WEM Automation General Terms & Conditions

These Terms & Conditions are effective as of November 1, 2026, and supersede all prior versions.

1. Application and Acceptance. These Terms & Conditions (the "**Terms**") govern all products, software, hardware and services provided by Valstone America Inc., dba WEM Automation ("**WEM**"), including Service Plans, Projects and Field Service. Each Purchase Order, together with these Terms, forms a separate agreement (an "**Agreement**"). Customer accepts these Terms by issuing or accepting a Purchase Order (including electronically or by email), paying an invoice or receiving the Services. Field Service, optimization visits and training are also subject to Schedule A, which forms part of these Terms.

2. Definitions. In these Terms:

"**Acceptance**" means the earliest of: (a) Customer's written sign-off of a Project; (b) ten (10) business days after WEM's notice of Substantial Completion, unless Customer first notifies WEM in writing of a material nonconformity with the Purchase Order; and (c) use of the System in production.

"**Change Order**" means a written change to the scope, price or schedule of a Purchase Order approved under Section 4.

"**Customer**" means the person identified as the customer in the Purchase Order.

"**Customer Data**" means production records, , alarm logs and other operating data generated by Customer's operations or entered by Customer into the System.

"**Field Service**" means on-site or remote work to install, repair or change a System, ordered on a field service request form.

"**Party**" means WEM or Customer, and "**Parties**" means both.

"**Project**" means non-recurring engineering, programming, supply, installation, commissioning, upgrade or other professional services described in a Purchase Order.

"**Purchase Order**" means the purchase order, purchase order form or quotation for Services agreed between WEM and Customer, including its scope, pricing and assumptions.

"**Service Plan**" means WEM's recurring annual support plan for a Site, at the plan level stated in the Purchase Order.

"**Service Policy**" means WEM's service plan policy published at www.wemautomation.com, as updated from time to time.

"**Services**" means all services WEM provides to Customer, including Service Plans, Projects, Field Service, optimization visits and training.

"**Site**" means the facility where a System is installed, as identified in the Purchase Order.

"**Substantial Completion**" means the System is installed and commissioned and can operate for its intended purpose, subject only to punch list items that do not prevent that use.

"**System**" means the WEM control system, software, hardware and modules installed at a Site.

3. Order of Precedence. If documents conflict, the following order applies: (a) the Quote, but only its specific language on scope, price, schedule and assumptions; (b) these Terms, including Schedule A; and (c) the Service Policy. These Terms fill any gaps in the Purchase Order. Pre-printed or additional terms in any Customer form have no effect, even if WEM acknowledges or signs it, unless WEM expressly agrees in writing that they override a specific Section of these Terms.

4. Project Scope and Change Orders.

(a) **Scope and Assumptions.** WEM's scope is limited to what the signed Quote. Anything not listed is out of scope. Assumptions in the Quote are conditions of the price and schedule. If an assumption proves incorrect, the resulting work is a change.

(b) **Change Orders.** Changes require a Change Order, priced by WEM and approved by Customer (email is sufficient), before work proceeds. Unless the Change Order states otherwise, time-and-materials work is billed at WEM's published rates in effect when performed, and the schedule is extended by the time reasonably required. WEM may pause affected work until the Change Order is approved.

(c) **Customer Changes.** Changes requested by Customer after design approval or during commissioning are billable.

(d) **Legacy Systems.** Undocumented code, and existing hardware found to be faulty, are out of scope and priced separately.

5. Completion, Acceptance and Warranty – Project to Service.

(a) WEM will notify Customer when the System reaches Substantial Completion, and Acceptance then occurs as defined in Section 2. Punch list items that do not prevent production use do not delay Acceptance.

(b) For thirty (30) days after Acceptance (fourteen (14) days for modifications), Customer may add defects within the agreed scope to the punch list. New requests are handled as Change Orders. The Project is closed when every punch list item is resolved or converted to a Change Order and Customer acknowledges closure in writing, or ten (10) business days after WEM's second written notice of closure.

(c) WEM warrants that the delivered scope will be free from material defects for twelve (12) months from Acceptance or, if installation is delayed for reasons attributable to Customer, from sixty (60) days after delivery. WEM's sole obligation, and Customer's exclusive remedy, is to repair or re-perform the defective work. Changes in functionality are not warranty items.

(d) The Service Plan for a new System starts at commissioning and is billed from that date. A Project does not renew, extend or replace an existing Service Plan.

6. Project Suspension and Cancellation.

(a) If Customer delays or suspends a Project, once it has been started by WEM engineering, for more than thirty (30) days, WEM may invoice all work performed and materials procured to date, and charge reasonable storage and remobilization costs.

(b) If the suspension exceeds ninety (90) days, WEM may treat the Project as cancelled by Customer.

(c) Unless the Purchase Order states otherwise, if a Project is cancelled, Customer shall pay for work and engineering performed, non-returnable materials (including custom panels and hardware) and a restocking fee of 20% on returnable hardware.

7. Service Plans.

(a) WEM will provide the support described in the Service Policy for the plan level stated in the Purchase Order, using commercially reasonable efforts.

(b) Service level targets in the Service Policy are targets only. WEM will provide performance reports on reasonable request and, where it misses a target, take corrective action to address the deficiency and prevent its recurrence. Any service credits stated in the Service Policy are Customer's sole remedy for missed targets.

(c) Service Plans cover the System as delivered. Changes, additions and new functionality are not covered and are billable.

(d) When a Project adds to the System, the Service Plan fees are adjusted as stated in the Purchase Order for that Project.

(e) WEM may, acting reasonably, monitor and audit Customer's use of the System to verify compliance with these Terms.

8. Term and Renewal. Each Service Plan begins on the date stated in the Purchase Order or, if none, on commissioning of the System, and continues for twelve (12) months, unless otherwise specified in the Purchase Order (the "**Term**"). It renews automatically for successive twelve (12) month Terms unless terminated under Section 22 or Section 23. WEM reserves the right to increase prices once annually upon notice to Customer.

9. Fees, Invoicing and Payment.

(a) Customer shall pay the fees stated in the Quote. Unless the Purchase Order states otherwise, Service Plan fees are invoiced annually in advance, hardware on shipment and other Services.

(b) Invoices are payable to Valstone America Inc., in US dollars (USD), within thirty (30) days of the invoice date. Late payments carry interest at 1.5% per month or the highest lawful rate, whichever is lower.

(c) Fees exclude all sales, use and similar taxes and duties, which Customer shall pay, other than taxes on WEM's income.

(d) Customer shall reimburse WEM's reasonable travel and out-of-pocket expenses at cost. Expenses outside the scope of the Purchase Order require Customer's prior approval (email is sufficient).

(e) Pricing in a quotation issued by WEM is valid for thirty (30) days. WEM may pass through documented supplier price increases on hardware with lead times over ninety (90) days.

10. Late Payment and Suspension.

(a) If Customer fails to pay any undisputed amount within thirty (30) days after its due date, WEM may, on written notice, suspend the Services until all overdue amounts are paid in full. Support used during that thirty (30) day period is then billed at WEM's standard rates.

(b) If a renewal invoice remains unpaid after that thirty (30) day period, Service Plan benefits stop and WEM may decline to provide Services until payment is received.

(c) During any suspension, any emergency service WEM elects to provide is billed at WEM's emergency rates and payable in advance.

(d) If Customer pays all overdue amounts within ninety (90) days after suspension, the Service Plan resumes without charge. After that period, a re-onboarding fee applies at WEM's then-current rates.

11. Delivery, Title and Risk. Delivery dates are estimates. Risk of loss for hardware and parts passes to Customer on delivery to the carrier, and title passes on payment in full.

12. Customer Responsibilities. Customer shall, at its cost:

(a) provide safe and timely access to the Site, utilities, network and secure remote access;

(b) provide accurate and complete information, documentation and decisions, on which WEM may rely;

(c) make qualified personnel available and coordinate its other contractors;

(d) maintain backups of its data and reasonable cybersecurity measures for systems connected to the System;

(e) operate and maintain the System in line with WEM's documentation and instructions;

(f) obtain all permits and comply with all laws and safety requirements applicable to the Site;

(g) route all requests for work through WEM's project manager or service desk; and

(h) (h) comply with the Site readiness, cancellation and rescheduling requirements in Schedule A for Field Service, optimization visits and training.

WEM is not responsible for delays or costs caused by Customer's failure to meet these responsibilities, and resulting additional work and standby time are billable. WEM may stop work if it reasonably considers site conditions unsafe. WEM personnel do not act on instructions from third parties on Customer's behalf without Customer's direction.

13. Customer Data.

(a) As between the Parties, Customer owns all Customer Data.

(b) Customer grants WEM a non-exclusive, royalty-free license to access, copy and use Customer Data to provide, support and improve the Services and WEM's products, including through automated tools operated by WEM or its service providers under confidentiality obligations, and to recommend improvements or optional services to Customer. Site-optimization analytics and ERP integration services are provided under these Terms without separate data agreements.

(c) WEM may create aggregated or de-identified data that does not identify Customer, its Site or its formulas, and may use it for benchmarking and product improvement. Such data is owned by WEM. Customer may opt out of benchmarking by written notice, but WEM need not remove de-identified data already used.

(d) WEM will not sell Customer Data, or disclose it in a form that identifies Customer, except to its service providers under confidentiality obligations, with Customer's consent or as required by law. WEM refers any third-party request for Customer Data to Customer.

(e) WEM's findings and recommendations are advisory. Customer remains responsible for its formulas, operating decisions and regulatory compliance.

(f) On Customer's written request (email is sufficient), WEM will use commercially reasonable efforts to destroy Customer Data in its possession and confirm by email or, if requested within ninety (90) days after the relevant Agreement ends, return a copy in a standard format. WEM may retain copies in routine backups until overwritten and as required by law, subject to Section 14.

14. Confidentiality.

(a) "**Confidential Information**" means non-public information disclosed by a Party (the "**Disclosing Party**") to the other Party (the "**Receiving Party**") whether disclosed orally, in writing or by any other means, and whether or not marked as confidential, including pricing, designs, software, source code, formulas and process data. It excludes information that is or becomes public through no fault of the Receiving Party, was lawfully known to or received by the Receiving Party without a confidentiality obligation, or is independently developed without use of the Disclosing Party's information, in each case as shown by the Receiving Party's written records. WEM Materials and WEM's pricing are included as WEM's Confidential Information.

(b) The Receiving Party shall use Confidential Information only to perform or receive the Services (or as permitted under Section 13), protect it with reasonable physical, electronic and procedural safeguards, and not disclose it except as authorized in writing by the Disclosing Party or as required by law, after prompt notice to the Disclosing Party where lawful and with reasonable cooperation in seeking a protective order.

(c) These obligations survive for three (3) years after the relevant Agreement ends and, for trade secrets, for as long as they remain trade secrets.

(d) On termination or written request, the Receiving Party shall use commercially reasonable efforts to return or destroy the Disclosing Party's Confidential Information and confirm by email, subject to the retention rights in Section 13. This does not apply to WEM Materials or de-identified data.

(e) Each Party may seek injunctive relief for any breach of this Section, without posting a bond.

15. Intellectual Property.

(a) WEM owns and retains all intellectual property rights in the System, software, firmware, PLC and HMI programs, configurations, libraries, templates, documentation, analyses, reports and all other deliverables and materials created by or for WEM ("**WEM Materials**"), including any customization, modification, improvement or derivative work, whether developed by WEM alone, jointly with Customer or using Customer's input, feedback, data or specifications. Customer hereby assigns to WEM any rights it may acquire in WEM Materials.

(b) Subject to payment in full, WEM grants Customer a non-exclusive, non-transferable (except under Section 24), royalty-free license to use the WEM Materials delivered to it solely to operate and maintain the System at the Site for its internal business purposes. Source code is not provided.

(c) Customer shall not, and shall not permit any other person to, copy (except for backup), modify, reverse engineer, decompile or disclose WEM Materials, except with WEM's prior written consent or as permitted by law, or use WEM Materials to develop competing products or provide

information about them to any third party. Modifications by Customer or third parties void the warranty, and resulting support is billable.

(d) No other rights are granted by implication. Customer retains its Customer Data and pre-existing intellectual property.

16. Non-Solicitation. During each Project and for twelve (12) months after it, Customer shall not solicit or hire any WEM employee involved in such Project without WEM's prior written consent. Notwithstanding the foregoing, general job advertisements are not deemed solicitations for the purposes of this section.

17. Independent Contractor. WEM is an independent contractor. Nothing in these Terms creates a partnership, joint venture, agency or employment relationship. WEM is responsible for all taxes, benefits and contributions relating to its personnel. WEM may use subcontractors and remains responsible for their work.

18. Indemnification.

(a) WEM shall indemnify and hold harmless Customer and its directors, officers, employees and agents from third-party claims for bodily injury, death or damage to tangible property, to the extent caused by the negligence or willful misconduct of WEM or its personnel while performing Services at the Site, subject to Section 19.

(b) Customer shall indemnify and hold harmless WEM, its affiliates and their directors, officers, employees and agents from all third-party claims arising from: (i) the negligence or willful misconduct of Customer, its personnel or contractors; (ii) Customer's breach of Sections 12, 14 or 15; (iii) operation of the System contrary to WEM's documentation or instructions, or Customer's products, formulas, process outcomes or regulatory compliance; (iv) any bypass, override or disabling of the System other than by WEM; or (v) any data, specifications or materials provided by Customer, except to the extent caused by the negligence or willful misconduct of WEM or its personnel. Section 19(b) does not limit Customer's obligations under this Section.

(c) The indemnified Party must give prompt written notice of the claim, allow the indemnifying Party to control the defense and settlement (no settlement admitting the indemnified Party's fault without its consent) and reasonably cooperate at the indemnifying Party's cost.

(d) WEM has no liability or indemnity obligation for any loss arising from a bypass, override or disabling of the System or its safety features or controls, whether requested by Customer or performed by any third party. WEM controls do not replace Customer's safety interlocks unless the Purchase Order expressly includes them.

19. Limitation of Liability.

(a) (a) WEM's total aggregate liability, together with its affiliates, arising out of or related to any Agreement shall not exceed the greater of: (i) the amounts paid by Customer for the Services giving rise to the liability in the twelve (12) months before the first event giving rise to it; and (ii) the amounts paid by Customer under the Purchase Order giving rise to the liability.

(b) Neither Party is liable for lost profits, revenue or goodwill, lost production, spoiled product, downtime, or any indirect, special, incidental, consequential, cover, business interruption or punitive damages, however arising, even if advised of their possibility.

(c) This Section does not apply to the extent prohibited by law.

20. Disclaimer of Warranties.

(a) WEM is not responsible for loss, damage, defects or malfunctions caused by: accidents, power surges or other external causes; misuse or negligence of Customer or any third party; modifications or repairs by anyone other than WEM; failure to maintain required environmental conditions; parts not approved by WEM; any bypass or disabling of safety features or controls; failure to implement WEM-recommended updates; third-party systems not approved by WEM; unsupported operating systems or legacy technology; expired third-party licenses; or transportation or relocation of the System.

(b) Third-party hardware and software are covered only by their manufacturer's warranty, which WEM passes through to the extent permitted. Third-party software is governed by its publisher's license terms, and Customer must keep those licenses current unless its Service Plan covers it. WEM is not liable if changes to, or the unavailability of, third-party hardware, software or services affect the System or Services.

(c) EXCEPT AS EXPRESSLY STATED IN THESE TERMS OR A PURCHASE ORDER, WEM MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT. WEM DOES NOT WARRANT THAT THE SYSTEM OR SERVICES WILL BE UNINTERRUPTED OR ERROR-FREE, OR ANY PARTICULAR RESULTS FROM THEIR USE.

21. Force Majeure. WEM and its affiliates are not liable for any failure or delay in performance caused by events beyond their reasonable control, including acts of God, fire, flood, earthquake, pandemic, war, riot, strikes, government action, cyberattacks not caused by WEM's negligence, power or network failures and supply chain disruptions. WEM will promptly notify Customer of the event and its estimated duration and use commercially reasonable efforts to resume performance as soon as practicable. Notwithstanding the foregoing, Customer's obligation to pay amounts due is not excused.

22. Termination. Either Party may terminate a Service Plan effective at the end of the then-current Term by giving the other Party written notice no later than thirty (30) days before the end of that Term.

23. Termination for Cause. Either Party may terminate an Agreement on written notice if the other Party commits a material breach and fails to cure it within thirty (30) days after receiving written notice of the breach. WEM may also terminate an Agreement immediately on written notice if Customer becomes insolvent, makes an assignment for the benefit of creditors or becomes subject to bankruptcy proceedings. WEM may also terminate an Agreement on written notice if any undisputed amount remains unpaid more than ninety (90) days after its due date.

24. Assignment and Change of Control.

(a) Neither Party may assign or transfer an Agreement without the other Party's express prior written consent, except that WEM may assign it, in whole or in part, on notice, to an affiliate or to a successor in a merger, acquisition or sale of all or substantially all of its business, or of the business or assets to which the Agreement relates. Any other attempted assignment is void.

(b) If Customer undergoes a direct or indirect change of control, or sells or transfers a Site (or the business operated at it), Customer shall give WEM prior written notice and cause the successor or new owner to agree in writing (email is sufficient) to be bound by these Terms for that Site, so that support continues without interruption. Prepaid time, remaining warranty and the Service Plan carry over once any balance is paid and credit is approved. WEM keeps Site data unchanged until both owners instruct otherwise in writing.

(c) Multi-site pricing is reset at the next renewal based on the Sites under common ownership after the change.

(d) WEM offers the new team the option of an inspection visit, a fresh backup and training at current rates.

(e) Each Agreement binds and benefits the Parties and their permitted successors and assigns.

25. Amendments. WEM may amend these Terms, Schedule A and the Service Policy from time to time by posting the updated version on its website and giving Customer written notice (email is sufficient). Amendments apply to Purchase Orders entered into after the notice and to Service Plan renewals starting at least thirty (30) days after it. No Customer document amends these Terms unless WEM expressly agrees in writing.

26. Notices. Notices must be in writing and are effective on receipt. Notices to WEM must be sent to Valstone America Inc., dba WEM Automation, W237N2920 Woodgate Rd, Suite 100, Pewaukee, WI 53072, United States, Attention: Lindsay Chim, Managing Director, with a copy by email to lchim@wemautomation.com. Notices to Customer must be sent to the address or email stated in the Purchase Order. Routine communications may be sent by email.

27. Publicity. WEM may identify Customer as a client, including by name and logo, in its marketing materials until Customer withdraws consent by email. Customer shall not refer to WEM in any public statement or promotion without WEM's prior written consent.

28. Governing Law and Disputes. These Terms and each Agreement are governed by the laws of the State of Wisconsin, without regard to its conflict of laws rules. Before starting proceedings (except for urgent injunctive relief), the Parties shall try in good faith to resolve any dispute through their senior managers for thirty (30) days. The Parties attorn to the jurisdiction of the state and federal courts located in Wisconsin. EACH PARTY WAIVES ANY RIGHT TO A JURY TRIAL.

29. Severability. If any provision of these Terms is held invalid or unenforceable, the remaining provisions remain in full force and effect.

30. Waiver. A waiver of any breach is not a waiver of any other or subsequent breach.

31. Entire Agreement. Each Agreement (the Purchase Order, these Terms and, for Service Plans, the Service Policy) is the entire agreement between the Parties on its subject matter and supersedes all prior understandings, representations and agreements.

32. Survival. Sections 9 (for amounts owed), 13, 14, 15, 16, 18, 19, 20, 28 and this Section 32 survive the end of any Agreement.

Valstone America Inc., dba WEM Automation

W237N2920 Woodgate Rd, Suite 100, Pewaukee, WI 53072

www.wemautomation.com

SCHEDULE A

FIELD SERVICE, OPTIMIZATION VISITS AND TRAINING

A1. Optimization Visits and Training.

(a) An optimization visit is a scheduled, paid visit by a WEM specialist to review System performance and recommend improvements. It is separate from Field Service. A training session is a scheduled session offered by WEM, held remotely or at WEM.

(b) Optimization visits and training sessions are invoiced in full when scheduled. Payment reserves the date and the attendees.

(c) Individually purchased optimization visits follow the cancellation terms in Section A4, and any part of the payment not charged becomes a credit toward a future visit. For a visit included in a Service Plan, one reschedule per Site per Term is permitted on at least ten (10) business days' notice.

(d) If Customer cancels or reschedules a training session, its payment is credited as follows. Credits expire twelve (12) months after the original date.

Notice before the scheduled date	Treatment of payment
30 days or more	Full credit toward a future session
14 to 29 days	50% credit
Less than 14 days, or no-show	Forfeited
WEM cancels or reschedules	Full refund or credit

A2. Field Service.

(a) Each Field Service visit is agreed on a field service request form, which states the applicable rates. WEM confirms the date once the form is accepted (email is sufficient).

A3. Site Readiness.

(a) Before WEM arrives, everything the work depends on must be in place or coordinated with WEM in advance, including electrical wiring and power, network and remote access, installed and accessible equipment, and the necessary Customer personnel and contractors. The field service request form lists what each visit requires.

(b) If work cannot proceed because the Site is not ready, the scheduled time and travel are charged as planned, including for any further visit required for the same reason.

A4. Cancellation and Rescheduling.

(a) Cancellations and reschedules of Field Service, optimization visits and training sessions must be made in writing (email to the WEM service desk is sufficient). Notice is counted from WEM's receipt and acknowledgement.

(b) Field Service cancellation charges are as follows:

Notice before the visit	Charge
10 or more business days	None. WEM reschedules at the next available date.
5 to 9 business days	50% of the first scheduled day, plus non-refundable travel costs already booked.
Less than 5 business days	The full first scheduled day, plus non-refundable travel costs already booked.
After the technician has set out	The full planned visit at the scheduled days and published rates, plus travel costs.
WEM cancels or reschedules	None.