

General Terms and Conditions of Purchasing

1. General – Scope

These purchase conditions apply to the legal relationship between the supplier and ifm electronic gmbh (in the following referred to as "ifm"). In addition, the legal provisions apply. Conditions to the contrary or supplier's conditions deviating from these purchase conditions are not recognised or only apply if they have been expressly accepted in writing by ifm. Neither silence nor unconditional acceptance of the delivery by ifm shall be deemed as recognition.

2. Offer – Order – Order confirmation

Offers are made free of charge and are not binding for ifm. The supplier's offer must be based on ifm's enquiry concerning quantity, characteristics of the goods and other indications.

Orders are placed in writing. Oral collateral agreements are only effective if they are confirmed in writing. The contents of the orders are binding for the supplier. The supplier is obliged to confirm every order in writing within 5 (five) working days. Otherwise, ifm has the right to cancel.

Any deviations from or additions to the order must be expressly stated in the order confirmation and require ifm's written confirmation to become an integral part of the contract. The unconditional acceptance of deliveries and services or a payment does not constitute consent of ifm.

If the supplier of ifm is informed about the purpose of the deliveries or services or if this purpose is obvious to the supplier without having been pointed out expressly, the supplier is obliged to inform ifm without delay if the deliveries or services are not suitable for fulfilling this purpose.

The order number, material number and order line number of ifm must be indicated in the entire correspondence. If this information is not or not completely given or no proper dispatch documents are available, ifm has the right to refuse the acceptance of shipments without being in default of acceptance. The cost resulting from this shall be borne by the supplier.

3. Delivery time – Delivery delay

Agreed dates and periods are binding. Adherence to the delivery date is given with the receipt of the goods or approval of the manufactured work at the indicated delivery address. Premature delivery and/or partial delivery by the supplier requires ifm's express consent. However, ifm is entitled to call off the ordered goods in partial shipments.

The supplier must immediately notify ifm in writing of a delay or exceeding of the agreed dates and periods that become apparent, indicating the reasons and the presumable duration. Damage resulting from a violation of this duty must be compensated for by the supplier.

If the supplier has delayed the delivery, ifm can claim a compensation for every started week of delay of 0.5 % but no more than 5% of the order value irrespective of the evidence of the actual damage. The supplier is entitled to present evidence to ifm that the delay resulted in no or only much smaller damage.

The right to present evidence for a greater damage and to assert further legal claims remains reserved. The determined lump sum is set off against the damages for a delayed service.

The unconditional acceptance of the delayed delivery or of the service constitutes no waiver of ifm's above-mentioned rights related to the delayed delivery or service.

The supplier shall not be liable by reason of force majeure only where immediate notification and evidence of such have been presented to ifm indicating the exact circumstances and presumable duration of exceeding the period. Delayed or non-contractual deliveries of the subsupplier to the supplier are not considered as force majeure.

4. Prices – Terms of payment

The prices are fixed and include packaging. Unless otherwise agreed, delivery shall be effected DDP (Incoterms 2020) to the agreed delivery address. If carriage forward has been agreed (ex works, ex warehouse), the supplier must choose a reasonably priced mode of dispatch unless otherwise agreed.

On ifm's request the supplier must take back the packaging or parts of it free of charge at the address of dispatch. The invoices are to be sent separately for each delivery and in accordance with the legal regulations and with the indication of order number, material number (incl. revision status) and order line number in pdf format to the email address stated in the order.

Payments are made within 30 (thirty) days less 3 % or within 90 days (ninety) net unless otherwise agreed. The period allowed for payment starts following the complete receipt of goods in a good condition and receipt of the properly issued invoices. Payments are considered to be made with debiting an ifm account.

In case of a faulty delivery or service ifm is entitled to hold back the proportionate amount of the payment until proper fulfilment.

All payments are only made to the supplier. The supplier is not entitled to assign claims against ifm to third parties.

Claims can only be set off by the supplier against the supplier's undoubted or legally confirmed claims.

5. Transfer of risk – Duty of examination and notice of a defect – Retention of title

The risk of accidental loss or accidental deterioration of the product under contract shall pass to ifm on acceptance of the delivery or approval of the work. In case of force majeure such as strikes, lock-outs and interruption of operations, etc. ifm is entitled to postpone acceptance or approval.

An incoming goods inspection is only carried out with respect to externally visible damage and deviations concerning identity and quantity. Other defects are notified by ifm within a reasonable period after determination according to the business practices. The supplier waives the defence of the late notice of defects and undertakes to adapt his quality management system to this reduced receiving inspection.

Notwithstanding other evidence, the values determined by ifm for quantity, weight and dimensions during inspection prevail.

A prolonged or extended retention of title is not accepted.

6. Subcontracting

The supplier is liable for his sub-suppliers' (including any sub-suppliers specified by ifm) and his own products. If customer-specific products are concerned, subcontracting orders to third parties is only allowed with ifm's written consent. Otherwise ifm is entitled to withdraw from the order in whole or in part or to claim damages.

7. Liability for defects

The supplier guarantees the faultlessness of his deliveries and services. He especially warrants the careful and proper processing and workmanship as well as the perfect and reliable function of the product under contract and the materials used. A defect shall also be deemed to exist if the product under contract does not comply with the agreed purpose, the recognised state of the art and the applicable legal and official provisions, especially the approval regulations, health and safety at work regulations as well as regulations for the prevention of accidents and the packaging and marking regulations if hazardous substances are ordered.

The same regulations also apply to the set-up of installations and to the removal of defects, if any.

ifm is entitled to the legal claims resulting from a defect. All expenses for the removal of defects shall be borne by the supplier. In case of a delayed or failed supplementary performance ifm is entitled to withdraw from the order in whole or in part, to reduce the price and/or to claim damages due to non-fulfilment and possibly delay without setting a new date. The right to claim reimbursement of vain expenses remains reserved.

In urgent cases ifm may, after giving notice, remove the defect or have it removed by a third party at the expense of the supplier.

The warranty period is 24 (twenty-four) months commencing with the set-up or first use of the product under contract by ifm but no longer than 36 (thirty-six) months commencing with handing over the product under contract or acceptance of the service unless otherwise agreed. In case of deliveries or services directly carried out at ifm's customer the warranty period starts with the customer's acceptance.

In case of rectifications, new deliveries or removal of defects according to paragraph 3 of this article the limitation period starts again at the time when the claims for supplementary performance or supplementary delivery have been fully met.

8. Industrial property rights

Irrespective of his fault, the supplier guarantees that his deliveries and services are free from defects in title, and especially free of third-party rights. In case of an infringement of such property rights the supplier is obliged to compensate ifm or ifm's customers for all the damage occurred. On the first request

the supplier is also obliged to exempt ifm from all claims of third parties against ifm arising from or out of the delivery or use of delivered products. Further legal claims remain unaffected.

The limitation period for claims from property right infringements is 10 (ten) years starting with handing over the product under contract or acceptance of the service.

In case of an infringement ifm is also entitled, at the expense of the supplier, to obtain from the holder of such property rights the required permission to deliver, set up, use, resell, etc. the product under contract.

9. Objects and material of ifm

Material supplies and objects of ifm that the supplier receives for modification shall remain ifm's property and may only be used for ifm orders. The supplier is obliged to separately store, to identify and to manage these objects free of charge. The Supplier shall be liable for loss, deterioration and improper use and be obliged to take out corresponding insurances at his own expense. ifm is entitled to assert all claims even if no material breach of contract can be imputed to the supplier.

The processing or alteration of material is carried out for ifm. ifm will become the direct owner of the new or altered object on a proportionate basis depending on the production progress. If this is not possible on legal grounds, the supplier and ifm agree upon placing the order that the title to the new or altered object is transferred to ifm at the moment of production or alteration. The supplier stores the new or altered object free of charge with the care of a prudent businessman.

10. Drawings, models, tools, etc. – Secrecy

Drawings, models, moulds, samples, profiles, standard sheets, artwork, gauges, other documents, tools or software provided by ifm or made for ifm's account remain ifm's property or become ifm's property on production and have to be clearly marked as ifm's property. The reproduction of such objects is only allowed within the scope of the operating requirements and copyright regulations. They must not be transferred to any unauthorised third parties or be used for a purpose other than the fulfilment of the order. They must be protected against unauthorised inspection or use. Notwithstanding further rights ifm can demand their return if the supplier violates his duties. The same duties apply to the sub-suppliers.

The supplier has to store the above-mentioned objects carefully and to insure them against fire, theft or other loss at his own expense. He has to return them to ifm without being asked immediately after completion of the order without keeping copies, duplicates, etc.

If it has been agreed that the cost for tools shall be borne by ifm, these tools will become ifm's property immediately after payment of the full or, if agreed, proportionate cost. They remain on loan with the supplier until completion of the order unless otherwise stipulated. This also applies to tools whose cost was included in the price of the ordered articles as agreed. The supplier is obliged to keep such tools and equipment operational free of charge and to return them on request after completion of the order.

The supplier is obliged - and shall also impose this obligation on all employees involved in the cooperation or consulted third parties - to use all the documents, knowledge and other information obtained from the co-operation only for the activities related to the co-operation, to treat them as strictly confidential and not to make them accessible to any third party. In case of a violation of the duties of secrecy the supplier is liable for all the resulting direct and indirect damage

11. Product liability

The supplier shall, on the first demand, exempt ifm from any claims of third parties and relating to a product damage if the cause of this lies within the supplier's domain and organisation. The supplier is also obliged to reimburse all expenses incurred by ifm arising from or out of a recall action carried out or other measures.

The supplier is obliged to take out and maintain a product liability insurance with an amount of coverage common in industry. However, ifm's claims are not limited to the amount of coverage.

12. Quality assurance – Environmental protection – Occupational health and safety

The supplier is obliged to maintain a quality management system in accordance with DIN EN ISO 9000 et seq as well as an environmental management system in accordance with (or at least similar to) EMAS / DIN EN ISO 14001 and an occupational health and safety system in accordance with (or at least similar to) DIN EN ISO 45001 during the entire business relationship, to monitor it at regular intervals by means of internal audits and to take the required measures without delay in case of non-conformity.

ifm is entitled to check the supplier's management systems at any time with prior notice. The supplier allows ifm to inspect certification and audit reports as well as test procedures carried out.

The supplier has to inform ifm about any product change separately in writing.

13. Product-related environmental regulations – Material declarations – Conflict minerals

The supplier shall provide ifm with a material declaration for all purchased parts and materials which remain in ifm products or are further placed on the market. This material declaration must be based on the list of substances according to IEC 62474 in the currently valid version and take into account the currently valid limit values.

In the event of changes, the supplier is obliged to proactively update the material declarations already supplied and to make them available to ifm in order to ensure compliance with legal requirements along the supply chain.

The supplier undertakes to notify ifm immediately of any known or discovered use, as well as of any indications of a possible use, of conflict minerals and critical raw materials in parts, components, materials or products supplied to ifm. In this context, the supplier will also demand similar information from his suppliers and service providers.

Unless otherwise agreed, the Reporting Templates, developed by RMI (formerly CFSI), (in particular CMRT) shall be used along the supply chain.

14. Data protection

The supplier's personal and company-related data transferred under the contractual relationship or become known otherwise are saved and processed electronically by ifm for the intended purpose of the contract and for the fulfilment of the business purpose.

15. Company principles

Within the framework of their responsibility for humans and the environment ifm undertakes to comply with the following principles:

- Legal compliance
- Prohibition of corruption and bribery
- Prohibition of child labour
- Responsibility for the health and safety of employees
- Promotion of environmental protection
- Compliance with the EU embargo regulations

The supplier agrees with these principles of ifm and assures to keep and promote them.

16. Final provisions

The place of performance shall be ifm's head office.

The place of jurisdiction is Essen.

Please note:

This translation is provided for your convenience only. The German language version shall prevail.