

GENERAL DELIVERY TERMS AND CONDITIONS OF ABB, s.r.o. FOR THE PRODUCT DELIVERY AGREEMENT

1. Introduction

1.1 These General Delivery Terms and Conditions (hereinafter "GDTC") constitute an integral part of the price quotation of ABB, s.r.o. (hereinafter "quotation") and of the product delivery agreement (hereinafter "agreement") concluded between the ABB, s.r.o. company (hereinafter "ABB") and their customer (hereinafter "the Customer").

1.2 Any deviations from these GDTC are permitted only if expressly stipulated in the agreement. In the event of contradictions, provisions of the agreement shall prevail.

2. Conclusion of the Agreement

2.1 Upon the receipt of a quotation request from the Customer, ABB submits a written quotation to the Customer as a base for agreement conclusion, unless the Customer requests the submission of an agreement proposal.

2.2 In the event that ABB specifies a quotation acceptance period in their written quotation and the Customer accepts the quotation within such period, ABB submits a binding agreement proposal to the Customer within 15 days upon the receipt of a written quotation acceptance from the Customer at the latest.

2.3 The agreement is deemed to be concluded as of the date of its signing by both parties, or as of the date of delivery of a written Customer order confirmation, in which ABB confirms without reservation the full order, which includes a comprehensive technical specification, and which ABB sends to the Customer within the period specified by the Customer in their order. If implied by the contents of the Customer order, or the common practice between ABB and the Customer, or business customs, ABB may express their acceptance of the Customer order by delivering the ordered product without any special notice to the Customer. In such an event, the agreement is concluded at the moment when the product is delivered, providing the product is delivered prior to the order acceptance cut-off date. A receipt of an order containing any amendments, objections, limitations and other modifications is regarded as a rejection of the original quotation and thus a new proposal.

3. Drawings and Documentation

3.1 Weight and size data, performance parameters, prices and other information provided in ABB's catalogues and price lists are only guiding information and are not binding. Information expressly quoted in an offer or the agreement is binding.

3.2 Drawings and technical documentation submitted by ABB to the Customer prior to, or after the conclusion of the agreement and used in the actual production, assembly and installation of the piece of equipment (or its part), whose production, assembly, installation, or repair constitutes the object of agreement, remain the exclusive property of ABB, unless:

A, agreed otherwise between the parties;

B, these relate to a separate previous agreement, based on which an actual piece of equipment was constructed and no property rights of ABB were reserved.

The Customer is not entitled to use, copy, reproduce, or make these materials available to third parties without ABB's consent. The end-user of a delivery is not regarded as a third party.

3.3 Drawings and technical documentation submitted by the Customer to ABB prior to, or after the conclusion of the agreement and used in the actual production, assembly and installation of a piece of equipment (hereinafter the product) or its part remain the exclusive property of the Customer. ABB is not entitled to use, copy, reproduce, or make these materials available to third parties without Customer's consent.

3.4 If stipulated in the agreement, at the beginning of the guarantee period, ABB shall provide information and drawings (with the exception of production related drawings) containing sufficient details for Customer's operation and maintenance of the product, or its part, or, as the case may be, its installation. Such information and documentation constitute Customer's property and the restrictions under art. 3.2 do not apply. If a limitation

clause by ABB is stipulated in the agreement, the Customer is obliged to maintain the confidentiality of this information in relation to third parties.

4. Delivery Period

4.1 If the delivery period is specified in calendar days, weeks, months or years, such period commences upon the earliest of the following:

A, upon the agreement signing date or the date of delivery of the written Customer order confirmation under art. 2.3 hereof containing Customer's exact specification of the ordered product and all other business-delivery terms (i.e. delivery date and place, product price and other conditions), or the delivery date of the ordered product pursuant to art. 2.3 hereof.

B, upon the date of Customer's performance of all official formalities (e.g. export licence) required and obtaining of all product approvals and guarantees required.

C, upon the date of receipt by ABB of a clarified technical product specification from the Customer, providing the submission of such specification is stipulated in the written agreement.

D, upon the transfer of an advance payment stipulated in the written agreement from the Customer to ABB's bank account.

4.2 If a specific delivery date is stipulated in the agreement and the Customer is in default in the performance of their obligations under the agreement, the delivery period is extended by the number of working days of Customer's default.

4.3 If any of the events under art. 14 occurs, i.e. a force majeure event, or the delivery of the finished product by ABB is delayed due to actions or delay by the Customer, the delivery period is extended by the respective period.

4.4 If ABB fails to deliver the product to the Customer within the agreed delivery period, or an additional delivery period, the Customer is entitled to claim contractual penalty from ABB. This entitlement does not arise in an event under art. 4.3 hereof, or if the Customer receives a substitute product from ABB, delivered on an agreed alternative delivery date. The maximum amount of contractual penalty is equal to 0.5% of the price of the delayed product part for every complete week and 5% of the price of the delayed product part at the most. In the event that ABB fails to deliver the product within an additional delivery period provided by the Customer for reasons, for which ABB is liable, the Customer is entitled to terminate the agreement.

4.5 In the event that the Customer does not accept the agreed and delivered product from ABB on the agreed delivery date, the Customer is still obliged to fulfil their payment obligation, as if the product were duly delivered. ABB arranges for the storage of such product not accepted by the Customer at the expense and risk of the Customer. Upon Customer's request, ABB is obliged to insure such product at the expense of the Customer.

5. Delivery Terms

5.1 The product is deemed to be delivered upon its handover to the Customer in the agreed place of delivery.

5.2 If no place of delivery is specified in the agreement and the agreement stipulates the obligation of ABB to transport the product to the Customer, the product delivery is deemed to be completed upon the handover of the product to the first carrier designated to deliver the product to the destination. In such an event, transport packaging of the product is included in the product price.

5.3 Prices stipulated in the agreement include all transport, conveyance, customs and insurance expenses associated with the shipment of the product, unless specified otherwise in the agreement.

5.4 If the agreement specifies neither the place of handover, nor the obligation of ABB, as the producer, to ship the product, the product handover shall be conducted in the place, in which the product is produced in accordance with the agreement, and if such place is not specified in the agreement, the handover shall be conducted in such place of production of ABB, which is known to the Customer or must be known to the Customer at the time of the agreement conclusion. In instances, to which the

abovementioned does not apply, the product handover shall be conducted in the premises of ABB's head office, or offices, or branch office, providing the Customer has been notified of such place in advance. If a product handover from ABB to the Customer is agreed in a place other than Customer's head office, or offices, or branch office and the Customer does not accept the product delivered on the agreed date, ABB shall charge the Customer storage fee equal to the actual storage expenses incurred after the agreed handover date. If the storage period exceeds 20 working days, ABB is entitled to charge the storage fee continuously, always upon the end of every calendar month. If advance payment of the product price is stipulated in the agreement and the product cannot be delivered to the Customer due to their failure to meet this payment obligation, such circumstance is regarded as storage of the product under the previous sentence, for which the Customer is liable, and ABB is entitled to charge the Customer the above storage fee. If this storage period exceeds 20 working days and ABB decide to charge the storage fee, the storage fee shall be invoiced at the end of the storage period, or at the end of a calendar year at the latest.

5.5 If the delay in acceptance of the product is due to any of the events under art. 14 (Force Majeure) hereof and if ABB can store the product on their premises without any effect on their operations, the Customer will not be charged any storage fee.

5.6 If the Customer fails to fulfil their financial obligations relating to their previous valid business transactions with ABB, ABB is entitled to delay the product delivery to the Customer until the full settlement of such previous financial obligations towards ABB by the Customer, of which the Customer must be notified in writing in advance.

6. Payment Terms

6.1 An invoice issued by ABB and delivered to the Customer constitutes the basis for payment. ABB undertakes to submit all invoices issued to the Customer as a set of one original and one copy.

Unless stipulated otherwise in the agreement, standard ABB invoicing and payment terms for the Customer are as follows:

ABB is entitled to issue to the Customer an advance payment invoice (as advance payment for the product) for 30 % of the total product price (including VAT) within 7 calendar days upon the signing of the agreement (order). Such advance payment invoice is due within 7 days upon its issue. On the basis of a received payment, ABB issues to the Customer an invoice for the payment received in compliance with the valid VAT Act. The date of crediting of funds to seller's bank account is regarded as the date of payment receipt.

-ABB is entitled to issue to the Customer an invoice for 70% of the total product price (including VAT) within the term specified by the VAT Act upon the signing of the product handover protocol by the parties. Such invoice is due within 30 days upon the issue date. The advance payment transferred to ABB's bank account shall be set off against the invoiced sum. The Customer shall be liable to pay the difference between the advance payment received and the invoiced price.

-ABB is entitled to issue to the Customer an invoice for 30% of the total product price (including VAT) within the term specified by the valid VAT Act upon the signing of the final product handover protocol by the parties after the handover of the complete product. The invoice is due within 30 days upon the issue date.

6.2 Unless stipulated otherwise in the agreement, ABB shall issue an invoice (tax document) for the total product price within 15 days upon the product's installation at the latest.

7. Product Testing and Handover

7.1 If according to the agreement, due delivery of the product should include a testing certificate, the product is deemed to be duly delivered only after the agreed testing has been completed. ABB is obliged to invite the Customer to such testing in advance. The product undergoes testing compliant to the valid legislation, binding technical norms and ABB's internal directives. Any different scope of testing and the method of reimbursement for the associated expenses must be stipulated in the agreement in advance. Customer's absence in testing, to which the Customer has been invited in advance, does not hinder the conduct of such testing. The testing results are recorded in a protocol signed by both parties. If the Customer is absent, the protocol is signed by a credible independent party present in the testing on Customer's behalf.

7.2 In the event that no product testing is conducted, because it is not required by the agreement, the Customer is obliged to examine and test the product within a reasonable period upon its acceptance from ABB and within 15 days at the latest, and notify ABB of any product defects established. If the Customer fails to do so within 15 days upon the acceptance of the product from ABB, the product is deemed to be duly delivered without any

defects. ABB shall rectify all defects duly reported in a timely manner without delay, providing the Customer yields the necessary cooperation.

7.3 The conduct of handover testing in the premises of ABB or the Customer must be stipulated in the agreement in advance.

8 Bringing the Product into Operation

If bringing the product into operation constitutes a part of the product delivery by ABB, the following conditions must be satisfied:

8.1 The Customer shall inform ABB that the product site is ready for ABB employees to bring the product into operation at least 30 calendar days prior to the required date.

8.2 Prior to the start of the process by ABB employees, all necessary preparation and pre-installation work must be completed and all linked elements and joints between the pieces of equipment supplied by ABB – the product and Customer's original equipment must be connected and tested, in particular all signals between protections and protected pieces of equipment or processes.

8.3 Prior to the start of the process by ABB employees, all calculations and parameter settings performed by the Customer must be finished.

8.4 The Customer shall guarantee 24-hour access of ABB employees to the product delivered throughout the entire process. In the event that any consent or approval by the owner, user, or operator of the equipment is required for these processes, such consent or approval must be issued and submitted to ABB's authorised employee before the start of the processes requiring such consent or approval at the latest (for instance the "B order", work order for work with open fire, work order for work with explosives, etc.). The Customer shall obtain these documents upon ABB's request. The Customer shall arrange for any health and fire safety training for ABB employees required for the work in Customer's premises.

8.5 The Customer is obliged to provide a person with good knowledge of the product installation site to ABB employees, who can assist ABB employees throughout the entire process of bringing the product into operation, free of charge.

8.6 Upon request, the Customer is obliged to provide ABB employees with adequate lockable premises for the purpose of storing their belongings, in particular their tools and devices, as well as access to telephone, fax and bathrooms free of charge.

8.7 In addition to the agreed price, ABB is entitled to charge the Customer any idle time of ABB employees, for which they are not liable. Idle time of ABB employees is understood as any interruptions requested by the Customer, or caused by any third party recorded in the installation log. Idle time of ABB employees shall be charged to the Customer always, if it exceeds 2 hours upon the time of record of an interruption, with the exception of instances when such record includes consent of ABB for their employees to leave the installation site.

9 Transfer of Risk and Title

9.1 If production of the product by ABB for the Customer constitutes the object of agreement, risk and title to the product belong to ABB. Risk and title to the Product are transferred from ABB to the Customer at the moment, when the Customer accepts the product, or its parts delivered separately, from ABB, or if the Customer fails to do so in a timely manner, risk and title are transferred at the moment when ABB grant the Customer the right of disposal over the product or its individual parts and the Customer breaches the agreement by not accepting the product or its parts.

9.2 Title to the product is transferred to the Customer at the moment of payment of the total product price. If partial product price payments are stipulated in the agreement, title to such parts of the product is transferred to the Customer upon the date of payment of the product price portions corresponding to these parts.

9.3 If maintenance, repair or modification of Customer's product constitutes the object of agreement, neither risk nor title to such product subject to maintenance, repair or modification is transferred to ABB.

9.4 The Customer is obliged to maintain and secure, at own expense, against loss, theft, fire, water and other risk any product undergoing installation or product being brought into operation, which is still the property of ABB. The Customer is obliged to take all necessary measures to maintain the defect-free condition of the product until the time of its handover to the Customer, as well as during the guarantee period.

10. Product Quality Guarantee

10.1 ABB provides 12-month guarantee for the product supplied to the Customer, which commences on the date of product handover, or if a repair, modification, installation or maintenance constitutes the object of agreement, guarantee commences on the date of bringing the product (subject to repair, modification, installation or maintenance by ABB) into operation.

- 10.2 The Customer is obliged to notify ABB in writing of any product defects established without undue delay and to yield cooperation to ABB necessary for the rectification of such defects. The Customer is obliged to enclose the following documents and information to any written guarantee claims to ABB regarding the product supplied, including any guarantee repair requests: a copy of the product handover protocol, or the delivery note, on the basis of which the product was handed over to the Customer, a clear and exact description of the defect claimed. In the event that the Customer fails to fulfil the above obligations towards ABB, in particular if the Customer fails to submit the required documents to ABB, the Customer has no entitlement to free rectification of the defect claimed.
- 10.3 The same guarantee conditions, as those applying to the product delivered, apply to new product parts installed in place of any defect parts and guarantee for these replacement product parts commences on the date of their acceptance by the Customer.
- 10.4 ABB is not liable for any defects, to which product quality guarantee applies, if such defects occur after the transfer of risk and are caused by external factors, rather than ABB, or persons authorised by ABB to fulfil ABB's obligations. Product quality guarantee does not apply to product defects caused by unprofessional handling by the Customer, or a third party, or if the Customer fails to take the necessary measures to limit effects of a failure and does not facilitate the rectification of such failure by ABB.
- 10.5 On the basis of an accepted written Customer guarantee claim, ABB is obliged to rectify the product defect claimed, so that the product satisfies all the conditions agreed. Any defective parts removed become the property of ABB.
- 10.6 Product quality guarantee does not apply to defects caused by the use of unsuitable materials, unfit construction, or incomplete structure, such as defects caused by normal wear and tear, improper maintenance, failure to follow the operating instructions, chemical and electrolytic activity, and building and installation work of persons other than ABB.
- 10.7 Product characteristics guaranteed by ABB are specified in product's technical specification. The product quality guarantee provided by ABB is effective until the expiry of the guarantee period at the latest.
- 11. Liability for Damage**
- 11.1 Upon the product handover to the Customer, ABB is not liable for any damage to the product caused by its improper storing, improper connection, internal factors (effects of excessive power), unprofessional installation, incorrect sequencing, or improper maintenance. ABB is also not liable for any product defects caused by the use of a product handed over to ABB by the Customer for treatment, if ABB could not establish the unfitness of such product for use despite exercising due professional care, or if ABB notifies the Client of such product's defects, but the Client insists on using the Product. ABB is also not liable for any product defects caused by following incorrect instructions given to the Customer, if ABB notifies the Client of their incorrectness and the Client insists on following the incorrect instructions, or if ABB could not establish the incorrectness of such instructions despite exercising due professional care.
- 12. Compensation for Damage**
- 12.1 ABB undertakes to compensate the Customer for damage, which the Customer documents in writing and reports to ABB without undue delay after establishing such damage with the amount below. After a thorough analysis of potential effects of one or multiple cases of breach of ABB's obligations under the agreement, the parties agree that the total of compensation for damage payable by ABB to the Customer pursuant to art. 379 of the Commercial Code cannot exceed 10% of the product part, which caused damage to the Customer, in any one case and at the same time cannot exceed 10% of the total product price.
- 12.2 The Customer is not entitled to compensation for any damage other than damage incurred on the supplied product, hence the Customer is not entitled to compensation for damage, such as suspended production, lost orders or lost profit. This limitation does not apply in the event of malicious intent or serious negligence by ABB.
- 13. Further Exclusions**
- 13.1 Any compensation for damage, discounts, termination and annulment of the agreement not expressly stipulated herein and in the agreement is excluded.
- 14. Force Majeure**
- 14.1 The following circumstances excluding the liability of the obliged party, which are understood as hindrances emerging after the agreement conclusion independent from the obliged party's will and hindering the fulfilment of this party's obligations, are

regarded as force majeure events: strike, epidemic, natural disaster, mobilisation, war, revolt, confiscation of goods, embargo, ban on currency transfers, faults and general lack of transport vehicles, general lack of input materials and raw materials, power supply regulation, for which the affected party is not liable. The party affected by force majeure is obliged to notify the other party without delay and take all available measures to limit the effects of potential failure to fulfil the agreement.

15. Agreement Termination

- 15.1 The Customer is entitled to terminate the agreement in writing upon paying the contractual penalty amounting to 12% of the agreed product price and all documented expenses incurred by ABB in relation to the fulfilment of the agreement until the moment of termination (i.e. ABB's expenses for work in progress required for the completion of the product) to ABB's bank account. In such an event, the agreement is terminated at the moment of payment of the above contractual penalty and all ABB's expenses for any work in progress.
- 15.2 In the event that advance payment has been provided by the Customer, such advance payment shall be set off against the contractual penalty under article 15.1 hereof.

16. Special Provisions

- 16.1 In the event of any change in customs tariffs, or in the event of introduction of any new import levies by the authorities of the SR, ABB is entitled to adjust the agreed product price accordingly.
- 16.2 All provisions of the agreement must be regarded as separate and severable provisions and the invalidity or unenforceability of any of these provisions does not render the other provisions of the agreement invalid or unenforceable. In the event that any provision of the agreement is declared invalid or unenforceable by the court, the Customer and ABB shall comply with and fulfil the other provisions declared valid and enforceable by the court. In the event that ABB and the Customer identify any provision of the agreement as invalid or unenforceable, the parties shall replace such provision by a new valid provision in accord with law and with the closest possible economic effect to the intended effect of the replaced provision.

17. Governing Law

- 17.1 Any disputes arising in relation to the agreement shall be governed by the law of the Slovak Republic.

18. Business Ethics

The Customer undertakes not to provide, directly or indirectly, any payments, gifts or other benefits to their customers, officials, public or local administration employees, or any representatives, managers or employees of ABB, or any third party contrary to law. The abovementioned laws expressly include the US Foreign Corrupt Practices Act and the OECD Convention Combating Bribery of Foreign Officials adopted by OECD member states and signatories. The Customer also declares that they are not aware of any third party performing the activity under the previous sentence in relation to the agreement. Furthermore, the Customer undertakes to comply with all laws, regulations, directives, and similar rules regarding bribery and corruption. ABB is not bound by any provisions of the agreement to compensate for expenses associated with any benefits under the previous paragraph pledged or provided.

A breach by the Customer of any of the undertakings and declarations stipulated in the previous paragraphs of this article shall be regarded as a serious breach of agreement and ABB shall be entitled to terminate the agreement. The Customer undertakes to compensate ABB for any damage incurred by ABB as a consequence of Customer's breach of the above undertakings and the resulting termination of the agreement. The Customer hereby confirms that they have received ABB's Ethical Code, or they have been informed that this Ethical Code can be found on ABB's website www.abb.sk. The Customer undertakes to fulfil the agreement in compliance with ABB's Ethical Code.

ABB has set up a "Partner Business Ethics Hot-Line", where the Customer and their employees may report any breach of law or ABB's Ethical Code, namely on +41 43 317 33 67, or electronically on the website www.abb.com/ethics.

19. Final Provisions

- 19.1 Unless stipulated otherwise in the agreement or herein, all relations arising from the agreement are governed by the relevant provisions of the version of the Commercial Code no. 513/1991 Coll. valid as of the date of signing of the agreement.
- 19.2 These General Delivery Terms and Conditions of ABB, s.r.o. for the Product Delivery Agreement become valid and effective on 01/01/2011.