



BUSINESS TERMS AND CONDITIONS

Effective February 1st, 2016

The Business Terms and Conditions apply to any proposal and agreement and/or purchase order relating to hardware ("Hardware") or software ("Software") sold by TeleSense, Inc. ("TELESENSE") to a customer ("Customer"). These terms and conditions, together with the related proposal, quote, and agreement and/or purchase order shall constitute the entire agreement ("Agreement") between the parties.

1. **SOFTWARE LICENSE ("EULA")** – Customer acknowledges and agrees that the Software shall be licensed to Customer pursuant to terms and conditions contained in a license as defined in End User License Agreement ("EULA"). EULA is hereby incorporated by reference into the Agreement as if fully set forth herein.
2. **ORDERS & PAYMENTS** – All orders are to be placed by sending in the purchase order to orders@telesense.com. All orders placed by the CUSTOMER are subject to acceptance by TELESENSE. Payment can be made by check, money order, credit card, or wire transfer (all fees are the responsibilities of the CUSTOMER). CUSTOMER will provide ample proof to TELESENSE on the credit worthiness of the CUSTOMER and after approval of the credit terms, TELESENSE will extend credit to the CUSTOMER, terms of payment shall be net thirty (30) days from date of invoice, without offset or deduction.
3. **PAST DUE** – On any past due invoice, TELESENSE may impose interest at the rate of one and a half percent [1.5%] per month or the maximum rate permitted by law, whichever is less. If CUSTOMER fails to make each payment when it is due, TELESENSE reserves the right to change or withdraw credit and thereby suspend or cancel performance under any or all purchase orders or agreements in which TELESENSE has extended credit to CUSTOMER. In the event of default by CUSTOMER, TELESENSE shall be entitled to costs, fees, and expenses, including but not limited to recovery of attorney fees, court costs and fees, and collections costs.
4. **TAXES & TAX EXEMPT** – Quotes, proposals, or contracts to the CUSTOMER may not include sales tax information but that will be added to the invoice to the CUSTOMER. The CUSTOMER is responsible for all sales, corporate taxes, duties, import fees, or other charges of any nature (including, but not limited to, consumption, gross receipts, import, property, sales, stamp, turnover, use, or value-added taxes, and all items of withholding, deficiency, penalty, addition to tax, interest, or assessment related thereto, imposed by any governmental authority on CUSTOMER or TELESENSE or its subcontractors). The CUSTOMER shall provide TELESENSE with a copy of tax exemption certificate, direct pay certificate or resale certificate for the "Ship to" location if exemption from sales or use taxes is claimed.
5. **DELIVERY, INSTALLATION AND SERVICE** – All deliveries will be made "EXWORKS" on the actual shipping date, at the place of shipment. TELESENSE delivery times are estimates only and TELESENSE is not liable for delays in delivery or for failure to perform due to causes beyond the reasonable control of the Seller, nor shall the carrier be deemed an agent of the Seller. A delayed delivery of any part of an Order does not entitle CUSTOMER to cancel other deliveries. Freight and insurance will be prepaid and invoiced unless otherwise specified on the face hereof. Unless otherwise specifically outlined by TELESENSE, installation will be the



responsibility of the CUSTOMER. The annual service agreement, if executed, will cover annual service terms

6. **RETURNS REFUNDS** – No refunds are offered on the monthly monitoring service once the service for that month is in place. All contracts are final and they are based on non-returnable non exchangeable agreement. Exchanges are only made if the hardware received by the customer is defective or damaged upon delivery.
7. **EXPORT COMPLIANCE** – CUSTOMER will comply with all applicable Export Control Laws of the United States. CUSTOMER is responsible for understanding how the Export Control Laws apply in their business and by conforming to these laws, ensures that no data, information, product and/or services will be exported, directly or indirectly, in violation of these laws. The CUSTOMER shall also be responsible for its own compliance with local, state, and federal laws and regulations and all international standards, conventions and treaties known, including but not limited to payment of any applicable taxes, obtaining any necessary permits and licenses and any laws associated with the signing of customers. These obligations shall survive the termination of the Agreement.
8. **WARRANTY** – TELESENSE provides a limited warranty of the products delivered for the first 90 days after shipment. The CUSTOMER can choose to buy an extended warranty as offered by TELESENSE. The warranty covers manufacturing defects of the products when appropriately stored, installed, used, operated and maintained as defined by TELESENSE. Failure to meet any such conditions renders the warranty null and void. TELESENSE is not responsible for normal wear and tear of the products. TELESENSE obligation under this warranty is limited, to the repair exchange, or refund of the purchase price, at the option of TELESENSE. In any event, TELESENSE' liability will be no greater than the purchase price paid.
9. **LIMITATION OF LIABILITY** – TELESENSE shall not be responsible to CUSTOMER for consequential, exemplary or incidental damages (such as loss of profit or employee's time) regardless of the reason. TELESENSE shall also not be liable for loss of use of equipment or systems, interruption of business, cost of replacement power, loss of data, removal or reinstallation costs cost of capital, downtime costs, increased operating costs, any special, consequential, incidental, indirect, or punitive damages, or claims of Buyer's customers for any of the foregoing types of damages.
10. **FORCE MAJEURE** – TELESENSE is not liable for delays in performing any obligations under the agreement due to circumstances beyond its reasonable control, including but not limited to revolts, insurrections, riots, wars, acts of enemies, national emergency, strikes, floods, earthquake, embargo, inability to secure materials or transportation, and acts of God, and other events beyond the reasonable control of the parties caused by nature or governmental authorities.
11. **"CONFIDENTIAL INFORMATION"** shall mean any information disclosed by Company to Recipient, either directly or indirectly in writing, orally, by inspection of tangible objects (including without limitation documents, prototypes, samples, plant and equipment). Confidential Information shall include without limitation data, text, pictures, audio, video, logos and copy. Confidential Information may also include information disclosed to Company by third parties. Confidential information shall not, however, include any information which Recipient can establish (i) was publicly known and made generally available in the public domain prior to the time of disclosure to Recipient by Company; (ii) becomes publicly known and made generally



available after disclosure to Recipient by Company through no action or inaction of Recipient; or (iii) is in the possession of Recipient, without confidentiality restrictions, at the time of disclosure by Company as shown by Recipient's files and records immediately prior to the time of disclosure.

- 12. NON-USE AND NON-DISCLOSURE.** Recipient shall not use any Confidential Information for any purpose other than for the Permitted Use. Recipient shall not disclose Confidential Information to any third party unless authorized in advance in writing. Recipient shall not disclose Confidential Information to its employees, except on a "need to know" basis where such disclosure is necessary and required for the Permitted Use. Recipient shall not disclose Confidential Information to any employee of Recipient unless such employee has signed a nonuse and non-disclosure agreement in content at least as protective as the provisions hereof, prior to any disclosure of Confidential Information to such employee. Recipient shall not reverse engineer, disassemble or decompile any prototypes, software or other tangible objects which embody the Confidential Information and which are provided to Recipient hereunder.
- 13. MAINTENANCE OF CONFIDENTIALITY.** Recipient shall take reasonable measures to protect the secrecy of and avoid disclosure and unauthorized use of the Confidential Information. Without limiting the foregoing, Recipient shall take at least those measures that it takes to protect its own most highly confidential information. Recipient shall make no copies of the Confidential Information unless the same are previously approved in writing by Company. Recipient shall reproduce Company's proprietary rights notices on any such approved copies, in the same manner in which such notices were set forth in or on the original. Recipient shall immediately notify Company in the event of any unauthorized use or disclosure of the Confidential Information.
- 14. GENERAL** – The Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to conflicts of laws provisions thereof.
- 15. AGREEMENT** – CUSTOMER acknowledges that it has read this Agreement, understands it, and agrees to be bound by its terms and conditions. This agreement supersedes all other agreements put forth by the CUSTOMER via proposals, purchase orders, written agreements, and the CUSOTMER's general terms and conditions and all other communications between the parties relating to the subject matter of the Agreement.