

COGNEX TERMS AND CONDITIONS OF SALE FOR STANDARD PRODUCTS AND SERVICES ("Terms and Conditions")

- 1. PRICING.** All price quotations to buyer ("Buyer") by the applicable Cognex contracting entity set forth in the Regional Terms on Supplement A (the "Regional Terms") for Buyer's domicile ("Cognex") for Cognex products ("Products") or engineering services ("Services") are valid for thirty (30) days unless otherwise noted.
- 2. PAYMENT.** All payments shall be made in the currency set forth in the Regional Terms for Buyer's domicile. Payment terms are set forth in the Regional Terms for Buyer's domicile, unless otherwise quoted or agreed to. Travel and living expenses incidental to engineering Services shall be reimbursed by Buyer monthly based on actual, reasonable and documented expenses incurred by Cognex. Any travel and/or waiting times shall be invoiced at the agreed rate for Services. Cognex may alter or suspend credit whenever the payment history or financial condition of Buyer warrants such action. Overdue payments will be subject to a 1.5% monthly interest rate, or the maximum permitted by law.
- 3. TAXES AND DUTIES.** Prices for Products or Services do not include applicable federal, state or local taxes, now or hereafter enacted, which tax or taxes (i) will be added by Cognex to the sales price whenever Cognex has the legal obligation to collect same, and (ii) shall be paid by Buyer unless Buyer provides Cognex with an appropriate tax-exemption certificate. All duties, taxes, import/export licenses and related fees are in addition to the quoted prices and shall be Buyer's responsibility, and any such cost incurred by Cognex shall be passed on to Buyer.
- 4. FREIGHT AND SHIPMENTS.** Delivery terms are set forth in the Regional Terms for Buyer's domicile. Subject to the limitation set forth in Section 18 hereof, title to all goods sold hereunder shall pass to Buyer upon delivery. Any freight and delivery charges paid by Cognex in connection with shipments to Buyer will be passed on to Buyer. Buyer shall notify Cognex in writing relative to any shipment shortage within ten (10) days of receipt. Cognex shall not be liable for delays in delivery or performance due to causes beyond its reasonable control. In the event of any such delay or failure, Cognex shall be entitled to extend the delivery date by a commensurate period of time. Cognex shall have the right to cancel any order or to refuse or delay shipment if Buyer fails to meet payment terms or if there is any materially adverse change in Buyer's financial status. Export of Cognex Products or Services is subject to the latest export regulations, in particular the U.S. Export Regulations issued by the U.S. Department of Commerce, adherence to which is Buyer's responsibility after initial shipment by Cognex.
- 5. RETURNS/CANCELLATION.** Product sales are non-refundable and returns shall be for exchange or credit only (credit to be valid for 12 months following issuance). Any return for exchange or credit must be made within fourteen (14) days of the invoice date, and Buyer must pay a 20% restocking charge for such return. Quotes, resultant orders or order line items for non-standard parts, non-standard Products, last-time-buy Products, or where otherwise designated as non-cancellable/non-returnable (NCNR), are non-returnable and non-cancelable. Except as set forth in the preceding sentence, an order may be cancelled upon written notice to Cognex prior to the date scheduled for Product shipment or commencement of performance of Services, provided that such cancellation will be subject to the following cancellation charges: 0-30 days before shipment/performance: 20% of order value; 31-60 days before shipment/performance: 10% of order value; and 61+ days before shipment/performance: 0%.
- 6. SCHEDULE CHANGES.** Buyer may reschedule Product delivery one time without charge by sending Cognex a written request at least thirty (30) days prior to the scheduled delivery date provided: (i) the request is for a delivery date no greater than ninety (90) days from the original order date (120 days for Project Services), and (ii) a 5% rescheduling fee applies to any additional Buyer schedule changes. Any request to reschedule Product deliveries to a delivery date which is later than 90 days (120 days for Project Services) from the original order date, shall be classified as a cancellation subject to the terms of Section 5 above and the payment(s) set forth therein. Buyer must take delivery of all Products no later than 90 days (120 days for Project Services) following its submission of an order. Further, Buyer shall schedule Cognex's performance of all Services under an order to occur no later than twelve (12) months following Product delivery thereunder. All order line items for Services not performed within twelve (12) months of Product delivery shall be deemed cancelled by Buyer.
- 7. SUPPLEMENTAL TERMS.** These Terms and Conditions are subject to the following additional terms to the extent applicable to such order, each of which are fully incorporated herein and hereby and form an integral part of these Terms and Conditions: (i) the applicable Cognex Software License Agreement(s), available at <https://www.cognex.com/terms-and-conditions> (the "Software License"), (ii) the applicable Offering-Specific Term(s), available at <https://www.cognex.com/terms-and-conditions> (the "Offering-Specific Terms"), and (iii) to the extent that on-site installation, test and/or support services ("Project Services") have been included within the scope of any given project and order, the provisions set forth in Supplement B (the "Project Solution and Installation Terms").
- 8. LIMITATION OF LIABILITY.** COGNEX SHALL ONLY BE LIABLE FOR DEATH AND/OR BODILY INJURY DIRECTLY RESULTING FROM THE USE OF ITS PRODUCTS IN ACCORDANCE WITH THE MANDATORY LOCAL LAW OF BUYER'S DOMICILE. NOTWITHSTANDING ANY OTHER PROVISIONS HEREIN, IN NO EVENT SHALL COGNEX BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES ARISING IN ANY MANNER FROM THE SALE, LICENSE, LEASE, USE OR ANTICIPATED USE OF THE PRODUCTS OR SERVICES, INCLUDING BUT NOT LIMITED TO ANY INTERRUPTION OF SERVICE, LOSS OF BUSINESS, PROFITS, DATA AND/OR USE, EVEN IF ADVISED OF THE POSSIBILITY THEREOF. NOTWITHSTANDING THE FOREGOING, COGNEX'S TOTAL CUMULATIVE LIABILITY UNDER THIS ORDER SHALL NOT EXCEED THE AMOUNT PAID BY BUYER FOR THE PARTICULAR PRODUCTS OR SERVICES INVOLVED.
- 9. SUITABILITY DISCLAIMER.** The performance of the Products depends on a variety of parameters (such as illumination, calibration, and image quality) which are beyond the control of Cognex. Cognex makes no claim, representation or warranty concerning the performance or suitability of the products for or in Buyer's application.
- 10. WARRANTY.** Cognex warrants Product hardware of its manufacture to be free from defects in material and workmanship and its Product software to operate in accordance with its documentation for a period of twelve (12) months from shipment unless a different period is otherwise quoted in writing by Cognex. If a Product unit fails during the warranty period, the original Buyer (not other parties which may have physical possession of the Product) shall notify Cognex and request a return authorization. The defective unit shall then be returned to Cognex's repair center by Buyer or its designee, freight prepaid, together with a failure report. It will either be repaired or replaced, at Cognex's option, and returned to Buyer or its designee, freight prepaid. If the failed Product is covered by a Hot Swap Program, Cognex will ship within 48 hours, excluding Saturdays, Sundays and public holidays, a permanent replacement for a failed part covered by the Hot Swap Program. The Hot Swap Program covers the cost of the shipment for the part to be replaced to Buyer's site where the Hot Swap Program was purchased. In exchange, Buyer must return the failed Product to Cognex within ten (10) working days of the receipt of the replacement, freight prepaid. If the failed Product is not received within thirty (30) days, Buyer may be invoiced the full list price of the Product. Cognex is not responsible for providing replacement hardware during the repair period. Cognex is not responsible for providing a replacement unit during the repair period. The foregoing warranty shall not apply to defects resulting from (i) improper or inadequate maintenance by Buyer; (ii) Buyer-supplied equipment, hardware, software or interfacing; (iii) unauthorized modifications, misuse or accidents; (iv) operation outside of the environmental specifications of the Product; or (v) improper site preparation and maintenance. All Services shall be performed in professional manner, in conformity with industry standards. **EXCEPT AS**

EXPRESSLY STATED HEREIN, ALL SOFTWARE IS PROVIDED “AS IS”. THIS WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

11. COGNEX INDEMNIFICATION. Cognex shall indemnify and defend Buyer against any claim, suit, or proceeding brought against Buyer by a third party insofar as such claim, suit or proceeding is based upon an assertion that any Product delivered hereunder infringes upon (A) a European Union member nation patent or registered copyright for Buyers domiciled within the European Union, and (B) a U.S. patent or registered trademark for all other Buyers, provided Buyer (i) notifies Cognex promptly in writing as to any such claim, suit or proceeding, (ii) grants Cognex sole control over the defense and settlement thereof, and (iii) reasonably cooperates in response to a Cognex request for assistance. Should any Product become, or in Cognex’s opinion be likely to become, the subject of a cause of action of infringement, Cognex may, at its sole discretion and expense, (a) obtain for Buyer the right to make continued use of such Product, (b) replace or modify such Product so that it is no longer infringing, or (c) request return of the Product and upon receipt thereof refund to Buyer the residual value thereof, calculated using straight line depreciation over a five (5) year useful life. Cognex shall have no liability if the alleged infringement is based upon (1) the manner of combination with non-Cognex products; (2) the inspection application or manner of use of the Product; (3) Buyer’s use of any older version of software when use of a newer Cognex revision would have avoided the infringement; (4) any modification made without Cognex’s written approval; (5) any modification made by Cognex pursuant to Buyer’s specific instructions; or (6) any intellectual property right owned by Buyer, any of its affiliates or any end user, or licensed by any of the foregoing from a third party. Notwithstanding the foregoing, in no event shall Cognex’s liability to Buyer under this Section 11 exceed the amount paid by Buyer to Cognex for any allegedly infringing Product. **THIS SECTION 11 STATES BUYER’S SOLE AND EXCLUSIVE REMEDY AND COGNEX’S ENTIRE LIABILITY TO BUYER FOR THIRD PARTY INFRINGEMENT CLAIMS.**

12. PRECEDENCE. In the absence of a separate, duly executed agreement between Cognex and Buyer, Buyer’s purchase of Cognex products or services represents acceptance of these Terms and Conditions, which constitute the entire agreement between the parties and supersede any prior or contemporaneous communications, representations, understandings or agreements by either party, whether verbal or written, concerning the subject matter hereof. These Terms and Conditions take precedence over Buyer’s additional or different terms and conditions, to which notice of objection is hereby given. Neither Cognex’s commencement of performance nor delivery shall be deemed or construed as acceptance of Buyer’s additional or different terms and conditions. No change or modification to these Terms and Conditions shall be valid or binding unless in writing and signed by authorized representatives of both parties. In the event of conflict between the terms of this Agreement, its Supplements and the Software License, the following order of precedence shall apply: (A) Supplement A, (B) Offering-Specific Terms (where applicable), (C) Supplement B (where applicable), (D) the Software License, and (E) these Terms and Conditions.

13. WAIVER. No failure to exercise, delay in exercising or course of dealing under these Terms and Conditions shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege under these Terms and Conditions preclude any further exercise thereof, or the exercise of any other right, power or privilege.

14. ASSIGNMENT. Any order subject to these Terms and Conditions may not be assigned by Buyer without prior written consent from a duly authorized representative of Cognex.

15. SURVIVAL. The completion or termination of any order governed by these Terms and Conditions shall not prejudice any rights or relieve any obligations that have arisen on or before the date of such completion or termination. Any provision herein that by its very nature or context is intended to survive order completion or termination, including but not limited to provisions concerning payment of outstanding amounts, warranties, indemnities and limitations of liabilities, shall so survive.

16. DATA PRIVACY. Cognex will take all necessary steps to comply with any applicable data privacy laws when handling any personal data which Buyer may provide. Cognex’s data privacy policy, available at www.cognex.com, is fully incorporated herein and hereby, and forms an integral part of these Terms and Conditions.

17. PRODUCT USAGE EXCLUSIONS. Products are not authorized, designed, or intended for use in; no warranty is made with respect to the use of Products in; and Buyer shall not permit the use of Products in connection with any (i) nuclear equipment, (ii) aviation or aerospace equipment, (iii) weaponry, (iv) medical devices or systems intended for life support, intensive care or surgical implant into the human body, or (v) Life-Critical (as defined below) devices or systems (each a “Prohibited Use”), except with Cognex’s prior written consent. “Life-Critical” devices or systems are defined as those whose failure or malfunction may result in death or serious injury to people or environmental harm posing a serious risk to human health and safety. Cognex disclaims any liability in connection with any Prohibited Use by Buyer, intermediary customers or end users, and any such Prohibited Use engaged in by a party contrary to this provision shall be entirely at such party’s risk.

18. MISCELLANEOUS. The illegality or unenforceability of any provision herein shall not affect the validity and enforceability of any other legal and enforceable provisions hereof unless such illegality or unenforceability destroys the underlying business purpose of the affected transaction. Except as prohibited by applicable bankruptcy laws, in the event of Buyer’s insolvency, inability to pay debts due, or voluntary or involuntary bankruptcy proceeding by or against Buyer, or appointment of a receiver or assignee for the benefit of Buyer’s creditors, Cognex may elect to cancel any unfulfilled obligations to Buyer hereunder. Cognex shall have all rights and remedies of a secured creditor under applicable law. Buyer grants Cognex full authority to execute and file on Buyer’s behalf such financing statements necessary for Cognex to perfect Cognex’s security interest. These Terms and Conditions and any order subject hereto shall constitute the security agreement required by applicable Uniform Commercial Code (UCC) or such other applicable law. Cognex will not be liable for any loss, damage or delay arising out of its failure (or that of its subcontractors) to perform hereunder due to causes beyond its reasonable control, including without limitation, acts of God, acts or omissions of Buyer, acts of civil or military authority, acts or orders of government, fires, strikes, floods, epidemics, quarantine restrictions, war, riots, acts of terrorism, delays in transportation, or transportation embargoes. In the event of such delay, Seller shall be excused from such performance and liability to the extent of such prevention, delay or restriction. Any dispute regarding these Terms and Conditions or relating in any manner to the Products or Services sold hereunder shall be governed by the laws of the jurisdiction set forth in the Regional Terms for Buyer’s domicile, excluding its choice of law principles and the United Nations Convention on Contracts for the International Sale of Goods, and subject to the exclusive jurisdiction of its courts. Cognex may, without limiting its other rights and remedies, seek equitable relief, including but not limited to injunctive relief, in any court of competent jurisdiction. Upon request of Cognex, Buyer shall allow Cognex to conduct a reasonable onsite or remote audit of the applicable Buyer facilities, products and records to determine Buyer’s compliance with this Agreement. Buyer shall cooperate in any such audit, which shall not unreasonably interfere with Buyer’s business activities. In the event of any inconsistency between the English language version of this Agreement and any other language version, the English language version shall take precedence.

SUPPLEMENT A
Regional Terms

Buyer Domicile	Cognex Contracting Entity	Cognex Address	Delivery Terms	Payment Terms	Payment Currency	Jurisdiction	Venue
Americas (other than Mexico)	Cognex Corporation	One Vision Drive, Natick, MA 01760	Ex Works (Incoterms 2020) Cognex facility, if Buyer is within the United States; FCA (Incoterms 2020) Cognex facility, if Buyer is outside of the United States	100% prepayment	U.S. Dollar	Comm. of MA, USA	Boston, MA, USA
Asia-Pacific (except where there are country-specific terms)	Cognex Ireland Ltd.	Gateway Business Park, 2008 – 2014, Block 2000, New Mallow Road, Cork, Ireland	EXW (Incoterms 2020) VAT unpaid, to a destination within the Asia-Pacific region	100% prepayment	U.S. Dollar	Republic of Ireland	Dublin, Ireland
China	Cognex Vision Inspection System (Shanghai) Ltd.	Building 5, 88, Ma Ji Road, WGQ Free Trade Zone, Pudong Dist., Shanghai, China 200131	DAP VAT unpaid (Incoterms 2020), Cognex facility within China	100% prepayment	China Yuan	People's Republic of China	Shanghai, People's Republic of China
EMEA	COGNEX Ireland Ltd.	2008-2014 Block 2000, Gateway Business Park, Mallow Road, Cork, Ireland	DAP VAT unpaid (Incoterms 2020) agreed place of destination within the European Union and Switzerland; FCA (Incoterms 2020) Cognex facility for all other destinations	100% prepayment	Euro	Republic of Ireland	Dublin, Ireland
India	Cognex Sensors India Private Ltd.	1st and 2nd Floor IBIS Hotel, 26/1 Hosur Road, Bommanahalli, Bangalore, Kamataka-560068, India	DAP VAT unpaid (Incoterms 2020), Cognex facility within India	100% prepayment	Indian Rupee	Republic of Singapore	Singapore, Republic of Singapore
Japan	Cognex K.K.	2-28-8 Honkomagome, Bunkyo-ku, Tokyo, Japan	DAP VAT unpaid (Incoterms 2020), Cognex facility within Japan	Payment due last day of the month following month of delivery; overdue payments are subject to a 6% annual interest rate	Japanese Yen	Japan	Tokyo District Court
Mexico	Cognex Mexico S. de R.L. de C.V.	Calle La Rioja #2914, Int 5 6 7, Colonia Colomos Providencia Guadalajara, Jalisco CP 44630, Mexico	DAP (Incoterms 2020), Cognex facility within Mexico	100% prepayment	U.S. Dollar	Comm. of MA, USA	Boston, MA, USA
South Korea	Cognex Korea Co., Ltd.	6th Floor, Building 2, No. 12, Seocho-daero 38-gil, Seocho-gu, Seoul, South Korea	DAP VAT unpaid (Incoterms 2020), Cognex facility within South Korea	100% prepayment	Korean Won	South Korea	Seoul, South Korea

For Orders issued to Moritex Entities:

Buyer Domicile	Cognex Contracting Entity	Address	Delivery Terms	Payment Terms	Payment Currency	Jurisdiction	Venue
Americas	Moritex North America, Inc.	One Vision Drive, Natick, MA 01760	EXW (Incoterms 2020), Cognex facility, if Buyer is within the United States; FCA (Incoterms 2020) Cognex facility, if Buyer is outside of the United States	100% prepayment	U.S. Dollar	Comm. of MA, USA	Boston, MA, USA
China	Moritex Technologies (Shenzhen) Co., Ltd.	Room 2110, 21/F., Wing On Centre, 111 Connaught Road Central, Hong Kong	DAP VAT unpaid (Incoterms 2020), Cognex facility within P.R., China	100% prepayment	China Yuan	People's Republic of China	Shanghai, People's Republic of China
Japan	Moritex Corporation	1-3-3, Azamino Minami, Aoba-ku, Yokohama-shi, Kanagawa 225-0012, Japan	DAP VAT unpaid (Incoterms 2020), Cognex facility within Japan	Payment due the last day of the month following the month of delivery; overdue payments will be subject to a 6% annual interest rate	Japanese Yen	Japan	Tokyo District Court
Europe	Moritex Asia Pacific Pte. Ltd.	63 Alexandra Terrace #07-18,19 Harbourlink Innhub Singapore (119937)	DAP VAT unpaid (Incoterms 2020), agreed place of destination within European Union or Great Britain; EXW (Incoterms 2020) Cognex facility for all other destinations	100% prepayment	Euro	Republic of Ireland	Dublin, Ireland
Rest of World	Moritex Asia Pacific Pte. Ltd.	63 Alexandra Terrace #07-18,19 Harbourlink Innhub Singapore (119937)	EXW (Incoterms 2020), Cognex facility	100% prepayment	U.S. Dollar	Republic of Singapore	Singapore, Republic of Singapore

SUPPLEMENT B
Project Solution and Installation Terms

The following terms apply to Project Services:

- 1. PERFORMANCE.** Any technical services with respect to the installation, test and/or support of the Product hardware and/or software, including those necessary to effect warranty repair and/or replacement, shall be provided by either the Cognex sales region from which Buyer purchased the Product or the Cognex sales region in which the Product is to be installed, at Cognex's sole option and discretion.
- 2. PAYMENT.** All pre-shipment Product payments shall be paid by wire transfer upon the earlier of (a) the date required by the payment terms as set forth in the Regional Terms for Buyer's domicile, or (b) 10 days before the scheduled Product shipment date.
- 3. INSTALLATION.** Cognex shall complete on-site installation and initial power-up of the installed Product in order to verify mechanical and electrical operation ("Installation"), as part of its completion of any Installation requirement and milestone. Full Product functionality will not be available at this time.
- 4. COMMISSIONING.** Any required commissioning and acceptance ("Commissioning") of any delivered Product shall occur via a defined acceptance test agreed to between the parties in writing and documenting optimization adjustments and full Product functionality in a controlled environment. The purpose of Commissioning is to demonstrate on-site conformity with any required Product performance criteria in anticipation of commercial use. The specific performance requirements, acceptance criteria and acceptance test procedure, as applicable, shall be stated in the Cognex proposal and/or Buyer order. Acknowledgment of acceptance of Commissioning will be signed by both parties immediately following the successful completion of Commissioning. In the event that Buyer waives Commissioning or does not agree to a date for Commissioning occurring within ninety (90) days from Product shipment, then Commissioning shall be deemed fulfilled upon the earlier of (a) the expiry of ninety (90) days from date of Product shipment, or (b) initial use of the Product within its intended commercial application.
- 5. POST-COMMISSIONING TECHNICAL SUPPORT.** In the event that Buyer desires post-Commissioning technical support from Cognex to support transition to commercial use, Cognex on-site engineering services are available on a time-and-material basis and will be quoted upon Buyer's request.
- 6. OPERATING ENVIRONMENT.** Buyer shall at its own expense provide a suitable environment for the operation of the Product(s), which shall be identified in writing to Buyer prior to purchase of the Product(s). Such environment shall be conducive to the operation of computer equipment and shall meet Cognex specifications set forth and agreed between the parties in writing, which may include, but are not limited to, room(s) of adequate size, humidity and temperature.
- 7. MUTUAL OBLIGATIONS.** Unless otherwise agreed to in writing, the parties agree that Product Delivery, Installation and Commissioning will not be made on a turn-key basis. The parties shall cooperate with regard to the Installation and Commissioning of the Product, as set forth in the Cognex proposal and Buyer order, and shall timely perform their obligations as agreed. Buyer understands that delay in performing its obligations (to the extent due to Buyer's or any Buyer end user customer's actions or inactions) may (i) affect Cognex's work schedule, causing delay in completion of the work to be performed by Cognex, and/or (ii) increase the cost of completion.