

## General Terms and Conditions of Supply

### 1. General

1.1. For all contractual relations, for the supply of products as well as for provisions of services of any kind, between Company and Customer the following General Terms and Conditions of Supply (hereinafter referred to as the "Terms and Conditions") shall apply exclusively.

1.2. These Terms and Conditions apply to and form an integral part of all quotations and offers made by the Company, all acceptances, acknowledgements and confirmations by the Company of any orders by Customer and any agreements regarding the sale by Company and purchase by Customer of Products, unless and to the extent the Company explicitly agrees otherwise.

1.3. In these Terms and Conditions the following words and phrases shall have the meanings respectively set against them:

1.3.1. "**Company**" – means Phoenix Contact UAB, code 300082388, seated at Švitrigailos str. 11, Vilnius, Lithuania;

1.3.2. "**Customer**" – means an entity that orders and buys Products or Product lines from the Company;

1.3.3. "**Products**" – means items specified in Phoenix Contact product catalogues, with the provision that these items may be added to or deleted at the discretion of the Company.

1.4. These Terms and Conditions apply to and form an integral part of all quotations and offers made by the Company, all acceptances, acknowledgements and confirmations by the Company of any orders by Customer and any agreements ("Agreements") regarding the sale by Company and purchase by Customer of Products, unless and to the extent the Company explicitly agrees otherwise.

### 2. Placing of orders

2.1. All shipments and supply of Products shall be subject to the Customer's order accepted by the Company. Orders can be placed via fax and e-mail or via electronic data interchange. Verbal orders will not be accepted.

2.2. The order submitted by instantaneous means of communication (fax or e-mail) shall contain the properties of Customer (name, code, address, VAT payer code), range and quantity of products being ordered and preferred delivery time, taking into account the general delivery terms stipulated in these Terms and Conditions. In case the order is placed via electronic data interchange the Customer must provide the Company with the data as requested in electronic data interchange system.

2.3. The Company undertakes to confirm placed order within 24 (twenty four) hours upon its placement issuing a written order acknowledgment. No order placed by the Customer shall be deemed to be accepted by the Company until an acknowledgement is provided to the Customer via instantaneous means of communication.

2.4. The Company is entitled to refuse to accept the placed order if it does not contain the data set forth in clause 2.2 or does not meet the provisions of Terms and Conditions. The Company also is entitled to refuse to accept the placed order or require for security of Customer's obligations if there is a reasonable ground to believe that the placed order does not comply with the financial capacity of the Customer and the Customer will not be able to meet its monetary obligations to the Company.

2.5. Amendments or cancelation of accepted order will be solely at the discretion of the Company.

2.6. The Customer must immediately but not later than within 12 (twelve) hours from the order acceptance to notify the Company if there are any discrepancies in the order acknowledgment issued by the Company. If the Customer during the period referred to in this clause does not inform the Company it shall be deemed that the Customer agrees to the order acknowledgement and Products are ordered under the conditions specified therein.

### **3. Delivery and quantities**

3.1. Products shall be delivered to the Customer, unless otherwise specified in the order acknowledgement. The delivery address will be indicated in respective order acknowledgement. Products transportation costs and other costs related to delivery of Products shall be reimbursed by the Customer in accordance with the valid prices approved by the Company.

3.2. Shipments will be made by the Company within 14 (fourteen) from the date of the acceptance of order unless otherwise specified in the order acknowledgement.

3.3. The Company reserves the right to select its own appropriate carrier. All requests for a special carrier nominated by the Customer are at the sole discretion of the Company and may incur additional charges.

3.4. The quantity of ordered Products shall be not less than the minimum quantity determined by the Company or its supplier.

3.5. All orders will be dispatched in standard minimum order quantities as detailed within the current associated Product catalogue.

3.6. The transfer-acceptance of the Products to the Customer shall be executed by the signing of the bill of lading for transportation of Products. The customer shall be obliged to inspect the Products delivered on the moment of their transfer-acceptance to the Customer and in case of any discrepancies in the quantity or assortment of the ordered Products as well as damages of the Products or their packages shall indicate this in the bill of lading for transportation of Products and notify the Company within 3 (three) working days from the date of the transfer of Products to the Customer.

3.7. The risk of accidental perishes or damage of Products shall pass to the Customer from the moment of transfer of Products. The ownership to the Products shall pass to Customer upon payment in full of the purchase price of ordered Products.

### **4. Pricing and payment terms**

4.1. All prices are subject to the confirmation of the order. The prices of ordered products will be indicated in the order acknowledgement and invoice. All prices are quoted ex works, without valued added tax. If the value of the ordered Products is less than the minimum value, determined by the Company, the Company is entitled to an additional fixed administrative fee.

4.2. The costs for transportation and delivery of products shall be calculated under the Company's price list valid at the day of acceptance of the order, unless otherwise specified in the order acknowledgement.

4.3. A credit limit may be granted to the Customer under the Customer's request and at the sole discretion of the Company. The Company shall be entitled to change the amount or to revoke the credit limit granted to the Customer unilaterally at any time.

4.4. Payments of the Product Price are due in euros.

4.5. Payment terms are set up in the order acknowledgement. If special terms of payment are not specified in order acknowledgement, the general payment term – 14 (fourteen) days from the day of the issue of the invoice for the Products – is valid.

4.6. If Customer delays payment Company shall be entitled to charge default interest amounting to 0,05 % of the late payment for each day in delay.

4.7. Payments shall first be used by Company to clear older debts of Customer. In the event that interest has already been incurred the Company shall be entitled to set-off the payments, first with the interest and finally with the principal claim.

4.8. If the Customer delays to pay for the Products delivered or exceeds the credit limit, were the credit limit has been granted, the Company may suspend acceptance of new orders or refuse performance of the orders have already been accepted.

## **5. Warranties and liability**

5.1. The Company shall ensure that the quality of Products will meet the standards declared by the manufacturer and quality certificates and have no hidden defects.

5.2. The warranty of quality of Products is valid for a period of 12 (twelve) months if the manufacturer does not determine other period for quality warranty of Products. The period of warranty shall start to run from the moment of transfer of the Products to the Customer. All claims of the Customer concerning the quality of Products shall be filed within time period of warranty of quality and no later than within 5 (five) days from the date of the defects establishment.

5.3. The Company shall be entitled to refuse to consider the claim of the Customer and the Customer has no right to require Company to carry out the performance of the obligations related to the quality, quantity and assortment of the Products in following cases:

5.3.1. Customer does not indicate the discrepancies of amount, assortment and other visible defects of the Products delivered in the bill of lading for transportation;

5.3.2. Customer fails to file the claim to the Company within the time period of warranty of quality and (or) within the terms specified in clauses 3.6 and 5.2.

5.3.3. Customer uses the Products not according to the designation of the Products;

5.3.4. Customer fails to comply with instructions and other technical documents of the Products as well as legislation the Republic of Lithuania applicable to the use of Products;

5.3.5. The Products are stored improperly;

5.3.6. The Products has been repaired by the Customer or third persons without the consent of the Company.

5.4. If claims of the Customer are found to be reasonable the Customer shall be entitled to demand the Company: (1) to deliver missing or inadequate assortment products; (2) to eliminate the defects within a reasonable time and if these defects may not be eliminated – to replace the Products by the Products of satisfactory quality.

5.5. Company shall not be liable for any lost profits, lost savings, loss of reputation, loss of goodwill, indirect, incidental, punitive, special or consequential damages arising out of or in connection with these Terms and Conditions or the sale of any Products or services by Company or the use thereof whether or not such damages are based on tort, warranty, agreement or these Terms and Conditions.

## **6. Force Majeure**

6.1. Company shall not be liable for any failure or delay in performance if:

6.1.1. such failure or delay results from interruptions in the Product manufacturing process;

6.1.2. such failure or delay is caused by Force Majeure as defined by law.

6.2. In case of such a failure as set forth above, the performance of the relevant part(s) of these Terms and Conditions will be suspended for the period such failure continues, without Company being responsible or liable to Customer for any damage resulting therefrom.

6.3. In the event that the circumstances set forth in clause 6.1 extends for a period of three (3) consecutive months, Company shall be entitled to cancel all or any part of the performance of its obligation without any liability towards Customer.

## **7. Miscellaneous**

7.1. Customer acknowledges that all technical, commercial and financial data disclosed to Customer by Company and/or its affiliates is the confidential information of Company and/or its affiliates. Customer shall not disclose any such confidential information to any third party and shall not use any such confidential information for any purpose other than as agreed by the parties and in conformance with the purchase transaction contemplated herein.

7.2. All offers, confirmations and these Terms and Conditions are governed by and construed in accordance with the laws of the Republic of Lithuania.

7.3. The Company may amend or supplement these Terms and Conditions unilaterally from time to time. The Company shall inform the Customer about the changes of these Terms and Conditions and they shall come into force from the receipt of this notification unless otherwise is specified in the notification of the Company or in Terms and Conditions. If there is no written agreement between the Customer and the Client concluded the Company has no obligation to provide the Client with mentioned notification and for the relations between such Customer and Client the version of Terms and Conditions, which was placed on the internet site of Company on the day of acceptance of the order, shall apply.