



GENERAL TERMS AND CONDITIONS OF SALE AND DELIVERY OF RISCO PRODUCTS & SOLUTIONS

These Terms and Conditions (the “**Terms and Conditions**”) govern the sale and delivery of RISCO’s products and services contained herein (all together, “**Products & Solutions**”) to Distributors and Installers. The Terms and Conditions are divided into two distinct parts:

- **PART I** applies exclusively to **Distributors**, defined as entities authorized by RISCO to sell and distribute RISCO’s Products & Solutions to Installers, through the placement of Orders in accordance with these Terms and Conditions.
- **PART II** applies exclusively to **Installers**, defined as entities or individuals authorized by RISCO to sell and install the Products & Solutions to end-users in their premises.

Each party shall be bound by and required to comply with the part applicable to their role, in addition to any general provisions set forth in these Terms and Conditions.

These Terms and Conditions are a legally binding agreement between RISCO (as defined below), and you, either individually or on behalf of the company or other legal entity that you duly represent (“**you**”, “**Distributor**” or “**Installer**”, as the case may be) and shall govern your rights in relation to the Products & Solutions. If you do not agree to these Terms and Conditions, you shall not purchase, resell, install or otherwise use the Products & Solutions.

By purchasing, reselling, installing, or otherwise accepting these Terms and Conditions you, represent and warrant that you have read, understood, and agreed to be legally bound by these Terms and Conditions and that you are authorized to accept these Terms and Conditions on behalf of such entity. You further represent that you are at least 18 years old.

RISCO and you shall be each referred to herein as a “**Party**”, and collectively as the “**Parties**”. These Terms and Conditions are drafted in the English language. If these Terms and Conditions (including any Schedule, Annex or Exhibit to these Terms and Conditions) are translated into any other language, the English language version shall prevail.

For the avoidance of doubt, these Terms and Conditions are executed in addition to (and not instead of) any specific agreement (if any) executed between you and RISCO separately in relation to the sale of RISCO’s Products and Solutions.

- RISCO.** The term "RISCO" (referred to herein as “**RISCO**”, “**us**,” “**we**,” or “**our**”) shall mean RISCO Ltd., RISCO Group SA/NV, RISCO Group UK Ltd., RISCO Group Iberia S.L, RISCO Group Inc., RISCO Group S.r.l, ROKONET BRASIL Ltda, RISCO Group Swiss SA, RISCO Group France SAS, and RISCO Group BG Ltd., and/or any of their affiliates and subsidiaries named as the applicable entity in the Order Acknowledgement to which your Order pertains.
- Quotes.** Subject to the provisions hereof, all quotes submitted by RISCO are firm for fourteen (14) days from the date of the quotation unless indicated differently on the face of the quotation. Alterations or changes of quotations after fourteen (14) days may be made at the sole discretion of RISCO without notice. These Terms and Conditions shall apply to all RISCO’s quotations, any and all purchase orders placed by you with RISCO that have been accepted in writing by RISCO through an Order Acknowledgement, all with regard to your Order of the Products & Solutions (all such documents, including these Terms and Conditions shall be collectively referred to hereinafter as the “**Agreement**”).
- Order Acknowledgement.** No contractual relationship between RISCO and you shall arise until such time as RISCO has accepted your purchase order through an Order Acknowledgement. Verbal orders shall be accepted only at your own risk and RISCO’s interpretation of any verbal instructions will be considered and agreed by you to be correct and valid.
- Applicable Law and Jurisdiction.** This Agreement shall be governed by the laws of the country in which the



relevant RISCO entity is registered, to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods. The sole court that has jurisdiction for any legal actions related to this Agreement shall be the commercial competent court for the registered address of the RISCO relevant entity. However, RISCO, at its option, may elect to summon you before the competent courts for the location of your registered address.

- E. **Notices.** Any notice to be given under this Agreement shall be in writing and may be hand-delivered (including delivery by courier) or sent by email and/or fax transmission to the receiving Party's address provided by it (and for RISCO, to info@riscogroup.com), or such other address or number as may be notified by that Party from time to time for this purpose. Unless the contrary shall be proved, notice shall be deemed to have been given, if by hand delivery (including courier) during working hours on a working day, when left at the relevant address, and otherwise on the next working day after delivery, and if by fax during working hours on a working day, when transmitted, and otherwise on the next working day after transmission.
- F. **Waste Electrical and Electronic Equipment Regulations 2006 (WEEE).** RISCO GROUP UK Limited ("RISCO UK") is a producer for the purposes of the WEEE. RISCO UK's Producer Registration Number is WEE/HF0053TQ. It will, from 1st. July 2007 provide a business to business take back scheme on a one for one basis for similar products where a customer purchases Products & Solutions to replace those removed from a non-domestic environment subject to acceptance by RISCO UK. This facility is subject to terms and conditions which may vary from time to time a copy of which will be available upon request.
- G. **Import Licenses.** You are responsible for obtaining, at your own cost, such import licenses and other consents in relation to the Products & Solutions as are required from time to time and, if required by RISCO, you shall make those licenses and consents available to RISCO prior to the relevant shipment.
- H. **Severability.** If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability shall not invalidate or render unenforceable the entire Agreement, but rather the entire Agreement shall be construed as if not containing the particular invalid or unenforceable provision and the rights and obligations of the parties shall be construed and enforced accordingly. In addition, the parties hereby agree to cooperate to replace the invalid or unenforceable provision(s) with valid and enforceable provision(s) which will achieve the same result (to the maximum legal extent) as the provision(s) determined to be invalid or unenforceable.
- I. **Waiver.** No waiver of rights arising under this Agreement or any Order shall be effective unless in writing and signed by the Party against whom such waiver is sought to be enforced. No failure or delay by either Party in exercising any right, power or remedy under this Agreement shall operate as a waiver of any such right, power or remedy and/or prejudice any rights of such Party.
- J. **Relationship.** The relationship of the you and RISCO is that of an independent contractors and neither you nor your agents, representatives, or employees shall be considered employees of RISCO. You shall bear all costs of conducting your activities hereunder. Nothing in the Agreement and no action taken by the parties pursuant to the Agreement shall constitute or be deemed to constitute a partnership, agency, association, joint venture, or other co-operative entity between the parties.
- K. **Compliance with Local Laws.** You shall be exclusively responsible, at your own expense, for compliance with all local laws (including receipt of all governmental and quasi-governmental approvals, consents and/or registrations) relating to the promotion, advertising, marketing, sale, installation and/or support (as applicable) of the Products & Solutions in the Territory. You shall indemnify and hold RISCO harmless from any claim, loss, cost, fine or expenses, including reasonable attorney's fees, arising out of your breach of this Clause. RISCO shall provide reasonable assistance to you in complying with such local laws.
- L. **Assignments and Subcontracting.** Neither Party may assign, charge, transfer or otherwise dispose of this Agreement or any rights or obligations therein in whole or in part, without the written consent of the other Party. Notwithstanding the foregoing, RISCO may, upon notice to you, assign any and all of its rights and obligations hereunder to: (i) any RISCO affiliated company; (ii) a third-party pursuant to any sale or transfer of all or part



of the assets or business of RISCO; or (iii) a third-party pursuant to any financing, merger, or reorganization of RISCO. Additionally, RISCO may subcontract any part of the work or services to be provided under the Agreement.

M. **Variation.** The Agreement shall be modified only by the written agreement of the parties represented by their duly authorized officers.

N. **Entire Agreement.** This Agreement sets out the entire and exclusive agreement between RISCO and you and, as the case may be, supersedes all prior proposals, representations, agreements, or understandings concerning the subject matter addressed herein. Notwithstanding the above, in the event that a specific agreement is signed between RISCO and you, the terms hereof shall be complementary to the terms of such agreement and in the event of any discrepancies between the two, the terms of the specific agreement shall prevail.

O. **Translations.** This Agreement is entered into in the English language. If the parties make a translation thereof in another language, such translation will be for informational purposes only and the English version will apply in case of discrepancies, or in case of any inconsistency between the two versions.

PART I – TERMS APPLICABLE TO DISTRIBUTORS

1. DEFINITIONS

1.1. “**Distributor**” shall mean a distributor authorized by RISCO to distribute RISCO’s Products & Solutions to Installers, through the placement and acceptance by RISCO of Orders in accordance with these Terms and Conditions.

1.2. “**Installers**” shall mean third-party installers authorized by RISCO to sell and install the Products & Solutions to end-users in their premises.

1.3. “**Order**” shall mean a purchase order issued by Distributor to RISCO for the Products & Solutions, in a form acceptable to RISCO.

1.4. “**Order Acknowledgement**” means a document or other formal notice issued by RISCO and indicating RISCO’s acceptance of Distributor’s Order and agreement to supply the ordered Products & Solutions.

1.5. “**RISCO Cloud**” means the online, web-based hosted software-as-a-service applications and solutions, made available by RISCO to use through a network connection, under the name RISCO Cloud (or such other name(s) as may be designated by RISCO from time to time), including: (i) RISCO’s user account websites that may be accessed at: www.riscocloud.com, and www.freecontrolweb.com (each, a “**Site**” and collectively, the “**Sites**”), which Sites can be accessed through any computer or mobile device; (ii) software applications known as the iRISCO App, FreeControl App, Free4Control App, and/or our customer-branded apps (collectively, the “**Apps**”), that may be downloaded to End-User’s mobile device (e.g., smartphone or tablet), as well as from End-User’s computer, to access RISCO Cloud; (iii) the services accessible through the Sites and Apps, all for use in conjunction with RISCO’s products and in other ways that RISCO provides; and (iv) any software-related updates (which may be automatically installed), as well as any third-party’s cloud-based applications that are embedded as an integral component in the RISCO Cloud and interoperate with the RISCO Cloud.

1.6. “**Territory**” means the country(ies) approved by RISCO writing in which Distributor is authorized to sell and distribute the Products & Solution.

2. OBJECT OF PART I

2.1. The purpose of this Part I of the Agreement is to establish the terms governing the sale of Products & Solutions by RISCO to the Distributor and the Distributor’s rights and obligations in relation to reselling such



Products & Solutions.

2.2. Subject to these Terms and Conditions, RISCO grants to the Distributor a non-exclusive right to purchase RISCO's Products & Solutions for the sole purpose of allowing Distributor to resell and distribute such Products & Solutions to authorized Installers within the Territory. The Installers, in turn, will resell the Products & Solutions to end-users and shall install and support them at the end-users' premises. This Agreement is non-exclusive and RISCO is entitled to appoint other distributors and other representatives for the purpose of selling any and all of the Products & Solutions in the Territory.

2.3. RISCO, at its discretion, shall provide the Distributor with an Authorized Distributor Certificate ("Certificate") to facilitate the selling of the Products & Solutions in the Territory. The Certificate shall be in effect as of the date provided for a period of two (2) years. The commencement and expiration dates of the Certificate shall be indicated therein. At the end of said period RISCO may issue the Distributor a new Certificate to replace the expired one.

2.4. Acceptance by RISCO of Distributor's Order or any other documents of Distributor is made only on the express understanding and condition that only these Terms and Conditions shall govern and establish any rights and obligations of the Parties with respect to the Products & Solutions covered thereby. RISCO's failure to object to provisions contained in any document or communication from Distributor shall not be deemed as accepting such document or a waiver of the application of these Terms and Conditions. Without limiting the generality of the foregoing, any terms or conditions set forth on any documents or forms utilized by Distributor and any communications (written or oral) between the Parties that are inconsistent with, or are not included within, these Terms and Conditions shall be of no force or effect unless signed by an authorized officer of each Party.

2.5. Any changes to the Agreement or any inconsistent provision to those contained in the Agreement must be specifically agreed to in writing by an authorized officer of RISCO before becoming binding on RISCO.

3. ORDERS FOR PRODUCTS & SOLUTIONS

3.1. The procurement by Distributor from RISCO of Products & Solutions shall be by the issuance and acceptance of Orders. Orders will only be binding on RISCO when confirmed as set forth below. Upon confirmation, each Order shall become a part of this Agreement and shall be deemed to incorporate the terms and conditions of this Agreement and any relevant subordinate document attached to such Order. Each Order and this Agreement shall constitute the entire agreement between RISCO and Distributor relating to a particular Order. In case of any inconsistency or contradiction between the provisions of this Agreement and the provisions of an Order, this Agreement shall prevail as to the subject matter of such inconsistency. Additional or conflicting terms contained in any Distributor purchase order, standardized form or correspondence are expressly unenforceable under this Agreement unless such terms and conditions are contained in an amendment to this Agreement duly executed by both parties. Orders shall be in writing (including electronic mail).

3.2. All Orders placed by Distributor are subject to acceptance by RISCO by the issuance of an Order Acknowledgement by RISCO. Orders may not be cancelled or rescheduled without RISCO's written consent. All Orders must include delivery dates, quantities and a complete description of the Products & Solutions ordered.

3.3. RISCO may allocate available Products & Solutions among its Distributors on whatever basis it determines, in its sole and absolute discretion. RISCO may designate certain Products & Solutions as non-cancelable, non-returnable ("NCNR") or customer specific ("CS") Products & Solutions and the sale of such Products & Solutions shall be subject to the special terms and conditions contained in RISCO's Order Acknowledgement, which shall prevail and supersede any inconsistent terms and conditions contained herein or elsewhere.

3.4. Delivery dates and quantities of Products & Solutions shall be contingent upon payment of the fees set out in RISCO's invoice. Distributor may only distribute Products & Solutions upon full payment of the fees as set out on RISCO's invoice.

3.5. The Distributor and anyone acting on its behalf shall not expose the Products & Solutions and their associated



prices on the internet or on any other public medium.

4. MINIMUM PURCHASES; FORECASTS

4.1. The minimum amount of Product & Solution (in US\$) to be purchased by the Distributor from RISCO during each annual period (each, an “**Annual Period**”), shall be forth in writing by RISCO (each, an “**Annual Minimum Quota**”). Prior to the commencement of each new Annual Period during the Term of this Agreement, Distributor shall provide RISCO with its revised Annual Minimum Quota for the upcoming Annual Period.

4.2. The Distributor shall prepare and submit to RISCO a twelve (12) month purchase forecast, allocated on a quarterly basis, at least sixty (60) days prior to the commencement of each calendar year during the Term (each referred to as the “**Yearly Rolling Forecast**”) which shall reflect increased updated sales goals and accordingly revised sales plans for the applicable calendar year. The Yearly Rolling Forecast shall be updated by Distributor on a quarterly basis with respect to the succeeding quarters. All Rolling Forecasts throughout the Term (or Renewal Terms, as the case may be) of this Agreement are deemed integral parts of this Agreement. Each Rolling Forecast shall be in a form approved by RISCO. The Rolling Forecasts shall constitute a forecast only, and shall not be deemed to amend or revise any applicable Minimum Quota.

4.3. In the event that the Distributor fails to meet any Annual Minimum Quota during any two consecutive quarters during the Initial Term or any Renewal Term, then: (i) any discounts provided to the Distributor under this Agreement (or any other agreement) shall be cancelled and any amounts owed to RISCO as a result of such cancellation shall be immediately returned or paid by the Distributor to RISCO; and (ii) RISCO shall have the right to terminate this Agreement, in addition to all other rights and remedies available to RISCO under this Agreement, at law or in equity.

5. DISTRIBUTOR UNDERTAKINGS

5.1. The Distributor hereby represents, warrants and undertakes toward RISCO that the following are and shall remain true and correct at all times during the Term of this Agreement:

- (a) It has the facilities, resources, personnel (with sufficient technical knowledge of the Products & Solutions and sufficient knowledge of the market segment of the Products) and experience to promote, advertise, market, sell and support the Products & Solutions, and to perform its obligations under this Agreement.
- (b) It shall not sell any Products & Solutions anywhere other than in the Territory authorized by RISCO and will consistently and diligently use its best efforts, to promote, advertise, market, sell, support and otherwise maximize sales and create and increase demand for the Products & Solutions in the Territory, including maintaining an office(s) in the Territory with sufficient and high-quality facilities, sales force and technical support personnel.
- (c) It understands and agrees that the Products & Solutions are intended for sale by Distributor to Installers only. Accordingly, it shall not sell the Products & Solutions other than to Installers and shall not lend, transfer, trade or encumber any of the Products & Solutions or allow any of the foregoing in whole or in part. Without derogating from the generality of the foregoing, Distributor shall not sell or permit the sale of any of the Products & Solutions in whole or in part: (i) to any other distributor (other than to other RISCO authorized distributors), (ii) to any installer who is not an authorized RISCO Installer, (iii) in any online store open to the public, or (iv) directly to end users, without RISCO’s prior written consent. Any such sale shall be considered a material breach of this Agreement which shall entitle RISCO to terminate this Agreement immediately, without derogating from any other remedy available to RISCO at law or in equity.
- (d) It shall not make any representation, promise or guarantee with regard to the Products & Solutions, except those which are contained in promotional material supplied to the Distributor by RISCO.
- (e) It shall not remove, delete, alter, deface or conceal any RISCO copyright notice, proprietary legend, logo or serial number appearing on the Products, including peripherals and manuals, and it shall re-sell the Products



& Solutions only under RISCO's trademarks and trade names as packaged and presented by RISCO, and shall refrain from making any alteration or modification thereto.

- (f) It has the right and authority to enter into this Agreement, and by doing so is not violating any agreement with a third-party, or any law, regulation or ordinance to which the Distributor is obligated or subject. Distributor will hold RISCO harmless and indemnify RISCO against any loss, damage, judgment, expense, attorney's fee, cost of suit, or any other costs and payments whatsoever incurred by RISCO, which arises out of or in connection with the representation contained in this subsection being incorrect.
- (g) It shall support Installers buying the Products & Solutions by providing after-sale and support services (in accordance with any instructions RISCO may furnish with respect to such services from time to time) efficiently and at reasonable competitive prices so as to promote further sales of the Products & Solutions (including but not limited to maintaining a sufficient amount of spare parts of the Products for timely replacement).
- (h) It shall submit to RISCO for its approval, any promotional literature and materials not supplied by RISCO, which the Distributor intends to utilize in connection with the Products & Solutions. Such literature and materials shall not be utilized until and unless approved in writing by RISCO. The translation of the English literature supplied by RISCO into the Territory's local language(s) shall be performed by the Distributor, unless otherwise instructed by RISCO. Any rights (including copyrights) relating to such translation shall be held by Distributor, except that RISCO is hereby granted an irrevocable, fully paid-up, non-royalty bearing, perpetual and worldwide license to use such translation. Such license shall survive any expiration or termination of this Agreement.
- (i) It shall not be engaged or involved, either directly or indirectly, in any way whatsoever, in any activity that competes with RISCO or with the Products & Solutions.

6. PRICES

6.1. The Order fees for each Order issued by Distributor for Products & Solutions are those specified on RISCO's invoice ("**Order Fees**" or "**Fees**"). Fees and/or discounts for Products & Solutions may be changed by RISCO from time to time in the event of any increase in RISCO's cost, change in market conditions or any other causes.

6.2. All Fees quoted are EX WORKS (EXW) RISCO's distribution center and are exclusive of transportation, insurance and freight costs and of any taxes, levies or duties which may apply, including, but not limited to, federal, state, provincial and local sales, excise, value added, goods and services taxes and any other taxes, all of which shall be borne solely by Distributor. Distributor agrees to pay these taxes unless Distributor has provided RISCO with an exemption certificate in the appropriate form for the jurisdiction of Distributor's place of business and any jurisdiction to which Products & Solutions are to be directly shipped hereunder, or unless the sale is otherwise exempt from these taxes. Distributor agrees to indemnify and hold RISCO harmless for any liability for tax in connection with the sale, as well as the collection or withholding thereof, including penalties and interest thereon. When applicable, transportation and taxes shall appear as separate items on RISCO's invoice. The Distributor shall be responsible for all the costs and arrangements concerning insurance and shipment.

7. PAYMENT TERMS

7.1. Payment of the Order Fee shall be due according to terms of payment and currency specified on RISCO's invoice. Payment shall be made in full and Distributor may not withhold payment of any invoice or other amount due to RISCO by reason of any right of set off or counterclaim which the Distributor may have or allege to have or for any reason whatsoever.

7.2. Interest will automatically and without any notice of default accrue on overdue invoices from the due date until payment at the rate of 3% above currency ESTR interest rate per annum.

7.3. Should payment terms be agreed to be in several installments, any overdue invoice not paid within fourteen



(14) days following its due date, shall cause the entire outstanding payment amount to become due for immediate payment, and such amount shall bear interest as set forth in Clause 7.2 above.

7.4. RISCO reserves the right to carry out a credit check against Distributor prior to acceptance by RISCO of any Order and may subsequently request Distributor to provide a prepayment or a bank guarantee in a form to be approved by RISCO and issued by a bank acceptable to it, in an amount not exceeding the total Order Fee. If Distributor fails to make a complete payment for any Order as herein provided, or if, in RISCO's opinion, a change in Distributor's financial condition or other circumstances has created reasonable concerns as to Distributor's credit worthiness, RISCO may at any time request additional guarantees or may demand prepayment before delivery of any part of the Products & Solutions.

7.5. RISCO reserves the right to establish and/or change credit and payment terms extended to Distributor when, in RISCO's sole opinion, Distributor's financial condition or previous payment record warrants such action. Further, on delinquent accounts, RISCO shall not be obligated to continue performance under any agreement with Distributor.

7.6. If RISCO believes in good faith that Distributor's ability to make payments may be impaired or if Distributor shall fail to pay any invoice when due, RISCO may suspend delivery of any Order or any remaining balance thereof until such payment is made or cancel any Order or any remaining balance thereof, and Distributor shall remain liable to pay for any Products & Solutions already shipped and all NCNR and CS Products & Solutions ordered by Distributor.

7.7. RISCO shall have a purchase money security interest in the Products & Solutions delivered to Distributor, and in their accessories, replacements, accessions, proceeds and products, including accounts receivable (collectively, the "Collateral") at all times to secure payment of all amounts due under this Agreement. Distributor's failure to pay all amounts hereunder in full when and as due shall constitute a default hereof and shall give RISCO all rights of a secured party. If Distributor fails to pay any amount when due, RISCO shall have the right to repossess and remove all or any part of the Collateral from Distributor. Any repossession or removal shall be without prejudice to any other remedy of RISCO hereunder, at law or in equity. Distributor agrees, from time to time, to take any act and execute and deliver any document (including, without limitation, financing statements) reasonably requested by RISCO to transfer, create, perfect, preserve, protect, and enforce this security interest.

8. DELIVERY & TITLE

8.1. The Products & Solutions shall be delivered ex works RISCO's premises, unless otherwise agreed to by RISCO in writing.

8.2. All ownership rights, title, and interest in the Products & Solutions shipped to Distributor shall not pass to Distributor and shall remain at all times with RISCO until RISCO has received in full all amounts owed by Distributor with respect to such Products & Solutions. As long as the title in the Products & Solutions has not passed to Distributor, RISCO shall be entitled to put the Products & Solutions under pledge or liens and/or to encumber them and/or dispose of them in any way it chooses.

8.3. For as long as payment is overdue for all or part of a certain shipment of Products & Solutions, Distributor shall hold the Products & Solutions subject to RISCO's Collateral therein and shall have no claim, encumbrance, or security interest in them.

8.4. Distributor shall, if requested by RISCO, return the shipment to RISCO. If Distributor does not return the shipment when so requested, (i) RISCO shall be entitled at any time to recover possession of the Products & Solutions from Distributor, and (ii) RISCO or its duly authorized agent is hereby irrevocably authorized by Distributor to enter into the premises of Distributor during normal business hours to take possession of this shipment.

8.5. Except as otherwise agreed between the parties in writing, Distributor shall bear all costs, expenses and liabilities in respect of the Goods (including storage, shipment, insurance, import taxes, duties and other similar charges).



8.6. Distributor may move the Products & Solutions to a temporary location as may be reasonably necessary to protect the Products & Solutions in an emergency (e.g., fire), provided that (a) Distributor shall promptly notify RISCO in such event; and (b) Distributor shall be solely responsible for any damages caused to the Products & Solutions; and (c) Distributor shall ensure contractually and physically that the Products & Solutions are held at all times subject to terms and conditions that are no less stringent than those set out in this Agreement.

9. DELIVERY SCHEDULE

9.1. Distributor acknowledges that any delivery schedule provided by RISCO is only an estimation of the lead times. RISCO will use commercially reasonable efforts to initiate shipment and schedule delivery as close as possible to Distributor's requested delivery schedule but shall not be liable to Distributor for failure to meet any delivery schedule or for the costs to procure or design substitute goods. In the event of delay caused by such event, the date of delivery shall be extended for a period equal to the time lost as a consequence of the delay in delivery without subjecting RISCO to any liability or penalty. If the Products & Solutions perished while in the custody of the carrier, RISCO shall be deemed to have performed its obligations in full.

9.2. Any delay or change in schedules resulting from Distributor's acts or negligence may be subject to a price adjustment. If a delivery is delayed at Distributor's request by more than one month after ready for shipment notification, RISCO may charge demurrage costs in the amount of 0.5% of the Fee of the Order for each started month of delay up to a maximum of 5% of the total Fee. If Distributor fails to pick up the Products & Solutions (or part thereof) within two (2) months after notification, RISCO will be free to sell the Products & Solutions to its other customers without any indemnity.

9.3. Unless agreed otherwise prior thereto, RISCO reserves the right to make deliveries in installments. Delivery of a quantity that varies from the quantity specified in Distributor's order shall not relieve Distributor of its obligation to accept delivery and pay for the Products & Solutions delivered. Distributor shall not refuse to accept delivery or any consignment or installment on account of any shortage or defect in any other delivery.

10. INSPECTION

10.1. Distributor shall notify RISCO promptly in writing upon receipt of Products & Solutions of all discoverable defects, including, but not limited to, quantity shortages, incorrect product, and visible defects, but no later than five (5) days from delivery date.

10.2. Any variation in quantities shipped over or under the quantities ordered not to exceed 20% shall constitute compliance with Distributor's Order and the stated unit Fee will continue to apply.

10.3. No return of Products & Solutions will be accepted by RISCO without RISCO's prior authorization. Returned Products & Solutions must be in original manufacturer's shipping cartons complete with all packing materials.

10.4. In the event that Distributor fails to inspect the Products & Solutions or does not present a rejection notice to RISCO in writing within five (5) days of delivery date, the Products & Solutions shall be deemed accepted. At that time, Distributor's only recourse or remedy for non-conforming or defective Products & Solutions shall be RISCO's standard warranty as provided for in Clause 13.

11. MARKETING

11.1. Distributor agrees to use its best efforts to market and promote the sale and distribution of the Products & Solutions under RISCO's brand name pursuant to this Agreement, including, but not limited to, by advertising in the media, presenting at trade shows, direct mailings and other activities with an objective of creating market awareness and sales. RISCO shall assist the Distributor's efforts as shall be agreed by the Parties from time to time. The Distributor's marketing activities shall include, at least (i) one customer seminar per calendar quarter; and (ii) one publication/advertisement in local professional media (digital, newspaper, etc.) per calendar quarter.



12. SPECIFICATIONS

12.1. RISCO reserves the right to change the specifications of the Products & Solutions (including all statements and data appearing in RISCO's catalogs, data sheets and advertisements) without notice, but in any event the Products & Solutions will conform in all material respects with the specification of the Products & Solutions at the time that the Order is made. RISCO will publish the modified specifications on its website and will notify Distributor if it properly subscribed on RISCO's website to receive this information. If such changes to specifications are made, RISCO shall have no obligation to provide the change on Products & Solutions previously purchased.

13. WARRANTY

13.1. RISCO warrants to Distributor that Products & Solutions delivered hereunder will at the time of delivery conform in all material respects to their product specifications, for a period of twenty-four (24) months from the date the applicable Products & Solutions were manufactured by RISCO.

13.2. Title to the Products & Solutions will be free and clear of third-party industrial property rights in the country of shipment and without liens to the extent used in accordance with the specifications.

13.3. RISCO gives no warranty or guarantee whatsoever with respect to sales or orders of Products & Solutions through or from unauthorized sales channels. Products & Solutions sold under such sales or purchase orders are provided "as is" and with all visible and/or hidden defects.

13.4. RISCO's sole and maximum liability for breach of its warranties herein for defective Products & Solutions or failure to meet the applicable specifications or quality levels is limited to the obligation, at RISCO's sole discretion, to either repair or replace the defective Products & Solutions or credit Distributor's account with the Fee paid by Distributor in relation to the Products & Solutions concerned, provided that:

- (a) RISCO is notified in writing by Distributor within five (5) business days after discovery of hidden defects or failure to meet the specifications or quality levels;
- (b) Distributor obtains an authorization from RISCO prior to returning any defective Product to RISCO in accordance with Clause 13.5 below;
- (c) the defective Products & Solutions are returned to RISCO, transportation charges prepaid by Distributor (if upon examination by RISCO, it determines that the Products & Solutions are entitled to this warranty, RISCO shall be responsible for all transportation charges to and from RISCO's facility);
- (d) the defective Products & Solutions are received by RISCO no later than four (4) weeks following the last day of the warranty period;
- (e) RISCO's examination of such RISO Products & Solutions shall conclude that such defects or failures have not been caused by misuse, abuse, neglect, improper installation or application, repair, alteration, damage by water, fire, casualty or by accident or negligence in use, storage, transportation or handling, or by non-compatibility with other components used by Distributor; or by power surges or failures, or other events beyond RISCO's control;
- (f) Distributor did not request a third-party to repair or replace the defective or non-conforming Products & Solutions without RISCO's authorization;
- (g) any trademarks or labels on the Products & Solutions have not been removed or mutilated; and
- (h) RISCO is satisfied that the Distributor purchased the Products & Solutions from RISCO.

13.5. Distributor shall follow RISCO's then-current standard RMA Procedure and must obtain a Return Material Authorization ("RMA") number from RISCO prior to returning any Product to RISCO under RISCO's warranty. In such event, if RISCO determines in its reasonable discretion that any Product returned by Distributor conforms



to the applicable warranty (“**Non-Defective Product**”), RISCO shall so notify Distributor and shall return the applicable Product to Distributor at Distributor’s cost and expense. In addition, RISCO may assess Distributor a charge for testing and examination of the Non-Defective Product.

13.6. In the event that any of the conditions mentioned in Clause 13.4 is not met, RISCO shall have no liability under its warranty or otherwise whatsoever.

13.7. RISCO’s obligation to honor any warranty is contingent upon RISCO’s receipt of payment in full for the Products & Solutions covered by this warranty.

13.8. EXCEPT FOR THE WARRANTIES EXPRESSED SET FORTH HEREIN, RISCO AND ITS AFFILIATES AND LICENSORS HEREBY EXCLUDE TO THE GREATEST EXTENT PERMITTED BY LAW, ALL EXPRESS, IMPLIED OR STATUTORY, REPRESENTATIONS, WARRANTIES, GUARANTEES, AND CONDITIONS WITH REGARD TO THE GOODS, PREMIUM SERVICES, ANY SOFTWARE OR APPLICATION, INCLUDING BUT NOT LIMITED TO ANY REPRESENTATIONS, WARRANTIES, GUARANTEES, AND CONDITIONS OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, NON-INFRINGEMENT AND LOSS OF DATA. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, RISCO AND ITS AFFILIATES AND LICENSORS DO NOT REPRESENT OR WARRANT THAT: (i) THE OPERATION OR USE OF THE GOODS, PREMIUM SERVICES OR SOFTWARE, WILL BE TIMELY, SECURE, UNINTERRUPTED OR ERROR-FREE; (ii) THAT ANY FILES, CONTENT OR INFORMATION OF ANY KIND THAT MAY BE ACCESSED THROUGH THE ACCOUNT BY DISTRIBUTOR OR END-USERS SHALL REMAIN SECURE OR NON-DAMAGED. DISTRIBUTOR ACKNOWLEDGES THAT NEITHER RISCO NOR ITS LICENSORS CONTROL THE TRANSFER OF DATA OVER COMMUNICATIONS FACILITIES, INCLUDING THE INTERNET AND THAT RISCO’S GOODS MAY BE SUBJECT TO LIMITATIONS, DELAYS AND OTHER PROBLEMS INHERENT IN THE USE OF SUCH COMMUNICATIONS FACILITIES. RISCO IS NOT RESPONSIBLE FOR ANY DELAYS, DELIVERY FAILURES, OR OTHER DAMAGE RESULTING FROM SUCH PROBLEMS.

13.9. The Distributor shall not engage RISCO in any warranties. The Distributor shall ensure that the terms of purchase of the Products by the Distributor’s buyers shall include “limitation of liability” and “disclaimer” language substantially in the form set forth in Clause 13.10 below.

13.10. THE PROVISIONS OF THIS CLAUSE 13 STATE THE EXCLUSIVE REMEDY OF DISTRIBUTOR AND THE ENTIRE LIABILITY OF RISCO WITH RESPECT TO INFRINGEMENT CLAIMS INVOLVING THE PRODUCTS & SOLUTIONS OR ANY PORTIONS OR USE THEREOF, AND RISCO SHALL HAVE NO ADDITIONAL LIABILITY WITH RESPECT TO ANY ALLEGED OR PROVEN INFRINGEMENT.

14. RABATE IN LIEU OF WARRANTY

14.1. RISCO and Distributor may agree that Distributor shall be entitled to a rebate in lieu of RISCO’s standard Product warranty and standard RMA Procedure. In such event, the Rebate Terms to be provided by RISCO shall apply and RISCO’s standard Product warranty (as set forth in Clause 12.1 above or anywhere else) shall have no force and effect.

15. INTELLECTUAL PROPERTY RIGHTS

15.1. Products & Solutions sold hereunder are or will be protected by intellectual property rights of RISCO anywhere in the world, including, but not limited to, rights under issued and pending patents, issued and pending model and design rights, copyright rights, issued and pending trademark rights, database rights, rights on semi-conductors and know-how rights. Nothing in this Agreement is intended to confer on Distributor or third parties any rights or interests therein.

15.2. Further, Distributor and third parties will acquire hereby no rights or interests or licenses in any:

(a) Drawings, specifications, technical information, molds, masks, tools, know-how used by RISCO;



- (b) Building blocks or custom cells used or designed by RISCO to develop the Products & Solutions;
- (c) Business processes used by RISCO to design, develop, manufacture or test the Products & Solutions.

15.3. Distributor agrees and acknowledges that any intellectual property rights to an improvement in or modification to drawings, specifications, technical information, tools, know-how used by RISCO shall be irrevocably transferred to and become the sole property of RISCO, regardless of whether any such improvement or modification was developed by or made on specific request of Distributor.

15.4. Distributor further agrees to use and respect all appropriate copyright and proprietary notices and markings on all Products & Solutions delivered hereunder regardless of their intended use, and shall ensure that such notices and markings remain adhered to the Products & Solutions upon delivery.

15.5. Distributor shall not copy, sell copies of, modify or reproduce the Products & Solutions in any way, nor shall it permit third parties to do so or be involved in such a scheme. Distributor acknowledges that RISCO will be irreparably harmed if the above undertakings and obligations of Distributor are not specifically complied with, and that RISCO would not have an adequate remedy at law in the event of an actual or threatened violation by the Distributor of said obligations. Therefore RISCO, without the necessity of showing actual damages or that monetary damages would not afford an adequate remedy (i) shall be entitled to an injunction or any appropriate decree of specific performance for any actual or threatened violation or breach by the Distributor or, the Distributor's consultants, employees and affiliates, and without posting a bond; and (ii) without derogating from RISCO's entitlement to any other remedy and compensation under this Agreement, at law or in equity, should the Distributor breach this Section, RISCO shall be entitled to liquidated damages from Distributor in an amount of US\$70,000 to be paid by Distributor within 7 days from receipt of a notice of said breach from RISCO. Further, should the Distributor become aware of the unauthorized copying, modification, or reproduction of the Products by any third-party, it shall immediately notify RISCO.

15.6. Distributor shall not be involved in, and will immediately bring to the attention of RISCO, any improper or wrongful use of the Products & Solutions (or parts thereof) trademarks, emblems, designs, models or other similar industrial, intellectual or commercial property rights which come to the attention of the Distributor. Distributor shall use best efforts to safeguard the proprietary rights and interests of RISCO, and at the request and cost of RISCO, shall take those steps required by RISCO to defend such rights.

16. INDEMNIFICATION

16.1. Provided that (i) Distributor has not breached its obligations set forth in this Agreement, and (ii) the Distributor extends, and complies with, the warranty and replacement terms set forth above vis-a-vis its buyers and their transferees, RISCO shall hold harmless and indemnify the Distributor against any direct loss, damage, judgment, expense, reasonable attorney's fees, cost of suit, or any other direct costs and payments incurred by the Distributor, which arises directly out of or in connection with (i) the defective manufacturing or design of the Products; or (ii) a claim that any Products & Solutions provided by RISCO infringe any patent(s), copyright(s) or trademark(s) in the country of the place of delivery.

16.2. The foregoing obligations of RISCO are subject to: (i) Distributor promptly notifying RISCO in writing of any such claim; (ii) RISCO having sole control of the defense and/or settlement thereof; (iii) Distributor furnishing to RISCO on request all information available to Distributor for such defense; (iv) Distributor cooperating with RISCO, at RISCO's cost and expense, in the defense or settlement thereof; and (v) Distributor not admitting any such claim and/or making any payments or concessions with respect to such claim without the prior written consent of RISCO.

16.3. Should a Product become, or in RISCO's opinion be likely to become, the subject of any claim as specified above, then RISCO will, at RISCO's option and expense: (i) procure for Distributor the right to continue selling the Product without infringement upon commercially reasonable terms to both parties; (ii) replace or modify it so that it becomes non-infringing; or (iii) if the right to continue using the affected Product cannot be procured using reasonable commercial efforts, or the affected Product cannot be replaced or modified using reasonable commercial



efforts, RISCO shall grant Distributor a credit based on the fees paid for the affected Product as depreciated on a straight-line basis over a period of five (5) years and the right to sell the Product shall be terminated.

16.4. Notwithstanding any provision herein to the contrary, RISCO shall have no liability to Distributor and Distributor shall indemnify and hold RISCO harmless against any claim arising from any infringement, misappropriation or misuse claimed by any third-party or parties if any such claim arises out of: (a) the use, distribution or sale of the Product in violation of any provision of this Agreement; (b) Distributor continuing the allegedly infringing activity after being notified thereof; (c) use of the Product with other materials or in combination with goods or other devices or with a manufacturing, assembly or other process not authorized for such use by RISCO; (d) modifications of the Product not made by RISCO; (e) use of the Product in other than an application approved by RISCO; or (e) requirements, instructions or specifications provided for the Product by Distributor.

16.5. The foregoing Clauses 16.1 to 16.4 state the sole and exclusive liability of RISCO in respect of indemnification rights.

16.6. Without derogating from anything contained herein, Distributor hereby agrees to hold harmless and indemnify RISCO against any loss, damage, judgment, expense, attorney's fee, cost of suit, or any other costs and payments incurred by RISCO, which arises out of or in connection with the performance or attempted performance or non-performance by Distributor of any of its covenants, obligations or responsibilities contained herein, or in connection with the sale, distribution or any other activities of the Distributor in connection with the Products & Solutions.

16.7. The foregoing obligations of Distributor are subject to: (i) RISCO promptly notifying Distributor in writing of any such claim; (ii) Distributor having sole control of the defense and/or settlement thereof; (iii) RISCO furnishing to Distributor on request all information available to RISCO for such defense; (iv) RISCO cooperating with Distributor, at Distributor's cost and expense, in the defense or settlement thereof; and (v) RISCO not admitting any such claim and/or making any payments or concessions with respect to such claim without the prior written consent of Distributor. Distributor shall pay all damages and costs finally awarded against RISCO in any such suit or proceeding, but Distributor shall not be responsible for any settlement in this respect made by RISCO without the written consent of Distributor (which consent shall not be unreasonably withheld or delayed).

16.8. Distributor further acknowledges that use of Products & Solutions in product applications is understood to be fully at the risk of Distributor and that Distributor is responsible for verification and validation of the suitability of Products & Solutions in such applications. Distributor agrees that RISCO is not and shall not be liable, in whole or in part, for any claim or damage arising from use in such applications. Distributor agrees to indemnify, defend and hold RISCO harmless from and against any and all claims, damages, losses, costs, expenses and liabilities arising out of or in connection with such use.

17. CONFIDENTIALITY

17.1. For the purpose of this Agreement, Confidential Information shall mean: all information (in whatever format) which: (i) relates to the Agreement; (ii) is designated as confidential by either Party; or (iii) relates to the business, affairs, networks, customers, products, developments, trade secrets, know-how and personnel of either Party (including customer data) and which may reasonably be regarded as confidential information of the disclosing Party.

17.2. Subject to Clause 17.3, each of RISCO and the Distributor shall:

- (a) Only use Confidential Information of the other Party for the purposes of this Agreement;
- (b) Only disclose Confidential Information of the other Party to a third-party with the prior written consent of the disclosing Party (except that RISCO may disclose Confidential Information of Distributor to RISCO affiliates or to its employees, agents or contractors, including professional advisors or auditors, and Distributor may disclose Confidential Information of RISCO to Distributor affiliates for the purposes of this Agreement); and



- (c) Ensure that any third-party to whom Confidential Information of the other Party is disclosed executes a confidentiality undertaking substantially similar to the terms of this Clause 13.

17.3. The provisions of Clause 17.2 shall not apply to any Confidential Information which: (i) is or comes into the public domain other than by breach of this Clause 17; or (ii) is or has been independently generated by the recipient Party; or (iii) is properly disclosed pursuant to a separate written consent or a statutory obligation, the order of a court of competent jurisdiction or the requirement of a competent regulatory body.

18. NON-EXCLUSIVITY FOR CUSTOM DESIGNED PRODUCTS & SOLUTIONS

18.1. Without in any way derogating from any other provision of this Agreement and in addition thereto, in the event that RISCO designs a Product & Solution or parts thereof for Distributor, all intellectual property rights shall belong to RISCO and there shall be no exclusivity to Distributor in the sale of such custom designed Product & Solution or parts. RISCO shall have the right to sell such Product & Solution or components or parts thereof as a catalog item to third parties without any obligations, whatsoever to the originator of the custom designed parts. Similarly, there shall be no exclusivity on the custom cells designed by RISCO. RISCO has the right to use the cells in any other product without any restrictions.

19. FORCE MAJEURE

19.1. RISCO shall not be liable for delay in performance or failure to perform in whole or in part the terms of this Agreement due to causes beyond the reasonable control of RISCO, including, without limitation, strike, labor disputes (whether or not in relation to one of the parties workforce), shortages of material, war, acts of terrorism, riot or civil commotion, acts of the public enemy, insurrection, sabotage, or fire, flood or other acts of God.

19.2. The period for performance for the Party affected by such a cause shall be extended by the duration of the condition, provided, however, if any such delay shall continue for more than three consecutive (3) months, each Party may terminate this Agreement or any Order in accordance with Clause 21 without liability.

20. LIMITATION OF LIABILITY

20.1. REGARDLESS OF THE LEGAL OR EQUITABLE BASIS OF ANY CLAIM, DISTRIBUTOR SHALL NOT IN ANY EVENT BE ENTITLED TO, AND RISCO SHALL NOT BE LIABLE FOR, INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY NATURE INCLUDING, WITHOUT LIMITATION, BUSINESS INTERRUPTION COSTS, REMOVAL AND/OR REINSTALLATION COSTS, REPROCUREMENT COSTS, LOSS OF PROFIT OR REVENUE, LOSS OF DATA, PROMOTIONAL OR MANUFACTURING EXPENSES, OVERHEAD, INJURY TO REPUTATION OR LOSS OF CUSTOMERS, EVEN IF RISCO HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. RISCO SHALL NOT BE LIABLE FOR AND DISTRIBUTOR SHALL INDEMNIFY, DEFEND AND HOLD RISCO HARMLESS FROM ANY CLAIMS BASED ON RISCO'S COMPLIANCE WITH DISTRIBUTOR'S DESIGNS, SPECIFICATIONS OR INSTRUCTIONS, OR MODIFICATION OF ANY GOODS BY PARTIES OTHER THAN RISCO, OR USE IN COMBINATION OF THE GOODS WITH OTHER GOODS NOT PROVIDED BY RISCO. IF, FOR ANY REASON, THE FOREGOING LIMITATIONS ARE FOUND BY AN ARBITRATION PANEL OR COURT OF COMPETENT JURISDICTION TO BE INVALID OR INAPPLICABLE UNDER ANY APPLICABLE STATE OR PROVINCIAL LAW, DISTRIBUTOR AGREES THAT RISCO'S TOTAL LIABILITY FOR ALL DAMAGES, LOSSES, OR CAUSES OF ACTION OF ANY KIND OR NATURE SHALL BE LIMITED TO ACTUAL DIRECT DAMAGES WITHOUT REGARD TO ANY INDIRECT OR PUNITIVE OR EXEMPLARY DAMAGES PROVIDED BY ANY SUCH APPLICABLE LAW.

20.2. SUBJECT TO CLAUSE 17.3 BUT OTHERWISE NOTWITHSTANDING ANYTHING ELSE IN THIS AGREEMENT, RISCO'S TOTAL LIABILITY IN CONTRACT, TORT, WARRANTY, STRICT LIABILITY OR ANY OTHER LEGAL THEORY, ARISING OUT OF OR IN CONNECTION WITH THE AGREEMENT, SHALL BE LIMITED TO THE AMOUNTS PAID BY DISTRIBUTOR TO RISCO IN THE SIX (6) MONTH PERIOD PRECEDING THE EVENT GIVING RISE TO THE CLAIM, WITH A MAXIMUM OF ONE HUNDRED THOUSAND USD (US\$ 100,000).



20.3. Nothing in this Agreement shall serve to limit either Party's liability in respect of (i) death or personal injury caused by or arising from the other Party's gross negligence; or (ii) willful misconduct.

20.4. The following shall apply to contracts made under UK law: Notwithstanding any other provision of this Agreement, nothing in this Clause 20 shall restrict or exclude any liability (whether in contract, tort or otherwise) of either Party in respect of: (i) personal injury or death arising from the negligence of that Party; (ii) its own fraud, or the fraud of its employees, agents or sub-contractors; or (iii) for any breach of any obligations implied by Section 12 of the Sale of Goods Act 1979, or Section 2 of the Supply of Goods and Services Act 1982. Any other restriction or exclusion of either Party's liability shall only apply to the extent permitted by law and shall be deemed to be qualified in that respect.

20.5. Notwithstanding anything else in this Agreement, RISCO shall not be liable for, and Distributor agrees to indemnify and hold RISCO harmless from, all liability for any and all damages arising from or in connection with the use of the Products & Solutions by Distributor, its employees, customers and other third parties (including end-users).

20.6. Distributor hereby acknowledges and agrees that: (i) this Agreement was entered into at arm's length and that the Distributor was not fraudulently induced to enter into this Agreement, in whole or any part, and Distributor explicitly disclaims and waives any claim with respect thereto; and (ii) RISCO has set its fees and entered into this Agreement in reliance upon the limitations of liability and the disclaimers of warranties and damages set forth in this Agreement, and that the same form an essential basis of the bargain between the parties.

21. TERM AND TERMINATION

21.1. The Agreement shall take effect from the date the first Order is accepted by RISCO, or the date Distributor first takes receipt of the Products & Solutions, whichever of these is earlier, and shall continue in force unless and until terminated in accordance with this Clause 21.

21.2. If the Agreement relates to a one-time, non-recurrent delivery of Products & Solutions, the Agreement will automatically terminate after the Products & Solutions concerned have been delivered, accepted and paid in full to RISCO. Except if otherwise agreed between the Parties, if the Agreement relates to a recurrent delivery of Products & Solutions, the Agreement shall terminate either upon 60 days prior written notice by one party to the other or, if no notice has been provided, 120 days after all Products & Solutions concerned have been delivered and paid in full to RISCO.

21.3. RISCO and/or Distributor may terminate this Agreement or any Order immediately upon notice in writing in the following events:

- (a) If the other Party has a receiver or an administrative receiver appointed over it or over any part of its undertakings or assets or passes a resolution for winding up or a court of competent jurisdiction makes an order to that effect or if the other enters into any voluntary arrangement with its creditors or ceases or threatens to cease to carry on business, or undergoes or is subject to any analogous acts or proceedings under any foreign law; or
- (b) In the event of a force majeure event as provided for in Clause 19.1, which has application to all Products & Solutions and which subsists for a period exceeding three (3) consecutive months.

21.4. RISCO may terminate this Agreement and/or the relevant Order without further obligation or liability on five (5) business days' notice in the event:

- (a) Distributor fails to make any payment, when due, in accordance with the terms of this Agreement or fails to comply with any request made by RISCO under Clause 7.5;
- (b) Distributor does not reach the Minimum Quota for any calendar quarter; or



(c) Distributor breaches any provision of this Agreement and such breach is not cured within seven (7) days after written notice of such breach is given to Distributor by RISCO.

21.5. Upon termination of this Agreement for any reason, the following shall apply: (i) the Distributor shall immediately effect any payments due to RISCO on the date of termination; (ii) other than upon termination for Distributor's breach of this Agreement, the Distributor may continue to sell and distribute any Products & Solutions in its possession at such time, provided that the Distributor complies with the terms of payment and any other provisions of this Agreement; and (iii) RISCO reserves the right, at its sole discretion, to request that the Distributor return to RISCO all copies of promotional materials, marketing literature, written information and reports pertaining to the Products & Solutions which were supplied to the Distributor by RISCO and to request that Distributor promptly return to RISCO all Products & Solutions in its possession at the time of termination that were not sold yet, and to refund Distributor for the amounts paid for such Products & Solutions.

21.6. Any Clause of this Agreement which by its nature or upon an express provision in this Agreement is intended to survive the term of the Agreement, shall be deemed to survive any expiration, termination or other ending of the Agreement.

PART II – TERMS APPLICABLE TO INSTALLERS

1. DEFINITIONS

1.1. **“Distributor”** shall mean a distributor authorized by RISCO to distribute RISCO's Products & Solutions to Installers.

1.2. **“Installers”** shall mean you, an installer authorized by RISCO in writing to sell and install the Products & Solutions to end-users in their premises.

1.3. **“Order”** shall mean a purchase order issued by Installer to RISCO for the Products & Solutions, in a form acceptable to RISCO.

1.4. **“Order Acknowledgement”** means a document or other formal notice issued by RISCO and indicating RISCO's acceptance of Installer's Order and agreement to supply the ordered Products & Solutions.

1.5. **“RISCO Cloud”** means the online, web-based hosted software-as-a-service applications and solutions, made available by RISCO to use through a network connection, under the name RISCO Cloud (or such other name(s) as may be designated by RISCO from time to time), including: (i) RISCO's user account websites that may be accessed at: www.riscocloud.com, and www.freecontrolweb.com (each, a **“Site”** and collectively, the **“Sites”**), which Sites can be accessed through any computer or mobile device; (ii) software applications known as the iRISCO App, FreeControl App, Free4Control App, and/or our customer-branded apps (collectively, the **“Apps”**), that may be downloaded to End-User's mobile device (e.g., smartphone or tablet), as well as from End-User's computer, to access RISCO Cloud; (iii) the services accessible through the Sites and Apps, all for use in conjunction with RISCO's products and in other ways that RISCO provides; and (iv) any software-related updates (which may be automatically installed), as well as any third-party's cloud-based applications that are embedded as an integral component in the RISCO Cloud and interoperate with the RISCO Cloud.

1.6. **“Territory”** means the country(ies) approved by RISCO writing in which Installer is authorized to sell and install the Products & Solution.

2. OBJECT OF PART II

2.1. The purpose of this Part II of the Agreement is to establish the terms governing the sale of Products & Solutions by RISCO to the Installer as well as the Installer's rights and obligations regarding their resale, installation,



and support.

2.2. Subject to this Agreement, RISCO grants to the Installer a non-exclusive right to purchase the Products & Solutions for the sole purpose of reselling them to end users within the Territory, and setting Installer's obligations for installing and supporting such Products & Solutions. This Agreement is non-exclusive and RISCO is entitled to sell to other Installers, Distributors and/or other representatives in the Territory and elsewhere.

2.3. Acceptance by RISCO of Installer's Order or any other documents of Installer is made only on the express understanding and condition that only these Installer Terms and Conditions shall govern and establish any rights and obligations of the Parties with respect to the Products & Solutions covered thereby. RISCO's failure to object to provisions contained in any document or communication from Installer shall not be deemed as accepting such document or a waiver of the application of these Installer Terms and Conditions. Without limiting the generality of the foregoing, any terms or conditions set forth on any documents or forms utilized by Installer and any communications (written or oral) between the Parties that are inconsistent with, or are not included within, these Installer Terms and Conditions shall be of no force or effect unless signed by an authorized officer of each Party.

2.4. Any changes to the Agreement or any inconsistent provision to those contained in the Agreement must be specifically agreed to in writing by an authorized officer of RISCO before becoming binding on RISCO.

3. ORDERS FOR PRODUCTS & SOLUTIONS

3.1. The procurement by Installer from RISCO of Products & Solutions shall be by the issuance and acceptance of Orders. Orders will only be binding on RISCO when confirmed as set forth below. Upon confirmation, each Order shall become a part of this Agreement and shall be deemed to incorporate the terms and conditions of this Agreement and any relevant subordinate document attached to such Order. Each Order and this Agreement shall constitute the entire agreement between RISCO and Installer relating to a particular Order. In case of any inconsistency or contradiction between the provisions of this Agreement and the provisions of an Order, this Agreement shall prevail as to the subject matter of such inconsistency. Additional or conflicting terms contained in any Installer purchase order, standardized form or correspondence are expressly unenforceable under this Agreement unless such terms and conditions are contained in an amendment to this Agreement duly executed by both parties. Orders shall be in writing (including electronic mail).

3.2. All Orders placed by Installer are subject to acceptance by RISCO by the issuance of an Order Acknowledgement by RISCO. Orders may not be cancelled or rescheduled without RISCO's written consent. All Orders must include delivery dates, quantities and a complete description of the Products & Solutions ordered.

3.3. RISCO may allocate available Products & Solutions among its Installers on whatever basis it determines, in its sole and absolute discretion. RISCO may designate certain Products & Solutions as non-cancelable, non-returnable ("NCNR") or customer specific ("CS") Products & Solutions and the sale of such Products & Solutions shall be subject to the special terms and conditions contained in RISCO's Order Acknowledgement, which shall prevail and supersede any inconsistent terms and conditions contained herein or elsewhere.

3.4. Delivery dates and quantities of Products & Solutions shall be contingent upon payment of the fees set out in RISCO's invoice. Installer may only distribute Products & Solutions upon full payment of the fees as set out on RISCO's invoice.

3.5. The Installer and anyone acting on its behalf shall not expose the Products & Solutions and their associated prices on the internet or on any other public medium.

4. INSTALLER UNDERTAKINGS

4.1. The Installer hereby represents, warrants and undertakes toward RISCO that the following are and shall remain true and correct at all times during the Term of this Agreement:

- (a) It has the facilities, resources, personnel (with sufficient technical knowledge of the Products & Solutions



and sufficient knowledge of the market segment of the Products) and experience to sell, install and support the Products & Solutions, and to perform its obligations under this Agreement.

- (b) It shall not sell any Products & Solutions anywhere other than in the Territory authorized by RISCO and will consistently and diligently use its best efforts, to sell, install and support and otherwise maximize sales and create and increase demand for the Products & Solutions in the Territory, including maintaining an office(s) in the Territory with sufficient and high-quality facilities, sales force and technical support personnel.
- (c) It acknowledges that the Products & Solutions are intended solely for sale to end users within the Territory and undertakes to install all Products & Solutions at the end users' premises as well as to provide a high standard of support and maintenance services to such end users. Accordingly, the Installer shall not sell, lend, transfer, trade, or encumber any of the Products & Solutions, in whole or in part, to any party other than end users without RISCO's prior written consent. The Installer is further prohibited from offering or selling the Products & Solutions to the public through online platforms or any other remote sales channels, unless installation and support services are provided to such end users. The Installer shall ensure that end users receive professional installation services in accordance with RISCO's guidelines, as well as ongoing support and maintenance, including timely assistance and troubleshooting. Any unauthorized sale, online offering, or failure to meet the required sale, installation and support standards shall constitute a material breach of this Agreement, entitling RISCO to terminate this Agreement immediately, without prejudice to any other rights or remedies available to RISCO at law or in equity.
- (d) It shall not make any representation, promise or guarantee with regard to the Products & Solutions, except those which are contained in promotional material supplied to the Installer by RISCO.
- (e) It shall not remove, delete, alter, deface or conceal any RISCO copyright notice, proprietary legend, logo or serial number appearing on the Products, including peripherals and manuals, and it shall re-sell the Products & Solutions only under RISCO's trademarks and trade names as packaged and presented by RISCO, and shall refrain from making any alteration or modification thereto.
- (f) It has the right and authority to enter into this Agreement, and by doing so is not violating any agreement with a third-party, or any law, regulation or ordinance to which the Installer is obligated or subject. Installer will hold RISCO harmless and indemnify RISCO against any loss, damage, judgment, expense, attorney's fee, cost of suit, or any other costs and payments whatsoever incurred by RISCO, which arises out of or in connection with the representation contained in this subsection being incorrect.
- (g) It shall support end users buying the Products & Solutions by providing after-sale and support services (in accordance with any instructions RISCO may furnish with respect to such services from time to time) efficiently and at reasonable competitive prices so as to fully support the operation of the Products & Solutions and promote further sales of the Products & Solutions (including but not limited to maintaining a sufficient amount of spare parts of the Products for timely replacement).
- (h) It shall submit to RISCO for its approval any promotional literature and materials not supplied by RISCO, which the Installer intends to utilize in connection with the Products & Solutions. Such literature and materials shall not be utilized until and unless approved in writing by RISCO. The translation of the English literature supplied by RISCO into the Territory's local language(s) shall be performed by the Installer, unless otherwise instructed by RISCO. Any rights (including copyrights) relating to such translation shall be held by Installer, except that RISCO is hereby granted an irrevocable, fully paid-up, non-royalty bearing, perpetual and worldwide license to use such translation. Such license shall survive any expiration or termination of this Agreement.
- (i) It shall not be engaged or involved, either directly or indirectly, in any way whatsoever, in any activity that competes with RISCO or with the Products & Solutions.



5. PRICES

5.1. The Order fees for each Order issued by Installer for Products & Solutions are those specified on RISCO's invoice ("**Order Fees**" or "**Fees**"). Fees and/or discounts for Products & Solutions may be changed by RISCO from time to time in the event of any increase in RISCO's cost, change in market conditions or any other causes.

5.2. All Fees quoted are EX WORKS (EXW) RISCO's distribution center and are exclusive of transportation, insurance and freight costs and of any taxes, levies or duties which may apply, including, but not limited to, federal, state, provincial and local sales, excise, value added, goods and services taxes and any other taxes, all of which shall be borne solely by Installer. Installer agrees to pay these taxes unless Installer has provided RISCO with an exemption certificate in the appropriate form for the jurisdiction of Installer's place of business and any jurisdiction to which Products & Solutions are to be directly shipped hereunder, or unless the sale is otherwise exempt from these taxes. Installer agrees to indemnify and hold RISCO harmless for any liability for tax in connection with the sale, as well as the collection or withholding thereof, including penalties and interest thereon. When applicable, transportation and taxes shall appear as separate items on RISCO's invoice. The Installer shall be responsible for all the costs and arrangements concerning insurance and shipment.

6. PAYMENT TERMS

6.1. Payment of the Order Fee shall be due according to terms of payment and currency specified on RISCO's invoice. Payment shall be made in full and Installer may not withhold payment of any invoice or other amount due to RISCO by reason of any right of set off or counterclaim which the Installer may have or allege to have or for any reason whatsoever.

6.2. Interest will automatically and without any notice of default accrue on overdue invoices from the due date until payment at the rate of 3% above currency ESTR interest rate per annum.

6.3. Should payment terms be agreed to be in several installments, any overdue invoice not paid within fourteen (14) days following its due date, shall cause the entire outstanding payment amount to become due for immediate payment, and such amount shall bear interest as set forth in Clause 7.2 above.

6.4. RISCO reserves the right to carry out a credit check against Installer prior to acceptance by RISCO of any Order and may subsequently request Installer to provide a prepayment or a bank guarantee in a form to be approved by RISCO and issued by a bank acceptable to it, in an amount not exceeding the total Order Fee. If Installer fails to make a complete payment for any Order as herein provided, or if, in RISCO's opinion, a change in Installer's financial condition or other circumstances has created reasonable concerns as to Installer's credit worthiness, RISCO may at any time request additional guarantees or may demand prepayment before delivery of any part of the Products & Solutions.

6.5. RISCO reserves the right to establish and/or change credit and payment terms extended to Installer when, in RISCO's sole opinion, Installer's financial condition or previous payment record warrants such action. Further, on delinquent accounts, RISCO shall not be obligated to continue performance under any agreement with Installer.

6.6. If RISCO believes in good faith that Installer's ability to make payments may be impaired or if Installer shall fail to pay any invoice when due, RISCO may suspend delivery of any Order or any remaining balance thereof until such payment is made or cancel any Order or any remaining balance thereof, and Installer shall remain liable to pay for any Products & Solutions already shipped and all NCNR and CS Products & Solutions ordered by Installer.

6.7. RISCO shall have a purchase money security interest in the Products & Solutions delivered to Installer, and in their accessories, replacements, accessions, proceeds and products, including accounts receivable (collectively, the "Collateral") at all times to secure payment of all amounts due under this Agreement. Installer's failure to pay all amounts hereunder in full when and as due shall constitute a default hereof and shall give RISCO all rights of a secured party. If Installer fails to pay any amount when due, RISCO shall have the right to repossess and remove all or any part of the Collateral from Installer. Any repossession or removal shall be without prejudice to any other remedy of RISCO hereunder, at law or in equity. Installer agrees, from time to time, to take any act and execute and



deliver any document (including, without limitation, financing statements) reasonably requested by RISCO to transfer, create, perfect, preserve, protect, and enforce this security interest.

7. DELIVERY & TITLE

7.1. The Products & Solutions shall be delivered ex works RISCO's premises, unless otherwise agreed to by RISCO in writing.

7.2. All ownership rights, title, and interest in the Products & Solutions shipped to Installer shall not pass to Installer and shall remain at all times with RISCO until RISCO has received in full all amounts owed by Installer with respect to such Products & Solutions. As long as the title in the Products & Solutions has not passed to Installer, RISCO shall be entitled to put the Products & Solutions under pledge or liens and/or to encumber them and/or dispose of them in any way it chooses.

7.3. For as long as payment is overdue for all or part of a certain shipment of Products & Solutions, Installer shall hold the Products & Solutions subject to RISCO's Collateral therein and shall have no claim, encumbrance, or security interest in them.

7.4. In the event Installer does not fully pay for the Products & Solutions, RISCO shall have the right to demand the return of the shipment to RISCO. If Installer does not return the shipment when so requested, (i) RISCO shall be entitled at any time to recover possession of the Products & Solutions from Installer, and (ii) RISCO or its authorized agent is hereby irrevocably authorized by Installer to enter into the premises of Installer during normal business hours to take possession of the applicable shipment.

7.5. Except as otherwise agreed between the parties in writing, Installer shall bear all costs, expenses and liabilities in respect of the Goods (including storage, shipment, insurance, import taxes, duties and other similar charges).

7.6. Installer may move the Products & Solutions to a temporary location as may be reasonably necessary to protect the Products & Solutions in an emergency (e.g., fire), provided that (a) Installer shall promptly notify RISCO in such event; and (b) Installer shall be solely responsible for any damages caused to the Products & Solutions; and (c) Installer shall ensure contractually and physically that the Products & Solutions are held at all times subject to terms and conditions that are no less stringent than those set out in this Agreement.

8. DELIVERY SCHEDULE

8.1. Installer acknowledges that any delivery schedule provided by RISCO is only an estimation of the lead times. RISCO will use commercially reasonable efforts to initiate shipment and schedule delivery as close as possible to Installer's requested delivery schedule but shall not be liable to Installer for failure to meet any delivery schedule or for the costs to procure or design substitute goods. In the event of delay caused by such event, the date of delivery shall be extended for a period equal to the time lost as a consequence of the delay in delivery without subjecting RISCO to any liability or penalty. If the Products & Solutions perished while in the custody of the carrier, RISCO shall be deemed to have performed its obligations in full.

8.2. Any delay or change in schedules resulting from Installer's acts or negligence may be subject to a price adjustment. If a delivery is delayed at Installer's request by more than one month after ready for shipment notification, RISCO may charge demurrage costs in the amount of 0.5% of the Fee of the Order for each started month of delay up to a maximum of 5% of the total Fee. If Installer fails to pick up the Products & Solutions (or part thereof) within two (2) months after notification, RISCO will be free to sell the Products & Solutions to its other customers without any indemnity.

8.3. Unless agreed otherwise prior thereto, RISCO reserves the right to make deliveries in installments. Delivery of a quantity that varies from the quantity specified in Installer's order shall not relieve Installer of its obligation to accept delivery and pay for the Products & Solutions delivered. Installer shall not refuse to accept delivery or any consignment or installment on account of any shortage or defect in any other delivery.



9. INSPECTION

9.1. Installer shall notify RISCO promptly in writing upon receipt of Products & Solutions of all discoverable defects, including, but not limited to, quantity shortages, incorrect product, and visible defects, but no later than five (5) days from delivery date.

9.2. Any variation in quantities shipped over or under the quantities ordered not to exceed 20% shall constitute compliance with Installer's Order and the stated unit Fee will continue to apply.

9.3. No return of Products & Solutions will be accepted by RISCO without RISCO's prior authorization. Returned Products & Solutions must be in original manufacturer's shipping cartons complete with all packing materials.

9.4. In the event that Installer fails to inspect the Products & Solutions or does not present a rejection notice to RISCO in writing within five (5) days of delivery date, the Products & Solutions shall be deemed accepted. At that time, Installer's only recourse or remedy for non-conforming or defective Products & Solutions shall be RISCO's standard warranty as provided for in Clause 13.

10. SPECIFICATIONS

10.1. RISCO reserves the right to change the specifications of the Products & Solutions (including all statements and data appearing in RISCO's catalogs, data sheets and advertisements) without notice, but in any event the Products & Solutions will conform in all material respects with the specification of the Products & Solutions at the time that the Order is made. RISCO will publish the modified specifications on its website and will notify Installer if it properly subscribed on RISCO's website to receive this information. If such changes to specifications are made, RISCO shall have no obligation to provide the change on Products & Solutions previously purchased.

11. WARRANTY

11.1. RISCO warrants to Installer that Products & Solutions delivered hereunder will at the time of delivery conform in all material respects to their product specifications, for a period of twenty-four (24) months from the date the applicable Products & Solutions were manufactured by RISCO.

11.2. Title to the Products & Solutions will be free and clear of third-party industrial property rights in the country of shipment and without liens to the extent used in accordance with the specifications.

11.3. RISCO gives no warranty or guarantee whatsoever with respect to sales or orders of Products & Solutions through or from unauthorized sales channels. Products & Solutions sold under such sales or purchase orders are provided "as is" and with all visible and/or hidden defects.

11.4. RISCO's sole and maximum liability for breach of its warranties herein for defective Products & Solutions or failure to meet the applicable specifications or quality levels is limited to the obligation, at RISCO's sole discretion, to either repair or replace the defective Products & Solutions or credit Installer's account with the Fee paid by Installer in relation to the Products & Solutions concerned, provided that:

(a) RISCO is notified in writing by Installer within five (5) business days after discovery of hidden defects or failure to meet the specifications or quality levels;

(b) Installer obtains an authorization from RISCO prior to returning any defective Product to RISCO in accordance with Clause 13.5 below;

(c) the defective Products & Solutions are returned to RISCO, transportation charges prepaid by Installer (if upon examination by RISCO, it determines that the Products & Solutions are entitled to this warranty, RISCO shall be responsible for all transportation charges to and from RISCO's facility);

(d) the defective Products & Solutions are received by RISCO no later than four (4) weeks following the last



day of the warranty period;

- (e) RISCO's examination of such RISO Products & Solutions shall conclude that such defects or failures have not been caused by misuse, abuse, neglect, improper installation or application, repair, alteration, damage by water, fire, casualty or by accident or negligence in use, storage, transportation or handling, or by non-compatibility with other components used by Installer; or by power surges or failures, or other events beyond RISCO's control;
- (f) Installer did not request a third-party to repair or replace the defective or non-conforming Products & Solutions without RISCO's authorization;
- (g) any trademarks or labels on the Products & Solutions have not been removed or mutilated; and
- (h) RISCO is satisfied that the Installer purchased the Products & Solutions from RISCO.

11.5. Installer shall follow RISCO's then-current standard RMA Procedure and must obtain a Return Material Authorization ("**RMA**") number from RISCO prior to returning any Product to RISCO under RISCO's warranty. In such event, if RISCO determines in its reasonable discretion that any Product returned by Installer conforms to the applicable warranty ("**Non-Defective Product**"), RISCO shall so notify Installer and shall return the applicable Product to Installer at Installer's cost and expense. In addition, RISCO may assess Installer a charge for testing and examination of the Non-Defective Product.

11.6. In the event that any of the conditions mentioned in Clause 13.4 is not met, RISCO shall have no liability under its warranty or otherwise whatsoever.

11.7. RISCO's obligation to honor any warranty is contingent upon RISCO's receipt of payment in full for the Products & Solutions covered by this warranty.

11.8. EXCEPT FOR THE WARRANTIES EXPRESSED SET FORTH HEREIN, RISCO AND ITS AFFILIATES AND LICENSORS HEREBY EXCLUDE TO THE GREATEST EXTENT PERMITTED BY LAW, ALL EXPRESS, IMPLIED OR STATUTORY, REPRESENTATIONS, WARRANTIES, GUARANTEES, AND CONDITIONS WITH REGARD TO THE GOODS, PREMIUM SERVICES, ANY SOFTWARE OR APPLICATION, INCLUDING BUT NOT LIMITED TO ANY REPRESENTATIONS, WARRANTIES, GUARANTEES, AND CONDITIONS OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, NON-INFRINGEMENT AND LOSS OF DATA. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, RISCO AND ITS AFFILIATES AND LICENSORS DO NOT REPRESENT OR WARRANT THAT: (i) THE OPERATION OR USE OF THE GOODS, PREMIUM SERVICES OR SOFTWARE, WILL BE TIMELY, SECURE, UNINTERRUPTED OR ERROR-FREE; (ii) THAT ANY FILES, CONTENT OR INFORMATION OF ANY KIND THAT MAY BE ACCESSED THROUGH THE ACCOUNT BY INSTALLER OR END-USERS SHALL REMAIN SECURE OR NON-DAMAGED. INSTALLER ACKNOWLEDGES THAT NEITHER RISCO NOR ITS LICENSORS CONTROL THE TRANSFER OF DATA OVER COMMUNICATIONS FACILITIES, INCLUDING THE INTERNET AND THAT RISCO'S GOODS MAY BE SUBJECT TO LIMITATIONS, DELAYS AND OTHER PROBLEMS INHERENT IN THE USE OF SUCH COMMUNICATIONS FACILITIES. RISCO IS NOT RESPONSIBLE FOR ANY DELAYS, DELIVERY FAILURES, OR OTHER DAMAGE RESULTING FROM SUCH PROBLEMS.

11.9. The Installer shall not engage RISCO in any warranties. The Installer shall ensure that the terms of purchase of the Products by the Installer's buyers (i.e., the end users) shall include "limitation of liability" and "disclaimer" language substantially in the form set forth in Clause 13.10 below.

11.10. THE PROVISIONS OF THIS CLAUSE 13 STATE THE EXCLUSIVE REMEDY OF INSTALLER AND THE ENTIRE LIABILITY OF RISCO WITH RESPECT TO INFRINGEMENT CLAIMS INVOLVING THE PRODUCTS & SOLUTIONS OR ANY PORTIONS OR USE THEREOF, AND RISCO SHALL HAVE NO ADDITIONAL LIABILITY WITH RESPECT TO ANY ALLEGED OR PROVEN INFRINGEMENT.



12. RABATE IN LIEU OF WARRANTY

12.1. RISCO and Installer may agree that Installer shall be entitled to a rebate in lieu of RISCO's standard Product warranty and standard RMA Procedure. In such event, the Rebate Terms to be provided by RISCO shall apply and RISCO's standard Product warranty (as set forth in Clause 12.1 above or anywhere else) shall have no force and effect.

13. INTELLECTUAL PROPERTY RIGHTS

13.1. Products & Solutions sold hereunder are or will be protected by intellectual property rights of RISCO anywhere in the world, including, but not limited to, rights under issued and pending patents, issued and pending model and design rights, copyright rights, issued and pending trademark rights, database rights, rights on semi-conductors and know-how rights. Nothing in this Agreement is intended to confer on Installer or third parties any rights or interests therein.

13.2. Further, Installer and third parties will acquire hereby no rights or interests or licenses in any:

- (a) Drawings, specifications, technical information, molds, masks, tools, know-how used by RISCO;
- (b) Building blocks or custom cells used or designed by RISCO to develop the Products & Solutions;
- (c) Business processes used by RISCO to design, develop, manufacture or test the Products & Solutions.

13.3. Installer agrees and acknowledges that any intellectual property rights to an improvement in or modification to drawings, specifications, technical information, tools, know-how used by RISCO shall be irrevocably transferred to and become the sole property of RISCO, regardless of whether any such improvement or modification was developed by or made on specific request of Installer.

13.4. Installer further agrees to use and respect all appropriate copyright and proprietary notices and markings on all Products & Solutions delivered hereunder regardless of their intended use, and shall ensure that such notices and markings remain adhered to the Products & Solutions upon delivery.

13.5. Installer shall not copy, sell copies of, modify or reproduce the Products & Solutions in any way, nor shall it permit third parties to do so or be involved in such a scheme. Installer acknowledges that RISCO will be irreparably harmed if the above undertakings and obligations of Installer are not specifically complied with, and that RISCO would not have an adequate remedy at law in the event of an actual or threatened violation by the Installer of said obligations. Therefore RISCO, without the necessity of showing actual damages or that monetary damages would not afford an adequate remedy (i) shall be entitled to an injunction or any appropriate decree of specific performance for any actual or threatened violation or breach by the Installer or, the Installer's consultants, employees and affiliates, and without posting a bond; and (ii) without derogating from RISCO's entitlement to any other remedy and compensation under this Agreement, at law or in equity, should the Installer breach this Section, RISCO shall be entitled to liquidated damages from Installer in an amount of US\$70,000 to be paid by Installer within 7 days from receipt of a notice of said breach from RISCO. Further, should the Installer become aware of the unauthorized copying, modification, or reproduction of the Products by any third-party, it shall immediately notify RISCO.

13.6. Installer shall not be involved in, and will immediately bring to the attention of RISCO, any improper or wrongful use of the Products & Solutions (or parts thereof) trademarks, emblems, designs, models or other similar industrial, intellectual or commercial property rights which come to the attention of the Installer. Installer shall use best efforts to safeguard the proprietary rights and interests of RISCO, and at the request and cost of RISCO, shall take those steps required by RISCO to defend such rights.

14. INDEMNIFICATION

14.1. Provided that (i) Installer has not breached its obligations set forth in this Agreement, and (ii) the Installer



extends, and complies with, the warranty and replacement terms set forth above vis-a-vis its buyers and their transferees, RISCO shall hold harmless and indemnify the Installer against any direct loss, damage, judgment, expense, reasonable attorney's fees, cost of suit, or any other direct costs and payments incurred by the Installer, which arises directly out of or in connection with (i) the defective manufacturing or design of the Products; or (ii) a claim that any Products & Solutions provided by RISCO infringe any patent(s), copyright(s) or trademark(s) in the country of the place of delivery.

14.2. The foregoing obligations of RISCO are subject to: (i) Installer promptly notifying RISCO in writing of any such claim; (ii) RISCO having sole control of the defense and/or settlement thereof; (iii) Installer furnishing to RISCO on request all information available to Installer for such defense; (iv) Installer cooperating with RISCO, at RISCO's cost and expense, in the defense or settlement thereof; and (v) Installer not admitting any such claim and/or making any payments or concessions with respect to such claim without the prior written consent of RISCO.

14.3. Should a Product become, or in RISCO's opinion be likely to become, the subject of any claim as specified above, then RISCO will, at RISCO's option and expense: (i) procure for Installer the right to continue selling the Product without infringement upon commercially reasonable terms to both parties; (ii) replace or modify it so that it becomes non-infringing; or (iii) if the right to continue using the affected Product cannot be procured using reasonable commercial efforts, or the affected Product cannot be replaced or modified using reasonable commercial efforts, RISCO shall grant Installer a credit based on the fees paid for the affected Product as depreciated on a straight-line basis over a period of five (5) years and the right to sell the Product shall be terminated.

14.4. Notwithstanding any provision herein to the contrary, RISCO shall have no liability to Installer and Installer shall indemnify and hold RISCO harmless against any claim arising from any infringement, misappropriation or misuse claimed by any third-party or parties if any such claim arises out of: (a) the use, distribution or sale of the Product in violation of any provision of this Agreement; (b) Installer continuing the allegedly infringing activity after being notified thereof; (c) use of the Product with other materials or in combination with goods or other devices or with a manufacturing, assembly or other process not authorized for such use by RISCO; (d) modifications of the Product not made by RISCO; (e) use of the Product in other than an application approved by RISCO; or (e) requirements, instructions or specifications provided for the Product by Installer.

14.5. The foregoing Clauses 16.1 to 16.4 state the sole and exclusive liability of RISCO in respect of indemnification rights.

14.6. Without derogating from anything contained herein, Installer hereby agrees to hold harmless and indemnify RISCO against any loss, damage, judgment, expense, attorney's fee, cost of suit, or any other costs and payments incurred by RISCO, which arises out of or in connection with the performance or attempted performance or non-performance by Installer of any of its covenants, obligations or responsibilities contained herein, or in connection with the sale, installation or any other activities of the Installer in connection with the Products & Solutions.

14.7. The foregoing obligations of Installer are subject to: (i) RISCO promptly notifying Installer in writing of any such claim; (ii) Installer having sole control of the defense and/or settlement thereof; (iii) RISCO furnishing to Installer on request all information available to RISCO for such defense; (iv) RISCO cooperating with Installer, at Installer's cost and expense, in the defense or settlement thereof; and (v) RISCO not admitting any such claim and/or making any payments or concessions with respect to such claim without the prior written consent of Installer. Installer shall pay all damages and costs finally awarded against RISCO in any such suit or proceeding, but Installer shall not be responsible for any settlement in this respect made by RISCO without the written consent of Installer (which consent shall not be unreasonably withheld or delayed).

14.8. Installer further acknowledges that use of Products & Solutions in product applications is understood to be fully at the risk of Installer and that Installer is responsible for verification and validation of the suitability of Products & Solutions in such applications. Installer agrees that RISCO is not and shall not be liable, in whole or in part, for any claim or damage arising from use in such applications. Installer agrees to indemnify, defend and hold RISCO harmless from and against any and all claims, damages, losses, costs, expenses and liabilities arising out of or in connection with such use.



15. CONFIDENTIALITY

15.1. For the purpose of this Agreement, Confidential Information shall mean: all information (in whatever format) which: (i) relates to the Agreement; (ii) is designated as confidential by either Party; or (iii) relates to the business, affairs, networks, customers, products, developments, trade secrets, know-how and personnel of either Party (including customer data) and which may reasonably be regarded as confidential information of the disclosing Party.

15.2. Subject to Clause 17.3, each of RISCO and the Installer shall:

- (a) Only use Confidential Information of the other Party for the purposes of this Agreement;
- (b) Only disclose Confidential Information of the other Party to a third-party with the prior written consent of the disclosing Party (except that RISCO may disclose Confidential Information of Installer to RISCO affiliates or to its employees, agents or contractors, including professional advisors or auditors, and Installer may disclose Confidential Information of RISCO to Installer affiliates for the purposes of this Agreement); and
- (c) Ensure that any third-party to whom Confidential Information of the other Party is disclosed executes a confidentiality undertaking substantially similar to the terms of this Clause 13.

15.3. The provisions of Clause 17.2 shall not apply to any Confidential Information which: (i) is or comes into the public domain other than by breach of this Clause 17; or (ii) is or has been independently generated by the recipient Party; or (iii) is properly disclosed pursuant to a separate written consent or a statutory obligation, the order of a court of competent jurisdiction or the requirement of a competent regulatory body.

16. NON-EXCLUSIVITY FOR CUSTOM DESIGNED PRODUCTS & SOLUTIONS

16.1. Without in any way derogating from any other provision of this Agreement and in addition thereto, in the event that RISCO designs a Product & Solution or parts thereof for Installer, all intellectual property rights shall belong to RISCO and there shall be no exclusivity to Installer in the sale of such custom designed Product & Solution or parts. RISCO shall have the right to sell such Product & Solution or components or parts thereof as a catalog item to third parties without any obligations, whatsoever to the originator of the custom designed parts. Similarly, there shall be no exclusivity on the custom cells designed by RISCO. RISCO has the right to use the cells in any other product without any restrictions.

17. FORCE MAJEURE

17.1. RISCO shall not be liable for delay in performance or failure to perform in whole or in part the terms of this Agreement due to causes beyond the reasonable control of RISCO, including, without limitation, strike, labor disputes (whether or not in relation to one of the parties workforce), shortages of material, war, acts of terrorism, riot or civil commotion, acts of the public enemy, insurrection, sabotage, or fire, flood or other acts of God.

17.2. The period for performance for the Party affected by such a cause shall be extended by the duration of the condition, provided, however, if any such delay shall continue for more than three consecutive (3) months, each Party may terminate this Agreement or any Order in accordance with Clause 21 without liability.

18. LIMITATION OF LIABILITY

18.1. REGARDLESS OF THE LEGAL OR EQUITABLE BASIS OF ANY CLAIM, INSTALLER SHALL NOT IN ANY EVENT BE ENTITLED TO, AND RISCO SHALL NOT BE LIABLE FOR, INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY NATURE INCLUDING, WITHOUT LIMITATION, BUSINESS INTERRUPTION COSTS, REMOVAL AND/OR REINSTALLATION COSTS, REPROCUREMENT COSTS, LOSS OF PROFIT OR REVENUE, LOSS OF DATA, PROMOTIONAL OR MANUFACTURING EXPENSES, OVERHEAD, INJURY TO REPUTATION OR LOSS OF CUSTOMERS, EVEN IF RISCO HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. RISCO SHALL NOT



BE LIABLE FOR AND INSTALLER SHALL INDEMNIFY, DEFEND AND HOLD RISCO HARMLESS FROM ANY CLAIMS BASED ON RISCO'S COMPLIANCE WITH INSTALLER'S DESIGNS, SPECIFICATIONS OR INSTRUCTIONS, OR MODIFICATION OF ANY GOODS BY PARTIES OTHER THAN RISCO, OR USE IN COMBINATION OF THE GOODS WITH OTHER GOODS NOT PROVIDED BY RISCO. IF, FOR ANY REASON, THE FOREGOING LIMITATIONS ARE FOUND BY AN ARBITRATION PANEL OR COURT OF COMPETENT JURISDICTION TO BE INVALID OR INAPPLICABLE UNDER ANY APPLICABLE STATE OR PROVINCIAL LAW, INSTALLER AGREES THAT RISCO'S TOTAL LIABILITY FOR ALL DAMAGES, LOSSES, OR CAUSES OF ACTION OF ANY KIND OR NATURE SHALL BE LIMITED TO ACTUAL DIRECT DAMAGES WITHOUT REGARD TO ANY INDIRECT OR PUNITIVE OR EXEMPLARY DAMAGES PROVIDED BY ANY SUCH APPLICABLE LAW.

18.2. SUBJECT TO CLAUSE 17.3 BUT OTHERWISE NOTWITHSTANDING ANYTHING ELSE IN THIS AGREEMENT, RISCO'S TOTAL LIABILITY IN CONTRACT, TORT, WARRANTY, STRICT LIABILITY OR ANY OTHER LEGAL THEORY, ARISING OUT OF OR IN CONNECTION WITH THE AGREEMENT, SHALL BE LIMITED TO THE AMOUNTS PAID BY INSTALLER TO RISCO IN THE SIX (6) MONTH PERIOD PRECEDING THE EVENT GIVING RISE TO THE CLAIM, WITH A MAXIMUM OF ONE HUNDRED THOUSAND USD (US\$ 100,000).

18.3. Nothing in this Agreement shall serve to limit either Party's liability in respect of (i) death or personal injury caused by or arising from the other Party's gross negligence; or (ii) willful misconduct.

18.4. The following shall apply to contracts made under UK law: Notwithstanding any other provision of this Agreement, nothing in this Clause 20 shall restrict or exclude any liability (whether in contract, tort or otherwise) of either Party in respect of: (i) personal injury or death arising from the negligence of that Party; (ii) its own fraud, or the fraud of its employees, agents or sub-contractors; or (iii) for any breach of any obligations implied by Section 12 of the Sale of Goods Act 1979, or Section 2 of the Supply of Goods and Services Act 1982. Any other restriction or exclusion of either Party's liability shall only apply to the extent permitted by law and shall be deemed to be qualified in that respect.

18.5. Notwithstanding anything else in this Agreement, RISCO shall not be liable for, and Installer agrees to indemnify and hold RISCO harmless from, all liability for any and all damages arising from or in connection with the use of the Products & Solutions by Installer, its employees, customers and other third parties (including end-users).

18.6. Installer hereby acknowledges and agrees that: (i) this Agreement was entered into at arm's length and that the Installer was not fraudulently induced to enter into this Agreement, in whole or any part, and Installer explicitly disclaims and waives any claim with respect thereto; and (ii) RISCO has set its fees and entered into this Agreement in reliance upon the limitations of liability and the disclaimers of warranties and damages set forth in this Agreement, and that the same form an essential basis of the bargain between the parties.

19. TERM AND TERMINATION

19.1. The Agreement shall take effect from the date the first Order is accepted by RISCO, or the date Installer first takes receipt of the Products & Solutions, whichever of these is earlier, and shall continue in force unless and until terminated in accordance with this Clause 21.

19.2. If the Agreement relates to a one-time, non-recurrent delivery of Products & Solutions, the Agreement will automatically terminate after the Products & Solutions concerned have been delivered, accepted and paid in full to RISCO. Except if otherwise agreed between the Parties, if the Agreement relates to a recurrent delivery of Products & Solutions, the Agreement shall terminate either upon 60 days prior written notice by one party to the other or, if no notice has been provided, 120 days after all Products & Solutions concerned have been delivered and paid in full to RISCO.

19.3. RISCO and/or Installer may terminate this Agreement or any Order immediately upon notice in writing in



the following events:

- (a) If the other Party has a receiver or an administrative receiver appointed over it or over any part of its undertakings or assets or passes a resolution for winding up or a court of competent jurisdiction makes an order to that effect or if the other enters into any voluntary arrangement with its creditors or ceases or threatens to cease to carry on business, or undergoes or is subject to any analogous acts or proceedings under any foreign law; or
- (b) In the event of a force majeure event as provided for in Clause 19.1, which has application to all Products & Solutions and which subsists for a period exceeding three (3) consecutive months.

19.4. RISCO may terminate this Agreement and/or the relevant Order without further obligation or liability on five (5) business days' notice in the event:

- (a) Installer fails to make any payment, when due, in accordance with the terms of this Agreement or fails to comply with any request made by RISCO under Clause 7.5;
- (b) Installer does not adequately support the installed Products & Solutions and fails to reach the Minimum Quota for any calendar quarter; or
- (c) Installer breaches any provision of this Agreement and such breach is not cured within seven (7) days after written notice of such breach is given to Installer by RISCO.

19.5. Upon termination of this Agreement for any reason, the following shall apply: (i) the Installer shall immediately effect any payments due to RISCO on the date of termination; (ii) other than upon termination for Installer's breach of this Agreement, the Installer may continue to sell and install any Products & Solutions in its possession at such time, provided that the Installer complies with the terms of payment and any other provisions of this Agreement; and (iii) RISCO reserves the right, at its sole discretion, to request that the Installer return to RISCO all copies of promotional materials, marketing literature, written information and reports pertaining to the Products & Solutions which were supplied to the Installer by RISCO and to request that Installer promptly return to RISCO all Products & Solutions in its possession at the time of termination that were not sold yet, and to refund Installer for the amounts paid for such Products & Solutions.

19.6. Any Clause of this Agreement which by its nature or upon an express provision in this Agreement is intended to survive the term of the Agreement, shall be deemed to survive any expiration, termination or other ending of the Agreement.

Terms last updated: 17 February 2025