



CI - SMB MASTER SALES AGREEMENT

The following terms and conditions govern the SMB Customer Agreement (“Customer Agreement” or “CA”), other agreements as referenced in the SMB Customer Agreement: and the continuing business relationship between the <<CUSTOMER NAME>> (“Customer”) and Carousel Industries of North America, Inc. (“Carousel” or “CI”). All capitalized terms used but not defined herein, shall have the meanings provided in the Customer Agreement.

1. Scope. The terms and conditions set forth herein are applicable to all agreements and transactions between Carousel and Customer, including, without limitation, Carousel provided: (a) equipment, materials, software and other goods (collectively “Products”) and (b) installation services, implementation services, warranty services, maintenance and other related services (collectively, “Services”). The specific Products or Services provided are referenced in the CA.

2. Purchase Price, Taxes, Shipping Charges, Payment Terms & Cutover. The Purchase Price (“Purchase Price”) of Products and Services is set forth in and shall be paid in accordance with the SMB Customer Agreement. The Purchase Price does not include any applicable taxes or shipping charges, and these charges will be added to the invoicing to Customer as appropriate. Undisputed delinquent payments are subject to a late payment charge of the lower of one and one half percent (1.5%) per month or portion thereof, or the maximum amount allowed by law. Customer agrees to reimburse Carousel for reasonable attorneys’ fees and any other costs associated with collecting undisputed delinquent payments. Customer shall pay taxes levied upon the sale, transfer of ownership, installation, license or use of Products or Services unless Customer provides Carousel with a tax exemption certificate. If payment of any portion of the Purchase Price is based upon Cutover, (“Cutover”) defined as the date when the installed Products and Services as provided are operational and able to perform substantially the function for which they are intended, then at that time an invoice will be processed for payment. Minor omissions or substitutions in availability of certain features or equipment failure which do not materially affect the functioning of the entire system will not affect the Cutover date. Upon the Cutover Date, future Products and Services sales between the Customer and Carousel (“Orders”) shall be executed on a Customer Agreement. Each Customer Agreement shall specify the terms of payment, and if none are specified, invoices shall be payable within thirty (30) days from the date of an undisputed invoice.

3. Customer Responsibilities. Customer agrees: (a) to cooperate with Carousel in providing the Products and Services and give Carousel timely access to its premises for pre-installation site surveys, installation of Products and provision of Services at its site(s) where the Products are to be installed (the “Site(s)"); (b) that the Site will be a suitable environment for the Products, in compliance with applicable law and regulations and will include a space for installation of the Products, to be made available prior to delivery thereof; (c) to provide at its own expense all supplemental equipment and environmental services required for the installation and support of the Products, including, but not limited to, air conditioning and commercial electrical power, wiring and outlets and all equipment and software necessary to effectuate an interface between Customer provided equipment and Carousel provided Products and all appropriate access thereto; (d) to assume the risk of loss with respect to the Products at the time of delivery to the Site, except with respect to damage resulting from the negligence or misconduct of Carousel; (e) TO ENSURE THAT ITS NETWORKS AND SYSTEMS ARE ADEQUATELY SECURED AGAINST UNAUTHORIZED INTRUSION; AND (f) TO BACK UP AND STORE THE SOFTWARE, DATA AND FILES ASSOCIATED WITH THE PRODUCTS ON AN ONGOING BASIS AND HAVE THIS INFORMATION READILY AVAILABLE FOR CAROUSEL AS REQUIRED FOR RENDERING THE SERVICES.

4. Carousel Responsibilities. Carousel agrees to (a) cooperate with the Customer in providing the Products and Services; (b) install the Products and perform the Services as referenced in the CA in a workmanlike and commercially reasonable manner, and in accordance with applicable Product manufacturer’s requirements and standards, and (c) provide professional liability insurance in the amount of \$1,000,000 for each wrongful act and \$1,000,000 in the aggregate.

5. Installation Date. Installation of the Products and Services is to occur on the date and time as mutually agreed to by the Customer and Carousel, within ninety (90) days of the execution of the SMB Customer Agreement. If the Site is not ready for the installation within 90 days of the SMB Customer Agreement date, Carousel may (a) request that the Purchase Price be adjusted by mutual agreement, (b) provide the Products and Services at the original Purchase Price, or (c) terminate the SMB Customer Agreement and collect from Customer any restocking charges or other costs incurred by Carousel with respect to Products and Services purchased by Carousel for Customer.

6. Concealment of Wiring and Termination of Carrier Telephone and Data Facilities. Unless otherwise specified on the Schedule A - Item List or Quote, Customer agrees and accepts that any installation of wiring quoted by Carousel is done so under the following terms and assumptions: (a) for horizontal station wiring to telephone sets, computers and other similar end points, wires are to be installed into a standard construction office environment with drop ceilings, fishable or open walls and an average wire run length of no greater than one hundred fifty (150) feet; (b) for vertical wiring and on premise distribution wiring (i.e. feed cables), there is a clear and accessible wire path, with no floors, walls or partitions that cannot be penetrated with the use of a standard hand held one-half inch drill (i.e. no core or hammer drilling is included); (c) for both (a) and (b), the use of standard PVC jacked cable is acceptable by fire code for installation into the Site; (d) if the Site requires “Teflon” or “Plenum” type cable, it is Customer’s responsibility to bring this to Carousel’s attention prior to the start of cabling installation; and (e) regarding telephone lines and trunks, and data/internet circuits provided to the Site by common carriers, all such circuits shall be terminated in the same room and within ten (10) feet of the Product it

will be connected to. If any of the above conditions do not exist in the field, then Carousel will advise the Customer as soon as it becomes aware of such, and renegotiate the pricing of the applicable installation portions of the SMB Customer Agreement.

7. Warranty Support.

(a) **Generally.** Unless (i) otherwise specified on the Schedule A - Item List or Quote, or (ii) the Customer elects to execute a third party Post Warranty Service Agreement, (in which case the third party will provide all warranty and post warranty coverage directly), Carousel warrants that all new products are guaranteed to be as specified by the manufacturer's documentation, and are provided with the manufacturer's standard product warranty, and further, that any workmanship provided by Carousel shall have been done correctly, and in accordance with the recommended practices of the manufacturer of the Products. This will be known as "**Warranty Support**" and the initial time frame of this support will be the "**Warranty Support Period**". If a Product does not operate in accordance with the Documentation during the applicable Warranty Support Period, Customer must promptly notify Carousel. Carousel will then, at its option, will either repair or replace such Product. Purchased or replacement parts and products may be new, remanufactured or refurbished, and Carousel shall use its best efforts to replace parts on a "like for like" basis (i.e. if a failed part is new, it shall be replaced with a new part whenever reasonably possible). Any removed parts and/or Products will become the property of Carousel and any replaced parts shall become the property of the Customer. With respect to Products purchased from Carousel, Customer has the right, as its exclusive remedy, to return the Product for a refund of the purchase price if Carousel is unable to repair or replace the Product after a commercially reasonable period of time. If elected for on the CA, at the end of the Warranty Support Period, post warranty maintenance support services ("**Post Warranty Support Services**") will begin.

(b) **Days and Hours of Warranty Support.** The days and hours of Warranty Support shall be the same as those selected by Customer on Schedule M – Maintenance Listing for Post Warranty Support Services. If Customer has declined Post Warranty Support Services on the CA, then the hours of coverage for Warranty Support shall be 8:00 AM to 5:00 PM in the time zone of the location of covered Products, Monday through Friday, excluding any Carousel observed holidays. Under this default Warranty Support provision, remote alarm monitoring by Carousel is not included. Requests for support outside of the standard coverage hours will be accommodated at Carousel's option and billed at Carousel's then current per incident time and materials rates.

8. Coverage Elements of Warranty Support. Carousel will, as applicable, provide the following types of Warranty Support

(a) **Service Center Assistance.** Carousel will receive and log Customer requests for Support Services assistance through the Carousel Technical Services Organization ("Service Center"). Unless otherwise directed, Customer's may access Carousel's Service Center by calling 800-401-0760.

(b) **Remote Warranty Support.** Remote Warranty Support. For products which allow for remote access, and for which the Customer has provided the required network connectivity, Carousel will troubleshoot and resolve product related problems via telephone interface, remote dial-in connection or data/internet connection.

(c) **Parts Only Replacement Under Warranty.** If a hardware Product fails while under the manufacturer's warranty, Carousel shall use commercially reasonable efforts to promptly provide a replacement part. Replacement Products either will be components from our own stock (for currently inventoried items) or provided by the manufacturer per the terms and conditions of their warranty policy.

(d) **On Site Warranty Support.**

(i) In cases where Carousel can not resolve a support request remotely, by the shipment of replacement Product to the Customer, or where the problem requires our technical organization to address it from at the Customer Site, Warranty Support includes the labor for the dispatch of Carousel's field technicians. Standard Warranty Support labor is provided from 8:00AM–5:00PM in the time zone of the covered Products, excluding Carousel holidays. If the Customer has executed a 24 x 7 Carousel Post Warranty Support Services agreement, then 24 x 7 coverage will also be provided during the Warranty Period.

(ii) **Exclusions and Limitations.** Additional charges will apply if a Carousel field technician is requested by Customer to: (A) wait one (1) or more hours after arriving on-site for equipment to become available for servicing; (B) remain on-site after resolution of a problem in the covered Products; (C) remain on-site outside of coverage hours; (D) provide Standby Service such as, requesting field technicians to be present on the site during electrical power shutdowns, disaster recovery tests, or special events; (E) perform moves, changes, or other activities not covered under the scope of the selected coverage options; or (F) perform any support on Products not covered by the SMB Customer Agreement.

(e) **Added Products.** If Customer subsequently purchases additional products or services ("**Added Products**") from Carousel, then these Added Products shall be extended the same initial Warranty Support, with the same hours of coverage, as the existing Product. If the Customer adds products and services from a third party, and co-locates these third party added products ("**Third Party Added Products**") into or in association with the Products and/or Services provided under this agreement, then these Third Party Added Products will void the Warranty Support, unless certified by Carousel. Carousel will not unreasonably deny certification of Third Party Added Products that are approved products from the manufacturer's perspective. Certification by Carousel will be done on a time and materials basis, and at Carousel's then current rates for such certification.

(f) **Exclusions from Warranty Support.** Warranty Support does not cover: (1) customized system features or reports created by Customer or Third Parties; (2) software or firmware updates to the Products (most updates are **customer installable** as directed by the manufacturer and covered under the manufacturers warranty), or the installation of manufacturer created patches and release updates unless it is to resolve a reported problem and is non-customer installable; (3) any bug fixing or system re-configuration that Carousel must perform to clear a trouble resulting from a Customer related action or activity.

9. Manufacturer Licensing and Warranties. THE WARRANTIES AND WARRANTY SUPPORT OF CAROUSEL HEREUNDER ARE SUBJECT TO OBSERVANCE BY CUSTOMER OF THE TERMS OF THE LICENSES, LICENSE AGREEMENTS, SUPPORT

POLICIES AND WARRANTIES OF THE MANUFACTURER'S OF THE PRODUCTS. SOME PRODUCTS REQUIRE MANUFACTURER SOFTWARE SUPPORT AGREEMENTS, AND CUSTOMER AGREES TO MAINTAIN THIS COVERAGE IN ORDER TO OBTAIN AND FACILITATE WARRANTY SUPPORT FROM CAROUSEL

10. Warranty and Support Services Limitations. (a) EXCEPT AS STATED IN SECTION 7, CAROUSEL, ITS SUBSIDIARIES AND THEIR AFFILIATES and SUBCONTRACTORS, MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND SPECIFICALLY DISCLAIM ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. The warranties provided in Section 7 do not cover repairs damages, malfunctions, or performance characteristics caused by: (i) use of non-Carousel furnished or non-certified equipment or software with the Products, even if installed by Carousel; (ii) actions of non-Carousel personnel; (iii) the installation of software or firmware updates and patches to the Products unless installed by Carousel; or (iv) force majeure conditions as stated in Section 14.

(b) Carousel Support Services are subject to replacement parts availability and active support by the manufacturer of the Products. Certain issues may be irresolvable because the manufacturer no longer supports certain Products, or releases of the Products.

(c) Carousel makes no express or implied warranty that Products are immune from or prevent fraudulent intrusion, unauthorized use or disclosure or loss of proprietary information. Certain features, if purchased, such as Call Recording, Password Reset, Skip Password, Monitor Mailbox and Silent Monitoring when enabled, could be improperly used and in violation of privacy laws. By purchasing Products with these features, Customer assumes all responsibility for assuring their proper and lawful use.

(d) CUSTOMER ACKNOWLEDGES THAT IT IS AWARE OF THESE EXCLUSIONS AND RISKS AND HAS DETERMINED THEY ARE ACCEPTABLE FOR ITS APPLICATION OF THE PRODUCT.

11. Exclusive Remedies and Limitations of Liability. THE ENTIRE LIABILITY OF CAROUSEL AND ITS SUBSIDIARIES, AFFILIATES AND SUBCONTRACTORS, (AND THE DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, REPRESENTATIVES, SUBCONTRACTORS AND SUPPLIERS OF ALL OF THEM) AND CUSTOMER'S EXCLUSIVE REMEDIES FOR ANY DAMAGES CAUSED BY ANY PRODUCT DEFECT OR FAILURE, OR ARISING FROM THE PERFORMANCE OR NON-PERFORMANCE OF ANY WORK OR SERVICE, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT INCLUDING NEGLIGENCE, STRICT LIABILITY OR OTHERWISE SHALL BE: (A) FOR FAILURE OF PRODUCTS DURING THE WARRANTY PERIOD, THE WARRANTIES STATED IN SECTION 8; (B) FOR CAROUSEL'S FAILURE TO PERFORM ANY MATERIAL TERM OF THE SMB CUSTOMER AGREEMENT, CUSTOMER'S SOLE REMEDY SHALL BE TO CANCEL THE SMB CUSTOMER AGREEMENT WITHOUT INCURRING CANCELLATION CHARGES IF CAROUSEL FAILS TO CORRECT SUCH FAILURES WITHIN THIRTY (30) DAYS OF RECEIPT OF CUSTOMER'S WRITTEN NOTICE; (C) FOR DAMAGES TO REAL OR TANGIBLE PERSONAL PROPERTY OR FOR BODILY INJURY OR DEATH TO ANY PERSON FOR WHICH CAROUSEL'S NEGLIGENCE WAS THE PROXIMATE CAUSE, CUSTOMER'S RIGHT TO PROVEN ACTUAL PROPORTIONAL DAMAGES TO PROPERTY OR PERSON; AND (D) FOR CLAIMS OTHER THAN SET FORTH ABOVE, CAROUSEL'S LIABILITY SHALL BE LIMITED TO PROVEN DIRECT DAMAGES IN AN AMOUNT NOT TO EXCEED THE PRICE OF PRODUCTS AND SERVICE GIVING RISE TO THE LIABILITY. CAROUSEL SHALL NOT BE LIABLE FOR: (I) INDIRECT OR INCIDENTAL DAMAGES, AND (II) SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO: LOST PROFITS, SAVINGS OR REVENUES OF ANY KIND, LOST, CORRUPTED, MIS-DIRECTED OR MISAPPROPRIATED DATA OR MESSAGES; AND CHARGES FOR COMMON CARRIER TELECOMMUNICATION SERVICES OR FACILITIES ACCESSED THROUGH OR CONNECTED TO PRODUCTS ("TOLL FRAUD"). CAROUSEL SHALL NOT BE LIABLE FOR THE TYPES OF DAMAGES ENUMERATED IN THE FOREGOING SENTENCE WHETHER OR NOT CAROUSEL HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THIS PARAGRAPH SHALL SURVIVE THE FAILURE OF ANY EXCLUSIVE REMEDY.

12. Termination. If either party fails to perform any material term or condition of the SMB Customer Agreement (e.g., fail to pay any **undisputed** charge when due) and such failure continues for thirty (30) days after receipt of written notice, that party shall be in default and the non-defaulting party may terminate the SMB Customer Agreement and exercise any available rights.

13. Disputes. Any controversy or claim, whether based on contract, tort, strict liability, fraud, misrepresentation, or any other legal theory, related directly or indirectly to the SMB Customer Agreement ("**Dispute**") shall be resolved solely in accordance with the terms of this Section 13. Any Dispute Customer has against Carousel with respect to the SMB Customer Agreement must be brought within two (2) years after the cause of action arises. The SMB Customer Agreement shall be governed by the laws of the State of Rhode Island and interpreted and determined in accordance with the laws of the State of Rhode Island. The parties hereto irrevocably: (a) agree that any suit, action, or other legal proceeding arising out of the SMB Customer Agreement shall be brought exclusively in the courts of record of either the State of Rhode Island or the courts of the United States located in the State of Rhode Island; (b) consent to the jurisdiction of each such court in any such suit, action or proceeding; and (c) waive any objection which it may have to the laying of venue of such suit, action or proceeding in any of such courts.

14. Force Majeure. Both Carousel and Customer shall have no liability for delays, failure in performance or damages due to: fire, explosion, power failures, pest damages, lightning or power surges, strikes or labor disputes, water, acts of God, the elements, war, civil disturbances, acts of civil or military authorities or the public enemy, inability to secure raw materials, transportation facilities, fuel or energy shortages, quality, performance or unavailability of communications services or network facilities, the proper environmental conditions for the installation of products, unauthorized or illegal use of the Products, or other causes beyond their control whether or not similar to the foregoing.

15 General. Any supplement, modification or waiver of any provision of the SMB Customer Agreement must be in writing and signed by authorized representatives of both parties. If either party fails to enforce any right or remedy available under the SMB Customer Agreement, that failure shall not be construed as a waiver of any right or remedy with respect to any other breach or failure by the other party. The SMB Customer Agreement and any exhibits and schedules referenced therein, or attached thereto, constitute the entire agreement between the parties with respect to the Products and Services provided hereunder and supersede all prior agreements, proposals, and communications between the parties and understandings, whether written or oral.