Standard Terms and Conditions of Sale

Synectic Systems, Inc.
6398 Cindy Lane, Suite 200
Carpinteria, CA 93013
PHONE: +1 888 755 6255
# Table of Contents

## Standard Terms and Conditions of Sale

1. Definitions ......................................................................................................................................................... 4
2. Order Acceptance and Acknowledgment .............................................................................................................. 4
3. Minimum Order .................................................................................................................................................... 5
4. Prices .................................................................................................................................................................... 5
5. Payment ............................................................................................................................................................... 5
6. Setoff ..................................................................................................................................................................... 6
7. Title/Risk of Loss .................................................................................................................................................. 6
8. Shipping and Delivery Schedules .......................................................................................................................... 6
9. Delays and Force Majeure ................................................................................................................................... 7
10. Changes ............................................................................................................................................................... 7
11. Termination ......................................................................................................................................................... 7
12. Cancellation ......................................................................................................................................................... 7
13. Buyer Responsibilities ........................................................................................................................................ 8
14. Returns ............................................................................................................................................................... 8
15. Limited Warranty; Remedies ............................................................................................................................... 9
16. Extended Warranty .......................................................................................................................................... 9
17. Software License .............................................................................................................................................. 9
18. Confidentiality .................................................................................................................................................. 9
19. Property Rights ............................................................................................................................................ 10
20. Indemnity .......................................................................................................................................................... 10
21. Attorney's Fees; Disputes ................................................................................................................................. 11
22. Assignment ....................................................................................................................................................... 11
23. Waiver .............................................................................................................................................................. 11
24. Conformance with Law .................................................................................................................................... 11
25. Entire Agreement; Interpretation ....................................................................................................................... 11
26. Partial Invalidity ............................................................................................................................................... 12

## Exhibit A – Buyer and/or End User Responsibilities

1. General ............................................................................................................................................................... 12
2. Infrastructure ..................................................................................................................................................... 12
3. PSN (Storage Servers) ..................................................................................................................................... 12
4. Synergy Server .................................................................................................................................................. 12
5. Review Clients and IP Monitor Wall Appliances .............................................................................................. 12
6. Matrix Switch (if applicable) ............................................................................................................................ 12
7. Add-On Modules ............................................................................................................................................ 13

## Exhibit B – Product Limited Warranty

1. Equipment Warranty and Remedy .......................................................................................................................... 14
2. Services Warranty and Remedy ............................................................................................................................... 14
3. Software Warranty and Remedy ............................................................................................................................. 14
4. Warranty Period ................................................................................................................................................ 14
5. Assignment ........................................................................................................................................................ 14
6. Exclusion ........................................................................................................................................................... 14
7. Limitation .......................................................................................................................................................... 15

## Exhibit C – General Software License Agreement

1. Definitions .......................................................................................................................................................... 16
2. Grant of License ............................................................................................................................................ 16
3. Copyright and Title ........................................................................................................................................ 16
4. Other Restrictions ......................................................................................................................................... 16
5. Limited Warranty and Exclusive Remedy ......................................................................................................... 16
6. Support and Maintenance ................................................................................................................................. 17
7. Limitation on Liability .................................................................................................................................. 17
8. Termination ....................................................................................................................................................... 17
9. General Provisions ...................................................................................................................................... 17

## Exhibit D – Support and Maintenance Agreement

1. Definitions ........................................................................................................................................................ 18
2. Term of Support Agreement ............................................................................................................................... 18
3. Synectics Responsibilities ............................................................................................................................... 18
4. Services Excluded From Support Agreement ................................................................................................. 19
5. Customer Responsibilities ............................................................................................................................... 19
7. Warranty ......................................................................................................................................................... 20
8. Standard Terms and Conditions of Sale ........................................................................................................... 20
1) General

a. Synectic Systems, Inc. is referred to as “Synectics”. The company, agency, person or entity to whom any proposal or quotation is made or invoice is issued and from whom any purchase order is received is referred to as the “Buyer”. The company, agency, person or entity who uses the Products sold or distributed to Buyer is referred to as the “End User.” The terms and conditions of Sale stated in (a) Synectics’ quotation, and/or invoice to Buyer, (b) Buyer’s purchase order to Synectics to the extent it is accepted by Synectics and (c) any executed agreement between Synectics and Buyer, together with these Standard Terms and Conditions of Sale and any amendment thereto (these “Terms”), shall constitute the entire agreement between Synectics and Buyer (the “Agreement”) and shall control all purchases of Products (hereinafter defined) by Buyer from Synectics.

b. These Terms shall govern in any transaction contemplated by, resulting from or arising out of the Agreement regardless of any terms, conditions or provisions contained in Buyer’s responses, purchase orders or other documents. Buyer is hereby notified that Synectics objects to and rejects any and all additional, different or inconsistent terms or conditions proposed by Buyer in Buyer’s responses, purchase orders or other documents. Buyer’s acceptance of Synectics’ quotation, including these Terms, may occur in any reasonable manner, including without limitation (a) Buyer’s issuing of a purchase order, authorization to proceed, commitment or contract to Synectics or (b) Synectics’ commencement of performance under Synectics’ proposal or quotation with the knowledge of Buyer. No response, purchase order or other document issued by Buyer shall be binding on Synectics unless expressly accepted in writing by Synectics.

c. No order placed by the Buyer shall be deemed to be accepted by Synectics until a written acknowledgement of order is issued by Synectics or (if earlier) Synectics delivers the Products or provides the Services to the Buyer; any such acceptance is expressly conditioned on Buyer’s assent to the Terms hereof and the exclusion of all additional or different terms except as may be set forth in a written agreement expressly superseding the Terms herein.

d. In the event of any inconsistency between the quotations, any amendment hereto, the acknowledgment, or the purchase order, the amendment shall prevail. If there are no amendments hereto, the acknowledgment shall prevail.

e. Neither performance nor delivery by Synectics, nor receipt by Synectics of any payment from Buyer, shall be deemed an acceptance of any terms or conditions in Buyer’s purchase order or other documents, which are in addition to, different from, or inconsistent with the Terms herein.

f. Synectics will not be bound by any quotation and shall have the right to alter or withdraw a quotation at its discretion until a written acknowledgment or order is issued by Synectics.

2) Definitions

a. “Advance Cold Spares” shall mean Equipment owned by Synectics but kept on consignment at Buyer’s or End User’s site as part of an Original or Extended Product Warranty and to be returned to Synectics at end of Warranty period.

b. “Commission” shall mean process by which Synectics ensures that Product is installed, functioning, tested, and capable of being operated and maintained to perform in conformity with the Agreement.

c. “Delivery Point” shall mean the place where the delivery of the Product is to take place in accordance with Buyer’s instructions under this Agreement.

d. “Equipment” shall mean the hardware components.

e. “Extended Warranty” shall mean an optional product warranty that commences following expiration of Original Warranty, offered by Synectics through Buyer to End User, for a charge, for Product covered under this Agreement.

f. “Hot Spares” shall mean Equipment purchased by Buyer as an option under the Agreement.

g. “Product” means any Equipment, Software or Services identified on (a) Synectics’ quotation or (b) Synectics’ acknowledgment of a Buyer’s purchase order.

h. “Service” means any technical, consulting, education and/or support services provided by Synectics directly or indirectly to Buyer and/or End User under the Agreement.

i. “Return-to-Factory ("RTF") Warranty” shall mean the original or an extended hardware and software warranty provided by Synectics through the Buyer to the End User for Product sold under this Agreement. No onsite support included.

j. “Synectics Software” means Synergy software and related applications such as RMS, Client, Channel, Watchdog, and Synergy Server, POS Integration Module (including any upgrades, modified versions or updates) Licensed by Synectics though Buyer to End User under the Agreement.

3) Order Acceptance and Acknowledgment

a. Buyer shall purchase Products by issuing a written purchase order via mail, carrier, email or facsimile. The purchase order shall:

i. be signed by an authorized representative of Buyer;
ii. expressly acknowledge the Terms set forth herein;
iii. reference Synectics’ quotation number and/or indicate specific Products, quantity, unit price, total purchase price in U.S. dollars, part (or model) numbers with description relevant to the part or model number; and
iv. Include shipping instructions, requested delivery dates, bill-to and ship-to addresses, tax exempt certificates, if applicable, and any other special instructions.

b. All purchase orders are subject to acceptance in writing by Synectics.

c. Any notice or instruction from Buyer received subsequent to Synectics’ acknowledgment, which has the effect of changing the specifications, scope of work, or other terms will be effective only upon an appropriate adjustment in the price and/or delivery date, and the written acceptance of any such change by Synectics.

4) Minimum Order

One Thousand US Dollars ($1,000) starting minimum order for new Buyer or for orders relating to new End User.

5) Prices

a. The prices for the Products are set forth in the Agreement.

b. All published prices are in U.S. dollars and are subject to change without notice. Firm price quotations from Synectics will be honored for thirty (30) days from the quotation date unless otherwise specified.

c. All prices are exclusive of any United States taxes, Canadian Federal Goods & Services Tax ("GST"), Canadian Provincial Sales Tax ("PST") or any other applicable state or foreign import, export or transfer taxes, all of which Buyer shall pay. Synectics shall have the right at any time to separately bill Buyer for any such taxes and other such costs incurred, and Buyers shall promptly pay or reimburse Synectics for such taxes and other costs.

d. Unless otherwise expressly stated in the Agreement, prices are Ex Works Synectics’ facility or Ex Works Synectics’ supplier facility and the Buyer shall pay for export or import duties, transport, packaging, loading, and unloading for the Products, when applicable. Synectics typically includes estimated shipping and handling costs in the quotation, and will typically ship Products prepaid and, if substantially different, invoice the Buyer for actual shipping and handling costs. Buyer acknowledges and agrees that shipping and handling charges included in the quotation are estimates only and subject to change.

e. Buyer acknowledges and agrees that travel and labor charges included in the quotation are estimates and based on projected number of trips specified in the quotation. Standard travel expenses include airfare, lodging, meals and local transportation. Labor charges are based on Synectics engineers/technicians arriving at End User site after Product is racked, cabled, powered and video is made operational by the Buyer. If the Buyer schedules Synectics technicians to arrive prematurely causing extended and/or return trips, delays may occur and Buyer agrees to pay for additional labor and travel charges at Synectics’ then current rates and actual travel costs.

6) Payment

Unless expressly stated in the Agreement, the following payment terms apply:

a. Until Buyer has established credit with Synectics, standard payment terms are Cash on Delivery (C.O.D.) or Irrevocable Letter of Credit (I.L.C.) on an internationally recognized bank acceptable to Synectics.

b. For orders under $25,000, standard payment terms are Net 30 from delivery with pre-approved credit of Buyer. Synectics reserves the right to require more secure payment terms before accepting orders.

c. For orders of $25,000 to $100,000, standard payment terms are 50% deposit with purchase order, 50% Net 30 from delivery with pre-approved credit of Buyer. Synectics reserves the right to require more secure payment terms before accepting orders.

d. For orders over $100,000 to $300,000, payment terms are 50% deposit with order, 25% Net 30 from delivery and 25% Net 60 from delivery with pre-approved credit of Buyer and/or End User. Synectics reserves the right to require more secure payment terms before accepting orders.

e. For orders over $300,000, payment terms shall be governed by a joint check agreement or third party escrow agreement between Synectics, Buyer, End User and Escrow Agent, unless otherwise specified. Buyer agrees to pay 50% of the fees to establish the joint check agreement or escrow agreement.
f. Payment for the Products shall be made by Buyer as and when due under the Agreement. Buyer shall make each payment promptly and without defense, offset, counterclaim, abatement, suspension, or deduction.

g. If at any time, Buyer is delinquent in the payment of any invoice or is otherwise in breach of any obligation to Synectics, Synectics may, at its discretion, and without prejudice to its other rights under the Agreement or by law, withhold shipment (including partial shipments) of any purchase order or may, at its option require Buyer to prepay for further shipments. In addition, Synectics shall charge a late fee equal to one and one-half percent (1.5%) per month or the maximum amount permitted by law, whichever is less, of the past due amount for each month, or portion thereof, that such amount remains unpaid.

h. If a delay in shipment or threat thereof occurs as a result of Buyer's delinquent payment to Synectics, Buyer shall promptly make financial and legal arrangements acceptable to Synectics to permit delivery of the Products directly to the End User for the subject transaction, so that Synectics is not damaged or held liable for delays in shipment caused by Buyer's delinquency.

7) Setoff

Synectics may set off any amount due from Buyer to Synectics or its affiliates, whether or not under this Agreement, from any amounts due to Buyer or its affiliates under this Agreement.

8) Title/Risk of Loss

a. Unless otherwise agreed upon, all shipments by Synectics are FOB Shipping Point Origin and Synectics shall choose the means of transport and the transport route. Title shall pass to the buyer upon pickup at the Shipping Point Origin. Synectics shall pay for and cover the insurance to the Delivery Point. Regardless of the terms of shipment and who pays for freight, title, responsibility for the care, custody and control of the Products and the risk of loss or damage to Products shall pass to Buyer upon delivery to Delivery Point.

b. Buyer hereby acknowledges and agrees that Synectics shall retain a purchase money security interest in all Products sold hereunder and in all proceeds from their resale by Buyer of the purchase price. Buyer further acknowledges and agrees that Synectics shall retain such purchase money security interest in addition to all other remedies at law. In the event of a failure by Buyer to perform in a timely manner any obligation of Buyer to Synectics, the Buyer agrees to assemble all secured collateral for the defaulted obligation and make such collateral available to Synectics at a place reasonably convenient to both parties. In the event Buyer disposes of any such collateral, any proceeds from such disposition shall be applied to the amount of Buyer’s outstanding obligation as provided by law. Buyer hereby authorizes Synectics to file one or more financing and continuation statements, and amendments thereto in order to secure Seller’s interest in the Product purchased hereunder without the signature of Buyer where permitted by law. A carbon, photographic or other reproduction of this Agreement shall be sufficient as a financing statement where permitted by law.

9) Shipping and Delivery Schedules

a. Synectics will make every reasonable effort to ship in accordance with the instructions specified by the Buyer in the purchase order.

b. If Express shipping is requested by Buyer, Buyer assumes and will be invoiced for all costs in excess of standard ground shipping costs, which are used to estimate shipping & handling costs in the quotation.

c. Synectics will establish shipping schedules as closely as possible in accordance with the Buyer’s expressed needs.

d. All shipments provided for hereunder may be made in a single delivery or in lots, at the discretion of Synectics.

e. For all Products shipped directly from Synectics’ supplier to the Delivery Point, Buyer shall be responsible for promptly receiving the Products by matching the content of boxes of the shipment to the packing slip, identifying any discrepancies on the packing slip and forwarding a signed copy of the packing slip to Synectics via mail, facsimile, or e-mail, within ten (10) business days of receipt of the Products. Buyer shall report any discrepancies on the packing slip and follow Synectics’ return policy as outlined in this Agreement. Buyer shall enforce and confirm similar requirements on the End User where necessary.

Shipping and Delivery Schedules (continued)
f. The quantity of any delivery of Products as recorded by Synectics or Synectics' supplier upon the dispatch of such Products shall be conclusive evidence of the quantity received by the Buyer on delivery unless the Buyer can provide evidence proving the contrary.

g. Synectics shall not be liable for any non-delivery of Products unless written notice is given to Synectics within fifteen (15) business days of the date when the Products would in the ordinary course of events have been received.

h. If Buyer fails to take delivery of any of the Products when they are ready for delivery or to provide any instructions, documents, licenses or authorizations required to enable the Products to be delivered or Services to be performed on time (except because of Synectics’ fault), then:
   i. Risk of loss or damage in the Products will immediately pass to Buyer;
   ii. The Products will be deemed to have been delivered or the Services deemed to have been performed; and
   iii. Synectics may (without prejudice to its other rights):
       1. store or arrange for the storage of the Products until actual delivery or sale and charge the Buyer for all related costs and expenses (including storage and insurance); and/or
       2. sell any of the Products at the best price reasonably obtainable in the circumstances and charge the Buyer for any shortfall below the price under the Agreement or account to the Buyer for any excess achieved over the price under the Agreement, in both cases having taken into account any charges related to the sale.

10) Delays and Force Majeure

   a. Shipping, delivery, service completion and/or performance dates and/or times stated in the Agreement are approximate only, and assume among other things, prompt delivery by Buyer to Synectics of all required information and documents necessary for Synectics to perform its obligation under the Agreement. Unless otherwise expressly stated in the Agreement, Synectics shall not be liable for any claims for damage or loss by Buyer resulting from any delay in shipping, delivery or performance under the Agreement.

   b. Any loss, damage, or delay in or failure of performance by Synectics shall not constitute a default under the Agreement or give rise to a claim for damages if such loss, damage, delay or failure is attributable in whole or in part to any cause or causes beyond the reasonable control of Synectics. These causes shall include, but are not limited to, any act of God or the public enemy; compliance with any order, decree, law or request of any governmental authority; act of declared or undeclared war; terrorism, public disorder; rebellion, civil unrest, sabotage; fire; flood; explosion; accident; riot; strike; labor difficulty or other concerted act of workmen, whether direct or indirect, shortages; declaration of national emergency; mobilization of industry whereby necessary material and labor are allocated or controlled; or any other cause not within the reasonable control of Synectics or which Synectics is unable to avoid by the exercise of reasonable care, whether or not similar to any of the causes specifically enumerated. Upon the occurrence of any such delay, the estimated time for delivery and performance shall be extended for a time equal to the delay time reasonably attributable to such cause. In the event of any such delay, Synectics shall have the right to apportion its equipment, deliveries and performance among its customers in such manner as it may consider equitable.

11) Changes

Buyer-requested changes in connection with the Agreement, including changes in Products specifications, quantity, shipment or in delivery or any other obligation of Synectics, must be submitted to Synectics in writing by an authorized representative of Buyer. Such requested changes will become binding upon Synectics only upon Synectics' prior written approval. Unless otherwise specified in the approval, Buyer shall pay to Synectics, as and when invoiced by Synectics, amounts equal to all direct and indirect costs incurred by Synectics as a result of the changes.

12) Termination

Each party shall have the absolute right to terminate, or to suspend its performance under the Agreement, or to exercise such other rights and remedies as may be permitted by applicable law, if the other party breaches or otherwise fails to comply with any of the terms and conditions of the Agreement, including but not limited to any requirement to make progress payments, files a petition in bankruptcy, is adjudicated a bankrupt, a petition in bankruptcy is filed against the other party, the other party becomes insolvent or makes an assignment for the benefit of creditors or other arrangement pursuant to any bankruptcy law, discontinues business or a receiver is appointed for the other party. In the event of such termination or suspension, the defaulting party shall reimburse the other party for any and all costs, expenses and damages resulting from such termination or suspension, including without limitation all costs and expenses incurred by the other party in connection with performance and termination of the Agreement subject to the Limited Warranty; Remedy terms in paragraph 14 hereof.

13) Cancellation
Products sold by Synectics are generally custom orders and are, unless otherwise agreed to in writing by Synectics and Buyer, non-cancelable. In the event Buyer cancels its order without Synectics’ consent, Buyer shall promptly, upon receipt, pay to Synectics as follows:

a. Contract price for all goods and services which shall be completed, shipped, delivered, opened, modified, used or installed in any way prior to receipt of notice of cancellation.

b. All actual costs made or incurred by Synectics in connection with the uncompleted portion of the order plus normal profit of the total contract price as partial liquidated damages.

c. Cancellation and restocking charges, if any, of Synectics on account of it purchasing commitments made under the Agreement.

14) Buyer Responsibilities

In order to ensure the successful application, operation and management of the Product, the Buyer shall, at its expense, ensure the requirements specified in Exhibit A, herewith attached and made a part hereof, are met and/or, where applicable, enforce and confirm similar requirements on the End User.

15) Returns

Synectics will authorize Products to be returned under the following conditions:

a. Buyer or End User must obtain a Return Material Authorization ("RMA") number from Synectics prior to any return of Products and that number must accompany all returned Products. Products not accompanied by a RMA number may be refused by Synectics and returned at Buyer’s expense.

b. Warranty/Defective Product Returns: Buyer or End User must report defective Products in accordance with Synectics’ return policy herein and its Limited Warranty policy attached herewith as Exhibit B.

c. Non-defective product returns: Buyer must report shortages or overages of Products within ten (10) business days of receipt of the Products.

d. Incorrectly ordered Products may be returned only with the express approval of Synectics with a valid RMA number, and are subject to a minimum 15% restocking charge to cover re-handling, re-inspection, and retesting costs. No freight charges will be refunded.

e. Products authorized for return must be sent within ten (10) business days of issue date of RMA number and Buyer or End User shall prepay all applicable taxes, duties, insurance and shipping charges for Products returned to Synectics. Buyer or End User shall clearly mark address label of each package being returned with the RMA number and shall not write on the manufacturer’s box.

f. Products returned to Synectics should be properly packaged for shipment, must be returned in the condition originally received by Buyer or End User, be free from damage, abuse or modification, must include all of the product shipped, all original boxes, packing and shipping materials, original UPC codes on the manufacturer’s boxes, and all blank warranty cards, accessories and documentation. Credit will be withheld for any and all Products not returned. Incomplete or damaged returns may be returned to Buyer or End User or subject to a restocking charge of at least 15% depending on the condition of the return.

g. Shipping charges are not refundable.

h. Buyer shall bear the risk of loss until the Product is delivered to, and its return is accepted by, Synectics. Buyer is responsible for shipping charges and the risk of loss on all return shipments. Synectics highly recommends using a reputable shipping carrier that will properly pack, fully insure your return shipment, and provide you with proof of delivery. Buyer or End User should keep all packing material and shipping documentation to facilitate the service or return of Products.

i. Under no circumstances can the following Products be returned:
   i. Special ordered or nonstandard Products
   ii. Products modified by the Buyer
   iii. Literature
   iv. Items not purchased through Synectics
   v. Spare parts material
   vi. Product damaged by accident or misuse
   vii. Product damaged by mishandling of the Product
   viii. Product damaged by tampering
16) **Limited Warranty; Remedies**

a. Synectics warrants to the original Buyer and End User that all Products will be free from defects in materials and workmanship, subject to the terms of Synectics’ standard Limited Warranty, a copy of which is attached herewith as Exhibit B and is a part hereof.

b. Synectics’ maximum total liability in connection with the sale of its Products for damages and expenses arising from any default or defaults, breach or breaches of warranty or failure to deliver Products in conformance with the Buyer’s order (regardless of the form of action, whether in contract or in tort) shall not exceed Buyer’s actual damages or the price actually paid to Synectics for the particular Products involved in the occurrence giving rise to such liability, whichever is less. The period of such liability shall not extend beyond the warranty period. The limitations set forth herein shall not be affected by the repair and replacement remedy provided in Synectics’ standard Limited Warranty.

c. In no event shall Buyer, its successors or assigns, or End User commence any action against Synectics arising out of the sale, delivery or use of Product, and regardless of the form of the action, later than one (1) year after the cause of action has accrued.

d. In no event shall Synectics be liable to Buyer or the End User in contract, tort (including negligence or breach of statutory duty), misrepresentation or otherwise, for any indirect or consequential loss or damage, costs, expenses or other claims for consequential compensation whatsoever, or for any pure economic loss, loss of profit, loss of business, loss of reputation, loss of anticipated savings, loss of revenue, loss of production, depletion of goodwill or lie loss (whether direct or indirect), and whether or not caused by the negligence of Synectics or its employees, agents or authorized representatives, which arises out of or in connection with this Agreement. Such loss or damage is the sole responsibility of Buyer or the End User and Buyer and the End User should ensure that it maintains adequate insurance against the possibility of such loss or damage.

e. The right to enforce the foregoing warranties is expressly conditioned upon Buyer or End User notifying Synectics in writing during the Warranty period of any alleged defect or non-conformity, stating specifically the nature of the alleged defect or non-conformity. Synectics shall have the right, upon such notification, to review, inspect and/or examine the Products. Buyer or End User shall, at their cost, make the Products available to Synectics for inspection purposes at such location, including without limitation Synectics’ facility, as Synectics shall direct.

17) **Extended Warranty**

Synectics may provide support and maintenance services for Products under an Extended Warranty, subject to the terms of Synectics’ Support and Maintenance Agreement, a copy of which would be attached as Exhibit D and be a part hereof.

18) **Software License**

a. Insofar as any Products contain any Synectics Software, Synectics will, on delivery of the Products, grant to End User a non-exclusive license to use such software and programs subject to the terms and conditions set out in Synectics’ Standard Software License Agreement, a copy of which is attached herewith as Exhibit C and which is a part hereof.

b. Where any Products contain any software or other program licensed to Synectics by a third party, the End User will at all times, following delivery of the Products, comply with the terms of such third party licenses. Details of these terms will be provided by Synectics to the Buyer and/or End User on request.

c. With respect to software or other programs of either Synectics or a third party, the Buyer and End User agree not to:
   i. Reverse compile, copy or adapt the whole or any part of the software or programs;
   ii. Make any back-up copies of the software or programs unless expressly allowed in Synectics or third party licenses;
   iii. Remove or alter any copyright or other proprietary notice on any of the Software or programs.
   iv. Add storage, cameras, encoders, review devices, etc. without appropriate Synectics software licenses.

Synectics reserves the right to charge Buyer and/or End User for unauthorized, unlicensed usage.

19) **Confidentiality**

a. By virtue of this Agreement, the parties may obtain verbally or in writing, or receive or become privy to information relating to each other, the Buyer, End User and/or its suppliers which is of a confidential and proprietary nature including but not limited to trade secrets, know-how, inventions, techniques, processes, programs, documentation, data, service manuals, technical reports, financial information and sales and marketing plans (hereinafter collectively referred to as “Confidential Information”. Confidential Information shall not include information that:
   i. Is now or subsequently falls within the public domain (otherwise than by breach of this clause);
   ii. Became known to the party concerned without restriction as to its disclosure before receiving it from the disclosing party; or
   iii. Became known to the party concerned from a third party who lawfully acquired it and who is under no obligation restricting its disclosure.
Confidentiality (continued)

b. Each party will (unless contrary to law):
   i. keep confidential all Confidential Information obtained from the other under or in connection with this Agreement;
   ii. not disclose, use, exploit or divulge or allow access to the Confidential Information to any third party without the prior written consent of the other except to such persons and to such extent as may be strictly necessary for the performance of this Agreement.
   iii. Each party shall take all other precautions necessary to protect against any unauthorized use or disclosure of the Confidential Information including where appropriate such precautions as each party takes in protecting its own proprietary or Confidential Information, but no less than reasonable precautions.

c. During the term of this Agreement and thereafter, Buyer or End User shall not modify or reverse engineer any Products or parts thereof or software contained herein.

d. The provisions of this Confidentiality paragraph will continue to apply notwithstanding termination of this Agreement.

20) Property Rights

Synectics shall own and retain exclusive right to all patents trademarks, service marks, copyrights, trade secrets and all other intellectual property rights regarding the Products. Title to all Synectics Software shall remain with Synectics, and Buyer and End User's use thereof shall be restricted under the non-exclusive license granted by Synectics above. Paragraphs 19 and 20 hereof shall be specifically enforceable by injunctive and other relief against Buyer and/or End User in the event of breach since parties agree Synectics would be irreparably damaged by Buyer and/or End User's breach of these named provisions.

21) Indemnity

a. Buyer shall indemnify, defend and hold Synectics, and Synectics' affiliated and related companies, and each of their respective officers, directors and employees, harmless from all claims, and actual damages, and other reasonable expenses, including without limitation reasonable attorney's fees and costs incurred, that in any way arise out of Buyer's negligent possession, handling, use or other application of the Products.

b. Notwithstanding any other provision of this Agreement, Synectics will defend or settle at its own expense and indemnify Buyer and its employees, officers, and agents from any proceedings, suits, actions or claims brought against them, to the extent that the proceedings are based: 1) on failure of Synectics Software to perform as specified in this Agreement, 2) on failure of Synectics to provide bug fixes to its software in a timely fashion, or 3) on a claim that the Products constitute an infringement of any trade-mark, copyright, industrial design, trade secret, patent or other proprietary right of any third party, provided that:
   i. Buyer agrees to allow Synectics, at its option, to direct and control the investigation, defense and settlement of such claim;
   ii. Buyer gives Synectics all reasonable assistance (at Synectics' expense) in connection with such claim; and
   iii. Buyer is notified in writing within ten (10) business days from the date of receipt of the service or action by Buyer.

c. Synectics shall not be required to indemnify Buyer to the extent that such infringement arises from: (a) the use of the Products by Buyer or End User other than as contemplated by this Agreement (b) the failure of Buyer or End User to use corrections or modifications made available by Synectics if such corrections and modifications would have prevented the infringement, (c) the use by Buyer or End User of the Products in combination with any product or software not owned, developed or provided or recommended by Synectics were such use is not contemplated by this Agreement or (d) modifications made to the Products or product configurations that are not authorized by Synectics.

d. Synectics may at its option in the event of a claim:
   i. procure for Buyer the right to continue using the Product or any infringing part of same; or
   ii. modify or amend the Product or any infringing part of same so that it becomes non-infringing; or
   iii. replace the Products, as the case may be, or any infringing part of same with or products of similar capability;

e. If none of the foregoing alternatives is available on terms that are reasonable in Synectics' judgment, Buyer, upon written request by Synectics, shall return the infringing Product and shall receive reimbursement of the amount paid to Synectics for the infringing product under this Agreement in full and complete satisfaction of Synectics' obligation hereunder.
22) Attorney's Fees; Disputes

In the event a dispute arises regarding the Agreement, the prevailing party shall be entitled to actual attorney's fees and costs incurred, whether or not a lawsuit or other proceeding is filed. The relationship between Buyer and Synectics shall be governed by and construed in accordance with the internal laws of the State of California. Any action arising out of the sale or use of Products to or by Buyer shall be brought and maintained exclusively in the Superior Court of the State of California in and for the County of Los Angeles. The parties hereby consent to the jurisdiction of said Court and hereby waive all objections to such jurisdiction, including any objections that such forum is not convenient, and any right to remove such action to a Federal District Court.

23) Assignment

Buyer may not assign its rights under this Agreement or any portion hereof without the prior written consent of Synectics. Subject always to the foregoing, this Agreement shall inure to the benefit of and is binding upon the successors and assigns of Buyer and Synectics. In no event shall assignment relieve Buyer of liability for performance of Buyer's obligations under this Agreement.

24) Waiver

Any waiver by either party of any default of Buyer hereunder shall not be deemed to be a continuing waiver of such default or a waiver of any other default or of any of the Terms in this Agreement.

25) Conformance with Law

Buyer assumes all responsibility for conformance of Products with laws, rules, regulations and ordinances of any governmental or quasi government agency applicable to the use or operation of Products.

26) Entire Agreement; Interpretation

This Agreement and the Exhibits attached hereto are the sole and entire agreement between the parties and shall supersede and control over any conflicting or contrary terms in any purchase order or other document or any additional terms except terms relating to prices, quantities, delivery schedules, terms of payment, and other written provisions mutually agreed upon by the parties in writing. In the event of a conflict between the terms of this Agreement and the purchase order, any amendment to this Agreement, the quotation or the acknowledgment, then this Agreement, as amended by any amendment executed by both parties, shall govern.

27) Partial Invalidity

In the event that any of the covenants, duties or restrictions of this Agreement are found to be illegal, invalid or unenforceable, such provision, if possible, shall be construed so as to render the provision legal, valid and enforceable. In the event such provision cannot be amended or construed to be legal, valid and enforceable, such provision shall be deemed deleted and the remainder of this Agreement shall remain in full force and effect.
Exhibit A – Buyer and/or End User Responsibilities

In addition to the Terms specified in the Agreement, Buyer and/or End User shall be responsible for the following:

1) General
   a) Incorporate protective measures to safeguard Synectics’ data from unauthorized modification, destruction or disclosure.
   b) Establish back-up contingency plans to secure data.
   c) Employ Synectics-trained and certified technicians to maintain and operators to operate the Products.
   d) Develop appropriate guidelines to ensure proper usage and ongoing maintenance of the Products.
   e) Provide Synectics at least (10) business days’ advanced notice that Services are required, written instructions describing where Services are to be rendered, contact information for Buyer’s onsite representative, and timely confirmation that all Products are installed and operational at least one week before Synectics personnel travel to perform the Services. Failure to meet these requirements may result in rescheduling delays and change order bills for labor and travel.
   f) Ensure that Synectics has reasonable access to the location where the Services are to be performed.
   g) Give sufficient notice to obtain any necessary permits and consents from local authorities and/or the End User where the Services are to be provided at least (90) days prior to commencement of Services and to pay such costs and fees directly.
   h) Ensure that Synectics has reasonable access to all supplies of utilities and facilities necessary for Synectics to provide the Services.
   i) For facilities under construction, ensure Equipment is stored in a suitably “clean” environment, free from dust and ensure Equipment room is fully constructed, sufficiently powered and cooled before Equipment is installed and turned on.
   j) Ensure that Synectics personnel are not scheduled to arrive at facility where Services are to be provided until Products are ready for the Services in accordance with this Agreement.
   k) Obtain Synectics’ approval before Product is moved from the Service location.

2) Infrastructure
   a) Provide all cabling, installation, and dress out for cable infrastructure including power, all twisted pair, punch downs, category 6 UTP with RJ45 Ethernet, and BNC’s.
   b) Properly load and configure all racks (power strips, rails, cable, arms and anchoring). This includes racking all appropriate hardware (PSN, Encoder, MDAs, etc.).
   c) Ensure facility where Products are to be installed is appropriately clean (free from dust, etc.), properly air conditioned, and has consistent, uninterrupted power in all phases.
   d) Provide necessary network design, architecture and connection ports for review devices, navigators, servers, encoders, IP cameras, etc. See Synectics’ Project Manager for specific network questions and requirements.

3) PSN (Storage Servers)
   a) Physically install, configure all PSNs including, but not limited to, IP addressing, naming, RAID building, installation of non-configured software.

4) Synergy Server
   a) Configuring the Synergy Server including:
      i) Cameras – numbering, descriptions, type
      ii) Monitors – numbering, descriptions, type
      iii) Users – roles and rights assessments in conjunction with casino personnel
      iv) AutoCAD Maps
   v) Accurate camera list including:
      (1) Camera
      (2) Type
      (3) Bit rates
      (4) Description
      (5) Retention

5) Review Clients and IP Monitor Wall Appliances
   a) Install monitors, IP wall and client hardware as designated by customer requirements and product specification.
   b) Install, configure, calibrate and ensure functionality of touch screen, Synergy Navigator, etc.

6) Matrix Switch (if applicable)
   a) Provide appropriate connection cables from the Matrix Switch to Synectics encoders for hot swap failover.
   b) Install, configure, integrate third party matrix switch, MDAs, cameras and telemetry devices and provide physical and ongoing support.
   c) Provide one matrix output per Hot Swap encoder channel specified.
7) **Add-On Modules**

a) **Third Party System Integrations**
   
   i) Purchase, install and configure appropriate licensing and software modules from the third party system manufacturer (i.e. For POS, Micros VSS or InfoGenesis Revelations).
   
   ii) Configure Synectics’ integration server, network access and firewall to allow third party data to be securely received by Synectics’ server.
   
   iii) Provide tools and labor to install GPS time clock, including rack mounting of GPS time clock and installation of GPS antenna utilizing LMR400 cable for installation.
   
   iv) Configure GPS time clock to facilitate unified time stamp from Synectics integration server and third party system(s).
   
   v) Supply written documentation clearly articulating expected “integration” functionality between third party system and Synectics. Include third party product model, software/firmware version, interface manual, contact information, diagrams, flow charts, etc. Synectics will review and submit an approved detailed Scope of Work that defines inclusions and exclusions to proposed functionality.
   
   vi) If requested integration is for new or updated third party system or features, supply third party vendor technical contact information, Application Programming Interface (API) or Software Develop Kit (SDK) and demo unit for testing.
   
   vii) Note: Synectics third party integration accuracy and functionality is limited to the connectivity speed, export capability, API/SDK flexibility and data integrity of the third party system. Synectics can only display and process the data it receives. Synectics simply relays third party data “as-is” into its user interface; it does not analyze or correct any erroneous data received. Please consult with a Synectics pre-sales engineer, prior to purchase, about the third party integration requirements and capabilities to insure expectations are met. Custom design and development charges may apply.
Exhibit B – Product Limited Warranty

1) Equipment Warranty and Remedy

Synectics warrants to the original Buyer and End User that new Equipment shall be free from defects in workmanship and materials. Synectics warrants specified performance of new Equipment provided that such Equipment is used and maintained in accordance with the conditions set forth in the operating and maintenance manuals and installation and use criteria set forth in the specifications which are a part of the Agreement or delivered to Buyer or End User with the Equipment. Synectics’ obligation under this warranty is limited, at Synectics’ option, to either (i) repair or replacement of the non-conforming Equipment, returned FOB point of repair or replacement and which, after examination, appear to Synectics’ satisfaction to be defective under this warranty; or (ii) repayment of the portion of the price paid by Buyer attributable to such non-conforming Equipment. Buyer or End User shall return the Equipment fully insured to such point of repair or replacement as Synectics may direct, with prepaid shipping charges and in accordance with Synectics’ return policy as specified in the Agreement. All risk of loss arising in connection with performance of this warranty shall be borne by Buyer or End User.

2) Services Warranty and Remedy

Synectics warrants that any services/technical assistance furnished under the Agreement shall be provided in a professional manner. Synectics’ obligation hereunder is limited to the providing of services/technical assistance by its employees at the time and place, and to the extent specified in its Support and Maintenance Agreement attached herewith as Exhibit D.

3) Software Warranty and Remedy

Synectics’ warranty regarding any Synectics software furnished under the Agreement is outlined in its General Software License Agreement, a copy of which is attached herewith as Exhibit C.

4) Warranty Period

a. Unless otherwise stated, Synectics’ original Return-to-Factory (“RTF”) Hardware and Software Warranty covers:
   i. Hardware – For a period ending (13) months from date of Equipment Delivery.
   ii. Services – From installation commencement up to the date Product is commissioned.
   iii. Software – For a period ending (13) months after date of Synectics Software Delivery.

b. Products Covered under Synectics’ Warranty – The warranty period shall begin thirty (30) days after date of Delivery of the Equipment and end in the numbers of years specified under the Original or Extended Warranty.

5) Assignment

Synectics shall attempt to obtain, in its subcontracts with each supplier of components not made by Synectics, a provision that the subcontractor’s standard warranty, if any, shall survive Synectics’ inspection, acceptance, and payment, and shall pass through to Synectics, its successors, assigns, customers and end users.

6) Exclusion

Without limitation of the foregoing, this warranty shall not apply (i) to the performance of any system of which Synectics’ Products are a component part unless caused exclusively by defective Products provided hereunder; (ii) to deterioration by corrosion or any cause of failure other than defective material or workmanship; or (iii) to any of Synectics’ Products or parts thereof which have been tampered with or altered or repaired by anyone except Synectics or someone authorized by Synectics, or subjected to misuse, neglect, abuse or improper use or misapplications such as breakage by negligence, accident, vandalism, the elements, shock, vibration, or exposure to any other service, range or environment of greater severity than that for which the Product was designed.
Exclusion (continued)

7) Limitation

There are no warranties, express or implied, arising from course of dealing, course of performance, or usage of trade which extend beyond the face of this Limited Warranty. Synectics neither assumes nor authorizes any person to assume for it any other liability in connection with the sale of its Products. Synectics has no responsibility whatsoever for reimbursing Buyer, its customers or End Users of the Products, nor shall Synectics be liable in damages for repair or replacement costs incurred by Buyer, its customers or End Users of the Products in connection with the Products or parts thereof, without Synectics first having given its written authorization for such charges and without Synectics having an opportunity to perform its warranty obligations as hereinabove set forth. Synectics’ warranties as hereinabove set forth shall not be enlarged or affected by, and no obligation or liability shall arise or grow out of Synectics’ rendering of technical assistance or service in connection with the Products furnished hereunder. The limitations set forth herein shall not be affected by the failure of the repair and replacement remedy provided hereinabove. In no event shall Buyer, its successors, assigns, customers or users of the Products commence any action against Synectics arising out of the sale, delivery or use of the Products and regardless of the form of the action (whether in contract, strict liability or tort, including negligence) later than one (1) year after the cause of action has accrued. Buyer’s assertion of any rights under the warranty provisions hereof shall be in writing and shall specify with particularity the alleged defects in the Products.

THERE SHALL BE NO EXPRESS OR IMPLIED WARRANTY OF MERCHANTABILITY BEYOND THE EXPRESS TERMS OF THIS LIMITED WARRANTY UNLESS EXPRESSLY AGREED TO IN A WRITING SIGNED BY AN OFFICER OF SYNECTICS. SYNECTICS DOES NOT WARRANT ITS PRODUCTS AS TO THEIR FITNESS FOR ANY SPECIAL USE OR FUNCTION.
1) Definitions

Capitalized terms used in this General Software License Agreement (the “License Agreement”) shall have the same meaning as in the Agreement or in other Schedules to this License Agreement. In addition, the following terms are defined for purposes of this EXHIBIT B.

(i) Derived Products: Any computer programs that use the Program Materials or modifications of the Program Materials.

(ii) License: The rights granted to Licensee pursuant to this License Agreement.

(iii) Licensee: The original End User of the Licensor Program Materials covered by this License Agreement.

(iv) Program Materials: The set of computer software programs and machine readable and printed materials (including any upgrades, modified versions or updates) supplied, directly or indirectly, by Licensor to Licensee.

(v) Territory: The North American continent.

2) Grant of License

Licensor grants to Licensee a nonexclusive, revocable, limited sublicense to use the Program Materials and Derived Products in the Territory, ONLY on one (1) computer with the Licensor equipment, systems and hardware purchased by Licensee. Use of Program Materials and/or Derived Products on additional computers or used with additional cameras, storage, encoding or client devices, requires an additional licenses from Licensor. The Program Materials and Derived Products may be copied ONLY for backup purposes. The license shall be transferable only in conjunction with the associated Licensor hardware purchased by Licensee.

3) Copyright and Title

The Program Materials and all intellectual property rights associated with the Program Materials, including but not limited to all copyrights, are owned by Synectic Systems Group Ltd. Licensee shall treat the Program Materials like any other copyrighted materials, except as otherwise provided in this Agreement regarding the ability to copy the Program Materials or Derived Products solely for backup purposes. All copies of the Program Materials shall display all copyright notices included in the original Program Materials.

4) Other Restrictions

Licensee shall not reverse engineer or otherwise attempt to discern the code (if not provided by Licensor) of the Program Materials. Licensee shall not sell, license or distribute the Program Materials or Derived Products, except with the Licensor associated hardware purchased by Licensee. Licensee agrees to notify Licensee’s employees and agents who may have access to the Program Materials or Derived Products of the restrictions contained in this License Agreement and to ensure their compliance with these restrictions.

5) Limited Warranty and Exclusive Remedy

For twelve (12) months from the date of delivery of Program Materials to Licensee, or for the period specified in the Original and/or Extended Warranty, where applicable, Licensor warrants that the media upon which the Program Materials is furnished will be free from defects in material and workmanship under normal use. While every effort is made to provide Licensee with functional and productive software development tools, no warranty is made that the Program Materials will perform, function or operate in an uninterrupted or error-free manner. The Program Materials are designed and intended for use by computer professionals experienced in the uses and limitations of computer software. It is Licensee’s responsibility to ascertain the suitability of the Program Materials for Licensee’s purposes. Licensee’s exclusive remedy for breach by Licensor of its limited warranty shall be replacement of any defective media returned within the warranty period or, if no replacement which is free of defect is available, refund of the amount paid for the Program Materials (or, if the Program Materials were not separately purchased, $1,000). Except as set forth herein, the Program Materials are licensed on an “AS-IS” basis.
Limited Warranty and Exclusive Remedy  (continued)

TO THE MAXIMUM EXTENT PERMITTED BY LAW, LICENSOR DISCLAIMS ALL OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE PROGRAM MATERIALS.

6) Support and Maintenance

Licensor shall perform and furnish support and maintenance services to Licensee of the Program Materials and Derived Products pursuant solely to the terms of the Support and Maintenance Agreement attached hereto as Exhibit D or as otherwise agreed by the parties in writing (the “Support Services”). Except for the Support Services, Licensor shall not be required to perform or furnish any other support to users of the Program Materials and Derived Products including onsite visits, installation and telephone support. Except for the Support Services, Licensee shall not receive upgrades or updates. Licensee shall inform its users of the prohibitions in this Agreement against unauthorized access, use and copying of the software, including screen displays, and shall use its best efforts to enforce such prohibitions.

7) Limitation on Liability

THE REMEDY PROVIDED ABOVE SHALL BE LICENSEE’S SOLE AND EXCLUSIVE REMEDY AND SHALL BE LICENSOR’S EXCLUSIVE LIABILITY HEREUNDER. LICENSOR SHALL NOT BE HELD LIABLE TO LICENSEE OR ANY OTHER PERSON FOR ANY INCIDENTAL, COLLATERAL, SPECIAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES, INCLUDING WITHOUT LIMITATION, DAMAGES FOR LOSS OF PROFITS, LOSS OF CUSTOMERS, LOSS OF GOODWILL, WORK STOPPAGE, DATA LOSS, COMPUTER FAILURE OR MALFUNCTION, CLAIMS BY ANY PARTY OTHER THAN LICENSEE, OR ANY AND ALL OTHER SIMILAR DAMAGE OR LOSS, WHETHER ARISING FROM BREACH OF CONTRACT, TORT OR STRICT LIABILITY (EVEN IF LICENSOR OR ITS AGENTS HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OCCURRING), ARISING OUT OF OR IN CONNECTION WITH THE USE OR THE INABILITY TO USE OR THE PERFORMANCE OR LACK THEREOF OF THE PROGRAM MATERIALS, MODIFICATIONS THERETO AND/OR DERIVED PRODUCTS, OR ARISING FROM THE NEGLIGENCE OF LICENSOR OR ITS EMPLOYEES, OFFICERS, DIRECTORS, CONSULTANTS OR REPRESENTATIVES. LICENSOR SHALL HAVE NO LIABILITY OR RESPONSIBILITY FOR PROGRAM MATERIALS ALTERED, MODIFIED OR CONVERTED BY LICENSEE OR A THIRD PARTY, DAMAGES RESULTING FROM ACCIDENT, ABUSE OR MISAPPLICATION, OR FOR PROBLEMS DUE TO MALFUNCTIONING OF LICENSEE’S EQUIPMENT OR SOFTWARE NOT SUPPLIED BY LICENSOR.

8) Termination

This License Agreement and the License is effective until terminated. This License Agreement and the License may be terminated by Licensee upon giving written notice of termination to Licensor. This License Agreement and the License will terminate automatically without notice from Licensor in the event Licensee fails to comply with any of the terms of this License Agreement. Upon termination of this License Agreement, Licensee shall cease all use of the Program Materials and Derived Products, destroy all copies of Program Materials and Derived Products in Licensee’s possession or under Licensee’s control, and take such other actions as Licensor may reasonably request to ensure that no copy of the Program Materials or Derived Products remains in Licensee’s possession or under Licensee’s control. Neither Licensor nor Licensee will be liable for damages of any kind as a result of the termination of this License Agreement according to the terms of this License Agreement, and termination will not affect any other right or remedy of Licensor or Licensee.

9) General Provisions

Should any provision of this License Agreement be held to be void, invalid, unenforceable or illegal by a court of competent jurisdiction, the validity and enforceability of the other provisions will not be affected. Failure of a party to enforce any provision of this License Agreement will not constitute or be construed as a waiver of such provision or the right to enforce such provision. Any waiver of any provision of this License Agreement must be in writing and signed by the party to be charged. This License Agreement may not be amended except in a writing signed by Licensor and Licensee. This License Agreement represents and expresses the entire agreement of Licensor and Licensee relating to the Program Materials. This License Agreement replaces and supersedes all prior and/or contemporaneous contracts, representations and understandings (whether written or oral, express or implied) between Licensor and Licensee concerning the Program Materials. This License Agreement and the relationship of Licensor and Licensee shall be governed by and interpreted in accordance with the laws of the State of California. Any action to enforce or interpret this License Agreement or arising out of this License Agreement shall be brought and maintained exclusively in either the Superior Court of the State of California in and for the County of Santa Barbara, or the Federal District Court for the Central District of California in Los Angeles, California. This License Agreement and/or the License may not be assigned or transferred by Licensee.
Exhibit D – Support and Maintenance Agreement

Synectics offers support and maintenance services to its Buyer and End User (as defined below), under this Support and Maintenance Agreement (the “Support Agreement”). The services provided are for Products purchased from Synectics and the terms and conditions under which the services are rendered are described in this Support Agreement.

1) Definitions

In addition to the terms defined elsewhere in the Agreement, the following terms used in Synectics’ Support Agreement shall have the following meanings:

a) “Business Hours” are business hours of 8:00AM PST USA and 5:00PM PST Monday through Friday, excluding holidays.

b) “Buyer” shall mean company, agency, person or entity that purchases Synectics’ Warranty or Extended Warranty under the Agreement. The company, agency, person or entity who uses the warranty support services sold or distributed to Buyer is referred to as the “End User.” “Customer” refers to Buyer and/or End User.

c) “Problem” shall mean a failure of the Equipment or Software to perform in material conformance with the applicable specification and documentation.

d) “Respond” or “Response” shall mean that Synectics will, within the periods listed, contact Buyer or End User and begin working on a resolution of the Problem.

e) Synectics uses the following definitions to define the severity level of a Problem:

<table>
<thead>
<tr>
<th>Severity Level</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Critical</td>
<td>Problem that substantially restricts vital Product functionality (i.e.: video recording, camera control, etc.) in a live operation and for which no reasonable work-around exists.</td>
</tr>
<tr>
<td>Serious</td>
<td>Problem that substantially restricts Product functionality in a live operation for which reasonable work-around exists.</td>
</tr>
<tr>
<td>Moderate</td>
<td>Problem that can be resolved with a hot or cold spares, phone and/or Web support.</td>
</tr>
<tr>
<td>Inconvenient</td>
<td>Problem that does not hinder vital Product functionality (i.e.: reports, cosmetic, etc.) in a live operation</td>
</tr>
</tbody>
</table>

2) Term of Support Agreement

The Support Agreement shall be in effect until the end of the warranty period provided under Synectics’ RTF Warranty or Extended Warranty Agreement, whichever period expires last. Unless otherwise stated, RTF warranty Support Agreement commences 30 days from new product delivery and expires 12 months later. Optional Extended Support Agreement, if applicable, commences upon expiration of prior Support Agreement and expires 12 months thereafter or as otherwise stated in sales agreement. Extended Support Agreement may be purchased for qualified systems up to 30 days prior to previous Support Agreement expiration. Any lapse in warranty coverage may result in “catch up” fees and/or costs to recertify out-of-warranty equipment or software. Contact Synectics sales representative to confirm warranty extension availability and pricing.

3) Synectics Responsibilities

a) Subject to the exclusions of Section 4, Synectics will not charge Buyer or End User for labor, material or parts needed to repair or replace Product Products covered under warranty during the term of the Support Agreement.

b) Unless otherwise agreed to in writing, Synectics support services ONLY include service by remote access, telephone, fax and e-mail (specifically excludes “onsite” support) during Business Hours. In addition, Synectics provides on-site support during Business Hours for Critical Problems ONLY. Synectics’ Technical Support contact information is as follows:

(1) Telephone in the USA: 805-745-1920 or 888-755-6255 (Toll Fee)
(2) FAX in the USA: 805-745-1980
(3) Email: support@Synecticsus.com

c) Support services means response and attempt to resolve Problems with Products sold or supplied by Synectics. Unless expressly stated, it does not include, for example, network design/configuration, troubleshooting cameras, alarm systems, or matrices, physical hardware installation, configuration changes due to third party updates, consultation or adds, moves or changes unless otherwise specified in the sales contract. Support services are offered in English only.

d) Software releases – Synectics will make available to Buyer or End User updates and upgrades to the Software generally made available at no additional cost during the Support Agreement. Buyer or End User shall be responsible for the installation and/or upgrade of the Software. This provision shall not constitute a requirement that Synectics develop or otherwise make available updates or upgrades.
Synectics Responsibilities (continued)

e) Synectics will, upon request, provide Buyer the option to purchase and maintain Cold Spares at Buyer’s or End User’s site in accordance with terms specified in this Agreement. Advance spares are not included as part of this agreement.
f) Synectics will, upon request, provide Buyer the option to purchase Hot Spares at End User’s facility. Hot spares are a billable option that must be specified as part of the Agreement.

4) Services Excluded From Support Agreement

Synectics shall have no obligation to provide services other than those specifically and expressly defined herein (“Other Services”). Other Services that are not part of this Support Agreement may be contracted for separately at Synectics’ then current labor rates and are subject to availability. For purposes of example and clarification only, Synectics shall have no obligation for:

a) Services performed outside of Synectics Business Hours or after the term of the Agreement.
b) On-site support for Problems that are not critical as defined above.
c) Services for training or consulting not listed in the Agreement
d) Installation, configuration, troubleshooting or maintenance of any device not listed in the Agreement.
e) Damage caused by accident, unusual physical, electrical or electromagnetic stress, neglect, misuse, excess dust or heat, failure of electric power or environmental controls, rough handling during transportation, act of God, including but not limited to storms, fires, floods, and earthquakes.
f) Damage caused by Customer’s failure to maintain the Products in accordance with Synectics’ specifications, including but not limited to maintaining adequate or appropriate electrical power, air conditioning, humidity controls, electrical surge protection, or other facilities or environmental conditions.
g) Services in connection with removal or reinstallation of Product.
h) Furnishing or replacing expendable supplies.
i) Services on Product which Customer has moved from the service location without notifying Synectics.
j) Abuses to the Product, other than ordinary use, modifications by Customer, or repairs by a party not certified by Synectics.
k) Problems arising solely from system abnormalities or other software applications used in conjunction with or resident on the same computer hardware on which Synectics’ Software resides but not provided by Synectics.
l) Services: (i) for any modifications, extensions or customizations to the Software (ii) if the Software is used in violation of the Agreement or most current documentation, or (ii) if the Equipment contains application software not provided, authorized or recommended by Synectics.
m) Due to: (i) causes beyond Synectics’ reasonable control, or (ii) the acts or omissions of Customer or other third parties.

5) Customer Responsibilities

Customer’s right to obtain Support Services is conditioned on adherence to the following terms and conditions:

a) Customer shall pay all amounts due under the Agreement in accordance with the Terms of the Agreement. Synectics shall not be obligated to provide Support Services in the event of a discontinuation of Support Services resulting from non-payment by Customer.
b) Customer shall provide a first line of technical support. Customer shall assign Synectics-trained and certified in-house support persons to act as Support Service liaisons (“Liaisons”) with Synectics. All Support Service calls shall be directed through the Customer’s Liaisons. Customer may change its Liaisons by notifying Synectics either via e-mail or fax of such change.
c) Customer shall promptly notify Synectics of any Product Problems in writing (email, fax, Zen Desk, etc.). Customer shall first make all reasonable efforts to troubleshoot and document the Product Problem in accordance with Synectics’ recommendations prior to requesting replacement or repair of any Product covered under the Agreement. Customer’s failure to implement Synectics’ recommendations may result in limited services, denial of services or additional costs incurred by the Customer under the Agreement.
d) Customer shall segregate Synectics’ Software from other applications that Customer may be supporting. This segregation should include, but not be limited to, establishing a different instance of the database for each application, screen savers, virus protection, etc.
e) In the event that Synectics, at the request of Customer, provides support for a problem which is ultimately determined to have been a problem for which Synectics is not liable for providing Support services, then Synectics reserves the right to invoice at its then current hourly rate for professional services rendered.
f) Customer shall promptly notify Synectics of any change of location of the Equipment upon which any of the Synectics Software covered by this Agreement resides. Synectics reserves the right to charge the Customer, and Customer agrees to pay, if the move is likely to materially change the cost of providing Support Services hereunder.
g) Customer shall obtain an RMA number from Synectics prior to returning any Product to Synectics, to arrange and pay for all shipping and packaging costs for returning such Product to Synectics, to package such Product according to Synectics specifications and to ship and insure such Product to a facility as directed by Synectics.
h) Customer shall pay all costs incurred in returning the Product to Customer if Customer’s location requires international shipment, including transportation, import fees, duties and taxes, if any.

i) Customer shall be responsible to return defective Products to Synectics through the RMA process in a timely matter to keep Cold Spares from being depleted.

j) Customer shall return non-purchased, advance Cold Spares, if any, to Synectics within thirty (30) days after the Warranty period ends. Synectics reserves the right to bill, and Customer agrees to pay, fair market value for advance Cold Spares that are not returned within the stipulated period.

6) Problem Report Process

The following steps provide the process for utilizing Synectics’ support services as part of this Plan and Agreement:

a) The first stage in resolving any problem is for the Customer to make its best efforts to identify and to mitigate the problem. At a minimum, Customer shall follow the following steps prior to calling Synectics’ support team:
   i) Determine if the problem is local (i.e. exists on only one review client or PSN) or if problem is global (i.e. affecting all review clients or PSNs).
   ii) Ensure the video network is operational. Utilize the “Ping” utility from a review client command prompt to test connectivity from client to the server and/or PSN.
   iii) Ensure PSN(s) and/or Synergy server is operational as defined by PSN recording data on the “F” drive and/or the Synergy server running the Synergy application.
   iv) Review the steps outlined in Synectics’ Certified Installer Manual, under the section titled “Introduction to First Line of Support Matrix”.

b) The second step is to contact Synectics’ Technical Support as follows:
   i) Provide Synectics with a detailed description of problem, Liaison name, contract number, full address and contact details via Zen Desk online technical support web site or email.
   ii) Synectics’ technical representative will log and troubleshoot the reported problem and determine with customer the severity of the problem according to the following guidelines:

<table>
<thead>
<tr>
<th>Severity Level</th>
<th>Level of Priority</th>
<th>Response Time During Business Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Critical</td>
<td>Highest Priority on FIFO basis.</td>
<td>1-hour response. 5-business day onsite response if problem cannot be resolved remotely.</td>
</tr>
<tr>
<td>Serious</td>
<td>Second highest priority on FIFO basis.</td>
<td>4 hour response.</td>
</tr>
<tr>
<td>Moderate</td>
<td>Third highest priority on FIFO basis</td>
<td>Next business day response.</td>
</tr>
<tr>
<td>Inconvenient</td>
<td>Last priority on FIFO basis</td>
<td>Commercially reasonable effort.</td>
</tr>
</tbody>
</table>

7) Warranty

All Products for which Support and Maintenance are provided by Synectics under this Support Agreement, including any Product exchanges, are covered for the remaining period of the Product’s Original Warranty, Extended warranty, or thirty (30) days, whichever period expires last, in accordance with its terms.

8) Standard Terms and Conditions of Sale

Synectics Standard Terms and Conditions of Sale are specifically incorporated by this reference into this Agreement as if recited verbatim.
## Warranty, Service and Support Program Comparison Chart

<table>
<thead>
<tr>
<th>Feature offered</th>
<th>Software Support Only Agreement</th>
<th>Software Support &amp; RTF Hardware Agreement</th>
</tr>
</thead>
<tbody>
<tr>
<td>12-Month Software Warranty (Patches &amp; Updates)</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>5-Day Manufacturer Training Course <em>(contingent on class availability)</em></td>
<td>1 / Year</td>
<td>1 / Year</td>
</tr>
<tr>
<td>Return to Factory Parts and Labor to Repair/Replace Faulty Hardware Parts</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>One-Way Shipping of Returned Parts</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Software Support for Certified Techs: Zen Desk, Phone, Email, Remote access</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>New Software Releases, Upgrades and Enhancements</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Hardware Support for Certified Installers - Phone, Email, Web</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Advanced Replacement Spares / Cold Spare Replenishment</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>On-Site Support Including Labor &amp; Travel</td>
<td>** if purchased</td>
<td>** if purchased</td>
</tr>
<tr>
<td>Annual Manufacturer On-Site Hardware System Review</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Annual Manufacturer On-Site Software System Review</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Consignment Advance Parts Owned by Customer at Warranty Expiration</td>
<td>** if purchased</td>
<td>** if purchased</td>
</tr>
<tr>
<td>Hardware/Network/Integration Consultation Labor (Non-Warranty)</td>
<td>No</td>
<td>10% Discount</td>
</tr>
<tr>
<td>Advanced System Customization, Configuration Labor (Non-Warranty)</td>
<td>No</td>
<td>10% Discount</td>
</tr>
</tbody>
</table>