# GENERAL CONDITIONS



### General

- General
  These general conditions shall apply to all sales of products and related service transactions ("the Goods") between Balluff AB and customers ("Buyer"). Unless otherwise stated in these general conditions, all sales of products and services shall be done in accordance with: NL 92 General Conditions for the supply of machinery and other mechanical, electrical and electronic equipment. Issued in 1992 by the organizations for the engineering industries in Denmark, Finland, Norway and Sweden.

  In the event of any inconsistency between these conditions and any other terms and conditions including (but not limited to) those in your purchase order, these conditions shall prevail. Only with our written consent do we recognize any deviations from the general conditions stated herein.

  Our sales staff is not authorized to enter into additional oral agreements and all appendixes
- Our sales staff is not authorized to enter into additional oral agreements and all appendixes
- or changes to these terms must be agreed separately in writing.

  Unless specifically agreed, our performance- and price offers are nonbinding. Only when we have confirmed the order in writing or when we have performed the requested service
- is the order binding for us. In accordance with NL 92 article 3, all drawings, illustrations and other technical documents regarding our product or our services shall remain the sole property of us. Therefore all forms of disclosure to third parties without our written consent are prohibited.

### Delivery

- Unless specifically agreed upon in writing, the suggested timeframes for deliv-ery is nonbinding for us.
- If a specific delivery date is agreed upon, delivery will be fulfilled when the Goods has left
- In accordance with NL 92 article 12, delay of delivery is excused if the delay is caused by i)
- If accordance with NL 92 anticle 12, usely or derivery is excessed in the cetar is accessed by  $\eta$ , force major or ii) an act or omission by the Buyer. If the delay of delivery is caused by an act or omission on your part, and we have notified you that the product is ready, then we preserve the right to add the costs of storage to the invoice amount. The costs of storage will be a min-imum of 0,5 % of the invoice amount per week, and a maximum of 10 % of the invoice amount per week.
- We reserve the right to ship the Goods as partial deliveries.

### III. Force maieure

In accordance with NL 92, article 37, force majeure or similar circumstances is considered grounds of relief. Either party is entitled to terminate the contract if the performance of the contract is delayed more than six month due to force maieure.

- Ownership of goods shall not be transferred to a Buyer until we have received in full (in cash or cleared funds) all sums due to it in respect of the goods supplied by it to the purchaser and all other sums which are or which become due to us from a purchaser on any
- If the goods in which we have retained title shall be inseparably assembled or mixed with goods that are third party property, then we shall acquire co-title in the new goods or the mixed stock. The proportion of title shall follow from the proportion of the invoice value of the Goods delivered by us under retention of title and the invoice value
- of the other Goods.

  Retailers are authorized to resell the Goods in the ordinary course of business, although we reserve the right to cancel any reselling of the Goods if payments for the Goods are not
- Pledging or other security transfers of the Goods are not allowed.

- Delivery terms
  Unless specifically agreed upon, delivery will be ex works (INCOTERMS 2010) in the city has been specified in the agreement, delivery will be specified in the agreement. If no city has been specified in the agreement, delivery will be
- FCA Neuhausen.

  Any international transport clauses agreed upon must be interpreted in accordance with Incoterms 2010.
- Any transport insurance must be specifically agreed upon and will be at your expense. Unless otherwise agreed, we reserve the right to delivery in more than one shipment at its
- discretion.

- Unless specifically agreed upon, the use and usefulness of the product is definitively regula-
- of lides specifically agreed upon, the data and destinates of the product is definitively regular ted in the datasheet and/or operating instructions as included with the product. You hereby agree that the cheapest variant is chosen when a claim for subsequent performance is requested, provided that this is no inconvenience for you.
- You must notify us in writing of a defect without delay after the defect has become apparent, and in no case later than one week after receiving the Goods. If you fail to notify us of a defect in writing within the time limits set forth in this clause, you will forfeit your right to make any claim in respect to the defect.
- make any claim in respect to the defect.

  On Goods that are non-wearing (inductive sensors, industrial RFID systems, magnetic sensors, capacitive sensors and magneto-inductive road sensors), we offer a warranty that expires 24 months after the earliest of i) delivery date or ii) the date when the risk for the Goods transferred to Buyer. On Goods that are subject to wear (optoelectronic sensors, Micro Pulse displacement transducers, mechanical sensors, remote sensors (Inductive Coupler), bus systems, magnetic tape linear encoders and accessories) we offer a warranty, that expires 12 months after the earliest of i) delivery date or ii) the date when the risk for the Goods transferred to Buyer.
- If a certain number of activations or switching cycles is agreed upfor a product, such ar agreement will expire at the earliest of the following events: i)the liability date in article 6.4 has been reached or ii) the agreed upon number of activations or switching cycles has been reached.

- VII. Intellectual property rights

  1. All intellectual property rights in any product or service provided by us will remain with us as our sole property. In the event that any intellectual property rights arise in connection with the contractual obligations, we preserve the rights to these intellectual property rights, unless you crucially helped achieve the rights. In such cases, where we jointly achieved an intellectual property right, you hereby agreed that we, at the least have an unlimited and free of charge user right.
- intellectual property right, you hereby agreed that we, at the least have an unlimited and free of charge user right.

  Unless specifically agreed upon, we are only required to perform our services in the country where the manufacturing and supply base is situated, free of any intellectual property rights from third parties. If a third party makes legitimate claims against you, based on our contractual services, we are only liable towards you within the timeframe stated in article 6.4. In the event of such a claim we preserve the rights to the following: We will, at our discretion and at our own expense either obtain a right of use to the rights in question, change the service so the protected service is not infringed or place them.

  The above mentioned obligations only exist if you immediately notify us in writing of the
- claims put forth by the third party. All preventive measures and settlement negotiations are
- Your demands against us are excluded to the extend that you are solely response for viola-
- Your demands against us are excluded to the extend that the violation is caused by an act or omission on your part.

# VIII. Liability

- Our liability for defects and damage to property caused by the product is in accordance
- with the rules in NL 92.

  In accordance with NL 92, article 33, our liability is limited to defects which appear under the conditions of operation provided for in the contract and under proper use of the product. Our liability does not cover defect caused by occurrences after the risk for the
- Notwithstandig the foregoing our liability for defects i in the Goods cannot, under any cir-
- curnstances exceed 2 years from the date set forth in 6.4.

  Our liability for defects which appear under the conditions of operation provided for in the contract is limited to the purchase price of the Goods.

IX. Pricing
All prices are net prices. They apply ex works. Costs associated with packaging, transport and insurance are calculated extra, unless otherwise specifically agreed in writing

- Unless specifically agreed upon, payment must be made within 30 days of the invoice date, although not before receipt of the Goods.

  Offsetting a claim you have on us with our claim is only accepted when your claim is recognized, undisputed or legally established by us. The same applies to possessory liens. Furthermore you may only exercise liens to the extent that your counterclaim is based on the same contractual obligation.
- If your financial circumstances changes after entering into this agreement and such changes, by our estimates, constitutes a risk of anticipated breach of your payment obligations, we reserve the right to demand reasonable security for the Goods and / or cancel any admitted payment deallines, including deadlines given for other claims. We preserve the right to terminate the contract in the event that you do not meet our required securities within
- Waiving of claims under this contract is only allowed with prior written consent from our

## XI. Place of performance

Place of performance for all obligations under the contract, unless otherwise agreed (cfr. 5.1), is Goteborg, Sweden

# XII. Jurisdiction and applicable law

- Jurisdiction and applicable law
  Unless specifically agreed upon, any dispute arising out of or in connection with these general conditions that cannot be settled amicably shall be settled by the Swedish courts.

  This agreement is governed by and construed in accordance with Swedish law and any disagreement about matters covered by these terms shall be dealt with in accordance with the general rules of Swedish law, excluding the Con-vention on Contracts for the International Sale of Goods (CISG).
  - Additional conditions for software: In the event that we, as a part of our service or in connection with our service, provide software, the following additional conditions apply

# XIII. Right of use

- We grant you a non-exclusive right of use to the software. The extent of proper use is stated in the datasheet and/or operating instructions associated with the software. Unless specifically agreed upon, the right of use is permanent.
- You may only use the software with the hardware mentioned in the datasheet and/or operating instructions, and if such is not mentioned, only with the product supplied with the software. Any other use of the software requires our prior written consent; in the case you
- software. Any other use of me software requires our prior written consent, in the case you breach this obligation, we are entitled to demand an additional payment.

  If multiple devices are listed in the datasheet or operating instructions, you may only use the software on one of these devices simultaneously (single license), unless a multi-user license is specifically agreed upon. If the product is accessible from more than one workspace at a time, the single license cuts off use from more that one workspace at a time. The software is supplied exclusively in machine-readable form.
- The soliware is supplied exclusively if machine-readable form. You may only make one copy of the software, solely for backup purposes. Ad-ditional copies of the software may only be created if a multi-user license is agreed upon. All software data must be transferred unchanged when making a backup copy. In addition to the exceptions mentioned in the Act on Copyright in Literary and Artistic Works, you are not entitled to modify, reverse-engineer, translate or remove parts of the
- software.
- We give you a revocable right to transfer the right of use to a third party. Any transfer to a third party must, however, is made with the product you acquired in connection with the software. In the event that the right of use are trans-ferred to a third party, it is your responsibility that the third party is not given a more extensive right of use, than the right of use you were given. The third party must as a minimum be subject to the same obligations related to the software that applies under these conditions. If the right of use is transferred
- you may not keep any copies of the software.

  8. You are not authorized to grant sublicenses, obtaining or inability to obtain through scarcity of materials or for any other cause beyond Balluff Limited's control Balluff Limited may suspend delivery until a reasonable time after the end of the happening and during such time as is reasonably incidental to the resumption of normal production of sale or cancel or vary the contract without compensation. In addition to the exceptions mentioned in the Act on Copyright in Literary and Artistic
- Works, you are not entitled to modify, reverse-engineer, translate or remove parts of the software.
- We give you a revocable right to transfer the right of use to a third party. Any transfer to a third party must, however, is made with the product you acquired in connection with the software. In the event that the right of use are trans-ferred to a third party, it is your responsibility that the third party is not given a more extensive right of use, than the right of use you were given. The third party must as a minimum be subject to the same obligations related to the software that applies under these conditions. If the right of use is transferred you may not keep any copies of the software.
   You are not authorized to grant sublicenses.
   By transferring the right of use to a thirds party, you are responsible for meet-ing any performance requirement, and hereby freeing us from any obligations.
   In the case we transfer software to which we only have a derived right of use, the conditions between us and our licensor shall apply prior to this section. In the case we transfer Open Source software, the conditions for the Open Source software shall apply prior to this section. The datasheet and/or operating in-structions will refer to the existence and terms of use of any foreign software and Open Source software.
   For use of the software on multiple devices or simultaneously on multiple workstations, a multi-user license is required. The same applies for use through any internal network. In addition to the conditions stated in 13.1-13.10, the following applies to multi-user licenses: 10. We give you a revocable right to transfer the right of use to a third party. Any transfer to

- addition to the conditions stated in 13.1-13.10, the following applies to multi-user licenses:

  a) The prerequisite for a multi-user license is an explicit written confirmation from us of the number of copies that you may make of the software, and the number of devices and/or workplaces where the software may be used. In re-gards to 13.7, a multi-user license is only valid if all the licenses given are transferred together with any devices on which the software has be used.
- b) You must pay close attention to the instructions in regards to copying given with the multi-user license. You must record the location of all copies and submit them to us on demand.

XIV. Transfer of risk

The risk of accidental loss and accidental deterioration of the software is trans-ferred to you when the software is digitally transmitted from us to you.

- You must take all necessary and reasonable measures to prevent and limit damages done by the software. This includes, but is not limited to, making backups of programs and data
- regularly.

  If this obligation is not observed, we can not be held liable for the resulting consequences, including replacement of lost or damaged data.

# XVI. Software defects

- Unless otherwise stated in Swedish law, our liability is limited to software defect which appear within a period of one year from the date of transfer of risk.
   Software defects are limited to documented deviations from the specifications listed in the
- datasheet and operating instructions. Any software defect claims must be based on the latest transferred version of the software.

  3. Software defects do not include:
- Software defects do not include:
   damages resulting from improper or careless treatment of the software,
   damages resulting from external influences which are not provided under the contract
   damages resulting from changes made to the software by you or a third party
   damages resulting from changes made to make the software compatible with your IT environment.

  All claims based on software defects will be fulfilled by delivery of an updated version, granted that such can be obtains with reasonable resources.

XVII. Intellectual property rights - Software

1. If a third party makes legitimate claims against you, based on our contractual services, we are only liable towards you in accordance with article 7, and within the timeframe stated in article 16.1.

XVIII. Privacy
All data is protected by Swedish privacy laws.

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