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1.11 "Object Code" means the machine-readable form of Software.

1.12 "Software" means computer programming code and algorithms.

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To enable LICENSEE to conduct projects for its own internal use or for the benefit of its End User Customers, wherein LICENSEE needs to modify the COGNEX HMI Source Code. This Agreement is to effectuate LICENSEE's use of such COGNEX HMI Source Code for such stated purpose and in accordance with the terms herein.

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8.4 No press releases or public announcements shall be made concerning the nature or existence of this Agreement without the prior approval of both parties, except as may be required by law in the opinion of counsel.

8.5 Within five (5) days after any termination of this Agreement in accordance with its terms, LICENSEE shall return to COGNEX all materials provided to it by COGNEX hereunder, including, without limitation, all Licensed Material and all copies thereof in the possession, custody or control of LICENSEE or its consultants and/or suppliers and shall destroy or render unusable all other Licensed Material and copies

thereof which for any reason cannot be delivered to COGNEX. In such event, an executive officer of LICENSEE shall certify in writing to COGNEX that all Licensed Material has been delivered to COGNEX or destroyed and that LICENSEE has discontinued use of the Licensed Material.

9. TERM AND TERMINATION

9.1 The term of this Agreement shall be perpetual and may be terminated only in accordance with the terms of this Article 9.

9.2 This Agreement shall terminate automatically if LICENSEE fails to cure any material breach of this Agreement within thirty (30) days after written notification by COGNEX that such breach has occurred (or immediately in the case of a breach of Article 3, Section 4.2 or Article 8). Such termination shall be effective upon the expiration of the cure period without need of intervention of any court. COGNEX further reserves any and all rights and remedies available to it at law or in equity or otherwise in connection with the enforcement of this Agreement.

9.3 Termination of this Agreement shall not terminate any valid LICENSEE End User Software or Derivative Object Code licenses granted to End Users in accordance with this Agreement, provided such licenses were valid at the time of their creation and the affected End Users remain in compliance with the terms of such licenses.

10. NON-WAIVER AND AMENDMENT

No waiver, alteration, modification, or cancellation of any of the provisions of this Agreement shall be binding unless made in writing and signed by both COGNEX and LICENSEE. The failure of either COGNEX or LICENSEE at any time or times to require performance of any provision hereof shall in no manner affect the right at a later time to enforce such provision.

11. ASSIGNMENT

This Agreement shall be binding upon and inure to the benefit of COGNEX and LICENSEE and their respective legal representatives, successors and permitted assigns. Neither party may assign this Agreement or any of its rights or obligations hereunder without the prior written consent of the other party hereto. Notwithstanding the foregoing, either party may make such assignment to its majority-owned subsidiaries or to a corporation directly or indirectly majority owned by the same corporate parent which owns, directly or indirectly, a majority interest in the assigning party, provided that any such assignee is not a competitor of the non-assigning party. Either party may assign all of its rights and obligations under this Agreement in connection with a merger or sale of substantially all of its assets, or that portion of its assets to which this Agreement relates. Any assignment in contravention of the foregoing shall be null and void.

12. CONFLICT WITH STATUTE OR LAWS

In the event that any provisions contained in this Agreement or any part thereof shall for any reason be held invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, to such extent such provision shall be deemed null and void and severed from this Agreement, the remainder of this Agreement shall not be affected and shall remain in full force and effect.

13. COMPLIANCE WITH LAWS

LICENSEE shall comply with all applicable export control laws, in particular export controls imposed by the United States. Without limiting the generality of the foregoing, to the extent that export or re-export is permitted under this Agreement, LICENSEE agrees that it shall not export or re-export any Licensed Material, Derivative Source Code or Derivative Object Code, or the direct product thereof, to any country without first obtaining all necessary and required licenses, consents and approvals. LICENSEE

acknowledges that shipments of the Licensed Material or the direct product thereof are subject to the export laws of the United States.

14. NO PARTNERSHIP OR AGENCY

LICENSEE agrees that it is an independent contractor and that this Agreement and the relations between COGNEX and LICENSEE hereby established do not constitute a partnership, joint venture, agency or contract of employment between them, or any other similar relationship.

15. FORCE MAJEURE

Neither party shall be liable for any delays in the performance of any of its obligations hereunder due to causes beyond its reasonable control, including, without limitation, fire, strike, war, riots, acts of any civil or military authority, acts of God, judicial action, unavailability or shortages of labor, materials or equipment, failure or delays in delivery of vendors and suppliers or delays in transportation.

16. SURVIVAL

The parties agree that any provisions of this Agreement which by their very nature are intended to survive termination, shall survive the termination of this Agreement.

17. APPLICABLE LAW

This Agreement shall be governed by, and construed and enforced in accordance with, the substantive laws of the Commonwealth of Massachusetts, USA without regard to its principles of conflicts of laws or the United Nations Convention on the International Sale of Goods.

18. EQUITABLE RELIEF

COGNEX and LICENSEE expressly agree that in the event of the breach or threatened breach hereof, in addition to other rights or remedies which they may have at law, in equity or otherwise, each party may seek injunctive or other equitable relief compelling compliance with the terms of this Agreement.

19. VERIFICATION AND AUDIT RIGHTS.

Upon request of Cognex, LICENSEE shall allow Cognex to conduct a reasonable onsite or remote audit of the applicable LICENSEE facilities, products and records to determine whether or not LICENSEE'S usage of such Cognex Software is in conformance with this Agreement. LICENSEE shall reasonably cooperate with and assist Cognex in any such audit, which shall be conducted during LICENSEE'S normal business hours and shall not unreasonably interfere with LICENSEE'S business activities.

20. ENTIRE AGREEMENT

This Agreement, including all schedules hereto, sets forth the entire agreement and understanding of the parties with respect to the subject matter hereof and supersedes all prior oral and written agreements, understandings, representations, conditions and all other communications relating thereto.

SCHEDULE A

SUBLICENSE TERMS

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9. COGNEX shall be a third party beneficiary in any End User or consultant agreement with LICENSEE.