

TERMS AND CONDITIONS OF PURCHASE OF THE BALLUFF GROUP FOR THE AREA OF INDIRECT PURCHASING STATUS 02/2024

BALLUFF

1. Scope of Application

- 1.1 These Terms and Conditions of Purchase (hereinafter referred to as "**Terms and Conditions of Purchase**") apply to the following companies of the Balluff Group: Balluff GmbH, Balluff SIE Sensorik GmbH, Balluff STM GmbH, innovative software services GmbH, and Balluff MV GmbH. When the terms "we", "our", and/or "us" are used in the following, this refers to the respective company of the Balluff Group mentioned above. Each Balluff company is legally independent; there is no joint and several liability of the Balluff Group. These Terms and Conditions of Purchase apply to all types of purchases of products and to the procurement of all types of services by Balluff in the area of **Indirect Purchasing**. Unless otherwise stated in the respective meaning of the following provisions or unless otherwise expressly agreed, products and services of all kinds are deemed to be "**Services**" within the meaning of these Terms and Conditions of Purchase.
- 1.2 All inquiries, offers, orders, delivery call-offs, and order confirmations from Balluff are based exclusively on these Terms and Conditions of Purchase. Conflicting, deviating, or general terms and conditions of the Supplier, that are not regulated in these Terms and Conditions of Purchase, are not recognized by Balluff unless Balluff has expressly agreed to their validity in writing. This also applies if Balluff accepts the Services without reservation in the knowledge of conflicting or deviating terms and conditions or terms and conditions not specified in these Terms and Conditions of Purchase, or if the Supplier refers to the validity of its general terms and conditions in its offer, in its order confirmation, in invoices, or otherwise in connection with the execution of the contract, and Balluff does not expressly object to their inclusion again.
- 1.3 In the context of ongoing business relationships, these Terms and Conditions of Purchase shall also apply to all future contracts with the Supplier, without us being obliged to refer separately to the validity of these Terms and Conditions of Purchase in each case.
- 1.4 These Terms and Conditions of Purchase only apply to business transactions with companies.

2. Offer - Order - Conclusion of Contract

- 2.1 The Supplier must adhere to Balluff's request for quotations; the Supplier must expressly inform Balluff in text form of any deviations from the quotation - in particular if the Supplier cannot fulfill Balluff's request in one or more points.
- 2.2 "**Text form**" or "text form", within the meaning of these Terms and Conditions of Purchase, includes declarations by fax, EDI or e-mail.
- 2.3 Balluff orders are placed exclusively in text form. Advance orders communicated verbally or by telephone are confirmed in text form.
- 2.4 The Supplier must immediately confirm acceptance of the order to Balluff in text form with the delivery/service date(s), price and, if applicable, the service period, stating Balluff's order number.
- 2.5 If the Supplier provides Balluff with illustrations, drawings, calculations, or other product, application or project-related documents, Balluff is entitled to reproduce these documents and make them accessible to third parties.
- 2.6 Balluff may demand changes to the design and execution of the Services within the scope of what is reasonable for the Supplier. The effects, in particular with regard to the additional and reduced costs, as well as the deadlines for the Services, are to be regulated appropriately and by mutual agreement.
- 2.7 The Supplier is obliged to check drawings, calculations, specifications, and other requirements of Balluff for errors and contradictions within the scope of their general and special expertise and to notify Balluff immediately in text form of any concerns and to clarify them.
- 2.8 The Supplier bears the procurement risk for the Services.

3. Terms of Delivery - Delivery/Performance Dates - Delay

- 3.1 Unless otherwise agreed, the delivery of products DAP shall be made in accordance with the current version of the Incoterms - currently Incoterms 2020 - to the place of delivery specified in Balluff's order or, if no place of delivery is specified in Balluff's order, DAP Balluff's registered office.
- 3.2 The deadlines and dates specified in Balluff's order are binding. The day of delivery is the day of receipt of the goods at Balluff or at the delivery address specified by Balluff; the day of performance is the day of acceptance for work Services and the day of complete performance of Services.
- 3.3 If agreed dates and deadlines are not met, Balluff is entitled to demand compensation after the unsuccessful expiry of a reasonable deadline and to withdraw from the contract, unless the Supplier is not responsible for the delay.
- 3.4 If the Supplier is in default, Balluff is entitled to demand a lump-sum compensation for default in the amount of 0.5% of the order value of the Services with which the Supplier is in default for each week or part thereof after the occurrence of default, up to a maximum of 5% of the total order value. Both parties are entitled to prove that a higher, lower, or no damage has been incurred.
- 3.5 As soon as circumstances become apparent to the Supplier which indicate that agreed dates or deadlines cannot be met in whole or in part, the Supplier must notify Balluff of this immediately in text form, stating the reasons for and the expected duration of the delay. This shall also apply if the Supplier is not responsible for this. Neither a notification nor silence on the part of Balluff shall constitute recognition of a new date or a new deadline or affect the contractual and statutory claims of Balluff.
- 3.6 Partial Services are only permitted with the express, prior consent of Balluff in text form.
- 3.7 The acceptance of partial Services or delayed Services does not affect the contractual and statutory rights and claims of Balluff.
- 3.8 In the event of early delivery, Balluff reserves the right to return the goods at the Supplier's expense. If no return shipment is made in the event of early delivery, Balluff is entitled to store the delivered products at Balluff until the agreed delivery date at the expense and risk of the Supplier. In the event of early delivery, Balluff reserves the right to make payment only on the agreed due date.
- 3.9 Balluff does not recognize exemptions from liability, limitations of liability, and/or limitations of liability of any kind of the Supplier in the event of a delay in delivery or reservations of self-delivery by the Supplier.

4. Disclosure to Third Parties

- 4.1 The Supplier must inform Balluff in text form if it intends to pass on the order to third parties or to engage subcontractors.
- 4.2 The Supplier shall be responsible for any fault of its suppliers and subcontractors to the same extent as its own fault; the Supplier shall be responsible for any acts or omissions of its suppliers and subcontractors as if they were its own acts and omissions.

5. Shipping - Packaging - Costs - Transfer of Risk

- 5.1 A delivery bill must be enclosed with each delivery.
- 5.2 The Supplier is obliged to clearly state Balluff's shipping address, Balluff's order number, the order date, and the contents of the shipment on all dispatch notes, delivery bills, consignment notes, parcel addresses, and other shipping documents.
- 5.3 Unless otherwise agreed, delivery must be made carriage and packaging paid to the Balluff headquarters or to another destination specified by Balluff. All costs for shipping and packaging are included in the price.
- 5.4 Unless otherwise agreed, the Supplier shall be obliged to pack and ship the products properly. In any case, the Supplier must pack and ship the products to be delivered in such a way that damage is excluded. The selection of a suitable carrier is the responsibility of the Supplier.
- 5.5 Unless otherwise agreed, the Supplier must take back the shipping and transport packaging of the delivered products free of charge at Balluff's request at any time, collect it

from Balluff's registered office or from the other destination specified by Balluff, and dispose of it at its own expense if Balluff has requested that the delivery be handed over in the shipping/transport packaging. If the shipping/transport packaging is not taken back in the course of delivery or collected within two weeks of Balluff's request, Balluff is entitled to return or dispose of the shipping/packaging material at the Supplier's expense.

- 5.6 Balluff must always be notified of readiness for shipment. Balluff maintains transport insurance. With regard to this, the Supplier must inform Balluff immediately in text form of any transport damage.
- 5.7 The risk of accidental loss and accidental deterioration of the products to be delivered shall only pass to Balluff upon proper handover of the products. The Supplier must have receipt of the delivery acknowledged in writing by a person authorized by Balluff.

6. Service Provision

- 6.1 Unless otherwise agreed, the Supplier shall bear system responsibility in the event of the commissioning of Services, i.e., the Supplier shall be responsible to Balluff for the provision of the Services in all process steps and with regard to all service components, irrespective of whether subcontractors have been commissioned. In addition, the provisions in Clause 4 of these Terms and Conditions of Purchase apply.
- 6.2 If Services are commissioned, the Supplier must appoint a contact person and - if required - a project manager to Balluff who plans, coordinates and monitors the respective order and is the responsible contact person for Balluff. The Supplier's contact person/project manager must inform Balluff at any time - on request - about the status of the provision of Services. The contact person/project manager may be replaced for justified reasons and only with the prior consent of Balluff in text form. At the request of Balluff, the Supplier must replace the contact person/project manager if there are justified reasons. The replacement of the Supplier's contact person/project manager may under no circumstances lead to an increase in the remuneration to be paid by Balluff for the Services and/or to a change in the agreed dates and deadlines.
- 6.3 The Supplier must ensure that their employees and other third parties employed by them observe the conditions of visit and the Balluff house rules (in particular the Balluff safety instructions for visitors). The instructions of Balluff plant security must be observed.
- 6.4 The Supplier shall take all necessary measures within the scope of the provision of the Services - without additional remuneration - even if these were not expressly mentioned in the order.
- 6.5 In particular, the Supplier shall request or procure the documents required for the performance of the respective Services in good time. The Supplier must check these documents for completeness, correctness, and any discrepancies. The Supplier must inform Balluff immediately in text form of any concerns of any kind, stating the reasons.
- 6.6 If the Supplier creates or adapts software as part of the provision of the Services, it must hand over the created and adapted programs to Balluff in a testable and machine-readable form on a suitable data carrier together with the source code (in the case of individual software) and the documentation after carrying out a program test. The Supplier is obliged to grant Balluff access to the source code and the documentation during the provision of the service.

7. Changes - Additions

- 7.1 Balluff may request changes and additions to the order at any time at its reasonable discretion and taking into account the interests of the Supplier. In the case of work Services, this is only possible until acceptance.
- 7.2 This right of Balluff to demand changes and additions applies in particular to service changes and additional Services that (a) are technically necessary, (b) result from official requirements or (c) are necessary to meet the deadlines or (d) the cost framework. The Supplier is obliged to examine such requests from Balluff immediately for technical feasibility as well as for quality, deadline, and cost effects, and must inform Balluff of the result in text form immediately after completion of the examination.
- 7.3 The Supplier is also obliged to propose changes to Balluff which it considers necessary or expedient with regard to successful fulfillment of the contract. The Supplier must implement these changes after Balluff has given its consent in text form.
- 7.4 If a change leads to an increase or reduction in the costs/remuneration and/or a change in the deadlines, the Supplier must inform Balluff of this immediately after receipt of the change request or in its change request and submit a corresponding supplementary offer.
- 7.5 The change shall be made on the basis of a written agreement in which the remuneration of the additional costs and/or the consideration of the reduced costs as well as the schedule are mutually agreed.
- 7.6 If a change alters the basis of the remuneration for the contractual Services or a part of the Supplier's service, the remuneration shall be adjusted by mutual agreement, taking into account the additional or reduced costs.
- 7.7 If a change requires Services from the Supplier that are not provided for in the contract, the Supplier is entitled to additional remuneration, provided this was agreed in writing before the additional service was performed or approved in writing by Balluff. The additional remuneration is determined according to the basis of the price determination for the contractual service and the special costs of the required additional service.

8. Acceptance

- 8.1 If the service to be provided by the Supplier consists of a work performance or work delivery, formal acceptance is required. Balluff shall carry out acceptance once the Supplier's notification of completion has been received and all documents relating to the provision of the service have been handed over. If the inspection of the Services provided by the Supplier requires commissioning or use of the Services for test purposes, acceptance shall only take place after successful completion of the tests.
- 8.2 A formal acceptance report shall be drawn up on acceptance. However, formal acceptance shall not take place until the Supplier has rectified any defects identified. Defects must be rectified immediately, at the latest within a reasonable period set by Balluff.
- 8.3 Any fiction of acceptance is excluded unless required by law. The mere handover of the Services provided ready for operation does not constitute acceptance. Payments by Balluff do not mean that Balluff has accepted the service.
- 8.4 The Supplier is not entitled to partial acceptance.

9. Prices - Billing

- 9.1 All agreed prices are fixed prices for the entire contractual performance period, excluding VAT, which is to be charged separately, and are not subject to subsequent change unless otherwise agreed. This also applies to unit and lump-sum prices.
- 9.2 Unless otherwise agreed, the price shall include freight, delivery DAP in accordance with the current version of the Incoterms (currently Incoterms 2020), transport insurance, packaging and its disposal in accordance with statutory regulations, as well as all ancillary costs (e.g. transportation and installation costs, travel expenses, surcharges, flat rates).
- 9.3 Unless otherwise agreed, Services shall be invoiced on the basis of the actual, documented, and verifiable time spent.
- 9.4 Unless otherwise agreed, the Supplier shall invoice Services retroactively on a monthly basis, stating the project name, the order number and enclosing the respective proof of performance in a proper and comprehensible manner.
- 9.5 Proof of performance requires a written countersignature and confirmation from the Balluff contact person on site.
- 9.6 By paying the agreed remuneration to the Supplier, all contractually agreed Services of the Supplier, including all rights to be transferred or granted, are settled and completed.

10. Invoicing - Terms of Payment

- 10.1 The Supplier's invoices must be sent separately. They must include the Balluff order number and the order date; all invoices must be correct and traceable and comply with all provisions of the German Value Added Tax Act.
- 10.2 Unless otherwise agreed, payment shall be made within 14 days with a 3% discount or within 30 days net. The period runs from receipt of a proper and comprehensible invoice by Balluff, but at the earliest from receipt of the delivery/ provision of the service.
- 10.3 The deduction of the agreed discount is also possible if Balluff offsets or is entitled to withhold payments due to material defects or defects of title.
- 10.4 Balluff's payments are made subject to the reservation of correction or reclaim in the event that the incorrectness of the calculation or objections should subsequently arise, and on condition that the products are received in due form. Payments do not constitute recognition of the delivery or service as being in accordance with the contract.

11. Incoming Goods Inspection - Obligations to Inspect and Give Notice of Defects - Acceptances

- 11.1 The Supplier must deliver the goods 100% inspected. In particular, the Supplier is obliged to check the products before delivery to ensure that they comply with the specifications stated in the order and are free from defects.
- 11.2 Balluff is only obliged to carry out the following inspections of the delivered products: (a) obvious defects, (b) quantity, (c) identity, and (d) transport damage. In this respect, the Supplier waives any further legal requirements for the incoming goods inspection as well as any further legal obligations to inspect and give notice of defects.
- 11.3 If Balluff discovers defects in the course of any random sample inspection, Balluff is entitled, at Balluff's discretion, (a) to reject the entire delivery without further inspection, (b) to inspect the entire delivery, or (c) to have it inspected by third parties and, in the cases of (b) and (c), to charge the Supplier for the resulting inspection costs.
- 11.4 The notice period for defects is 10 working days. In the case of obvious defects, the notification period shall commence upon delivery; in the case of non-obvious defects, it shall commence upon discovery of the defect.
- 11.5 If, in the case of the applicability of the law on contracts for work and Services, the work has significant defects, a claim for payment of an installment is excluded.
- 11.6 If Balluff is requested by the Supplier to declare acceptance of a work within a certain period and Balluff does not expressly object within that period, the work shall not be deemed to have been accepted.

12. Condition - Quality Standards

- 12.1 All Services must comply with (a) the specifications, drawings and other information stated in the order, (b) the latest state of the art, (c) the applicable statutory provisions and regulations, (d) the relevant guidelines of authorities, employers' liability insurance associations and trade associations, (e) the national and international standards (e.g. DIN, CEN or ISO standards) as amended from time to time, and (f) be suitable for the intended use or further processing. In particular, the accident prevention regulations, other occupational safety regulations and the generally recognized safety and occupational health regulations must also be observed. Furthermore, Balluff assumes that the respective persons have the necessary skills and qualifications to provide the deliveries and Services. In all other respects, deliveries and Services must be provided with the care customary in the trade.
- 12.2 Additional statutory subjective and objective requirements for the Services remain unaffected and apply in addition.
- 12.3 The Supplier is obliged to comply with all applicable German and European regulations regarding the handover, availability, and/or attachment of technical or other documents, operating or other instructions, markings and declarations. The Supplier shall supply Balluff - if legally required and/or agreed - with properly prepared operating instructions.

13. Claims for Defects

- 13.1 In the case of purchase and work (delivery) contracts, in the event of delivery of defective products or work, Balluff may, at its discretion, demand rectification of the defect (rectification) or delivery of a defect-free work/item (subsequent delivery) within a reasonable grace period. In urgent cases (if the Supplier is in default with the rectification of a defect or if Balluff is threatened with unusually high damages), Balluff is entitled - even if sales contract law applies - to rectify defects itself or have them rectified by third parties at the Supplier's expense and risk. In the case of the applicability of sales contract law, however, this does not apply if the Supplier is not responsible for the defect. In these cases, the Supplier shall bear the necessary expenses and costs or shall reimburse Balluff for these necessary costs and expenses.
- 13.2 In particular, the Supplier shall bear all costs and expenses incurred in connection with the determination and rectification of defects, even if they are incurred by Balluff, in particular inspection, removal and reinstallation, labor, material, transport, and other costs for subsequent delivery and rectification. This also applies if the expenses increase due to the fact that the delivery item/the object of the service was moved to a location other than the place of fulfillment, but not if disproportionate costs are incurred.
- 13.3 If (a) Balluff has unsuccessfully set the Supplier a reasonable deadline for rectification or subsequent delivery, (b) subsequent performance has failed, (c) is unreasonable, (d) is seriously and finally refused by the Supplier, or (e) if special circumstances exist that justify the assertion of further rights as described below, which, taking into account the interests of both parties, justify the assertion of the more extensive rights described below, Balluff is entitled to reduce the purchase price/remuneration for the work in the ratio in which the value of the item/work in a defect-free condition would have been to the actual value at the time of conclusion of the contract (reduction) or to withdraw from the contract. In each case, Balluff is additionally or alternatively entitled to demand compensation for the damage caused by the delivery of the defective products/works, unless the Supplier is not responsible for the breach of duty.
- 13.4 Claims for defects expire within 36 months of delivery of the products or provision of the service, unless a longer limitation period is provided for by law or Balluff has agreed a longer limitation period with the Supplier.
- 13.5 Balluff does not recognize any limitation of the statutory and/or contractual claims for defects or the statutory and/or contractual liability and compensation claims. This applies in particular with regard to the degree of fault, the scope of liability, and the amount of liability.
- 13.6 In all other respects, the statutory provisions on liability for defects shall apply. Balluff reserves the right to assert further claims due to the delivery of defective products and/or the provision of defective Services.

14. Product Liability - Recall/Service Actions

- 14.1 The Supplier is obliged to indemnify Balluff against third-party claims within the scope of producer and product liability, insofar as the defect triggering the liability is attributable to a product manufactured or delivered by the Supplier and the Supplier is unable to prove that the defect is not attributable to it and does not result from its manufacturing or organizational area.
- 14.2 The Supplier must also inform Balluff of the risks posed by its product if it is not used as intended.
- 14.3 In the event of recall actions or service actions by us, our customers or third parties due to defects or faults in the products delivered by the Supplier, the Supplier shall reimburse us for all damages, costs, and expenses incurred as a result of the recall action or service action. This includes the damages, costs, and expenses charged to us by our customers. This does not apply if the Supplier is not responsible for the defect or fault.
- 14.4 The Supplier is obliged to take out and maintain liability insurance with an appropriate sum insured to cover the aforementioned risks and to provide Balluff with evidence of this on request. Any further claims to which Balluff may be entitled remain unaffected.

15. Rights of Retention and Set-Off - Assignment

- 15.1 In the event of defective performance by the Supplier, Balluff is entitled to withhold an appropriate amount of payment, unless otherwise stipulated in good faith.
- 15.2 The assignment of claims against Balluff is only effective with the prior written consent of Balluff. § Section 354a HGB remains unaffected in this respect.
- 15.3 Balluff does not recognize any restriction of the statutory offsetting options available to Balluff and the possibility of asserting rights of retention.
- 15.4 The Supplier is only entitled to set-off and/or retention rights if its counterclaims (a) have been legally established, (b) are undisputed, (c) are recognized by Balluff, or (d) are in a close reciprocity relationship to Balluff's claim. In addition, the Supplier is only authorized to exercise a right of retention insofar as its counterclaim is based on the same contractual relationship.

16. Termination

- 16.1 Any ordinary termination rights, in particular in relation to contracts for Services, are regulated and defined in the respective contract.
- 16.2 If the provision of the Services consists of a work performance, Balluff is entitled to terminate the contract or separable parts thereof at any time in accordance with the statutory provisions, insofar as these are applicable.
- 16.3 If the termination is for good cause and the Supplier is responsible for the reasons for termination, Balluff shall only pay for the Services rendered up to that point in time in accordance with the contract, which are self-contained and proven, insofar as these can be utilized by Balluff. Claims for damages by Balluff remain unaffected.
- 16.4 If the Supplier is not responsible for the reasons for termination, Balluff shall reimburse the Supplier for the expenses demonstrably incurred up to the termination of the contract and directly resulting from the order, including the costs resulting from non-redeemable liabilities. The Supplier shall not be entitled to any further claims for performance or damages on the occasion of termination. The property rights and/or rights of use to the work results created up to the termination shall be transferred to Balluff in accordance with Clause 18.
- 16.5 The right to extraordinary termination for good cause remains unaffected.

17. Retention of Title and Other Security Interests

- 17.1 Balluff only accepts retention of title regulations of the Supplier in the form of simple retention of title of the Supplier until payment of the purchase price for the respective deliveries concerned. All other forms of retention of title - in particular so-called extended or prolonged retention of title as well as group retention of title and other security rights - are excluded and are not accepted by Balluff.
- 17.2 Based on the retention of title, the Supplier may only demand the return of the Products if the Supplier has withdrawn from the contract in question.

18. Defects of Title

- 18.1 The Supplier warrants that no third-party rights, in particular no third-party property rights (e.g., patents, utility models and designs, trademarks, including their applications and copyrights) are infringed in connection with its Services. This applies to the place of manufacture, the place of delivery, and the place of performance as well as to all countries to which the Supplier's products and Services or Balluff products in which the Supplier's products and Services are contained or installed are distributed or shipped.
- 18.2 If claims are asserted against Balluff by third parties due to such a breach of law, the Supplier is obliged to indemnify Balluff against these alleged or actual claims, unless the Supplier is not responsible for the breach of duty. The Supplier must reimburse Balluff for all costs, damages and expenses incurred by Balluff from or in connection with the claim by the third party, unless the Supplier is not responsible for the breach of duty.
- 18.3 Balluff's claims in accordance with this Clause 18 of these Terms and Conditions of Purchase shall expire three years after delivery/service.
- 18.4 In all other respects, Balluff's claims for defects of title shall be governed by Section 13 of these Terms and Conditions of Purchase.

19. Industrial Property Rights

- 19.1 Unless otherwise agreed, all rights of use under copyright law, industrial property rights, and legal positions similar to property rights to the contractually provided Services, and to all other written, machine-readable and other work results created in the course of the provision of Services shall pass to Balluff without further condition and without additional remuneration upon their creation. Balluff is entitled to them exclusively and without restriction in terms of space, time and content and they may be extended, transferred, revised, adapted, changed, reproduced, or published by Balluff without the consent of the Supplier.
- 19.2 If the Supplier creates or adapts software as part of its service provision, rights of use, industrial property rights, and legal positions similar to industrial property rights pursuant to Clause 19.1 of these Terms and Conditions of Purchase such rights of use, are not limited to the object code, but also extend to the source code and the documentation of the created and adapted programs.
- 19.3 The use of the Services provided is free of charge for Balluff. Balluff is granted the right to register patentable development results.

20. Force Majeure

- 20.1 Events of force majeure, i.e., unforeseen events over which we have no influence and for which we are not responsible, including adverse economic conditions, shall release us from the obligation to accept the Service if the Service is no longer usable for us due to these circumstances, taking into account economic aspects. In such a case, Balluff is entitled to withdraw from the affected contract. Claims for damages by the Supplier are excluded.
- 20.2 Events of force majeure include, in particular, official measures and orders (regardless of whether these are valid or invalid), wars, revolutions, embargoes, pandemics, epidemics, fire, earthquakes, floods, storms, explosions and other natural disasters as well as unavoidable production changes at Balluff's customers.
- 20.3 Events of force majeure in relation to the Supplier do not include raw material shortages, production stoppages, crises in the transportation and logistics sector and increased procurement costs, for example due to increased transportation costs, increased raw material prices, etc.

21. Compliance with Laws

- 21.1 The Supplier warrants that during the term and in the performance of a contract concluded with Balluff, it will comply with the applicable laws, regulations, and other legal provisions and trade practices applicable to the Supplier's business area, in particular with regard to the development, manufacture, sale, transportation, export, and certification of the products and Services supplied by it. This applies in particular to the statutory regulations on the safety and environmental design and processes of technical products, the generally recognized rules of technology, and other regulations that reflect the state of the art at the time of the deliveries and Services.
- 21.2 At Balluff's request, the Supplier shall confirm compliance with the above laws, etc. in writing. The Supplier shall compensate Balluff for all damages, costs, and expenses incurred by Balluff as a result of non-compliance with the above regulations by the Supplier; the Supplier shall also indemnify Balluff against any third-party claims asserted against Balluff in this connection. This does not apply if the Supplier is not responsible for the non-compliance.
- 21.3 The Supplier undertakes to comply with the provisions of the Balluff Supplier Code of Conduct of the Balluff Group (available at <https://www.balluff.com/en-de/contact-support/purchasing>) in the version applicable at the time of conclusion of the contract and also to enforce them within its own supply chain by means of suitable contractual regulations.
- The Supplier hereby gives its consent that we and our customers may carry out audits in order to satisfy ourselves that the Supplier is complying with its obligations under the Balluff Supplier Code of Conduct. In this context, we may inspect the Supplier's documents if and to the extent that such documents are related to the fulfillment of the contractual obligations. We are entitled to make copies of these documents if necessary, insofar as this serves our documentation obligation. Audits shall always be carried out in compliance with the provisions of data protection law and in compliance with company and business secrecy and during the Supplier's normal business hours. Audits shall be announced to the Supplier in advance. The aforementioned audit right is also expressly granted to third parties who may be commissioned either by us or by our customers.
- We expressly reserve the right to withdraw from existing contracts or to terminate them without notice if the Supplier repeatedly and/or despite a corresponding warning violates this Section 21.3. However, this shall only apply if and insofar as the Supplier cannot credibly demonstrate that the breach has been remedied as far as possible and adequate precautions have been taken to avoid future breaches.

22. Limitations/Limitations of Liability

The Supplier shall be liable - irrespective of the legal grounds - without limitation in accordance with the statutory provisions and these Terms and Conditions of Purchase. Any limitation of Balluff's statutory and contractual claims (in particular from default, defect and product liability) is expressly rejected both with regard to the degree of fault and with regard to the scope and amount of liability.

23. Confidentiality - Reference

- 23.1 "Confidential Information" within the meaning of these Terms and Conditions of Purchase is all non-public commercial and technical information from and about Balluff that is made accessible and known to the Supplier through the business relationship on the basis of these Terms and Conditions of Purchase. An express designation as confidential shall automatically make information confidential information within the meaning of these Terms and Conditions of Purchase.
- 23.2 Confidential information shall be treated confidentially by the Supplier and shall only be used for the purpose of fulfilling the respective contract. The confidentiality obligation extends beyond the term of the respective contract.

- 23.3 Knowledge and information are exempt from this confidentiality obligation,
- which were already in the public domain or generally known or state of the art at the time they were communicated to the Supplier,
 - which were already known to the Supplier at the time of the revelation,
 - which subsequently become public or common knowledge or the state of the art, without the Supplier being at fault,
 - which have been disclosed or made accessible to the Supplier by an authorized third party,
 - in respect of which Balluff has given its prior written consent to the disclosure, publication or making available to third parties, or
 - the disclosure of which is required by court or official order.
- The burden of proof for the existence of one of the aforementioned exceptions shall be borne by the Supplier.
- 23.4 The Supplier is liable to Balluff for compensation for the damage incurred. If it is established that confidential information from the sphere of the Supplier or its subcontractors has been disclosed to third parties, a culpable (at least negligent) breach of confidentiality obligations pursuant to this Clause 21 of these Terms and Conditions of Purchase shall be assumed - subject to proof to the contrary.
- 23.5 The Supplier does not acquire any rights of use, processing, or reproduction of its own through the communication of confidential information from Balluff. Balluff reserves all rights in this respect, in particular all rights to register property rights.
- 23.6 The Supplier may only advertise its business relationship with Balluff with the prior written consent of Balluff.

24. Place of Performance - Place of Jurisdiction - Applicable Law

- 24.1 The place of performance for all Services is the registered office of Balluff.
- 24.2 The place of jurisdiction is the registered office of Balluff. Balluff is, however, optionally entitled to sue the Supplier at its general legal place of jurisdiction.
- 24.3 The law of the Federal Republic of Germany shall apply exclusively, to the exclusion of the conflict of laws provisions and the UN Convention on Contracts for the International Sale of Goods (CISG)

Balluff GmbH
Schurwaldstrasse 9
73765 Neuhausen auf den Fildern
Germany
Phone +49 7158 173-0
Fax +49 7158 5010
balluff@balluff.de
www.balluff.com