

These MC – CNC Shopfloor Management Supplemental Terms (“**MC Terms**”) amend the Universal Customer Agreement (“**UCA**”) or End User License Agreement (“**EULA**”) between Customer and SISW solely with regard to Offerings and Products which have been assigned the alphanumeric code “MC” on the Order (“**MC Offerings**”). These MC Terms, together with the UCA or EULA, as applicable, and other applicable Supplemental Terms, form the agreement between the parties (“**Agreement**”).

1. **DEFINITIONS.** Capitalized terms used herein have the meaning as defined in the Agreement. The following additional definitions apply to these MC Terms:

“**Application Software**” means computer programs which are created either by the customer or by other software suppliers, which do not use the communication interfaces of the SINUMERIK controller and which are integrated into the SINUMERIK user interface (HMI). These can either be integrated into the SINUMERIK controller or installed on the SINUMERIK controller without being integrated. The execution of Application Software on the SINUMERIK requires a separate license (Run MyHMI/3GL).

“**Authorized Agent**” means an individual who is working on Customer’s or End Customer’s premises and who requires access to licensed MC Software and/or Documentation as in support of Customer’s or End Customer’s internal business as Customer’s or End Customer’s consultant, agent and contractor.

“**Authorized User**” means an employee of Customer or End Customer employee or an Authorized Agent of Customer or End Customer.

“**Business Plan**” means a business plan developed and mutually agreed between a Machine Builder and SISW consisting of expected volume and discount per SISW fiscal year and which must be renewed yearly prior to the end of each fiscal year.

“**CoL**” means the Certificate of License, that contains information on the use rights of the Software provided. The CoL is delivered together with specific MC Software or the related Documentation.

“**Derivative Software**” refers to customized software for numeric controls designated as “SINUMERIK” that has been created by using either Create MyHMI/3GL, Create MyCC or Create MyCCI licenses or the information contained herein (such as the description of the interface), and which is based on the interfaces provided by SISW for this purpose in accordance with the Documentation. Separate runtime licenses are required for the execution of Derivative Software on the SINUMERIK. Depending on the interface required, Create MyCCI licenses also require the corresponding Compile Cycle software.

“**End Customer**” means the third party to whom a Machine Builder transfers its license rights under the Agreement and these MC Terms.

“**Hybrid SINUMERIK Edge Software**” means a SINUMERIK Edge Application connected to a Insights Hub application that enables additional services for the SINUMERIK Edge Asset on which the SINUMERIK Edge Application is running.

“**Instance**” means either an installation in a physical operating system environment or an installation in a virtual operating system environment.

“**Machine Builder**” means a Customer that builds, markets and distributes machine tools.

“**Machine Builder Product**” means any combination of products and services produced by a Machine Builder that will be combined with MC Software.

“**MC Software**” means the Software contained within a MC Offering.

“**Serial Delivery Agreement**” or “**SDA**” means an agreement concluded between SISW and a Machine Builder in the context of recurring business regarding a specific ordering process for certain MC Software, which must include an annually renewable Business Plan.

“**Simulation Software**” means Customer’s simulation software, into which Customer has incorporated parts of VNCK Software.

“**SINUMERIK Edge Device**” is a device (hardware) on which the SINUMERIK firmware is executed.

“**SINUMERIK Edge Asset**” is a SINUMERIK Edge Device that (i) has been connected to a MindAccess Account with a valid MindAccess IoT Value Plan and (ii) is listed in the Insights Hub application “Manage MySINUMERIK Edge App Management” as an “Asset”.

“**SINUMERIK Edge Application**” means software that runs on a SINUMERIK Edge Asset and that is not firmware.

“**VNCK Software**” refers to a software package with which the virtual core of the numerical control system designated as “SINUMERIK” (VNCK) can be integrated and executed in the Simulation Software via an interface. VNCK Software is licensed as RunMyVNCK ALM, Create MyVNCK ALM, RunMyVNCK ISV COL and Create MyVNCK Dongle.

2. **LICENSE AND USE TYPES.** The following license and use types may be offered with respect to individual MC Software products. Additional license and use types may be specified with respect to certain MC Software as set forth in an Order. Each license may be used only by Authorized Users for the term as specified in the Order Form.
 - 2.1 “**Perpetual License**” or “**Extended Term License**” means a license of the Software that extends indefinitely. Perpetual Licenses do not include Maintenance Services.
 - 2.2 “**Single License**” means a non-exclusive license of the MC Software that Customer or End Customer may install on one Instance and use in the manner specified in the Order Form.
 - 2.3 “**Trial**” or “**Demo License**” means a non-exclusive and non-transferrable license, to install the MC Software on one Instance for testing purposes only as specified between the parties in writing. The term of the MC Software use is restricted to a period of ninety days and starts with the delivery of the MC Software. The parties may agree to a different term, for example in the case of VNCK Software.

- 2.4 **“Floating” or “Concurrent User License”** means that access to the MC Software at any given moment is limited to the number of Authorized Users for whom MC Software licenses have been acquired as per the Order. With regard to Concurrent User Licenses of VNCK Software only, the Customer is entitled to install the VNCK Software on up to ten (10) times as many Instances as licenses that were acquired. Example: in case Customer has acquired three (3) licenses, the VNCK Software may be installed on thirty (30) Customer Instances.
- 2.5 **“Node-Locked License”** means that the use of the MC Software is restricted to a single workstation specified by Customer, and may include a hardware lock device or dongle to manage this restriction.
3. **LICENSE GRANT.** In addition to the license grant to Customers in the EULA or UCA, a Machine Builder is also entitled to transfer Perpetual Licenses to an End Customer provided that the Machine Builder (i) enters into a Business Plan with SISW, (ii) enters into an agreement with the End Customer with terms that are at least as stringent as under these MC Terms and the EULA or UCA (as applicable), (iii) provides SISW with the contact data of the End Customer (not applicable for MC Software marked as “WLM”), (iv) to the extent applicable provides the End Customer with an existing license key or comparable as well as with the respective license proof, (v) transfers the Perpetual Licenses in conjunction with the Machine Builder Product, (vi) to the extent the Machine Builder does not hold any valid licenses to the MC Software after this transfer, ceases to use the MC Software and removes any installed copies of the MC Software from its equipment and its Instances (for clarification: other than the machine tool) and erase any copies located on other data media
4. **SPECIAL CONDITIONS FOR VNCK-, CREATE MYHMI/3GL, CREATE MYCC, CREATE MYCCI SOFTWARE AND PRODUCT / SOLUTIONS PARTNERS**
- 4.1 **Rights**
- 4.1.1 **VNCK Software.** SISW will grant Customer a non-exclusive, in accordance with the following provisions transferable right to install and use the VNCK Software in order to integrate and execute the virtual core of the numerical control designated as “SINUMERIK” (VNCK) into the Simulation Software via an interface. The integration and execution of the VNCK for creation and testing of the Simulation Software require either a Create MyVNCK Dongle license or a Create MyVNCK ALM license in conjunction with a Run MyVNCK ALM license. A Run MyVNCK ISV COL or a Run MyVNCK ALM license is required to run the VNCK that is already integrated in the Simulation Software. Customer is granted the right to transfer solely Create MyVNCK ALM and Run MyVNCK ALM licenses to third parties under the provisions of Section 3 of these MC Terms. The transfer of Run MyVNCK ISV COL and Create MyVNCK Dongle licenses is exclusively governed by the deviating Sections 4.2 and 4.3 of the present MC Terms. In addition, Customer may produce copies of the Simulation Software extended with the VNCK and transfer the same to third parties for their use or test use. Customer will solely be entitled to grant the third party the right to use any copy of the Simulation Software extended with the VNCK on one Instance.
- Customer assumes full responsibility for the Simulation Software developed using the VNCK Software and indemnifies SISW from any liability in this respect.
- 4.1.2 **Create MyHMI/3GL, Create MyCC and Create MyCCI:** SISW grants Customer a non-exclusive, non-transferable right to install and use the software provided in order to create Derivative Software, to produce copies of the Derivative Software created in this way and to sell/transfer it in conjunction with the machine tool to third parties for their use or application. If the Derivative Software contains program components provided by SISW (in particular source code), a transfer of such Derivative Software requires the prior written consent of SISW. Customer assumes full responsibility for Derivative Software developed using the development environment and indemnifies SISW from any liability in this respect.
- 4.2 **Creating Derivative Software; Integration of VNCK in the Simulation Software on the Basis of Create MyVNCK Dongle and Run MyVNCK ISV COL.** Customer is entitled to make the Software available to a third party if and to the extent that it is provided exclusively for the purpose of creating Derivative Software or integrating VNCK into the Simulation Software for Customer. This requires Customer to enter into an agreement with the third party with terms that are at least as stringent as the terms under the Agreement and these MC Terms. Customer is liable for the third party to be in compliance with such provisions and will indemnify SISW against any claims to compensation made by the third party.
- 4.3 **Further Rights and Obligations including Development and Trials Based on Create MyVNCK Dongle and Run MyVNCK ISV COL.** Customer will be entitled to use for itself a maximum number of three (3) copies of the VNCK Software provided by SISW for purposes of development and trials. Customer is obliged to number the copies of the VNCK Software created with license numbers provided by SISW. Customer is further obliged to keep records of the number of copies of the VNCK Software created and distributed and of those copies of VNCK Software he used by for integration into his Simulation Software and their license numbers. These records must show the data required to verify the propriety of the accounting procedure, including the addresses of the third parties to which copies of the VNCK Software have been provided, along with the corresponding license numbers and the number of copies. Customer will take steps to ensure that the VNCK Software is protected in such a way against copying (e.g. use of a dongle, identification of the hardware, etc.) that it has at least the same protection against unauthorized copying as its own Simulation Software.
- 4.4 **Consideration (Only VNCK Software).** In addition to the license fee for the VNCK Software for creating and testing the Simulation Software, Customer pays a license fee for each copy of the Run MyVNCK ISV COL license or each copy of the Run MyVNCK ALM license that has been integrated into the Simulation Software and distributed or used by Customer as part of this Simulation Software in consideration for the rights granted. Customer does not have to pay for copies used for archiving and test and development purposes used as mentioned under these MC Terms.
- 4.5 **Special Conditions for Product and Solution Partners.** In case a Customer has concluded a “Product Partner Contract - Program module SINUMERIK Systems” (“Product Partner Contract”) or a “Solution Partner Contract - Portfolio Module Machine Tool Systems” (“Solution Partner Contract”) and is entitled to order MC Offerings based on such Product Partner Contract or Solution Partner Contract, the special terms and conditions of the relevant contracts regarding MC Offerings shall apply additionally.

5. **INDIRECT USE.** Indirect use of MC Offerings via hardware or software used by Customer does not reduce the number of Authorized User entitlements that Customer needs to acquire.
6. **HOST IDENTIFIER; THIRD PARTY HOSTING.** Customer will provide SISW with sufficient information, including the host identifier for each workstation or server upon which the license management portion of Software will be installed, for SISW to generate a license file enabling Software access per the scope of the licenses granted under each Order. Customer may only engage a third party to host Software with SISW's prior written consent. SISW may require a separate written agreement as a condition to such consent.
7. **MAINTENANCE SERVICES**
 - 7.1 **General Maintenance.** Maintenance, enhancement, and technical support services for MC Software ("**Maintenance Services**") are governed by the General Maintenance Services Terms found at <https://www.siemens.com/sw-terms/mes>, which are incorporated herein by reference. The General Maintenance Services Terms are amended by the MC Software Specific Maintenance Terms below.
 - 7.2 **MC Software Specific Maintenance Terms**
 - 7.2.1 **Definitions.** Capitalized terms used herein have the meaning as defined in the Agreement. The following additional definitions apply to these MC Maintenance Terms:

"**Service Pack**" means the release of the MC Software, in which errors have been corrected, that generally does not contain any changed functionality of the MC Software. Service Packs may be copied in the same amount as the number of original licenses of the MC Software.

"**Incident Report (IR)**" means a Customer query related to MC Software.

"**Software Update**" means a version of the MC Software that contains enhanced functionality, optimization etc. by Major and Point Releases. Customer may make a number of copies of the MC Software Updates equal to the number of original licenses of the MC Software or the number of SINUMERIK Edge Assets selected for maintenance.

"**Targeted Response Time**" means the targeted time between the receipt of the Incident Report via the SISW Support Center in accordance with these MC Terms and the first communication of a member of the SISW Support Center with the customer by e-mail or phone taking into account the availability periods for the contracted support service level.
 - 7.2.2 **Maintenance.** SISW offers the following Maintenance Services with regard to MC Software:
 - a) Maintenance of Damaged Data Media. In case of damaged data media SISW will provide the Customer with a new version of the MC Software. The method of the provision is at the sole discretion of SISW.
 - b) Delivery of Software Updates and Service Packs. Maintenance and support services consists of the provision of Software Updates and (except for SINUMERIK Edge Products) Service Packs of the MC Software, to the extent that these services are made available by SISW with respect to the MC Software, or any portion of the MC Software, to its customer base in general. The installation of Software Updates and Service Packs is not part of the MC Software maintenance.
 - c) Telephone Support. The features of telephone support depends on the agreed service level. Currently the service level Bronze/Standard Service is offered. This means that customers may contact the SISW support center that supports the MC Software as listed on the SISW webpage <https://support.sw.siemens.com> with issues or questions. Telephone support is available from 0800-1700 hours during normal business hours (Monday to Friday) local time at Customer's location as specified in the Agreement excluding national and local holidays. Customer shall provide the SISW Support Center with sufficient information about a suspected problem or error and the circumstances under which it occurred for SISW to recreate the problem on their systems. Telephone support is provided in German, English and Chinese; other languages may be available at the sole discretion of SISW.
 - 7.2.3 **Other Provisions**
 - a) Access and Data. SISW is able to provide support services through remote connection upon request and in mutual agreement between the Customer and SISW. Customer shall provide SISW with secure remote access to the Customer's systems that are running the MC Software.
 - b) Information on End Customer. If Customer is not the customer of the maintenance services, Customer must inform SISW of the identity of the End Customer as soon as possible.
 - c) Prioritization of Support Services. SISW will use commercially reasonable efforts to provide prompt support services on a first come/first serve basis. Incident Reports are automatically escalated to the appropriate resources within SISW based on severity and complexity. The Customer shall classify each Incident Report according to the following priority classes and according to the impact(s) to its business. If a priority class is not defined by the Customer, it is by default considered to be "Low." SISW will make the final determination of the priority class of an Incident, and priority classes are defined as follows:
 - **Critical**

The production system or deployment is currently inoperative. Continued usage of one or more critical functions of the product/deployment is impossible and prevents normal usage or deployment. Critical business operation and usage are severely affected on a production system or deployment process system. The problem is time-critical and causes a production or deployment stoppage. Targeted Response Time for Critical priority incidents is 4 hours for Bronze/Standard Support tiers.
 - **High**

A severe functionality loss of the production system or deployment, but the system remains operational. The problem is

time-sensitive and may be causing an immediate functional stoppage. Targeted Response Time for High priority incidents is 8 hours for Bronze/Standard Support tiers.

- **General**
A functionality issue has occurred but processing can continue, or a non-business critical function is not performing properly. Business operations are continuing and the impact is minor or a workaround exists. The problem can be time-sensitive but is not causing an immediate work stoppage and usage can continue in a restricted fashion. Targeted Response Time for General priority incidents is 2 days for Bronze/Standard Support tiers.
- **Low**
A request or question for general support or information on a product. There is no work stoppage and operations can continue in an unrestricted manner. This includes requests for a new feature or functionality in the existing product or a feature important to long-term functionality. Targeted Response Time for Low priority incidents is 5 days for Bronze/Standard Support tiers.

7.2.4 **Registration of Maintenance.** SISW will provide Customer with a contract number as part of the Order Form. This number is required in order to register as a contact for maintenance services.

8. ADDITIONAL TERMS APPLICABLE TO XaaS OFFERINGS

- 8.1 **Entitlements.** Cloud Services contained within a MC Offering may be used (i) worldwide by the number of Authorized Users set forth in the Order with respect to such Cloud Services, subject to Customer's obligations in the Agreement regarding compliance with export controls, and (ii) solely in conjunction with the MC Software contained within such MC Offering. For purposes of such Cloud Services, an Authorized Agent may also occasionally access and use Cloud Services from locations other than Customer's premises. Where Cloud Services allow Customer to provide access to additional users in a 'guest' (guest) capacity, such guest user access may be provided to any individual who requires access to such Cloud Services in support of Customer's internal business as Customer's employee, customer, client, supplier, consultant, agent, contractor or other business partner. Guest users shall be considered Authorized Users under this Agreement, but will not count towards the limited number of Authorized Users set forth in the Order for that subscription. In any case, each user must be a specific Authorized User identified by name. Customer may re-assign each entitlement to access and use Cloud Services from one Authorized User to another Authorized User within the same entitlement category once per calendar month. Additional use limitations may apply to Customer's use of Cloud Services, which may be technically enforced via Cloud Services settings.
- 8.2 **Support and SLAs.** SISW's technical support for these Cloud Services and the applicable service levels are governed by the Cloud Support and Service Level Framework found at <https://www.sw.siemens.com/en-US/sw-terms/sla/>, which is incorporated herein by reference. Technical support and service levels are not applicable to Cloud Services used in conjunction with Software for which Maintenance Services are no longer provided.