



## 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 & Solutions.

- A. **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.
- B. **End-Users.** The term “**End-User**” shall mean a third-party individual or entity, who has purchased any RISCO Products & Solutions from Installers and who is authorized to access and use any RISCO Service, solely for the permitted use of the Services, all subject to and in accordance with the End-User Terms of Service that govern the use of the RISCO Service(s) by the End-User, which terms may be accessed at [End-User Terms of Service](#).
- C. **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**”).
- D. **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.
- E. **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.



- F. **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](mailto: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.
- G. **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.
- H. **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.
- I. **Services.** The term "**Service(s)**" or "**RISCO Service(s)**" shall mean the RISCO Cloud Services and/or the Connectivity Services, all in accordance with these Terms and Conditions.
- J. **Cloud Services.** The term "**RISCO Cloud**" shall mean 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](http://www.riscocloud.com), [www.freecontrolweb.com](http://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, 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.
- K. **Connectivity Services.** "Connectivity Services" shall mean the connectivity services provided by RISCO, through a Third Party Provider who has been contracted by RISCO to provide Connectivity Services to End-Users ("**Connectivity Services Provider**"), to enable the transmission of voice, SMS and data, between End-User's devices and RISCO Cloud. Connectivity Services shall be subject to the Connectivity Services Terms and Conditions attached hereto as **Schedule 1.**
- L. **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.
- M. **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.
- N. **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.



- O. **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.
- P. **Export Control and Sanctions.** You shall comply at all times with all applicable export control, trade, and economic sanctions laws and regulations, including those administered by the United States, the European Union, the United Kingdom, Israel, and any other jurisdiction having authority over RISCO or the Products & Solutions ("**Export Control Laws**"). You shall not, directly or indirectly, export, re-export, sell, supply, deliver, or otherwise transfer the Products & Solutions or any related technical information (a) to any country, entity, or individual subject to comprehensive trade sanctions or embargoes under any Export Control Laws; (b) for any end-use prohibited by Export Control Laws, including, without limitation, activities related to weapons of mass destruction, military, or surveillance uses contrary to applicable restrictions; or (c) to any person or entity listed on, or owned or controlled by a person listed on, any applicable denied-party, debarred, or restricted-party list. You represent and warrant that neither you nor any of your directors, officers, employees, or agents: (a) is the subject of sanctions or designated on any restricted-party list; or (b) will engage in any transaction or dealing that would cause RISCO or its affiliates to be in violation of Export Control Laws. You shall promptly notify RISCO in writing upon becoming aware of any actual or suspected breach of this Clause or any circumstances that may result in a breach or investigation relating to Export Control Laws. RISCO may, without liability, suspend delivery or terminate this Agreement immediately upon written notice if it determines that performance under this Agreement may violate or expose it to the risk of violating any Export Control Laws or sanctions. You shall indemnify, defend, and hold harmless RISCO, its affiliates, and their respective officers, directors, and employees from and against any losses, liabilities, damages, costs, or expenses (including reasonable legal fees) arising out of or related to any breach of this Clause or of any applicable Export Control Laws.
- Q. **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.
- R. **Variation.** The Agreement shall be modified only by the written agreement of the parties represented by their duly authorized officers.
- S. **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.
- T. **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](http://www.riscocloud.com), and [www.freecontrolweb.com](http://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. Purpose. The purpose of this Part I of the Agreement is the granting to the Distributor by RISCO of a right to distribute, promote and sell, in the Territory (as defined below), RISCO’s products included in the Systems Official Pricelist and in the Solutions Official Pricelist or their updated versions released within the Agreement period of validity (the “Products & Solutions”), on a non-exclusive basis and setting forth the Distributor’s rights and obligations in relation to reselling such Products & Solutions. In the event this Agreement is executed for a limited product line (rather than for all RISCO products), RISCO will not accept purchase orders for other RISCO products.

2.2. Appointment. 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. For the avoidance of doubt it is clarified that RISCO retains the right, itself or as it deems fit, to sell and/or offer its Products & Solutions in the Territory, including through the appointment of other distributors and other representatives for any and all of the Products in the Territory. The Distributor agrees to devote its energies to promoting and fostering to the full extent of its power the sale of the Products & Solutions in the Territory except to the electrical wholesale market segment and refrain from doing anything, which might damage the reputation of the Products & Solutions or be detrimental to RISCO’s business or reputation within and outside the Territory.

2.3. Distributor Certificate. RISCO 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. Online Sales. In order to maintain the correct distinction between the consumer market (B2C) and the professional market (B2B), the Distributor and anyone acting on its behalf or associated with the Distributor undertakes to structure its e-commerce platform through appropriate authentication and verifications mechanisms to ensure that the sales conditions set for professional operators (Installers) are neither accessible nor usable by private end users.

2.5. Sales only from Authorized Point of Sales. The Distributor shall not appoint or set up any branches, sub-distributors, sub-representatives or sub-agents to distribute, sell or otherwise promote the sale of the Products & Solutions without the express written consent of RISCO. The Distributor may only sell Products & Solutions to other companies/distributors after receipt of RISCO’s written approval.

2.6. Acceptance of Terms. 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.

2.7. Changes. 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; DELIVERY

3.1. Purchase Orders. 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. Purchase Order Confirmation Notice. All Orders placed by Distributor are subject to acceptance by RISCO by the issuance by RISCO of an Order confirmation notice (the "Order Confirmation Notice"). Orders may not be cancelled or rescheduled without RISCO's prior written consent. All Orders must include delivery dates, quantities and a complete description of the Products & Solutions ordered.

3.3. Allocation of Products. 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. Each shipment of the Products shall be made available to the Distributor at the designated airport provided by Distributor to RISCO in advance. 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. Notwithstanding anything to the contrary herein contained, RISCO shall remain the sole and exclusive owner of the Products shipped to the Distributor hereunder, until payment in full of the purchase price of the Products is received by RISCO.

### 4. MINIMUM PURCHASES; FORECASTS

4.1. Minimum Purchases. 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. Yearly Rolling Forecasts. 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. Failure to Meet Annual Minimum Quota. In the event that the Distributor fails to meet any Annual Minimum Quota during any two consecutive quarters, 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. Distributor Representations and Warranties. 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 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, or (iii) 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, in any way whatsoever, either directly or indirectly, in any activity that competes with RISCO or with the Products & Solutions.



## 6. STOCK AVAILABILITY AND INVENTORY OBLIGATION

6.1. Minimum Stock Requirement. Distributor shall maintain at all times and at its sole cost and expense, a minimum rolling inventory level equivalent to no less than six (6) weeks of average demand for the Products & Solutions designated by RISCO as “Keep Products” (“Required Stock”). Such average demand shall be calculated based on the previous six (6) months’ sales volumes, unless otherwise instructed in writing by RISCO. RISCO shall provide Distributor with a list of Products that must be continuously available to customers in the Territory (“Stock Availability Products”) and may update such list from time to time upon written notice. Distributor shall promptly adjust inventory levels to reflect such updates.

6.2. Inventory Reports. Upon request, Distributor shall provide RISCO with accurate and complete inventory reports, including on-hand stock, backorders, and forecasted needs. RISCO may audit Distributor’s inventory records to verify compliance with this Clause.

6.3. Failure to Maintain Required Stock. Failure to maintain the Required Stock shall constitute a material breach of this Agreement.

## 7. PRICES; PAYMENT; TAXES; CREDIT

7.1. Prices. The purchase price(s) to be paid by the Distributor for the Products & Solutions are set forth in RISCO’s official price list in US\$/Euros, as applicable. The Prices do not include cost insurance and freight, and any taxes, levies and other costs and expenses associated therewith which shall be borne solely by the Distributor. All prices 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 and shall bear and pay any and all costs and expenses relating thereto.

7.2. Terms of Payment. Payment 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.

7.3. Price Changes. RISCO shall have the right to change the pricing and discounts applicable to the Products from time to time. RISCO shall give the Distributor thirty (30) days notice of any price increase and shall honor any Orders placed prior to the expiration of the thirty (30) day notice, provided that such orders are for delivery during said thirty (30) days.

7.4. Taxes. All pricing and fees under this Agreement are exclusive of taxes. Except for taxes based on RISCO’s net income, the Distributor shall pay any governmental taxes, customs, fees, levies and duties now or hereafter imposed on the sale, distribution, export, and/or import of the Products, as well as any penalties or interest thereon.

7.5. Interest. 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.

7.6. Acceleration of Payments. 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 7.5 above.

7.7. Credit Checks. 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. 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.

7.8. Suspension of Delivery. 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.

7.9. Security Interest. 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. 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.

8.3. 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.

8.4. 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).

8.5. 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 Order amount for each started month of delay up to a maximum of 5% of the total Order amount. 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. A variation of up to twenty percent (20%) in the quantities shipped, whether over or under the quantities ordered, shall be deemed to constitute full compliance with the Distributor's Order, and the stated unit price shall remain applicable.

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 14.

## **11. MARKETING**

11.1. Marketing Efforts. 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 two marketing events per year.

## **12. TECHNICAL SUPPORT AND TRAINING REQUIREMENTS**

12.1. Dedicated Technical Support Resource. Distributor shall maintain at least one (1) full-time, dedicated technical support employee responsible for providing first-level technical assistance to installers and end-users of the Products in the Territory.

12.2. Training & Certification. The designated technical support employee must be trained and maintain current certification in RISCO products, including participation in RISCO's training programs and certification processes available through the RISCO university or any other training program designated by RISCO. Should the designated employee leave the Distributor or lose certification, Distributor must ensure replacement and certification within 30 days.

12.3. Non-Compliance. Failure to comply with this Clause shall constitute a material breach of this Agreement.

## **13. SPECIFICATIONS**

13.1. 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.



#### 14. WARRANTY

14.1. 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.

14.2. 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.

14.3. 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.

14.4. 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 amount 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 14.5 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.

14.5. 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.

14.6. In the event that any of the conditions mentioned in Clause 14.4 is not met, RISCO shall have no liability under its warranty or otherwise whatsoever.

14.7. 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.

14.8. EXCEPT FOR THE WARRANTIES EXPRESSED SET FORTH HEREIN, RISCO AND ITS AFFILIATES



AND LICENSORS HEREBY SPECIFICALLY EXCLUDE AND DISCLAIM 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.

14.9. The Distributor shall not engage RISCO in any warranties. The Distributor shall ensure that the terms of purchase of the Products & Solutions by the Distributor's buyers shall include "limitation of liability" and "disclaimer" language substantially in the form set forth in Clause 20 below.

## **15. RABATE IN LIEU OF WARRANTY**

15.1. 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 13.1 above or anywhere else) shall have no force and effect.

## **16. INTELLECTUAL PROPERTY RIGHTS**

16.1. Ownership and Proprietary Rights. Ownership of all applicable copyrights, trade secrets, patents and other intellectual property rights in the Products are and shall remain with RISCO or with RISCO's licensors. The Distributor shall not remove copyright notices or any trademarks from the Products. Any use (including but not limited to use for purposes of promotion of sales of the Products) by Distributor of the trade name or trademark of RISCO or its licensors shall be subject to receipt of RISCO's prior written approval. The Distributor shall not register any trademarks used in connection with the Products. 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.

16.2. Intellectual Property Rights to Improvements. 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.

16.3. Copyright and Proprietary Notices. 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.

16.4. Improper or wrongful use of Intellectual Property. 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.



16.5. Unauthorized Copying. 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 Clause, 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.

16.6. Improper Use of Rights. The Distributor shall not be involved in, and will immediately bring to the attention of RISCO, any improper or wrongful use of the Products (or a portion thereof) trademarks, emblems, designs, models or other similar industrial, intellectual or commercial property rights which come to the attention of the Distributor. The Distributor shall use reasonable 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.

16.7. Brand and Products Protection. The Distributor shall promptly inform RISCO of any counterfeit product or other intellectual property rights infringement of which the Distributor becomes aware.

16.8. No IPR or Exclusivity for Custom Designed Products. 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.

## 17. INDEMNIFICATION

17.1. RISCO Indemnification. 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 a claim that any Products & Solutions provided by RISCO infringe any patent(s), copyright(s) or trademark(s) in the Territory.

17.2. 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.

17.3. 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.

17.4. Notwithstanding any provision herein to the contrary, RISCO shall have no liability to Distributor (or any third party) and Distributor shall indemnify and hold RISCO harmless against any claim of infringement, in any of the following circumstances: (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.

17.5. Distributor Indemnification. 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.

17.6. 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).

17.7. 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.

17.8. No Additional Liability. THIS CLAUSE STATES 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.

## **18. CONFIDENTIALITY**

18.1. The Distributor shall not; and shall procure that its servants, agents and related companies shall not; at any time during or after the termination of this Agreement, disclose or make use of any confidential information (including, but not limited to, price lists, customer information, designs or specialised technical knowledge, sales targets, marketing plans, sales strategies) relating to the Products, the business affairs or trade secrets of RISCO, its subsidiaries or associate, save to the extent strictly necessary in order to properly fulfil its obligations hereunder. Upon expiration or termination of this Agreement for any reason the Distributor shall return all RISCO confidential information in its possession to RISCO, and shall not retain any copies thereof. The Distributor further agrees that the terms of this Agreement shall be held by Distributor in strict confidence and shall not be disclosed by Distributor to any third party without RISCO's prior written consent. The Distributor shall execute a Non-Disclosure and Confidentiality Agreement with RISCO in the form attached hereto as Appendix D and made a part hereof.

## **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. Term. Subject to the provisions of Clause 21.2 below, this Agreement shall commence on the Effective Date and shall remain in force for an initial term of two (2) years (the "Initial Term"), unless terminated earlier in accordance with this Clause 21. Upon expiration of the Initial Term, the Agreement may be renewed for additional terms upon mutual written consent of the Parties.

21.2. Term in the Event of One-Time Delivery. If the Agreement relates to a one-time, non-recurrent delivery of Products & Solutions, the Agreement shall automatically terminate upon delivery, acceptance, and full payment for the Products & Solutions concerned.

21.3. Termination for Insolvency or Force Majeure. Either Party may terminate this Agreement immediately upon



written notice if the other Party:

- (a) has a receiver, administrative receiver, trustee, or similar officer appointed over any of its assets, enters into liquidation (whether voluntary or compulsory), makes any arrangement or composition with its creditors, ceases or threatens to cease to carry on business, or undergoes any analogous act or proceeding under the laws of any jurisdiction; or
- (b) is affected by a force majeure event, as provided in Clause 19, which prevents performance of its material obligations for a period exceeding three (3) consecutive months.

21.4. Termination for Cause.

RISCO may terminate this Agreement and/or any Order immediately, or upon five (5) business days' prior written notice, without further obligation or liability to the Distributor, if:

- (a) Distributor fails to make any payment when due under this Agreement or fails to comply with any credit or payment request made by RISCO pursuant to Clause 6.5;
- (b) Distributor fails to achieve the Minimum Quota for any calendar quarter; or
- (c) Distributor commits any breach of this Agreement which, if capable of remedy, is not cured within seven (7) days after written notice of such breach is given by RISCO.

Distributor may terminate this Agreement if RISCO commits any breach of this Agreement which, if capable of remedy, is not cured within seven (7) days after written notice of such breach is given by Distributor.

21.5. Termination without Cause. Either Party may terminate this Agreement for convenience upon thirty (30) days' prior written notice to the other Party; provided, however, that such termination shall not relieve the Distributor of any payment or other obligations accrued prior to the effective date of termination.

21.6. Effects of Termination. Upon termination or expiration of this Agreement for any reason:

- (a) all amounts due to RISCO shall become immediately payable;
- (b) except in cases of termination by RISCO due to Distributor's breach, the Distributor may, subject to compliance with all payment terms and other applicable provisions, sell and distribute any unsold Products & Solutions in its possession at the date of termination for a period not exceeding thirty (30) days;
- (c) RISCO may, at its sole discretion, request that Distributor promptly return to RISCO all promotional materials, marketing literature, written information, reports, and any unsold Products & Solutions in Distributor's possession, and RISCO shall refund Distributor for amounts paid for such returned Products & Solutions; and
- (d) Distributor shall immediately cease any representation of itself as a RISCO distributor.

21.7. Survival. Any provision of this Agreement which by its nature or express terms is intended to survive termination or expiration shall remain in full force and effect.

## **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](http://www.riscocloud.com), and [www.freecontrolweb.com](http://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. SUBMISSION OF INSTALLER INFORMATION FOR PUBLICATION

3.1. Submission and Approval. Installers may submit information regarding their business, including business details, contact information, areas of specialization and service coverage (**"Installer Information"**), for the purpose of being published by RISCO in RISCO's official installer directory or in any other promotional platform managed by RISCO (**"Installer Listing"**).

All Installer Information submitted by the Installer shall be subject to prior review and approval by RISCO, at RISCO's sole discretion.

3.2. Accuracy and Responsibility. By submitting Installer Information, the Installer represents and warrants that:

- (a) all information is complete, accurate and up to date;
- (b) the Installer has full authority to submit such information; and
- (c) no submitted information infringes any third-party rights or applicable laws.

The Installer shall promptly update RISCO regarding any change to the Installer Information.

3.3. Eligibility Criteria for Publication. To be eligible for publication in the Installer Listing or to receive End-User referrals from RISCO, an Installer must meet all the following minimum eligibility criteria:

- (a) The Installer must hold valid certification for RISCO systems, as determined and verified by RISCO; and
- (b) The Installer must have successfully completed at least fifteen (15) cloud connections of RISCO systems via the RISCO Cloud platform. Only Installers who meet both conditions above shall be eligible for publication and referral.

3.4. Automatic Eligibility for Gold and Platinum Installers. Installers who hold an official Gold or Platinum status under RISCO's Installer Program shall be considered automatically eligible for publication and referral due to their certified status.





3.5. Restrictions on Handling Leads Received from RISCO. The Installer hereby undertakes and agrees that any End-User lead, inquiry, opportunity or referral received from RISCO (“**RISCO Lead**”) if ends in a transaction with an End-User, such transaction shall be for the installation of RISCO Products & Solutions exclusively. The Installer shall not:

- (a) offer, market, recommend or install any non-RISCO brands or competing products when engaging a RISCO Lead;
- (b) use such leads to promote third-party brands; or
- (c) replace RISCO Products & Solutions with alternative solutions not authorized by RISCO.

Any breach of this obligation shall be deemed a material breach of these Terms and Conditions.

3.6. RISCO’s Right to Remove, Suspend or Deny Publication. RISCO reserves the right, at its sole discretion, to remove, suspend or refuse to publish any Installer from the Installer Listing or from any promotional channel if the Installer:

- (a) fails to comply with these Terms and Conditions;
- (b) provides incomplete, inaccurate or misleading Installer Information;
- (c) fails to meet or maintain the eligibility requirements;
- (d) provides substandard installations or poor service;
- (e) acts in a manner that may harm RISCO’s reputation, End-Users or brand; or
- (f) violates any provision of these Terms and Conditions or applicable law.

3.7. No Obligation to Justify. RISCO shall not be required to provide justification for such removal or refusal, and the Installer shall have no claim, demand or right to compensation in connection with such action.

3.8. Effect of Removal. Upon removal:

- (a) The Installer shall no longer be eligible to receive leads or referrals from RISCO;
- (b) The Installer Information shall be removed from RISCO’s platforms; and
- (c) RISCO may notify End-Users or partners of the change in Installer status if necessary.

#### **4. ORDERS FOR PRODUCTS & SOLUTIONS**

4.1. 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).

4.2. 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.

4.3. 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.

4.4. 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.



## 5. INSTALLER UNDERTAKINGS

5.1. 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 shall not sell the Products & Solutions, including through online platforms or other remote sales channels, unless such sale includes professional installation and support services in accordance with RISCO's technical and quality requirements. The Installer shall provide end users with professional installation services in accordance with RISCO's guidelines, as well as ongoing support and maintenance, including timely assistance and troubleshooting. Any unauthorized sale, 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.



## **6. PROFESSIONAL CONDUCT AND SERVICE STANDARDS**

6.1. Professional Conduct. The Installer shall perform all activities relating to the installation, configuration, servicing, support and maintenance of RISCO Products & Solutions in a professional, diligent, courteous and ethical manner, in accordance with:

- (a) industry best practices;
- (b) RISCO's technical instructions, guidelines and service policies, as amended from time to time; and
- (c) all applicable laws and regulations.

6.2. Customer Interaction. The Installer shall treat all customers and end users with respect, refrain from any conduct that may be considered unprofessional, misleading, offensive or defamatory, and shall not make any statement or representation that may adversely affect RISCO's reputation, brand, goodwill or commercial interests.

6.3. Transparency and Accuracy. The Installer shall act with full transparency and honesty when interfacing with customers and shall not make any false, misleading or incomplete representation regarding the Products & Solutions, their functionality, warranties, service levels, or applicable fees.

## **7. TECHNICAL SUPPORT AND TRAINING REQUIREMENTS**

7.1. RISCO may, from time to time, require Installers to complete mandatory professional training, product certification programs, technical workshops and refresher training, including participation in RISCO's training programs and certification processes available through the RISCO university or any other training program designated by RISCO. The Installer shall participate in all such training sessions as required by RISCO in order to maintain active authorization status

7.2. Installer shall ensure that all personnel engaged in installation or servicing of RISCO Products & Solutions are:

- (a) properly trained and competent;
- (b) familiar with RISCO's installation and safety guidelines; and
- (c) authorized by RISCO to perform the relevant tasks.

7.3. Failure to comply with this Clause shall constitute a material breach of this Agreement.

7.4. RISCO may revoke or suspend an Installer's authorization if the Installer fails to maintain required training, certification or competency standards.

## **8. INSTALLATION OBLIGATIONS AND TECHNICAL REQUIREMENTS**

8.1. Installation Procedures. The Installer shall install, configure, test and commission all RISCO Products & Solutions strictly in accordance with:

- (a) RISCO's official installation manuals;
- (b) product-specific configuration guidelines;
- (c) RISCO's safety procedures and security protocols; and
- (d) applicable standards required under local law.

8.2. On-Site Responsibilities. During installation, the Installer shall:

- (a) Conduct all necessary pre-installation checks;
- (b) Ensure proper positioning, calibration and connectivity of Products & Solutions;
- (c) Verify full operational functionality prior to handover;
- (d) Ensure that all required accessories and system components are installed; and
- (e) Complete system documentation and commissioning reports where applicable.

8.3. Handover to End-User. Upon completing the installation, the Installer shall:

- (a) demonstrate the operation of the Products & Solutions to the customer;
- (b) provide login credentials, user manuals, and system instructions;
- (c) ensure that the End-User understands the basic operation of the Products & Solutions; and



(d) obtain End-User confirmation that installation has been completed.

#### **4. AFTER-SALES SERVICE, SUPPORT AND MAINTENANCE**

4.1 Minimum Service Period. The Installer shall provide after-sales technical support and service for the Products & Solutions installed at an End-User's premises for a minimum period of twelve (12) months from the installation date.

4.2 Response and Support Standards. The Installer shall:

- (a) respond promptly to customer service requests;
- (b) provide troubleshooting and technical assistance;
- (c) perform necessary repairs, adjustments, software updates and maintenance as needed; and
- (d) keep records of services provided to End-Users.

4.3 End-Users Complaints. The Installer shall handle End-User complaints efficiently and professionally and shall inform RISCO without delay if the Installer becomes aware of any systemic, recurring or material issues affecting Products & Solutions performance or customer satisfaction.

#### **9. PRICES**

9.1. 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.

9.2. 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.

#### **10. PAYMENT TERMS**

10.1. 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.

10.2. 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.

10.3. 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 7.5 above.

10.4. 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.

10.5. 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.

10.6. 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.

10.7. 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.

## **11. DELIVERY & TITLE**

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

11.2. 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.

11.3. 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.

11.4. 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.

11.5. 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).

11.6. 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.

## **12. DELIVERY SCHEDULE**

12.1. 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.

12.2. 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.

12.3. 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.

## **13. INSPECTION BY INSTALLER OF SHIPPED PRODUCTS**

13.1. 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.

13.2. 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.

13.3. 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.

13.4. 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 14.

#### **14. RISCO'S RIGHTS OF INSPECTION, AUDIT AND COMPLIANCE MONITORING**

14.1. Inspection of Installation Work. RISCO shall have the right, upon reasonable notice, to inspect installation sites or activities performed by the Installer to verify compliance with these Terms and Conditions, technical standards, installation procedures and quality requirements.

14.2. Corrective Actions. If RISCO determines that an installation does not meet the required standards, RISCO may require the Installer to take corrective actions at the Installer's expense, including re-installation, reconfiguration, or repair.

14.3. Suspension or Revocation of Authorization. RISCO may suspend or revoke the Installer's authorization status if the Installer:

- (a) fails to comply with these Terms;
- (b) performs poor-quality or unsafe installations;
- (c) engages in unprofessional or unethical conduct;
- (d) fails to attend mandatory training; or
- (e) acts in a manner that may harm RISCO's reputation or interests.

#### **15. SPECIFICATIONS**

15.1. 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.

#### **16. WARRANTY**

16.1. 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.

16.2. 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.

16.3. 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.

16.4. 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 14.5 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.

16.5. 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.

16.6. In the event that any of the conditions mentioned in Clause 14.4 is not met, RISCO shall have no liability under its warranty or otherwise whatsoever.

16.7. 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.

16.8. 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.

16.9. 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 **Error! Reference source not found.** below.

16.10. THE PROVISIONS OF THIS CLAUSE 14 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.

## 17. RABATE IN LIEU OF WARRANTY

17.1. 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 13.1 above or anywhere else) shall have no force and effect.

## **18. INTELLECTUAL PROPERTY RIGHTS**

18.1. 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.

18.2. 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.

18.3. Installer may use RISCO's trademarks, logos, marketing materials or product images solely for the purpose of promoting and selling RISCO Products & Solutions and only in the form and manner approved by RISCO in writing.

18.4. Installer shall not:

- (a) modify or alter any RISCO trademark or marketing material;
- (b) publish misleading, inaccurate or unapproved promotional content; and
- (c) imply that the Installer is an employee, agent or legal representative of RISCO.
- (d) use RISCO branding in any way that may damage or dilute RISCO's reputation, goodwill or intellectual property rights.

18.5. 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.

18.6. 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.

18.7. 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 Clause, 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.

18.8. 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.

## **19. INDEMNIFICATION**

19.1. 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.

19.2. 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.

19.3. 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.

19.4. 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.

19.5. The foregoing Clauses 17.1 to 17.4 state the sole and exclusive liability of RISCO in respect of indemnification rights.

19.6. 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.

19.7. 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).

19.8. 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.

## 20. CONFIDENTIALITY

20.1. 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.

20.2. Subject to Clause **Error! Reference source not found.**, 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.

20.3. The provisions of Clause **Error! Reference source not found.** shall not apply to any Confidential Information which: (i) is or comes into the public domain other than by breach of this Clause 18; 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.

## **21. NON-EXCLUSIVITY FOR CUSTOM DESIGNED PRODUCTS & SOLUTIONS**

21.1. 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.

## **22. END-USER DATA AND PRIVACY OBLIGATIONS**

22.1. Handling of End-User Information. The Installer shall:

- (a) treat all End-User information as confidential;
- (b) use End-User data solely for the purpose of installation and support of RISCO Products & Solutions;
- (c) comply with all applicable data protection laws; and
- (d) not retain End-User credentials, security codes, passwords or access details beyond what is necessary for installation.

22.2. Data Safety and Security. The Installer shall implement appropriate technical and organizational measures to protect End-User data against unauthorized access, loss, disclosure, damage or misuse.

22.3. Notification Requirements. If the Installer becomes aware of any potential or actual security incident, data breach or unauthorized access involving an End-User's system or data, the Installer shall notify RISCO immediately.

## **23. FORCE MAJEURE**

23.1. 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.

23.2. 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.

## **24. LIMITATION OF LIABILITY**

24.1. 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.

24.2. 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).

24.3. 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.

24.4. 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.

24.5. 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).

24.6. 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.

## **25. TERM AND TERMINATION**

25.1. 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.

25.2. 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.

25.3. 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.

25.4. 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 7.7;

(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.

25.5. 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.

25.6. 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.

25.7. Without in any way derogating from the foregoing termination rights, RISCO may terminate an Installer's authorization, in whole or in part, at any time, with or without cause, by providing written notice to the Installer. Upon such termination of Installer's authorization:

- (a) the Installer shall immediately cease representing himself as an authorized RISCO installer;
- (b) the Installer shall cease using RISCO's trademarks, marketing materials and certifications;
- (c) the Installer shall return any RISCO-owned materials or tools; and
- (d) any rights granted to the Installer hereunder shall automatically terminate.

***Terms last updated: 21 January 2026***



### **Schedule 1: Connectivity Services Terms and Conditions**

This Connectivity Services Terms and Conditions Schedule (this “**Schedule 1**”) is a Schedule to the RISCO General Terms and Conditions of Sale and Delivery (the “**Terms and Conditions**”), to which this Schedule 1 is attached. The terms of this Schedule 1 (these “**Terms**”) shall apply to any and all SIM Cards and Connectivity Services provided by RISCO to your End-Users. Capitalized terms used but not defined in this Schedule 1, shall have the meanings set out in the Terms and Conditions.

#### **1. Definitions**

1.1. “**Device**” means the wireless device, or Equipment incorporating a UICC, Communications Module and firmware which controls the behavior and application logic.

1.2. “**Equipment**” means the Device or any other equipment approved for connection to or use with the Network including any Software and documentation.

#### **2. Term; Limitations of Connectivity Service**

2.1. The Connectivity Services shall be provided under the User Order until terminated pursuant to the provisions of these Terms. This Schedule 1 shall commence on the User Order start date for Connectivity Services as set forth in the User Order and shall continue until terminated pursuant to the provisions of these Terms.

2.2. The Connectivity Services and any SIM Cards provided may be dependent upon the ultimate customer of the Connectivity Services having suitable infrastructure available and on the use of an appropriate device for the utilization of the Connectivity Services, and in the absence of such, some or all of the Connectivity Services may be unavailable or may not function correctly.

2.3. Notwithstanding anything to the contrary herein, RISCO does not guarantee that unauthorized interception of any network through which the Connectivity Services are made available (a “**Network**”), the Connectivity Services, or any data and/or traffic transmitted through the Connectivity Services cannot occur, and neither RISCO nor the Connectivity Services Provider will be liable for any breach of security.

2.4. You acknowledge and understand that the Connectivity Services are only available in such area as may be covered by Connectivity Services Providers (and/or any relevant carriers) from time to time (the “**Coverage Area**”). You acknowledge and understand that the Connectivity Services in any specific part of the Coverage Area depend, *inter alia*, on third party agreements between the Connectivity Services Providers (and/or any relevant carriers) and roaming partners and that the Coverage Area or the identity of any roaming partner is liable to change at any time. In light of such, notwithstanding any representation by RISCO, in writing or otherwise with respect to the availability of the Connectivity Services in a specific area, you acknowledge that the Coverage Area may change without notice and that such representation shall in no event be deemed to constitute any warranty, guarantee, condition or undertaking whatsoever in relation to the coverage, availability and/or quality of the Connectivity Services in a specific territory or area and/or during a specific time period.

2.5. You hereby acknowledge and understand that the accessibility of the Network, the Coverage Area and the quality and availability of the Connectivity Services may be affected by factors outside of the control of RISCO (and/or of the Connectivity Services Providers and/or any relevant carriers and/or of any roaming partners) such as (but not limited to) emergency or planned maintenance, physical obstructions, atmospheric conditions and other causes of radio interference and by faults in other telecommunications networks to which the Network is connected, and failure of third party providers and/or roaming partners upon whom RISCO is dependent for provision of the Connectivity Services. In connection with any such adverse effect on the Coverage Area and the quality and availability of the Connectivity Services, RISCO cannot provide any undertaking that any particular traffic or data can be sent, conveyed or received in the intended manner, or at all, and RISCO and/or the Connectivity Services Providers shall incur no liability to you whatsoever.

#### **3. Your Obligations**

3.1. You shall at all times comply with: (i) all applicable laws and regulations with respect to your activities hereunder and the use of the SIM Cards or the Connectivity Services; and (ii) these Connectivity Services Terms and Conditions, including the 2Control Special Terms and Conditions attached hereto as **Annex A to this Schedule 1**.

3.2. You undertake that throughout the Term you will take all reasonable steps to ensure that you, your employees and/or the End-Users as applicable will: (a) notify Tele2 (RISCO’s Connectivity Services SIM Card Provider) immediately (and shall confirm in writing) on becoming aware that any Device has been lost or stolen or that any person is making improper or illegal use of the Device, SIM Card or the Services. You will be responsible for any charges



incurred as a result of unauthorized use of any Device, or SIM Card, or the information contained within a SIM Card, until Tele2 has received a request from you to suspend the Services to that Device or SIM Card; (b) not use the Services fraudulently or in connection with a criminal offence or for the purpose of sending unsolicited text messages or any material which is offensive, abusive, indecent, defamatory, obscene or menacing, a nuisance or a hoax or which breaches any person's intellectual property rights or rights of privacy or is otherwise unlawful; (c) provide your services to End-Users with all reasonable skill and care; (d) comply at all times with such reasonable operational requirements of Tele2 as may be notified to you from time to time; (e) not act or omit to act in any way which will or may bring Tele2 into disrepute or place Tele2 in breach of any licenses, authorizations, provisions of law or regulation and/or directions applicable to Tele2; (f) not procure End-Users for any improper, immoral or unlawful purpose; (g) not directly or indirectly be involved or knowingly recklessly or negligently permit any other person to be involved in any fraud and shall immediately upon becoming aware of any such fraud notify Tele2 and comply with such procedures and rules adopted by or binding on Tele2 from time to time concerning such fraud; (h) not use any name, trade mark or other designation of Tele2 including any contraction, abbreviation, or simulation of any of the foregoing in, advertising publicity or marketing activities without the prior written consent of Tele2; and (i) comply with any and all guidelines issued by Tele2 to you or RISCO (as notified to you) in respect of branding and use of trademarks, logos and other such intellectual property in respect of the Services.

3.3. You shall not: (i) use the Connectivity Services for any improper, immoral or unlawful purposes; (ii) act in such a way that the operation of the Connectivity Services, or the operation of the Network may be jeopardized; (iii) be involved in any fraudulent or other unauthorized use of the Network or any Connectivity Services, and shall notify RISCO in writing as soon as practically possible upon you becoming aware of, or suspecting, any such activity; and (iv) raise or lodge any claims arising out of this Schedule 1 directly against the Connectivity Services Provider insofar as the provision of the Connectivity Services are concerned.

3.4. The Connectivity Services are not intended for use, and you may not use them or allow their use, in connection with any activity that requires fail-safe systems or in which a malfunction or error may result in loss of life, bodily injury, environmental hazards or damage to property, including the operation of nuclear facilities, aircraft navigation or aircraft communication systems, air traffic control, life support or weapon systems.

3.5. You hereby agree that any use of Switch feature (or similar services allowing for on demand roaming network changes on a country level), will be made only following testing and confirmation that such services are compliant with all relevant device side applications, and that such will not cause any damage to the End-User or the device side applications thereof. All such services are provided "as is" with no guarantee, and you acknowledge that at any given time the Switch service (and similar services) may not be available in any given country or countries, and that lack of such availability shall not be deemed a breach of this Schedule 1. RISCO shall not be liable for any damages related to any failure of the Switch (or similar) services or your ability to effect roaming network changes.

#### **4. Warranty for SIM Cards**

If at any time until the expiration of one year after delivery of the SIM cards to you, the SIM cards are found to be defective, such defective SIMs cards will be promptly replaced by RISCO free of charge to you, at RISCO's cost and expense, provided that you follow RISCO's RMA process as may be in place from time to time. RISCO's sole liability shall be to replace the defective SIM Card with SIM Cards held by it in stock. RISCO will only deliver any replacement SIM Cards to the original shipping address. RISCO shall have no responsibility with respect to the delivery of the SIM Card to the location of the actual device, or the installation of the SIM Card in such device. RISCO shall have no responsibility under this warranty for any malfunctions caused by misuse, mishandling, and storage in non-optimal conditions, accident, fire, and contact with liquid or other external cause. The above warranty is provided only to you and RISCO will accept responsibility with respect to the warranty only toward you.

#### **5. Use of Services and Export Control**

You shall not and shall not permit any third party to be involved in or attempt to supply or use the Connectivity Services, its constituent parts or any related technology and information in any way which is prohibited by any applicable export control and economic sanction regulations, including those of the U.S.A., the UK and the EU, including but not limited to the indirect and/or direct export, resale or other transfer of the Connectivity Services to a destination subject to American, UK or EU or other applicable embargo where that act would be in breach of the terms of that embargo, or to an entity, person or organization listed on any applicable sanctioned party list, including those of the U.S.A., the UK or the EU. You represent and warrant that you are not located in, under control of, or a national or resident of any such country or on any such list.



**ANNEX A to Schedule 1**  
**2CONTROL Special Terms and Conditions**

These special terms and conditions apply to the use of the 2CONTROL Service.

**1. INTRODUCTION**

These terms and conditions apply to all customers and users of the 2CONTROL Service ("Users"). Customer will be responsible for all User access and activity in connection with the 2CONTROL Service. Tele2 and its sub-supplier ("Supplier") of the 2CONTROL Service reserve the right to suspend use of the 2CONTROL Service for non-payment, apparent device or application malfunctions and perceived violations of these special terms and conditions, with use to be promptly restored upon resolution.

**2. REGISTRATION**

As a condition to using the 2CONTROL Service, each administrative User of the 2CONTROL Service may be required to register with Tele2 and select a unique password and user name ("User ID"). Customer shall ensure that each of such Users provides Tele2 with accurate, complete, and updated registration information. A User may not (i) select or use as a User ID a name of another person with the intent to impersonate that person; or (ii) use as a User ID a name subject to any rights of a person other than such user without appropriate authorization.

**3. APPLICABLE LAWS**

Users will not use the 2CONTROL Service or related software in any manner that

- (a) infringes the intellectual property or proprietary rights, rights of publicity or privacy or other proprietary rights of others,
- (b) violates any applicable law, statute, ordinance or regulation, including but not limited to laws and regulations related to export, spamming, privacy, consumer and child protection, obscenity or defamation, or (c) is harmful, threatening, abusive, harassing, tortuous, defamatory, vulgar, obscene, libelous, or similarly offensive. Further, Users may not add any data into the 2CONTROL Service that may be regarded as personal data. For instance, should User wish to enter information into the fields "End Customer", User must ensure that such data in no way can be connected to a private person.

**4. SECURITY**

Users will not violate or attempt to violate the security of the 2CONTROL Service, including, without limitation,

- (a) accessing data not intended for such User or logging into a server or account which such User is not authorized to access,
- (b) attempting to probe, scan or test the vulnerability of a system or network or to breach security or authentication measures without proper authorization,
- (c) attempting to interfere with, disrupt or disable the 2CONTROL Service to any User, host or network, including, without limitation, via means of overloading, "flooding", "mail-bombing" or "crashing",
- (d) forging any TCP/IP packet header or any part of the header information in any e-mail,
- (e) taking any action in order to obtain the 2CONTROL Service to which such User is not entitled or
- (f) sending any virus, worm, Trojan horse or other harmful code or attachment. Violations of system or network security may result in civil or criminal liability. Tele2 reserves the right to monitor the 2CONTROL Service at any and all times to facilitate compliance with these special terms and conditions but is not obligated to do so. Each User consents to the processing of information necessary to provide the 2CONTROL Service at Tele2's or its suppliers' data Centers.

**5. CONFIDENTIALITY**

User acknowledge that the 2CONTROL Service (and related information provided) represents valuable proprietary information of Tele2 and its Supplier and that unauthorized dissemination or use of this information is prohibited and could cause irreparable harm to Tele2 and its Supplier. User will hold such information in confidence, including the results of any evaluation, and will only use such information in connection with the 2CONTROL Service. User will not disclose such information to any person or entity that is not bound by these terms. The three preceding sentences do not apply to information that:

- (i) is or lawfully becomes a part of the public domain;
- (ii) was previously known without restriction on use or disclosure;
- (iii) is rightfully received from a third party;
- (iv) is independently developed;
- (v) is approved for release by Tele2 or its Supplier; or
- (vi) is disclosed in response to a valid order of a court or lawful request of governmental agency or as otherwise required by law, provided that User first

notifies Tele2 and secures an appropriate protective order.

## **6. INTELLECTUAL PROPERTY**

User will not, directly or indirectly: reverse engineer, decompile, disassemble or otherwise attempt to discover the source code, object code or underlying structure, ideas or algorithms of the 2CONTROL Service or any technology related to the 2CONTROL Service (“Technology”, including documentation); modify, translate, or create derivative works based on the 2CONTROL Service or Technology; or copy (except for reasonable archival purposes), rent, lease, distribute, pledge, assign, or otherwise transfer or encumber rights to the 2CONTROL Service or Technology; use the 2CONTROL Service or Technology for timesharing or 2CONTROL Service bureau purposes or otherwise for the benefit of a third party, except for authorized end users; or remove any proprietary notices or labels with respect to the 2CONTROL Service. User will not use the 2CONTROL Service, related software or Technology or access it, as applicable, in order to build a competitive product or 2CONTROL Service, build a product or 2CONTROL Service using similar ideas, features, functions or graphics of the 2CONTROL Service, or copy any ideas, features, functions or graphics of the 2CONTROL Service. Tele2 and its Supplier retain all rights in and to the 2CONTROL Service, related software and Technology and are free to use any User feedback on the 2CONTROL Service without notice, attribution or compensation. To be clear, no express or implied license to any Tele2 or Tele2’s Suppliers’ patents is conferred in connection with use of the 2CONTROL Service.

## **7. INDEMNIFICATION**

User will indemnify Tele2 and its Supplier from any claim by a third party (the “claim” including all related liability, loss or expense, including attorneys’ and experts’ charges) that User’s use of the 2CONTROL Service with User’s devices and applications violates these User Guidelines (including the recommendation against use in fail safe conditions described below) or infringes the intellectual property rights of such third party, except to the extent such third party intellectual property rights claim arises regardless of User’s devices and applications and will defend such claims at Tele2’s or Supplier’s request, provided that Tele2 promptly notifies User or Supplier promptly notifies Tele2 of the claim and reasonably cooperates in its defense.

## **8. DISCLAIMER**

The 2CONTROL Service will be provided by

Tele2’s Supplier consistent with prevailing industry standards in a manner that endeavors to minimize errors and interruptions in the 2CONTROL Service. Service may be temporarily unavailable for scheduled maintenance or for unscheduled emergency maintenance or because of other causes beyond supplier’s or Tele2’s reasonable control.

Tele2 AND SUPPLIER DOES NOT WARRANT THE END RESULTS OBTAINED AS RESULT OF USING THE 2CONTROL Service TOGETHER WITH USER’S DEVICES AND APPLICATIONS OR THAT USE OF THE 2CONTROL Service WILL BE UNINTERRUPTED OR ERROR FREE. Tele2 AND ITS SUPPLIER DISCLAIMS ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND NONINFRINGEMENT. IN NO EVENT WILL Tele2 AND SUPPLIER BE LIABLE TO USER FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, EXEMPLARY, SPECIAL, OR INCIDENTAL DAMAGES IN CONNECTION WITH THE SERVICE, ANY THIRD-PARTY INTERNET MATERIALS OR USE OF THE OPERATOR NETWORK. USE OF THE SERVICE IN CONNECTION WITH APPLICATIONS THAT REQUIRE FAIL-SAFE TECHNOLOGY IS NOT RECOMMENDED BECAUSE THE TELE2 2CONTROL SERVICE IS NOT DESIGNED FOR THESE APPLICATIONS. FOR THE PURPOSE OF THESE 2CONTROL USER GUIDELINES, FAIL-SAFE APPLICATIONS ARE ANY APPLICATION WHERE A MALFUNCTION MAY RESULT IN LOSS OF LIFE, BODILY INJURY, MAJOR ENVIRONMENTAL IMPACT OR PROPERTY DAMAGE, TYPICALLY IN THE MEDICAL, MILITARY, AVIATION AND NUCLEAR FIELDS OF USE. ALL SUCH USE OF THE TELE2 2CONTROL SERVICE IN FAIL SAFE APPLICATIONS IS AT USER’S OWN RISK.

## **9. PERSONAL DATA PROCESSING**

The 2Control Service is a service for which the underlying service and platform is provided by Cisco. If Cisco processes Personal Data of Customer as part of the service, Cisco will process such data according to:

- a. the Data Processing Terms for Personal Data;
- b. the security measures described in Cisco’s Information Security Exhibit; and
- c. the Privacy Data Sheets applicable to the relevant Cisco service.

Cisco’s data processing terms are provided for in the [Data Protection Agreement](#) (which are incorporated by reference). The information security exhibits are available at the [Information Security Exhibit](#) webpage. Privacy data sheets are available on the [Trust Portal – Privacy Data Sheet](#) webpage.