

**Eaton's General Terms and Conditions  
for Purchase of Goods and Services  
("Terms")**

**1. Sole Terms; Acceptance.**

Each order for the purchase of goods and/or services, including work product and deliverables, ("Supplies") issued by Eaton ("Order") is expressly limited to these Terms. Supplier accepts the Order and these Terms by (i) written acceptance or acknowledgement, (ii) commencing performance, or (iii) acceptance of payment. Any additional or different terms proposed by Supplier are expressly rejected by Eaton.

**2. Buyer; Parties.**

Buyer is the Eaton entity stated in the Order. Supplier's sole recourse under the Order shall be against such entity, and no other Eaton entities. Buyer is referred to as Eaton, and Supplier and Eaton are collectively referred to as Parties and individually as Party.

**3. Quantity; Forecast.**

- 3.1 Quantities purchased by Eaton shall be as stated in the Order, with no minimum purchase obligations. Title to Supplies (including licenses to services) shall pass to Eaton at the earlier of (i) payment by Eaton or (ii) receipt of Supplies by Eaton per the delivery terms in the Order. In the event of advance or progress payments, Supplier shall reasonably identify or otherwise mark Supplies as Eaton's property.
- 3.2 Any estimates or forecasts of production volumes or program durations are subject to change from time to time, with or without notice to Supplier, and shall not be binding on Eaton. Unless otherwise stated in the Order, Eaton makes no guaranty or commitment of any kind to Supplier regarding Eaton's requirements for Supplies.
- 3.3 For "blanket" or similar orders with no quantity specified, Supplier shall deliver Supplies as scheduled by Eaton.

**4. Pricing; Payment.**

- 4.1 The price of Supplies includes all taxes, tariffs, storage, handling, packaging and all other expenses and charges of Supplier. Prices are not subject to increase.
- 4.2 Unless otherwise stated in the Order, Eaton shall pay invoices within ninety (90) days from the first batch processing date, not to exceed one-hundred-and-twenty (120) days, after Eaton's receipt of a correct invoice, and the Parties expressly agree to such payment terms. When the Parties are not permitted to agree to payment terms in excess of local legislation, a shorter payment period may be applicable.

**5. Tax.**

- 5.1 Supplier is liable for and shall pay all taxes, impositions, charges and exactions except for applicable sales, VAT/GST or similar taxes that are separately stated on Supplier's invoice.
- 5.2 Prices shall not include any taxes, impositions, charges or exactions for which Eaton has furnished a valid exemption certificate or other evidence of exemption.
- 5.3 If any tax included in the Order was not required to be paid by Eaton, Supplier shall notify Eaton and make a prompt refund to Eaton.

**6. Delivery; Packing, Drayage and Containers; Expedited Delivery.**

- 6.1 Time is of the essence in making deliveries under the Order.
- 6.2 Unless otherwise stated in the Order, all Supplies shall be delivered in accordance with Incoterms 2010 FCA to the place stated in the Order or if not stated, Eaton's place of business.

6.3 If Eaton pays for transportation, Supplier shall comply with Eaton routing instructions, including choice of designated logistics carrier.

6.4 Supplier is responsible for the cost of boxing, crating, and packing. Supplier shall prepare, at its expense, labels as specified by Eaton. Supplier is liable for damage to Supplies caused by improper boxing, crating or packing.

6.5 Supplier shall pay all additional freight costs if Supplier needs to use an expedited shipping method to meet agreed delivery dates due to its own acts or omissions.

**7. Customs, Exports and Related Matters.**

Supplier shall comply with all applicable import and export laws of the United States and any other countries of jurisdiction. Supplier shall assist Eaton in minimizing the costs of international transactions by providing documentation to support claims. Supplier is responsible for all costs associated with import and export compliance, including obtaining and paying for licenses or authorizations, certificates of origin and proper documentation for any import, export, or preferential duty claim. Any credits or refunds including tax, export or trade credits belong to Eaton.

**8. Changes.**

If Eaton requires modifications to any aspect of the Order, including drawings, designs or specifications, the Parties shall negotiate an equitable adjustment, if any, in the form of a change order or amendment. Supplier shall not make any changes without Eaton's prior written consent. No claim by Supplier for adjustment shall be allowed unless in writing and received by Eaton within thirty (30) days from the date notice is received by Supplier. Nothing in this clause shall excuse Supplier from performance of the Order as changed, including during the pendency of any claim.

**9. Inspection; Audit.**

Eaton or its representative may enter, inspect and/or audit on reasonable notice Supplier's plant, books and records to verify compliance with Eaton's requirements.

**10. Warranties.**

Supplier warrants and represents that (a) all Supplies shall: (i) conform to the specifications, standards, drawings, samples, descriptions and revisions furnished by Eaton; (ii) be merchantable and free of defects in design, materials and workmanship; (iii) be fit for the purposes intended by Eaton, (iv) be free of all liens, claims and encumbrances, (v) be manufactured entirely with new materials and free from latent defects, (vi) be free from viruses, disabling code, and open source software, (vii) be genuine, new and unused, and, (b) any work shall be performed in a professional manner and consistent with best industry standards.

**11. Indemnification.**

11.1 Supplier shall defend, indemnify and hold Eaton harmless against any losses, liabilities, damages, claims, suits, actions, proceedings, subrogations, costs, and expenses including court costs and attorneys' fees in connection with the Order including: a) death, injury or damages to any person or property; b) recall campaigns which in Eaton's reasonable judgment are required; c) counterfeit parts, including parts that have been copied or substituted without legal right or authority; d) Supplier's use of Eaton's machinery or equipment, where for such claim Supplier shall assume sole responsibility; e) actual or alleged infringement, direct or contributory, of Intellectual Property

rights defined in Section 24.1; f) subcontractor performance; and, g) violation of law.

- 11.2 On receipt of notification, Supplier shall assume responsibility for the defense of any claims, suits, actions, or proceedings for which Supplier shall indemnify Eaton. Eaton has the right to be represented and participate through its own counsel in the defense and resolution of any indemnification matters. The indemnification obligations of Supplier are independent of warranty obligations of Supplier. Supplier may not settle or otherwise dispose of any such indemnified claims, suits, actions or proceedings without the prior written approval of Eaton.

## 12. Insurance.

- 12.1 Supplier shall maintain appropriate insurance coverage, in accordance with best industry practices, with a reputable insurance company against all relevant losses, liabilities and indemnities that may arise in connection with the Order and Supplier's operations. Eaton may specify additional insurance coverage requirements applicable to the Order. Such coverage shall not limit Supplier's liability under the Order.
- 12.2 On Eaton's request, Supplier shall provide Eaton with a copy of the insurance certificate evidencing coverage.

## 13. Eaton Standards; Industry Standards.

Supplier, and its suppliers, if applicable, shall comply with:

- 13.1 Eaton's programs and standards available at <http://www.eaton.com/us/en-us/company/selling-to-eaton.html> and incorporated by reference.
- 13.2 Eaton's Global Supplier Excellence Manual available at <http://www.eaton.com/us/en-us/company/selling-to-eaton/supplier-excellence.html> and incorporated by reference.
- 13.3 Eaton's Supplier Code of Conduct available at <http://www.eaton.com/us/en-us/company/selling-to-eaton/supplier-code-of-conduct.html> and incorporated by reference.
- 13.4 Applicable standards and inspection systems including, AS 9001, ISO 9001:2000, or ISO/TS 16949:2002 quality certification and ISO 14001 environmental certification.
- 13.5 Industry Production Part Approval Processes (PPAP) as specified by Eaton. Supplier shall provide all relevant PPAP information on Eaton's request.

## 14. Environmental, Health and Safety.

When at any Eaton location, Supplier shall comply with Eaton's environmental, health and safety ("EHS") requirements, including Eaton's EHS Policy and EHS Handbook (available at <http://www.eaton.com/content/dam/eaton/company/sustainability/files/EHS-handbook-english.pdf> and incorporated by reference and together "Eaton's EHS Requirements"). If Supplier fails to comply with Eaton's EHS Requirements, Eaton may stop services and remove Supplier from the location until Supplier has taken appropriate corrective action. Supplier shall be liable for all claims in respect of such stoppage.

## 15. Interchangeability.

All Supplies, which were not subject to validation testing or approval by an Eaton customer, shall be interchangeable with like supplies purchased from Supplier previously by Eaton. Supplier may not make any change to any Supplies designs, processes, or procedures without Eaton's prior written approval.

## 16. Eaton Property.

- 16.1 Eaton owns all materials made available to Supplier by Eaton as well as all replacements of those materials ("Eaton Property").
- 16.2 Supplier shall clearly mark Eaton Property and safely store separate and apart from Supplier's property in good condition, bear the risk of loss and ship at Supplier's expense to Eaton in as good condition as originally received by Supplier, reasonable wear and tear excepted.
- 16.3 Supplier may not use any Eaton Property except for performance of work under the Order or as authorized in writing by Eaton.
- 16.4 At any time Eaton may inspect and remove Eaton Property and Supplier grants Eaton an immediate right of access at any time to enter Supplier's premises to inspect and remove Eaton Property without any liability to Supplier.
- 16.5 Eaton disclaims all warranties, express or implied, with respect to Eaton Property. Supplier waives all claims in respect of Eaton Property.

## 17. Special Tooling.

- 17.1 The term "Special Tooling" includes all special equipment, manufacturing aids, and drawings acquired, manufactured, or used in the performance of the Order, that are of a specialized nature.
- 17.2 Supplier shall only use Special Tooling for performance under the Order. Supplier shall keep Special Tooling in good condition and fully covered by insurance. Upon termination or expiration of Order, Supplier shall immediately transfer title and possession of Special Tooling to Eaton for an amount equal to the unamortized cost of Special Tooling, or dispose of it as Eaton may direct.

## 18. Choice of Law; Dispute Resolution.

- 18.1 The Order is governed by the laws of the country or State, as applicable, of the Eaton legal entity's incorporation. The United Nations Convention on Contracts for the International Sale of Goods and Article 1195 of the French Civil Code (Code Civil) are expressly excluded from any Order.
- 18.2 The Parties shall attempt good faith resolution of a dispute within thirty (30) days, during which time Supplier shall perform the Order in accordance with Eaton's instructions. If the Parties are unable to resolve the dispute within that period, the Parties shall submit to an appropriate dispute resolution procedure selected by Eaton.
- 18.3 If there is any dispute arising under the Order, Eaton and Supplier shall proceed diligently with the performance required under the Order pending resolution of the dispute.

## 19. Compliance with Applicable Laws.

Supplier shall comply with all applicable laws, statutes, rules, regulations, orders, and standards in any jurisdiction.

## 20. Anti-Corruption

In connection with all business transactions with Eaton:

- 20.1 Supplier and its suppliers shall comply fully at all times with applicable national and international anti-bribery rules, including the U.S. Foreign Corrupt Practices Act (FCPA) and European Union, Organisation for Economic Co-operation and Development (OECD) and Council of Europe anti-bribery rules.
- 20.2 Supplier shall not directly or indirectly solicit, receive or offer any form of bribe, kickback, or other corrupt payment or thing of value to or from any person or organization, including

government agencies or officials, companies or personnel of those companies.

- 20.3 Supplier and its affiliates shall at all times keep complete and accurate books and records, and all records and information that Supplier provides to Buyer pertaining to the Order shall be complete and accurate.

**21. U.S. Government Contracts.**

- 21.1 If any Supplies are to be used on a U.S. Government contract, then the Eaton FAR and/or DFARS flow-down addendum available at [http://www.eaton.com/content/dam/eaton/support/selling-to-eaton/files/po\\_terms/PO%20Terms%20-%20FARS.pdf](http://www.eaton.com/content/dam/eaton/support/selling-to-eaton/files/po_terms/PO%20Terms%20-%20FARS.pdf) and incorporated by reference shall apply. Supplier shall accept mandatory flow-down clauses at no additional cost to Eaton.
- 21.2 Supplier shall comply with Defense Priorities and Allocation System (DPAS) Regulation (15 CFR 700) if the Order is rated.
- 21.3 Supplier certifies that it, or Supplier's principals, are not debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by a Federal agency.

**22. Confidentiality.**

- 22.1 Any confidential, proprietary or non-public information, including drawings, descriptions, specifications and any other Intellectual Property made available to Supplier or created for Eaton related to the Order ("Confidential Information") is the property of Eaton.
- 22.2 Supplier and its representatives shall protect Eaton Confidential Information, and shall not disclose, copy, reproduce, reverse engineer or transfer Confidential Information to any third parties or use for purposes other than fulfilling its obligations under the Order.

**23. Data Security and Cybersecurity.**

- 23.1 Supplier may receive or have access to information relating to identified or identifiable individuals ("Personal Data"), including Eaton employees, temporary workers, contractors, consultants, customers or suppliers. Personal Data, in whichever form, is of a very sensitive nature, and Supplier shall keep Personal Data strictly confidential and use it (i) only within the limits authorized by Eaton and for the purpose of Supplier's performance under the Order, and (ii) in accordance with all applicable laws, and where applicable, the Personal Data Processing Clauses available at [http://www.eaton.com/content/dam/eaton/support/selling-to-eaton/files/po\\_terms/Personal-Data-Processing-Clauses.pdf](http://www.eaton.com/content/dam/eaton/support/selling-to-eaton/files/po_terms/Personal-Data-Processing-Clauses.pdf) and incorporated by reference.
- 23.2 Supplier shall operate and maintain an information and cybersecurity program, including administrative, physical and technical safeguards, designed to protect against and prevent any unauthorized use, access, processing, destruction, loss, alteration or disclosure of Confidential Information and Personal Data ("Security"). Upon the request of Eaton, Supplier shall provide proof of Supplier's Security and submit its processing facilities for audit of the processing activities covered by the Order. Such audit shall be carried out by Eaton or its agents with the required professional qualifications and a duty of confidentiality. Supplier shall immediately notify Eaton of any perceived, potential or actual breach to Supplier's Security ("Breach"), and provides a full description of the Breach, the impact and mitigation efforts. Supplier will then promptly (a) investigate, remediate, and mitigate the effects of the breach; and (b) provide Eaton with assurances reasonably satisfactory to

Eaton that such breach will not recur. If Eaton determines that notices or other remedial measures are warranted, Supplier will, at Eaton's request and at Supplier's cost, undertake such remedial actions.

- 23.3 Any software provided by or on behalf of Supplier shall not contain any computer code or other mechanism that would allow Supplier or others to access information on Eaton's computers, networks or products for any purpose including viewing, transmitting or conveying such information to Supplier or any other party. If vulnerability is discovered in any software which may be exploited by others, Supplier agrees, at Supplier's cost, to immediately take all corrective actions necessary to prevent such exploitations or identify, contain, eradicate and recover Eaton's assets if an exploitation occurred.

**24. Intellectual Property.**

- 24.1 "Intellectual Property" includes any patent, trademark, trade secret, copyright, design, know-how, or other proprietary right.
- 24.2 Eaton retains all right, title and interest in and to its Intellectual Property related to the Order. Any license of Eaton Intellectual Property is granted solely for the limited right to permit Supplier to perform its obligations under the Order for the sole benefit of Eaton.
- 24.3 Supplier retains its Intellectual Property that existed before this Order. Supplier grants Eaton a worldwide, nonexclusive, royalty free, irrevocable, perpetual license under its Intellectual Property to use, sell, repair and reconstruct Supplies and copy, distribute and create derivative works of copyrightable work product and deliverables.
- 24.4 Supplier hereby assigns to Eaton all right, title, and interest in and to all Intellectual Property in Supplies created for Eaton related to the Order.
- 24.5 Supplier shall promptly disclose all Intellectual Property owned by Eaton pursuant to Section 24.4, including all inventions, and shall execute any documents necessary to perfect Eaton's ownership therein.

**25. Termination for Convenience.**

Eaton reserves the right to terminate the Order, or any part hereof, at its sole convenience. Upon receipt of termination notice, Supplier shall immediately cease all work and ensure all of its suppliers and subcontractors cease work. Within thirty (30) days of such termination, Supplier shall submit necessary documentation to claim reasonable termination costs if any, which shall only include Supplier's direct costs that have been incurred as a result of termination. Any claim shall be deemed waived unless asserted within thirty (30) days from Supplier's receipt of the Eaton's termination notice.

**26. Termination for Default.**

- 26.1 Upon written notice to Supplier, Eaton may terminate all or part of the Order if (i) Supplier defaults in the performance of any provision of the Order, including late delivery or Supplier's failure to make reasonable progress towards completion of the Order, and such default is not cured within seven (7) days, or (ii) in the event of Supplier's bankruptcy, suspension of business, insolvency, appointment of a receiver for Supplier's property or business, or any assignment, reorganization or arrangement by Supplier for the benefit of its creditors.
- 26.2 Supplier shall be liable for, and pay to Eaton, any costs, including the cost for additional managerial and administrative services, in excess of the price for Supplies.

- 26.3 In the event of a termination for default, Supplier shall protect and preserve property in its possession where Eaton has an interest.
- 26.4 Eaton is entitled to a refund of all monies paid to Supplier for the terminated Order.

**27. Transition of Supply.**

In the event of termination or expiration of the Order, Supplier shall reasonably cooperate in the transition of supply, including providing information and documentation regarding manufacturing process for Eaton Supplies, including on-site inspections, bill-of-material data, tooling and process detail and samples of Supplies and components.

**28. Force Majeure.**

- 28.1 Neither Party will be in default for any delay or failure to perform due to natural, civil or political causes beyond its control and without its fault or negligence ("Force Majeure").
- 28.2 The following shall not constitute a Force Majeure event for Supplier: i) Supplier's ability to sell Supplies at a more advantageous price, ii) increases in Supplier's production costs, iii) interruptions in Supplier's supplies, including if a supplier fails to supply Supplier, or (iv) labor disputes or strikes at Supplier's facilities.
- 28.3 The Party affected by a Force Majeure event shall promptly provide written notice to the other, explaining in detail the full particulars and expected duration of the event, and shall use its best efforts to remedy the event.
- 28.4 If Supplier's delivery is delayed by a Force Majeure event, Eaton may cancel deliveries per Section 26.

**29. Remedies.**

- 29.1 The rights and remedies available to Eaton are cumulative and in addition to all other legal or equitable remedies.
- 29.2 Eaton may reject Supplies that are nonconforming and return rejected Supplies without payment to Supplier. Supplier may not repair rejected Supplies unless Eaton authorizes repair in writing. Supplier shall reimburse Eaton for all damages caused or required by Supplier's breach or by nonconforming Supplies.
- 29.3 Monetary damages may not be a sufficient remedy for any actual, anticipatory or threatened breach of the Order and, in addition to all other rights and remedies that Eaton may have, Eaton shall be entitled to specific performance and injunctive equitable relief as a remedy.
- 29.4 Eaton has the right to set-off against any amounts payable by Eaton or its affiliates to Supplier or its affiliates.
- 29.5 If Supplier alleges a breach of the Order by Eaton, Supplier shall continue performance until such allegation is resolved.
- 29.6 If any portion of the Order is invalid or unenforceable, the remaining portions of the Order remain valid and enforceable.

**30. No Publicity.**

Supplier shall not make any release regarding the Order or use of Eaton trademark or trade name, including any public announcement or advertising.

**31. Relationship of Parties.**

Each Party is an independent contractor and the Order shall not constitute, create, or give effect to or otherwise imply a joint venture or partnership of any kind. Neither Party shall be deemed to be an employee, agent, partner, legal representative or joint employer of the other, nor shall have any right, power or authority to create any obligation on behalf of or bind the other in any way.

**32. No Implied Waiver.**

Eaton's failure to insist upon Supplier's performance of any obligation or to exercise any right shall not constitute a waiver of future performance or future exercise of a right. Supplier's obligations with respect to future performance and rights shall continue.

**33. Survival.**

Any provision intended to survive termination or expiration, including Sections 10, 11, 12, 16, 17, 21, 22, 23, 24, 26, 27 and 29 shall remain in full force and effect notwithstanding termination or expiration.

**34. Entire Agreement; Modifications; Updates.**

- 34.1 These Terms constitute the entire agreement.
- 34.2 Amendments can only be made by written document signed by Eaton and Supplier.
- 34.3 Eaton may update its Terms. Updated Terms shall apply to all Orders after the effective date of the updates. Where a web link is incorporated by reference into these Terms, the most recently updated version shall apply.

**35. Assignment; Subcontractors.**

Supplier shall not assign, subcontract or otherwise transfer any of its rights or obligations under the Order unless agreed in writing. Supplier will impose these Terms on all subcontractors and shall be liable for subcontractors' performance.

**36. Notices.**

When required by these Terms, notices to Supplier shall be sent to Supplier's address on the Order. Notices to Eaton shall be sent to Eaton's address on the Order, with a copy to Eaton Corporation, 1000 Eaton Boulevard, Cleveland, Ohio 44122, attention: Law Department. All notices shall be delivered personally, or by postage prepaid registered mail, return receipt requested. Notice is effective on receipt by a Party.

**37. Interpretation.**

- 37.1 Headings are for convenience only.
- 37.2 The term "including" when used in these Terms, shall mean "including, but not limited to".