

SCHNEIDER ELECTRIC GENERAL PURCHASING TERMS AND CONDITIONS

1. General provisions - Acceptance

The purchase order (together with these terms and conditions, collectively, the "Order") is an offer by the Schneider Electric company referenced on the purchase order, and its U.S. affiliates (hereinafter referred to as "SE") to purchase. Acceptance of the Order shall be deemed given by Supplier upon the earlier of acceptance, confirmation, shipment or other performance. The Order is conditioned upon Supplier's complete acceptance of the Order without modifications or additions. Unless specifically agreed to in a writing by an authorized representative of SE, no additional or different term or provision (except additional warranties given by Supplier) of any quotation, invoice, acknowledgment or other form supplied by Supplier shall become part of the Order notwithstanding SE's failure to object to such term or provision, although the parties may use such documents for ease of administration.

2. Delivery – Acceptance of delivery

Supplier shall deliver the goods and/or services (the "Supply") at the time and prices specified in the Order. Stated time limits and quantity commitments are of the essence. Supplier's failure to comply with such requirements shall entitle SE, in addition to any other rights or remedies, to cancel the Order, without liability. The date of delivery is the date the Supply is received at SE's designated delivery point. No early deliveries may be made without SE's prior written agreement.

3. Lead-times – Penalties

In the event of delays in delivery or acceptance which are not attributable to an event of force majeure or to SE's sole negligence, SE shall have the right to (i) require Supplier to ship such Order by air freight or other expedited means acceptable to SE, and Supplier shall pay the costs of freight for such expedited shipment over the cost of the specified mode of transportation and/or (ii) impose penalties calculated on the total amount of the Order at a rate of 1% per calendar week of delay. In addition, SE reserves the right to claim its actual loss from Supplier and/or to terminate the Order, in whole or in part, for breach of Supplier without liability and without prejudice to any damages.

4. Modifications

SE reserves the right to change the volumes, delivery dates, and/or the nature of the Supply at any time. Any decreases in cost of performance shall be passed through to SE. If such change results in an increase in cost or time of performance, an equitable adjustment to the price and/or delivery date may be made by mutual agreement. If SE and Supplier are unable to agree on an equitable adjustment, SE may, at its option, terminate all or any portion of the Order without liability. Claims for equitable adjustment must be asserted by Supplier within ten (10) calendar days of the change to the Order.

5. Risk of loss

The Order is transported at Supplier's risk. Risk of loss shall pass to SE as soon as the Supply is delivered and signed for at SE's named delivery point. If an acceptance procedure is provided for, Supplier shall continue to bear risk of loss until SE issues a written acceptance statement without reservations.

6. Packaging and documentation

The Supply shall be packaged adequately for shipment, storage and preservation and shall include all documentation required for its use, maintenance and upkeep.

7. Verification

Supplier represents and warrants that the Supply meets the terms of the Order and SE's specifications. Under no circumstances shall the verification work carried-out by SE prior to, during or subsequent to delivery or acceptance discharge Supplier from this obligation.

8. Shipping

Upon shipment of the Supply, Supplier shall send to SE, by EDI, email, fax or mail, a copy of the shipping notification including the references and date of the Order, the number of parcels and an exact description of the shipped Supply. The original of the shipping notification shall accompany each shipment of parcels, together with the certificates of conformity and the verification reports.

9. Invoicing

Invoices shall be sent to the address in the Order and shall include SE's references and a description of the Supply invoiced, the unit prices, volumes delivered and such other information required by SE from time to time. SE reserves the right to suspend payment of any invoice which fails to comply with SE's requirements. Any disagreement by SE as regards the volume or quality of the delivered Supply or the invoiced price, shall lead to the issuing of a debit note. Supplier shall have forty-five (45) days as from the issuing of the debit note during which to challenge the latter.

10. Prices and terms of payment

Unless otherwise provided in the Order (i) all prices are firm and include all transportation, insurance, packaging expenses and taxes, and (ii) payment terms are net ninety (90) days from the later of the date of the receipt of a complete invoice or SE's acceptance of the Supply. Supplier hereby authorizes SE to set-off and deduct any and all liabilities, debts and Claims Supplier or its affiliates now or hereafter owe to SE. SE shall have the right to audit the books and records of Supplier to review and confirm Supplier's financial condition as well as Supplier's compliance with the Order.

11. Assignment, Factoring of Accounts Receivables

Supplier shall not assign, transfer or factor all or any portion of its accounts receivable arising under the Order without at least fifteen (15) days prior written notice to and written authorization of SE's accounts payable department. Should Supplier have signed a factoring arrangement and have duly notified SE thereof, all its invoices shall be paid solely to the factoring company and SE shall not owe Supplier.

12. Equipment

Except as otherwise provided in the Order, all tooling, jigs, dies, test resources, drawings and/or other equipment or materials ("Equipment") shall be furnished by, owned by and at the expense of Supplier. Such Equipment shall be kept in good condition and if necessary shall be replaced without expense to SE. SE

may, at its option, purchase any such Equipment at its current value for income tax purposes on Supplier's books.

13. Warranty

In addition to Supplier's (or its suppliers') standard warranty and/or service guaranty, Supplier warrants the Supply against any design, manufacturing and/or defect for a period of no less than twenty-four (24) months from delivery or acceptance, if an acceptance procedure is provided for. Supplier further represents and warrants that (1) the Supply: (i) is transferred to SE with good and merchantable title and free and clear of all liens, claims and encumbrances; (ii) is of good quality, merchantable and free from defects in design, material and workmanship and is fit for the known purposes for which purchased; (iii) conforms to SE's specifications, the Order, and/or the sample approved SE; (iv) is completed in a timely, competent and workmanlike manner; and (v) complies with all applicable Governmental Laws, including, without limitation, applicable industry codes and standards; and (2) Supplier has the requisite financial condition to fulfill the Order.

The foregoing warranties shall survive inspection, delivery and payment, and shall run in favor of SE and its customers. No payment, inspection, acceptance, test, delay, use, resale or failure to inspect, test or discover any defect or other nonconformance shall relieve Supplier of any of its obligations under the Order or impair any rights or remedies of SE.

If any Supply is found by SE to be unsatisfactory for any reason, SE may, at its option: (i) retain all or any portion of the Supply at an adjusted price; (ii) return the Supply for repair, replacement or refund as SE shall direct; (iii) require re-performance or refund with respect to services; (iv) repair such Supply at Supplier's sole cost; and/or (v) require Supplier to repair or replace the Supply in its environment.

In all cases, SE shall be reimbursed by Supplier for all of its expenses in connection with the handling and transporting of any such unsatisfactory goods and additional expenses incurred by SE as a result of nonconformance of goods or services, including travel, rework, de-installation, re-installation, disposal, replacement or recall so that the Supply operates in full compliance with the provisions of the Order and the use for which it is intended. Supplier shall assume all risk of loss or damage in transit to Supply returned by SE.

Should Supplier fail to effectively comply with its warranty within fifteen (15) calendar days, SE reserves the right to perform or to have any third party perform instead of Supplier at Supplier's sole expense.

Any service furnished and/or any item replaced or repaired under this warranty are themselves guaranteed for twenty-four (24) months under the abovementioned conditions. Only the items / services with a normal lifecycle of less than twenty-four (24) consecutive months are excluded from the scope of this operational warranty.

14. Discontinuation; Spare parts

If Supplier desires to discontinue any Supply, Supplier shall provide no less than nine (9) months prior written notice to SE. SE shall thereafter have the opportunity to purchase such requirements of the Supply as it deems necessary. Further, Supplier shall make available all spare parts for ten (10) years after the date of last delivery of any discontinued Supply.

15. Intellectual property

15.1 Each Party owns or has a license to use its respective patents, copyrights, trademarks, design rights, trade secrets, know-how and other intellectual property and proprietary rights ("IP Rights") created or developed prior to entering into the Order including all modifications, improvements or changes in or to such pre-existing IP Rights. To the extent that any pre-existing materials are contained in or used in connection with the Supply ("Pre-existing IP"), Supplier grants to SE a worldwide, irrevocable, non-exclusive, fully paid, royalty-free right and license to and to authorize others to use, execute, reproduce, display, perform, distribute and prepare derivative works of such Pre-existing IP.

15.2 Supplier acknowledges and agrees that all discoveries, inventions, technologies, procedures, processes, techniques, formulae, methods, improvements, designs, works of authorship, software, trade names, slogans, service marks, mask work rights, IP Rights and other intellectual property and proprietary rights and derivative works invented, conceived, created, discovered, developed, authored or devised, individually or in collaboration with any other person or entity during the Term or in the course of performing pursuant to the Order (collectively, "Inventions") are "works made for hire" and shall be the sole and exclusive property of SE. Notwithstanding the foregoing, if any Inventions do not qualify as "works made for hire", Supplier hereby irrevocably assigns, without additional compensation, all right, title and interest in and to all such Inventions, including, without limitation, any and all applications, registrations, renewals, extensions, claims, allowances, reexaminations, reissues, extensions, other protections and all other United States and foreign intellectual property and proprietary rights of any type, nature and description for any and all Inventions throughout the world.

15.3 Supplier warrants that the sale or use of the Supply furnished hereunder will not infringe or contribute to infringement of any IP Right, and shall defend, indemnify and hold SE, its predecessors, successors, assigns and customers (whether direct or indirect), harmless against any and all claims, losses, demands, damages and expenses (including reasonable attorneys' fees and other costs of defending any action) (collectively, "Claims") which they, or any of them, may sustain or incur as arising from or relating to the Pre-existing IP or of a breach of this warranty.

16. Confidentiality - Publicity

Any information, regardless of its nature (technical or commercial) or its support medium, provided to Supplier, or to which Supplier may have access or learn shall be kept strictly confidential and exclusively reserved for the purpose of performing the Order. Absent SE's prior written agreement, Supplier shall not disclose its business relationship with SE to third parties, nor exhibit the whole

of or part of the Supply manufactured from technical documents or specifications owned/provided by SE.

17. Indemnity and Insurance

Supplier shall defend, indemnify and hold SE, its predecessors, successors, assigns and its customers (whether direct or indirect) harmless against any and all Claims, which they, or any of them, may sustain or incur as a result of (i) any claim of violation of any common law or any federal, provincial, state, local or foreign statute, law, ordinance, rule, regulation, license, permit, authorization, registration, policy or order (collectively, "Governmental Laws" and individually, a "Governmental Law"), (ii) negligence, breach of warranty or strict liability in tort in connection with the use of the goods or provision of services, except such as may be caused to the extent of the negligence of SE, and (iii) Supplier's breach or default of the Order.

Supplier shall procure and maintain the following insurance with carriers rated "A" VIII or better by A.M. Best Company (subject to approval by SE), to protect SE and Supplier from any and all Claims as follows:

- Commercial General Liability Insurance, including Products/Completed Operations and Contractual Liability Insurance, with a limit of liability not less than \$5 million per occurrence combined single limit for bodily injury and property damage;
- Workers' Compensation with statutory limits;
- Employers' Liability Insurance with a limit of \$2 million each accident and disease; and
- Automobile Liability Insurance for any auto owned, non-owned, leased, rented or hired and used in the fulfillment of the Order, with a limit of \$2 million per occurrence combined single limit for bodily injury and property damage.

Supplier shall provide a certificate of insurance issued by an authorized representative of Supplier's insurance company, naming SE as additional insured and providing a waiver of subrogation in favor of SE. Upon request, Supplier shall provide SE with a copy of such insurance policy. Supplier hereby agrees to purchase, at Supplier's expense, any additional insurance which SE may consider to be necessary in light of the risks relating to performance of the Order.

18. Termination

18.1 SE may cancel any Order at any time prior to (i) shipment for non-specially manufactured goods, or (ii) commencement for services, without any liability to Supplier. If SE terminates after the time set forth in 18.1(i) or (ii) above, SE shall be liable to Supplier for Supplier's actual, documented out of pocket expense expended prior to receipt of notice of cancellation by SE for work and materials procured solely as a result of the Order which cannot be used by Supplier for any other product or service, and in no event shall exceed the purchase price of cancelled goods or services (the "Termination Cost").

18.2 SE shall have the right to cancel any Order for specially manufactured goods or services, and except as otherwise provided in applicable provisions of a government contract, SE's liability for cancellation of the Order for specially manufactured goods shall be limited to the Termination Cost.

18.3 In addition to its rights and remedies, SE may immediately terminate any Order without liability whatsoever in the following cases:

- Court-ordered, or out-of-court dissolution or liquidation;
- An event of force majeure, the consequences of which last for more than six (6) weeks;
- Supplier's breach or default of the Order;
- Supplier's entering into a factoring arrangement;
- Supplier's inadequate financial condition (as determined by SE); and
- Supplier's failure (as determined by SE) to provide adequate assurance of performance and/or financial condition

19. Disputes – Governing law

The Order between SE and Supplier is governed by Delaware (USA) law without regard to conflict of law principles and to the exclusion of the provisions of the Vienna Convention of April 11th, 1980 on the international sale of goods.

20. Sustainable development

20.1. Supplier shall comply with the following principles:

- ISO26000 international standard "Guidance on social responsibility". Basic principles of ISO26000 can be found on http://www.iso.org/iso/discovering_iso_26000.pdf
- the rules defined in the ISO 14001 standard.

- Furthermore, Supplier is informed that energy performance of the Supply that are the subject of the Order have been considered as part of the selection criteria used by SE (ISO 50001 Standard).

20.2. In order to enable use of the Supply in total safety, Supplier shall:

- comply with all applicable Governmental Laws,
- ensure that none of the Supply contains one or more of the hazardous substances referred to in the European Directive 2011/65/EU of 8 June 2011 in its annex II,
- comply with all the obligations concerning substances which are restricted and/or banned in the European Union and, in particular, those listed in the REACH Regulation (EC 1907/2006) and in the texts of its resulting amendments, the annex XIV and XVII, and
- comply with the legislation and regulations relating to the ban on, or restriction of, the use of certain products or substances which are effective when the Order is placed, both in the European Union and in other countries, if such is specified in the Order and/or the specifications, or which may become applicable up to the delivery date of the Supply.

Within forty-five (45) days of receipt of a request from SE, which may be accompanied by a list which SE may have sent to it and, otherwise, on the basis of the effective lists of restricted substances, Supplier shall advise SE of the presence of such substances in its Supply.

At SE's first request, Supplier shall provide it with all supporting documents required during the legal timeframe for conserving documents.

20.3. Supplier certifies and warrants to SE that any Supply that introduces any hazardous materials as defined by applicable Governmental Law into any facility of SE or SE's customer(s) are properly labeled, shipped in proper containers and are accompanied by MSDS (material safety data sheets). Any Supply that introduces any materials or substances regulated under any Governmental Law (including, without limitation, California Proposition 65) shall be properly disclosed, labeled, packaged, shipped and shall be accompanied by material safety data sheets and other documents as required by applicable Governmental Law. Materials that are prohibited by Governmental Law, including, without limitation, asbestos, asbestos containing materials and polychlorinated biphenyls shall not be introduced into the Supply or any facility of SE or SE's customers.

20.4 Supplier shall compensate SE for all costs, damages and losses borne by SE and/or for which it is found liable under third-party claims, owing to Supplier's failure to comply with any of the provisions of this Article 20.

20.5. The S will use its best efforts to report to SE the presence and country of origin of any and all conflict minerals in the Supplies in accordance with the requirements of the US Dodd-Frank Act of 2010, and any similar law arising under any other jurisdiction.

21. Management of Product / Process Changes

Supplier shall inform SE in writing no less than nine (9) months prior to the date scheduled for the implementation of any material change made to the Supply including, but not limited to, changes affecting the processes, in its or its subcontractors' business operations, information technology systems or processes, the procurement of critical components, the Supply's design, composition or the location of the plant(s). SE reserves the right to refuse any change. All changes remain under the full responsibility of Supplier. Supplier shall repay to SE all the costs borne by SE during, or in the context of, the reclassification of the Supply and/or component affected by the change.

22. Taxes

Except as otherwise agreed in writing by SE, SE shall not be liable for any taxes, duties, customs or assessments in connection with the purchase and/or delivery of the Supply.

23. Government Contract Terms and Conditions

If the goods or services to be furnished under the Order are to be used in furtherance of any U.S. government contract or subcontract, then all the applicable provisions required to be included in the Order by the applicable government contract or by Governmental Law shall be deemed incorporated herein, including all applicable Federal Acquisition Regulation and DOD FAR supplement provisions. Supplier agrees to comply with all applicable Governmental Laws issued pursuant thereto, including without limitation, customs rules and regulations, restrictions on export of information, restrictions on dealing with restricted persons and citizens of restricted countries, compliance with equal opportunity requirements, EO13496 Notification of Employee Rights Under Federal Labor Laws and implementation of a supplier diversity plan. Importer Security Filing: For offshore suppliers, which will ship ocean to the U.S. only, Supplier represents, warrants and covenants that it shall fulfill the information data provision requirements detailed in http://www.cbp.gov/xp/cgov/trade/cargo_security/carriers/security_filing/, in cooperation with SE's named customs broker.

24. NAFTA Certificates and Pedimentos

Supplier shall provide to SE an appropriate NAFTA certificate of origin, other FTA certificate, GSP Form A, or other document as may be requested by SE, as appropriate, for all eligible products to be imported into the United States, Canada or Mexico, as the case may be. For any sales or shipments to any of SE's maquiladora/IMMEX plants located in Mexico, Supplier shall provide to such plant appropriate export and/or import documents, including virtual pedimentos, as directed by SE, to enable SE to qualify for NAFTA benefits under the Government of Mexico's maquiladora/IMMEX program or any successor program. Supplier shall immediately correct any errors in documents it furnishes to SE or to any of its maquiladora/IMMEX plants in Mexico, regardless of when or by whom the errors are discovered. Supplier shall indemnify and hold SE and/or its maquiladora/IMMEX plants harmless for all Claims attributable to such errors.

25. U.S. Customs Documentation

Upon request, Supplier shall provide a country of origin affidavit and such other documents. Importing locations must have the opportunity to pre-approve the invoice, packing slip and any free trade agreement certifications prior to the first shipment. In the event that Supplier is located outside of the United States, Supplier will be responsible for export clearance. Upon request of SE, Supplier will provide those documents required by SE to recover duty paid by Supplier on imported Supply. All invoices for imported supply must: (1) contain the exact SE catalog number; (2) reference the purchase order number for each invoice line item; (3) country of manufacture must be provided by line item; (4) a detailed description in English must be provided for each catalog number; (5) the currency must be identified; and (6) EDI to be established upon request. Supplier agrees to establish electronic data interface provision of the invoice information to both SE and to its customs broker. The packing slip should contain weight and unit of measure, by line item if possible. The items shipped must be marked with the country of origin, or if excepted per the U.S. Customs Regulations, then the outermost export packaging unit must be marked.

26. Fair labor standards certificate

Supplier hereby certifies that all goods furnished hereunder have been produced in compliance with all applicable requirements of Sections 6, 7 and 12 of the Fair Labor Standards Act of 1938, as amended, and of regulations and orders of the Administrator of the Wage and Hour Division issued under Section 14 thereof, and in accordance with all applicable Governmental Laws governing general conditions for labor employed in the production of such goods, and will provide such certification on each invoice. Supplier further agrees to comply with the provision of all rules and regulations including Section 503 of the Rehabilitation Act of 1973, Section 402 of the Vietnam Veterans Readjustment Assistance Act of 1974, those of the Secretary of Labor, and executive orders including Numbers 11246, 13375, 11625, 11701 and 11758 applicable to this

order regarding non-discrimination because of race, creed, color, sex, national origin, physical or mental handicap or veteran status.

27. LIMITATION OF LIABILITY and STATUTE OF LIMITATIONS

IN NO EVENT SHALL SE BE LIABLE FOR ANTICIPATED PROFITS OR FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES. SE'S LIABILITY OF ANY CLAIM OF ANY KIND FOR ANY LOSS OR DAMAGE ARISING OUT OF OR IN CONNECTION WITH OR RESULTING FROM THE ORDER OR FROM THE PERFORMANCE OR BREACH THEREOF SHALL IN NO CASE EXCEED THE PRICE ALLOCABLE TO THE ORDER OR UNIT THEREOF WHICH GIVES RISE TO THE CLAIM. SE SHALL NOT BE LIABLE FOR PENALTIES OF ANY DESCRIPTION. ANY ACTION RESULTING FROM ANY BREACH ON THE PART OF SE AS TO THE ORDER MUST BE COMMENCED WITHIN ONE YEAR AFTER THE CAUSE OF ACTION HAS ACCRUED.

28. ENTIRE AGREEMENT

This Order, and any documents referred to on the face hereof, constitute the entire agreement between the parties.

29. ASSIGNMENTS AND SUBCONTRACTING

No part of this Order maybe assigned or subcontracted without the prior written approval of SE.

30. Miscellaneous

A waiver will be effective only if in writing and signed by SE and will be limited to the matter described therein; no such waiver will be or be deemed a waiver of any other, similar, prior, continuing or subsequent matter. Any notice, approval or consent required or permitted hereunder shall be in writing and will be deemed to have been duly given if mailed by registered or certified mail, postage prepaid or delivered by overnight courier service with tracking capabilities to the respective addresses of the parties as set forth in this Order (or such other addresses a Party may designate by ten (10) prior days written notice). If any provision of this Order shall be adjudged by any court of competent jurisdiction to be unenforceable or invalid, that provision shall be limited or eliminated to the minimum extent necessary so that this Order shall otherwise remain in full force and effect and enforceable. Any failure by a Party to enforce any provision herein or right or remedy available to it on any one occasion shall not be construed as a waiver on any other occasion. Headings included herein are for convenience only and shall not be used to interpret or construe this Order.