

## General Trading Terms for Sales of Products

### § 1 General Provisions

(1)  
These General Trading Terms for Sales of Products by Pilz Polska sp. z o.o. ("General Trading Terms for Sales of Products" or "GTTSP") apply exclusively to the sales and deliveries of Products by Pilz Polska sp z o.o. ("Pilz").

(2)  
These General Trading Terms for Sales of Products apply to all legal relationships of Pilz resulting from Product sale and delivery agreements entered into by Pilz. These General Trading Terms for Sales of Products apply also to all other agreements, if Pilz has named them as binding for such agreements.

(3)  
If the buyer or recipient (purchaser) of the Products uses its own different or additional contractual terms, general terms of contracts, arrangements etc., which contradict these terms, such terms do not constitute a part of the agreement if Pilz is the seller or supplier (dealer), even if Pilz is fully aware of them, unless their use for the purpose of a particular agreement is confirmed by Pilz in writing on pain of invalidity.

(4)  
In particular, the General Trading Terms for Sales of Products will continue to apply when Pilz delivers goods to a buyer or recipient (purchaser) without reservations, being fully aware of contractual terms, general terms of contracts, regulations etc. used by the buyer or recipient (purchaser) that contradict, supplement or differ from these terms.

(5)  
In the meaning of the GTTSP, a product is any article which is or will be included in the Pilz offer (and was, is or will be assigned a catalogue number) and is not a service.

### § 2 Offers and Offer Documents

(1)  
Pilz reserves the right to change the specification and introduce justified changes concerning the shape, colour and/or weight of ordered Products.

(2)  
The compliance of Products with technical specifications or other information/details found in catalogues, printed materials, part lists or drawings/sketches is assumed confirmed only to the extent to which such specifications or other information are expressly mentioned in a description given in the Pilz offer. A general reference to documents or drawings is considered only as confirmation that the Products offer a particular function.

(3)  
An Product sale or delivery agreement is considered concluded if Pilz accepts the order for processing within 4 weeks from the order date. Acceptance of the order for processing by Pilz will occur in writing, electronically, or by delivering the Product to the buyer or recipient.

(4)  
If a manifest error or typographical mistake occurs in the Pilz offer or a written or electronic confirmation of accepting the order for processing by Pilz, then Pilz reserves the right, without prejudice to all other rights of Pilz, to withdraw from the agreement within 10 business days from the date on which Pilz learned about the manifest error or typographical mistake.

(5)  
Pilz's performance of an agreement to sell or deliver the Products is contingent upon timely deliveries from Pilz subcontractors, in accordance with the terms of agreements with these subcontractors. Should Pilz be unable to deliver a Product, the purchaser will be promptly advised that the Product is unavailable, and any advances paid by the purchaser will be reimbursed immediately, that is within no more than 14 days.

(6)  
Pilz retains the right of ownership of and copyright to all illustrations, sketches, models, samples, calculations, estimates, and other documents and materials, as well as data found in such documents and materials, and prohibits sharing them with third parties. This applies in particular to written documents marked as "confidential" and any data contained therein. Such documents, as well as other materials to which this point (6) applies, should be returned without reminder and without paying any fees on each request of Pilz. The buyer or recipient (purchaser) will be fully liable for the loss and damage sustained by such documents or materials. The buyer or recipient (purchaser) has no right to retain such documents and materials, and moreover will ensure that they are stored securely and not copied without the prior consent of Pilz which must be expressed in writing on pain of invalidity. The aforesaid documents and other materials, as well as intellectual property, should be stored by the buyer or recipient (purchaser) in a manner that preserves their secrecy, unless they are or have become public domain without the involvement of the buyer or recipient (purchaser) or entities for whose acts and omissions it is liable.

Materials and other documents, as well as their contents, which are trademarked or protected by Pilz as an enterprise/business secret, can be used by the purchaser solely in accordance with conditions expressly specified by Pilz.

### § 3 Scope of Delivery

(1)  
When choosing the Products for a submitted order, the purchaser is obliged to name each sale or delivery individually according to the specific intended purpose of the Product, having regard to all material technical aspects. If the purchaser does not submit such information or the information submitted by the purchaser proves incomplete, general information about a Pilz Product will apply whenever necessary.

(2)  
The final scope of sale or delivery of Products will be specified when Pilz accepts an order for processing. If the confirmation provided by Pilz does not contain any details referring to delivery specification, this means that the delivery will be carried out according to the specification stated by the purchaser in the order. Any additional arrangements and alterations need to be confirmed by Pilz in writing on pain of invalidity.

(3)  
Pilz will not accept any returned packaging. The purchaser is obliged to dispose of such packaging at its own cost.

(4)  
During sale or delivery, Pilz reserves the right to introduce amendments to the Products as regard their design and shape, based on technical improvements and/or legal requirements, provided that they do not materially change the delivered Product.

### § 4 Prices / Terms of Payment

(1)  
Except as otherwise agreed, the prices are ex-works prices according to Incoterms 2010 plus the statutory goods and services tax rate.

(2)  
Except as otherwise agreed, the prices of all delivered goods are catalogue prices applicable at Pilz on the day of issuing the invoice (date of issuing the VAT invoice).

(3)  
Rebates will be offered only when expressly provided for in the offer.

(4)  
Except as otherwise noted when accepting an order for processing, the term of payment of the entire sales price together with the goods and services tax due under applicable provisions of law is 14 calendar days from the date of issuing the VAT invoice. If the purchaser defaults on timely payment, Pilz will be entitled to demand the payment of statutory interest on overdue amounts.

(5)  
Pilz is entitled to issue partial VAT invoices for partial deliveries or sales of Products in batches. The payment deadlines will run separately for each partial VAT invoice.

(6)  
Pilz is entitled to credit any payments made towards due liabilities in reverse chronological order.

(7)  
Should the purchaser's financial condition deteriorate significantly after Pilz has accepted an order for processing or Pilz learns about a prior deterioration of the purchaser's financial situation which in the belief of Pilz might prejudice the purchaser's credit standing, Pilz will be entitled to demand, at its own discretion, that an advance payment or other form of collateral be provided. In addition, it is a standard practice of Pilz to require an advance payment from all new Customers. Pilz is entitled to withdraw from a sale or delivery agreement should the purchaser fail to comply with Pilz's request.

(8)  
The prices apply solely to sales and deliveries effected on the territory of Poland

### § 5 Open Orders

Open orders will be carried out in agreed time slots and/or on agreed dates based on a schedule agreed with Pilz in writing.

### § 6 Delivery Date / Delayed Delivery

(1)  
If any of the conditions necessary for Pilz to sell or deliver the Products are not met and therefore some technical doubts remain, or Pilz does not receive all documents to be obtained or produced by the purchaser, such as for example drawings, descriptions, any permits or approvals to be submitted by the purchaser,

or any agreed advance payments are not credited at Pilz's bank account, or if any doubts not resolved by the purchaser remain, the delivery date set out by Pilz is postponed until the purchaser removes any existing obstacles.

(2)  
The sale/delivery date of the Products is assumed to be complied with if the articles to be sold/delivered left the Pilz warehouse before the agreed sale/delivery date or alternately before the sale/delivery date specified by Pilz within at most one week after that date, or if the purchaser was notified about an article being ready for shipping before the expiry of the calendar week stated when accepting the order for processing.

(3)  
The sale/delivery date of the Products will be prolonged accordingly if circumstances over which Pilz has no control arise, insofar as such circumstances delay the sale/delivery date. The above applies in particular to events affecting a Pilz subcontractor. The provision of this point (3) applies in particular to events resulting from labour disputes, including strikes and lockouts. Pilz may not be held liable for any delay in sale or delivery of the Products that results from circumstances listed in this point (3) also when such circumstances take place during an ongoing delay. Pilz will notify the purchaser as soon as possible about the onset and cessation of the circumstances referred to in this point (3).

(4)  
Should sales or deliveries of Products be delayed, the purchaser will not be entitled to seek any damages for such delays, except in cases resulting exclusively from the wilful misconduct of Pilz.

### § 7 Returns of Goods / Costs of Order Cancellation

(1)  
The general rule is that goods delivered by Pilz cannot be returned, provided that the delivery occurred in compliance with the order submitted by the purchaser. Pilz will be entitled to deviate from this rule in justified cases, however the goods must be returned in original packaging. In such case, the purchaser is obliged to reimburse Pilz for 20% of the net catalogue price of the returned goods as compensation for order reprocessing and storage costs.

(2)  
If an order is cancelled by the purchaser, Pilz will be entitled to demand the payment of a contractual penalty equal to 10% of the catalogue price (together with the due goods and services tax) to cover the costs of order processing and compensate for lost profits, which does not prejudice the right of Pilz to seek damages in excess of the reserved contractual penalty on general terms.

### § 8 Failure / Delay to Collect the Goods

(1)  
If the purchaser does not collect the Products or breaches any other obligation under the agreement to sell or deliver the Products, Pilz will be entitled to demand damages for all losses sustained, including all additional expenses and outlays. In such case, the risk of accidental damage, loss or destruction of the Products passes to the recipient by the date on which the purchaser was obliged to collect the Products.

(2)  
When the deadline to deliver or sell the Products is postponed on request of the purchaser or for reasons attributable to the purchaser, the purchaser will be charged with all resulting costs of Product storage for each started month of Product storage from the beginning of the month in which the Products were notified as ready for shipping/delivery, the minimum amount of costs being 0.5% of the gross value of the Product sale or delivery agreement for each commenced month of Product storage. Pilz is entitled to seek damages in excess of the amount due to Pilz according to the provisions of the preceding sentence.

(3)  
Regardless of the rights provided for in this section, Pilz will be entitled to withdraw from the agreement once it has requested the purchaser to collect the Products and granted a grace period, within 10 business days from the deadline set by Pilz, and will also be entitled to deliver the Products to the purchaser at the cost and risk of the latter.

### § 9 Place of Performance

For each delivery agreed to take place ex-works in accordance with Incoterms 2010, the place of performance of the contractual obligation is Warsaw.

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### § 10 Passing of Risk

(1)  
Except as otherwise agreed, each delivery takes place ex-works according to Incoterms 2010.

(2)  
The provisions of this section apply also when partial deliveries have been agreed.

(3)  
When Pilz consents to cover the costs of transport, delivery or assembly of the Products upon accepting the order for processing, such consent will not affect the provision of the GTTSP concerning passing the risk of accidental loss, damage or destruction of the Products to the purchaser.

(4)  
If sale or delivery of the Products is delayed as a result of circumstances attributable to the purchaser, the risk of accidental loss, damage or destruction passes to the purchaser as of the date on which the Products were ready for shipping.

(5)  
The purchaser is not entitled to refuse collecting the Products, including Products with non-essential defects, while retaining its rights under section 11 (Warranty).

(6)  
Pilz is entitled to ship/deliver the Products in batches.

### § 11 Warranty

(1)  
The warranty period is 12 months and runs from the date on which the risk of accidental loss, damage or destruction of the Products has passed to the purchaser.

(2)  
The warranty and liability of Pilz is limited to performing the agreement by delivering a functioning Product, and if the Product is not functioning for reasons inherent in the Product, by having Product repaired or replaced at the discretion of Pilz. If a defect is to be repaired, Pilz will bear the necessary costs of repair.

If for legal or commercial reasons additional activities are required to repair the end Product and the repair takes place in fulfilment of the sale or delivery agreement during combining, matching, processing, or other repair of damages, Pilz will not reimburse the purchaser for the cost of such additional activities in proportion to the value of the delivered Product as compared with the sale price of the end Product. The provision referred to in the preceding sentence applies also when performance of sale or delivery is related to end Products which are not combined, matched, or processed together with other Products, or for Products whose further processing had already been completed.

If the Product is defective and activities undertaken at least twice to deliver a working Product or repair the Product by a reasonable date, taking into account the actual circumstances of the sale or delivery, not shorter however than 60 calendar days, prove ineffective, the purchaser will be entitled to withdraw from the agreement within no more than 10 calendar days from the date on which Pilz confirmed that proper performance of the sale/delivery agreement is not possible. The purchaser is however not entitled to withdraw from the agreement if the breach of the sale/delivery agreement is not essential, especially in case of minor Product damage. The purchaser is in no case entitled to demand the reduction of the Product price / Pilz remuneration.

(3)  
Subject to point (4), the purchaser is not entitled to seek damages for losses caused by a defect of the Product. (4)  
If a defect cannot be repaired and the purchaser seeks damages following its withdrawal from the agreement pursuant to the GTTSP, the Products remain with the purchaser until collected by Pilz. Pilz is not obliged to bear the costs of storing such Products for a period necessary to collect the products without undue delay.

In the case referred to in the first sentence of this point (4), the damages will be limited to the difference between the purchase price of the Product and the actual value of the defective Product, and if the Product was repaired by a third party, the damages will be limited to the difference between the Product purchase price increased by the remuneration paid to the third party and the actual value of the defective Product less any expenditures and outlays spared by Pilz. If the Products have defects arising from combining, matching or processing (further processing) of defective Products, Pilz is obliged to pay damages for loss in proportion to the ratio between the actual value of the delivered Product and the purchase price expected for the final Product if the delivery was free of defects.

(5)  
The Product descriptions published by Pilz do not contain any Product design details. No public statements, promotions or advertisements of the Product may be considered to describe Product design details.

(6)  
Should the purchaser receive incomplete Product installation instructions, Pilz will be obliged only to deliver complete Product installation instructions, and only when the incompleteness of the instructions could hinder the proper installation of the Product.

(7)  
The warranty expires when the purchaser fails to notify Pilz about obvious faults within two weeks from the date of collecting the goods and about latent faults within two weeks from the date of discovering the faults, not later however than the end of the warranty period. All faults, including legal defects, should be reported in writing on pain of invalidity.

(9)  
It is the obligation of the purchaser to prove that the faults are reported by the deadlines referred to in point (8) of this section. The purchaser is also obliged to prove that it did not undertake any actions in order to repair the fault on its own.

(10)  
It is the obligation of the purchaser to document both the fault and the resulting loss, regardless of the preceding provisions, in a manner compliant with generally accepted technical standards.

(11)  
Pilz does not grant to the purchaser any additional legal warranties and is not liable under statutory warranty.

### § 12 Limitation of Liability

(1)  
Pilz is not liable, including under warranty, in particular when the faults occurred after the risk of accidental loss, damage or destruction of the Product has passed to the purchaser, when the purchaser was aware of the defect upon purchasing the Product, when the purchaser failed to comply with the operating instructions while using the Product, when the Product is not compliant with individual specifications submitted by the purchaser, when the purchaser selected Product components or its own, when the purchaser used the Product contrary to its purpose, when the Product was installed in an improper location or manner, when the faults are minor or the breach of the provisions of the sale or delivery agreement is not essential, or when the purchaser is at fault. The burden of proof that circumstances excluding the liability of Pilz did not take place rests with the purchaser.

(2)  
The liability of Pilz is in any case limited to the average level of direct loss which can be expected for a Product of that kind and the sale or delivery agreement typical for it.

(3)  
All other claims against Pilz that are not mentioned in the following provisions of this section are excluded. Specifically, Pilz is not liable for damage caused directly by Products actually delivered, in particular for lost profits or damage to any other assets belonging to the purchaser or a third party, including products produced as a result of matching, combining, processing and/or further processing of the Products.

(4)  
The exclusion and limitation of liability listed in points (1) and (2) does not apply to losses caused by death or bodily injury or resulting from wilful misconduct or gross negligence of Pilz. In such case, the liability will be limited to the average level of direct loss which could be expected in a typical sale or delivery agreement.

(5)  
If Pilz breaches essential provisions of a sale or delivery agreement, the liability of Pilz for paying damages in case of property loss will be limited to the amount of Pilz's third party liability, unless the breach is the result of wilful misconduct or gross negligence of Pilz. If Pilz liability is excluded or limited, the exclusion or limitation also applies to the personal liability of hired personnel, employees, associates, agents and anyone acting on the authority or in the name of Pilz.

(6)  
The liability of Pilz is excluded in general if the delivered article, following a request of the purchaser, contains components other than manufactured or named by Pilz. The purchaser bears the burden of proof that such modification did not cause a fault of the delivered Product.

(7)  
Pilz is not liable for any installation or other works related to the Product which were undertaken by the purchaser on its own. Proving that installation was performed correctly is an obligation of the purchaser.

### § 13 Retention of Title

(1)  
The Products remain the property of Pilz until all claims resulting from current business relationships with the purchaser are fully satisfied.

When the purchaser fails to perform or performs incorrectly the sale or delivery agreement, especially when the performance is delayed, Pilz is entitled to demand that the Product covered by the agreement be handed over. Exercising the right to demand Product handover does not constitute withdrawal from the sale or delivery agreement, unless expressly affirmed by Pilz in writing.

(2)  
Until the proper performance of the sale/delivery agreement by the purchaser, the purchaser is obliged to observe due care in using and storing the Product. In particular, the purchaser is obliged to insure the Product, at its own cost, against fire, flood and theft and to maintain such insurance for a sum equivalent to the value of a new Product. If maintenance and inspection works are required, the purchaser should conduct them in a regular and timely manner at its own cost.

(3)  
Until the proper performance of the sale/delivery agreement by the purchaser, the purchaser is obliged to immediately notify Pilz of any takeovers or handovers of the Product by third parties and to cover all Pilz losses related to such takeover or handover of the Product by third parties.

In addition, the Purchaser is also obliged to promptly notify Pilz in writing if the Product is in any way damaged, destroyed or lost, and is likewise obliged to reimburse Pilz for all losses sustained as a result.

The purchaser is obliged to immediately notify Pilz of any change of the place of its business activities.

(4)  
Until the proper performance of the sale/delivery agreement by the purchaser, any processing or modernisation of the Product done by the purchaser must always be conducted in the name and on the authority of Pilz. If the Product is processed together with other products not owned by Pilz, then Pilz will acquire a share in the right of joint ownership in proportion to the value of the Product compared to other processed products at the moment of processing.

In all other respects, the newly produced product will be subject to the same clauses as a delivered Product the title to which is retained by Pilz.

(5)  
Until the proper performance of the sale/delivery agreement by the purchaser, if the Product is combined with other products not owned by Pilz, then Pilz will acquire a share in the right of joint ownership of the new product in proportion to the value of the Product compared to other processed products at the moment of combining.

If the products are combined so that the purchaser's products can be considered as the major component, it is deemed that the purchaser grants to Pilz a proportional share in the right of joint ownership.

### § 14 Special Right to Terminate the Agreement / EU Anti-terrorist Legislation

(1)  
Insofar as the provisions of an agreement between Pilz and the purchaser may violate existing domestic and international legislation (such as the EU anti-terrorist legislation), Pilz will be entitled to terminate the agreement with immediate effect.

(2)  
In such special case the purchaser will not be entitled to demand any compensation.

(3)  
The purchaser should be aware of all essential legislation that might prevent Pilz from performing the sale or delivery agreement.

### § 15 Final Provisions

(1)  
Any additional agreements bind Pilz only if confirmed by Pilz in writing on pain of invalidity.

(2)  
The GTTSP are governed by Polish law. In matters not regulated herein, the respective provisions of the Civil Code and other applicable provisions of law apply.

(3)  
The Parties agree that all disputes between Pilz and the purchaser related to the interpretation or performance of the sale or delivery agreement and the GTTSP will be resolved by mutual agreement. If achieving an agreement is not possible, the court competent to resolve the dispute will be the common court having jurisdiction according to the seat of Pilz.

(4)  
For the avoidance of doubt, the Parties agree that if any of the provisions of the GTTSP becomes null and void or has another legal defect, this will not affect the other provisions of the GTTSP. As far as invalid or unenforceable provisions are concerned, the Parties will negotiate in good faith, insofar as possible, alternative provisions which are binding and enforceable and reflect the original intent of the Parties.