

1. DEFINITIONS AND INTERPRETATION

- 1.1 In these conditions of sale the following words have the following meanings:
 - (a) "binding order" has the meaning given to it in clause 2.4 of these conditions.
 - (b) "business day" a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business.
 - (c) "conditions" means these Conditions for the Provision of Smart Services.
 - (d) "contract" means the contract between you and us for the provision of the services, including the use of any data derived from the provision of the services which comprises the binding order and incorporates these conditions.
 - (e) "initial term" has the meaning given to it in clause 14.1.
 - (f) "intellectual property" means patents, rights to inventions, copyright and related rights, trade marks, business names and domain names, rights in get-up, goodwill and the right to sue for passing off, rights in designs, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how), and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world.
 - (g) "machine(s)" means the machine(s) in respect of which the services are provided.
 - (h) "machine data" has the meaning given to it in clause 8.1, in respect of which you are the owner.
 - (i) "order" means your purchase order form, or your written acceptance of our quotation
 - (j) "price" the price payable by you to us for the services, as set out in the contract and as varied in accordance with clause 3.2 of these conditions.
 - (k) "processed machine data" means machine data which is processed by us and in respect of which we are the owner, the form and/or content of which differs from the machine data originally transmitted from your machine(s).
 - (l) "renewal term" has the meaning given to it in clause 14.1.
 - (m) "services" means the selected smart services itemised in Appendix 1 to be supplied under the contract.
 - (n) "services specification" means the technical specification of the services, as set out in our quotation to you.
 - (o) "smart hub" means a secure Microsoft Azure environment in which data from the machine is collected and stored and to which only we have access
 - (p) "term" means the term of the contract, comprising the initial term and each renewal term, unless terminated sooner in accordance with clause 14.
 - (q) "us" "we" "our" means Multivac UK Ltd (which shall include our employees and sub-contractors).
 - (r) "you" "your" means the person who accepts our quotation or whose order is accepted by us.
- 1.2 The headings used in these conditions are for convenience only and shall not affect their interpretation.
- 1.3 If there is any conflict between these conditions and a binding order, the terms of the binding order shall prevail.

2. THE CONTRACT

- 2.1 Subject to these conditions, we shall supply and you shall purchase the services the subject of a contract.
- 2.2 A contract shall come into existence on the date an order becomes binding on you and us in accordance with clause 2.4 of these conditions. For the avoidance of doubt, any verbal agreements made between you and one or more of our members of staff or representatives in relation to the services shall not be binding upon you or us unless you and we subsequently enter into a binding order in relation to those services. All contracts shall be deemed to incorporate these conditions. Each binding order forms a separate contract between the parties.



- 2.3 These conditions shall apply to the provision of the services and shall override and take the place of any other terms and conditions in any order or other document or communication issued by you in concluding the contract with us.
- 2.4 An order shall be binding when it is accepted or deemed to be accepted by each of you and us in accordance with this clause 2.4 and is referred to in these conditions as a "binding order". An order shall be accepted or deemed to be accepted on the earlier of: (a) the date we confirm we accept the order; or (b) the date we commence fulfilling the order. No quotation issued by us shall constitute an offer which is capable of acceptance by you.
- 2.5 Each quotation issued by is valid for a period of 28 days after the date the quotation is issued by us, or such other date set out in the quotation.
- 2.6 You may not cancel or withdraw a binding order without our written permission and your agreement to meet any costs incurred by us up to the date of termination (including any costs incurred by us in anticipated performance of the binding order). Without prejudice to any other of our rights at law or under the contract, cancellation of a binding order by you without our written permission will entitle us to repudiate the contract and retain any monies paid in advance.
- 2.7 We may cancel or withdraw a binding order without liability or obligation to you if we are not able to provide the services the subject of the binding order for any reason beyond our reasonable control.
- 2.8 Subject to clause 2.7 and the other provisions of these conditions, we shall perform and you shall purchase the services in accordance with each contract.

3. PRICE

- 3.1 You agree to pay us the price in accordance with clause 4.
- 3.2 Unless otherwise expressly stated in writing by us the price stated in the contract is subject to variation to take account of changes in any costs incurred by us in fulfilling the contract and, where relevant, changes in rates of exchange, labour costs and insurance charges, in each case between the date the binding order comes into existence and the date of performance. We will give you written notice of any increase in price.
- 3.3 No deduction from or delay in payment of the price is permitted, including (without limitation) in respect of set-offs or counter-claims, unless previously agreed by us in writing.
- 3.4 Unless otherwise stated, the price is inclusive of costs and expenses incurred by us in the performance of the services, but excludes VAT.

4. PAYMENT

- 4.1 Unless otherwise agreed in writing, we will invoice you monthly in accordance with the contract. Payment of each invoice issued by us shall be due within 30 days from the invoice date.
- 4.2 Time for payment shall be of the essence and if any sum owed by you to us is overdue then, without limiting our other rights and remedies under these conditions or at law, we shall be entitled to:
 - (a) interest and compensation as provided for under the Late Payment of Commercial Debts (Interest) Act 1998.
 - (b) suspend performance of any services the subject of a contract; and/or
 - (c) suspend performance of any other contract agreed between you and us under these conditions or otherwise;
- 4.3 in each case, until such time as all sums owing by you to us are received by us in cash or cleared funds.

5. DELIVERY OF THE SERVICES

- 5.1 We shall provide the services in all material respects in accordance with all applicable laws, the terms of the contract and the technical specification and with reasonable skill and care.
- 5.2 If there is any conflict or ambiguity between the technical specification, our quotation and/or the binding order, the following order of priority shall determine which documents shall prevail: technical specification, our quotation, the binding order.
- 5.3 No other descriptions relating to the services, whether on or website, in any advertising or promotional materials or otherwise, are binding upon us and they shall not form part of the contract.



- Any period or times stated for performance of the services are to be regarded as estimates only. Whilst we will do our best to keep to such periods and times, no guarantee is given and we accept no responsibility or liability for any loss or damage suffered by you or any third party resulting from delay. You do not have any right to cancel a contract, refuse to accept performance of the goods or to pay the price for those services as a result of any delay.
- 5.5 Following extraction and processing of machine data from time to time during the term, we will provide you with a report showing the results of the services and we will make a service record for the machine(s).
- You acknowledge and accept that we are continuously developing, updating and improving the services and, as a result, we have the right to amend the scope of the services and/or the manner in which they are performed at any time, including after we have entered into a contract for the provision of the services, PROVIDED THAT the amendment does not materially and detrimentally affect the nature or quality of the services.

6. YOUR RESPONSIBILITIES

- 6.1 You shall provide us in good time with such cooperation, assistance and information as we reasonably require to enable us to provide the services, including access to your staff and, upon reasonable prior notice, the premises at which the machine(s) is/are located. Without limiting the foregoing, you shall provide us with:
 - (a) the information and documents set out in the binding order and/or technical specification;
 - (b) the necessary technical equipment at the location specified in the binding order; and
 - (c) online access to the machine in accordance with the technical specification.
- 6.2 You acknowledge that we cannot provide the services unless you have an active internet connection with a minimum bandwidth of 512kBit/sec (but 1024 kBit/sec or higher is recommended), a firewall which is configured in accordance with our instructions and other technical infrastructure which complies with the technical specification and any additional requirements set out in the binding order (together referred to as you "technical infrastructure"). You are responsible for maintaining your technical infrastructure at your own cost at all times whilst we are providing the services. If you wish to make changes to your technical infrastructure, you must notify us in advance to ensure that those changes will not impact our provision of the services.
- 6.3 You acknowledge and agree that we shall have no liability or obligation to you if we are unable to provide or there is a delay in providing the services in whole or part as a result of:
 - (a) you failing to maintain your technical infrastructure in accordance with clause 6.2 and/or any failure of the internet; or
 - (b) the data output from the machine not being of sufficient quality to allow us to provide the services in accordance with the contract,
 - AND if either of these apply, we shall inform you of the same.
- 6.4 You shall be responsible for ensuring that the services are fit for your intended purpose. We do not warrant that the services are fit for any particular purpose and you should undertake your own assessments prior to entering into the contract.
- 6.5 You acknowledge and accept that:
 - (a) to the extent the services identify any remedial measure which is required or recommended in relation to the machine(s), you shall decide whether or not to take such measure;
 - (b) the services do not, unless specifically agreed, replace the requirement to regularly maintain and conduct technical safety examinations of the machine(s);
 - (c) any remedial measures which you and we agree that we shall take, are outside the scope of the contract and shall be subject to the terms of a separate agreement between us.
- 6.6 If the performance of any of our obligations under the contract is prevented or delayed by any act or omission of you or anyone acting on your behalf or any failure or delay in the performance of your obligations under the contract ("your default"):
 - (a) without limiting or affecting any other right or remedy available to us, we may suspend performance of the services until your default is remedied and we shall have no liability to you or any third party for any delay in performing or failure to perform the services to the extent your default prevents or delays our performance;



- (b) we shall not be liable for any loss, damage, costs or expenses sustained or incurred by you arising directly or indirectly from any failure or delay in our performance of the services to the extent such failure or delay is as a result of your default; and
- (c) you shall reimburse us on demand for any loss, damage, costs or expenses sustained or incurred by us arising directly or indirectly from your default.

7. MUTUAL RESPONSIBILITIES

- 7.1 You and we shall each take appropriate organizational and technical precautions in accordance with the current state of the art and applicable laws with a view to avoiding disruptions to the availability, integrity, authenticity and confidentiality of our respective information technology systems, components and/or processes. You and we shall each secure our respective information technology systems, components and processes in accordance with the current state of the art and applicable law against unauthorised access by third parties (e.g. hacker attacks) and against unwanted data transmission (e.g. spam).
- 7.2 If you or we become aware of threats or security risks to any of our respective information technology systems, components, processes data and/or information which does or may affect the provision or receipt of the services, the affected party shall promptly notify the other party in writing and shall, at its own expense, take such steps as are necessary, in close coordination with the other party, to avoid or mitigate the threat or security risk in a manner which, so far as reasonably possible, does not affect the affected party's ability to provide or receive the services.

8. MACHINE DATA

- 8.1 In these conditions, "machine data" means characters (e.g. numbers, letters or other symbols) or character strings transmitted by the machine(s) (e.g. by measurement by means of sensors in relation to all sub-processes) or by software associated with the machine(s) and which relates to the machine(s), such as machine parameters and data concerning the use of the machine(s) and includes, in particular, process data determined by the sensors of the machine(s). Machine data excludes any personal data including, without limitation, any data which allow conclusions to be drawn about personal, factual and/or actual circumstances of a natural person and any processed machine data.
- 8.2 During the provision of the services, machine data is transmitted from the machine in encrypted form to the smart hub, where it is stored and otherwise processed by us, our group companies or by third parties acting on behalf of us and our group companies.
- 8.3 All machine data in the form transmitted from the machine(s) is your property as operator of the machine(s). We shall not acquire any rights in it, save to the extent expressly stated in these conditions. You are solely responsible for ensuring that you have such permissions, authorisations, consents or similar as are necessary to enable us to collect the machine data and process it in accordance with these conditions. You shall indemnify us in full and on demand from and against all loss, damage, costs, expenses and other liability we suffer or incur as a result of your failure to comply with this clause 8.4.
- 8.4 You grant us a non-exclusive, worldwide, perpetual, irrevocable and unlimited licence to use and to allow our group companies and subcontractors of ours and our group companies to: (a) retrieve and read machine data from the machine(s); (b) store, copy and reproduce the machine data; (c) process the machine data (including, without limitation, modify, adapt, restructure and/or combine the machine data with other data and information); and/or (d) analyse, evaluate and/or exploit the machine data in any form, including for the following purposes:
 - (a) monitoring the machine(s) in real time and detecting and displaying properties, errors and incorrect settings of machine(s) as well as rectifying errors and incorrect settings;
 - (b) identifying the need for maintenance of the machine(s), including predictive maintenance, and offering to carry out and/or carrying out such maintenance (subject to you and us entering into a further agreement in relation to the same);
 - (c) providing any services not falling within clause 8.5 (a) and (b) above;
 - (d) research and development, including further development of our services or related goods or services and those of our group companies;
 - (e) the operational and strategic management of our business and those of our group companies; and/or
 - (f) to increase production efficiency and create information transparency.
- 8.5 We shall ensure that all machine data collected and processed by us and/or any of our group companies and the subcontractors of us and our group companies shall be stored within the EEA.



- 8.6 To the extent that the machine data contains operational or business information about you in whole or part and/or any of it can be attributed by a third party to you, we shall ensure that we, our group companies and any subcontractors of ours and our group companies keep the relevant parts of the machine data confidential.
- 8.7 Within a reasonable time following receipt of a request from you, we shall provide you with a copy of all or part of the machine data that we store relating to your machine(s) in a standard electronic format.

9. PROTECTION OF PERSONAL DATA

- 9.1 The processing of personal data is not subject of this agreement and requires a separate assignment.
- 9.2 We are not entitled, within the scope of the services, to allocate the machine data to an identified or identifiable natural person (e.g. employees of yours who operate the machine(s) or employees of ours who carry out the services) and, in particular, we will not link the machine data to an identified or identifiable natural person when storing and processing the data in the smart hub or for any further use. You and we shall ensure, so far as we are reasonably able to do so, that it is not possible to establish a link between machine data and personal data and / or a statutory permission for processing or consent of the respective data subject is in place. Obligations to block or delete personal data are neither restricted nor excluded by this.

10. LIMITATION OF LIABILITY

- 10.1 Each of the sub-clauses in this clause 10 are to be treated as separate and independent.
- 10.2 Nothing in these conditions shall be deemed to exclude or limit our liability for death or personal injury resulting from negligence, or for fraudulent misrepresentation or for any other liability which cannot be excluded or limited by law.
- Subject to clause 10.2 we shall not in any circumstances be liable to you in respect of any loss of profit, revenue, goodwill, reputation, sales, contracts, savings, products, production or other pure financial loss that you suffer or for any indirect and/or consequential loss or damage, whether arising in contract, tort (including negligence), misrepresentation, restitution, breach of statutory duty or otherwise, in connection with any services provided to you pursuant to a contract.
- Subject to clause 10.2 [and 10.5], if we fail to provide the services in accordance with the contract, you shall notify us of the same. In such circumstances, our sole liability and your sole remedy shall be for us to perform (or re-perform, as appropriate) the services without additional charge. You acknowledge and accept that we shall not be required to perform (or re-perform, as appropriate) the services to the extent that our failure is due to anything beyond our reasonable control. If we are unable to perform (or re-perform the services), our total liability to you in relation to a contract, however arising, shall be limited to the price paid by you in respect of the services not performed in accordance with the contract.
- 10.5 If we lose any machine data in the performance of the services, your sole remedy and our sole liability shall be for us to use reasonable endeavours to restore that machine data.
- 10.6 We shall not be liable to you for any failure by us to perform the services in accordance with the contract in whole or part if you fail to notify us of the same within twelve (12) months from the date we provide the service or, in the case of services which are re-performed, 12 months from the date of re-performance.
- 10.7 Save as expressly stated herein, all warranties and conditions whether express or implied by statute (including in particular Sections 3, 4 and 5 of the Sale of Goods and Services Act 1982), usage, trade custom or otherwise relating to the quality or nature of services or their fitness for any particular purpose or use under any specific conditions are hereby expressly excluded.
- 10.8 We shall not in any circumstances be liable to you under any contract once the limitation period applicable to a specific legal course of action has expired.

11. FORCE MAJEURE

- 11.1 Force majeure event means any circumstance not within a party's reasonable control including, without limitation:
 - (a) acts of God, flood, lightening, storm, typhoon, tornado, drought, earthquake, landslide, soil erosion, subsidence, washout or other natural disaster;
 - (b) epidemic or pandemic;
 - (c) terrorist attack, civil war, civil commotion, disturbance or riots, blockade, war (whether declared or undeclared), threat of or preparation for war, armed conflict, imposition of sanctions, embargo, or breaking off of diplomatic relations, acts of terrorism, insurrection, military uprising or act of public enemy;



- (d) fire, explosion, nuclear, chemical or biological contamination or sonic boom;
- (e) any laws, rules, regulations, orders of any governmental authority or any action taken by a government or public authority, or compliance with them including without limitation imposing an export or import restriction, quota or prohibition or failing to grant a necessary licence or consent;
- (f) collapse of buildings, fire, explosion or accident;
- (g) any labour or trade dispute, strikes, industrial action or lockouts;
- (h) non-performance by suppliers or subcontractors; and
- (i) transport accidents or incidents, interruption or failure of utility service.
- Provided it has complied with clause 11.4, if a party is prevented, hindered or delayed in or from performing any of its obligations under this contract by a force majeure event (affected party), the affected party shall not be in breach of this contract or otherwise liable for any such failure or delay in the performance of such obligations. The time for performance of such obligations shall be extended accordingly.
- 11.3 The corresponding obligations of the other party will be suspended, and its time for performance of such obligations extended, to the same extent as those of the affected party.
- 11.4 The affected party shall:
 - (a) as soon as reasonably practicable after the start of the force majeure event, notify the other party in writing of the force majeure event, the date on which it started, its likely or potential duration, and the effect of the force majeure event on its ability to perform any of its obligations under the contract; and
 - (b) use all reasonable endeavours to mitigate the effect of the force majeure event on the performance of its obligations.

12. INTELLECTUAL PROPERTY RIGHTS

- 12.1 You acknowledge and accept that, subject to clause 8.4, we own all intellectual property and proprietary rights in the processed machine data and all other products of the services, including (without limitation) all know-how relating to the provision of the services. We shall not be restricted in how we may use, or allow others to use, such rights.
- 12.2 We hereby grant you a royalty free, worldwide, non-exclusive licence during the term of the contract to use the products of the services for the purpose of receiving and using the services in the course of your business. You may not sub-license, assign or otherwise transfer the rights granted to you in this clause 12.
- 12.3 To the extent that you obtain any intellectual property or proprietary rights in the processed machine data or other products of the services, you hereby assign such rights to us. You shall do such acts (including signing such documents) as we consider reasonably necessary to give effect to the provisions of this clause.

13. CONFIDENTIAL INFORMATION

- 13.1 You acknowledge and accept that all data, materials, documents and other information we provide to you in the course of providing the services or which you obtain about us, our business and/or services in the course of receiving the services ("our information") is our confidential information. You shall keep our information confidential and you shall not disclose it to any third party at any time during the term of the contract and for a period of three years afterwards.
- 13.2 We acknowledge and accept that the machine data and any other data, materials, documents and information you provide to us to enable us to provide the services or which we obtain about you and/or your business in the course of providing the services ("your information") is your confidential information. We shall keep your information confidential and we shall not disclose it to any third party at any time during the term of the contract and for a period of three years afterwards, save to the extent necessary to provide the services and as permitted in these conditions. For the avoidance of doubt, your information excludes machine data when aggregated with other machine data from third parties, processed machine data and any information and/or know-how which we derive from the provision of the services, the machine data and/or the processed machine data.
- 13.3 The obligations in clauses 13.1 and 13.2 shall not apply to:



- (a) any of our information which is already in the public domain, or comes into the public domain otherwise than as a result of a breach by you of your obligations in this clause 13, or any of your information which is already in the public domain, or comes into the public domain otherwise than as a result of a breach by us of our obligations; and/or
- (b) any of our information which you can prove was already known by you prior to receipt from us (or which was obtained by you from a third party who was not bound by any duty or obligation to keep it confidential), or any of your information which we can prove was already known by us prior to receipt from you (or which was obtained by us from a third party who was not bound by any duty or obligation to keep it confidential);
- (c) any of our information or your information which is required to be disclosed by law, a court of competent jurisdiction or any governmental or regulatory authority.
- 13.4 You shall return all of our confidential information to us upon request from us (including any copies you have made of the same in whatever media). We shall return all of your confidential information to you upon request from you (including any copies we have made of the same in whatever media).

14. TERMINATION

- 14.1 Each contract for the provision of the services shall, subject to the provisions of this clause 14, continue in full force and effect for [the period set out in the binding order] [a period of twelve [12] months from the date that we commence provision of the services]] ("initial term"). You and we may agree to extend the term for a further period or periods of twelve [12] each a "renewal term"). Any such agreement must be in writing.
- 14.2 Without prejudice to any other rights we have at law or under the contract, we may by notice in writing to you, terminate any contract forthwith or suspend any further performance of the services under the contract, without any liability to you if:
 - (a) You fail to pay any undisputed amount due under a contract on the due date for payment and remain in default not less than 14 days after being notified in writing to make payment;
 - (b) You shall commit any breach of any of the terms of any other contract with us PROVIDED if such breach is in our opinion remediable that we have previously given you notice thereof and the same had not been remedied within seven days thereafter; or
 - (c) You become subject to any of the events listed below or we reasonably believe that you are or about to become subject to them:
 - (i) you suspend, or threaten to suspend, payment of your debts or are unable to pay your debts as they fall due or you admit inability to pay your debts or are deemed unable to pay your debts within the meaning of section 123 of the Insolvency Act 1986; or
 - (ii) you commence negotiations with all or any class of your creditors with a view to rescheduling any of your debts, or make a proposal for or enter into any compromise or arrangement with your creditors; or
 - (iii) a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with your winding up; or
 - (iv) an application is made to court, or an order is made, for the appointment of an administrator, or if a notice of intention to appoint an administrator is given or if an administrator is appointed, over you; or
 - (v) the holder of a qualifying floating charge over your assets has become entitled to appoint or has appointed an administrative receiver;
 - (vi) a person becomes entitled to appoint a receiver over your assets or a receiver is appointed over your assets; or
 - (vii) you take any step or action in connection with obtaining a moratorium;
 - (viii) one of your creditors or encumbrancers attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of your assets and such attachment or process is not discharged within 14 days; or
 - (ix) any event occurs, or proceeding is taken, with respect to you in any jurisdiction to which you are subject that has an effect equivalent or similar to any of the events mentioned in clause 14.1(c) (i) to clause 14.1(c) (viii) (inclusive); or
 - (x) you suspend or cease, or threaten to suspend or cease, carrying on all or a substantial part of your business; or



- (xi) your financial position deteriorates so far as to reasonably justify the opinion that its ability to give effect to the terms of the contract is in jeopardy or
- (xii) you undergo a change of control (as defined in the Corporation Tax Act 2010).
- 14.3 We may suspend or terminate all or any contracts in accordance with clause 4.2 (c), if any of the circumstances in clause 14.1 apply, or in the event that you undergo a change of control (as defined by section 1124 of the Corporation Tax Act 2010).
- 14.4 Either party may terminate the contract at any time during a renewal term (but not during the initial term) by providing not less than three [3] months written notice to the other party period
- 14.5 Termination or expiry of a contract shall not affect any rights, remedies, obligations or liabilities of the parties that have accrued up to the date of termination or expiry, including the right to claim damages for any breach of the contract that existed at or before the date of termination or expiry.

15. GENERAL

- 15.1 All contracts shall be governed by and construed in accordance with English Law and all disputes arising under such contracts shall be submitted to the exclusive jurisdiction of the English courts.
- The parties to the contract do not intend that any term of the contract will be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person that is not a party to it.
- 15.3 You may not assign, subcontract, delegate or otherwise deal with your rights or obligations under a contract without our prior written consent.
- 15.4 The contract constitutes the entire agreement between the parties. You acknowledge that you have not relied on any statement, promise or representation made or given on our behalf which is not set out in the contract.
- 15.5 No waiver of any right or remedy under these conditions or by law shall be effective unless given in writing and shall not affect any subsequent right or remedy.
- 15.6 A failure or delay by us to exercise any right or remedy provided under these conditions or by law shall not constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict any further exercise of that or any other right or remedy. No single or partial exercise by us of any right or remedy provided under these conditions or by law shall prevent or restrict the further exercise of that or any other right or remedy.
- 15.7 Except as set out in these conditions no variation of the contract, including the introduction of any additional terms and conditions, shall be effective unless it is in writing and signed by us.
- 15.8 Any notice given to a party under the contract shall be in writing and addressed to that party at its registered office or principal place of business (if not a company) and shall be delivered and addressed as follows:
 - (a) by hand or commercial courier when left at the address;
 - (b) by prepaid first-class post or recorded delivery at 9.00am on the second working day after posting.
- 15.9 If any court or competent authority finds that any provision of the contract (or part of any provision) is invalid, illegal or unenforceable, that provision or part-provision shall, to the extent required, be deemed to be deleted, and the validity and enforceability of the other provisions of the contract shall not be affected. If any invalid, unenforceable or illegal provision of the contract would be valid, enforceable and legal if some part of it were deleted, the provision shall apply with the minimum modification necessary to make it legal, valid and enforceable.



Appendix 1

SERVICE DESCRIPTION

The current range of Smart Services offered by the MULTIVAC Group is explained below.

I. Smart Production Dashboard

The Smart Production Dashboard visualises key figures of the production process and compares the actual output of a machine with planned figures. This enables our customers to detect irregularities at an early stage and take countermeasures. The dashboard is designed to visualise the production process on a monitor near the production line, but can also be accessed remotely via a tablet or computer.

II. Smart OEE Analyzer

The Smart OEE Analyzer visualises the Overall Equipment Effectiveness of a machine in an interactive dashboard. The OEE is broken down by availability, performance and quality so that the reasons for poor effectiveness can be identified. Using filter and zoom functions, different periods or shifts can be viewed and compared.

III. Smart log analyzer

The Smart Log Analyzer evaluates the log data of a machine to identify the main reasons for unplanned downtime. Malfunctions that occurred during the period under investigation can be listed and visualized sorted by frequency, downtime caused or average downtime. In this way, we enable our customers to identify the main causes of OEE losses and to specifically eliminate problems in the production process.

IV. Smart Production Insights

The Smart Production Insights service visualizes key production process indicators on a dashboard. This enables customers to identify irregularities at an early stage and take appropriate action. The service is itemized in the areas of OEE (Overall Equipment Effectiveness), Shift Performance Comparison, System Status (last 24 hours), Current Production Job, Production / Hour (last 48 hours), Warnings and Maintenance.

- OEE (Overall Equipment Effectiveness)

The OEE section visualizes the Overall Equipment Effectiveness of the production line. The OEE is divided into availability, performance and quality so that the reasons for poor effectiveness can be identified.

- Shift Performance Comparison

The Shift Performance Comparison represents the OEE performance figure for the respective shifts over the last 5 days.

- System Status

The *System Status* allows the user to view the current status of the production line and its status of the last 24 hours (in 5-minute sections). By means of colour markings of the different statuses, a simple analysis of the line is possible, and downtimes can be quickly identified. A tooltip also displays the respective reason for the malfunction and the duration of the malfunction.

- Current Production Job

The Current Production Job shows information about the current production job. The current product name, product number, the number of pieces to be produced and the production time calculated from the machine parameters are displayed. In addition, the current production figures and the values calculated from the machine parameters are compared in a graphical flow. This allows deviations to be quickly detected.

- Production / Hour (last 48 hours)

Production / Hour (last 48 hours) provides an overview of the production over the last 48 hours with the display of the duration of the program, the maximum possible quantity and actually produced quantity (calculated value) per hour.

- Warnings

The warnings show the log data of a production line of the last 30 days, to identify the main reasons for unplanned downtime. A chart shows the three most frequently occurring messages. Messages can be sorted and filtered by parameters. This enables the user to identify often recurring messages in order to initiate measures to reduce or eliminate them.



- Maintenance

The pending maintenance messages of the line are displayed. The occurrence and acknowledgement of the maintenance message is documented in a history.

V. MULTIVAC Pack Pilot

The MULTIVAC Pack Pilot is designed to support the user in setting up packaging lines. For this purpose the MULTIVAC Pack Pilot calculates suggestions for setting parameters for basic articles. The MULTIVAC Pack Pilot requires the user to enter information from the user view, e.g. the product or film to be packed. These are processed together with automatically provided data from the packaging line in various rules.

The proposals of the MULTIVAC Pack Pilot are based on the accumulated experience of MULTIVAC and its customers. The MULTIVAC Pack Pilot can take into account a limited number of products and parameters required for successful packaging. Many external factors influencing the packaging quality such as ambient temperature, individual quality of the films used (this can vary from batch to batch), special features of the trays used in traysealers or similar factors are not taken into account in the MULTIVAC Pack Pilot proposals. It is therefore essential to check the proposed parameters before the machine produces the package.

Also, the MULTIVAC Pack Pilot cannot take into account all the internal factors resulting from the individual machine configuration. The machine's sensors do not currently provide the necessary variety of data and the implementation of the MULTIVAC Pack Pilot does not take into account all the characteristics of a packaging machine. For example, the MULTIVAC Pack Pilot is not capable of reproducing all heating, sealing and forming processes. No parameters can be calculated for processes with stamps or for multifreshing applications. Nor does the MULTIVAC Pack Pilot recognize the individual machine configuration in all cases and even then all the mechanical components must be precisely adjusted to each other in order to function correctly and optimally with each other and produce perfect packaging.

Due to the variety of parameters, individual recipes must be checked by the user for each packaging run and must be changed or discarded in detail depending on the various internal and external influencing variables. In all cases the customer must test the pack produced by the MULTIVAC machine for all quality features such as tightness. This is the only way, for example, to verify the sealability of the film used. To this end the customer is responsible for carrying out the relevant test procedures, such as checking the sealed seam, checking the residual thickness of the film, storage tests, stacking tests etc. and, after carrying out the tests, adjusting the parameters suggested by the MULTIVAC Pack Pilot accordingly. The MULTIVAC Pack Pilot cannot completely replace this.

Some factors are beyond the control of the MULTIVAC Pack Pilot, so it cannot be guaranteed that a pack will be produced which meets all the requirements of a customer:

- Ambient temperature

There is no sensor available or used which measures the ambient temperature and parameters such as a heating temperature can be adjusted accordingly. Consequently a film could be heated too hot or too cold with the MULTIVAC Pack Pilot proposal.

- Film batch

Even if bottom and top films are known to the *MULTIVAC Pack Pilot*, films in different batches from the manufacturer may have different properties. This means that sealability between the bottom and top film cannot be guaranteed. Also parameters like how a film should be treated (e.g. temperatures or heating times) can vary in reality between different batches.

- Variety of parameters

A configuration for the machine consists of several hundred parameters. Some of these parameters influence the quality of the pack and are currently not calculated and suggested by the MULTIVAC Pack Pilot. For example, the best before date and fumigation of a product cannot be determined or influenced by the MULTIVAC Pack Pilot.

- Stations in the machine

A MULTIVAC packaging machine can consist of several components which cannot all be controlled by the MULTIVAC Pack Pilot. A machine can have several heating stations or additional devices such as a printer or a slicer. The MULTIVAC Pack Pilot is currently limited to the core components of a packaging machine whose parameters can be calculated automatically. Parameters for cutting a pack are currently not generated by the MULTIVAC Pack Pilot.

- Limited calculation methods

The MULTVAC Pack Pilot is not yet able to reproduce all heating, sealing and forming processes. No parameters can be calculated for processes with stamps or for multifreshing applications.



- Dependence on the mechanical equipment of the machine

Many mechanical components must be precisely adjusted to each other in order to function correctly and optimally with each other. This is usually done by purely mechanical processes and cannot be optimized by the *MULTIVAC Pack Pilot* or monitored by sensors. Example: If the lifting mechanism for the mould and the mould tool are not correctly adjusted, the forming pressure cannot be built up, as leakage may occur. As a result, no optically or functionally good packaging can be produced.

- Abstract calculations

If the bottom or top film or tray is not known to MULTIVAC and the information cannot be read from a database, abstract calculations are carried out by the *MULTIVAC Pack Pilot*. For example, the operator provides information on the film such as thickness and material, which the Pack Pilot uses to calculate technical parameters such as a heating temperature on a flat-rate basis depending on the inputs. If the film is known to MULTIVAC and is read from a database, more precise suggestions can be made by the *MULTIVAC Pack Pilot*.

VI. Smart Data Backup

With the help of *Smart Data Backup* the settings on a MULTIVAC packaging machine are automatically backed up online without affecting the production process. The data is stored in a protected area which can be accessed at anytime from anywhere via a browser. The settings can be downloaded in the Smart Service and can be easily restored if necessary.

VII. Smart Machine Reports

Smart Machine Report provides our customers with all automated and regularly generated analysis reports of their machines. With the help of the clearly structured reports, comparisons of machines or shifts can be made at first glance, details of recipes and recipe changes can be found out or the performance of the production process can be assessed based on other values. The convenient download of the individual reports makes it possible to forward them to other people.