General Terms of Delivery of SICK (ALB SICK)

as at March 2024

1. Scope

All deliveries and services provided by SICK AG or any group company of the SICK Group domiciled in Germany and affiliated with SICK AG in accordance with sec.15 et seq. of the German Stock Corporation Act (AktG) (hereinafter individually referred to as "Supplier") are subject to these General Terms of Delivery ("ALB SICK") and to separate contractual agreements, if any. Deviating or additional general terms and conditions of the purchaser shall solely apply to the extent expressly confirmed in writing by the Supplier. SICK AG and all companies affiliated with SICK AG in accordance with sec. 15 et seq. of the German Stock Corporations Act (AktG) shall hereinafter be referred to as "SICK Group".

2. Offer – Contract Conclusion – Contract Content

Unless expressly marked as binding, offers are non-binding. Binding offers must be accepted by the purchaser within a reasonable time. Verbal or written orders are considered accepted when a written order confirmation is issued or the ordered goods are delivered within an adequate period of time.

3. Scope of Delivery and Services

The scope of delivery and services is subject to the offer of the Supplier or, respectively, to the Supplier's written order confirmation. Partial deliveries are permitted, if reasonable to the purchaser.

4. Prices and Payment

4.1 Price lists and other general price information are non-binding and are updated by the Supplier regularly.

4.2 Prices are in EUR and, unless stipulated otherwise, are based on the delivery term DAP (Incoterms 2020), place of delivery within Germany, plus packaging and transportation cost as well as applicable VAT and/or, in the event of an extension of warranty, insurance tax.

4.3 Should deliveries or services be carried out more than 4 (four) months after the conclusion of the contract, the Supplier shall be entitled to reasonably adjust the prices, provided that the list prices and/or cost for material, labor or other costs verifiably have changed in the meantime. The offered prices apply only with respect to the particular individual order. Agreements on fixed prices must be expressly agreed upon in writing.

4.4 Costs for packaging and transportation, as well as for any insurances expressly requested by the purchaser, will be charged separately. They shall be calculated based on the current prices at the time of the actual accrual.

4.5 In case the Supplier has agreed to carry out installation, assembly and/or commissioning, and unless agreed differently, the purchaser shall, in addition to the agreed remuneration for the delivery, bear all costs required for the installation, assembly and/or commissioning according to the price list of the Supplier effective at the time of performance.

4.6 Invoices for deliveries shall be paid without deduction within 30 (thirty) days from the invoice date.

4.7 Invoices for services shall be paid immediately and without deduction.

4.8 Payments must be made exclusively by direct wire transfer to the Supplier's bank account. The payment date shall be the time at which the amount is credited to Supplier's account.

4.9 The Purchaser is only entitled to retain payments or to offset counterclaims insofar as such counterclaims are undisputed or have been legally established.

5. Deadlines for Deliveries and Services, Force Majeure

5.1 The adherence to delivery periods and dates for deliveries and services shall be subject to the timely provision of all performances to be provided by the purchaser, in particular, of any documents to be provided, of required permissions and releases – especially of plans – as well as to adherence to the agreed payment terms and to any other obligations of the purchaser. If these prerequisites are not fulfilled on time, the delivery periods and dates shall be extended adequately.

5.2 If delivery periods or dates cannot be met due to force majeure or other disruptions beyond the control of the Supplier ("Force Majeure Event"), the time periods for the performance by the Supplier will be extended by the duration of the Force Majeure Event plus an appropriate start-up period. Force Majeure Events shall include, but are not limited to, serious health hazards such as epidemics (e.g. Covid-19) or nuclear radiation, war, terrorist attacks, incomplete, incorrect or delayed delivery by suppliers, riots, and other similar occurring threats, industrial action, shortage of or impossibility to obtain employees, equipment, adequate or suitable raw materials or transportation facilities, sovereign acts, such as import and export restrictions, and disruptions of operations including Force Majeure Events at subcontractors and suppliers of the SICK Group. Alternatively, the Supplier shall have the right to withdraw from the contract in whole or in part without liability for any delay in performance or non-performance of their obligations.

6. Installation and Assembly

6.1 To the extent that installation, assembly or commissioning has been agreed upon, the purchaser shall, at their own expense, provide in due time:

a) any supplementary works foreign to the branch of trade such as earthworks, construction works, etc. including the required skilled workers and auxiliary staff, building material and tools;
b) the articles and materials required for assembly, installation and commissioning, such as scaffolding, wedges, lubricants, fuels, etc.;
c) operating power and water at the place of operation, including the necessary connections as well as heating and light;
d) suitably-sized, dry and lockable rooms for stocking machine parts, equipment, materials, tools, etc. as well as appropriate work and recreation rooms with appropriate sanitary equipment for the Supplier's employees at the installation site; furthermore, the purchaser shall take the same steps he would take in order to protect his employees and belongings in order to protect the Supplier's employees and belongings at the construction site, but at least appropriate steps; and
e) protective clothing and protective devices necessary due to special circumstances at the installation site.

6.2 Before the start of the work, the purchaser must provide, without request, the necessary specifications concerning the location of hidden power, gas, or water pipes, or similar constructions, as well as the required static specifications.

6.3 Before beginning with the installation, assembly or commissioning, free issue equipment as well as all other items necessary for the performance of the works must be set up at the agreed location and any preparatory works must be in such a state of completion that the assembly staff will be able to start their work as agreed after arrival and complete it uninterrupted. Access to the site as well as the site itself must be paved, cleared and freely accessible.

6.4 Should the installation, assembly, or commissioning be delayed due to circumstances not attributable to the Supplier, the purchaser shall, to the extent reasonable, be obliged to bear the costs arising from waiting periods or for any additional necessary travel of the assembly staff.

6.5 Upon the Supplier's request, the purchaser shall confirm in writing the working hours of the assembly staff as well as the completion of the installation, assembly or commissioning.

6.6 The Supplier is entitled to demand acceptance of the works upon completion. Acceptance will take effect after the purchaser declares acceptance in writing. The same applies if the Supplier has set a reasonable deadline for acceptance upon completion of the works and the purchaser has not refused acceptance, giving at least one major defect, by this deadline. Acceptance is also deemed granted if the work is put into use, if applicable, after an agreed testing period.

7. Passing of Risk

7.1 The risk shall pass to the purchaser with the selection/provision of the delivery item. To the extent the Supplier has also assumed installation, assembly or commissioning, the risk shall pass to the purchaser with the delivery of the delivery item at the place of installation, assembly or commissioning.

7.2 Should the dispatch of the delivery item or the installation, assembly or commissioning be delayed or omitted due to reasons attributable to the purchaser, the risk shall pass to the purchaser at the time when it would have passed to the purchaser had no delay occurred.

7.3 The Supplier shall, on request and at the expense of the purchaser, insure the delivery item against theft, breakage, and damage caused by transportation, fire or water or against any other insurable risks.

8. Claims for Defects

For defects regarding quality and title the Supplier – to the exclusion of further claims, and subject to sec. 10 – provides warranty as follows:

8.1 Quality Defects:

8.1.1 The purchaser shall promptly notify Supplier in writing of any quality defects.

8.1.2 Any items or services which are defective shall, at the Supplier's sole discretion, be remedied by repair or replacement or be re-performed free of charge. The purchaser shall not be entitled to reject delivery due to minor defects.

8.1.3 The purchaser shall give the Supplier the required time and occasion to perform the necessary repair and replacement. Only in urgent cases, where operational safety is at risk or to prevent disproportionately large damage, shall the purchaser be entitled to remedy defects itself or have them remedied by third parties and to demand reimbursement of the necessary costs from the Supplier. The Supplier shall be notified in such cases without delay.

8.1.4 If the remedy is not accomplished within a reasonable time period to be notified by the purchaser, or fails, the purchaser shall be entitled to withdraw from the contract. If case of minor defects, the purchaser shall only be entitled to an adequate price reduction. Beyond this, the right to reduce the price shall be excluded.

8.1.5 Of the costs caused by the repair or replacement, the Supplier shall – provided the complaint is legitimate – bear the costs of the replacement part including shipment. Furthermore, the Supplier shall bear the costs of providing the necessary assembly and auxiliary staff, if any, including travel costs, unless this would impose a disproportionate burden on the Supplier.

8.1.6 Claims for reimbursement due to the removal of defective delivery items and the installation or attachment of repaired or replaced delivery items shall be limited to 50% of the contract price (net) of the delivery item concerned.

8.1.7 Claims for quality defects are excluded in the following cases:

Inappropriate or improper use, incorrect assembly and/or commissioning by the purchaser or third parties, wear and tear, incorrect or negligent treatment, improper maintenance, use of unsuitable equipment, electrochemical or electrical influences – unless attributable to the Supplier.

8.1.8 If the purchaser or a third party remedies a defect improperly, the Supplier shall not be liable for the resulting consequences. The same applies to any changes made to the delivery item without prior approval of the Supplier.

8.1.9 Sec. 10 shall apply to claims for damages. Any further claims against the Supplier due to quality defects shall be excluded.

8.2 Defects of title:

8.2.1 If the use of the delivery item causes an infringement of national intellectual property rights or copyrights, the Supplier shall, at their own cost, procure for the purchaser the right to continue using the delivery item, or modify the delivery item in a manner reasonable for the Purchaser in such a way that it does not infringe intellectual property rights.

8.2.2 If the former cannot be achieved using economically reasonable efforts or within reasonable time, the purchaser shall be entitled to withdraw from the contract. Subject to the aforementioned prerequisites, the Supplier shall also be entitled to withdraw from the contract.

8.2.3 Furthermore, the Supplier shall indemnify the purchaser from undisputed or legally established claims arising from the infringement of intellectual property rights.

8.2.4 The aforementioned obligations of the Supplier shall only apply to the extent

a) the purchaser notifies the Supplier in writing about claims asserted by third parties without delay;
b) the purchaser does not admit an infringement and the right to take defensive measures remains exclusively reserved to the Supplier;
c) the infringement of intellectual property rights is not attributable to the purchaser;
d) the infringement was not caused due to specific instructions provided by the purchaser, or by an application unforeseeable for the Supplier; and
e) the infringement does not result from a modification of the delivery item by the purchaser or from the use of the delivery item in combination with a product not specifically released for such combination by the Supplier.

8.2.5 In case of other defects of title, the provisions stipulated under sec. 8.1 shall apply accordingly.

8.2.6 Sec. 10 shall apply to claims for damages. Any further claims against the Supplier due to defects of title shall be excluded.

8.3 The warranty period shall be 24 (twenty-four) months from delivery or, if an acceptance is legally required, from acceptance.

8.4 If and to the extent that open-source software is provided to the purchaser, the Supplier does not assume any warranty in this respect, neither for lack of defects, marketability, suitability for a specific purpose nor freedom from defects of title. For details on the warranty and liability exclusion, reference is made to the respective open-source software license terms, which can be found in the relevant documentation, the "readme" files, reference files and/or other documents or files of such kind for the open-source software ("OSS License Terms"), which are made available to the purchaser.

9. Exclusion of Guarantees

9.1 Information in catalogues, product descriptions, data sheets, offers, drawings or any other documents regarding measurements, quantity, color, application, technical data and other properties, in particular regarding availability, reading rates, measuring accuracy, etc., refer to the warranted properties of a delivery item, yet they do not – unless expressly agreed otherwise – constitute guarantees (guarantees of quality or durability) within the meaning of sec. 443, 639 BGB (German Civil Code).

9.2 In case of non-compliance with warranted properties, the purchaser shall be entitled to assert the rights stipulated under sec. 8 and 10 against the Supplier.

10. Damages

10.1 Supplier shall be liable for damages – regardless of the legal cause - solely:

a) in the event of intent,
b) in the event of gross negligence;
c) in the event of injury to life, body and health;
d) in the event that a defect was concealed in a fraudulent manner;
e) in case of an explicit guarantee;
f) pursuant to the German Product Liability Act (ProdHaftG); or
g) in the event of a breach of an essential contractual duty.

10.2 In the event of a negligent breach of an essential contractual duty pursuant to sec. 10.1 g), the liability for damages shall be limited to foreseeable losses typical for the contract. This also applies to loss of profits and any other financial loss. An essential contractual duty is a duty the fulfillment of which is required for the due execution of the contract, and on the observance of which a party principally relies, and may rely, as well as a duty the breach of which will put the achievement of the contractual purpose at risk.

10.3 The liability of the Supplier for all damages arising out of or in connection with the contract caused by the Supplier, its officers, subcontractors, employees, vicarious agents or associates, as well as any indemnification obligation, shall, regardless of the legal cause, except under the circumstances set out in sec. 10.1 a) to f) above, be limited to the amount of the order value (aggregate liability cap).

10.4 The above exclusions and limitations shall also apply to the liability of officers, employees, representatives, vicarious agents, associates, affiliated companies within the meaning of sec. 15 et seq. of the German Stock Corporation Act (AktG), suppliers and licensors of the Supplier.

11. Retention of Title

11.1 Title to the delivered goods shall remain with the Supplier until all claims against the purchaser are satisfied, irrespective of receipt of payment for specific goods.

11.2 The purchaser shall inform the Supplier promptly of any foreclosure actions by third parties on the reserved goods and provide the Supplier with the documentation required for an intervention – the same shall apply to any other sort of interference. Irrespective hereof, the purchaser shall be obliged to inform third parties of the existing rights to the goods in advance. The purchaser shall bear the costs of an intervention to the extent the third party is not able to reimburse Supplier for such costs.

11.3 The purchaser is entitled to resell and process the reserved goods in the ordinary course of business. In case of a resale of the reserved goods, the purchaser herewith

assigns to the Supplier all claims against the purchaser's customer resulting from such resale as security until all claims of the Supplier have been satisfied.

11.4 If reserved goods are processed, reshaped or combined with other goods, the Supplier shall directly acquire title to the new product in proportion to the delivery item's value. The new product shall be deemed a reserved good.

11.5 If the value of the reserved goods exceeds the claims of the Supplier against the purchaser by more than 10%, the Supplier shall, upon the purchaser's request, release securities at Supplier's discretion in corresponding quantity.

12. Special provisions for Digital Solutions

12.1 To the extent that the scope of delivery and service includes Firmware, Supplier grants to purchaser a non-exclusive, non-sublicensable, perpetual right to use the delivered Firmware and documentation, which right is only transferable together with the respective delivery item. Such right of use shall be limited exclusively to the contractually agreed purpose of use. The purchaser is not entitled to modify, reverse engineer or de-compile the Firmware or to extract parts thereof. "Firmware" is software which is embedded in a delivery item and is necessary for its elementary functions. For software which is not Firmware, and which is installed and operated locally or in the purchaser's area of responsibility (on-premise), the General Terms and Conditions for the Provision of Software Products ("AVB Software SICK", available at www.sick.com) shall prevail. For software and services provided for online use, the General Terms and Conditions for the Provision of Software as a Service ("AVB SaaS SICK", available at www.sick.com) shall prevail. To the extent software or Firmware of other providers (third party software) is made available to the purchaser, the Supplier does not grant the purchaser any rights of use exceeding those granted to the Supplier by such third-party provider.

12.2 The purchaser shall take reasonable precautions in case the Firmware does not work properly in whole or in part (e.g., by daily data-backups, fault diagnosis, regular review of the data processing results). If the purchaser does not expressly indicate a deviating condition in advance, the Supplier may assume that the purchaser has made data backups of all data with which the Supplier may come into contact. The purchaser shall equally ensure the documentation of any settings and parameters, especially in connection with the installation of updates (in particular: bug-fixes, patches, updates, upgrades, etc.) of the Firmware.

12.3 The purchaser shall immediately install any update of the Firmware made available free of charge. The purchaser shall indemnify the Supplier against any damages, expenses and claims (including claims of third parties) due to non-compliance with this obligation.

12.4 Unless expressly agreed otherwise, such updates will be available on www.sick.com. A separate notification to the purchaser is not owed.

12.5 This sec. 12 shall apply accordingly to Firmware updates. The right to use the respective previous version of the Firmware ceases with the installation of updates.

12.6 If and to the extent that open-source software is provided to the purchaser, the OSS License Terms shall apply for the granting of rights in addition to and prevailing over the provisions in sec. 12.1. If applicable OSS License Terms require the provision of the source code, the Supplier shall provide it upon written request, as the case may be, against payment of the costs for shipment and handling. The Supplier shall inform the purchaser about open-source software being used and about the related OSS License Terms, which Supplier shall provide to the purchaser if so required in such OSS License Terms.

12.7 The purchaser grants the Supplier a non-exclusive, perpetual, worldwide, royalty-free right to collect, process, utilize, transfer to affiliated companies and aggregate (including combination with similar data of other customers or affiliates of Supplier) any anonymous information and data derived from the use of the deliverable by purchaser or a third party, in particular, but without limitation, for the purposes of providing, maintaining and improving products and services of Supplier. Such anonymous data shall not include personal information.

13. Export Compliance

13.1 The purchaser undertakes to comply with all customs and export control regulations, foreign trade laws and sanctions applicable to the relevant business transaction when using, distributing or in any other way making available goods, software, technology incl. services provided by the Supplier ("SICK Items").

13.2 The purchaser shall not sell, export or re-export, directly or indirectly, any SICK Items to the Russian Federation or for use in the Russian Federation. The purchaser undertakes to take appropriate measures, in particular with regard to possible resellers, to ensure that SICK Items are not re-exported to the Russian Federation or for use in the Russian Federation.

13.3 The purchaser confirms not to be directly or indirectly controlled or owned by, or under common control with, a party identified on any sanctions list. The purchaser will notify the Supplier about any changes in that regard without delay.

13.4 The purchaser shall provide all information reasonably requested by the Supplier for export compliance purposes including, but not limited to, information about the end user, final destination and intended end use. No business transaction shall be binding on the Supplier until export licenses and other approvals required for the relevant business transaction have been obtained. The Supplier shall not be liable for delays or non-performance caused by the competent authorities or the purchaser, even if the Supplier has confirmed a purchase order or delivery schedule.

13.5 The purchaser shall fully indemnify and hold harmless the SICK Group from and against any claims of authorities or other third parties due to the purchaser's non-compliance with any provision of this section 'Export Compliance'. The purchaser further undertakes to reimburse the SICK Group for any losses and expenses incurred in this context.

13.6 The purchaser undertakes not to use, distribute or in any other way make available any SICK Items (i) for use in connection with the development, production, handling, operation, maintenance, storage, detection, identification or dissemination of weapons of mass destruction and/or of missiles capable of delivering such weapons and/ or (ii) for use in weapons and/or weapons systems.

13.7 If the purchaser breaches any of the provisions of this section 'Export Compliance', the Supplier is entitled to terminate the contract with immediate effect or to withdraw from it, in whole or in part, even if the contract has already been executed in part, and to end the business relationship with the purchaser. All claims against the purchaser shall remain unaffected.

14. Adjustment, Withdrawal and Termination

If the purchaser is in delay with any payment or if the Supplier obtains knowledge of any circumstances which lead or may lead to a material deterioration of the purchaser's economic situation, resulting in the fulfillment of the purchaser's contractual and other obligations being at risk; or if due to other reasons the purchaser is unable or unwilling to meet its payment obligations when they are due, the Supplier may, notwithstanding other rights, (a) withdraw from or terminate the contract with immediate effect; or (b) provide future deliveries or services only against prepayment. In the latter case, sec. 11 (retention of title) shall not apply to paid delivery items.

15. Anti-Corruption

The purchaser shall adhere to all applicable foreign or domestic laws and regulations regarding anti-bribery and anti-corruption. In particular, but without limitation, purchaser shall not offer, promise, give, request or receive any bribes or other unlawful payments, including in relation to any public official.

16. Confidentiality

16.1 All commercial or technical information of the Supplier, including product characteristics, documents, price information, know-how, samples, prototypes, software, or test results (hereinafter collectively referred to as "**Confidential Information**") must be kept secret from third parties if and to the extent that it is not verifiably publicly known or intended by the Supplier for distribution by the purchaser. Confidential Information may only be made available to such employees of the purchaser that have a need to know for the fulfillment of the contractual purpose and have been obligated to non-disclosure under terms at least equivalent to the contract. Upon request, all Confidential Information in its entirety (including any copies or records if available) must be returned or destroyed without delay and any use must cease immediately.

16.2 The Supplier reserves all rights to Confidential Information (including copyrights and the right to register industrial property rights). Documents provided hereunder which

contain Confidential Information remain the property of the Supplier.

16.3 The purchaser shall not be permitted to use or disclose Confidential Information or trade secrets within the meaning of Directive (EU) 2016/943 resulting from the observation, study, disassembling, decompiling, reproducing, reengineering and/or reverse engineering or testing of any publicly or non-publicly available product or item of the Supplier.

17. Statute of Limitation

All claims of the purchaser – regardless of the legal cause - shall become time-barred 24 (twenty-four) months from the start of the statutory limitation period, unless a longer limitation period is required by mandatory law.

18. Place of Jurisdiction, Applicable Law

18.1 The exclusive place of jurisdiction for any disputes directly or indirectly arising out of or in connection with the contractual relationship shall be at the Supplier's place of business. However, the Supplier shall also be entitled to bring action before a court at the purchaser's place of business.

18.2 All legal relations in connection with the contract shall be governed by German law. The application of the UN Convention on Contracts for the International Sale of Goods (CISG) shall be excluded.

19. Severability

Should any of the provisions of these ALB SICK be or become invalid, void, or unenforceable, the validity of the remaining provisions shall remain unaffected thereby. In such case the invalid, void or unenforceable provision shall be interpreted or substituted in such a way as to achieve the intended economic objective of the invalid or void provision. This shall not apply if adherence to the contract constitutes an unreasonable hardship for either party.