

1. PRELIMINARY PROVISIONS

1.1

These General Trading Terms for Program Products of Pilz Polska sp. z o.o. ("General Trading Terms for Program Products" or "GTTPP") apply exclusively to the sales and deliveries of Program Products by PILZ Polska sp z o.o. ("Pilz") to the customer.

1.2

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

1.3

If the customer 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 even if PILZ PL is fully aware of them, unless their use for the purpose of a particular agreement is confirmed by PILZ PL in writing on pain of invalidity.

1.4

Whenever specific provisions of these GTTPP refer to "PILZ", this should be understood to mean PILZ PL or Pilz GmbH & Co. KG (hereinafter "PILZ GM"), as the case may be, or both of them, unless the parties agree otherwise in writing on pain of invalidity.

2. DEFINITIONS

2.1

License information means a document containing information about the Program.

2.2

Program, also referred to as a Program Product, comprises all program packages supplied by PILZ PL, including the original and all complete or partial copies, containing for example machine-readable instructions and data, components, audiovisual materials (such as videos, diagrams, texts, drawings or graphics), associated libraries, including automation (standard/emergency) and component blocks or product data, license information and license keys, as well as documentation.

2.3

For the purposes of the GTTPP, *Software* is understood as Program Products which PILZ GM authorised the customer to use for the customer's own needs (license). PILZ GM grants a license to the customer once the customer has paid the entire price for the Program Product to the PILZ PL bank account. The Software License includes the use of program blocks and, in some cases, of media and PAS units, as well as macro software, for the customer's own needs.

3. COMPLETION OF THE CONTRACT

3.1

PILZ PL and PILZ GM reserve the right to change the specification of and make justified changes concerning Program Products.

3.2

A Program Product sale or delivery agreement is considered concluded if PILZ PL accepts the order for processing within 4 weeks. Acceptance of an order for processing by PILZ PL occurs electronically, by fax, in writing, or by delivering a Software Product to the customer. The customer will in each case receive an order confirmation.

3.3

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

3.4

Performance of the Program Product sale or delivery agreement by PILZ PL is contingent upon timely deliveries from PILZ PL subcontractors, in accordance with the terms of agreements with these subcontractors. Should PILZ PL be unable to deliver a Program Product, the customer will be promptly advised that the Program Product is unavailable, and any advances paid by the customer will be reimbursed immediately, that is within no more than 14 days.

3.5

The final scope of sale and/or delivery of Program Products will be specified when PILZ PL accepts an order for processing. Any additional arrangements and alterations need to be confirmed by PILZ PL in writing on pain of invalidity.

4. CONTENTS AND SCOPE OF LICENSE

4.1

PILZ GM may grant a license of a specific kind. The kind of license is stated in the Program Product certificate provided to the customer. The Program Product certificate is attached to a VAT invoice issued by PILZ PL.

4.2

Each Program included in the PILZ PL offer is the property of PILZ GM or an entity belonging to its capital group and is protected by law, especially as regards copyright. The customer will receive the Program Product stated in the order confirmation and a Program Product certificate. The Program Product documentation is purchased separately, unless otherwise stated in a written order confirmation issued by PILZ PL.

4.3

Except as otherwise stated in an order confirmation or Program Product certificate delivered by PILZ PL, the customer may make one copy of each Software package, to be used solely for backup purposes. The terms of the license granted by PILZ GM should be applied accordingly to the backup. Both the Program Product and the Software are protected by intellectual property rights, including copyright. The customer undertakes to comply with the license granted by PILZ GM. In other cases, the customer may make copies of the Software only after obtaining the consent of PILZ, granted in writing on pain of invalidity.

4.4

Without the consent of PILZ, granted in writing on pain of invalidity, the customer may not modify the Software or make any amendments or corrections to the Software, the related documentation, or Software developments, nor use other feedback software, translate the Software, or disassemble any part of the Software. The customer may not remove any alphanumeric identifiers from media, and if the customer is authorised by PILZ to make copies, such alphanumeric identifiers should also be copied in non-altered form. The customer is not entitled to copy, trade in or transfer a license to a third party. PILZ retains the exclusive right to consent to the exercise of derivative copyright by third parties.

4.5

The customer will be entitled to transfer a license acquired from PILZ GM to a third party for a fee only when it has obtained the consent of PILZ, granted in writing on pain of invalidity, or is entitled to do so by PILZ GM in the Software certificate. PILZ PL or PILZ GM may revoke its consent for the transfer of a license acquired from PILZ GM to a third party at any time. When PILZ GM consents in writing on pain of invalidity to the transfer of a license acquired by the customer to a third party for a fee, the customer is obliged to ensure that its legal relationship with the third party be subject to an agreement that guarantees the protection of all PILZ PL and PILZ GM rights to the Software and Program product in accordance with the provisions of the license agreement, under which the third party will be subject, without qualifications, to obligations resulting from that agreement. If the customer transfers the license to a third party with the consent of PILZ GM granted in the manner set out in the preceding sentences, the customer is not entitled to further use of the Software,

4.6

The customer will be obliged to comply with all applicable laws, regulations and provisions and to obtain the required consents, licenses and approvals as well as documents necessary for the proper performance of any agreement concluded with PILZ PL, including the GTTPP.

4.7

When PILZ GM consents in writing to the use of the Software by a third party, the conditions of the license granted to the customer and all GTTPP provisions are applicable to such use, and the customer is liable for any non-compliance of the third party.

5. LICENSE COPYING AND DISTRIBUTION

5.1

Subject to point 4.3 of the GTTPP, when PILZ GM consents to making a copy of the Software, the customer will receive from PILZ PL a written confirmation that states the number of copies which the customer is authorised to make, allowing the customer to use the Software on more than one workstation. The number of copies made should match the number of licenses purchased by the customer. The confirmation of the number of copies will be provided to the customer together with the media on which the Software is located and the Software license. The customer is entitled to make a copy of purchased Software under separate terms contained in the order confirmation issued by PILZ PL, in writing on pain of invalidity, and/or the Program Product certificate. Except as otherwise provided for in the agreement, the preceding provision applies when granting a license for a Program Product that allows it to be used by third parties. According to the GTTPP and this clause, a third party is to be understood as the customer's staff and persons and groups or persons from external entities. When the customer is entitled to make a copy of the Software on the terms of the granted licenses and in accordance with the GTTPP, each copy produced by the customer may at any time be used only on one workstation. All provisions concerning *copyright* and other intellectual property rights should be applied to each copy or partial copy. Any existing copyright notices and other intellectual property rights notices are binding and must not be removed. The above provisions are also subject to clause 4.5.

5.2

The customer is obliged to comply with all copying instructions additionally received from PILZ PL or PILZ GM in connection with the purchased license. The customer should maintain orderly and complete records concerning the location in which copies are stored; such records should allow to determine the number of produced copies and the areas where they are used. The customer should make such records available to PILZ PL at each request and at any time. Upon a notice to the customer 14 days in advance, PILZ PL will be entitled to have the records referred to above audited by independent auditors selected by PILZ PL. The entity conducting the audit should be granted access to the location of the customer's business activities within regular working hours. If non-compliance of the records with contractual provisions, in particular the terms of the license and the GTTPP, is discovered, the customer will cover the costs of audit incurred by PILZ PL and will also compensate for all related damage at the first request of PILZ PL. Regardless of the above, the customer will be obliged to immediately cease the infringements and revert the records to a condition compliant with the terms of the license and the GTTPP.

6. UPDATES

If the customer purchases additional Software updates, it will not be entitled to use the previous version of the Software or transfer it to a third party once an update has been installed.

7. EXISTING RIGHTS

7.1.

PILZ GM is the sole owner of rights to the intellectual property of Products (Software, equipment, documentation etc.) and to inventions, improvements, proposals, ideas, sketches, patterns, data, samples, models, expert opinions and other components and materials on which they are based. The customer may not infringe upon existing intellectual property rights referred to above. When the customer is entitled to make copies or distribute the Software pursuant to the terms of the agreement, including the GTTPP, the customer is obliged to ensure compliance with intellectual property rights by all third parties. In such case, the customer is liable for the acts and omissions of third parties as for its own acts and omissions.

7.2.

If technical improvements or new Products related to the efficiency of Program Products delivered by PILZ are produced, any such products and existing rights and claims will belong to the party that produced them. If the holder of rights referred to above in this section is the customer, PILZ GM and PILZ PL will receive a free of charge, perpetual exclusive license for such products acquired by the customer, under which PILZ GM and PILZ PL will be entitled to produce, use, develop and sell such products, but not share them with or sublicense them to third parties without the consent of the customer. In addition, no right of ownership of these products which is the subject of a license can be transferred to a third party under a civil law agreement without the written consent of the customer.

8. TRANSFER OF RISK

8.1.

Except as otherwise agreed, each delivery takes place ex-works pursuant to Incoterms 2010.

8.2.

PILZ PL is entitled to ship the products. The above clauses apply also when partial deliveries have been agreed.

8.3.

To the extent to which PILZ PL consented in the agreement to cover the costs of transport, supply, or installation of equipment and/or programs covered by the agreement, this does not affect the above clauses with respect to risk transfer.

8.4.

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

8.5.

The customer is not entitled to refuse collecting the Program Products, including Program Products with non-essential defects, while retaining its rights under section 9 (Warranty).

9. WARRANTY

9.1.

For the avoidance of all doubts it is agreed that PILZ GM, which grants a license for the Program Product in compliance with the provisions of the GTTPP, remains liable under warranty. The parties confirm that all complaints which the customer may submit based on a license granted by PILZ GM pursuant to a sale or delivery agreement entered into with PILZ PL, including pursuant to the GTTPP, will be submitted directly to PILZ PL. The customer is liable for installing the Software and for all results of using the Software. The customer guarantees that all deliverables obtained while using the Software are duly documented and produced and are recorded as a PDF file.

If a defect, including faults under warranty, is reported, the customer is obliged to demonstrate that the defect or fault did not arise for reasons attributable to the customer. PILZ PL will submit to the customer information about known program errors, emergency measures, limitations, and error prevention methods.

9.2.

The warranty period for each Software is 12 months. The warranty period starts when the risk of accidental loss, damage or destruction of Software and media passes to the customer.

9.3.

All warranty claims are excluded when the customer/a third party has not yet acquired the Program Product, or has not yet obtained a license, but is using it during a test phase. The warranty and liability of PILZ PL and PILZ GM is limited to performance of the agreement by delivering properly operating Software, and in case of physical defects resulting from causes inherent in the Software, by repair activities conducted by PILZ PL or replacement made by PILZ GM through PILZ PL, at the discretion of PILZ PL. Repair may consist in particular in delivering another version of the Software (with modifications) or demonstrating methods that allow to avoid the consequences of the defect. The customer accepts the new version of the Software if the introduced modifications cause the Software to operate properly. PILZ PL may also rectify program errors by delivering suitable media containing the newest version of the

Software or introducing suitable updates, at the discretion of PILZ PL. However, when repair activities are necessary and no update or newer version of the Software is available, PILZ PL will be entitled to provide the customer with a temporary workaround that allows program errors to be avoided until a new version of the Software can be delivered, in cases where PILZ PL must ensure that the customer will be able to proceed with urgent tasks resulting from the fault.

9.4.

A program fault is deemed to exist only when the error can be reproduced on the reference test platform used by PILZ PL, and not when the error manifests solely while using the Software on a non-reference software platform or end user hardware/software system. Errors resulting in limitations of Software use are not subject to warranty and will not be examined by PILZ PL. Because the hardware platform of each end user system is separate and unique, the development of drivers and other program modifications and/or add-ons required to use the Software in a specific system of the customer will not be deemed to constitute a program error. No fault is deemed to exist if the Software is not used on suitable hardware of the customer or third party or if the error is not the result of the Software itself but arose due to using third party software, any other actions of the licensee, or any other reasons attributable to the customer.

Regardless of the preceding provisions, it is the obligation of the Customer to document both the defect and the resulting loss based on available technical documentation of the Software, in a manner compliant with generally accepted technical standards.

9.5.

Troubleshooting and repair of faults as part of warranty will take place on customer premises or at the seat of PILZ PL, at the discretion of PILZ PL. If the customer entered into a separate service (repair) agreement with PILZ PL following consultations and arrangements made by the parties, error troubleshooting and fault repair may also occur on the site which is the location of the unit on which the Software is installed and run. The customer will provide to PILZ PL all information and documents necessary to undertake repair activities and remove the defect. If the repair is to take place on customer premises, the customer will provide the required hardware and software free of charge and ensure all other operating conditions as may be necessary, together with the suitable operating staff, at its own cost. If the customer asks PILZ PL to undertake its activities under warranty in another location than the place of delivery, and the customer and PILZ PL did not enter into a separate service/repair agreement, the customer will reimburse PILZ PL for all costs of transport, travel and accommodation related to the required activities under warranty in the location named by the customer, as well as for all other costs resulting from performance of the agreement by PILZ PL.

9.6.

If the Software is defective and activities undertaken at least three times to deliver a working Software or repair the Software 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 customer 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 agreement is not possible. The customer is however not entitled to withdraw from the agreement if the breach of the agreement is not essential and the Software defects are not crucial, especially in case of minor Software faults. The customer is in no case entitled to demand that the price be lowered.

9.7.

Subject to point 9.8, the customer is not entitled to seek damages for losses caused by a defect of the Software. The customer is not entitled to advance any claims, including claims for damage caused by a defect of the Software, if it has withdrawn from the agreement.

9.8.

If a defect cannot be repaired and the customer seeks damages following its withdrawal from the agreement pursuant to the GTTPP, the Software remains with the customer until collected by Pilz. PILZ PL is not obliged to bear the costs of storing such Software for a period necessary to collect the Software without undue delay. In the case referred to in the first sentence of this section (9.8), the damages will be limited to the difference between the Software purchase price and the actual value of defective Software. If the repair was effected by a third party with the consent of PILZ PL granted in writing on pain of invalidity, the damages will be limited to the difference between the Software purchase price increased by the remuneration paid to the third party and the actual value of the defective Software less any expenditures and outlays spared by PILZ GM. If the Software has defects resulting from using software other than recommended by PILZ PL and/or PILZ GM, neither PILZ PL nor PILZ GM is in any way liable for such defects.

9.9.

The descriptions of Program Products published by PILZ PL or PILZ GM do not contain any details concerning the structure of the Program Product. No public statements, promotions or advertisements of the Program Product may be considered to describe Product structure details. The properties of the Program Product, in particular technical specifications and parameters, may vary and will not be considered guaranteed in the agreement, unless previously expressly confirmed as binding by PILZ PL or PILZ GM in writing on pain of invalidity.

9.10.

If the customer receives incomplete Program Product installation or operating instructions, PILZ PL will be obliged only to deliver complete Program Product installation or operating instructions, and only when the incompleteness of the Program Product installation or operating instructions could hinder the proper installation or disrupt the proper functioning of the Program Product.

9.11.

The warranty expires when the customer fails to notify PILZ PL about obvious faults within two weeks from the date of accepting the Software 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. The report must contain detailed information on the kind of defect and the time and circumstances in which it manifested. PILZ PL is not liable for legal defects. It is the obligation of the customer to prove that the faults are reported by the deadlines referred to in this section (9.12). The customer is also obliged to prove that it did not undertake any actions in order to repair the fault on its own.

9.12.

PILZ PL and PILZ GM do not grant to the Customer any additional legal warranties and are not liable under statutory warranty.

10. LIMITATION OF LIABILITY

10.1.

The limitation of respectively PILZ PL or PILZ GM is in each case limited to the average level of direct loss which can be expected for a Software of that kind and the agreement typical for it, and PILZ PL is in no case liable for legal defects. The above applies also when PILZ PL employs its staff, employees, associates or agents to perform the agreement. In such case, PILZ PL is liable for their acts as for its own acts.

10.2.

PILZ GM and PILZ PL are 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 customer, when the customer was aware of the defect upon purchasing the Software, when the customer failed to comply with the operating instructions while using the Software, when the Software is not compliant with individual specifications submitted by the customer, when the customer selected Software functions or its own, when the customer used the Product contrary to its purpose, when the Software was installed in an improper location or manner, when the faults are minor or the breach of the provisions of the agreement, including the GTTPP, is not essential, or when the customer is at fault. The burden of proof that circumstances excluding the liability of PILZ GM and/or PILZ PL did not take place rests with the customer.

10.3.

All other claims against PILZ PL or PILZ GM that are not mentioned in the following provisions of this section are excluded. Specifically, PILZ PL and PILZ GM are not liable for damage not caused directly by Software actually delivered, and in particular PILZ PL and PILZ GM will not be liable for lost profits or damage to any other assets belonging to the customer or a third party, including products produced as a result of using the Software.

10.4.

If PILZ PL breaches essential provisions of an agreement, the liability of PILZ PL for paying damages in case of property loss will be limited to the amount of PILZ PL's third party liability, unless the breach is the result of wilful misconduct or gross negligence of PILZ PL. PILZ PL will make available its insurance policy on request of the customer.

10.5.

The liability of PILZ PL and PILZ GM is excluded in general if the customer or a third party used or included in the Software components other than provided or recommended by PILZ PL or PILZ GM. The customer bears the burden of proof that such modification did not cause a fault of the delivered Software. PILZ PL and PILZ GM are not liable for any installation or other works related to the Software which were undertaken by the customer on its own. Proving that installation was performed correctly is an obligation of the customer.

10.6.

All trademarks and other similar designations, whether registered or not, found in the Program Product, are subject to protection.

11. CUSTOMER OBLIGATIONS

11.1.

The Software may be used solely by specialist and suitably trained staff, and such staff is exclusively entitled to select and use data related to or included in the Software. The Software is merely a tool meant for a particular purpose. The liability for using and operating the Software rests with the customer. PILZ can only offer technical guidance.

11.2.

The customer is obliged to take suitable precautions against any Software malfunctions, in particular when the Software is not working properly in whole or in part. The customer is obliged to carefully test the Software before using it for operating purposes, in order to guarantee that it meets its intended purpose. The customer should also safeguard its data according to the actual state of knowledge and applicable provisions of law. The customer is obliged to ensure that current data can be reproduced/copied without excessive effort in a form ready for immediate use, including reading as machine data sets.

11.3.

The customer will take all suitable measures, in particular those imposed by applicable law and applied to similar products, in order to safeguard the Software against unauthorised access by third persons.

12. LICENSE FEES / OTHER COSTS

12.1.

In addition to catalogue prices stated by PILZ PL, PILZ PL bills separate fees for: - Support during software installation or operation, - Support in analysing and removing defects, including faults caused by improper activities or other circumstances which PILZ is not liable for pursuant to the GTTPP.

12.2.

Except as otherwise agreed between the parties, the prices named by PILZ PL do not include the applicable VAT rate.

13. TERMS OF PAYMENT / ORDER CANCELLATION

13.1.

Rebates will be offered only when expressly provided for in the offer or when included in a written agreement between the parties.

13.2.

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 30 calendar days from the date of issuing the VAT invoice. If the customer defaults on timely payment, PILZ PL will be entitled to demand the payment of statutory interest on overdue amounts. PILZ PL reserves the right to seek damages in excess of the amount due to PILZ PL according to the provisions of the preceding sentence.

13.3.

If an order is cancelled by the customer, PILZ PL 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.

13.4.

Regardless of the rights provided for in the GTTPP, PILZ PL will be entitled to withdraw from the agreement once it has requested the customer to collect the Products and granted a grace period, within 10 business days from the deadline set by PILZ PL, and will also be entitled to deliver the Program Product to the customer at the cost and risk of the latter.

14. SPECIAL RIGHT TO TERMINATE BY NOTICE / EMBARGO LEGISLATION / UE ANTI-TERRORIST LEGISLATION

14.1.

Insofar as the provisions of an agreement between PILZ PL and the customer may violate existing domestic and international legislation (such as foreign trade legislation, export and embargo legislation of the EU and other countries, in particular the USA, and EU anti-terrorist legislation), PILZ PL will be entitled to terminate the agreement with immediate effect.

14.2.

In such case, the customer will not be entitled to damages.

14.3.

The customer is obliged to be familiar with any essential legislation that might prevent PILZ PL from performing the agreement.

15. FINAL PROVISIONS

15.1.

The parties to the agreement will be obliged to maintain as confidential any business and trade secrets disclosed to them by the other party or learned during performance of the agreement, including all information marked as confidential.

15.2.

The customer is hereby notified that PILZ PL will collect, store and process its data to the extent necessary to perform the agreement and on the basis of applicable data protection legislation, and that such data may be shared with third parties if required, in particular due to mandatory provisions of law.

15.3.

PILZ PL will be entitled to make changes to the GTTPP.

15.4.

PILZ GM is entitled to assign its rights and obligations under an agreement to one or more third parties. When rights and obligations under an agreement are transferred, the customer will be entitled to terminate the license agreement for cause with immediate effect and without observing a notice period.

15.5.

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

15.6.

The Parties agree that all disputes between PILZ PL and the customer related to the interpretation or performance of the sale or delivery agreement and the GTTPP 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 PL.

15.7.

For the avoidance of doubt, the Parties agree that if any of the provisions of the GTTPP becomes null and void or has another legal defect, this will not affect the other provisions of the GTTPP. 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.

15.8.

Any additional agreements bind PILZ PL only if confirmed by PILZ PL in writing on pain of invalidity.