



PURCHASE ORDER TERMS AND CONDITIONS
(P.O. T&Cs v15-Aug-2014)

This Purchase Order Terms and Conditions ("Agreement") is made and entered into as of the date indicated on the first page of the this Purchase Order, as indicated above ("Effective Date"), by and between Core Security SDI Corporation, a Delaware corporation, having principal offices at 1000 Holcomb Woods Parkway, Roswell, GA 30076 ("Buyer") and the company identified on the first page of Purchase Order above, ("Vendor"), which incorporates this Agreement by reference and is signed by duly authorized representatives of Vendor and Core (Core and Vendor may be collectively be referred to as "Parties" and/or individually as "Party").

NOW, THEREFORE, in consideration of the promises and covenants contained herein the Parties agree as of the Effective Date to the following:

1. Acceptance of Purchase Order. Agreement by Vendor to furnish the software products goods and/or services hereby ordered, or its commencement of such performance, or acceptance of any payment, shall constitute acceptance by Vendor of this Purchase Order subject to the terms and conditions of this Agreement. In the event that this Purchase Order does not state price or delivery, Buyer will not be bound to any prices or delivery to which it has not specifically agreed in writing. Any terms or conditions proposed by Vendor inconsistent with or in addition to the terms and conditions of purchase herein contained shall be void and of no effect unless specifically agreed to by an authorized representative of Buyer, in writing specifically excluding electronic mail. Modifications hereto or additions hereto, to be effective, must be made in writing and be signed by Buyer's authorized representative. These terms and conditions, together with any referenced exhibits, attachments or other documents, constitute the entire agreement between the parties with respect to the subject matter of this Purchase Order; and supersede any prior or contemporaneous written or oral agreements pertaining thereto.

2. Shipping Instructions. (i) Vendor shall be responsible for ensuring the proper packaging of materials hereunder. No charges will be allowed for packing, crating, freight, local cartage, and/or any other services unless so specified in this Purchase Order. (ii) Vendor shall at all times comply with Buyer's written shipping instructions. Unless otherwise directed, all items shipped on the same day from and to a single location must be consolidated on one bill of lading or airbill, as appropriate. Vendor shall submit all required shipping papers to Buyer prior to final payment. For material purchased F.O.B. destination (Commonwealth of Massachusetts), the Vendor shall not insure and not declare a value except when transportation rates are based on "released value," in which instance the Vendor shall annotate on the bill of lading the lowest released value provided in applicable tariffs. (iii) Purchase Order number(s) must appear on all correspondence, shipping labels, and shipping documents, including all packing sheets, bills of lading, airbills, and invoices.

3. Delivery; Notice of Delay. (i) "Time is of the Essence" and failure to deliver in accordance with the delivery schedule under this Purchase Order, if unexcused, shall be considered a material breach of this Purchase Order. No acts of Buyer, including without limitation modifications of this Purchase Order or acceptance of late deliveries, shall constitute waiver of this provision. Buyer also reserves the right to refuse or return at Vendor's risk and expense shipments made in excess of Buyer's orders or in advance of required schedules, or to defer payment on advance deliveries until scheduled delivery dates. (ii) Vendor shall notify Buyer in writing immediately of any actual or potential delay to the performance of this Purchase Order. Such notice shall include a proposed revised schedule but such notice and proposal or Buyer's receipt or acceptance thereof shall not constitute a waiver to Buyer's rights and remedies hereunder.

4. Inspection. (i) All material and workmanship shall be subject to inspection and test at all reasonable times and places by Buyer or Buyer's customer before, during and after performance and delivery. The Buyer may require Vendor to repair, replace or reimburse the purchase price of rejected material or Buyer may accept any materials and upon discovery of nonconformance, may reject or keep and rework any such materials not so conforming. Cost of repair, rework, replacement, inspection, transportation, repackaging, and/or reinspection by Buyer shall be at Vendor's expense. (ii) If inspection and test are made on the premises of Vendor or Vendor's lower tier subcontractors, Vendor shall furnish without additional charge all reasonable facilities, information and assistance

necessary for the safe and convenient inspection and tests required by the inspectors in the performance of their duty. The foregoing provisions of this Article are supplementary to and not in lieu of the provisions of Section 4, "Inspection" (a) above. (iii) Buyer's failure to inspect does not relieve Vendor of any responsibility to perform according to the terms of the Purchase Order.

5. Warranty. (i) Vendor warrants the materials delivered pursuant to this Purchase Order shall be new, free from defects in workmanship, materials, and design and to be in accordance with all the requirements of this Purchase Order. Vendor further warrants that the performance of work and services pursuant to the requirements of this Purchase Order shall conform to high professional standards. These warranties shall survive final acceptance and payment. (ii) This warranty entitlement shall inure to the benefit of both Buyer and Buyer's customers. As used in this Purchase Order, Buyer's customer(s) shall include its direct and indirect customers such as direct sale end-users, higher tier subcontractors, prime contractors and the ultimate user under relevant prime contract(s). (iii) Vendor shall be liable for and save Buyer harmless from any loss, damage, or expense whatsoever that Buyer may suffer from breach of any of these warranties. Remedies shall be at Buyer's election, including repair, replacement or reimbursement of the purchase price of nonconforming materials and, in the case of services either correction of the defective services at no cost or reimbursement of the amounts paid for such services.

6. License. Unless specified otherwise on the first page of this Purchase Order with respect to all software provided hereunder to Core by Vendor, Vendor hereby grants to Core a nonexclusive, transferable, royalty-free, perpetual, worldwide, fully-paid up license to (i) use, distribute, modify and/or create derivative works of the software in object-code/executable form or otherwise for the Core's internal, external and commercial business needs; and (ii) make a commercially reasonable number of copies of the software in object-code/executable form only, for nonproductive backup purposes.

7. Proprietary Rights. (i) Unless otherwise expressly agreed in writing to the contrary, all specifications, information, data, drawings, software and other items supplied to Buyer by Vendor shall be disclosed to Buyer on a nonproprietary basis and may be used and/or disclosed by Buyer without restriction, unless: (1) otherwise required by the U.S. Government Regulations referred to below; or (2) a duly authorized representative of Buyer has signed a separate written agreement (specifically excluding any clickwrap, clickthrough, shrinkwrap, or webwrap agreements) restricting the use and disclosure of such information, data, software and the like. (ii) Unless otherwise expressly agreed in writing to the contrary and subject to Section 7, "Proprietary Rights" (iv) below, all specifications, information, data, drawings, software and other items which are: (1) supplied to Vendor by Buyer; or (2) obtained or developed by Vendor in the performance of this Purchase Order or paid for by Buyer shall be proprietary to Buyer, shall be used only for purposes of providing goods or services to Buyer pursuant to this Purchase Order, and shall not be disclosed to any third party without Buyer's express written consent. All such items supplied by Buyer or obtained by Vendor in performance of this Purchase Order or paid for by Buyer shall be promptly provided to Buyer on request or upon completion of this Purchase Order. (iii) Unless otherwise expressly agreed in writing to the contrary and subject to Section 7, "Proprietary Rights" (iv) below, any invention or intellectual property first made or conceived by Vendor in the performance of this Purchase Order or which is derived from or based on the use of information supplied by Buyer shall be considered to be the property of Buyer; and Vendor shall execute such documents



necessary to perfect Buyer's title thereto. Unless otherwise expressly agreed in writing to the contrary and subject to Section 7, "Proprietary Rights" (iv) below, any work performed pursuant to this Purchase Order which includes any copyright interest shall be considered a "work made for hire". (iv) Applicable Government Procurement Regulations incorporated into this Purchase Order shall, when applicable, take precedence over any conflicting provision of this Section 7, "Proprietary Rights" to the extent that such Regulations so require. The incorporation by reference of such U.S. Government Regulations dealing with subcontractors rights in technical data, subject inventions, copyrights, software and similar intellectual property are not intended to, and shall not, unless otherwise required by applicable law, obviate or modify any greater rights which Vendor may have previously granted to Buyer pursuant to prior agreements between the parties.

8. Buyer's Property. (i) All drawings, tools, jigs, dies, fixtures, materials, and other items supplied or paid for by Buyer shall be and remain the property of Buyer; and Buyer shall have the right to enter Vendor's premises and remove any such property at any time without being liable for trespass or damages of any sort. (ii) All such items shall be used only in the performance of work under this Purchase Order unless Buyer consents otherwise in writing. (iii) Material made in accordance with Buyer's specifications and drawings shall not be furnished or quoted by Vendor to any other person or concern without Buyer's prior written consent. (iv) Vendor shall have the obligation to maintain any and all property furnished by Buyer to Vendor and shall be responsible for all loss or damage to said property except for normal wear and tear.

9. Release of Information. Vendor shall not publish, distribute, or use any information developed under or about the existence of this Purchase Order, or use the Core Corporation name or the name of any division, affiliate or subsidiary thereof, logo, trademark, service mark, or trade dress for the purpose of advertising, making a news release, creating a business reference, creating a website content or for products or service endorsement without prior written approval of Buyer.

10. Termination for Convenience. (i) Buyer may, by notice in writing, terminate this Purchase Order or work under this Purchase Order for convenience and without cause, in whole or in part, at any time, and such termination shall not constitute default. In the event of partial termination, Vendor is not excused from performance of the non-terminated balance of work under the Purchase Order. (ii) In the event of termination for convenience by Buyer, Vendor shall be reimbursed for actual, reasonable, substantiated and allowable costs, plus a reasonable profit for work performed to date of termination. Buyer may take immediate possession of all work so performed upon written notice of termination to Vendor. (iii) Vendor's obligations, including but not limited to obligations under the warranty, proprietary rights, infringement, and indemnity against claims provisions of this Purchase Order, shall survive such termination.

11. Termination for Default. (i) Buyer may, by notice in writing, terminate this Purchase Order in whole or in part at any time for breach of any one or more of its terms, for failure to make progress so as to endanger performance of this Purchase Order, or failure to provide adequate assurance of future performance. In the event of partial termination, Vendor is not excused from performance of the non-terminated balance of work under the Purchase Order. (ii) In the event of Vendor's default hereunder, the Buyer may exercise any or all rights accruing to it, both at law, including without limitation, those set forth in Article 2 of the Uniform Commercial Code, or in equity. (iii) Vendor's obligations, including but not limited to obligations under the warranty, proprietary rights, infringement, and indemnity against claims provisions of this Purchase Order, shall survive such termination.

12. Order of Precedence. (i) In the event of any inconsistency or conflict between or among the provisions of this Purchase Order, such inconsistency or conflict shall, subject to Section 7, "Proprietary Rights" (iv) above, be resolved by the following descending order of preference: (1) order-specific provisions which are typed or handwritten on the Purchase Order as additions to the pre-printed terms; (2) documents incorporated by reference on the face page(s) of this

Purchase Order; (3) these Purchase Order Terms and Conditions and Supplements thereto; (4) statement of work; and (5) specifications attached hereto or incorporated by reference. Buyer's specifications shall prevail over those of the United States Government, and both of the foregoing shall prevail over specifications of Vendor. (ii) In the event of conflict between specifications, drawings, samples, designated type, part number, or catalog description, the specifications shall govern over drawings, drawings over samples, whether or not approved by Buyer, and samples over designated type, part number, or catalog description. In cases of ambiguity in the specifications, drawings, or other requirements of this Purchase Order, Vendor must, before proceeding, consult Buyer, whose written interpretation shall be final.

13. Changes. (i) Buyer shall have the right by written order to suspend work or to make changes from time to time in the services to be rendered or the materials to be furnished by Vendor hereunder or the delivery date. If such suspension or changes cause an increase or decrease in the cost of performance of this Purchase Order or in the time required for its performance, an equitable adjustment shall be negotiated promptly and the Purchase Order shall be modified in writing accordingly. Any claim by Vendor for adjustment under this Section 13, "Changes," (i) must be asserted in writing within twenty (20) days from the date of receipt by Vendor of notification of the change or suspension and shall be followed as soon as practicable with specification of the amount claimed and supporting cost figures. However, nothing herein shall excuse the Vendor from proceeding with this Purchase Order as changed pending resolution of the claim. (ii) Information, advice, approvals or instructions given by Buyer's technical personnel or other representatives shall be deemed expressions of personal opinion only and shall not affect Buyer's and Vendor's rights and obligations hereunder unless set forth in a writing which is signed by Buyer's purchasing representative and which states it constitutes an amendment or change to this Purchase Order.

14. Infringement. Vendor warrants that all software, goods, products, work, materials, services, equipment, parts and other items provided by Vendor pursuant to this Purchase Order, which are not of Buyer's design, shall be free from claims of infringement (including misappropriation) of third party intellectual property rights and that any use or sale of such items by Buyer or any of Buyer's customers shall be free from any claims of infringement. Vendor shall indemnify and hold Buyer and its customers harmless from any and all expenses, liability, and loss of any kind (including all costs and expenses including attorneys' fees) arising out of claims, suits, or actions alleging such infringement, which claims, suits, or actions Vendor, hereby, agrees to defend, at Vendor's expense, if requested to do so by Buyer. Vendor may replace or modify infringing items with comparable goods acceptable to Buyer of substantially the same form, fit, and function so as to remove the source of infringement, and Vendor's obligations under this Purchase Order including those contained in Section 5 and in this Section 14, "Infringement" shall apply to the replacement and modified items. If the use or sale of any of the above items is enjoined as a result of such claim, suit or action, Vendor, at no expense to Buyer, shall obtain for Buyer and its customers the right to use and sell said item.

15. Taxes. Unless this Purchase Order specifies otherwise, the price of this Purchase Order includes, and Vendor is liable for and shall pay, all taxes, impositions, charges and exactions imposed on or measured by this Purchase Order except for applicable sales and use taxes that are separately stated on Vendor's invoice. Prices shall not include any taxes, impositions, charges or exactions for which Buyer has furnished a valid exemption certificate or other evidence of exemption. To the extent that Buyer is required to do so under applicable United States law or tax regulations, Buyer may deduct from any payments due to Vendor pursuant to this Purchase Order such taxes as Buyer is required to withhold from such payments and pay such taxes to the relevant tax authorities; provided, however, that Buyer provides Vendor with relevant tax receipts or other suitable documentation evidencing the payment of such taxes promptly after such taxes are paid.

16. Assignments. (i) Vendor may not assign any rights or delegate any of its obligations due or to become due under this Purchase Order without the prior written consent of Buyer. Any purported assignment or delegation by Vendor



without such consent shall be void. Buyer may assign this Purchase Order to: (1) any affiliated company; (2) any successor in interest; or (3) Buyer's customer. Buyer shall have the right at any time to set off any amount owing from Vendor to Buyer or Buyer's subsidiaries and/or affiliates against any amount due and owing to Vendor or any of its subsidiaries and/or affiliates pursuant to this Purchase Order or any other contractual agreement between Buyer and Vendor or their respective subsidiaries and/or affiliates. (ii) Vendor shall promptly notify the Buyer in writing in advance of any organizational changes planned by Vendor, including name or ownership changes, mergers or acquisitions.

17. Compliance with Law. (i) Vendor warrants that the materials to be furnished and the services to be rendered under this Purchase Order shall be manufactured, sold, used and rendered in compliance with all relevant federal, state, local law, orders, rules, ordinances, and regulations and in compliance with applicable international prohibitions on child labor. Vendor certifies that with respect to the production of the articles and/or the performance of the services covered by this Purchase Order, it has fully complied with Sections 6, 7, 12, and 15 of the Fair Labor Standards Act of 1938, as amended, and of regulations and orders of the United States Department of Labor under Section 14 thereof, if applicable. (ii) Vendor warrants that all equipment and materials delivered under this Purchase Order are in conformance with the latest OSHA requirements. (iii) The Vendor warrants that in the performance of this Purchase Order, it will comply with all applicable U. S. Department of Transportation regulations on hazardous materials and any other pertinent federal, state, or local statutes, laws, rules, or regulations; and Vendor further agrees to save Buyer harmless from any loss, damage, fine, penalty, or expense whatsoever that Buyer may suffer as a result of Vendor's failure to comply with this warranty. The foregoing is in addition to and not in mitigation of any other requirements of this Purchase Order (iv) Vendor warrants that it has complied with the Anti-Kickback Act of 1986 and has not offered or given and will not offer or give to any employee, agent, or representative of Buyer any gratuity or any kickback within the meaning of the Anti-Kickback Act of 1986. Any breach of this warranty shall be a material breach of each and every contract between Buyer and Vendor. (v) For orders placed in support of and charged to a U.S. Government Prime Contract or subcontract thereunder procuring an item meeting the Federal Acquisition Regulation (FAR) definition of a commercial item, the following clauses set forth in the FAR or the Defense Federal Acquisition Regulation Supplement (DFARS) in effect as of the date of said prime contract are incorporated herein by reference. In all clauses listed herein the terms "Government" and "Contractor" shall be revised to identify properly the contracting parties under this Purchase Order. The Vendor shall include the terms of this Article, including this Section 17, "Compliance with Law" (v) in all purchase orders or subcontracts awarded under this Purchase Order.

18. Disputes. (i) Any controversy or claim that may arise out of or in connection with this Purchase Order that after good faith negotiations cannot be

resolved to both Parties mutual satisfaction may be resolved by submitting the claim to a court of competent jurisdiction. (ii) Pending resolution or settlement of any dispute arising under this Purchase Order, Vendor will proceed diligently as directed by Buyer with the performance of this Purchase Order. Irrespective of the place of performance, this Purchase Order will be construed and interpreted according to the laws of the State of Massachusetts, without resort to said State's Conflicts of Law Rules. Neither Party shall be deemed the drafter of this Agreement. Both Parties hereto specifically acknowledge they have had the option to seek the advice of counsel, of their own choosing, prior to entering into this Agreement.

19. Waiver. Except as otherwise provided herein, the rights and remedies of both parties hereunder shall be in addition to their rights and remedies at law or in equity. Failure of either party to enforce any of its rights shall not constitute a waiver of such rights or of any other rights and shall not be construed as a waiver or relinquishment of any such provisions, rights or remedies; rather, the same shall remain in full force and effect.

20. Massachusetts Information Security Regulations. The Massachusetts Information Security Regulations, 201 Code of Mass. Regs. 16.00 et seq. (the "IS Regulations") mandate procedures to safeguard "Personal Information," as defined in the IS Regulations, of Massachusetts residents. Because Vendor may have access to the Personal Information of Core's employees, contractors, business associates, or customers who are Massachusetts residents ("Protected Information"), the IS Regulations require Vendor to certify compliance with the IS Regulations. Accordingly, Vendor hereby agrees that, as long as it has access to or maintains copies of Protected Information it will: (i) comply with the IS Regulations with respect to the Protected Information; (ii) promptly notify Core of any suspected or actual data breach involving Protected Information; and (iii) cooperate with Core to investigate and remediate any suspected or actual data breach involving Protected Information.

21. Force Majeure. Except for defaults of Vendor's subcontractors at any tier, neither Buyer nor Vendor shall be liable for any failure to perform due to any cause beyond their reasonable control and without their fault or negligence. Such causes include, but are not limited to, acts of God or of the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, terrorism, quarantine restrictions, strikes, freight embargoes, and unusually severe weather. In the event that performance of this Purchase Order is hindered, delayed or adversely affected by causes of the type described above ("Force Majeure"), then the party whose performance is so affected shall so notify the other party's authorized representative in writing and, at Buyer's option, this Purchase Order shall be completed with such adjustments as are reasonably required by the existence of Force Majeure or this Purchase Order may be terminated for convenience.

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