Visiontech FACES2 ID Authenticator Terms and Conditions

This Customer License and Use Agreement (the "Agreement") is a legal agreement made between Visiontech Consulting Inc. ("Visiontech") and you, an entity that has submitted an Order for Products for its internal use ("Customer"). This Agreement consists of the terms and conditions set forth below, and the Order signed by the Parties, incorporated herein by reference. Visiontech and Customer may also be referred to individually as "Party" or collectively as the "Parties" throughout this Agreement.

1. DEFINITIONS.

"Confidential Information" has the meaning described in s. 9.

"<u>Documentation</u>" means the technical documentation and specifications applicable to any given Product created and published by Visiontech.

"<u>Hardware</u>" means the FACES2 ID Authenticator branded hardware appliance(s) on which the Software is installed.

"Intellectual Property Rights" means any and all registered and unregistered rights granted, applied for, or otherwise now or hereafter in existence under or related to any patent, copyright, trademark, trade secret, database protection, or other intellectual property rights laws, and all similar or equivalent rights or forms of protection, in any part of the world.

"Order" means the Customer Order issued by Visiontech that refers to this Agreement, and that describes in greater detail Customer's order-specific information, including, quantity, charges, billing information, pricing, payment, shipping information and the Products, License, and Support.

"<u>Personal Information</u>" means information about an identifiable individual.

"Privacy Laws" means the Personal information Protection and Electronic Documents Act (Canada) and any comparable law of any Canadian province, including all regulations promulgated thereunder, in each case as amended, supplemented, or replaced from time to time.

"Product" means the Software and any Hardware that Customer has ordered, and Visiontech has agreed to provide, as indicated on the applicable Order.

"Software" means the proprietary FACES2 ID Authenticator software developed and owned by Visiontech, made available to Customer, as more fully described within the Documentation, as well as any modifications, error corrections, bug fixes, or other updates thereto. "Software" also includes the proprietary Documentation developed by Visiontech.

"Support" means any Product support, including installation services, provided by Visiontech.

2. GRANT OF LICENSE.

License. Provided Customer is in compliance with the terms and conditions provided herein, including payment of applicable fees as set out in the Order Form (the "License Fees"), Visiontech hereby grants Customer a limited, worldwide, nonexclusive, nontransferable, non-sublicensable limited license during the Term to use the Product and any Documentation, solely for Customer's internal business operations (the "License").

No Implied Rights. Except for the limited rights and the License expressly granted under this Agreement, nothing in this Agreement grants, by implication, waiver, estoppel, or otherwise, to Customer or any third party any Intellectual Property Rights or license, nor other right, title, or interest in or to the Software, Hardware or Documentation, and Visiontech's Confidential Information.

3. USE RESTRICTIONS.

Customer may not, directly or indirectly (i) reverse decipher, decompile, engineer, modify disassemble the Software or the Hardware or otherwise attempt to derive the source code of the Software (except as authorized by law), (ii) extract the Software from the Hardware, (iii) incorporate the Software in whole or in part in any other software or product, (iv) modify the Software, develop derivative works of the Software or allow others to do so, or (v) attempt to do any of the foregoing, without the express prior written consent of Visiontech. If Customer makes any modifications to the Software, including any derivative works, Visiontech shall own such modifications. Except as expressly provided herein, Customer may not, directly or indirectly, reproduce the Software or remove any copyright, trademark, proprietary rights, disclaimer or warning



notices placed on, included in or embedded in any part of the Hardware or the Software. Customer will not, directly or indirectly, disclose the results of any benchmark, functionality or performance tests run on the Software to any competitors of Visiontech. Customer represents and warrants that its use of the Products does not conflict with any agreement or understanding to which Customer may be bound including, without limitation, any third party Intellectual Property Rights. Customer shall not use the Hardware or Software in any manner that violates any law or regulation to which the Customer or Visiontech is subject.

4. INTELLECTUAL PROPERTY OWNERSHIP.

Intellectual Property Rights. Customer acknowledges and agrees that the Products and Documentation are provided under licence, and not sold, to Customer. Customer does not acquire any ownership interest in the Software, Hardware or Documentation under this Agreement, or any other rights thereto, other than to use the same in accordance with the licence granted and subject to all terms, conditions, and restrictions under this Agreement. Visiontech reserves and shall retain its entire right, title, and interest in and to the Software and all Intellectual Property Rights arising out of or relating to the Software, except as expressly granted to the Customer in this Agreement. Customer shall use commercially reasonable efforts to safeguard all Software (including all copies thereof) from infringement, misappropriation, theft, misuse, or unauthorized access. Customer shall promptly notify Visiontech if Customer becomes aware of any infringement of the Visiontech's Intellectual Property Rights in the Hardware, Software and/or Documentation and fully cooperate with Visiontech in any legal action taken by Visiontech to enforce its Intellectual Property Rights.

5. DATA PRIVACY AND PROTECTION.

Compliance with Laws. Customer is responsible for the configuration and use of the Products, and for ensuring that Customer's use of the Product is in compliance with all applicable Privacy Laws.

Consent of End Users. Customer is responsible for obtaining any required consent from end users of the Product with respect to the use of the Product by the Customer, and with respect to the collection, use and

disclosure of Personal Information, in accordance with applicable Privacy Laws.

Service Provider. Customer acknowledges and agrees that Customer is independently accountable for and in control of the Personal Information that Customer collects, uses, discloses, receives, or otherwise processes in connection with use of the Product and that Visiontech acts as a service provider to Customer, within the meaning of Privacy Laws. Any collection, use or disclosure of Personal Information by Visiontech is on behalf of Customer, upon Customer's instruction.

6. LIMITED WARRANTIES.

Software Warranty. Visiontech warrants to Customer that for a period of one (1) year from the date on which it is first made available to the Customer for use, the Software will perform substantially in accordance with the accompanying Documentation, provided that such Software is used by Customer in accordance with such Documentation and this Agreement. Visiontech further represents and warrants that as of the date on which is it first made available to Customer for use, the Software will not contain any viruses, software traps, worms, trap doors, back doors, Trojan horses, or other similar malicious, disruptive or corrupting program code, programming instruction, or software, or similar items. This warranty shall not apply if the failure of the Software is attributed to Customer's failure to apply any updates, upgrades, or any other action or instruction recommended in writing by Visiontech.

Hardware Warranty. Visiontech warrants to Customer that for a period of ninety (90) days from the date the Product is shipped, the Hardware (i) will be free from material defects in materials and workmanship and (ii) will perform in material conformity with the functions described in the accompanying Documentation, provided that such Hardware is used by Customer in accordance with such Documentation and this Agreement.

Warranty Remedies. If, during the periods specified in Section 6.1 and 6.2, any Software or Hardware covered by the warranty set forth in such Section fails to perform substantially in accordance with the Documentation, and such failure is not excluded from warranty under Section 6.4, Visiontech will, subject to Customer's promptly notifying Visiontech in writing of such failure, at its sole option, either:

(a) repair or replace the Software and/or Hardware, provided that Customer provides



Visiontech with all information Visiontech requests to resolve the reported failure, including sufficient information to enable the Visiontech to recreate such failure; or

(b) refund the Licence Fees (or other fees) paid for such Software and/or Hardware, subject to Customer's ceasing all use of and, if requested by Visiontech, returning to Visiontech all copies of the Software and/or the Hardware.

If Visiontech repairs or replaces the Software and/or Hardware, the warranty will continue to run from the initial date specified on the Order Form and not from Customer's receipt of the repair or replacement. The remedies set forth in this Section are Customer's sole remedies and Visiontech's sole liability under the limited warranty in Section 6.1 and 6.2.

Warranty Exclusions. The warranties set forth in this Section are void if failure of the Products is a result of (i) any alteration or modifications to the Products, except by Visiontech or a third party acting on Visiontech's behalf; (ii) installation, operation, repair, or maintenance of the Products not in accordance with the Documentation; and (iii) abnormal physical, electrical or environmental conditions, accident, abuse, or misuse.

Exclusive Warranties. TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE WARRANTIES STATED ABOVE ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES AND CONDITIONS, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT, FITNESS FOR A PARTICULAR PURPOSE, LOSS OF USE, LOST DATA OR QUALITY OF SERVICE. NO WARRANTIES SHALL ARISE UNDER THIS AGREEMENT FROM COURSE OF DEALING OR USAGE OF TRADE. Visiontech does not warrant that Customer's use of the Hardware or the Software will be uninterrupted or error-free. Customer agrees that Customer has not relied on the future availability of any products or services in entering into this Agreement.

No Returns, Exchanges, Refunds or Credits. Except for returns permitted in accordance with Section 6.3, Visiontech shall not accept any returns or exchanges of Products once the Products have been shipped and/or made available for use. Further, other than as explicitly set forth herein, Visiontech shall have no

obligation to provide Customer any refund or credit with regard to an Order.

7. INDEMNITY.

General Indemnification. Each Party shall indemnify, defend and hold the other Party harmless from the associated costs and fees (including reasonable attorneys' fees and expenses) finally awarded by a court of competent jurisdiction or agreed to in settlement or compromise, to the extent that such fees and costs arise from a third party claim, proceeding or suit which is based on the gross negligence or willful misconduct of its employees or agents, that directly causes damage or bodily injury to persons or property, real or tangible, and such damage or bodily injury directly arises out of performance of this Agreement.

IP Indemnification. Visiontech agrees to, and shall indemnify, defend and hold Customer harmless from the associated costs and fees (including reasonable attorneys' fees and expenses) finally awarded by a court of competent jurisdiction or agreed to in settlement or compromise, to the extent that such fees and costs arise from a third party claim, proceeding or suit alleging that the Products, or portion thereof, provided to Customer pursuant to this Agreement infringes a third party patent, copyright or trade secret that is protected under the applicable jurisdiction in which the Products are being used.

Procedure. A Party's ("Indemnifying Party") indemnification obligations shall be conditioned upon the other Party ("Indemnified Party") promptly notifying Indemnifying Party of any indemnification claim under this Section (a "Claim") and permitting Indemnifying Party to assume full control over the defense and settlement of such Claim; provided however, that: (i) Indemnifying Party shall keep Indemnified Party informed of, and consult with Indemnified Party in connection with the progress of such litigation or settlement; and (ii) Indemnifying Party shall not have any right, without Indemnified Party's written consent (which shall not be unreasonably withheld), to settle any such Claim if such settlement contains a stipulation to or admission or acknowledgment of any liability or wrongdoing (whether in contract, tort or otherwise) on Indemnified Party's part, or requires any specific



performance or non-pecuniary remedy by Indemnified Party.

Exceptions. Notwithstanding the foregoing, Visiontech will have no indemnification obligation to Customer under this Section to the extent that any such Claim arises or results from (i) Customer's failure to use the Products in conformance with the Documentation; (ii) the combination of the Products provided by Visiontech under this Agreement with other products or services not provided by Visiontech, to the extent that such Claim would not have resulted except for such combination; or (iii) the alteration or modification of the Products by or for Customer without Visiontech's written consent, if such Claim would have been avoided in the absence of such alteration or modification. Furthermore, Visiontech will have no indemnification obligations hereunder if the Claim could be avoided by Customer's use of alternative products or services provided or offered to Customer by Visiontech at no additional cost that perform in a substantially similar fashion as the Product at issue.

IP Remedies. Should Software provided under this Agreement become, or in Visiontech's reasonable opinion likely to become, the subject of an infringement Claim, Visiontech may, at its sole discretion and expense, either: (i) procure for Customer the right to exercise its rights under this Agreement; or (ii) in the case of Software, replace or modify the Software to make it non-infringing, provided that the same functions are performed by the replaced or modified Software. If Visiontech determines in its sole discretion that (i) or (ii) are not commercially reasonable, Visiontech shall so notify Customer in writing and as applicable, terminate Customer's Licenses to such affected Software under this Agreement. Upon Visiontech's written notice of such termination Customer shall return to Visiontech all affected Software for a pro-rata refund as follows: (i) the License fees paid for the affected Software for the balance of the current term.

8. LIMITATION OF LIABILITY.

EXCEPT FOR VISIONTECH'S INDEMNIFICATION OBLIGATIONS UNDER SECTIONS 7.2 (IP INDEMNIFICATION) AND A PARTY'S BREACH OF SECTION 5 (DATA PRIVACY AND PROTECTION) OR SECTION 9 (CONFIDENTIALITY), TO THE MAXIMUM EXTENT PERMITTED BY LAW, NEITHER PARTY, ITS LICENSORS, AFFILIATES, AGENTS, SUPPLIERS, DISTRIBUTORS AND RESELLERS SHALL BE LIABLE FOR

ANY INDIRECT, INCIDENTAL, SPECIAL, CONSFOUENTIAL OR PUNITIVE DAMAGES. INCLUDING WITHOUT LIMITATION DAMAGES FOR LOST PROFITS, LOST DATA OR LOSS OF USE, OR PROCUREMENT OF REPLACEMENT GOODS. HOWEVER INCURRED BY A PARTY OR ANY THIRD PARTY, WHETHER IN AN ACTION IN CONTRACT OR TORT, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

EXCEPT FOR VISIONTECH'S INDEMNIFICATION UNDER SECTION **OBLIGATIONS** 7.2 INDEMNIFICATION), AND A PARTY'S BREACH OF ITS **OBLIGATIONS UNDER SECTION 5 (DATA PRIVACY AND** PROTECTION) OR SECTION 9 (CONFIDENTIALITY), IN NO EVENT SHALL EITHER PARTY'S AGGREGATE LIABILITY FOR DIRECT DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT EXCEED THE TOTAL FEES PAID BY CUSTOMER DURING THE TWELVE (12) MONTHS IMMEDIATELY PRECEEDING THE ACT OR OMISSION GIVING RISE TO THE CLAIM. This limitation of liability is cumulative and not per incident (i.e., the existence of two or more claims will not enlarge this limit).

The Parties acknowledge and agree that the disclaimers of warranty and the limitations of liability set forth herein reflect a reasonable allocation of risk between the Parties (including the risk that a contract remedy may fail of its essential purpose and result in consequential loss) and form an essential basis of the bargain between the Parties. THE LIMITATIONS OF THIS SECTION 8 SHALL APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE.

9. CONFIDENTIALITY.

Confidential Information. "Confidential Information" means any information which is disclosed by a Party (the "Discloser") in connection with this Agreement, directly or indirectly, in writing, orally or by drawings or inspection of equipment or software, to the other Party (the "Recipient") or any of its employees or agents and that is designated or marked as "confidential" or "proprietary" at the time of disclosure or that, based on the circumstances surrounding the disclosure, the Recipient knows or reasonably should know is considered confidential. Confidential Information shall also include the Software and all documents provided with the Hardware that contain Visiontech's confidential or trade secret information. The restrictions on disclosure set forth in this Section shall not apply to Confidential Information which: (i) other than



Personal Information, becomes publicly known without breach of this Agreement; (ii) the Recipient can show by written records was rightfully in its possession prior to the disclosure by the Discloser or becomes rightfully known to the Recipient without confidential or proprietary restriction from a source other than the Discloser; (iii) is approved for disclosure without restriction in a written document which is signed by a duly authorized officer of the Discloser, or (iv) is independently developed by the Recipient prior to the disclosure without reference to Discloser's Confidential Information.

Obligations. Recipient may use the Discloser's Confidential Information solely for the purpose of exercising its rights and performing its obligations under this Agreement. Recipient agrees to take the same care with the Discloser's Confidential Information as it does with its own information of a similar nature, but in no event with less than a reasonable degree of care. Recipient shall limit access to the Confidential Information to those persons having a need to know such information, provided that each such employee and consultant is subject to a written agreement containing confidentiality obligations no less protective than those contained in this Agreement. Recipient may disclose Confidential Information: (i) insofar as disclosure is reasonably necessary to carry out and effectuate the terms of this Agreement; (ii) insofar as the Recipient is required by law or legal proceedings to disclose such information provided that the Recipient provides the Discloser with prompt written notice of such requirement to enable the Discloser to seek a protective order; (iii) insofar as disclosure is necessary to be made to the Recipient's independent accountants for tax or audit purposes; and (iv) insofar as the Parties may mutually agree in writing upon language to be contained in one or more press releases. In addition, neither Party will disclose to any third party the terms of this Agreement without the prior written consent of the other Party.

10. COMPLIANCE WITH LAWS.

General. Each Party will comply fully with all applicable laws and regulations that apply to the Products and to Customer's use thereof.

Each Party will indemnify, to the fullest extent permitted by law, the other Party from and against

any fines or penalties that may arise as a result of a Party's breach of this Section 10.

11. NON-SOLICITATION.

During this Agreement, and for a period of one (1) year immediately following the termination or expiration of this Agreement, neither Party will solicit or induce any employee or independent contractor of the other Party involved in the performance of this Agreement to terminate or breach an employment, contractual or other relationship with the other Party. The foregoing does not apply to general advertisements or inquiries seeking to fill positions.

12. PUBLICITY.

Any and all press releases and other public announcements relating to the existence or terms of this Agreement or the related transactions between Visiontech and Customer must be approved in advance by the Parties in writing.

13. SUPPORT.

Support. Support and maintenance (including Product installation) may be provided to Customer by Visiontech to the extent such is provided the Order Form to the Customer. **TERM AND TERMINATION**.

Term. This Agreement and the licence granted hereunder shall remain in effect for the term set forth on the Order Form or until terminated as set forth herein.

Termination. Either Party may terminate this Agreement, in whole or in part immediately, for the other Party's material breach that is not cured within thirty (30) days of the date of receipt of notice of the breach from the non-breaching Party. Customer may terminate this Agreement for convenience with sixty (60) days' notice to Visiontech. Without limiting any other rights hereunder, a failure to make any past due payments within the cure period shall be deemed a material breach. In addition, either Party may terminate this Agreement, in whole or in part, immediately if the other Party becomes the subject of a voluntary or involuntary petition in bankruptcy or any proceeding relating to insolvency, receivership, liquidation, or composition for the benefit of creditors.

Effect of Termination. Upon expiration or earlier termination of this Agreement, the Licence granted hereunder shall also terminate, and Customer shall cease using and destroy all copies of the Software and



Documentation, and permanently erase or cause to be erased from its computer systems, files, and storage media all copies of the Software and Documentation of Visiontech obtained, made, or authorized to be made by Customer or on Customer's behalf. No expiration or termination shall affect Customer's obligation to pay all Licensee Fees that may have become due before such expiration or termination, or entitle Customer to any refund, in each case except as set forth in Section 6.3.

Survival. The following Sections shall survive any expiration or termination of this Agreement, in whole or in part, in accordance with their respective terms: 4 (Intellectual Property Ownership), 5 (Data Protection and Privacy), 7 (Indemnity), 8 (Limitation of Liability), 9 (Confidentiality), 10 (Compliance with Laws), 11 (Non-Solicitation), 12 (Publicity), 14 (Term and Termination), and 15 (General).

14. GENERAL.

Independent Contractors. The relationship of Visiontech and Customer is that of independent contractors. There is no relationship of agency, partnership, joint venture, employment or franchise between the Parties. Neither Party has the authority to bind the other or to incur any obligation on the other's behalf or to represent itself as the other's agent or in any way that might result in confusion as to the fact that the Parties are separate and distinct entities.

Force Majeure. Neither Party shall be liable for any loss, damage, or penalty resulting from delays or failures in performance resulting from acts of God, material shortages, or other causes beyond such Party's commercially reasonable remedy or control.

Governing Law. All matters arising out of or relating to this Agreement are governed by and construed in accordance with the laws of the Province of Nova Scotia and the federal laws of Canada applicable therein, without regard to any provisions related to conflicts of laws. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement. Any legal suit, action, litigation or proceeding of any kind whatsoever in any way arising out of, from or relating to this Agreement, including all exhibits, schedules, attachments, and appendices attached to this Agreement, and all contemplated transactions, shall be instituted in the courts of the Province of Nova Scotia, and each Party irrevocably submits to the exclusive jurisdiction of

such courts in any such suit, action, litigation or proceeding.

Export Regulation. The Software and Documentation may be subject to Canadian export control laws. The Customer shall not, directly or indirectly, export, reexport, or release the Software or Documentation to, or make the Software or Documentation accessible from, any jurisdiction or country to which export, reexport or release is prohibited by law, rule, or regulation. The Customer shall comply with all applicable federal laws, regulations, and rules and complete all required undertakings (including obtaining any necessary export licence or other governmental approval), before exporting, reexporting, releasing, or otherwise making the Software or Documentation available outside Canada.

Notices. All notices under this Agreement are required to be sent either via electronic delivery or by commercial overnight courier with written verification of delivery. All notices so given will be deemed received upon the date of receipt if by electronic delivery or two (2) days after dispatch for courier deliveries. If to Customer, all notices shall be sent to the address indicated in the most recent Order. If to Visiontech, all notices shall be sent to customerservice@visiontechconsulting.ca.

Severability. If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

Language. The Parties confirm that it is their express wish that this Agreement, as well as any other documents related to this Agreement, including notices, schedules, and authorizations, have been and shall be drawn up in the English language only. Les parties aux présentes confirment leur volonté expresse que cette convention, de même que tous les documents s'y rattachant, incluant tous les avis, annexes, et autorisations, soient rédigés en langue anglaise seulement.

Assignment. Customer may not assign or transfer this Agreement, nor any rights or obligations under this Agreement without the prior written consent of Visiontech. Visiontech may freely assign or otherwise transfer all or any of its rights, or delegate or otherwise transfer all or any of its obligations or



performance under this Agreement without Customer's consent. This Agreement is binding upon and enures to the benefit of the parties hereto and their respective permitted successors and assigns.

Counterparts. If applicable, this Agreement may be executed in two (2) counterparts, both of which taken together shall constitute one (1) single agreement between the Parties. The Parties may execute this Agreement by electronic signature which shall be deemed an original signature for all purposes. The Parties agree that a version of this Agreement transmitted by means of electronic message or electronic record (electronic mail, electronic data interchange), once duly signed by the authorized representatives of each Party, shall constitute a binding agreement and shall have the same force and effect as a document bearing the original signatures.

Order of Precedence. In the event of a conflict between this Agreement and any Order, the terms of the Order shall govern, but only in regard to the specific Products provided under that Order unless mutually agreed by the Parties in writing.

Entire Agreement. This Agreement constitutes the entire agreement between Visiontech and Customer with respect to the subject matter hereof, and supersedes all prior agreements, understandings and negotiations, both written and oral, between the Parties with respect to such subject matter. No waiver, amendment or modification of any provision of this Agreement shall be enforceable against either Party unless it is in writing and signed by both Parties.

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