

## **General Terms and Conditions of Sale and Delivery**

### **1. General**

The General Terms and Conditions of Sale and Delivery below apply to transactions of Baumer Inspection GmbH, D-Konstanz. In the following the company is referred to collectively and separately as Baumer.

### **2. Conclusion of Contract**

The contract for delivery shall be deemed concluded if and when Baumer performs the delivery or declares acceptance of the order by dispatching an order confirmation. Baumer's performance of the delivery shall not be interpreted as acceptance of any deviating terms and conditions of the buyer. Baumer views the acceptance of the ordered services by the buyer as retroactive acceptance of the terms and conditions of sale and delivery set forth herein, even if and when the buyer has expressly raised objection previously or has made reference to deviating terms and conditions in its order.

### **3. Offers**

Any offers submitted by Baumer remain effective for a period of thirty (90) days after the date of issue, provided that no other period of validity is expressly stated in the offer.

### **4. Prices**

Unless otherwise noted, prices are shown net ex works (Ex Works, EXW Incoterms® 2010), excluding packaging and any applicable statutory value-added tax, which shall be borne by the buyer. Any and all customs duties, taxes, and levies, regardless of their nature, which are levied on the sales transaction outside of the seller's country shall be borne by the buyer. If and when Baumer has been obligated to pay any such levies, the buyer shall reimburse Baumer for such expenditures upon Baumer's submission of the relevant records. Unless otherwise agreed and set forth accordingly in the order confirmation, the buyer shall bear any and all bank charges which may be incurred with respect to letters of credit, bank guarantees, debt collections, redemption of documents, required stamps for bills of exchange, etc. Baumer reserves the right to charge a processing fee for invoices with a value of less than 150.00EUR.

### **5. Delivery Period**

The delivery period begins upon Baumer's dispatch of the written confirmation, provided that all of the technical details have been clarified. A delivery period or date is binding solely if and when the buyer fulfills in due time all of its obligations such as advance payment, the opening of any required letters of credit, and verification of the issue of any and all official permits. If and when a delay in delivery periods is a consequence of force majeure such as mobilization, war, acts of terrorism, civil unrest, or similar events (e.g., strike, lock-out); third-party attacks on the Baumer IT system (e.g., viruses); hindrances resulting from provisions of foreign trade law (e.g., embargo); delayed or improper deliveries to Baumer; or other circumstances for which Baumer is not accountable, the delivery periods shall be extended by a reasonable length. The buyer does not have a right of cancellation in such cases. If and when the buyer is in default of payment, Baumer may postpone performance of its obligations until receipt of the outstanding payment and may request return of any items which have been delivered. If Baumer waits for cooperation or information of the buyer, the delivery period shall be reasonably extended for the duration of the waiting period and of a reasonable start-up period after waiting period.

If and when dispatch or delivery has been delayed at the buyer's request by more than one month, the buyer may be charged a warehouse fee in the amount of 0.5% of the price of the products of the consignments for each and every month or part thereof; however, the fee may not exceed 5% in the aggregate.

### **6. Transfer of Risk, Transport, Packaging, Insurance**

Use of and risk to the products transfer to the buyer when the products are ready for dispatch. If and when the buyer has not specified a shipping method in its order, Baumer will select the means of transport which assures compliance with the delivery periods and the proper transport of the goods. The buyer is responsible for any insurance for the transport. The buyer shall bear the costs for transport and insurance even if Baumer has made the pertinent arrangements.

## **7. Payment**

The payment is due upon readiness for dispatch of the goods respectively service provisions and receipt of the invoice, if no other agreement exists. After the expiry of 10 days the buyer is in default, the statutory rules apply. Any advance payments made by the buyer will be offset against the delivery price. They do not represent a penalty which, upon being forfeited, entitle the buyer to dissolve the contract. If and when the buyer does not accept delivery at the point and in time agreed in the contract, it shall nevertheless effect payments tied to the in time of the delivery. Default interest at usual bank rates will be charged on outstanding payments. The buyer does not have any rights to retain or offset its counterclaims against Baumer's claims.

## **8. Retention of Title**

Baumer retains title to the products of the consignments (reserved goods) until the buyer has fulfilled any and all obligations arising from the business transaction. If and when the value of any and all security rights to which Baumer is entitled exceeds the value of all of the secured claims by more than 20%, Baumer will, upon the buyer's request, release the appropriate amount of the security rights. Baumer is entitled to decide which of various security rights will be released.

As long as the retention of title remains in effect, the pledging or assignment by way of security by the buyer is prohibited. Resale by is permitted by traders in the ordinary course of business solely if and when the traders receive payment from their customers or retain title to the products until the customers have fulfilled their payment obligations.

If and when the buyer resells retained goods, it here and now assigns its future claims against its customers from the resale, including any and all secondary rights, as security to Baumer. The buyer is permitted to process the reserved goods or to combine them with other products. The buyer shall safeguard the newly created product with the care of a prudent merchant on Baumer's behalf. The new product shall be deemed retained goods.

Baumer and the buyer are here and now in agreement that the combination with other products which do not belong to Baumer will in each and every case establish Baumer's co-title to the new product in an amount corresponding to the ratio of the value of the combined retained goods to the value of the other products at the point in time of the combination. The new product shall to this extent be deemed retained goods. The provision regarding the assignment of claims applies to the new product as well. The buyer is authorized until further notice to collect any and all assigned claims from the resale. If there is good cause – especially, but not limited to, default of payment, suspension of payments, initiation of bankruptcy proceedings, protest of a bill, or legitimate indications of the buyer's overindebtedness or imminent bankruptcy – Baumer will be entitled to revoke the buyer's collection authorization. Moreover, Baumer may disclose the assignment of the securities, utilize the assigned claims, and request disclosure of the assignment of the securities by the buyer to its customers, subject to prior notification of this intention and expiration of a reasonable period.

The buyer shall notify Baumer without delay of any liens, confiscations, or other disposals or attach-ments by third parties. Provided that Baumer has credibly asserted a legitimate interest, the buyer shall immediately provide to Baumer any and all information required for the assertion of the latter's rights and surrender the required documentation.

In the event of the buyer's breach of obligations, in particular, but not limited to, default of payment, Baumer is entitled to cancel the contract as well as to request return of the products upon fruitless expiration of a reasonable period for performance. The buyer is obligated to return the products. Baumer's acceptance of the return of the products shall not be interpreted as cancellation of the contract unless Baumer has expressly stated this to be the case.

## **9. Warranty**

Baumer warrants to the buyer the faultless condition and suitability of its products within the scope of its technical specifications. Baumer assumes a warranty for parts which are used as safety components within the sense of the EU Machinery Directive solely upon submission of a prior written confirmation to this effect. Baumer's warranty is restricted to the replacement or repair of the defective parts and to causes which occurred before the transfer of risk. Liability for any further damage or loss, whether direct or indirect, is excluded to the extent legally permissible; in particular, no damage compensation is owed for operational downtimes, etc. The warranty expires immediately in any and all cases in which the buyer does not use original Baumer replacement parts or itself repairs the defects. The buyer is obligated to examine the consignment immediately upon receipt to determine that it is complete and whether there has been any transport damage. Written complaint of any and all such defects shall be submitted immediately and any evidence shall be secured. Complaint of product defects may be raised at any time during the entire warranty

period before and/or after processing and/or after resale; however, written complaint must be raised without delay upon discovery of the defects, and the defective part must be returned. The buyer may assert claims under these terms and conditions of warranty solely if and when it proves that the defects occurred despite correct and proper installation and use. The warranty period is 12 months from the time of dispatch at Baumer. The warranty period for replacement parts delivered under the warranty or repaired parts ends at the same time as the period for the products which were originally delivered. Baumer reserves the right to charge a processing fee for any returns and functional tests which are not covered as warranty claims. If and when the scope of the delivery includes software for computer systems, the terms and conditions below apply as well:

Baumer warrants that the provided software does not contain any reproducible errors. The warranty is subject to the prerequisite that the product is used in accordance with the contract. The buyer shall notify Baumer of any program errors without delay. Baumer will eliminate any reported errors. If and when it proves to be impossible to eliminate an error, Baumer must develop an alternative solution. If and when Baumer is unable to fulfill these obligations, the buyer has the option either to reduce the agreed consideration by a reasonable amount or to request rescission of the contract. Baumer does not assume any warranties that the provided software fulfills the buyer's special requirements.

#### **10. Software**

If and when software is included in delivered products, a license for the use of the software in conjunction with the product for the duration of the product's useful life is hereby granted for each and every product. Any and all reverse engineering of software as well as its modification or removal from the product is prohibited.

#### **11. Safety**

The buyer covenants to utilize the product solely within the limits described in the operating instructions and to instruct carefully its customers and helpers in the use and operation of the product. The buyer covenants to provide information about its experience in the operation of the product to Baumer upon the latter's request. Baumer is prepared at all times to replace free of charge any safety notices on the product which have become illegible or have been lost. The buyer bears the costs for their application. Baumer is free to design the safety notices provided as replacements at its own discretion. Baumer provides declarations of conformity at cost and only to the extent that Baumer is required to archive originals.

#### **12. Reservation of Performance**

Performance of the contract is subject to the reservation that there are no hindrances arising from German, US, or other applicable national, EU, or international provisions of foreign trade law or from embargos or other sanctions. The buyer is obligated to submit any and all information and documents required for the export, movement, or import of the products.

#### **13. Infringements of Intellectual Property Rights**

If and when claims based on industrial property rights or copyrights are asserted against products provided by Baumer and used in accordance with the contract, Baumer will review these claims and, as appropriate, at its option and expense either acquire a utilization right for the product, modify the product so that there is no longer any infringement of the industrial property right or copyright, or replace the product. If circumstances make the above actions unreasonable, Baumer will accept return of the product and reimburse the purchase price. More extensive claims against Baumer are excluded. However, these provisions are without prejudice to Section 14 (Other Liability) and to the buyer's right to cancel the contract.

#### **14. Other Liability**

Buyer's claims for damage compensation are excluded regardless of the legal theory on which they are based, including, but not limited to, active breach of obligations, breach of obligations during contract negotiations, and actions in tort. Baumer is not liable for breach of secondary obligations, lack of business success, lost profit, indirect loss or damage, subsequent damage or loss due to defects, and damage or loss resulting from third-party claims against the buyer. The limitations to liability mentioned above apply equally in favor of the associates, executives, and officers and directors of Baumer.

The above provisions do not apply if and when liability is mandatory, e.g., pursuant to the Product Liability Act or in cases of malicious intent, gross negligence, the lack of warranted characteristics, or the breach of major contractual obligations. Moreover, the exclusion of liability does not apply to damage or loss resulting from injury to life, body, or health, from negligent breach of obligation of the seller, or from intentional or

negligent breach of obligation of the seller's legal representative or vicarious agent. However, damage compensation for the breach of major contractual obligations is limited to the foreseeable damage or loss typical of the contract, unless it is a consequence of malicious intent or gross negligence. The above provisions do not include the reversal of the burden of proof to the disadvantage of the buyer.

#### **15. Confidentiality / Data Privacy**

The buyer shall treat all data and documents as confidential he received within the business relationship with Baumer. The data shall be only used for the contractual stipulated purpose. It should not be forwarded to third parties without any prior approval from Baumer. The buyer is obliged to store any data received from Baumer protected against access from third parties.

#### **16. Venue and Proper Law**

Proper law is the law of Germany; venue is the competent court at D-Konstanz. The application of the UN Convention on the International Sale of Goods (CISG) is excluded.

#### **17. Severance**

The legal invalidity of single provisions of the contract does not affect the validity of the contract as a whole. The above provision does not apply if and when the continued validity of the contract would represent unreasonable hardship for one of the parties.