

## General Terms and Conditions of Sale and Delivery

### 1. General

The following General Terms and Conditions of Sale and Delivery apply to the transactions of the following member companies of the Baumer Group:

Baumer Italia Srl, I-Assago (MI)

Baumer Sensors Srl, I-Chiari (BS)

Hereinafter, the companies are collectively and separately referred to 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 shall consider the acceptance of the ordered services by the buyer as retroactive acceptance of the terms and conditions of sale and delivery stated herein, even if and when the buyer has expressly raised objections previously or has referred to different terms and conditions in its order.

### 3. Offer

Offers submitted by Baumer shall remain valid for a period of thirty (30) days from the date of issue, unless another period of validity is expressly stated in the offer itself.

### 4. Prices

Unless otherwise stated, prices are net ex-works (free carrier <place of dispatch>, FCA Incoterms® 2020), excluding packaging and any statutory value added tax, which shall be borne by the buyer. Any customs duties, taxes or levies, regardless of their nature, applied to the sales transaction outside the seller's country shall be borne by the buyer. If Baumer has been obliged to pay such charges, the buyer shall reimburse Baumer for these charges upon presentation of the relevant records. Unless otherwise agreed and confirmed in the order confirmation email, the buyer shall bear all bank charges that may be incurred in connection with 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 below €100.00.

### 5. Delivery Period

The delivery period begins with Baumer's dispatch of the written confirmation, provided that all technical details have been clarified. Delivery periods or delivery dates shall only be binding subject to timely fulfilment of all obligations of the buyer, such as making an advance payment, opening of any required letters of credit, and verification that all necessary official approvals have been granted.

If a delay in delivery is a consequence of force majeure, such as mobilization, war, acts of terrorism, civil unrest or similar events (e.g. strikes, lock-outs), third-party attacks on Baumer's computer system (e.g. viruses), obstacles under foreign trade legislation (e.g. embargo), delays or incorrect deliveries to Baumer, or other circumstances not attributable to Baumer, the delivery period shall be extended by a reasonable period. The buyer does not have a right of cancellation in such cases.

If and when the buyer is in default with payment, Baumer may postpone the fulfilment of its obligations until receipt of the outstanding payment and demand the return of the products already delivered.

If and when dispatch or delivery has been delayed at the buyer's request for more than one month, the buyer may be charged storage cost of 0.5% of the price of the products for each month or part of a month, but the total cost shall not exceed 5% in aggregate.

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

The risk of loss of the products is transferred to the buyer when the products are ready for dispatch or are dispatched by courier. If the buyer has not specified a mode of dispatch in its order, Baumer will select the means of transport that ensures compliance with the delivery deadline and proper transport of the goods. Transport insurance is the responsibility of the buyer. The buyer will bear the costs of transport and insurance even if the corresponding agreements have been made by Baumer.

**7. Payment**

Unless otherwise agreed, payment of the price for the products is due from the time and on the date agreed in advance between the parties and confirmed by Baumer with the order confirmation. They do not represent a penalty which, upon being forfeited, entitle the buyer to cancel the contract after deduction. If and when the buyer does not accept delivery at the point in time agreed in the contract, it shall nevertheless effect payments tied to the point in time of the delivery. Default interest 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 and goods delivered under retention of title as long as the buyer has fulfilled all obligations arising from the business relationship.

As long as the retention of title exists, the buyer is not permitted to transfer ownership by way of security. Resale by traders is permitted if and as long as they receive payments from their customers or retain title to the goods and the customers have fulfilled their payment obligations. If and when the buyer resells goods subject to retention of title, it hereby assigns to Baumer by way of security all future claims arising from the resale, together with all ancillary rights.

The buyer is authorised to process the goods subject to retention of title or to combine them with other products. The buyer must look after the new product thus created with the care of a prudent merchant for Baumer. The new product is deemed to be subject to the retention of title. Baumer and the buyer agree that Baumer will in any case receive a co-ownership share in the new product through the combination with other goods that corresponds to the ratio of the value of the combined goods subject to retention of title to the value of the other goods at the time of combination. The new item shall be deemed to be reserved goods to the corresponding extent. The provision on the assignment of claims shall also apply to the new item.

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 over indebtedness 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 attachments 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 purchaser that its products are free from defects and faults and that they comply with the technical specifications. The purchaser loses his right to warranty for defects if he does not notify Baumer of the defects within eight days of their discovery. 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 limited to the replacement or repair of defective parts and causes that arose before the transfer of risk. Liability for any other direct or indirect damage is excluded to the extent permitted by law; in particular, no compensation is owed for downtime, etc.

The warranty expires immediately in all cases in which the buyer does not use original Baumer spare parts or rectifies the defects himself. The buyer is obliged to check the delivery for completeness and any transport damage immediately upon receipt. Complaints about such defects must be reported immediately in writing and the evidence must be retained. The buyer can only assert claims under these terms and conditions of warranty if and when it proves that the defects occurred despite correct and proper installation and use. The warranty period is 24 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 undertakes 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. Limitation of 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 Applicable Law**

The applicable law is Italian law; the place of jurisdiction is the place of jurisdiction of the relevant Baumer Group member company (within the meaning of Section 1). The United Nations Convention on Contracts for the International Sale of Goods (CISG) does not apply.

**17. Severance**

The legal invalidity of individual provisions of the contract shall not affect the validity of the contract as a whole. The above provision does not apply if the continued validity of the contract represents an undue hardship on one of the parties.

Date

Signature of the Parties

Baumer

Buyer

.....  
Name/ Title.....  
Name/ Title**18. Clause for Second Signature**

The contracting parties declare that they have read and fully understood all the clauses contained in this contract and accept them without reservation. In particular, the following clauses, specifically and clearly identified, are especially brought to their attention:

- 2. Conclusion of the Contract
- 5. Delivery Period
- 6. Transfer of Risk, Transportation, Packaging, Insurance
- 7. Payment
- 8. Reservation of title
- 9. Warranty
- 13. Infringement of intellectual property rights
- 14. Limitations of liability

Date

Signature of the Parties

Baumer

Buyer

.....  
Name/ Title.....  
Name/ Title