DEMATIC

# Global General Terms and Conditions of Purchase

These Global General Terms and Conditions, including the applicable regional specific addendum(s) ("**GTCs**"), are an integral part of the Purchase Order ("**Order**") issued to the third party supplier referenced in the Order ("**Supplier**") by the Dematic affiliate issuing the Order ("**Dematic**") for the supply of equipment, parts, materials, services, and/or any other subject specified on the face of the Order ("**Work**"). Collectively, Supplier and Dematic are referred to as "**Parties**" and, individually, as "**Party**." "**Customer**" refers to any customer of Dematic that subsequently receives Work provided by Supplier under an Order.

## 1 ACCEPTANCE; MODIFICATION; TERM; PRECEDENCE

1.1 The Order constitutes an offer to purchase in accordance with the GTCs and not an acceptance of any offer to sell from the Supplier. The Order is subject to modification by Dematic. The Order shall be deemed accepted upon the earlier of Supplier acknowledgement of the Order, issuance of an invoice, or commencement of performance.

1.2 Dematic rejects any additional or inconsistent terms or conditions offered by Supplier at any time irrespective of Dematic's execution of Supplier's order acknowledgment or other form, Dematic's acceptance of or payment for Work, and/or any terms or conditions that may be implied by trade, custom, practice or course of dealing. Where Dematic has raised enquiries about sales, marketing, training or associated goods and services, the purchase of the Work shall not be binding unless and until Supplier has received an Order from Dematic's authorized Procurement representative.

1.3 The term of the Order ("**Term**") shall be the length of time it takes Supplier to meet its obligations under the Order, or any greater length of time set forth in the Order.

1.4 The GTCs conditions shall apply to Work unless otherwise indicated in the Order. The Order may include flow down provisions required by Dematic's customer or other order-specific provisions and Supplier will be bound by such requirements as specified in the Order.

1.5 In the event of any inconsistency between the GTCs and the terms and conditions set forth in the Order, the terms and conditions set forth in the Order shall govern in all cases, and the applicable regional specific addendums shall govern where inconsistent with these GTCs. If the Supplier is in doubt as to which regional specific additional addendum(s) apply, Supplier shall inform Dematic of said confusion and Dematic shall provide clarification prior to acceptance.

## 2 PRICE

2.1 The price is as specified in the Order.

2.2 Unless otherwise specified in the Order, the price shall include any applicable goods and services tax, sales tax, permits, fees and other national, state, provincial, territorial, local or municipal governmental charges or taxes and any tariffs, rights or duties, including import and customs duties and taxes, applicable to the Order and the same shall be paid by Supplier. Supplier shall not add charges for transportation insurance or any extra valuation charges.

## 3 INVOICING AND PAYMENT

3.1 Supplier shall submit invoices to Dematic in accordance with the payment terms and invoicing instructions set forth in the Order or as otherwise required by Dematic. If no payment terms are set forth in the Order, Supplier shall invoice Dematic when the Work has been accepted by Dematic in writing. If the Order requires Supplier to provide material tests, inspection logs, quality or other documents, the Work shall only be deemed complete upon Dematic's written acceptance of the same. Invoices shall indicate the order reference, position number, and the numbers of each item provided. Invoices shall not be payable until this information is complete. Copies of invoices shall be marked as such.

3.2 Dematic will not pay for Supplier's travel and accommodation expenses unless such expenses are agreed upon in advance by Dematic in writing and conform to Dematic's current corporate travel guidelines. All travel and accommodation expenses must be separately listed on an invoice.

3.3 For Work provided on a time-and-material basis, Supplier shall only charge Dematic in arrears for hours worked to the extent Supplier has accurately documented in a monthly timesheet or such other manner as approved by Dematic ("**Hourly Documentation**"). All Hourly Documentation must consist of hours actually worked, be documented as required by Dematic, and be approved by Dematic's authorized representative. Supplier must obtain Dematic's prior written permission before working more than eight (8) hours per weekday. Dematic will not pay for specific charges such as weekend or public holiday pay. Supplier shall not charge Dematic for any travel time between a Supplier's workplace or an employee's residence and the work site as such travel is not considered work time.

3.4 No payment shall be due unless and until Dematic receives a properly submitted invoice. Upon receipt of the same, Dematic agrees to pay such invoice in accordance with the terms set forth in the Order minus any amounts the Supplier may owe to Dematic under the Order or otherwise. Supplier expressly agrees Dematic may set off any such amounts owed to Dematic from any amounts invoiced.

3.5 If payment terms are not set forth on the face of the Order, Dematic's payment of undisputed invoices will be made no later than the later of 90 days from the end of the month in which the invoice is received by Dematic, from the receiving date of the correct and valid invoice or from the issuing date of the delivery certificate provided by Supplier (proving the Work has been accepted by Dematic).

3.6 Payment does not constitute Dematic's acceptance of any Work and/or a waiver of any of Dematic's rights and remedies available by statue, equity, and/or common law.

3.7 All invoices, whether initially or resubmitted, must be submitted to Dematic within ninety (90) days of completion of the Work. Dematic will not pay any invoices submitted beyond such timeframe.

## 4 DELIVERY AND SCOPE

4.1 Time is of the essence. Supplier shall deliver the Work on the date(s) specified in the Order or as otherwise agreed in writing. Supplier shall immediately notify Dematic in writing of any actual or potential delays in delivery, of all information concerning the nature and cause of delay, and of all Supplier's measures being taken to reduce the delay. Supplier's measures shall include, but shall not be limited to, best efforts to mitigate any potential or actual delays at Supplier's own cost. No such notification by Supplier shall affect Supplier's duty to deliver the Work by the required delivery date(s). Supplier shall be responsible for all costs or expenses incurred by Dematic as a result of Supplier's delay.

4.2 Supplier shall comply with all dependencies and obligations specified in the Order. Supplier shall be responsible for verifying the data supplied by Dematic. Unless otherwise stipulated in the Order, Supplier shall supply complete Work together with all components and documentation necessary for its contracted performance or as may be otherwise be required by Dematic.

## 5 SHIPPING AND PACKAGING

5.1 Supplier shall deliver Work in accordance with the Order. Supplier shall ensure that products are suitably prepared for shipment and must be packed, shipped and unloaded (as applicable) in accordance with the Order, applicable laws, classifications and tariffs. Supplier shall be responsible for shipping costs at no charge to Dematic. Unless otherwise specified in the Order, Supplier shall ship via the most expeditious way possible at Supplier's expense if the delivery schedule agreed to by the Parties will not be met by conventional delivery, and all expediting costs shall be borne by the Supplier.

5.2 Supplier shall follow the shipping instructions indicated in the Order and as stated in Dematic's then-current routing guidelines. Each delivery shall include a packing note or delivery note with details of the contents as well as a complete order number. The Supplier shall ensure that packaging is suitable given the nature of the Work and is environmentally friendly (biodegradable) wherever possible or packaged using sustainable and recyclable materials.

5.3 No shipment shall be deemed complete without delivery of all required Data. Dematic may withhold payment for any Work so long as the required Data remains undelivered. "**Data**" includes, without limitation, drawings, reproductions, specifications, photographs, reproducible copies, spare parts lists, O&M manual, plans, reports, computations, material safety data sheets, certifications, and waiver of liens with invoices, where applicable.

5.4 Supplier must insure all Work at full replacement value until such time as the risk of loss transfers to Dematic, including for losses occurring in transit. The cost of such insurance shall be considered a shipping cost which, in all instances, must be borne by Supplier.

## 6 SECURITY INTEREST, TITLE, RISK OF LOSS AND DAMAGE

6.1 Supplier hereby grants Dematic a security interest in the Work and all related raw materials, components, work in progress, and inventory, whether now owned or hereafter acquired, and products and proceeds thereof (the **"Collateral**") as security for advances, down payments or progress payments now or hereafter made. Supplier agrees to execute such documents evidencing such security interest as Dematic may request.

6.2 Supplier agrees that as soon as Collateral or any part thereof is identified to the Order, title to such Collateral shall immediately pass to Dematic. Supplier will mark or segregate Collateral to indicate Dematic's interest therein. Supplier will not sell, assign, or otherwise dispose of any Collateral nor create, suffer, or permit to attach or exist any lien or encumbrance on such Collateral, except for Dematic's interest.

6.3 Unless otherwise stated in the Order, title to the Work shall pass to Dematic at the time of delivery.

6.4 Regardless of passage of title and unless otherwise specified in the Order, all risk of loss or damage to the Work shall remain with Supplier until final acceptance by Dematic. Supplier shall bear all risk for any rejected Work after notice of rejection.

6.5 Risk of loss or damage to Supplier's materials or equipment or risk of personal injury or death to Supplier's employees or agents while working on any premises (whether specified by Dematic or not) shall remain with Supplier.

6.6 Title to and property in all materials supplied by Dematic to Supplier ("**Dematic Materials**") shall remain with Dematic and shall not pass to the Supplier or its successors or assignees under any circumstances whatsoever. Supplier may only use the Dematic Materials for performing Supplier's obligations under the Order. All Dematic Materials shall be stored, labeled and administered separately. Supplier bears all risk of loss to the Dematic Materials and shall indemnify Dematic for all costs and expenses incurred for any damages to the same.

## 7 INSURANCE

7.1 Supplier will maintain insurance covering its operations in the greater of the amounts required in the Order or as follows: (a) Worker's Compensation Insurance as required by the state, province or territory having jurisdiction over Supplier, (b) Employer's Liability with limit of $1,000,000; (c) Commercial General Liability Insurance (on an "occurrence basis", including blanket contractual liability with coverage for all indemnity obligations, premises/completed operations, products liability, and personal/advertising injury) with per occurrence limits of $1,000,000; and (d) Commercial Automotive Liability Insurance providing comprehensive coverage with combined single limit of $1,000,000. Notwithstanding the minimum foregoing insurance amounts, both Parties shall maintain in force with a reputable insurance company such policies of insurance as a prudent company would take out to cover their insurable risks and obligations under any Order.

7.2 Supplier shall include Dematic, its affiliates, and each of their directors, officers, employees, and agents as blanket additional insureds under all required insurance policies to the extent possible in light of the nature of the coverage. Each policy must: (i) stipulate that such insurance is primary and is not additional to, or contributing with, any other insurance or self-insurance carried by, or for the benefit of additional insureds; and (ii) waive any and all rights of subrogation against additional insureds to the extent permissible by law.

7.3 Supplier shall procure at its sole cost and expense and maintain in effect during the term of the Order, and for a period of three years thereafter, the foregoing insurance coverages, which shall be issued by insurance companies rated A minus VII or better by Best's Key Rating Guide. Such policies must contain a provision that requires 30 days' advance notice to Dematic prior to cancellation or modification of the coverage available to additional insureds.

7.4 Supplier shall provide evidence of all coverages required within five (5) business days after acceptance of the Order.

7.5 Supplier shall require any of its subcontractors performing work for Dematic to comply with this Section 7 to the same degree as required of Supplier.

## 8 INSPECTION AND QUALITY CONTROL SYSTEM

8.1 The Supplier Quality Manual defines the requirements necessary to ensure a successful partnership between Dematic and our suppliers. All suppliers must comply with each requirement stated in the Supplier Quality Manual which may be found via Dematic's Supplier Portal at: https://supplierportal.dematic.com/Login.aspx.

8.2 Supplier shall provide and maintain a quality control system, which is acceptable to Dematic, related to the Work. Supplier shall ensure Supplier's subcontractors comply with Dematic's quality control and delivery expectations and obtain the right for Dematic to reasonably conduct inspections and validations of Supplier's subcontractor's capabilities.

8.3 Supplier prevent the purchase and use of counterfeit components and/or subassemblies in order to ensure that all of the components and/or subassemblies were purchased from an original manufacturer (OM) (i.e., original equipment manufacturer (OEM) and / or original part manufacturer (OPM)), or an OM authorized source and do not have false identification of material, markings, characteristics grade, serial/lot number(s), date code, or performance characteristics. In the event Supplier becomes aware of counterfeit components or if a field issue is found by Dematic to be the result of a confirmed counterfeit component, the parties shall notify each other of such counterfeit component(s) and Supplier is to follow the non-conforming product process detailed in the Supplier Quality Manual referenced in 8.1. In addition, Supplier is fully responsible for investigating how a counterfeit component was purchased and sold and provide Dematic with a root cause and subsequent corrective actions to prevent another occurrence. If a field issue results from a confirmed counterfeit component, Supplier will carry the burden of financial responsibility and be liable to Dematic or others for the resulting damage including the requirement to replace the counterfeit component(s).

8.4 .At any reasonable time, Dematic may test and inspect Work and the facilities at the location where Work is being performed, including those of Supplier's suppliers and subcontractors. During such inspections or tests, Supplier shall provide Dematic with reasonable facilities and assistance for safe and convenient inspection and testing without additional charge. All inspections shall be conducted so as not to unduly delay Work. If following such inspection or testing Dematic considers that the Work does not conform to or is unlikely to conform to the Supplier's obligations, Dematic shall inform the Supplier and the Supplier shall immediately take such remedial action as is necessary to ensure compliance. Dematic shall have the right to conduct such further inspections and audits as it deems necessary.

8.5 Nothing contained in the Order shall relieve Supplier from Supplier's own testing, inspection, quality control and quality assurance obligations. Notwithstanding prior inspections, testing, passage of title or payment, all Work is subject to final inspection and acceptance at the destination stated in the Order. Inspection of the Work does not constitute acceptance or relieve Supplier of its obligations under the Order. If in Dematic's sole judgement the Work is shipped contrary to Dematic's instructions, determined to be defective due to non-compliance with the Order, any technical requirements, and/or any applicable legislation, and/or was performed in a negligent and/or unworkmanlike manner, Dematic may reject the Work and/or revoke Dematic's prior acceptance. Dematic may return rejected Work at Supplier's expense and risk and, in addition to any other rights or remedies, Dematic may charge Supplier all expenses incurred by Dematic relating to the inspection/testing activities and the return of the defective Work, plus a full refund of the purchase price. Lots may be rejected in whole or in part where defect rates exceed levels reasonably acceptable to or specified by Dematic.

8.6 Supplier shall be responsible for inspection of Work prior to shipment/delivery to Dematic. Supplier shall promptly notify Dematic in writing of any defect or deficiency. In the absence of such notice, no failure of Supplier to deliver or to meet specifications shall be excused on the grounds of defect or deficiency.

8.7 Supplier shall keep records of any inspections or tests performed by Supplier, its suppliers and/or its subcontractors. Upon request, Supplier shall make such records available to Dematic during performance of the Order and for three (3) years after final payment by Dematic or for such longer period as may be required by law.

## 9 MATERIALS, EQUIPMENT, TOOLS & FACILITIES

9.1 Supplier shall supply all material, equipment, tools, and facilities and take all actions as necessary to perform the Order. Dematic shall have title to all property furnished to Supplier by Dematic or specifically paid for by Dematic (or the cost of which is fully or substantially amortized in the price of the Work purchased hereunder) and any replacements and any materials affixed or attached thereto including, without limitation, tools, fixtures and equipment (collectively referred to as the "**Articles**") and the same shall remain Dematic's property. If Supplier's obligations include the design, manufacture, installation and/or make ready for use tools, dies, jigs, patterns, fixtures, style masters, molds and/or other similar equipment, or to have a third party do any of such activities, Supplier shall, upon request and completion of the design, provide Dematic with the construction drawings and specifications for Dematic's review and written approval prior to manufacturing the Articles.

9.2 The use of all Articles is exclusively limited to performance under the Order and any other use shall be deemed a breach of professional fairness and Default (defined below). The Articles shall not be duplicated or disclosed to others. In the event of any reduction in value or loss the Supplier shall provide a replacement.

9.3 All Articles in the custody or control of Supplier or of Supplier's agents, suppliers or sub-contractors will be held on consignment at Supplier's risk. Supplier will insure the Articles at Supplier's sole expense against loss and damage in an amount equal to the cost of replacement. Similarly, maintenance, service and replacement of Articles shall be at Supplier's expense. Supplier shall only keep Articles in the place authorized by Dematic and shall not relocate the Articles unless approved by Dematic in advance in writing.

9.4 Supplier agrees to return the Articles to Dematic in accordance with Dematic's instructions within ten (10) days of Dematic's written request, termination or completion of the Order at Supplier's expense in the same condition as originally received or purchased by Supplier, reasonable wear and tear excepted.

## 10 SUPPLY OF SPARE PARTS

10.1 For a period of not less than sixty (60) months following an Order for parts/equipment, Supplier shall have available, and will maintain an inventory of new or functionally equivalent to new, replacement parts in sufficient quantities to meet the reasonable anticipated needs of Dematic.

10.2 If Supplier becomes unable to provide such spare parts, notwithstanding its best efforts, it shall provide Dematic with reasonable assistance in locating alternate spare parts with the same or similar functionality.

## 11 DRAWINGS AND DOCUMENTATION

11.1 Prior to manufacturing any part to Dematic-provided designs, the content of all drawings must be approved by Dematic. After completion, and no later than on the date of Dematic's acceptance, Supplier shall provide Dematic all drawings and calculations related to the parts and any updates thereto, including all "as built" drawings and other technical documents in such number and forms as Dematic requires. Dematic, its Customers, and its subcontractors shall be entitled to use the drawings and other documents for any purpose Dematic deems necessary, including but not limited to maintenance, modifications, and/or the manufacture of spare parts.

11.2 All drawings, specifications, information, and samples provided by Dematic shall remain Dematic's sole and exclusive property, shall be deemed to be Confidential Information, and shall not be disclosed by the Supplier to a third party except with the prior written consent

of Dematic. Dematic makes no warranties regarding the accuracy of, and shall not be liable for, any defects, mistakes, or inaccuracies in such documents, information, or samples.

## 12 WARRANTY

12.1 Supplier warrants to Dematic, its successors, permitted assigns, and Customers that all Work will be new, merchantable, free from defects in design, material and workmanship, conform to any specifications (including performance specifications), drawings or samples which may have been provided to or furnished by Dematic, and suitable for its intended use express or implied by the Order, and Supplier warrants Supplier has good title to the Work free and clear of liens, security interests, and encumbrances, and will transfer such title to Dematic. (hereinafter "**Supplier's Warranty**").

12.2 Supplier's Warranty shall continue for at least twenty-four (24) months from the date of delivery to Dematic or Dematic's Customer, whichever is later (collectively the "**Warranty Period**"). Running of the Warranty Period shall be suspended from the date Supplier receives notice of breach of the Supplier's Warranty until the date of replacement or repair. The Warranty Period for any repaired, replaced, or reperformed Work shall be extended an additional three months beyond the close of the original Warranty Period.

12.3 Upon written notice of a warranty defect from Dematic, Supplier shall promptly repair or replace defective Work at Supplier's expense (including all transportation costs and labor costs for the removal and reinstallation of such defective Work). If Supplier fails to promptly do so, Dematic may, at its option, either (i) return the Work at Supplier's expense for a full refund of the purchase price, or (ii) replace, repair, have repaired, purchase, or manufacture similar Work and recover from Supplier all costs and expenses incurred.

12.4 For services performed, Supplier warrants that such services will be performed in a professional and workmanlike manner and in conformance with the highest applicable industry standards.

12.5 Supplier represents and warrants that Supplier shall, at Supplier's own cost and expense, obtain, maintain, and comply with any necessary export/import controls, licenses, permits, or consents (including work permits or authorizations) for the supply and delivery of the Work to Dematic.

12.6 Acceptance of Work shall not constitute a waiver of the warranties stated herein. The warranties and remedies specified herein are in addition to any and all of Dematic's rights and remedies available by statue, equity, and/or common law.

## 13 CHANGES; CUSTOMERS REQUIREMENTS

13.1 Modification or amendments to the Order shall only be binding if approved by Dematic's authorized Procurement representative in writing. All correspondence must be addressed to the Dematic Procurement representative in the Order, and any agreement reached with any other Dematic department intended to vary agreed terms of the Order must be expressly confirmed by the Procurement representative in writing.

13.2 Dematic's commitments to its Customers are essential to Dematic's business. Where there is need for Dematic to adjust the delivery dates or other contractual obligation due to interdependencies with its Customer or other Customer requirements, including without limitation, delivery dates, the Supplier shall co-operate and assist Dematic by using commercially reasonable efforts to make the required adjustments to the delivery dates and help to mitigate losses.

13.3 Supplier acknowledges that its failure to provide Work in a timely fashion may result in Dematic's inability to meet its contractual commitments to Customers, which may irreparably harm its business goodwill and future prospects. Accordingly, Dematic may be entitled to injunctive relief in order to compel Supplier's performance of Work.

## 14 STOP WORK ORDER

14.1 Dematic may stop any part of the work under the Order for a period of up to ninety (90) days ("**Stop Work Order**"). At any time during such period, Dematic may cancel the Stop Work Order or terminate the Order in accordance with Section 15. If/when a Stop Work Order is cancelled or expires, Supplier shall resume work. If a Stop Work Order has a material effect on cost or delivery, an equitable adjustment shall be made in price (excluding profit) and/or delivery schedule. No adjustment shall be made (i) if the work would have been otherwise interrupted or delayed or (ii) an adjustment is to be made or is excluded under any other provision of the Order. No claim for adjustment shall be allowed unless submitted to Dematic in writing in an amount stated within twenty (20) days after an Order is terminated or the Stop Work Order expires or is canceled, whichever occurs first.

## 15 TERMINATION FOR CONVENIENCE

15.1 Dematic may terminate the Order, in whole or in part, for its convenience by written notice stating the extent and effective date of such termination. Upon receipt of such notice, Supplier shall: (i) stop work under the Order, (ii) cancel any of Supplier's purchase orders or subcontracts to the extent related to the cancelled Order, (iii) use good faith efforts to reuse, resell or repurpose any materials not desired by Dematic, and (iv) protect property in Supplier's possession in which Dematic has or may acquire an interest. Supplier will submit its written claim, if any, to Dematic no later than twenty (20) days from the date of termination for convenience notice. Supplier's claim will be limited to: (i) contract price for any Work performed prior to the effective date of termination and any materials which could not reasonably be repurposed, (ii) reasonable restocking fees, cancellation fees (charged to Supplier by third parties) and similar costs, and (iii) storage fees, shipping fees, or similar fees incurred by Supplier and related to the preservation of Dematic's property. Dematic's maximum responsibility under the foregoing shall not exceed the Order price, provided, however, if the Order is to be performed per Dematic's releases, Dematic's maximum responsibility for production components is limited to firm releases. If directed by Dematic, Supplier will transfer title to and make delivery of any Work, work in process or inventory not retained or sold with Dematic's written consent.

## 16 TERMINATION FOR CAUSE

16.1 Dematic may terminate the Order, in whole or in part, due to the Supplier's Default ("**Termination for Cause**"). "**Default**" shall mean (i) a failure to deliver Work or perform as required by and within the time specified in the Order, (ii) a failure to perform or comply with any provision of the Order, (iii) a failure to make progress so as to endanger performance of the Order in accordance with its terms, (iv) a failure to provide Work of the quantity and/or quality required by the Order, (v) a failure to provide adequate assurances for performance under the Order; (vi) a failure to remedy any third party claims related to the Work, (vii) a failure to comply with applicable laws, ordinances, rules, regulations or orders of any public authority having jurisdiction over the Parties or the Order, (viii) a violation of section 25, Compliance, or (ix) Supplier becoming insolvent, filing or having filed against it a petition for liquidation, dissolution reorganization, receivership or bankruptcy.

16.2 Within twenty-four (24) hours after receipt of the written notice of Default, Supplier shall commence and continue satisfactory correction of such Default with diligence and promptness. If Supplier fails to do so, or fails to complete the cure within ten (10) days after receipt of Dematic's notice, termination will be effective on the tenth day after receipt of notice. Dematic shall have no liability for such Order except for Work previously accepted by Dematic, payment for which shall be set off against any damages incurred by Dematic. Supplier shall refund any advance payment when applicable and shall not be entitled to further payment (if any) until the cost of cover or purchasing replacement Work from a third party has been determined (if any).

16.3 Upon Termination for Cause and at Dematic's request, Supplier shall transfer title and deliver to Dematic any Work or property produced or procured by Supplier for performance of the terminated Order. Alternatively, Dematic may enter the Supplier's premises and take possession of such items. Further, Supplier shall, and shall ensure its subcontractors and/or sureties, assist Dematic in protecting any security interest Dematic may have in these items. Such assistance shall include, but is not limited to, registering, perfecting and/or removing any security interest, and not objecting to Dematic's retention of any funds or other guarantees given by the Supplier.

16.4 Supplier shall be credited with the reasonable value of such items not to exceed Supplier's actual and direct costs. Supplier will be liable for all damages caused by or resulting from Default including but not limited to all of the costs incurred by Dematic in responding to the Default. These costs may include but not be limited to Dematic's home office and field overhead, actual attorneys' costs and fees, cost of labor, and all costs of cover, (including but not limited to materials paid by Dematic to acquire suitable material handling, landing, and labor) and services performed by third-parties to correct the Default. Supplier and Supplier's sureties' liability for the payment of any amounts arising as a result of a Default may exceed the unpaid balance of the Order price. Supplier agrees to pay any claims of Dematic arising as a result of the Default within seven (7) days of a written demand from Dematic.

16.5 Termination for Cause shall not relieve Supplier of any obligations and duties that would ordinarily survive completion, including but not limited to warranty obligations and duties to indemnify and insure risks.

16.6 If it is subsequently determined in a civil action or arbitration that Dematic's termination for default was improper, Dematic's liability to Supplier shall be no greater than it would be if Dematic would have terminated Supplier for convenience pursuant to Section 15.1.

## 17 FORCE MAJEURE

17.1 Neither Party will be responsible for any delay or failure in performance of any part of the Order if such failure or delay is caused by natural disasters, industrial actions, insurrection, acts of terrorism, fire, epidemic or pandemic, government shutdown or quarantine order, flood, explosion, war, strike, embargo, government requirement, civil or military authority, civil unrest, Act of God, act or omission of carriers, or other causes beyond its control and occurring without the fault or negligence of the delayed or non-performing Party (collectively "**Force Majeure**"). Without limiting the foregoing, the cause or event must be beyond the reasonable anticipation and control of the Party claiming Force Majeure. A Party claiming a Force Majeure must promptly notify the other Party in writing of such Force Majeure event (in

no event later than two (2) business days after actual knowledge or after when such party should have reasonably known of the cause or event resulting in Force Majeure) and exercise reasonable efforts to prevent, avoid, delay, overcome, or mitigate the effect of such cause or event. The party claiming Force Majeure shall be entitled to an appropriate extension of time for performance of its commitments under the Order and these GTCs. . Notwithstanding the foregoing, if an event of Force Majeure occurs and continues for a period greater than six (6) months, then either party may terminate the Order upon giving written notice thereof to the other party. In the event of termination pursuant to this Section 17.1, the amount to which Supplier shall be entitled shall be determined as per Section 15.1.

## 18 CONFIDENTIALITY

18.1 All technical and other information, including information marked as proprietary or confidential and trade secret information, furnished by Dematic or Customers to Supplier is "**Confidential Information**" and shall be used by Supplier only for performance of the Work covered by the Order. Such Confidential Information shall be kept strictly confidential in accordance with the terms of this Section.

18.2 Supplier shall limit access to Confidential Information only to those employees directly involved in the supply of the Work who have a need to know such information to complete the Order for technical, organizational, and production reasons. Further, Supplier shall and shall ensure that its employees, agents and independent contractor abide by the obligations of confidentiality set forth in the Order. Confidential Information shall not be disclosed to a third party without Dematic's prior written consent, except to Supplier's subcontractors (if any) as necessary for performance of the work under the Order and only upon Supplier's subcontractors' agreement in writing to keep such information confidential to the same degree as described in this Section. Supplier further agrees to maintain as Confidential Information all contractual and business information of Dematic and Customers and shall not disclose such information to third parties without the prior written consent of Dematic. Supplier shall use the same degree of diligence and effort to protect Dematic's Confidential Information from disclosure to third parties as Supplier uses to protect its own confidential information of a similar kind but in no event less than reasonable and customary diligence and effort in protecting confidential information.

18.3 These obligations of limited use and non-disclosure shall not apply to the extent that such information: (a) was in Supplier's lawful and unrestricted possession prior to disclosure by Dematic or Customers as evidenced by written records; (b) is generally already available to the public through no wrongful act of the Supplier, its affiliates, or agents; or (c) is required by court order or governmental agency to be disclosed. Notwithstanding the above, Supplier understands that nothing in the Order is intended to prohibit or discourage Supplier from reporting any violation, or suspected violation, of any national, federal, state, provincial, territorial, municipal or local law to the appropriate governmental agency, and that Dematic will not discipline Supplier, terminate Supplier's engagement, or engage in any form of retaliation for Supplier's good faith reporting of any such violation or suspected violation.

18.4 Supplier further understands Supplier shall not be held criminally or civilly liable under any national, federal, provincial or state trade secret law for the disclosure of a trade secret that is made: (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (iii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

18.5 The Order grants no right or license to Supplier to any Dematic information, technology, proprietary information, copyright, or other data. Supplier may not use the name or trademark, whether registered or not, of Dematic, its affiliates, or Customers in publicity releases, advertising, or in any other manner, including customer lists, without the prior written approval of Dematic.

18.6 All obligations of Supplier regarding this Section shall expressly survive termination.

18.7 Supplier agrees that a breach of these confidentiality obligations will cause irreparable harm to Dematic. Consequently, Dematic may seek injunctive relief and Supplier will be liable for any damages and losses caused to Dematic, in addition to any civil or criminal liabilities it may be subject to pursuant to applicable law, in case of breach of Supplier's confidentiality obligations.

## 19 ENVIRONMENTAL COMPLIANCE

19.1 The Supplier must inform itself of and comply with all relevant legislative requirements in relation to the Order generally, and without limitation, in relation to measures necessary to protect the environment from any adverse effect or damage arising from the activity carried out in fulfilling its obligations under the Order. Further, Supplier shall be responsible for the safety of its operations at all times and shall follow all applicable laws, regulations, policies, procedures, codes, and industry best practices pertaining to environment, health and safety. If Dematic, acting reasonably, believes Supplier has breached any applicable health and safety laws, regulations, policies, procedures, codes and industry best practices, standards, or similar, Dematic shall have the right to require, and Supplier agrees it shall, immediately remediate the same.

19.2 If Supplier's Work requires special handling, permitting, or precautions under applicable environmental regulations, Supplier will notify Dematic as soon as practicable.

## 20 HEALTH AND SAFETY WHILE ON THE JOB

20.1 If the Order includes work to be performed on the premises specified by Dematic, Supplier represents that it has or will examine the premises, including but not limited to all foundations, terminals, and demarcations relevant to the Supplier's Work as well as any specifications or other documents furnished in connection with the Work and satisfy itself as to the condition of the premises prior to the commencement of Work. Supplier expressly represents and warrants that it has or will identify any and all workplace hazards that it may encounter with respect to any Work to be performed by Supplier and its personnel, and further acknowledges that it is or will be provided an opportunity to conduct whatever walk thru necessary to make such representation and warrant. Supplier agrees that no allowance shall be made in respect to the representations and warrants in this paragraph relating to the premises.

20.2 Supplier shall at all times keep the premises free from accumulations of waste material or rubbish. Upon completion of the Work, Supplier shall leave the premises and the Work broom clean unless a higher standard is specified in the Order. In performing the work, the Supplier shall be under an obligation to exercise special care with regard to environmentally hazardous substances and chemicals (which must have accompanying MSDS sheets). If while performing the work any harmful substances are released, found, or suspected, the Supplier shall immediately inform Dematic.

20.3 Any on-site Work performed by the Supplier shall be coordinated with Dematic's designated representative.

20.4 When performing Work on Dematic's work premises the Supplier must use its best efforts to avoid any disruption of Dematic's operations or the operations of any third parties.

20.5 The Supplier shall have a qualified and experienced supervisor on the site who is authorized to act on Supplier's behalf and has an acceptable command of the local language. Should it become apparent that the supervisor on site is underperforming pursuant to the Order or otherwise lacks the required skills and training for the Work, Supplier shall immediately replace such supervisor upon Dematic's request.

20.6 Prior to on-site Work, Supplier shall submit a list of all staff who will perform on-site Work, which must be up to date at all times.

20.7 Dematic may, in its sole, absolute discretion, instruct Supplier to deny access to or remove from site any Supplier personnel. Supplier will then immediately appoint an equally qualified and trained replacement.

20.8 The Supplier shall ensure that any tools and equipment brought onto a site shall be in good working order, have been tested, and comply with the relevant safety standards. The Supplier shall clearly and permanently mark its tools, devices, and installation equipment in order to identify ownership before bringing them onto the work site.

20.9 Supplier shall take all reasonable safety precautions in performing Work, and shall adhere to all applicable laws, rules and regulations pertaining to safety and health, including but not limited to all provisions of 29 CFR 1926 OSHA Construction Safety Standards, 29 CFR 1910 OSHA General Industry Standards, and American National Standard, ASME B20.1b-1992 and amendments thereto as may be applicable. In addition, Supplier is expected to have safety rules, programs and practices at least as robust as those identified within Dematic's current safety policies and procedures, which are posted on Dematic's supplier portal at https://supplierportal.dematic.com/Contenido.aspx?seccion_id=50. Dematic makes no representation as to the safety rules and policies maintained on the portal as examples, and Supplier's requirement to have and enforce rules, policies and procedures at least as robust is not an excuse nor will it obviate Supplier's obligations to comply with all safety and health laws, regulations and rules that may apply to Supplier's Work and work environment. It is Supplier's obligation to understand all applicable safety and health laws, regulations, rules and requirements. Dematic will not review nor approve Supplier's safety rules, programs or policies, and Dematic is not responsible for enforcement of or compliance with the same as related to Supplier personnel. Supplier shall be responsible for all enforcement of applicable safety and health laws, regulations, rules and requirements associated with Supplier's Work under the Order and performance of Work by Supplier personnel. Supplier further represents and warrants that it is responsible to have a competent person, as may be required under applicable safety and health laws, regulations, rules and requirements, oversee any and all Work performed by Supplier and its personnel.

20.10 Supplier further represents and warrants that when performing Work, (i) it has all necessary authority and the ability to identify and correct (or direct others to correct) any safety and health concerns or conditions encountered by Supplier and its personnel; (ii) it shall supervise its personnel to ensure compliance with all safety and health obligations and requirements; (iii) it shall stop any and all work that is not being performed by its personnel in accord with its safety and health rules, requirements and policies; (iv) it shall conduct regular and routine inspections of the Work being performed by its personnel, and the site, to ensure the Work and the site are free of hazards and that the Work is being performed in accord with all applicable safety and health laws, regulations, rules and requirements; and (v) it understands

that Dematic is not responsible for supervising or inspecting the work performed by Supplier and its personnel to ensure it is being performed in accord with the applicable health and safety laws, regulations, rules and requirements.

20.11 Supplier and any of its subcontractors that will be working on-site are required to apply for and successfully receive pre-qualification through Avetta prior to working on-site. Avetta helps Dematic assess and mitigate risk by handling the vendor pre-qualification process, and their site is located at https://www.avetta.com.

## 21 TECHNICAL, ORGANIZATION AND SECURITY MEASURES

21.1 Supplier represents that Supplier has in place and will maintain for duration of the Term commercially reasonable technical, organizational, and physical security procedures for the security of Dematic's Confidential Information and Data, Work, and personnel. Supplier shall also comply with any such standards as Dematic may require from time to time without additional cost to Dematic. Supplier shall upon Dematic's request and without additional costs to Dematic provide Dematic with information and reports demonstrating that Supplier has controls and safeguards in place designed to achieve the applicable requirements and objectives. Further, Dematic may periodically inspect Supplier's locations where the Work is performed upon reasonable notice and during normal business hours to ensure compliance with this Section.

21.2 Supplier's access to Dematic sites, networks, and computing facilities requires Dematic's prior written consent. Any such access may be used only for the purpose of performing deliveries of the Work. Supplier shall comply with all Dematic security and access requirements and shall request to be informed of the current version of such requirements before such access is granted. Supplier shall also take all reasonable steps to avoid any close integration of its employees or subcontractors into the Dematic organization and daily work processes.

21.3 The Supplier shall, when accessing a Customer's IT Environment (defined below), adhere to this Section 21.3 as follows:

21.3.1 Definitions: (i) "**Best IT Industry Practice**" means the standards which fall within the upper quartile in the IT industry for the provision of comparable services which are substantially similar to the Work or the relevant part of them, having regard to factors such as the nature and size of the Parties. (ii) "**Critical Service Failure**" means an event where the Supplier's software adversely affects Dematic's or the Customer's software, operating systems, and/or data through no act or omission on the part of the Customer or Dematic. (iii) "**Customer's IT Environment**" means the Customer's computing environment (consisting of hardware, software, and telecommunications networks) including the Customer's data that is to be used by the Supplier in connection with the provision of Work and Orders. (iv) "**Third Party Software**" means software which is proprietary to a third party and that is used by the Supplier to provide Work to Dematic and/or the Customer. (v) "**Malware**" means any computer code, programming instruction, or set of instructions, including not limited to self-propagating programming instructions commonly called viruses, trojans, or worms, that is intentionally and specifically constructed with the ability to damage, interfere with, or otherwise adversely affect computer programs, data, files, software, and/or hardware without the consent or intent of the computer user.

21.3.2 Supplier shall ensure the following: (i) Provide all Work in-line with the Best IT Industry Practice, applicable law, and regulations, and comply with instructions and guidance from Dematic in relation to Customer's needs and requirements, while ensuring the Customer receives the benefit of the Work and the Order; (ii) Immediately raise questions and/or notify Dematic about any issues that could impact the Customer and always operate so as to mitigate any impact on Dematic and the Customer against any Critical Service Failure; (iii) Only access the Customer's IT Environment to the level that is absolutely necessary for the provision of the Work; (iv) No Malware will be introduced into the Customer's IT Environment; (v) Any information accessed by the Supplier while connected to the Customers' IT Environment shall be held securely and kept strictly confidential; (vi) Where the Supplier uses Third Party Software, Supplier shall ensure Dematic and the Customer have the right and/or license to use the Third Party Software for the purpose set forth in the Order; (vii) Operate within the scope of the consents and licenses appropriate for the provision of the Work; (viii) Supplier has made and shall make its own enquiries to satisfy itself as to the accuracy and adequacy of any information supplied to Dematic; (ix) Ensure that any of the Customer's personnel, who are engaged in the Work being provided, are briefed and trained by Supplier at its cost so as to allow the Customer to receive the benefit of the Work; (x) No unauthorized remote access is granted to the Customer's IT Environment and the Supplier undertakes to ensure that remote access is safe from any illegitimate access and/or breach; (xi) Promptly notify Dematic and the Customer if Supplier becomes aware of a Critical Service Failure at any time; and (xii) Promptly remedy any Critical Service Failure or any other failure caused by the Supplier.

21.4 The Supplier shall fully indemnify Dematic and the Customer for any loss or damage associated with the Supplier's breach of this Section 21 whether such breach is intentional, accidental, negligent, or arises by way of an act and/or omission of the Supplier.

21.5 Supplier shall ensure its employees and Supplier's applicable subcontractors adhere to the standards set forth in this Section.

## 22 INTELLECTUAL PROPERTY RIGHTS

22.1 Supplier retains ownership of any creative idea, design, development, invention, works of authorship, know-how, or work owned by Supplier prior to the effective date of the Order ("**Effective Date**") and/or independently developed outside of the Order which does not contain Dematic's Information ("**Supplier's IP**"). Dematic information includes, but is not limited to all technical, proprietary, Confidential Information, and/or other information furnished by Dematic, Dematic's affiliates, or Dematic's Customers to Supplier ("**Dematic Information**"). Supplier grants Dematic a non-exclusive, world-wide, royalty-free, transferrable, perpetual, irrevocable, assignable, sub-licensable license under Supplier's IP to use, copy, sell, modify, and/or create derivative works of Supplier's IP to the extent Supplier's IP is incorporated in the Work Product and/or Work. "**Work Product**" means any tangible or intangible work or invention, whether copyrightable, patentable or not, and all related know-how, designs, mask works, trademarks, formulae, processes, manufacturing techniques, trade secrets, ideas, artwork, software, or any other result of work performed or developed by Supplier, Supplier's suppliers, and/or contractors under the Order for Dematic or any work containing Dematic's Information. Work Product does not include Supplier's IP. All Work Product shall be considered a "work made for hire" owned by and for the benefit of Dematic or Customers, as determined by Dematic, and shall vest with Dematic upon its creation. Supplier hereby transfers, assigns, and conveys to Dematic all right, title, and interest to the Work Product and agrees to execute any documents deemed necessary by Dematic to evidence and secure Dematic's exclusive ownership of the Work Product in any and all countries, including a waiver of moral rights. Supplier represents and warrants to Dematic that its employees, suppliers, and contractors shall promptly disclose to Dematic or any person designated by Dematic, all Work Product which is solely or jointly conceived, made, reduced to practice, or learned by the employee, supplier, or contractor in the course of any work performed for Dematic. Supplier will not sell goods or services utilizing Dematic's intellectual property or designed for use in conjunction with Dematic's products to Customers, competitors, or any other third party, unless Dematic gives prior written authorization to Supplier. Supplier further represents and warrants that none of the Work (in whole or in part), and no product or material (including manuals, user guides, and marketing material) provided by Supplier in conjunction with the Work, will infringe upon or otherwise misappropriate the intellectual property rights of others.

## 23 INDEMNIFICATION.

23.1 To the fullest extent permitted by law, Supplier shall defend, indemnify and hold harmless Dematic and/or Customers and their respective directors, officers, agents, employees, affiliates, parents, and assigns (**"Indemnified Parties**") from and against any and all third party claims, demands, causes of action, suits, damages, costs, losses, liability, and expenses, including but not limited to attorney's fees, arising out of or resulting from, including but not limited to the following: (i) the Work sold to Dematic, (ii) the Supplier's or Supplier's sub-contractors' performance breach of the Order, (iii) Supplier's breach of its obligations of confidentiality hereunder, (iv) any infringement or alleged infringement of any domestic or foreign patent, trademark, industrial design, utility model, copyright, or other intellectual property right by reason of the sale or use of any Work sold or provided to Dematic under the Order, and/or (v) all other losses, damages, property damage, injuries, or death which may be sustained by any person, firm, or corporation as a result of or by reason of its execution of the Order by Supplier. Further, Supplier agrees that Dematic shall have no responsibility or liability to Supplier, and Supplier shall indemnify Dematic against any and all claims, loss or damage, or injury or death due to or through Supplier's materials or equipment or employees or agents, respectively, notwithstanding the fact that facilities or storage space on such premises is provided by Dematic or Customers. The foregoing indemnification shall not apply to the extent caused by the gross negligence or willful misconduct of Dematic.

23.2 Dematic will promptly notify Supplier of any claim for infringement and cooperate, at Supplier's request and expense, in the defense thereof.

23.3 This obligation to indemnify and defend Dematic shall not extend to infringement of intellectual property rights resulting from Supplier's compliance with Dematic's designs, processes, or formulas.

23.4 If there is such infringement, Supplier shall at Dematic's discretion either: (i) procure for Dematic or Customers the right to use the infringing Work, products, materials, equipment, or processes; (ii) modify the infringing Work, products, materials, equipment, or processes so that it is no longer infringing, but still performs the same functions at an equal or greater level of performance; or (iii) replace the infringing Work, products, materials, equipment, or processes with non-infringing Work, products, materials, equipment, or processes which perform the same functions at an equal or greater level of performance. Supplier shall not enter into any settlement agreement that requires Dematic or Customers to make any payments or incur any liability whatsoever without prior written approval of Dematic. Supplier's indemnification obligation under this Section shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for Supplier under worker's compensation acts, disability benefit acts, or other employee benefit acts.

23.5 Supplier specifically waives any indemnity by any industrial insurance or workers' compensation statute. At any time before final settlement or complete adjudication of any loss, damage, liability, claim, demand, suit, or cause of action for which Supplier hereby agrees to

indemnify the Indemnified Parties, Dematic may withhold from any payments due or to become due under the Order, the reasonable value thereof, as determined solely by Dematic.

23.6 The provisions of this Section shall survive the acceptance of Work, payment, and termination of the Order and shall be binding upon Supplier, its successors and assigns and shall inure to the benefit of Dematic, its Customers, successors and assigns. The provisions of this section shall survive termination of Order.

**24 LIMITS OF LIABILITY**

IN NO EVENT SHALL DEMATIC BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF PROFIT OR BUSINESS OPPORTUNITIES, WHETHER UNDER BREACH OF CONTRACT, TORT OR ANY OTHER THEORY ARISING OUT OF OR RELATED TO THE ORDER. EXCEPT TO THE EXTENT THAT LIABILITY CANNOT BE LEGALLY LIMITED OR EXCLUDED AND WHETHER IN CONTRACT, TORT, NEGLIGENCE, UNDER AN INDEMNITY, STRICT LIABILITY OR OTHERWISE, DEMATIC'S MAXIMUM CUMULATIVE LIABILITY FOR ALL DAMAGES SHALL BE LIMITED TO PAYMENT OF THE PRICES DUE AND OWING IN ACCORDANCE WITH SECTION 3.4.

SUPPLIER AND DEMATIC AGREE THAT THE EXCLUSIONS AND LIMITATIONS SET FORTH IN THIS SECTION ARE SEPARATE AND INDEPENDENT FROM ANY REMEDIES WHICH EITHER PARTY MAY HAVE IN THE ORDER AND SHALL BE GIVEN FULL FORCE AND EFFECT WHETHER OR NOT ANY OR ALL SUCH REMEDIES SHALL BE DEEMED TO HAVE FAILED OF THEIR ESSENTIAL PURPOSE. THIS CLAUSE SHALL APPLY WITHOUT LIMITATION TO ANY LOCAL VARIATION TO THESE PRINCIPLES.

**25 COMPLIANCE.**

25.1 Supplier must abide by the KION Principles of Supplier Conduct, which may be found via KION's supplier portal, at https://kion.sharepoint.com/sites/kion_group/SitePages/Tools/Compliance/Business-partners.aspx.

25.2 Supplier will accurately maintain, and require all its subcontractors to accurately maintain, all necessary records, including but not limited to financial records, to verify its compliance with this Section for a term of seven (7) years following the date of the Order or for such longer period as may be required by law. Supplier agrees Dematic may audit Supplier's compliance with this Section and all applicable laws. Supplier agrees it will provide Dematic access to its books and records and access to Supplier's facilities to conduct such audits upon reasonable notice to Supplier. In the event of Supplier's violation of this Section or any applicable laws, Dematic shall have the right to immediately terminate this and other Order(s) with the Supplier and Supplier shall immediately indemnify Dematic for all costs incurred.

25.3 Supplier will provide access to Dematic to audit its books and records periodically at Dematic's request by an accountant or other auditor of Dematic's choosing. Dematic and its authorized representatives shall have the right to audit, to examine, and to make copies of or extract from all financial and related records (in whatever form they may be kept, whether written, electronic, or other) relating to or pertaining to the Order kept by or under the control of the Supplier, including but not limited to those kept by the Supplier, its employees, agents, assigns, successors, and sub-contractors. Supplier shall, at all times during the term of the Order and for a period of seven years after the completion of the Order, maintain such records, together with such supporting or underlying documents and materials. The Supplier shall at any time requested by Dematic whether during or after completion of this Order, and at Supplier's own expense make such records available for inspection and audit (including copies and extracts of records as required) by Dematic. Supplier shall ensure Dematic has these rights with Supplier's employees, agents, assigns, successors, and subcontractors, and the obligations of these rights shall be explicitly included in any subcontracts or agreements formed between the Supplier and any subcontractors to the extent that those subcontracts or agreements relate to fulfillment of the Supplier's obligations to Dematic.

25.4 Supplier further agrees (1) to provide Dematic with such information regarding the source and chain of custody of all materials that may be contained in, or may have been used to produce, Work furnished hereunder as Dematic may request from time to time, (2) to cooperate as requested by Dematic with Dematic's compliance efforts under, among other Governing Authorities, Section 1502 of the Dodd-Frank Act, and all rules and regulations applicable to Supplier, and (3) to cause its subcontractors of every tier to provide Dematic with the information and cooperation that Supplier is required to provide under (1) and (2) of this Section.

25.5 Supplier, when requested by Dematic, shall issue and provide Dematic all the necessary customs and commercial documentation required or requested by Dematic. Further, Supplier shall provide, among other things, the following foreign trade data on delivery of Work when requested by Dematic: (i) Classification of Work in trade statistics (commodity code); (ii) Country of origin; (iii) Identification and classification of Work which are subject to export control; and (iv) Provision of a certificate of origin or preference document. Where Supplier is enrolled in a supply chain security accredited programs, such as AEO or other similar programs that may exist in Supplier's country (collectively "**AEO**"), Supplier shall provide Dematic with evidence of enrollment upon written request. Where Supplier is not AEO certified, Supplier shall provide proof of Supplier's alignment with the AEO Security Criteria in the form of a reply to a Supply Chain Security questionnaire on an annual basis. Where security deficiencies are noted, Supplier shall develop and implement written procedures to improve its supply chain security procedures. Supplier shall annually conduct a security audit at each of its facilities and take all necessary corrective actions to ensure conformity with AEO requirements and Supplier's policies. Dematic shall have the ability to review such security audit upon request.

25.6 Questions, concerns or clarifications concerning the KION Principles must be submitted to Dematic and resolved prior to beginning Work.

**26 REQUIRED NOTICE OF ALL CLAIMS AND STATUTE OF LIMITATIONS.** Supplier agrees that unless an applicable law specifically provides for a different statute of limitations that cannot be shortened, Supplier shall give written notice of any claim to Dematic related to or arising from Dematic's failure to perform or comply with any provision of the Order within the earlier of (a) fourteen (14) days of the date Supplier first has knowledge or reasonably should have had knowledge of the event giving rise to a claim; or (b) thirty (30) days after Supplier's delivery of the Work. Supplier's failure to so timely notify Dematic shall constitute a waiver of such claim(s).

**27 MISCELLANEOUS.**

27.1 Inasmuch as Supplier has access to personal data (as defined by applicable legislation) in connection with the Order, Supplier shall observe applicable data protection laws and shall enable Dematic to obtain information and reports about the Supplier's compliance with these requirements at no additional cost. In case Supplier processes data of personal nature for Dematic as part of the Order, Dematic may request the Supplier to stipulate a separate written agreement on the processing of data of such personal nature and Supplier shall enter into such separate written agreement within the time required by Dematic.

27.2 Non-Solicitation. Supplier acknowledges that Dematic has made a significant investment in the recruitment, training and retention of its personnel, and that the qualifications and identities of its personnel are of both trade secret and proprietary value to Dematic. Supplier agrees not to approach any of Dematic's personnel who Supplier learned of or worked with in relation to an Order to directly or indirectly solicit or hire those personnel in any capacity for a period of twelve (12) months after the date of the Order. As it is impossible to fix the damages for Supplier's breach of this Section (which breach shall constitute a Default), Supplier agrees in the event of a breach of this provision, Supplier will pay Dematic a one-time amount equal to one-hundred percent (100%) of the affected person's base annual salary or compensation at the time of such person's termination of employment with Dematic plus any bonus paid within the past calendar year for each such solicitation in breach of this provision as liquidated damages. Such payment (i) will be due and payable within ten (10) days of receipt of Dematic's demand; or (ii) may be set off by Dematic against any amounts owed to Supplier; and (iii) is in addition to any rights and remedies available to Dematic under the Order, by statue, equity, and/or common law at law or in equity. Notwithstanding anything in this Section, Supplier may make general solicitations to the public (including solicitations by way of job-posting web sites).

27.3 Choice of Law and Jurisdiction. The Order shall be governed by, and interpreted in accordance with laws of the province, state, territory and/or country in which the Dematic is located (hereinafter "**Jurisdiction**"), irrespective of conflicts of laws rules or the place of performance of the contract. To the extent applicable, the Parties expressly agree to exclude the application of the UN Convention on Contracts for the International Sale of Goods. ALL DISPUTES ARISING OUT OF, OR IN CONNECTION WITH, THE SIGNATURE, VALIDITY, INTERPRETATION AND PERFORMANCE OF THE ORDER THAT THE PARTIES CANNOT RESOLVE AMICABLY OR VIA A MUTUALLY AGREED UPON DISPUTE RESOLUTION PROCESS, SHALL BE SUBMITTED TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE JURISDICTION, INCLUDING IN CASES WHERE THERE ARE MULTIPLE DEFENDANTS. Unless otherwise agreed in writing (or instructed by Dematic in writing), Subcontractor shall carry on and maintain the timely provision of Work during arbitration and any dispute or disagreement with Dematic

27.4 Entire Agreement. The Order and GTCs constitute the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior or simultaneous representations, discussions, negotiations, and/or agreements between the Parties, whether written or oral understanding. The terms of the Order are expressly limited to the terms and conditions set forth in the Order. Any changes, modifications, or additions to the Order are binding and enforceable only if made in writing and signed by both Parties. Any and all terms set forth on a Supplier's invoice or otherwise proposed by Supplier are hereby objected to and shall be void unless expressly agreed to in a written document signed by both Parties.

27.5 Severability. If any provision of the Order is declared void or unenforceable, such provision shall be modified to such extent necessary to make the provision effective and enforceable within the intent of the Parties expressed herein, or if such modification is not permissible, such provision shall be deemed severed from the Order, which shall otherwise remain in full force and effect, and the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

27.6 Assignment. The Order, and the rights and obligations hereunder, may not be assigned or transferred by either Party without the prior written consent of the other Party, except that Dematic may assign the Order to an affiliated company or in connection with the merger, consolidation, or sale of all or substantially all of its assets or any analogous intra-group transactions. Except for the prohibition on assignment contained in the preceding sentences, the Order is binding on and inures to the benefit of the heirs, successors, representatives and assigns of the Parties.

27.7 Non-Waiver. The failure of Dematic to insist on strict compliance with the terms and conditions hereof or to exercise its options hereunder shall not constitute a waiver of its right to thereafter require strict compliance or preclude Dematic from fully exercising options not previously exercised.

27.8 Binding Effect. The Order shall be binding upon and shall inure to the benefit of the Parties and their respective heirs, legatees, personal representatives and other legal representatives, successors and permitted assigns. Except as otherwise specifically provided, the Order is not intended and shall not be construed to confer upon or to give any person, other than the Parties hereto, any rights or remedies.

27.9 Survival. All provisions of the Order that by their nature or content, should survive the completion, rescission, termination or expiration of the Order to achieve the fundamental purposes of the relevant provision and the Order, shall so survive.

27.10 Independent Contractors. The Parties are independent contractors and act on their own account as independent entities and will not be considered as an agent of one another. Nothing in the Order is intended to create a partnership or joint venture or legal relationship of any kind between the Parties. Neither Party shall have authority to make representations, act in the name or on behalf of, assume any obligation on behalf of, or otherwise to bind the other.

27.11 Publicity. Supplier shall not in any manner advertise or publish the existence of the Order, that the Parties are doing business together, or that Supplier is a supplier of Dematic, nor shall Supplier use any Dematic or Customers' trademarks, trade names, logos, or other commercial symbol of Dematic, Customers or their respective affiliates.

27.12 Notice. All notices, consents and other communications required or which may be given under the Order shall be deemed to have been given: (i) when delivered by hand; (ii) when received by registered or certified mail, return receipt requested, or by facsimile transmission or by nationally recognized overnight courier (receipt requested), or (iii) when received via email to by Dematic Procurement representative identified in the order with follow-up delivery via subsections (i) or (ii) above. Unless otherwise changed in writing, the addresses for notices given pursuant to the Order shall be Supplier's and Dematic's addresses listed on the face of the Order.

**Annex 1: ADDITIONAL TERMS AND CONDITIONS FOR EMEA**

In addition to Sections 1 through 26 above, the following Sections shall apply to Suppliers who enter into a business relationship with the following Dematic entities or their respective successors: Dematic GmbH, Dematic Services GmbH, Dematic Logistics GmbH, Dematic NV, Dematic Electromechanical Systems Middle East LLC, Dematic Poland Sp. Z o. o. , Dematic S.A.S., Dematic S.r.l., Dematic Logistic Systems S.A.,

Section 1.2 of the GTCs shall have the following added:

1.2 The GTCs shall apply to the Parties and to their respective successors to the exclusion of any other terms that the Supplier seeks to impose or incorporate, or which are implied by trade, custom, practice or in the course of dealing. The GTCs are up-lifted into the Dematic procurement portal (http://www.dematic.com/en-GB/Supplemental/Suppliers/Downloads) from time to time and the live iteration of these terms and condition on-line shall be the valid terms and conditions between Dematic and the Supplier and all other (including historical) agreements are hereby void.

Section 2.6 of the GTCs shall have the following added:

2.6 If either Party fails to make payment due to the other Party by the due date for payment, the defaulting Party shall pay interest on the overdue amount at a rate of 7% per annum.

Section 12.2 of the GTCs is replaced with the following:

12.2 Supplier warrants that its deliveries and performance are free from defects as to quality and defects of title for a period of three years unless the law requires a longer period. Such warranty period shall commence with the transfer of risk. In case of delivery to places at which Dematic is completing performance outside of its premises or workshops, the warranty period shall commence with the acceptance by Customers, but in no case later than one year after the transfer of risk. In the event a deficiency is detected before or at the time of transfer of risk or during such other times periods as agreed to by Dematic, Supplier shall at its own cost and at the discretion of Dematic either rectify the deficiency or provide substitute delivery or performance. This shall also apply to any deliveries subject to inspection by sample tests. The discretion of Dematic shall be exercised fairly and reasonably. In the event that the Supplier fails to rectify any deficiency within a reasonable time period set by Dematic, Dematic may cancel the contract in whole or in part without being subject to any liability for damages; or demand a reduction of price; or undertake itself any rectification or substitute performance at the cost of the Supplier or arrange for such to be done; and claim damages in lieu of performance. Any rectification may take place without a further deadline being set and at the cost of the Supplier if delivery is after the original deadline. The same shall apply if Dematic has a particularly strong interest in immediate rectification in order to avoid its own liability for delay or for other reasons of urgency. The above-named claims shall extinguish one year after notification of any deficiency but in no case before the expiry of the time limitations named in this Section.

The following shall be added as Section 12.7:

12.7 Additional or statutory rights are not affected hereby. Insofar as the Supplier provides substitute performance or repairs, the periods named in this Section shall start to run once again. The Supplier shall bear the costs and the risk related to the return of deficient goods. Any goods identified in the order as a Dematic provided good shall be deemed to be "as is" without any warranty. However, a reasonable time extension shall be granted to Supplier, if Supplier's delay is attributable to the Dematic provided item. The Supplier shall bear the costs and the risk related to the return of deficient goods.

Section 13.1 shall have the following added:

13.1 For each Order, Supplier shall nominate in writing a representative with enough experience to provide accurate information and competent support for the performance of the Order. The representative must be able to make binding decisions, as specified in the Order. Dematic shall provide all information and instructions necessary to perform the work only to the Supplier's named representative and shall not issue instructions to any other employee of Supplier. Should Supplier require additional information, Supplier shall inform Dematic immediately.

The following shall be added as Section 19.10:

19.10 The Work shall be performed in a workmanlike and professional manner by Supplier having a level of skill in the area commensurate with the requirements of the Work to be performed and the applicable professional standards currently recognized by such profession, particularly the RoHS directive. Supplier shall fulfill its area of expertise and furthermore employ state of the art science and technology in the provision of the Work.

**ADDITIONAL TERMS AND CONDITIONS FOR THE UNITED STATES.**

In addition to Sections 1 through 26 above, the following Sections shall apply to Suppliers located in the United States, providing Work in the United States and/or otherwise governed by the laws of the United States:

Section 24.4 of the GTCs shall have the following added:

Commitment to Equal Employment. Supplier and its subcontractors shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin, and certain contractors and subcontractors covered by these regulations are required to take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability.

The following shall be added as Section 24.17 of the GTCs:

FAR Requirements. Supplier agrees to comply with all Federal Acquisition Regulation (FAR) clauses that may be applicable to the Order, which are hereby incorporated in the Order by reference to implement provisions of United States laws or Executive Orders applicable to all contracts. Supplier shall include the terms of this Section in subcontracts awarded under the Order.

**ADDITIONAL TERMS AND CONDITIONS FOR CANADA.**

In addition to Sections 1 through 26 above, the following Sections shall apply to Suppliers located in Canada, providing Work in Canada and/or otherwise governed by Canadian law:

Section 2.2 of the GTCs shall have the following:

Price. The price shall include any applicable goods and services tax, harmonized sales tax, Québec and other provincial sales tax, and retail sales tax.

The following shall be a newly added Section 2.3:

Taxes. Supplier shall promptly notify Dematic in writing if Supplier or any other person who is providing services in Canada under the Order is a non-resident of Canada within the meaning of the Income Tax Act (Canada). Dematic is entitled to deduct or withhold from payments owing to Supplier under the Order any amount that Dematic may be required to deduct and withhold in accordance with applicable law ("**Withholding Tax**"). Dematic shall timely remit any Withholding Tax so deducted or withheld to the appropriate taxing authority and shall provide to Supplier a copy of a receipt issued by such taxing authority evidencing such payment or a copy of the return reporting such payment, as applicable. Any Withholding Tax so deducted or withheld by Dematic shall be treated as having been paid to Supplier for the purposes of the Order. For the purposes of determining the amount of Withholding Tax to be withheld pursuant to Regulation 105 of the Income Tax Act (Canada) or any corresponding provincial or territorial provision, in any invoice delivered to Dematic pursuant to Section 3 of the GTCs, Supplier shall separately identify any charges that are payable by Dematic in respect of services rendered (or to be rendered, as the case may be) in Canada by a non-resident person (within the meaning of Regulation 105 of the Income Tax Act (Canada). Any allocation of charges between services rendered in Canada by non-resident persons and other Work in an Invoice shall be reasonable. Supplier shall provide to Dematic appropriate information and documentation supporting this allocation upon request by Dematic. Supplier shall indemnify and hold harmless Dematic from and against any order, penalty, interest, taxes, contributions, or related costs that may be assessed against Dematic due to Dematic's reliance on any invoices so prepared by Supplier.

Section 24.5 of the GTCs shall have the following added:

Supplier, its affiliates, agents, employees, consultants, brokers, contractors, service providers, or any other third party representative acting for or on behalf of Supplier shall at all times comply with all Trade Control Laws in the execution of all obligations and delivery of all Work pursuant to the Order and these General Terms and Conditions of Purchase. For the purposes of these GTCs, "**Trade Control Laws**" include anti-corruption laws, economic sanctions, anti-terrorism laws, anti-money laundering laws, export controls, defence trade controls, and import and export laws applicable to activities in Canada, the European Union, the United States and abroad, including Canada's Corruption of Foreign Public Officials Act, Special Economic Measures Act, United Nations Act, Freezing Assets of Corrupt Foreign Officials Act, Criminal Code, Justice for Victims of Corrupt Foreign Officials Act (Magnitsky Law), Export and Import Permits Act, Defence Production Act, Foreign Extraterritorial Measures Act, Customs Act, and regulations issued under the foregoing, and any other similar laws of other countries applicable to its activities (including local laws of host countries).

**ADDITIONAL TERMS AND CONDITIONS FOR MEXICO.**

In addition to Sections 1 through 26 above, the following Sections shall apply to Suppliers located in Mexico, providing Work in Mexico and/or otherwise governed by the laws of Mexico:

Section 3.1 to the GTCs shall have the following added:

Invoicing and Payment. Supplier's invoice shall comply with all legal requirements provided by the applicable Mexican tax laws. Invoices that do not comply with these requirements will be returned unpaid to Supplier without any liability to Dematic. Supplier acknowledges and agrees that Dematic has the right to set off or recoup any indebtedness or obligations of Supplier to Dematic, or any other claim that Dematic may have against Supplier under GTCs or any other agreement entered into by Supplier and Dematic. This right of Dematic is in addition to any other right and remedy that Dematic may have in accordance to these GTCs or the applicable law.

Section 5.1 of the GTCs shall have the following added:

Any delivery in advance and/or in delay not arising from Force Majeure events shall constitute a default of Supplier's obligations towards Dematic. As a result of such default and notwithstanding any other rights and remedies that Dematic may have to claim damages and/or losses, Dematic in its sole discretion may reject the delivery of the Work and return such Work to Supplier at Supplier's cost and risk in the event of an advanced delivery. In the event that the Work cannot be returned to the Supplier, Dematic will not be required to remit any payments until the agreed upon delivery date. Dematic will be entitled to the reimbursement of any extraordinary costs and expenses related to such advanced delivery. Further, in case of delayed delivery, Dematic may (a) request the delivery of the Work despite the delay and Supplier shall pay, as a liquidated damage, the amount of one percent (1%) per day of delay of the total value of the Work to be delivered, without exceeding the amount of ten percent (10%) of the total value of such Work; or (b) cancel and terminate the Order immediately without any liability and without the need to obtain a court ruling or comply with a previous requirement or procedure. Supplier and Dematic agree that the payment of monetary damages may not be sufficient to cover all of Dematic's damages and/or losses and, in the event that the delay in delivery causes a slowdown or a shutdown of Dematic's activity or any negative effects on Customers, Dematic will be entitled to apply for injunctive relief and/or any further rights Dematic deems necessary. The unconditional acceptance of any delayed Work does not constitute a waiver of claims to which Dematic is entitled.

The following shall be added as Section 12.7:

Warranty. Notwithstanding the provisions of article 383 of the Commercial Code for the United Mexican States, Supplier and Dematic expressly waive the provisions thereof. Dematic reserves the right to check the Work's compliance, in terms of quality and quantity, in both cases upon delivery of the Work at the delivery place agreed in the Order and then later during any step of the production/working cycle, as well as for hidden defects, but in any such case, Dematic is entitled to claim for any quality, quantity and hidden defects of the Work within the Warranty Period.

Section 24.2 shall have the following added:

Anti-Corruption and Money-Laundering. Supplier agrees, irrevocably, that the commercial relationship now held with Dematic must conform to the highest stringent and rigorous standards and principles of ethics, morality and good faith in conducting business, including but not limited to, preventing through it and/or through third parties, either wholly or partly, directly or indirectly, relationships, contacts and/or commercial partnerships with any kind of agents that in any way have, or have had, involvement in illicit commercial activities, including unethical or unfair competition, which Supplier knows or should have known about. Supplier shall comply with all applicable laws, statutes, regulations and codes relating to anti-bribery, anti-corruption and money laundering applicable, including but not limited to the U.S.A. and in Mexico, including the U.S.A.'s Foreign Corrupt Practices Act and Mexico's Federal Law for the Prevention and Identification of Operations with Resources of Illegal Origin (hereinafter the "**Anti-Corruption Laws**"), and to not do, nor omit to do, any act that will lead to Dematic being in breach of any of the Anti-Corruption Laws. Supplier shall promptly report to Dematic any request or demand for any undue financial or other advantage of any kind received by the Supplier in connection with the performance of the Order, and which might constitute an infringement to the Anti-Corruption Laws.

The following shall be added as Section 24.17 of the GTCs:

Consumer Product Safety. Supplier shall notify Dematic immediately in writing if any Work provided: (i) fails to comply with any applicable consumer product safety rule; (ii) contains a defect that can create a risk of injury to the public and/or obligate Dematic under any law or regulation to warn the public of such defect; and/or (iii) contains or were manufactured with a chemical (a) which is known or specified in any law or regulation to be harmful or injurious to the human health or reproduction, or to the environment; or (b) which creates an obligation under any law or regulation for Supplier or Dematic to label the Work or to warn the public that Supplier's Work contains or was manufactured with such chemicals. In particular, all Work must be compliant with any and all applicable legislation.

**ADDITIONAL TERMS AND CONDITIONS FOR AUSTRALIA.**

In addition to Sections 1 through 26 above, the following Sections shall apply to Suppliers located in Australia, providing Work in Australia and/or otherwise governed by the laws of Australia:

The following shall be added as Section 2.3:

2.3.1 Any reference to goods and services tax (GST) shall have the meaning under the **GST Act** ((*A New Tax System (Goods and Services Tax) Act 1999* (Cth));

2.3.2 Any reference to Taxable Supply has the same meaning as defined under the GST Act;

2.3.3 Tax Invoice.

(i) If GST is payable in relation to a Taxable Supply made by Dematic, under or in relation to the Order the amount payable for that Taxable Supply will be the amount payable under the Order plus GST.

(ii) Terms defined in the GST Act have the same meaning given to those terms when used in the Order.

(iii) Invoices submitted by the Supplier must be a tax invoice as required by the GST Act and specify the Order number, product Work's number and other relevant details as required by Dematic. Invoices may only be rendered in accordance with the Order.

2.3.4 Dematic has no obligation to make any payment in respect of any Supplier's invoice unless and until:

(i) If the Work is to be supplied to or from and/or delivered to New South Wales, the Supplier has first supplied to Dematic a completed Subcontractor's Statement regarding Workers Compensation, Pay-roll Tax and Remuneration in the form provided by the New South Wales Government's website (available for download at web address http://www.osr.nsw.gov.au/sites/default/files/file_manager/op t011.pdf ) for the month to which the Supplier's invoice relates;

(ii) If Work is to be supplied to or from and/or delivered to any Australian State or Territory other than New South Wales, the Supplier has first supplied a statutory declaration for the month to which the Supplier's invoice relates declaring that, in respect of the Work that is subject of the Supplier's invoice and in any applicable form:

a. All of the Supplier's employees and subcontractors have been paid all monies due and payable to them and all taxes, whether State or Federal, have been paid including any State or Territory pay-roll tax; and

b. the Supplier provides certificates of currency for all insurances required to be effected and maintained under the Order and required by any Workers' Compensation Statute or Regulation of any State or Territory applicable to the provision of the Work.

Section 24.16 of the GTCs shall have the following added:

27.12.1 Personal Information has the meaning given in the Privacy Act 1988 (Cth);

27.12.2 Any reference to Privacy Laws means:

(i) the Privacy Act 1988 (Cth) ("**Privacy Act**"), the Telecommunications Act 1997 (Cth), Telecommunications (Interception) Act 1979 (Cth), and the privacy protection policy issued by Dematic from time to time; and

(ii) any other legislation, principles, industry codes and policies relating to the collection, use, storage or granting of access rights to Personal Information, which Dematic notifies the Supplier is a Privacy Law for the purposes of the Order;

27.12.3 Any reference to PPS Act means the Personal Property Securities Act 2009 (Cth);

27.12.4 Any reference to PPS Law means:

(i) the PPS Act and any regulations made at any time under the PPS Act, as amended from time to time;

(ii) any relevant amendment made at any time to any other legislation as a consequence of above paragraph (i);

(iii) any provision of the PPS Act or regulations referred to in paragraph (i);

(iv) any amendment to any of the above, made at any time; or

(v) any amendment made at any time to the Corporations Act 2001 (Cth) or any other legislation in connection with the implementation or as a consequence of the PPS Act.

27.12.5 The Supplier shall comply with all Privacy Laws in relation to the Personal Information (as that term is defined in the Privacy Act), whether or not the Supplier is an organization bound by the Privacy Act and if it is a small business under the Privacy Act, then upon reasonable request by Dematic, the Supplier agrees to choose to be treated as an organization bound by the Privacy Act in accordance with Section 6EA of that Act during the term of the Order;

27.12.6 National Code. The Supplier acknowledges that the National Code of Practice for the Construction Industry (the Code), the Australian Government Implementation Guidelines for the National Code of Practice for the Construction Industry, issued September 2005 and reissued June 2006, and the Australian Government Industry Guidelines for the National Code of Practice for the Construction Industry revised September 2005 (the Guidelines), may apply to the Order and by agreeing to undertake the work under the Order, it is taken to have read and agreed to comply with the Code and Guidelines and to be able to demonstrate compliance;

27.12.7 PPS Act. In this Section:

(i) 'Security Interest' has the meaning given to it in the *PPS Law*.

(ii) 'Transaction Document' means:

a. The Order;

b. any guarantee by which any person guarantees the Supplier's compliance with its obligations under any of the Transaction Documents;

c. agreements between the Supplier and its subcontractors;

d. any agreement which the Supplier and Dematic agree is a Transaction Document for the purposes of the Order;

e. any agreement or instrument created under any of the above documents; and

f. each document entered into for the purpose of amending, novating, restating or replacing any of the above documents.

(iii) The Parties agree that paragraphs (a) to (r) inclusive of Section 115 of the PPS Act do not apply to the Order or the transactions contemplated under the Order.

(iv) If one Party (the "**Secured Party**") determines that a Transaction Document (or a transaction in connection with it) is or contains a "**Security Interest**" (as defined by the PPS Act) in favour of the Secured Party, the other Party (the "**Grantor**") agrees to do anything (such as obtaining consents, signing and producing documents, getting documents completed and signed and supplying information) which is requested by the Secured Party and which is reasonably necessary for the purposes of:

a. ensuring that the Security Interest is enforceable, perfected (including, where possible, by control in addition to registration) and otherwise effective;

b. enabling the Secured Party to apply for any registration, or give any notification, in connection with the Security Interest so that the Security Interest has the priority required by the Secured Party. This includes registration under the PPS Act for whatever collateral class the Secured Party thinks appropriate, acting reasonably; and

c. enabling the Secured Party to exercise rights in connection with the Security Interest.

(v) For the avoidance of doubt:

a. Dematic intends to register any Security Interest the Supplier acquires in any Work and Collateral upon title in Work and Collateral passing to the Supplier in accordance with section 6 of the GTC's and the Security Interest arising; and

b. the Supplier must assist Dematic to register or improve that Security Interest (or both) by:

c. removing any Security Interest the Supplier has in the relevant Work and Collateral; and

d. ensuring that all subcontractors remove any Security Interest the subcontractors have in the relevant Work and Collateral.

27.12.8 Intellectual Property Rights, All rights of Dematic under Section 21- Intellectual Property Rights of the GTCs are in addition to those afforded to Dematic under the Copyright Act 1968 (Cth).

Section 4.3 of the GTCs shall be amended to read as follows:

4.3 If the Work is not delivered by the applicable date(s), Dematic may in its sole discretion claim or deduct one percent (1%) of the Order price for each commenced week's delay in delivery by way of liquidated damages. Dematic's rights under this Section are in addition to Dematic's rights and remedies available by statue, equity, and/or common law.

Section 7.1 of the GTCs shall have the following added:

7.1.1 The Supplier shall at its expense effect and maintain:

e. a public liability policy for an amount not less than $20 million per occurrence;

f. an insurance policy covering loss of or damage to the Work;

g. if the supply of the Work involves any consulting or design, a professional indemnity policy for an amount of not less than $5 million per occurrence; and

h. Such insurance as is legally required under any Workers' Compensation legislation applicable in the location where the work is to be performed.

7.1.2 The policies in Section 7.1.1(i) and (ii) must name Dematic as an additional insured and include a cross-liability clause in which the insurer agrees to waive all rights of subrogation or action against any of the persons comprising the insured. All insurance

policies must be on terms and with an insurer reasonably acceptable to Dematic. Supplier shall provide satisfactory evidence of such insurance to Dematic upon request.

**ADDITIONAL TERMS AND CONDITIONS FOR SINGAPORE, REPUBLIC OF KOREA (SOUTH KOREA) and MALAYSIA.**

In addition to Sections 1 through 26 above, the following Sections shall apply to Suppliers located in Singapore, the Republic of Korea and Malaysia, providing Work respectively in Singapore, the Republic of Korea or Malaysia and/or otherwise governed by the respective laws of Singapore, the Republic of Korea or Malaysia as appropriate to the location of the supply:

The following shall be added as Section 2.3:

2.3.1 SINGAPORE GST: All prices do not include goods and services tax ("**GST**") chargeable under the Goods and Services Tax Act (Chapter 117A of Singapore) which shall be added by the Supplier at the rate and in the manner from time to time prescribed by law. Dematic shall only be responsible for GST provided the Supplier has submitted appropriate information or documentation to allow Dematic to recover such taxes as appropriate. Dematic shall have no other or further liability to the Supplier with respect to any tax, duty, levy or like imposition for which the Supplier may be liable as a result of the supply of the Work. If Dematic is required to withhold any tax or charge pursuant to any applicable law or regulation, Dematic shall be entitled to withhold and deduct such tax or charge from the price before payment to the Supplier.

2.3.2 REPUBLIC OF KOREA VAT. All prices do not include value added tax ("**VAT**") chargeable under Value Added Tax Law which shall be added by the Supplier at the rate and in the manner from time to time prescribed by law. Dematic shall only be responsible for VAT provided the Supplier has submitted appropriate information or documentation to allow Dematic to recover such taxes as appropriate. Dematic shall have no other or further liability to the Supplier with respect to any tax, duty, levy or like imposition for which the Supplier may be liable as a result of the supply of the Work. If Dematic is required to withhold any tax or charge pursuant to any applicable law or regulation, Dematic shall be entitled to withhold and deduct such tax or charge from the price before payment to the Supplier.

The following shall be added as Section 4.3:

4.3 If the Work is not delivered by the applicable date(s), Dematic may in its sole discretion claim or deduct one percent (1%) of the Order price for each commenced week's delay in delivery by way of liquidated damages. Dematic's rights under this Section are in addition to Dematic's rights and remedies available by statue, equity, and/or common law.

The following shall be added as Section 12.7:

12.7.1 The Supplier warrants:

(i) that it has all necessary permits and licences to allow it to sell the Work to Dematic, and that it has complied with all relevant laws, rules and regulations affecting its obligations and the performance of the Order.

(ii) that all Work is new and does not contain any used or reconditioned parts or materials unless otherwise specified or approved by Dematic.

(iii) without prejudice to Dematic's rights under the Order and at law, the Supplier warrants the Work against defects for the longer of either (i) the Supplier's normal warranty period; or (ii) a period of 12 months (or as otherwise stated in the Order) from the date of delivery of the Work or the completion of any of the services or, where applicable, the commissioning date, or from the date of delivery of the defective Work repaired or replaced under this Section.

12.7.2 Breach of any of the warranties in the above Section shall, without prejudice to any other rights of Dematic, entitle Dematic to terminate the Order and claim damages, loss, costs and expenses from the Supplier (including, without limitation, legal costs on an indemnity basis).

12.7.3 The Supplier shall fully indemnify and hold harmless Dematic and all its assigns, subcontractors and Customers from and against all claims, liabilities, actions, demands, damages, costs, and expenses (including, without limitation, legal costs on an indemnity basis) of any kind or nature arising from, in connection with or related in any way to any breach.

Section 7.1 of the GTCs shall have the following added:

7.1.1 The Supplier shall at its expense effect and maintain:

(i) a public liability policy for an amount not less than $20 million per occurrence;

(ii) an insurance policy covering loss of or damage to the Work;

(iii) if the supply of the Work involves any consulting or design, a professional indemnity policy for an amount of not less than $5 million per occurrence; and

(iv) Such insurance as is legally required under any Workers' Compensation legislation applicable in the location where the work is to be performed.

7.1.2 The policies in 7.1.1(i) and (ii) must name Dematic as an additional insured and include a cross-liability clause in which the insurer agrees to waive all rights of subrogation or action against any of the persons comprising the insured. All insurance policies must be on terms and with an insurer reasonably acceptable to Dematic. Supplier shall provide satisfactory evidence of such insurance to Dematic upon request.

**ADDITIONAL TERMS AND CONDITIONS FOR NEW ZEALAND**

In addition to Sections 1 through 26 above, the following Sections shall apply to Suppliers located in New Zealand, providing Work in New Zealand and/or otherwise governed by the laws of New Zealand:

The following shall be added as Section 2.3:

2.3.1 Any reference to GST Act means Goods and Services Tax Act 1985 (New Zealand).

2.3.2 Any reference to Taxable Supply has the same meaning as defined under the GST Act3

2.3.3 Tax Invoice.

(i) If GST is payable in relation to a Taxable Supply made by Dematic, under or in relation to the Order the amount payable for that Taxable Supply will be the amount payable under the Order plus GST.

(ii) Terms defined in the GST Act have the same meaning given to those terms when used in the Order.

(iii) Invoices submitted by the Supplier must be a tax invoice as required by the GST Act and specify the Order number, product item number and other relevant details as required by Dematic. Invoices may only be rendered in accordance with the Order.

(iv) Dematic has no obligation to make any payment in respect of any Supplier's invoice unless and until:

a. for Work to be supplied to or from and/or delivered to New Zealand, the Supplier has first supplied a statutory declaration for the month to which the Supplier's invoice relates declaring that, in respect of the work that is subject of the Supplier's invoice and in any applicable form:

b. all of the Supplier's employees and subcontractors have been paid all monies and entitlements due and payable to them and all taxes, have been paid; and

c. the Supplier provides certificates of currency for all insurances required to be effected and maintained under the Order and required by the Accident Compensation Corporation ("**ACC**") applicable to the provision of the Work.

(v) If Dematic becomes liable to pay any amount to any third party by reason of the Supplier's failure to provide the documentary evidence required for payment specified in this Section i), Dematic may have recourse to any security it may be holding from the Supplier to pay any such liabilities.

Section 7.1 of the GTCs shall have the following added:

7.1.1 The Supplier shall at its expense effect and maintain:

(i) a public liability policy for an amount not less than $20 million per occurrence;

(ii) an insurance policy covering loss of or damage to the Work;

(iii) if the supply of the Work involves any consulting or design, a professional indemnity policy for an amount of not less than $5 million per occurrence; and

(iv) Such insurance as is legally required under any Workers' Compensation legislation applicable in the location where the work is to be performed.

7.1.2 The policies in 7.1.1(i) and (ii) must name Dematic as an additional insured and include a cross-liability clause in which the insurer agrees to waive all rights of subrogation or action against any of the persons comprising the insured. All insurance policies must be on terms and with an insurer reasonably acceptable to Dematic. Supplier shall provide satisfactory evidence of such insurance to Dematic upon request.

Section 12.1 is replaced with the following

12.1 The Supplier warrants, without limiting its other warranties under the Order or otherwise, that:

(i) All Work will:

a. Be new, of merchantable quality, and fit for its intended purpose;

b. Provide the full functionality and performance claimed for the Work;

c. Comply with Dematic's drawing or specification as provided in the Order;

d. Operate in accordance with its specifications; and

e. (In the case of software and hardware) when in operation, calculate dates correctly for the period of the useful life of the Work; and

f. All services provided under the Order will be provided with due skill and care to the standard reasonably to be expected of a person performing the business of the Supplier.

(ii) The Supplier must in carrying out the work under the Order:

a. Assume sole responsibility for its actions in performing the Work under the Order and manage all aspects of industrial relations for the work under the Order, including ensuring all its subcontractors manage all aspects of industrial relations with their employees appropriately;

b. Ensure that the rates of pay and conditions of employment specified in all relevant industrial, enterprise and project based agreements and awards, and any relevant law (including statutes), for all employees engaged by any person in connection with the Work under the Order, are always observed in full; and

c. Keep Dematic fully and promptly informed of industrial relations problems or issues that affect or are likely to affect the carrying out of the work under the Order, Dematic's activities or the delivery of the Work.

(iii) The Supplier shall indemnify Dematic against all loss, costs, damages, or expenses arising out of any breach of the above obligations and warranties.

The following shall be added as Section 24.16:

24.16.1 Personal Information has the meaning given in the Privacy Act 1988 (Cth);

24.16.2 Any reference to Privacy Laws means:

(i) the Privacy Act 1993 (New Zealand) ("**Privacy Act**"), the Telecommunications Information Privacy Code 2003 and the privacy protection policy issued by Dematic from time to time; and

(ii) any other legislation, principles, industry codes and policies relating to the collection, use, storage or granting of access rights to Personal Information, which Dematic notifies the Supplier is a Privacy Law for the purposes of the Order;

24.16.3 The Supplier shall comply with all Privacy Laws in relation to the Personal Information (as that term is defined in the Privacy Act), whether or not the Supplier is an organization bound by the Privacy Act and if it is a small business under the Privacy Act, then upon reasonable request by Dematic, the Supplier agrees to choose to be treated as an organization bound by the Privacy Act during the term of the Order.

24.16.4 Any reference to PPS Act means the *New Zealand Personal Property Securities Act 1999* (New Zealand);

24.16.5 Any reference to PPS Law means:

(i) The PPS Act and any regulations made at any time under the PPS Act, as amended from time to time;

(ii) Any relevant amendment made at any time to any other legislation as a consequence of above paragraph (1);

(iii) Any provision of the PPS Act or regulations referred to in paragraph (1);

(iv) Any amendment to any of the above, made at any time; or

(v) Any amendment made at any time to the Companies Act 1993 (New Zealand) or any other legislation in connection with the implementation or as a consequence of the PPS Act.

24.16.6 PPS Act. In this Section:

(i) 'Security Interest' has the meaning given to it in the PPS Law.

(ii) 'Transaction Document' means:

a. The Order;

b. any guarantee by which any person guarantees the Supplier's compliance with its obligations under any of the Transaction Documents;

c. agreements between the Supplier and its subcontractors;

d. any agreement which the Supplier and Dematic agree is a Transaction Document for the purposes of the Order;

e. any agreement or instrument created under any of the above documents; and

f. each document entered into for the purpose of amending, novating, restating or replacing any of the above documents.

(iii) The Parties agree that Sections XYZ of the PPS Act do not apply to the Order or the transactions contemplated under the Order.

(iv) If one Party (the "**Secured Party**") determines that a Transaction Document (or a transaction in connection with it) is or contains a "**Security Interest**" (as defined by the PPS Act) in favour of the Secured Party, the other Party (the "**Grantor**") agrees to do anything (such as obtaining consents, signing and producing documents, getting documents completed and signed and supplying information) which is requested by the Secured Party and which is reasonably necessary for the purposes of:

a. ensuring that the Security Interest is enforceable, perfected (including, where possible, by control in addition to registration) and otherwise effective;

b. enabling the Secured Party to apply for any registration, or give any notification, in connection with the Security Interest so that the Security Interest has the priority required by the Secured Party. This includes registration under the PPS Act for whatever collateral class the Secured Party thinks appropriate, acting reasonably; and

c. enabling the Secured Party to exercise rights in connection with the Security Interest.

(v) For the avoidance of doubt:

a. Dematic intends to register any Security Interest the Supplier acquires in any Work, and Collateral upon title in Work and Collateral passing to the Supplier in accordance with section 6 of the GTC's and the Security Interest arising; and
b. the Supplier must assist Dematic to register or improve that Security Interest (or both) by:
c. removing any Security Interest the Supplier has in the relevant Work and Collateral; and
d. ensuring that all subcontractors remove any Security Interest the subcontractors have in the relevant Work and Collateral.

24.16.7 All rights of Dematic under Section 21-Intellectual Property Rights of the GTCs are in addition to those afforded to Dematic under the Copyright Act 1994 (New Zealand).

**ADDITIONAL TERMS AND CONDITIONS FOR CHINA.**

In addition to Sections 1 through 26 above, the following Sections shall apply to Suppliers located in China, providing Work in China and/or otherwise governed by the laws of China.

Section 3.3 of the GTCs is replaced with the following:

3.3 For Work provided on a time-and-material basis, Supplier shall only charge Dematic in arrears for hours worked to the extent Supplier has accurately documented in a monthly timesheet or such other manner as approved by Dematic ("**Hourly Documentation**"). All Hourly Documentation must consist of hours actually worked, be documented as required by Dematic, and be approved by Dematic's authorized representative. Dematic will not pay for specific charges, such as weekend or public holidays. Supplier shall not charge Dematic for any travel time between a Supplier's employee's workplace or residence and the work site, as such travel is not considered work time.

Sections 7.1 and 7.3 of the GTCs is replaced with the following:

7.1; 7.3 During the term of the Order, and for a period of three years thereafter, Supplier shall at its own cost and expense shall maintain in force with a reputable insurance company such policies of insurance as a prudent company would take out to cover their insurable risks and obligations under the GTCs and any Order. The Parties shall provide evidence of such policies to the other Party upon request.