

KEVRON, INC.'S SALE OF PRODUCTS AND PROVISION OF SUPPORT AND Kevron, Inc.'S LICENSE OF SOFTWARE ARE GOVERNED BY THE FOLLOWING TERMS, UNLESS CUSTOMER HAS ANOTHER VALID AGREEMENT WITH Kevron, Inc.

1. Definitions

- a) "Affiliate" of a party means an entity controlled by, or under common control with, that party.
- b) "Hardware" means Kevron's laser marking systems and related devices and equipment, related documentation, accessories, parts, and upgrades.
- c) "Kevron, Inc. Branded" means Products and Support originating at Kevron, Inc., clearly marked as such, or bearing a trademark or service mark of Kevron, Inc. or any Kevron, Inc. Company Affiliate, and embedded Kevron, Inc. selected third party Software that is not offered under a third party license agreement.
- d) "Product" means products included in Kevron, Inc.'s offer to Customer, and including products that are modified, altered, or customized to meet Customer requirements ("Custom Products").
- e) "Software" means machine-readable instructions and data (and copies thereof) including middleware and firmware and related updates and upgrades, licensed materials, user documentation, user manuals, and operating procedures.
- f) "Specification" means technical information about Products published in Kevron, Inc. Product manuals, user documentation, and technical data sheets in effect on the date Kevron, Inc. delivers Products to Customer.
- g) "Statement of Work" means an executed document so titled, that describes the Custom Support to be performed by Kevron, Inc. under the Support Terms section.
- h) "Support" means product maintenance and repair, software maintenance, training, installation and configuration, and other standard support services provided by Kevron, Inc. and includes "Custom Support" which is any agreed non-standard Support as described in a Statement of Work.
- i) "Transaction Document(s)" means an accepted Customer order (excluding pre-printed terms) and in relation to that order valid Kevron, Inc. quotations, license terms delivered or otherwise made available to Customer with Software, Kevron, Inc. published technical data sheets or service descriptions, Kevron, Inc. limited warranty statements delivered with or otherwise made available to Customer with Products, and mutually executed Statement of Work, all as provided by Kevron, Inc., or other mutually executed documents that reference these Kevron, Inc. Terms.
- j) "Version" means a release of Software that contains new features, enhancements, and/or maintenance updates, or for certain Software, a collection of revisions packaged into a single entity and, as such, made available by Kevron, Inc. to its customers (also called a "Release").

2. Prices and taxes

- a) Prices. Product and Support prices are specified in the current local published Kevron, Inc. price list at the time Kevron, Inc. receives Customer's order, or in a valid Transaction Document (eg Quotation or Offer). Prices are subject to change at any time prior to Kevron, Inc.'s acceptance of Customer's order, unless stated otherwise in a Transaction Document.
- b) Price Validity. Unless prices are changed by Kevron, Inc. in accordance with these Terms, prices are valid for the period set forth in a Transaction Document. Product prices for an order remain valid for sixty (60) days from original order date unless otherwise quoted by Kevron, Inc.
- c) Taxes. Prices are exclusive of, and Customer shall pay, all taxes, duties, levies or fees, or other similar charges imposed on Kevron, Inc. or on the Customer by any taxing authority (other than taxes imposed on Kevron, Inc.'s income) related to Customer's order, unless Customer has provided Kevron, Inc. with an appropriate resale or exemption certificate for the delivery location. "Delivery location" means the location where Kevron, Inc. transfers title or possession of Products to Customer or its designate or the location where Support is performed or, in the case of remote or intangible Support, where the Products being serviced are located.
- d) Financing. Third party financing transactions require advance notice to Kevron, Inc. for appropriate tax treatment.

3. Customer orders

- a) Orders will be governed by these Terms and are subject to acceptance by Kevron, Inc. Orders must specify a "ship to" address and have a delivery date within ninety (90) days from the order date unless otherwise provided in a Transaction Document. Customer may not cancel an order for Custom Products.

4. Delivery

- a) Kevron, Inc. will deliver Products by arranging shipping to the receiving area at the "ship to" address specified in Customer's order. Kevron, Inc. may elect in its sole discretion to deliver Software, Deliverables, Specifications, or Product documentation by enabling electronic transmission to, or electronic access or download by Customer.
- b) Delivery Charges. Transportation and handling charges are payable by Customer and will be specified in a Kevron, Inc. invoice unless otherwise specified in a valid Transaction Document. Special packing or shipping arrangements may be charged separately to Customer.
- c) All products are shipped F.O.B., point of shipment. Risk of loss shall transfer to Customer upon tender of goods to Customer, Customer's representative, or common carrier. The cost of any special packing or special handling caused by Customer's requirements or requests shall be added to the amount of the order, unless otherwise quoted in writing. If Customer causes or requests a shipment delay, or if Kevron, Inc. ships or delivers the products erroneously as a result of inaccurate, incomplete or misleading information supplied by Customer or its agents or employees, storage and all other additional costs and risks shall be borne solely by Customer. Claims for products damaged or lost in transit should be made to the carrier.

5. Acceptance

- a) Customer shall acknowledge acceptance of Product in writing, by fax or by email. Acceptance may take place at Kevron's premises before shipping, or at Customer's premises after shipping. If Customer has ordered installation or training of Product, then Customer may issue acceptance after the installation or training. Customer has ten (10) days to inspect Product after delivery or completion of installation and training by Kevron, Inc. (if ordered). Customer shall list shortcomings preventing acceptance, making reference to each item in the shortcomings list in the Transaction

Documents. If neither a valid list of shortcomings nor acceptance is received with ten (10) days after delivery or installation or training (if ordered), Product will be considered accepted and payment is due. After acceptance, Customer shall have no right to reject the products for any reason or to revoke acceptance. Customer shall have no right to order any change, modification, enhancement or extension to any product or service previously ordered by Customer or its representatives or cancel any order without Kevron, Inc.'s written consent and payment to Kevron, Inc. of all charges, expenses, commissions and reasonable profits owed to or incurred by Kevron, Inc. Specially fabricated or ordered items may not be canceled or returned, and no refund will be made. The sole and exclusive remedy for merchandise alleged to be defective in workmanship or material will be the repair or replacement of the merchandise subject to the manufacturer's inspection and warranty.

6. Payment

a) **Payment Terms.** Kevron will invoice Customer 50% of the gross transaction value upon receipt of a Customer Purchase Order or other binding commitment to purchase and the remaining 50% upon customer acceptance at Kevron Inc.'s premises (or before shipping, whichever is the earlier) and Customer agrees to pay, without offset, all invoiced amounts within thirty (30) days of Kevron, Inc.'s invoice date. Kevron, Inc. may change credit or payment terms for unfulfilled orders if, in Kevron, Inc.'s reasonable opinion, Customer's financial condition, previous payment record, or relationship with Kevron, Inc. merits such change.

b) **Customer Default.** Customer agrees to pay for the products according to Kevron, Inc.'s payment terms. In the event Customer fails to make any payment to Kevron, Inc. when due, Customer's entire account(s) with Kevron, Inc. shall become immediately due and payable without notice or demand. All past due amounts are subject to service charges at the rate agreed upon by the parties, otherwise at the maximum contract rate permitted by law. Kevron, Inc. may discontinue performance if Customer fails to pay any sum due, or if after ten (10) days written notice Customer has not cured any other failure to perform under these Terms.

c) **Security Interest.** All items included on an invoice or in a customer delivery (including those not specifically listed but inherent in the product and/or shipped anyway) remain the full property of Kevron, Inc. until all items have been paid for in full. Customer does hereby grant Kevron, Inc. a purchase money security interest in the products until such time as Kevron, Inc. is fully paid. Customer will assist Kevron, Inc. in taking the necessary action to perfect and protect Kevron, Inc.'s security interest. No products furnished by the Kevron, Inc. shall become a fixture by reason of being attached to real estate.

d) **Remedies.** Upon default by Customer, Customer agrees to reimburse Kevron, Inc. all attorney fees and court costs incurred by Kevron, Inc. in connection therewith. Customer agrees that any of the following shall constitute an event of default which shall enable Kevron, Inc., at its option, to cancel any unexecuted portion of this order or to exercise any right or remedy which it may have by law. All rights and remedies of Kevron, Inc. herein are in addition to, and shall not exclude, any rights or remedies that Kevron, Inc. may have by law. In the event it becomes necessary to incur any expense for collection of any overdue account, reasonable collection charges, including reasonable attorneys' fees, will be added to the balance due and Customer shall pay all such charges.

1. Customer becomes insolvent or is unable to pay its debts when due
2. Customer files for bankruptcy or is subject of involuntary bankruptcy
3. Customer has a receiver appointed or has its assets assigned,
4. failure of Customer to perform any term or condition contained herein
5. failure of Customer to give required notice
6. the death, incompetence, dissolution or termination of existence of Customer
7. a failure by Customer to provide adequate assurance of performance within ten (10) days after a justified demand by Kevron, Inc.
8. if Kevron, Inc., in good faith, believes that Customer's prospect of performance under this Agreement is impaired.

7. Warranty provisions

a) **Warranty Statements.** Kevron, Inc. limited warranty statements for laser marking systems, Software and Support, as applicable, are contained in their respective sections of these Terms. The limited warranties in these Terms are subject to the terms, limitations, and exclusions contained in the limited warranty statement provided for the Product in the country where that Product is located when the warranty claim is made. A different limited warranty statement may apply and be quoted if the Product is purchased as part of a system.

b) **Transfer.** Warranties are transferable to another party for the remainder of the warranty period subject to Kevron, Inc. license transfer policies and any assignment restrictions.

c) **Delivery Date.** Warranties begin on the date of delivery, or on the date of installation if installed by Kevron, Inc. If Customer schedules or delays such installation by Kevron, Inc. more than thirty (30) days after delivery, Customer's warranty period will begin on the 31st day after delivery.

d) **Exclusions.** Kevron, Inc. is not obligated to provide warranty services or Support for any claims resulting from:

1. improper site preparation, or site or environmental conditions unsuitable for deployment of Kevron, Inc. products;
2. Customer's non-compliance with Specifications or Transaction Documents;
3. improper or inadequate maintenance or calibration;
4. Customer or third-party media, software, interfacing, supplies, or other products;
5. modifications not performed or authorized by Kevron, Inc.;
6. virus, infection, worm or similar malicious code not introduced by Kevron, Inc.; or
7. abuse, negligence, accident, loss or damage in transit, fire or water damage, electrical disturbances, transportation by Customer, or other causes beyond Kevron, Inc.'s control.

e) **Non-Kevron, Inc. Branded Products and Support.** Kevron, Inc. provides third-party products, software, and services that are not Kevron, Inc. Branded "AS IS" without warranties of any kind, although the original manufacturers or third party suppliers of such products, software and services may provide their own warranties. IPG Photonics explicitly warrant their product independently of their integration by Kevron, Inc.

f) **Disclaimer.** THE WARRANTIES AND ANY ASSOCIATED REMEDIES EXPRESSED OR REFERENCED IN THESE TERMS ARE EXCLUSIVE. NO OTHER WARRANTY, WRITTEN OR ORAL, IS EXPRESSED OR IMPLIED BY Kevron, Inc. OR MAY BE INFERRED FROM A COURSE OF DEALING OR USAGE OF TRADE. TO THE EXTENT ALLOWED

BY LOCAL LAW Kevron, Inc. DISCLAIMS ALL IMPLIED WARRANTIES OR CONDITIONS INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT. UNDER NO CIRCUMSTANCES, AND IN NO EVENT, WILL Kevron, Inc. BE LIABLE FOR PERSONAL INJURY OR PROPERTY DAMAGE OR ANY OTHER LOSS, DAMAGE, COST OF REPAIRS OR INCIDENTAL, PUNITIVE, SPECIAL, CONSEQUENTIAL, OR LIQUIDATED DAMAGES OF ANY KIND, WHETHER BASED UPON WARRANTY, CONTRACT, STRICT LIABILITY, NEGLIGENCE OR ANY OTHER CAUSE OF ACTION ARISING IN CONNECTION WITH THE DESIGN, MANUFACTURE, SALE, TRANSPORTATION, INSTALLATION, USE OR REPAIR OF THE PRODUCTS SOLD BY Kevron, Inc. CUSTOMER HEREBY ACKNOWLEDGES AND AGREES THAT UNDER NO CIRCUMSTANCES, AND IN NO EVENT, SHALL Kevron, Inc.'S LIABILITY, IF ANY, EXCEED THE NET SALES PRICE OF THE DEFECTIVE PRODUCT(S); NO ADDITIONAL ALLOWANCE SHALL BE MADE FOR THE LABOR OR EXPENSE OF REPAIRING OR REPLACING DEFECTIVE PRODUCTS OR WORKMANSHIP OR DAMAGE RESULTING FROM THE SAME. EXCEPT AS EXPRESSLY SET FORTH IN THIS PARAGRAPH, ALL PRODUCTS AND/OR SERVICES PROVIDED BY Kevron, Inc. AND ITS EMPLOYEES AND AGENTS ARE PROVIDED "AS IS," "WHERE IS," AND "WITH ALL FAULTS."

8. Recommendations by Kevron, Inc.

a) Customer acknowledges that Kevron, Inc. does not make and specifically negates, renounces and disclaims any representations, warranties and/or guaranties of any kind or character, expressed or implied, with respect the maintenance or other expenses to be incurred in connection with the products. Kevron, Inc. neither assumes, nor authorizes any person to assume for it, any other obligation in connection with the sale of its products and/or rendering of its services. Any recommendations made by Kevron, Inc. concerning the use, design, application or operation of the products shall not be construed as representations or warranties, expressed or implied. Failure by Kevron, Inc. to make recommendations or give advice to Customer shall not impose any liability upon Kevron, Inc.

9. Intellectual property infringement

a) Third-Party Claims. Customer will promptly notify Kevron, Inc. of any claim in writing and cooperate with Kevron, Inc. in the defense of the claim and grant Kevron, Inc. sole control of the defense or settlement of the claim if requested.

b) Remedies. If such a claim appears likely, then Kevron, Inc. may modify the Kevron, Inc. Branded Products or Support, procure any necessary license, or replace the affected item with one that is at least functionally equivalent. If Kevron, Inc. determines that none of these alternatives is reasonably available, then Kevron, Inc. will issue Customer a refund equal

c) the purchase price paid for the affected item if within one year of delivery, or the Customer's net book value thereafter; or

d) if the claim relates to infringing Support, the lesser of twelve (12) months charges for the claimed infringing Support or the amount paid by Customer for that Support.

e) Exclusions. Kevron, Inc. has no obligation for any claim of infringement arising from:

1. Kevron, Inc.'s compliance with Customer or third party designs, specifications, instructions, or technical information;
2. modifications made by Customer or a third party;
3. Customer non-compliance with the Specifications or the Transaction Documents; or
4. Customer use with products, software, or services that are not Kevron, Inc. Branded.

f) Sole and Exclusive. This sub-section states Kevron, Inc.'s entire liability for claims of intellectual property infringement.

10. Intellectual property rights

a) No rights in copyright, patents, trademarks, trade secrets, or other intellectual property are granted by either party to the other except as expressly provided under these Terms. Customer will not register or use any mark or internet domain name that contains Kevron, Inc.'s trademarks or the words "Kevron, Inc.", "Kevron" or "Elite Mark".

11. Restricted use

a) Products, Support, and Deliverables are not specifically designed, manufactured, or intended for use as parts, components, or assemblies for the planning, construction, maintenance, or direct operation of a nuclear facility. Customer is solely liable if Products, Support, or Deliverables purchased by Customer are used for these applications and will indemnify and hold Kevron, Inc. harmless from all loss, damage, expense, or liability in connection with such use.

12. Limitation of liability and remedies

a) Limitation of Liability. Kevron, Inc.'s total aggregate liability is limited to the amount paid by Customer for the Product or Support during the period of a material breach up to a maximum of twelve (12) months that in each case is the subject of the claim.

b) Disclaimer of Consequential Damages. EXCEPT FOR CLAIMS BY A PARTY FOR INFRINGEMENT OF THEIR INTELLECTUAL PROPERTY RIGHTS AGAINST THE OTHER PARTY, IN NO EVENT WILL EITHER PARTY BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL, OR CONSEQUENTIAL COSTS OR DAMAGES INCLUDING, WITHOUT LIMITATION, DOWNTIME COSTS; LOST BUSINESS, REVENUES, OR PROFITS; FAILURE TO REALIZE EXPECTED SAVINGS; LOSS OR UNAVAILABILITY OF OR DAMAGE TO DATA; OR SOFTWARE RESTORATION.

c) Legal Theory. TO THE EXTENT ALLOWED BY LOCAL LAW, THESE LIMITATIONS WILL APPLY REGARDLESS OF THE BASIS OF LIABILITY, INCLUDING NEGLIGENCE, MISREPRESENTATION, BREACH OF ANY KIND, OR ANY OTHER CLAIMS IN CONTRACT, TORT OR OTHERWISE.

13. Indemnification

a) Customer shall at its own expense apply for and obtain any permits and inspections required for the installation and/or use of the products. Kevron, Inc. makes no promise or representation that the products or services will conform to any federal, state or local laws ordinances, regulations, codes or standards, except as particularly specified and agreed upon in writing by an authorized representative of Kevron, Inc. Kevron, Inc. shall not be responsible for any losses or damages sustained by the Customer or any other person as a result of improper installation or misapplication of the products. Customer shall defend, indemnify and hold harmless Kevron, Inc. and its agents and employees against any

loss, damage, claim, suit, liability, judgment or expense (including, without limitation, attorney's fees) arising out of or in connection with any injury, disease or death of persons (including, without limitation, Customer's employees and agents) or damage to or loss of any property or the environment, or violation of any applicable laws or regulations resulting from or in connection with the sale, transportation, installation, use, or repair of the products by Customer or of the information, designs, services or other work supplied to Customer, whether caused by the concurrent and/or contributory negligence of Customer, Kevron, Inc., or any of their agents, employees or suppliers. The obligations, indemnities and covenants contained in this paragraph shall survive the consummation or termination of this transaction.

14. General

- a) Controlling provisions. No terms and conditions other than the terms and conditions contained herein shall be binding upon Kevron, Inc. unless accepted in writing. All terms and conditions contained in any prior oral or written communication, including, without limitation, Customer's purchase order, which are different from or in addition to the terms and conditions herein are hereby rejected and shall not be binding on Kevron, Inc., whether or not they would materially alter this document, and Kevron, Inc. hereby objects thereto. All prior proposals, negotiations and representations, if any, are merged herein. Customer will be deemed to have assented to all terms and conditions contained herein if any part of the goods and/or services described herein are shipped or an invoice is presented in connection with the said goods and/or services.
- b) Severability. These terms and conditions of sale shall not be construed against the party preparing them, but shall be construed as if all parties jointly prepared these terms and conditions of sale and any uncertainty or ambiguity shall not be interpreted against any one party. If any provision hereof is held to be illegal, invalid or unenforceable under any present or future laws, such provision shall be fully severable and the terms and conditions herein shall be construed and enforced as if such illegal, invalid or unenforceable provision had never been made a part hereof. The remaining provisions herein shall remain in full force and effect and shall not be affected by such illegal, invalid or unenforceable provisions or by their severance herefrom.
- c) Non-waiver. Kevron, Inc.'s failure to insist upon the strict performance of any term or condition herein shall not be deemed a waiver or forfeiture of any of Kevron, Inc.'s rights or remedies hereunder, nor of its right to insist upon the strict performance of the same or any other term herein in the future. No waiver of any term or condition hereunder shall be valid unless in writing.
- d) Entire agreement. This document constitutes the entire, complete, and exclusive agreement between the parties with respect to the subject matter hereof and contains all the agreements and conditions of sale; no course of dealing or usage of the trade shall be applicable unless expressly incorporated herein. This agreement supersedes and replaces any previous communications, representation or agreements, or Customer's additional or inconsistent terms, whether oral or written, except those agreed to in valid Transaction Documents. The terms and conditions contained herein may not be added to, modified, superseded or otherwise altered except by a written modification. All transactions shall be governed solely by the terms and conditions contained herein.
- e) Force Majeure. Neither party will be liable for performance delays nor for non-performance due to causes beyond its reasonable control; however, this provision will not apply to Customer's payment obligations.
- f) Governing Law. Disputes or claims arising or raised in the United States will be governed by the laws of the State of Colorado, excluding rules as to choice and conflict of law. All actions, regardless of form, arising out of or related to this transaction or the products sold hereunder must be brought against Kevron, Inc. within the applicable statutory period, but in no event more than one (1) year after the date of invoice.
- g) Notices. All notices that are required under these Terms will be in writing and will be considered effective upon receipt.
- h) Independent Contractor. Kevron, Inc. is an independent contractor in the performance under these Terms and neither Kevron, Inc. nor any Kevron, Inc. personnel are employees or agents of Customer. Nothing in these Terms will be construed as creating a joint venture, partnership or employment relationship between the parties, nor will either party have the right, power or authority to create any obligation or duty, express or implied, on behalf of the other.
- i) Assignment. Customer may not assign, delegate or otherwise transfer all or any part of its rights or obligations under these Terms without prior written consent from Kevron, Inc. Any such attempted assignment, delegation, or transfer will be null and void. Assignments of Kevron, Inc. Software licenses are subject to compliance with Kevron, Inc.'s Software license transfer policies.
- j) Electronic Orders and EDI. Where facilitated under local law, the parties may do business electronically, including order placement and acceptance. Once accepted, such orders will create fully enforceable obligations subject to these Terms. Such orders and acceptances will be deemed for all purposes to be an original signed writing. Customer and Kevron, Inc. will adopt commercially reasonable security measures for password and access protection.
- k) Internal Use. Products and Support acquired by Customer under these Terms are solely for Customer's own internal use and not for resale or sub-licensing.
- l) Export and Import. Customer who exports, re-exports, or imports Products, technology, or technical data purchased hereunder, assumes responsibility for complying with applicable laws and regulations and for obtaining required export and import authorizations. Kevron, Inc. may suspend performance if Customer is in violation of any applicable laws or regulations.
- m) Customer and Kevron, Inc. agree that the United Nations Convention on Contracts for the International Sale of Goods will not apply to these Terms.

Kevron, Inc. Hardware terms

15. Risk of loss

- a) Risk of loss or damage, and title to Hardware, will pass to Customer and acceptance will occur upon delivery to the "ship to" address or, if special shipping arrangements are agreed to, upon delivery to Customer's carrier or designee.

16. Installation

- a) If Kevron, Inc. provides installation services, Customer will make available facilities that meet Kevron, Inc. guidelines that will be provided to Customer upon request. Upon delivery, Customer will place each item of Hardware in its

designated location. Installation is billed as quoted. Installation by Kevron, Inc. is complete when the Hardware passes Kevron, Inc.'s standard installation and test procedures.

17. Trade-in programs

a) Where a trade-in program is agreed with Customer, Customer has the responsibility for risk of loss for trade-in Hardware until receipt by Kevron, Inc. Such items must be returned to Kevron, Inc. as soon as reasonably practicable at Customer's expense free of all liens, claims, or encumbrances, or Customer will repay to Kevron, Inc. the applicable trade-in credit.

18. Hardware limited warranty

a) Kevron, Inc. warrants Kevron, Inc. Branded Hardware against defects in materials and workmanship under normal use during the warranty period and that it will materially conform to its Specifications for the time specified in the applicable Transaction Documents. Kevron, Inc. Branded Hardware may contain used parts that are equivalent to new in performance and reliability and are warranted as new.

19. Operation

a) Kevron, Inc. does not warrant that the operation of Hardware will be uninterrupted or error free, or that Hardware will operate in Hardware and Software combinations other than as expressly required by Kevron, Inc. in the Product Specifications or that Hardware will meet requirements specified by Customer. Customer may only use firmware embedded in the Hardware to enable the Hardware to function in accordance with its Specifications.

20. Exclusive remedies

a) Upon notice of a valid warranty claim during the warranty period and if provided reasonable access to the Kevron, Inc. Branded Hardware, Kevron, Inc. will, at its option, repair a defect in the Kevron, Inc. Branded Hardware, or correct a material non-conformance to Specifications, or replace such Hardware with Hardware of equal or better functional performance. Subject to the terms in Customer's specific Product warranty statement Customer will pay expenses for return of such Hardware to Kevron, Inc. Kevron, Inc. will pay expenses for shipment of repaired or replacement Hardware to Customer. This sub-section states Kevron, Inc.'s entire liability for Hardware warranty claims.

Kevron, Inc. Software license terms

21. License grant

a) Kevron, Inc. grants Customer a non-exclusive, non-transferable license to "Use", in object code form, the Version or Release of the Kevron, Inc. Branded Software delivered from an Kevron, Inc. accepted order. For purposes of these Terms, unless otherwise specified in the Transaction Documents, "Use" means to install, store, load, execute, and display one copy of the Software on one device at a time for Customer's internal business purposes. Customer's Use of such Software is subject to these license terms and the Use restrictions and authorizations for the Software specified by Kevron, Inc. in Transaction Documents that accompany or are otherwise made available to Customer with the Software. In the event of any conflict among such terms, the order of precedence will be the accompanying Transaction Documents then the terms of this section.

22. Third-party software

a) For non-Kevron, Inc. Branded Software, the third party supplier's license terms and use restrictions found in the Transaction Documents that may accompany that Software will solely govern its Use.

23. Ownership

a) This Software License confers no title or ownership and is not a sale of any rights in the software. Third-party suppliers are intended beneficiaries under these Terms and independently may protect their rights in the Software in the event of any infringement. All rights not expressly granted to Customer are reserved solely to Kevron, Inc. or its suppliers.

24. Upgrades

a) Software Versions or maintenance updates, if available, may be ordered separately or may be available through Software Support. Kevron, Inc. reserves the right to require additional licenses and fees for Software Versions or separately purchased maintenance updates or for Use of the Software in conjunction with upgraded Hardware or Software. When Customer obtains a license for a new Software Version, Customer's Software License for the earlier Version shall terminate. Software Versions are subject to the license terms in effect on the date that Kevron, Inc. delivers or makes the Version available to Customer.

25. License restrictions

a) Use Restrictions. Customer may not exceed the number of licenses, agents, tiers, nodes, seats, or other Use restrictions or authorizations agreed to and paid for by Customer. Some Software may require license keys or contain other technical protection measures. Customer acknowledges that Kevron, Inc. may monitor Customer's compliance with Use restrictions and authorizations remotely, or otherwise. If Kevron, Inc. makes a license management program available which records and reports license usage information, Customer agrees to appropriately install, configure and execute such license management program beginning no later than one hundred and eighty (180) days from the date it is made available to Customer and continuing for the period that the software is used.

b) Copy and Adaptation. Unless otherwise permitted by Kevron, Inc., Customer may only make copies or adaptations of the Software for archival purposes or when copying or adaptation is an essential step in the authorized Use of the Software. If Customer makes a copy for backup purposes and installs such copy on a backup device, unless otherwise provided in the Transaction Documents, Customer may not operate such backup installation of the Software without paying an additional license fee, except in cases where the original device becomes inoperable. If a copy is activated on a backup device in response to failure of the original device, the Use on the backup device must be discontinued when the original or replacement device becomes operable. Customer may not copy the Software onto or otherwise Use or make it

available on, to, or through any public or external distributed network. Licenses that allow Use over Customer's intranet require restricted access by authorized users only.

c) Copyright Notice. Customer must reproduce all copyright notices that appear in or on the Software (including documentation) on all permitted copies or adaptations. Copies of documentation are limited to internal use.

d) Designated System. Notwithstanding anything to the contrary herein, the Software License for certain Software, as identified in Transaction Documents, is non-transferable and for use only on a computer system owned, controlled, or operated by or solely on behalf of Customer and may be further identified by Kevron, Inc. by the combination of a unique number and a specific system type ("Designated System") and such license will terminate in the event of a change in either the system number or system type, an unauthorized relocation, or if the Designated System ceases to be within the possession or control of Customer.

e) OS Software. Operating system Software may only be used when operating the associated Hardware in configurations as approved, sold, or subsequently upgraded by Kevron, Inc. or an authorized Kevron, Inc. business partner.

f) Changes. Customer will not modify, reverse engineer, disassemble, decrypt, decompile, or make derivative works of the Software. Where Customer has other rights mandated under statute, Customer will provide Kevron, Inc. with reasonably detailed information regarding any intended modifications, reverse engineering, disassembly, decryption, or decompilation and the purposes therefore.

g) Use for Service Provision. Extending the Use of Software to any person or entity other than Customer as a function of providing services, (i.e.; making the Software available through a commercial timesharing or service bureau) must be authorized in writing by Kevron, Inc. prior to such use and may require additional licenses and fees.

26. License term and termination

a) Unless otherwise specified in a Transaction Document, the Software License granted Customer will be perpetual, provided however that Kevron, Inc. may terminate the Software License upon notice for failure to comply with these Terms. Immediately upon termination of the Software License or upon expiration of any individual limited term license, Customer will destroy the Software and all copies of the Software subject to the termination or expiration or return them to Kevron, Inc. Customer shall remove and destroy or return to Kevron, Inc. any copies of the Software that are merged into adaptations, except for individual pieces of data in Customer's database. At Kevron, Inc.'s request, Customer will certify in writing to Kevron, Inc. that Customer has complied with these requirements.

27. License transfer

a) Customer may not sublicense, assign, transfer, rent, or lease the Software or the Software License to any other party except as permitted in this section. Except as provided above, Kevron, Inc. Branded Software licenses are transferable subject to Kevron, Inc.'s prior written authorization and payment to Kevron, Inc. of any applicable fees or compliance with applicable third party terms. Upon transfer of the Software License Customer's rights under the License will terminate and Customer will immediately deliver the Software and all copies to the transferee. The transferee must agree in writing to the terms of the Software License, and, upon such agreement, the transferee will be considered the "Customer" for purposes of the license terms. Customer may transfer firmware only upon transfer of the associated Hardware.

28. US Federal Government use

a) If the Software is licensed for use in the performance of a U.S. Government prime contract or subcontract, Customer agrees that, consistent with FAR 12.211 and 12.212, commercial computer Software, computer Software documentation and technical data for commercial items are licensed under Kevron, Inc.'s standard commercial license.

29. Compliance

a) Customer agrees that Kevron, Inc. may audit Customer's compliance with the Software License terms. Any such audit would be at Kevron, Inc.'s expense, require reasonable notice, and would be performed during normal business hours. If an audit reveals underpayments then Customer will immediately pay Kevron, Inc. such underpayments together with the costs reasonably incurred by Kevron, Inc. in connection with the audit and seeking compliance with this sub-section.

b) Warranty limitation. Kevron, Inc. does not warrant that the operation of Software will be uninterrupted or error free, or that Software will operate in Hardware and Software combinations other than as expressly required by Kevron, Inc. in the Product Specifications or that Software will meet requirements specified by Customer.

30. Exclusive remedies

a) If notified of a valid warranty claim during the warranty period, Kevron, Inc. will, at its option, correct the warranty defect for Kevron, Inc. Branded Software, or replace such Software. Customer will pay expenses for return of such Software to Kevron, Inc. Kevron, Inc. will pay expenses for shipment of repaired or replacement Software to Customer. This sub-section states Kevron, Inc.'s entire liability for warranty claims.

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