General Terms and Conditions of Sale of Inspekto GmbH

These General Terms and Conditions of Sale, together with any other agreements or terms incorporated by reference including the Privacy Policy (https://inspekto.com/privacy-policy/), (the "**Terms**") govern any proposal or quote document incorporating these Terms by reference (each, a "**Quote**") between Inspekto GmbH (the "**Company**") and the customer whose details are set forth in such Quote (the "**Customer**"). By accepting the Quote or by accepting or using the Products and/or Services purchased thereunder, the Customer agrees to these Terms. By accepting these Terms, you represent that you have the authority to bind the Customer on behalf of which you are accepting these Terms. If the entity that you represent does not agree with these Terms, you must not accept these Terms or accept or use the Products and/or Services.

1. Pricing and Payment

1.1 Any prices quoted by the Company in the Quote regarding the products to be sold by the Company ("**Products**") or the services to be provided by the Company ("**Services**") under the Quote are valid for sixty (60) days, unless noted otherwise in the Quote. Unless explicitly provided otherwise in the Quote, any quoted prices are exclusive of VAT and all other taxes, licenses, permits, fees, and custom duties, which shall be borne by the Customer.

1.2 Unless otherwise agreed in writing between the Customer and the Company, the Customer shall pay the fees applicable to the Services under the Quote on a monthly basis within seven (7) days of invoice delivery. The Customer shall pay the fees applicable to the Products in accordance with the payment terms set forth in the Quote. Any applicable additional expenses shall be borne by the Customer.

2. Delivery and Shipping

2.1 Unless otherwise provided for in the Quote, the Products are sold and delivered Ex Works (EXW) Incoterms®2020 the manufacturing facility of the Company in Heilbronn, Germany, in accordance with the time schedule specified in the Quote, subject to prompt receipt of all necessary information and reasonable cooperation from the Customer.

2.2 The Company shall not be liable for delays in its performance under the Terms or the Quote due to force majeure or causes beyond its reasonable control. In the event of any such delay, the date of delivery shall be extended for a period of time equal to that lost by reason of the delay.

2.3 The prices quoted in the Quote are exclusive of any and all taxes, freight, and delivery charges (unless mentioned specifically in the Quote) and/or other charges applied by any governmental or other body and paid by the Company in connection with the delivery of the Products to the Customer.

2.4 The Customer is responsible to notify the Company in writing within five (5) Business Days of the receipt of any shipment of any missing or damaged items in such shipment. "**Business Day**" in terms of these Terms shall mean any other day than Saturday, Sunday, or any public holiday at the Company's place of business.

2.5 The Customer is responsible for compliance with any applicable import legislation and/or regulations which may apply to the import of the Products to the country of destination.

3. Software

3.1 Subject to the terms and conditions of these Terms and the Quote accepted by the Customer, the Company hereby grants the Customer a non-transferable, non-sublicensable, non-exclusive, royalty free, limited license to use the Company's software as supplied by the Company (the "**Software**") for use on or in conjunction with a single unit of the Company's Products.

3.2 Except as expressly provided for in these Terms, the Customer is prohibited from:

    (a) using the Software with any other product other than the Product;

    (b) removing or altering any copyright, trademark, or proprietary notice in or on the Software or the Product;

    (c) copying, adapting, modifying, or enhancing any portion of the Product, or creating any derivative works based on the Product, nor permitting any person or entity under the Customer's control to do so;

    (d) reverse engineering the Product, or decompiling, disassembling, or otherwise attempting to reconstruct the source code of the Software;

    (e) taking any action designed to defeat the operation of any security measure incorporated in the Product;

    (f) using the Product in any manner not authorized by these Terms.

3.3 Any rights in or to any suggestion or other feedback of the Customer relating to the Software, Products and/or software or services owned or offered by the Company shall vest in the Company. The Customer is aware and accepts that all rights to artificial intelligence model adaptations using images captured by Products and/or Software are the exclusive property of the Company in the relationship between the parties. For the avoidance of doubt, the Company shall have full rights to exploit, use, copy, modify and distribute such suggestions or other feedback of the Customer and such artificial intelligence model adaptations; in particular to incorporate such suggestions or other feedback of the Customer and such artificial intelligence model adaptations into any Company's software, product, or service. The Customer undertakes not to knowingly provide the Company with suggestions, other feedback or images that infringes upon third parties' intellectual property rights.

3.4 The Customer hereby grants to the Company a non-exclusive, worldwide, irrevocable, royalty-free, transferable, and sublicensable perpetual license to:

    (a) use images captured by Products and/or Software, and related meta data (such as but not limited to camera parameters, software settings) in order to improve and enhance Products, Software and/or software and/or services owned or offered by the Company and to adapt artificial intelligence models, and

    (b) collect, aggregate, and use anonymous or unidentifiable usage data from users of the Products.

3.5 The software license granted hereunder is effective until terminated. The Customer's right under this license will terminate automatically without notice if the Customer fails to comply with any term herein. Upon the termination of this license, the Customer shall cease all use of the Software, and destroy, and certify the destruction of, all copies, full or partial, of the Software. Upgrades, modifications, and additional features to the Software may apply within the scope of the service level agreement to the extent so executed between the Customer and the Company and shall be further subject to the payment of all applicable fees by the Customer under such service level agreement.

4. Warranty and Liability

4.1 The Company warrants that the Products are - upon the passing of the risk - free from defects in materials ("*Sachmängel*", hereinafter referred to as "**Defects**") for a period of one (1) year from the date of their delivery (the "**Warranty Period**").

4.2 The Company makes no warranty whatsoever and shall have no liability whatsoever with respect to Defects which result, directly or indirectly, from: (i) improper use or operation, improper handling, installation or maintenance, improper storage, unnecessary or improper alterations, modifications, adjustments or repairs; or (ii) any reason external to the goods furnished by the Company, including without limitation, mechanical or otherwise any physical impact on the Customer's manufacturing line or plant, accident, fire, flood and extreme weather conditions.

4.3 Notifications of a Defect by the Customer shall be given in written form without undue delay.

4.4 Defective Products shall be, at the Company's discretion, repaired or replaced free of charge, provided that the reason for the Defect had already existed at the time when the risk passed.

4.5 The Company shall be given the opportunity to repair or replace the defective Product ("*Nacherfüllung*") within a reasonable period of time.

4.6 The Company makes no representation and grants no warranty regarding the performance, results, or suitability of any Product to the Customer's intended use; the entire risk as to the results and performance of the Product is assumed by the Customer.

4.7 In no event shall the Company be liable for any special, incidental, punitive, consequential, or indirect damages, in connection with or arising from the use of any Products or the provision of any Services, or the Customer's use of or inability to use the Software or the Products, however caused, under any theory of liability, and regardless of whether the Company has been advised of the possibility of such damages. In no case shall the Company's aggregate liability under these Terms or arising out of the Customer use of the Software or any Product or the provision of Services exceed the amount paid by the Customer for the particular Product or Services involved.

4.8   The Software licensed hereunder is licensed on an "as-is" basis without warranty of any kind. The Company makes no representations or warranties of any kind and disclaims all warranties, expressed, implied or statutory, including but not limited to the warranties of merchantability, performance, results, fitness for a particular purpose, and non-infringement. The Company and its affiliates do not warrant that the Product and/or Software will meet the Customer's requirements, that the Product and/or the Software and/or the Product thereof will be uninterrupted or error-free, or that all errors will be rectified. The Customer expressly acknowledges and agrees that use of the Software is at the Customer's sole risk and that the entire risk as to satisfactory quality, performance, accuracy, and effort is solely with the Customer. This disclaimer of warranty constitutes an essential part of these Terms.

5.   Re-Export Prohibition

5.1   The Customer shall not sell, export or re-export, directly or indirectly, to the Russian Federation or Belarus or for use in the Russian Federation or Belarus any goods supplied by the Company under or in connection with an accepted Quote (including, but not limited to, hardware, software, technology, and corresponding documentation) ("**Goods**").

5.2   The Customer shall undertake its best efforts to ensure that the purpose of Section 5.1 is not frustrated by any third parties further down the commercial chain, including by possible resellers.

5.3   The Customer shall set up and maintain an adequate monitoring mechanism to detect conduct by any third parties further down the commercial chain, including by possible resellers, that would frustrate the purpose of Section 5.1.

5.4   Any violation of Sections 5.1, 5.2 or 5.3 shall constitute a material breach of an essential element of an accepted Quote, and the Company shall be entitled to seek appropriate remedies, including, but not limited to:

- request a plan to remedy the infringement,
- claim penalties in the amount of the price of the re-exported Goods or 50% of the contractual value whichever is higher,
- rescind the affected accepted Quote,
- suspend any of its business relationships with the Customer and/or any affiliate of the Customer, until the breach of Section 5.1 is remedied; and/or
- terminate the accepted Quote.

5.5   The Customer shall immediately inform the Company about any problems in applying Sections 5.1, 5.2 or 5.3, including any relevant activities by third parties that could frustrate the purpose of Section 5.1. The Customer shall make available to the Company information concerning compliance with the obligations under Sections 5.1, 5.2 and 5.3 within two weeks of the simple request of such information.

5.6   The Customer will indemnify and hold harmless the Company, its affiliates, subcontractors, and their representatives, against any claims, damages, fines, and costs (including attorney's fees and expenses) relating in any way to the Customer's non-compliance with Sections 5.1, 5.2, 5.3 or 5.5.

Inspekto GmbH

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6. Miscellaneous

6.1 The Customer may not assign any accepted Quote made in accordance with these Terms or any right the Customer may have pursuant to these Terms without the Company's prior written permission.

6.2 The Customer is solely responsible for compliance with any applicable law (including, without limitation data protection and privacy laws) and regulations in connection with the use of the Products. The Company shall take any necessary measure in order to comply with any applicable data protection and privacy laws and regulations with respect to any personal data the Customer may provide in the course of the Customer's engagement with the Company. To the extent the Company processes any personal data on the Customer's behalf when performing its obligations under any agreement governed by these Terms, the Customer acknowledges and agrees that the Data Processing Agreement ("**DPA**") (https://inspekto.com/data_protection_addendum/ HFNDOCS# 7428255v2 – Inspekto – Customer DPA Final V100) shall govern the processing of personal information transferred under the agreement.

6.3 These Terms shall be governed by and interpreted in accordance with German law, to the exclusion of the United Nations Convention on contracts for the International Sale of Goods (CISG). Notwithstanding the foregoing, the Company may, without limiting its other rights and remedies, be entitled to seek equitable relief, including but not limited to injunctive relief, in any court of competent jurisdiction.

6.4 In the event that it is determined by a court of competent jurisdiction that any provision of these Terms is invalid, illegal, or otherwise unenforceable, such determination shall not affect the validity and enforceability of any other legal enforceable provisions hereof unless such illegality, invalidity or unenforceability destroyed the underlying business purpose of the affected transaction.

6.5 No delay or omission by the Company in exercising any of its rights hereunder shall operate as a waiver of such rights.

6.6 Without derogating from any right or remedy available to the Company under any law or agreement, the Customer will defend, indemnify, and hold the Company and/or any affiliate thereof harmless from any and all claims, losses, damages, debts, settlements, costs, attorneys' fees, expenses and liabilities of any type whatsoever (collectively referred to as "**Claims**") in connection with the installation, use or implementation of a Product by or for the Customer. The Company will have the right to participate in or conduct the defense of such Claim with counsel of its own choice. The Company will use reasonable effort to promptly notify the Customer of any such Claim. No settlement of a Claim will be binding on the Company without its prior written consent.