

Terms and Conditions

These terms can be found at https://www.skidata.com/en-us/gtc

- **0. Scope**. These Terms and Conditions ("**Terms**") apply to the hardware and embedded software in the hardware ("**Product**") listed in the attached Proposal and the installation of the Product ("**Services**") between SKIDATA, Inc., (or "**Seller**") and Counterparty ("**Customer**"), each a "**Party**", collectively the "**Parties**".
- **1. Solution Subscription** (if applicable). In addition to these Terms, for reoccurring subscriptions to the embedded software, Customer is bound by the Solution Subscription Conditions listed at https://www.skidata.com/en-us/gtc the entirety of which is incorporated by reference in full.
- 2. Prices and Payment. Customer shall pay Seller for the Products and Services by paying all invoiced amounts in U.S. dollars, without set-off for any payment from Seller not due under these Terms, within thirty (30) days from the invoice date. Customer shall pay an administrative late charge ("Late Charge") of twenty-five (\$25.00) USD for each monthly invoice that includes a past due balance. In addition to the Late Charge, for each calendar month, or fraction thereof, that payment is late, Customer shall pay a late payment charge computed at the rate of 1.5% per month on the overdue balance, or the maximum rate permitted by law, whichever is less, for the period commencing on the due date until past due amounts are paid in full. If at any time Seller reasonably determines that Customer's financial condition or payment history does not justify continuation of Seller's performance, Seller shall be entitled to require full or partial payment in advance or otherwise restructure payments, request additional forms of security, suspend its performance, or terminate these Terms. All reoccurring fees payable hereunder will be subject to upward adjustment on January 1st of the year succeeding the Effective Date by an amount proportionate to inflation for the preceding twelve (12) month period. The adjustment shall be based on the percentage change in the index known as the Consumer Price Index (CPI) for All Urban Consumers, U.S. city average, all expenditures except food and energy, as published by the United States Bureau of Labor Statistics.
- 3. Taxes and Duties. Seller is responsible for all corporate taxes measured by net income due to performance of or payment for work under these Terms ("Seller Taxes"). Customer is responsible for all taxes, duties, fees, or other charges of any nature (including, but not limited to, consumption, gross receipts, import, property, sales, stamp, turnover, use, or value-added taxes, and all items of withholding, deficiency, penalty, addition to tax, interest, or assessment related thereto, imposed by any governmental authority on Customer or Seller or its subSellers) in relation to these Terms or the performance of or payment for work under these Terms other than Seller Taxes ("Customer Taxes"). The prices in this Proposal may not include the amount of any Customer Taxes. If Customer deducts or withholds Customer Taxes, Customer shall pay additional amounts so that Seller receives the full price under these Terms without reduction for Customer Taxes. Customer shall provide to Seller, within one month of payment, official receipts from the applicable governmental authority for deducted or withheld taxes.

4. Deliveries; Title Transfer; Risk of Loss; Storage.

- 4.1 For shipments that do not involve export, including shipments from one European Union ("EU") country to another EU country, Seller shall deliver Products to Customer FCA Seller's facility or warehouse (Incoterms 2020). Partial deliveries are permitted. Seller may deliver Products in advance of the delivery schedule. Delivery times are approximate and are dependent upon prompt receipt by Seller of all information necessary to proceed with the work without interruption. If Products delivered do not correspond in quantity, type or price to those itemized in the shipping invoice or documentation, Customer will notify Seller within ten calendar days after receipt. For shipments that do not involve export, title to Products will pass to Customer upon delivery in accordance with Section 4.2. For export shipments from a Seller facility or warehouse outside the U.S., title shall pass to Customer upon delivery in accordance with Section 4.2. Notwithstanding the foregoing, Seller grants only a license to the end-user of the Product, and does not pass title, for any software provided by Seller under these Terms.
- Risk of loss shall pass to Customer upon delivery pursuant to this Section, except that for export shipments from the U.S., risk of loss shall transfer to Customer upon title passage. If any Products to be delivered under these Terms or if any Customer equipment repaired at Seller's facilities cannot be shipped to or received by Customer when ready due to any cause attributable to Customer or its other Sellers, Seller may ship the Products and equipment to a storage facility, including storage at the place of manufacture or repair, or to an agreed freight forwarder. If Seller places Products or



equipment into storage, the following apply: (i) title and risk of loss immediately pass to Customer, if they have not already passed, and delivery shall be deemed to have occurred; (ii) any amounts otherwise payable to Seller upon delivery or shipment shall be due; (iii) all expenses and charges incurred by Seller related to the storage shall be payable by Customer upon submission of Seller's invoices; and (iv) when conditions permit and upon payment of all amounts due, Seller shall make Products and repaired equipment available to Customer for delivery.

4.3 If repair Services are to be performed on Customer's equipment at Seller's facility, Customer shall be responsible for, and shall retain risk of loss of, such equipment at all times, except that Seller shall be responsible for damage to the equipment while at Seller's facility to the extent such damage is caused by Seller's negligence.

5. Product Warranty, Remedies and Disclaimers.

- 5.1 Product is warrantied for twelve (12) months from the date of delivery to Customer (the "Original Warranty". All warranties are transferable to Customer's end-user. Customer will report any defects in writing to Seller with a detailed description of the defect immediately but no later than fourteen (14) calendar days after delivery, otherwise all claims resulting from the defect are waived and delivery is deemed accepted. Seller is entitled to inspect and remedy claimed defects at Customer's premises. Customer or Customer's end-user will provide Seller with the necessary resources and assistants free of charge. If the inspection reveals that there is no claim under warranty, Customer shall cover all costs incurred in accordance with Seller's price list valid at the time of the inspection. For warranty-repaired Product, the warranty shall be the remainder of the Original Warranty or ninety (90) days, whichever is greater in duration.
- 5.2 At Seller's option, Seller will repair, replace, or refund for defective Product. Customer will ship defective Product to Seller's designated location at Customer's expense. Replaced parts become the property of Seller. This Section 5 provides the exclusive remedies for all claims based on failure of or defect in Products, regardless of when the failure or defect arises, and whether a claim, however described, is based on contract, warranty, indemnity, tort/extra-contractual liability (including negligence), strict liability or otherwise. The warranties provided in this Section 5 are exclusive and are in lieu of all other warranties, conditions and guarantees whether written, oral, implied or statutory. EXCEPT FOR THE FOREGOING, NO IMPLIED OR STATUTORY WARRANTY, OR WARRANTY OR CONDITION OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE APPLIES.
- 5.3 The warranty is void if Customer or Customer's end-user: (a) does not observe conditions for assembly, commissioning or use of the Product; (b) allows third parties not authorized by Seller's written consent to carry out repairs, changes, maintenance, or other servicing of the Product; (c) uses the Product with components not certified by Seller; (d) uses equipment (including but not limited to networks, supply lines, cabling) that does not function properly or supplies insufficient power to the Product; (e) does not carry out required site preparation or maintenance in a timely fashion; (f) is in default with these Terms with particular respect to payment; (g) incurs damage to the Product as a result of accidents, power surge, or electromagnetic field; or (h) if defects or damages are attributable to third-party components, internet/network disruptions, software viruses, inclement weather, chemical influences, an act of force majeure as detailed in section 13, vandalism, or any other acts or omissions of Customer or third parties.

6. Software License, Warranty, Remedies and Disclaimers.

- 6.1 Customer or Customer's end-user is granted a non-exclusive, non-transferable, non-sublicensable, limited right to use the software unlimited in time. Even if software is made available to the Customer or Customer's end-user on a CD or any other physical data carrier, Seller shall remain the Customer of the software and all trademarks, copyrights, patents, trade secrets and other Intellectual Property Rights (as defined in section 10) relating thereto. The source code shall not be part of these Terms.
- 6.2 Software updates, service packs, hot fixes, and patches (collectively, "**Updates**") may be provided to the Customer, as such are available to comply with the applicable laws, regulations and/or compatibility requirements, including but not limited to security-related and operational standards developed by ISO or the PCI Security Standards Council, LLC. In addition, software upgrades including new releases or versions of software (collectively, "**Upgrades**") may be provided to the Customer, as such are available. The Customer acknowledges that, according to the respective release planning, older versions of software may no longer be supported after the expiry of a certain period. Seller is not required to provide Updates and/or Upgrades. Costs for installation of Updates and Upgrades shall be borne by the Customer or Customer's end-user and are not included in the license fee, unless the Customer has entered into a Solution Subscription Agreement with Seller. Updates and Upgrades may alter the system

USA - Rev. 04/2023



requirements and it may be necessary to install the respective predecessor Updates/Upgrades, third-party components and additional or altered hardware. Respective costs shall be borne by the Customer and are not included in the license fee. Nothing in these Terms require Customer to install Updates or Upgrades but Seller recommends their immediate installation. In case of non-installation of offered Updates or Upgrades, this could possibly endanger the security and operability of software and related systems and even infringe third-party licenses or laws; all consequences of non-installation are at the sole risk of the Customer. Warranty claims regarding systems related to the software will automatically become void. The Customer acknowledges and agrees that Seller is not liable for damages resulting from the non-installation of Updates and Upgrades.

- 6.3 The Customer is solely responsible for performing a backup of files and data before installing any Updates and Upgrades. Therefore, Seller is not liable for lost files, information or data and related damages. Seller and persons authorized by Seller are entitled to execute an audit by examining the systems, computers, books, records, and accounting records of the Customer during normal business hours as far as they are connected to software provided under these Terms. To the extent the Customer is allowed to exchange hardware, the Customer undertakes to fully and irretrievably remove software from the exchanged equipment and provide evidence for such removal.
- 6.4 Without the written consent of Seller the Customer must not himself or allow any third party to: (a) reverse engineer, decompile, disassemble or otherwise reduce the software to any human perceivable form; (b) modify, adapt, translate or create derivative works based upon the software, the written materials accompanying the software, or any part thereof; (c) combine the software with any kind of open-source- software; (d) remove or manipulate copyright notices and other signs on the software copies; (e) use or permit the software to be used to perform services for third-parties; or (f) make or use any copies of the software, even if the software has been merged or included with other software, or any accompanying materials for any purpose other than as provided in these Conditions. If the Customer creates a back-up copy in accordance with these Conditions, the Customer shall include all copyright notices and/or proprietary notices that are affixed to or appearing in the original copy.
- 6.5 The use of the software may require third party components and/or other system requirements to work properly. The corresponding requirements are described in the documentation for the respective product. These third-party components may be supplemented or modified by Seller at its sole discretion. Customer is responsible for obtaining, installing, maintaining, and operating any third-party components. For third-party components, additional terms and conditions may apply, and use of third-party components is at the risk of the Customer. Seller is not liable for damages or losses caused by third party components, and all costs and fees for third party components shall be borne by the Customer.
- 6.6 Software, either stand-alone or embedded in the Product, is provided by Seller "as-is" and "with all faults." Seller makes no representations or warranties of any kind concerning the safety, suitability, inaccuracies, typographical errors, or other harmful components of this Software. The only warranty that applies is that the software has the functionalities and characteristics described in the product description provided that the system requirements are fulfilled. The warranty period shall be six (6) months and begins at the time of delivery. It is technically impossible to produce software that is absolutely free of any defect. The Customer knows and accepts this risk. Minor defects not impairing essential functions of the software therefore do not have to be corrected under the warranty. Seller fulfils its warranty obligation within a reasonable period of time in its sole discretion either by rectification or a substitute delivery of the defective software or by granting a price reduction which is Customer's sole and exclusive remedy and Seller's only liability with respect to defective software. For warranty repairs at the Customer's or Customer's end-user's premises, the Customer will make available free of charge to Seller resources and employees as required by Seller. Defects which are not within the responsibility of Seller are excluded from warranty and especially applies to defects from materials or software provided by the Customer. The warranty shall lapse if the Customer or any third-party effects any changes to the software that are not authorized by Seller in writing. The Customer shall only be entitled to make warranty claims after full payment of the agreed price. In addition, any warranty shall be excluded in case of damage caused by third party acts, atmospheric discharge, instable networks and chemical influences or force majeure. SELLER DISCLAIMS ANY WARRANTIES, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE SOFTWARE AND ACCOMPANYING DOCUMENTATION, IF ANY, PROVIDED HEREUNDER IS PROVIDED "AS IS".
- 7. Installation Services, Warranties, Remedies and Disclaimers.



- 7.1 Customer is solely responsible for any necessary permits from public authorities or other third parties required before Seller provides any Services. Seller is under no obligation to perform any Services until such permits are in place.
- 7.2 Seller warrants that for any installation services (Services), those Services will be performed in a (i) workmanlike and professional manner consistent with generally accepted industry standards, and (ii) conform to the written specifications of the agreed upon written specifications for six (6) months from completion. Customer's sole and exclusive remedy and Seller's entire liability with respect to the Services warranty in this Section 7 will be, at Seller's option, to either (a) use its reasonable commercial efforts to re-perform any non-conforming Services not in substantial compliance with this warranty or (b) refund amounts paid by Customer related to the portion of the Services not in substantial compliance. In each situation (a) or (b), Customer must notify Seller in writing within thirty (30) calendar days after performance of the applicable Services. Any warranty provided by Seller under this Section is void if an event outside the control of Seller impacts the Services or the Services are in anyway changed, unless Seller pre-approves in writing of the changes. SELLER MAKES NO OTHER, AND EXPRESSLY DISCLAIMS ALL OTHER, REPRESENTATIONS, WARRANTIES, CONDITIONS OR COVENANTS, WHETHER STATUTORY, EXPRESS OR IMPLIED (INCLUDING WITHOUT LIMITATION, ANY STATUTORY, EXPRESS OR IMPLIED WARRANTIES OR CONDITIONS OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, OR OTHERWISE.
- **8.** Limitation of Liability. EXCLUDING CLAIMS FOR PERSONAL INJURY OR DEATH AND A PARTY'S INDEMNIFICATION OBLIGATIONS UNDER THESE TERMS, NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING WITHOUT LIMITATION LOSS OF REVENUE OR INCOME, LOSS OF OR USE OF DATA, OPERATIONAL EFFICIENCY, LOSS OF CUSTOMERS OR INFORMATION, ARISING UNDER THESE TERMS REGARDLESS OF THE FORM OF ACTION OR THEORY OF RELIEF, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. EXCLUDING CLAIMS FOR PERSONAL INJURY OR DEATH AND A PARTY'S INDEMNIFICATION OBLIGATIONS UNDER THESE TERMS, ANY LIABILITY FOR DIRECT DAMAGES ARISING UNDER THESE TERMS, REGARDLESS OF THE FORM OF ACTION OR THEORY OF RELIEF, IS LIMITED TO THE PURCHASE PRICE OF THE PRODUCT OR IN THE CASE OF A SERVICES, THE TOTAL AMOUNT PAID OR TO BE PAID FOR THE SERVICES THAT GIVES RISE TO THE CLAIM UNDER THESE TERMS.

9. Intellectual Property Infringement.

- Seller will indemnify, defend and hold harmless Customer, its officers, directors, employees, agents, affiliates, and end-users from and against any third-party claims ("Claim(s)") that any Seller manufactured Product provided to Customer under these. Terms infringes any patent, copyright, trademark or trade secret provided that Customer (a) promptly notifies Seller in writing of the Claim, (b) makes no admission of liability and does not take any position adverse to Seller, (c) gives Seller sole authority to control the defense and settlement of the Claim, and (d) provides Seller full disclosure and reasonable assistance as required to defend the Claim. In the event the Product may in Seller's reasonable opinion to be infringing, Seller at its option and own expense may do the following: (i) secure for Customer the right to continue the use of the alleged infringing item, (ii) replace the alleged infringing item with a substantially equivalent non-infringing item, or (iii) modify the alleged infringing item to be non-infringing. In the event Seller is unable to perform the options previously listed (i) through (iii), Customer will then return the deliverable to Seller and Seller will refund Customer the amount paid for such item. THIS INFRINGEMENT SECTION IS SELLER'S ENTIRE LIABILITY AND CUSTOMER'S SOLE AND EXCLUSIVE REMEDY WITH RESPECT TO CUSTOMER'S INABILITY TO USE THE DELIVERABLE OR ANY PORTION OF THE PRODUCT DUE TO ANY INFRINGEMENT OR CLAIM OF INFRINGEMENT.
- 9.2 Seller will have no indemnification obligations where: (a) any Product was in accordance with Customer's or Customer's end-user's sole design or specifications, (b) Customer or Customer's end-user alters the Product, (c) Customer or Customer's end-user combines the Product with materials not supplied or approved by Seller and such infringement would not have occurred absent such combination, or (d) Customer or Customer's end-user continues to use the Product after receiving written notice from Seller to stop using the Product. In no case shall Seller be liable for any consequential, incidental, indirect, special, punitive, or exemplary damages (including, without limitation, lost profits, business, or goodwill) suffered or incurred by Customer. In no case shall Seller be liable for any damages arising out of Customer's negligent, reckless, or willful conduct.
- 9.3 Seller's indemnification obligations are conditioned upon Customer (i) notifying Seller promptly of any threatened or pending Claim, provided that failure to provide such notice will only relieve Seller of its indemnification obligations to the extent its ability to defend or settle an applicable Claim is materially prejudiced by such failure to provide notice; (ii) giving Seller, at Seller's expense, reasonable assistance and information requested by Seller in connection with the defense and/or settlement of the Claim; and (iii) tendering to Seller sole control over the defense and settlement of the Claim. Customer counsel or their appointed of counsel of choice will have the right to participate in the defense of

USA - Rev. 04/2023



the Claim at Customer's own expense without setoff, reimbursement, or payment whatsoever from Seller. Customer will not, without the prior written consent of Seller, make any admission or prejudicial statement, settle, compromise, or consent to the entry of any judgment with respect to any pending or threatened Claim.

10. Seller's Intellectual Property.

- Seller and/or its licensors are exclusively entitled to all rights to the Product derived from patent rights, trademark rights, design protection, copyrights or other Intellectual Property Rights or otherwise from the creation of the Product as well as related documents, specifications, samples, models, drawings, printing plates, photographs, and other material shall remain the Intellectual Property of Seller, including any improvements or alterations made to the Products or Services during Seller's performance under these Terms.
- "Intellectual Property" shall mean any and all information developed by the Seller in relation to the Product, ancillary services, or otherwise and shall include trademarks, copyrights, service marks, trade names, logos, domain names, designs, emblems, insignia, fascia, slogans, videos, applications, know-how, information, patents, trade secrets, Proprietary Information (as defined in section 16), standards, specifications, techniques, teaching methods, schemes and materials, management methods, standard operational procedures, drawings, architectural plans and layouts, equipment standards, training manuals, user manuals, books and catalogues, handbooks, curricula, advertising and marketing material including leaflets, brochures, posters, stickers and flyers, and other material(s) and/or creation(s) irrespective of the medium and format (including inter-alia through a web platform), whether or not registered or capable of registration and all other proprietary rights whatsoever, whether owned by or available to the Seller now or in future, anywhere in the world.
- "Intellectual Property Rights" shall mean and include (i) all possible rights, benefits, title or interest in or to the Intellectual Property, anywhere in the world, (whether registered or not and including all applications for the same and any extensions and renewals thereof) including all rights provided by international treaties and conventions, rights of distribution, reproduction and all other exploitation rights, (ii) any goodwill in relation to or in connection with the same, (iii) any licenses, permissions and grants in connection therewith; (iv) applications for any of the foregoing and the right to apply for them in any part of the world, (v) the right to obtain and hold appropriate registrations for any of the foregoing, (vi) causes of action in the past, present or future, related thereto including the rights to damages and profits, due or accrued, arising out of past, present or future infringements or violations thereof and the right to sue for and recover the same.

11. Data Protection; Consumer Privacy Laws; Remote Access Support.

- 11.1 To the extent Seller has access to Customer's data or devices, Seller may collect, forward, and use Customer's data for i) fulfilment of these Terms, ii) improvement of Product and Services, and iii) billing or general Customer service purposes. Seller may transfer such data to affiliated companies or third parties commissioned to process data for Seller insofar as it is related to perform or make improvements to Products and Services. Seller will attempt to refrain from disclosing personal information to third parties.
- 11.2 In order to troubleshoot and diagnose any potential issues with the Product and Services, Customer agrees to allow Seller remote access to Customer's devices including Customer's network(s), computers, or servers. If Customer's site is accessible to Seller via BeyondTrust (Bomgar), Seller will connect and triage Customer's reported issue remotely.
- 11.3 Seller Warrants that Seller will comply with all applicable industry standards concerning privacy, data protection, confidentiality and information security, including, without limitation, the then-current Payment Card Industry Data Security Standard of the PCI Security Standards Council (the PCI-DSS); and all applicable federal, state, and local laws, rules, and regulations, as the same may be amended or supplemented from time to time, pertaining in any way to the privacy, confidentiality, security, management, disclosure, reporting, and any other obligations related to the possession or use of Personal Information, including without limitation, the Gramm-Leach-Billey Act ("GLBA"), 15 U.S.C. §§ 6801-6827, and all regulations implementing GLBA; the Fair Credit Reporting Act ("FCRA"), 15 U.S.C. § 1681 et seq., as amended by the Fair and Accurate Credit Transactions Act ("FACTA"), and all regulations implementing FCRA and FACTA; the Controlling the Assault of Non-Solicited Pornography and Marketing Act (CAN-SPAM"); security breach notification laws (such as Cal. Civ. Code §§ 1798.29, 1798.802 1798.84); laws imposing minimum security requirements (such as 201 Mass. Code Reg. 17.00); laws requiring the secure disposal of records containing certain Personal Information (such as N.Y. Gen. Bus. Law § 399-H) (collectively "Privacy laws).



- **12. Term; Termination.** These Terms are effective until all Product is delivered, the Services are complete, or (if applicable) Customer has agreed to the Software as a Service subscription service and the term noted therein, whichever is later. Either Party may terminate these Terms if the other Party breaches any material terms or conditions of these Terms and the breach remains un-cured for thirty (30) calendar days after receipt of written notice of the breach. In addition to the foregoing, Seller may terminate these Terms with advanced written notice of ten (10) calendar days, if the other Party becomes insolvent, enters bankruptcy, reorganization, or other similar proceedings, admits in writing its inability to pay debts, or attempts or makes an assignment for the benefit of creditors.
- 13. Force Majeure. Except for the obligation to pay, neither Party is liable for failure to fulfill its obligations under these Terms due to causes beyond its reasonable control, including but not limited to: (1) war, warlike operations, armed aggression, insurrection, riots; (2) fires, floods, explosions, earthquakes, inclement weather; (3) any acts of a Government, governmental priorities, allocation regulations or orders; (4) acts of God or of the public enemy; (5) failure of or delays in transportation; (6) epidemics, quarantine restrictions, or other similar circumstances; (7) inability to procure materials or parts including unavailability of Original Equipment Manufacturer ("OEM") parts; and (8) labor troubles causing cessation, slowdown, work stoppage or interruption of work. Seller shall not be liable for failure to fulfill its obligations under these Terms for delays of any type that are caused, in whole or part, by Customer or Customer's end-user. In the event of such a delay, Seller may invoice Customer for all completed Services. Furthermore, if Customer causes a delay, Seller may stop Services, which may result in a greater day-for-day delay in the completion of Services.

The Party invoking Force Majeure, whether on its own behalf or regarding the ability of the other Party to perform its obligations under the Agreement, shall send prompt written notice to the other Party stating the grounds therefor, the date of its or the other Party's inability to perform, and the date of termination of the Agreement. The invoking Party shall thereafter be excused from future performance unless the other Party objects to the asserted Force Majeure in a signed writing to the Party so claiming within ten (10) calendar days of its receipt of said notice. Any deposit or pre-payment made for Services to be performed under the Agreement shall be refunded within ten (10) calendar days of receipt of the notice, prorated for Services satisfactorily performed prior to receipt of the notice, unless a timely challenge is made under this provision. The right to claim Force Majeure under this provision is not exclusive and it may be asserted with, before, or after the assertion of other grounds for termination or cancellation of the Agreement. In the event the Parties cannot resolve the issue of proper assertion of the Force Majeure provision, the Parties may exercise any rights under this Agreement or otherwise available under the law.

- **14. Governing Law and Dispute Resolution.** Except for any equitable relief and claims for payment, any dispute, controversy or claim arising out of or in relation to these Terms, including the validity, invalidity, breach or termination, will be resolved by arbitration in Los Angeles, California under the Commercial Arbitration Rules of the American Arbitration Association (AAA). The tribunal will consist of a single arbitrator to be chosen under the AAA rules. The language of the arbitration will be English. The award will be final and binding on the Parties and will also include legal fees, costs of arbitration and all related matters. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. These Terms are governed by the laws of the State of California, without regard to its choice of law provisions. The Parties agree that the United Nations Convention on Contracts for the International Sale of Goods (CISG) does not apply to these Terms.
- **15. Consumables.** "Consumables" include but are not limited to tickets, keycards, gate booms, inks, fabrics, chemicals, filters, bulbs, thermal print heads, batteries, data carriers, wristbands, or generally, any product requiring replacement after use over a non-specific period of time.
 - Pricing; Orders. Pricing for Consumables are sold at Seller list price. All purchase orders submitted by Customer will be of no effect unless and to the extent that they are accepted by Seller in its sole discretion and provided they refer expressly to and are subordinate to these Terms. Orders for Consumables may be subject to minimum order values and quantities.
 - Printing Documentation. All typesets, printing plates, lithographs, photographically produced films and plates, stamping dye molds, and other means produced by Seller and provided for the production process shall remain the property of Seller. This shall also apply to any means of production provided by a third party on behalf of Seller.
 - 15.3 <u>Quality</u>.
 - 15.3.1 Seller assumes warranty in accordance with these Terms that the delivered Consumable(s) can be processed on Seller compatible equipment in accordance with the relevant product specifications. Warranty is excluded if equipment used is not Seller's or Seller compatible. Due to conditions of production and materials, the color may deviate among the items contained in one delivery or among the items of different deliveries. Press proofs and sample tickets are thus only roughly binding for the indication of the actual colors. Tickets made of plastics are largely inherently stable, break- and tear-proof in ambient temperatures between



-4°F (-20°C) and 122°F (50°C).

- 15.3.2 All details given in 15.3.1 shall apply to a statistic reliability of ninety-five (95%) percent. Seller shall not be liable for any consequences of improper storage of Consumables by Customer and recommends storage in original packaging, at a temperature between 41°F (5°C) and 77°F (25°C), and a maximum relative humidity of sixty (60%) percent.
- Delivery. Delivery shall be at the Customer's risk and expense to the address stated for delivery in the order confirmation. If the Customer did not state an address for delivery, the invoice address shall be the address for delivery. The Customer must accept excess deliveries or short deliveries of up to ten (10%) percent of the ordered Consumable(s). Seller reserves the right to effect partial deliveries of Consumables in case of production limitations. Seller shall not be liable for any printing or design errors which the Customer released with the approved proofs, nor may the Customer change any orders accepted as a Customer-specific custom production order after order confirmation from Seller.

15.5 Warranty.

- 15.5.1 Seller assumes warranty for the execution of the order in accordance with its specifications for a period of six (6) months after the date of delivery. Such warranty shall be fulfilled by rectification or new delivery of the goods. In case of purely optical defects not affecting the functionality or in case of quantitative defects, Seller shall be entitled, at its discretion, to rectify such defect by granting a reasonable price discount. These shall be Customer's sole remedy for warranty claims as it pertains to Consumables and further claims are excluded.
- 15.5.2 Customer must notify Seller in writing of any defective Consumable within seven (7) days of receipt, enclosing a sample of the item complained about and a detailed description of the defect. Complaints about any printing errors or delivery quantity are to be reported in writing within twenty (21) days after receiving the Consumable. The Customer must keep the goods in respect of which it sent a notification of defect until settlement of the issue and the Customer must hand over such goods to Seller upon request. Any claim for new delivery shall only arise concurrently and only to the extent the defective goods are re-turned. Replaced goods shall become the property of Seller.
- 15.5.3 Seller shall not assume any liability for defects unless the Customer accounts are current and paid to date. Any replacement deliveries shall by bound by these same Terms. The Customer must accept delayed deliveries unless the transaction included a written agreement for delivery by a fixed date.

15.6 Liability.

- 15.6.1 AS IT PERTAINS TO CONSUMABLES, EXCLUDING CLAIMS FOR PERSONAL INJURY, DEATH, CONTRACTUALLY AGREED UPON AMOUNTS DUE HEREUNDER, AND INDEMNIFICATION OBLIGATIONS UNDER THESE TERMS, Seller WILL NOT BE LIABLE TO CUSTOMER FOR ANY INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING WITHOUT LIMITATION LOSS OF REVENUE OR INCOME, LOSS OF OR USE OF DATA, OPERATIONAL EFFICIENCY, LOSS OF CUSTOMERS OR INFORMATION, ARISING UNDER THESE TERMS REGARDLESS OF THE FORM OF ACTION OR THEORY OF RELIEF, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. FURTHERMORE, ANY LIABILITY FOR DIRECT DAMAGES ARISING UNDER THESE TERMS, REGARDLESS OF THE FORM OF ACTION OR THEORY OF RELIEF, IS LIMITED TO THE PURCHASE PRICE OF THE CONSUMABLE GIVING RISE TO THE CLAIM.
- 15.6.2 Seller shall not be liable for any criminal or other illegal acts committed by third parties, such as acts of piracy, the copying, reproduction, modification, or other manipulation of Consumables, for parts or components of Consumables, such as for example chips, which are produced by third parties and manufactured into Consumables provided that usage of such parts or components is commonly accepted on the market, or for tickets, keycards, or data carriers being produced or sold by third parties.

15.7 <u>Copyright & Right of Reproduction</u>.

- 15.7.1 To the extent Seller is the Customer of any copyrights to drafts, versions, ordered printing products or any parts thereof, the Customer upon payment and acceptance of the delivery shall only acquire the right to distribute the delivered products in accordance with the Copyright Act. Any other rights, in particular the right of reproduction, shall remain with Seller. Seller also has the exclusive right to use produced copying means (setting, films, etc.) and printing products to produce items for copying.
- 15.7.2 If the Customer provides lithographs, print layouts, writings or fonts of any kind, the Customer must, before placing the order with Seller and at its own risk and expense, ensure that Seller may legally use these items for production, copying and distribution purposes in agreement with the copyright holders, if any, and the Customer shall expressly authorize Seller to execute the order and assures Seller that there is no need to contact copyright holders, if any. The Customer expressly indemnifies and holds Seller harmless in respect of any claims or proceedings. Seller will immediately inform the Customer of any claims made against Seller by



- any third party with respect to copyright, and in case the matter is taken to court, Seller will serve a third-party notice on the Customer. If the Customer fails to join the proceedings as Seller's joined defendant upon such third-party notice, Seller shall be entitled to recognize the claimant's claim and to demand compensation from the Customer irrespective of whether such recognized claim was legitimate or not.
- 15.7.3 Except as otherwise provided by law, Consumables may only be used for the business purposes envisioned under these Terms and not for resale. Seller reserves the right to refuse Customer's orders for Consumables if it reasonably believes the Customer is reselling Consumables. Any credible evidence of the resale of Consumables by Customer shall be deemed to be a material breach of these Terms.

16. Miscellaneous.

16.1 <u>Confidentiality</u>.

- 16.1.1 Parties may provide information or data that it considers private, proprietary, competition-sensitive or confidential in order to satisfy the requirements of these Terms. A party disclosing Proprietary Information is a "Disclosing Party," while a party receiving Proprietary Information is a "Receiving Party."
- "Proprietary Information", as used herein, shall mean any and all information, written, oral, electronically transmitted, graphic or in other form, that is provided and exchanged in consideration of current or future business opportunities, whether or not stamped or otherwise designated as confidential, and whether or not proprietary, conceptual or reduced to specific practices (which information shall include but not be limited to that relating to programs, marketing plans, finances, pricing, operations, personnel, products, processes, machines, compositions, inventions and discoveries). In addition, any prices or customized conditions of these Terms shall be considered Proprietary Information. Information shall not be deemed Proprietary Information, and receiving party shall have no obligation with respect to any such information, which:
 - 16.1.2.1 is or becomes publicly known through no wrongful act of the receiving party; or
 - 16.1.2.2 is rightfully received by the receiving party from a third party without restriction and without breach of these Terms; or
 - 16.1.2.3 is disclosed by the disclosing party to the third party without a similar restriction on the rights of such third party; or
 - 16.1.2.4 is approved for release by written authorization of the disclosing party; or
 - 16.1.2.5 is disclosed, in any event, after the expiration of ten (10) years from the date when such Proprietary Information was delivered.
- 16.1.3 Use of Proprietary Information by receiving party shall be limited to the purposes contemplated by these Terms. Receiving party shall protect the Proprietary Information received under these Terms with the same degree of care as it takes to preserve and safeguard its own proprietary information provided such degree of care is reasonably calculated to prevent such inadvertent disclosure.
- 16.1.4 Receiving party agrees that if receiving party uses the Proprietary Information contrary to the terms of this Section, disclosing party, in addition to all other remedies available to it, shall have the right to equitable relief, restraining or enjoining receiving party from using any Proprietary Information in violation of the terms and conditions of this section and to recover from receiving party reasonable costs in enforcing this section, including reasonable attorneys' fees.
- 16.1.5 Neither the execution and delivery of these Terms nor the delivery of any Proprietary Information hereunder shall be construed as granting either expressly or by implication, estoppel, or otherwise, any rights in or license to the Confidential or Proprietary Information not explicitly set forth herein.
- 16.1.6 Notwithstanding the foregoing, Proprietary Information may be disclosed upon the written consent of disclosing party, or pursuant to valid legal orders or governmental regulations or in connection with an action or proceeding brought to enforce or interpret these Terms.
- 16.1.7 Notwithstanding the foregoing, Customer and Seller agree that they will prepare mutually acceptable communications in relation to the execution of these Terms and/or the launch of the Seller services, to be released at a mutually agreed date. Both parties agree to provide a quote from a senior executive and description of the solution in written or video form as agreed. Customer grants to Seller and its affiliates a non-exclusive, worldwide, royalty-free right and license to use Customer's company and/or service names and logos to identify Customer as a Seller Customer.
- 16.2 <u>Entire Agreement</u>. These Terms constitute the entire understanding between the parties regarding the



purchase of Products or Services from Seller and supersedes and replaces any previous communications, representations or Terms, written or oral.

- 16.3 <u>Conflicting Terms</u>. These Terms takes precedence over any terms and conditions in a purchase order or other ordering document from Customer. The sale or order of any Product or Services is expressly conditioned on Customer's assent to the terms of these Terms. Any other additional or inconsistent terms or conditions in a purchase order or course of dealings between the Parties or usage of trade are expressly disclaimed and rejected.
- Assignment. Except for those transferable warranties, neither Party may assign these Terms or any of its rights or obligations without the prior written consent of the other Party, unless a Party is subject to a change in Customership of more than fifty percent of its voting rights or any controlling interest in which case, advanced written notice is required to the other Party. These Terms bind and benefit the Parties and their respective successors and assigns. Subject to the restrictions in assignment contained in these Terms, these Terms will be binding on and inure to the benefit of the parties and their successors and assigns.
- 16.5 <u>Amendment.</u> No provision of these Terms may be waived, amended, or modified by either party except by a written amendment signed by both Customer and Seller.
- 16.6 <u>Waiver</u>. Any delay or failure by either party to exercise any right or remedy will not constitute a waiver of that party to enforce its rights.
- 16.7 <u>Survivability</u>. The terms and conditions of these Terms which by sense and content are intended to survive, including payment, warranties and disclaimers, confidentiality, indemnification, and limitation of liability, shall survive the expiration or termination of these Terms. If any part of these Terms are found by a court of competent jurisdiction to be invalid, illegal or unenforceable, all other parts will remain in effect.
- 16.8 <u>Contra Proferentem</u>. Each Party acknowledges that it has been represented by counsel under these Terms. Accordingly, any rule of applicable law or any legal decision that would require interpretation of any claimed ambiguities in these Terms against the drafting party has no application and is expressly waived.
- 16.9 <u>Interpretation</u>. Headings in these Terms are for reference purposes only and are not to be interpreted as being part of these Terms.
- Subcontracting. Seller has the right to subcontract any other Services to any subSeller that has the requisite skill and expertise to complete the work. In such situations, Seller will pass through to Customer all available warranties and use commercially reasonable efforts to assist Customer in administering any warranty claim. If Customer requires Customer's choice of subSeller, Customer will: (1) contract directly with them; (2) verify provision of adequate insurances of the types and values Seller requires, and (3) indemnify Seller from and against any claim or allegation that arises from Customer's subSeller's performance of services or presence in Seller's facility.
- 16.11 Attorney's Fees. In the event of any litigation, arbitration or any judicial proceeding arising as a result of the breach of these Terms, the party prevailing in such litigation or judicial proceeding shall be entitled to collect the costs and expenses of bringing or defending such litigation or proceeding, including reasonable attorneys' fees, from the party or parties not prevailing.
- 16.12 <u>Counterparts</u>. These Terms may be executed in one or more counterparts, each of which will be considered an original but altogether constitute the same instrument. Acceptance of these Terms may be made in electronic form showing the signatures of both parties. The Parties agree that electronic signatures may be used and will be legally valid, effective, and enforceable.