Neither Party shall, except with respect to their employees, contractors or agents with a need to know for purposes of the Contract, disclose to any person any Confidential Information of the other Party without the other Party's prior written consent, except where Confidential Information may be disclosed by law.
- Unless otherwise agreed in an order, these confidentiality obligations shall terminate five (5) years after the expiration of the relevant order or termination of the Contract, whichever comes first.



20. FORCE MAJEURE

- **20.1.** Except for the Buyer's payment obligations, neither Party shall be liable for delays caused by conditions beyond their reasonable control or events occurring in or affecting the Seller's premises or business or those of its subcontractor and/or its suppliers, which may disrupt the organisation or business activity of the company, ("**Force Majeure**"), provided notice thereof is given to the other Party as soon as practicable. Force Majeure shall include without limitation, act of God, lock-outs, strikes, illness, epidemic, pandemic, war, insurrection, riot, civil commotion, act or threat of terrorism, embargos, lightning, earthquake, fire, flood, storm or extreme weather condition, theft, malicious damage, lockout, industrial dispute (whether affecting the workforce of a Party and/or any other person) breakdown or failure of plant or machinery or machinery accident, rejection of parts during the manufacturing process, interruption or delay in the transportation or procurement of raw materials, power or components, or any other event outside the control of the Seller, its subcontractors and/or its suppliers or any other consequences arising as a result of or in connection with the United Kingdom's withdrawal from the EU.
- **20.2.** All such Force Majeure conditions preventing performance shall entitle the Party hindered in the performance of its obligations hereunder to an extension of the date of delivery of the Products and Software or completion of the Services by a period of time equal to the period of delay incurred as a result of the Force Majeure or to any other period as the Parties may agree in writing.

21. VARIATIONS

No variation of the Contract shall be effective unless it is in writing and signed by the Parties (or their authorised representatives).

22. ASSIGNMENT

The Buyer will not be entitled to assign, transfer, charge, hold in trust for any person or deal in any other manner with any of their rights under the Contract.

23. WAIVER

A delay in exercising or failure to exercise a right or remedy under or in connection with the Contract will not constitute a waiver of, or prevent or restrict future exercise of , that or any other right or remedy, nor will the single or partial, exercise of a right or remedy prevent or restrict the further exercise of that or any other right or remedy. A waiver of any right, remedy, breach or default will only be valid if it is in writing and signed by the Party giving it and only in the circumstances and for the purpose for which it was given and will not constitute a waiver of any other right, remedy, breach or default.

24. SEVERANCE

If any of these GTS (including any exclusion from, or limitation of, liability set out in Article 16) is found by any court or body or authority of competent jurisdiction to be illegal, unlawful, void or unenforceable, such term will be deemed to be severed from these GTS and this will not affect the remainder of these GTS which will continue in full force and effect.

25. NON-SOLICITATION

Neither Party shall, during the terms of the Contract and for one (1) year after its termination, solicit for hire as an employee, consultant or otherwise any of the other Party's personnel who have had direct involvement with the Services, without such other Party's express prior written consent.

26. PRESS RELEASES

Neither party shall issue any press release concerning Seller's work without the other Party's consent. Notwithstanding the foregoing, Seller may identify Buyer as a client of Seller, use Buyer's name and logo and release and announcement regarding the award of the Contract. Seller may generally describe the nature of



the Services in Seller's promotional materials, presentations, case studies, qualification statements and proposals to current and prospective clients.

27. NO PARTNERSHIP OR AGENCY

- **27.1.** Nothing in these GTS and no action taken by the Parties in connection with it or them will create a partnership or joint venture or relationship of employer and employee between the Parties or give either Party authority to act as the agent of or in the name of or on behalf of the other Party or to bind the other Party or to hold itself out as being entitled to do so.
- **27.2.** Seller is performing the Services as an independent contractor and not as an employee of Buyer and none of Seller's personnel shall be entitled to receive and compensation, benefits or other incidents of employment from Buyer. Seller shall be responsible for all taxes and other expenses arising from the employment or independent contractor relationship between Seller and its personnel and the provision of services hereunder by such personnel to Buyer.
- **27.3.** At all time and notwithstanding anything to the contrary herein or in an order, Seller retains full control over the methods, details, persons employed or otherwise used to perform the Services and any other means of performance of its obligations under an order and very the composition of the team assigned to the performance of the Services or make different arrangements to achieve completion of its obligations.

28. THIRD PARTY RIGHTS

The Parties do not intend that any term of these GTS will be enforceable by any person other than a Party to the Contract.

29. RIGHTS AND REMEDIES

The Seller's rights and remedies set out in these GTS are in addition to and not exclusive of any rights and remedies provided by law.

30. APPLICABLE LAW - DISPUTES

- **30.1.** The Contract which is the subject of these GTS is governed by Hungarian law, to the exclusion of its conflict in laws provision and of the 1980 Vienna Convention on the International Sale of Goods ("CISG").
- **30.2.** Any dispute relating to any offer issued, or any sales agreement entered into, by the Seller, which is unable to be settled out-of-court, shall be subject to the exclusive jurisdiction of the Court of Hungary, even in the event of summary proceedings, the introduction of third parties or multiple defendants.

ADDITIONAL TERMS APPLICABLE TO SYSTEMS OR SOLUTIONS

The GTS set out above are amended or supplemented by the following terms:

"System" or "Solution" means any Product or combination of Products with or without Software that needs to be specifically adapted in order to meet the Buyer's requirements and/or which is installed by the Seller and/or for which any activation support services are sold with the Product, or any set of Products, with or without Software, requiring a specific study in order to ensure consistency.

31. PURPOSE AND SCOPE OF THE PROPOSAL

- **31.1.** Proposals are provided on the basis of the specifications provided by the Buyer, which shall contain all the information required to determine the features of the System / Solution, in particular:
 - (a) The expected functionalities of the System / Solution;

Schneider

Effective as of March 22, 2021

- (b) The installation and environmental conditions; and
- The nature and conditions of the tests to be conducted by the Buyer. (c)
- 31.2. Unless specially provided for, the option period during which the Seller is bound by its proposal is one month as from the date when said proposal is issued.
- Should the sale not be finalised, the studies and documents provided in support of the proposal shall be returned to the Seller within a maximum of fifteen (15) calendar days from the proposal's expiry date.
- In the event of unusual complexity, the proposal shall specify the proportion of study costs to be borne by the Buyer should the sale not be finalised.

32. **TECHNICAL SUPPORT DURING COMMISSIONING**

- 32.1. Unless provided for to the contrary, the Seller's prices do not include either assembly nor commissioning of the System / Solution, nor any batch of spare parts.
- Whenever the Seller's technicians provide services on the site where the System / Solution is 32.2. installed, the supply of energy, handling or other equipment and the raw materials of any type required for the Seller's services, shall be the responsibility of the Buyer.
- If the sold System / Solution is an automation, the losses and waste in the Buyer's premises during the whole time when the System / Solution is being configured shall also be the responsibility of the Buyer.
- 32.4. Adaptations to the System / Solution which may be required in order for it to operate in compliance with the contractual features shall be the responsibility of the Seller, unless said adaptations are made necessary due to the insufficient nature of, or error in, the information sent by the Buyer, a change to the location of the System / Solution or to its environment. In this case, the cost of the adaptations and the time spent shall be invoiced to the Buyer.
- 32.5. If the on-site services of the Seller's specialists are delayed or prevented for reasons outside its control, the travel and/or waiting time and the expenses incurred in connection thereto shall be invoiced to the Buyer.

33. **TESTS**

Tests shall be conducted in the Seller's plants under the conditions set forth in the order. Any additional tests, whether conducted in the Seller's plants or on the site where the System / Solution is installed, shall be subject to the express prior agreement of the Seller and shall be carried-out at the Buyer's expense.

TERMS OF PAYMENT 34.

Unless the Contract has staggered performance dates, and unless there is specific agreement otherwise, thirty (30) % of the total amount of the order is payable as an advance payment when the System / Solution is ordered, by wire transfer upon receipt of the pro-forma invoice issued by the Seller.

35. **CONTRACTUAL WARRANTY**

- Should the nature of the System / Solution mean that it cannot be returned according to the provisions of Article 15.9 of the present GTS, the expenses relating to the services of the staff required to repair the System / Solution on-site shall not be invoiced to the Buyer by the Seller, with the exception of travel and/or waiting time expenses and expenses incurred due to the Buyer's failure to make the System/ Solution available for repair.
- The duration of the warranty is twelve (12) months as of issuance of the provisional acceptance certificate, or eighteen (18) months from the date of notification of readiness for shipment of the last equipment / component of the System / Solution, whichever occurs first.



Effective as of March 22, 2021

- **35.3.** Any part or component changed or repaired in the context of the contractual warranty will itself benefit from 3 months' warranty but shall not cause the duration of the warranty of the overall System / Solution to be extended.
- **35.4.** Should the Seller incorporate devices or appliances or subsets which it does not manufacture into the System / Solution, the relevant scope and term of the warranty shall be those granted by their manufacturer or seller.

The warranty referred to in Article 15 hereinabove does not apply to malfunctioning of the System / Solution owing to materials or components supplied or imposed by the Buyer, or to a design imposed by the Buyer.