

EATON INDIA Selling Policy

Code of Ethics

The Buyer shall observe at all times Eaton's (Seller's) Code of Ethics and related policies, available at: <https://www.eaton.com/us/en-us/company/ethics-compliance/policies.html>

Selling Terms and Conditions

1. GENERAL

Buyer's order for goods and/or service provided by Seller ("Goods and/or Services") ("Order") is deemed to incorporate and will be supplied by Seller on these Selling Terms and Conditions ("Terms and Conditions"). The Contract for Sale of the Goods or Services ("This Contract") is expressly limited to the Terms and Conditions stated herein.

2. QUOTATION

- i. Unless otherwise expressly agreed by Seller in writing, the prices quoted by Seller for the Goods and/or Services are excluded of freight and the Value Added Tax (tax will be added to Buyer's invoice).
- ii. Written quotations are valid for thirty (30) days from its date unless otherwise stated in the quotation or terminated sooner by notice.
- iii. Verbal quotations, unless accepted, expire the same day they are made.
- iv. When prices are quoted as firm for quoted shipment, they are firm provided the following conditions are met: The Order is released with complete engineering details; and shipment of Goods are made, and Services purchased are provided within the quoted lead time.
- v. All prices are subject to change without notice. In the event of a price change, all quotations made, or Orders shall be based on the new price. For existing Orders, the price of the unshipped portion of an Order will be the price in effect at time of shipment.

3. ORDER

- i. **Goods**
Any order may be terminated by the Buyer only by written notice and upon payment of reasonable termination charges, including all progress billings and all incurred direct manufacturing costs.
- ii. **Services**
Any order may be terminated by the Buyer only by written notice and upon payment of reasonable termination charges including all costs plus profit.
- iii. Seller may decline, by written notice to Buyer, any Order in whole or in part, at any time prior to providing Order confirmation to Buyer.
- iv. When Seller fails to respond to Buyer as to whether to accept the Order after ten (10) days of receipt of the Order, the Order shall be deemed to have been rejected by Seller.

4. DELIVERY AND PERFORMANCE

- i. Unless otherwise expressly agreed by Seller in writing, all Goods will be delivered ex-warehouse.
- ii. Seller reserves the right to deliver the Order by installment and each installment shall be deemed to be sold under a separate Order. Failure of Seller to deliver any installment shall not entitle Buyer to cancel the balance of the Order.
- iii. Any time quoted for delivery or performance of Seller is indicative only and while Seller will use its reasonable efforts to meet the delivery or performance dates. Seller shall not be liable for any loss or damage suffered by Buyer if it is unable to meet those dates. Any reasonable delay in delivery or performance of the Order shall not relieve Buyer from any obligation to accept or pay for Goods and/or Services.
- iv. Seller may suspend or cancel the shipment or delivery of Goods and/or Services if Buyer fails to pay Seller in accordance with these Terms and conditions or any prior Orders.
- v. Unless otherwise expressly agreed by both parties, Buyer shall complete inspection of Goods within 3 days following the delivery of Goods, where Buyer fails to complete inspection within such 3 days, the Goods shall be deemed to be accepted by Buyer.

5. PAYMENT TERMS

- i. Unless otherwise provided in the Order, all the payment for the Goods and/or Services shall be made as follows: Twenty percent (20%) of Order value with the Order payable thirty (30) days from date of invoice; Eighty percent (80%) of Order value with the Order payable before the date of delivery.
- ii. Provided that the Parties agreed in the Order that the payment for the Goods and/or Services shall be made in installment, the terms of payment shall be net 30 days from the date of invoice of each shipment. Notwithstanding the above, if in Seller's absolute discretion, Buyer's financial status is or becomes unsatisfactory to Seller, Seller reserves the right to require payment of the price for Goods and/or Services in full cash advance or require security for the price in respect of all future deliveries or Services.
- iii. If Buyer fails to make any payment when due, then, without prejudice to Seller's other remedies and right: Interest shall be charged at 0.1% of the delayed payment every day; Any collection expenses incurred by Seller attempting to recover or recovery of such overdue amount shall become payable and due by Buyer; Seller shall have the right to withhold further deliveries.

6. PROPERTY AND RISK

- i. Title in the Good and the risk of loss or damage to the Goods shall pass to Buyer on delivery as set forth in clause 4(i). If Buyer fails to pay all monies outstanding with respect to the Goods in full, Seller can reclaim the title in accordance with 6 (iii) below and Buyer agrees to store the Goods separately and mark them so as to render them identifiable as being or being made from the property of Seller.
- ii. Should the Goods or any part of them be converted into or incorporated in a new product (s) ("New Product"), the New Product shall be the property of Seller to the extent comprised of or from the Goods.
- iii. When Buyer defaults in the payment of Goods and fails to rectify that default within ten (10) days after receipt of the notice from Seller requesting such rectification, Buyer shall place the Goods at Seller's disposal and Seller shall be entitled to enter upon Buyer's premise to remove such Goods.

7. WARRANTY AND LIMITATIONS

- i. **Warranties for Goods**
Seller warrants that the Goods manufactured or supplied by it will conform to Seller's applicable specifications and be free from failure due to defects in the workmanship and material for one (1) year from the date of installation of the Goods or eighteen (18) months from the date of shipment of the Goods, whichever occurs first ("Warranty Period").
- ii. In the event that any of the Goods fails to comply with the foregoing warranty Seller will, at its option, either (a) repair or replace the defective Goods, or defective part or component thereof; or (b) credit Buyer for the purchase price of the defective Goods. The Seller may require all non-conforming Goods be returned at Seller's expenses for evaluation.
- iii. This warranty does not cover failure or damage due to storage, installation, operation or maintenance not in conformity with Seller's recommendations and industry standard practice or due to accident, misuse, abuse or negligence. This warranty does not cover reimbursement for labor, gaining access, removal, installation, temporary power or any other expenses, which may be incurred in connection with repair or replacement.
- iv. This warranty does not apply to equipment not manufactured by Seller. Seller limits itself to extending the same warranty it receives from the equipment supplier.
- v. All warranty claims shall be made in writing within the Warranty Period, or Seller has no obligation to such warranty.
- vi. **Warranties for Services:**
Seller warrants that the Services performed by it hereunder will be performed in accordance with generally accepted professional standards; The Services, which do not so conform, shall be corrected by Seller upon notification in writing by Buyer within one (1) year after completion of the Service ("Warranty Period"); All warranty claims shall be made to Seller within the Warranty Period, or Seller has no obligation of correction.
- vii. **Limitation on Warranties**
TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE FOREGOING WARRANTIES ARE BUYER'S SOLE REMEDY AND, EXCEPT FOR WARRANTY OF TITLE, THERE ARE NO OTHER (AND SELLER DISCLAIMS ANY OTHER) EXPRESS OR IMPLIED WARRANTIES INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PURPOSE. TO THE EXTENT PERMITTED BY APPLICABLE LAW, SELLER'S OBLIGATIONS UNDER THE FOREGOING WARRANTIES, AS SET OUT IN THE TERMS AND CONDITIONS, ARE SELLER'S SOLE LIABILITY FOR BREACH OF WARRANTY WHETHER BUYER'S CLAIMS ARE BASED IN CONTRACT, IN TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY) OR OTHERWISE.

8. LIMITATION OF LIABILITY

- i. To the extent permitted by applicable law, notwithstanding any provision in this contract to the contrary, the remedies of buyer set forth in these terms and conditions are exclusive and are its sole remedies for any failure of seller to comply with its obligations under this contract;
- ii. To the extent permitted by applicable law, notwithstanding any provision in this contract to the contrary, in no event shall Seller be liable in contract, in tort (including negligence or strict liability) or otherwise for damage to property or equipment other than goods sold hereunder, loss of profits or revenue, loss of use of products, cost of capital, claims of customers of buyer or any special, indirect, incidental or consequential damages whatsoever, regardless of whether such potential damages are foreseeable or if seller has been advised of the possibility of such damages.
- iii. To the extent permitted by applicable law, notwithstanding any provision in this contract to the contrary, in any event the total cumulative liability of seller arising from or related to this Contract and order whether the claims are based in contract, in tort (including negligence or strict liability) indemnity or otherwise, shall not exceed the price of the goods or services on which such liability is based.

9. FORCE MAJEURE

- i. Seller shall not be liable for failure to perform or delay in performance due to fire, flood, strike or other labor difficulty, act of God, act of any government authority or of Buyer, riot, embargo, fuel or energy shortage, car shortage, wrecks or delays in transportation, or due to any other case beyond Seller's reasonable control.
- ii. In the event of delay in performance due to any such cause, the date of delivery or time for completion will be extended by a period of time reasonably necessary to overcome the effect of such delay.
- iii. Seller cannot be held liable, and Buyer shall not be entitled to any damages and/or indemnifications, in case Seller is prevented, hindered or delayed from or in performing any of its obligations resulting from the impact of the outbreak of any epidemic or pandemic, for reasons not attributable to Seller.

10. COMPLETE AGREEMENT

No amendment or modification hereto nor any statement, representation or warranty not contained herein shall be binding on Seller unless made in writing by an authorized representative of Seller. Prior dealings, usage of the trade or a course of performance shall not be relevant to determine the meaning of these Terms and Conditions.

11. SEVERABILITY AND SURVIVAL

- i. It is agreed that if any provision of these Terms and Conditions should be determined to be void by any court or an arbitration tribunal of competent jurisdiction, then such determination shall not affect any other provision hereof, and each such other provision shall remain in full force and effect.
- ii. The terms including Limitation on Warranties, limitation of liability, confidentiality, applying law, dispute settlement, and this clause will survive the expiration or termination of this Contract.

12. CONFIDENTIALITY

- i. Any information made available to Buyer by Seller in connection with this Contract shall be treated as confidential. Buyer shall use the information only for the purposes specified in this Contract.
- ii. This confidentiality obligation shall not apply to information which Buyer can demonstrate, is already in the public domain or becomes available to the public through no breach by Buyer of this confidentiality undertaking; or was in Buyer's possession prior to receipt from Seller without a confidentiality undertaking; or has thereafter been legally obtained without confidentiality obligation from others; or is independently developed by Buyer without reference to the information received hereunder.

13. GOVERNING LAW

Any dispute arising out of or related to this Contract, these Terms and Conditions or the Orders shall be governed by the laws of India, without reference to its conflict of laws principles.

14. DISPUTE SETTLEMENT

The contract between Eaton and the customer shall be governed, interpreted, and construed by and in accordance with the laws of India and the courts at the place of business of the Eaton entity shall have exclusive jurisdiction over any dispute arising out of the contract between Eaton and the customer.

15. HELD ORDERS

- i. For any Order held, delayed or rescheduled at the request of Buyer, or Buyer fails to pick up the Goods within the agreed period, Seller may, at its sole option, (1) require payment to be based on any reasonable basis, including but not limited to the contract price, and any additional expenses, or cost resulting from such a delay; (2) store the Goods at the sole cost and risk of loss of Buyer; (3) charge to Buyer those prices under its applicable price policy; and/or 4) terminate this Contract and shall be entitled to retain the down payment and claim for damages, where the Goods are customized pursuant to Buyer's specifications, such damages shall be the total amount of the Contract value. Payment for such price, expenses and costs, in any such event, shall be due by Buyer within thirty (30) days from the date of Seller's invoice.
- ii. Any Order so held delayed or rescheduled beyond six (6) months will be treated as a Buyer termination, subject to any remedy available to Seller in accordance with law and these Terms and Conditions.

16. INTELLECTUAL PROPERTY RIGHTS

- i. Seller keeps all right and title to its intellectual property related to the Goods and/or Services.

17. INTELLECTUAL PROPERTY INFRINGEMENT

- i. Seller will assist Buyer in defending or, at its option, settle any suit or proceeding brought against Buyer, or Buyer's customers, to the extent that it is based upon a claim that any of the Goods or part thereof, manufactured by Seller or its subsidiaries and furnished hereunder, infringes any applicable IP rights, including any United States patent, other than a claim of infringement based upon use of a product or part of thereof in a process, provided Seller is notified in reasonable time and given authority and information for the assistance. In addition to the foregoing, if at any time Seller determines there is a substantial question of infringement of any applicable IP rights, and the use of the such Goods is or may be enjoined, Seller may at its option: either (a) procure for Buyer the right to continue using and selling the Goods; (b) replace the Goods with non-infringing apparatus; (c) modify the Goods so that they become non-infringing; or (d) as a last resort, remove the Goods and refund the purchase price, equitably adjusted for use and obsolescence. The foregoing states the entire liability of Seller for IP infringement.
- ii. The preceding paragraph does not apply to any claim of infringement based upon: (a) any modification made to the Goods other than by Seller; (b) any design and/or specifications of Buyer to which the Goods were manufactured; or (c) the use or combination of the Goods with other products where the Goods do not infringe. As to the above-identified claims situations where the preceding paragraph does not apply, Buyer shall defend and hold Sellers harmless in the same manner and to the extent as Seller's obligations described in the preceding paragraph. Buyer shall be responsible for obtaining all license rights required for Seller to be able to use software products in the possession of Buyer where such use is required in order to perform any Service for Buyer.

18. CYBERSECURITY

Seller is not responsible for a breach of data or electronic system security caused by any third party equipment or modification made to a Product other than by Seller, including, but not limited to, a system intrusion or interference, virus or malicious code attack, loss of data, data theft, misuse, unauthorized access to confidential, personal, and sensitive information and/or nonpublic personal information, hacking incident or any acts of data ransom, caused by any third-party equipment, modification made to a Product other than by Seller, or failure by Buyer to comply with Eaton Assemblies Cybersecurity Hardening Guidelines at www.eaton.com/assemblies-security (the "Cybersecurity Guidelines"). Seller may revise the Cybersecurity Guidelines at any time without prior notice. Buyer is responsible for obtaining (at Buyer's expense) assurances from third-party suppliers with respect to cybersecurity for third party equipment. As a condition of use and/or resale, Buyer shall direct all users of the Products purchased to access the applicable accompanying Eaton End User License Agreement (EULA) and the Cybersecurity Guidelines at www.eaton.com/assemblies-security, all of which are subject to change in terms and practices, at Seller's discretion, at any time.

19. TERMINATION

- i. This Contract will expire upon its own term, except those terms that are specifically stated in these Terms and Condition to survive the expiration or termination of this Contract.
- ii. By mutual consent, this Contract can be terminated earlier.
- iii. Either Party may terminate this Contract immediately upon the occurrence of any of the following events: materially breach of contract by the other Party and the breaching Party does not rectify within thirty (30) days after receiving breach notice or in any time limit agreed by both Parties; or bankruptcy or insolvency of the other Party; In case the Buyer fails to make advance payment within ninety (90) days after execution of this Contract, Seller shall be entitled to terminate this Contract immediately.
- iv. Seller is entitled to reasonable reimbursement for any labor, material or other expenses incurred in connection with this Contract, where the Goods are customized pursuant to Buyer's specifications, such reimbursement shall be the total amount of the Contract value. Seller reserves further rights including the right to claim damages hereunder.