

KODIS GLOBAL SOLUTIONS, INC.
TERMS AND CONDITIONS FOR SERVICES

The following definitions shall be applicable unless KODIS agrees otherwise:

“Contract” means the documents that comprise the agreement between Customer and KODIS for the supply of Services, including these Terms and Conditions and any other document incorporated herein by reference.

“Customer” means the entity that KODIS is providing Services to under the Contract.

“KODIS” means Kodis Global Solutions, Inc., a Michigan corporation.

“Services” means all services that KODIS performs hereunder.

“Site” means any premises, other than KODIS’s facility, where Services are performed.

“Terms and Conditions” means these KODIS Terms and Conditions for Services.

1. Taxes. KODIS’s prices do not include sales, use, excise or similar taxes. Any amount of any such present or future tax shall be paid by the Customer or, in lieu thereof, the Customer shall provide KODIS with a tax exemption certificate acceptable to the taxing authorities.

2. Passage of Title. KODIS is drafting customized software for Customer. Unless otherwise specified in writing, title to the software shall pass to the Customer.

3. Risk of Loss; Force Majeure.

3.1 If inspection Services are to be performed on Customer’s equipment at KODIS’s facility, Customer shall be responsible for transporting the equipment and any related materials to and from KODIS’s facility.

3.2 KODIS shall not be responsible for delivery or failure to deliver thereunder, due to acts of God or Government action (civil or military), or to fire, embargo, strike, wrecks, or delays in transportation, unusually severe weather, or inability to obtain necessary labor or materials from the usual source of supply, or any circumstances beyond our control not hereinabove enumerated which shall prevent KODIS from making deliveries in the normal and usual course of our business. KODIS shall not, however, be relieved from making shipment or the Customer from accepting delivery, when causes interfering with services have been removed.

4. Limited Warranty and Limits of Liability.

4.1 The sole and exclusive warranty which KODIS makes with respect to the processes described and specified herein is that they shall be processed in accordance with KODIS’s standard processing practices, subject to commercial standards and to standard commercial practice. NO IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS

FOR PARTICULAR PURPOSE SHALL APPLY. KODIS's warranty is conditioned upon proper handling, use, and storage and upon the Customer making a written claim for breach of warranty within thirty (30) days (the "Warranty Period").

4.2 The Customer's exclusive remedy for claims arising from defective or nonconforming processing shall be limited to the amounts stated below. KODIS SHALL NOT BE LIABLE FOR ANY LOSSES, DAMAGES OR EXPENSES, WHETHER DIRECT, INDIRECT, SPECIAL, EXEMPLARY, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE (INCLUDING WITHOUT LIMITATION LOSS OF PROFIT OR REVENUE, LOSS OF PRODUCT, LOSS OF USE OF EQUIPMENT, INTERRUPTION OF BUSINESS, COST OF CAPITAL, COST OF COVER, DOWNTIME COSTS, INCREASED OPERATING COSTS, FAILURE TO DETECT ANY FLAW IN THE SUBJECT MATTER OF A TEST, LOSS OF GOODWILL, LOSS OF OPPORTUNITIES, CLAIMS OF CUSTOMER'S CLIENTS FOR SUCH DAMAGES) CAUSED BY OR RESULTING FROM THE USE OF DEFECTIVE OR NONCONFORMING PROCESSES OR FROM DELAY OR FOR ANY OTHER INCIDENTAL OR CONSEQUENTIAL DAMAGES. KODIS'S TOTAL LIABILITY, WHETHER ARISING FROM OR BASED UPON BREACH OF WARRANTY, BREACH OF CONTRACT, TORT, INCLUDING KODIS'S NEGLIGENCE, STRICT LIABILITY, INDEMNITY OR ANY OTHER CAUSE OR BASIS WHATSOEVER, IS EXPRESSLY LIMITED TO THE PROCESSING COST OF THE SERVICES INVOLVED.

4.3 IF SERVICES DO NOT MEET THE ABOVE WARRANTIES, CUSTOMER SHALL PROMPTLY NOTIFY KODIS IN WRITING WITHIN THE WARRANTY PERIOD. KODIS SHALL THEREUPON, AT KODIS'S OPTION, RE-PERFORM THE DEFECTIVE SERVICES. IF IN KODIS'S REASONABLE JUDGMENT THE SERVICES CANNOT BE RE-PERFORMED, KODIS SHALL REFUND OR CREDIT MONIES PAID BY CUSTOMER FOR THAT PORTION OF SERVICES THAT DO NOT MEET THE ABOVE WARRANTIES. NO REPAIR, REPLACEMENT OR REPERFORMANCE BY KODIS HEREUNDER SHALL EXTEND THE WARRANTY PERIOD. THE PARTIES SHALL MUTUALLY AGREE ON THE SPECIFICATIONS OF ANY TEST TO DETERMINE THE PRESENCE OF A DEFECT.

4.4 IF CUSTOMER IS SUPPLYING KODIS'S SERVICES TO A THIRD PARTY, CUSTOMER SHALL REQUIRE THE THIRD PARTY TO AGREE TO BE BOUND BY THIS SECTION 4. IF CUSTOMER DOES NOT OBTAIN THIS AGREEMENT FOR KODIS'S BENEFIT, CUSTOMER SHALL INDEMNIFY, DEFEND AND HOLD KODIS HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS MADE BY THE THIRD PARTY IN EXCESS OF THE LIMITATIONS AND EXCLUSIONS OF THIS ARTICLE, AND SHALL PAY ALL COSTS AND EXPENSES ASSOCIATED THEREWITH, INCLUDING WITHOUT LIMITATION ATTORNEY FEES.

4.5 THE LIMITATIONS AND EXCLUSIONS IN THIS SECTION 4 SHALL APPLY REGARDLESS OF WHETHER A CLAIM IS BASED IN CONTRACT, WARRANTY, INDEMNITY, TORT / EXTRA CONTRACTUAL LIABILITY (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

5. Returned Material Authorization and Packaging. In order to provide accurate traceability of all returned material pursuant to KODIS's Quality Management System, KODIS will accept no returned equipment or related material without a "Returned Authorization Number" obtained from the appropriate KODIS personnel and indicated on the returned shipper. Additionally, for safety reasons, proper packaging equivalent to the original as received package must be maintained to provide necessary security. KODIS will not be responsible receiving and/or damage to any equipment or related material due to improper packaging.

6. Government Requirements. Any provisions required to be included in a contract of this type by an applicable federal, state or local law or ordinance or governmental rule, regulation, or other governmental requirement shall be deemed to be incorporated herein. Customer shall at all times comply with all laws, ordinances and regulations applicable thereto. Without limiting the generality of the foregoing, to the extent that any Services covered by this Contract are supplied by KODIS for use in the performance of any government contract or subcontract, Customer shall comply with all applicable Government Requirements. "Government Requirements" means all applicable present and future federal, state, local and, if applicable, foreign statutes, laws, ordinances, codes, rules, regulations, standards, orders, decrees, mandates, policy statements, guidance documents, interpretations, permits, licenses or other governmental requirements of any kind (including judicial orders, decrees and decisions), and any present or future amendments thereto.

7. Payment. Unless otherwise specifically agreed in writing by KODIS, the total price is due and payable to KODIS, without setoff or other deductions or charges, net thirty (30) days of KODIS's invoice. Payments shall be made at par in legal tender of the United States of America, and directed to the payment address, as specified in KODIS's invoice. Customer shall make such arrangements for payment as KODIS shall from time to time reasonably require and KODIS may suspend scheduling, Services, shipment or delivery of equipment and related material until such arrangements are made. If KODIS reasonably believes that Customer is or may become unable to perform its obligations hereunder, KODIS may require that Customer provide KODIS with security for, or other assurance of performance, in either case acceptable to KODIS. In the event that Customer fails to do so or fails to make payment in full within the time period set forth on the invoice or expressly agreed upon in writing by the parties, such failure will constitute a material breach of contract by Customer permitting KODIS to suspend all or a portion of the Services under the Contract. Customer shall pay to KODIS interest on any unpaid amount at the maximum rate permitted by law or the Prime Rate in effect by Comerica Bank (or any successor institution) on the first day of the month such amounts first become past due plus six percent (6%), whichever is more. KODIS shall have, in addition, all other remedies permitted to KODIS by law, equity, or this Contract. If KODIS takes legal action to collect any amount due hereunder, Customer shall pay all dispute resolution costs, including court costs plus reasonable legal fees incurred by KODIS in bringing such legal action. KODIS shall have the right to set off against any monies due KODIS hereunder any obligations of KODIS or its subsidiaries and affiliates to Customer.

8. Confidentiality.

8.1 In connection with this Contract, KODIS and Customer (as to information disclosed, “Disclosing Party”) may each provide the other party (as to information received, “Receiving Party”) with Confidential Information. “Confidential Information” means (a) all pricing for Services, (b) all terms of the Contract, (c) all information that is designated in writing as “confidential” or “proprietary” by the Disclosing Party at the time of written disclosure, and (d) all information that is orally designated as “confidential” or “proprietary” by the Disclosing Party at the time of oral disclosure and is confirmed to be “confidential” or “proprietary” in writing within ten (10) days after oral disclosure. The obligations of this Section 12 shall not apply as to any portion of the Confidential information that: (i) is or becomes generally available to the public other than from disclosure by the Receiving Party, its representatives or its affiliates; (ii) is or becomes available to the Receiving Party or its representatives or affiliates on a non-confidential basis from a source other than the Disclosing Party when the source is not, to the best of the Receiving Party’s knowledge, subject to a confidentiality obligation to the Disclosing Party; (iii) is independently developed by the Receiving Party, its representatives or affiliates, without reference to the Confidential Information; (iv) is required to be disclosed by law, a valid legal process or a government agency (subject to the requirements of Subsection 12.3); or (v) is approved for disclosure in writing by an authorized representative of the Disclosing Party.

8.2 The Receiving Party agrees: (i) to use the Confidential Information only in connection with the Contract and permitted use(s) and Services; (ii) to take reasonable measures to prevent disclosure of the Confidential Information, except to its employees, agents or financing parties who have a need to know for Customer to perform its obligations under the Contract or to use the Services; and (iii) not to disclose the Confidential Information to a competitor of Disclosing Party. Confidential Information shall not be reproduced without the Disclosing Party’s written consent, and the Receiving Party shall return all copies of Confidential Information to the Disclosing Party upon request, except to the extent that the Contract entitles the Receiving Party to retain the Confidential Information. KODIS may also retain one copy of Customer’s Confidential Information until all its potential liability under the Contract terminates.

8.3 If either party or any of its subsidiaries, affiliates or representatives is required by law, legal process or a government agency to disclose any Confidential Information, that party agrees to provide the Disclosing Party with prompt written notice to permit the Disclosing Party to seek an appropriate protective order or agency decision or to waive compliance by the Receiving Party with the provisions of this Section 8. In the event that efforts to secure confidential treatment are unsuccessful, the Disclosing Party may lawfully revise the Confidential Information to make it nonproprietary or to minimize the loss of its proprietary value.

8.4 Nothing in this Section 8 grants the Receiving Party any license under any invention, patent, trademark or copyright now or later owned or controlled by the Disclosing Party.

8.5 Customer shall not disclose Confidential Information to KODIS unless it is required to do so to enable KODIS to perform Services under the Contract. If Customer does disclose Confidential Information, Customer warrants that it has the right to disclose the information, and Customer shall indemnify and hold KODIS harmless against any claims or damages resulting from improper disclosure by Customer.

8.6 As to any individual item of Confidential Information, the restrictions of this Section 8 shall expire the earlier of five (5) years after the date of disclosure or three (3) years after termination or expiration of the Contract.

8.7 In the event a separate confidentiality or nondisclosure agreement is signed by Customer and KODIS, such confidentiality or nondisclosure agreement shall supersede this Section 8.

9. Termination and Suspension.

9.1 In addition to any other remedies available to KODIS at law or under this Contract, KODIS may terminate all or any portion of any contract with the Customer in the event that:

(i) Customer fails to perform its obligations under or otherwise breaches any provisions of this Contract or any other agreement between the Customer and KODIS;

(ii) Customer ceases to carry on its business substantially as such business is conducted on the date of the Contract between the Customer and KODIS and such change in circumstances modifies KODIS's obligations or impairs either party's ability to discharge its obligations under this Contract;

(iii) Customer institutes or suffers the institution against it of bankruptcy, reorganization, liquidation receivership or similar proceedings;

(iv) Customer generally becomes unable to pay its debts as they become due;

(v) any term, condition or provision of this Contract or any other contract between the Customer and KODIS becomes invalid or illegal under any applicable law, rule or regulation; or

(vi) a Force Majeure event listed in Subsection 3.3 continues for a period of more than thirty (30) days.

9.2 If the Contract (or any portion thereof) is terminated for any reason (other than those set forth in subsections (v) or (vi) of Section 9.1 above), Customer shall pay KODIS all portions of the Contract price allocated to all Services completed or partially completed before the effective date of termination, plus a cancellation charge equal to twenty percent (20%) of the Contract price allocable to the uncompleted Services.

9.3 Customer shall pay any reasonable expenses incurred by KODIS in connection with suspension or termination, including repossession and collection. Performance of KODIS's obligations shall be extended for a period of time reasonably necessary to overcome the effects of any suspension.

10. Waiver or Invalidity. Waiver by KODIS or the Customer of any provision or of the breach of any provision shall not be construed as a waiver of any other provision or of any other breach of that provision or of any other provision. The invalidity of any provision shall not affect the validity of the remaining provisions or of the Contract as a whole.

11. Applicable Law and Jurisdiction. KODIS and the Customer agree that interpretation of and performance under this Contract, as well as all other aspects of the transaction contemplated by these Terms and Conditions or the Contract, shall be governed by the laws of the State of Michigan. KODIS and Customer hereby irrevocably submit to the exclusive jurisdiction and venue of the state courts located in Oakland County, Michigan, and federal courts located in the Eastern District of Michigan in connection with any action relating to these Terms and Conditions or the Contract. The mailing to the last known address of the respective parties of any process by registered mail shall constitute lawful and valid service of process.

12. No Other Terms. Supply of Services is expressly conditioned on Customer's consent to these Terms and Conditions. No other terms or conditions, other than those stated herein, and no agreement or understanding, oral or written, in any way purporting to modify these Terms or Conditions, whether contained in Customer's purchase or shipping release forms, or elsewhere, shall be binding on KODIS unless hereafter made in writing and signed by a duly authorized officer, agent or representative of KODIS. Furthermore, no pre-printed purchase order, acknowledgment or other form purporting to replace these Terms and Conditions shall modify these Terms and Conditions even if signed by an officer, agent or representative of Customer. Any oral or written representation, warranty, course of dealing or trade usage not contained in these Terms and Conditions or the Contract shall not be binding on either party.

13. Miscellaneous.

13.1 The captions to the foregoing clauses are informational only and of no legal force and effect.

13.2 No provision of this Contract may be construed against KODIS as the drafting party. The term "including" means "including without limitation." The term "days" means calendar days unless otherwise expressly stated.

13.3 Customer may not cancel an order once placed with KODIS.

13.4 The Terms and Conditions shall survive the termination or cancellation of the Contract.

Revision Date: April 22, 2015

