

## EXTENDED HARDWARE SERVICE PLAN

Thank you (“**Customer**”) for choosing QC INTEGRATED SOLUTIONS INC. (“**QC**”) to assist with your business needs. This EXTENDED HARDWARE SERVICE PLAN (“**Plan**”) applies to QC’s provisions of extended maintenance services to your QC Products. This Plan forms part of and is an addendum to QC’s Terms and Conditions (the “**Terms and Conditions**”) that apply to QC goods and services, as are made available at <https://www.qcintegrated.com/> which are incorporated by reference. Any capitalized terms not defined herein have the meanings ascribed to them in the Terms and Conditions.

The defined terms below have the following meanings herein:

“**Administrator**” means QC Integrated Solutions Inc. appointed service personnel, reachable by phone at 1-888-280-8901, by email at [info@qcintegrated.com](mailto:info@qcintegrated.com) or by post at 805a Bayridge Dr, Kingston, Ontario, Canada K7P 1T5.

“**Annual Plan Fees**” has the meaning in section 4.

“**Approved Claim**” has the meaning in section 6.

“**Breakdown**” means the mechanical and/or electrical failure of the Covered Essential Components that results in it no longer being able to perform its intended function and be calibrated which is caused by defects in materials or workmanship and not normal wear and tear.

“**Commencement Date**” has the meaning in section 3.

“**Contract Year**” means each year after the Commencement Date during the Term.

“**Coverage**” has the meaning in section 5.

“**Covered Essential Components**” mean the bus, power unit, master unit and all included channel units of Covered Products.

“**Covered Product(s)**” has the meaning in section 0.

“**Initial Term**” has the meaning in section 3.

“**Renewal Term**” has the meaning in section 3.

“**Repair**” means a repair of the Covered Essential Components.

“**Replace**” or “**Replacement**” means an item supplied to the Customer through this Plan.

“**Service Qualification**” has the meaning in section 2.

“**Service Qualification Fees**” has the meaning in section 2.

“**Term**” means the Initial Term and each Renewal Term.

**1. Ordering.** Application for enrollment in this Plan shall be confirmed by way of Purchase Order or paid Invoice. In order to be eligible for this Plan all SEAM systems owned by Customer (the “**Covered Products**”) must be enrolled in this Plan.

**2. Service Qualification.** Prior to enrollment in this Plan, Customer shall (at Customer’s expense and risk), ship all Covered Products to QC so that QC can test functionality, update channel tops and calibrate channels (collectively the “**Service Qualification**”). Customer shall be Invoiced for any upgrades necessary to conduct the Service Qualification, including any costs to replace any existing SEAM AC calibration units or other products, as well as for service charges at QC’s current hourly service rates for any necessary repairs (“**Service Qualification Fees**”). Service Qualification will include a calibration and software update. QC will notify Customer upon completion of the Service Qualification and will ship Covered Products back to Customer (at Customer’s expense) in accordance with the QC shipping provisions in the Terms and Conditions. Administrator will notify Customer if any units were not operational unable to be upgraded, repaired or calibrated for Service Qualification and Customer may elect to have such items Replaced in order to be enrolled in this Plan.

**3. Term.** Unless cancelled earlier in accordance with this Plan: (i) the initial term of this Plan commences on the date that QC ships the Covered Products to Customer after Service Qualification (the “**Commencement Date**”) and ends one year

after the Commencement Date (the “**Initial Term**”); and (ii) this Plan will automatically renew for additional one year periods (each a “**Renewal Term**”) on the same terms and conditions set out herein.

**4. Annual Plan Fees.** The fees for the services contemplated by this Plan are the annual fees shown in the Purchase Order or Invoice (the “**Annual Plan Fees**”). The Annual Plan Fees are: (i) payable as pre-payments for the upcoming Contract Year; (ii) due within 15 days of Invoice; and (iii) non-refundable unless otherwise explicitly provided for herein. QC may update the Annual Plan Fees for any upcoming Renewal Term so long as written notice of such increase is provided to Customer at least 30 days in advance of such Renewal Term.

**5. Plan Coverage.** During the Term, this Plan provides the following “**Coverage**” included in the Annual Plan Fees:

- (a) **REPAIR OR REPLACEMENT:** This Plan provides for a no-charge Repair or Replacement of Covered Essential Components if any such components has a Breakdown. This Plan includes a limit of two Repairs or Replacements of any Covered Essential Components during each Contract Year.
- (b) **BUS UPGRADES:** As units are modular and the components can be used on any size bus, subject to product availability, QC will provide free exchanges of any purchased bus for another size bus once per Contract Year. By way of example and illustration, if Customer currently owns a 12 channel bus unit and Customer requires greater capacity, Customer can exchange its 12 channel bus for a 16 channel bus (being the maximum size) free of charge.
- (c) **CALIBRATION:** This Plan includes calibration of the Covered Essential Components which can be conducted through remote internet access to the Administrator’s server as often as Customer wishes to calibrate.

**6. Making a Claim.** All claims for Coverage made by the Customer under this Plan shall be made to the Administrator in writing. The Administrator will review all such claims and determine if they fall within the scope of the Coverage in Administrator’s sole discretion. If approved in writing by Administrator (each an “**Approved Claim**”), Customer will provide all reasonable co-operation with Administrator (including by shipping the affected unit at Customer’s expense and risk to QC if necessary) so that QC can provide the Coverage. Any failure of the Customer to co-operate with Administrator shall relieve QC of its obligation to provide Coverage. Covered Product shipping back to Customer will be at Customer’s expense in accordance with the QC shipping provisions of the Terms and Conditions.

**7. Plan Cancellation by Customer.** Customer cancel this Plan at any time by informing the Administrator of the cancellation request in writing and this Plan will be cancelled effective at the

end of the then-current Contract Year. Failure to pay an Invoice for Annual Plan Fees when due for a Renewal Term will automatically cancel this Plan unless QC agrees otherwise in writing. If cancelled, Customer may re-enrol in this Plan by executing a new Purchase Order or paying for a new Invoice in connection with the same, and by re-shipping Covered Products to QC for Service Qualification and paying all Service Qualification Fees in accordance with sections 0 and 2.

**8. Plan Cancellation by QC.** QC reserves the right to cancel this Plan: (i) at any time for convenience on sixty (60) days notice to Customer, provided that notwithstanding section 3, any pre-paid Annual Plan Fees will be pro-rated to the date of termination and the balance will be refunded to the Customer; and (ii) at any time on notice to Customer if Customer breaches any term of this Agreement, including the failure to pay an Invoice.

**9. Effect of Cancellation.** Upon cancellation of this Plan (other than for breach), all Coverage will immediately cease, provided that any Approved Claims that were approved prior to cancellation will be processed notwithstanding cancellation.

**10. Discounts and Credits.** QC may apply discounts to fees payable under this Plan in its sole discretion and any discounts granted will be shown on the applicable Invoice. With respect to Service Qualification Fees: (i) QC may apply a partial credit towards the purchase of a SEAM ACP calibration unit for each SEAM AC exchanged; (ii) test module tops will be upgraded if required to interface with SEAM ACP Calibrator at no added cost; and (iii) if any of the Covered Products are within the one (1) year Limited Warranty (in accordance with the Terms and Conditions as determined by QC), Service Qualification Fees (other than shipping costs) shall be waived in connection with such Covered Products. With respect to Annual Plan Fees: (i) upon enrollment in this Plan, QC may credit Customer for any existing Product calibration Service fees that Customer has pre-paid for; and (ii) to the extent any Covered Products are purchased new and are still subject to the one (1) year Limited Warranty, discounted Annual Plan Fees may be provided during the one (1) year Limited Warranty period.

**11. Coverage Notices and Disclaimers:** The following notices and disclaimers apply to the Coverage: (i) Determination of Service Qualification and Coverage will be at QC's sole discretion. QC reserves the right to Replace defective Covered Essential Components with new, rebuilt or refurbished items of equal or similar features and functionality, which may not be the same model or colour as the defective Covered Essential Components. Technological advances may result in a Replacement that has a lower retail or market price than the defective Covered Essential Components, and in such situation, this Contract shall not provide Customer with any reimbursement for such a price difference; (ii) Replacements provided will be automatically considered to be "Covered Essential Components", and Coverage for such Replacement will continue for the remainder of the Term; (iii) Ownership of all Covered Product parts, components or entire units Replaced under the provisions of this Contract shall become QC's property in their entirety; and (iv) It is the Customer's responsibility to backup any/all software and/or data on a regular basis especially, prior to commencement of any Services covered under this Plan.

**12. General Coverage Exclusions.** Coverage under this Plan

is limited to that which is specifically described in this document. Anything not specifically expressed herein is not covered and the following are explicitly excluded from Coverage: (i) Non-Breakdown problems; including but not limited to imperfections or cosmetic damage; (ii) any service whatsoever directly for or related to damage attributable to the use of any item/component that is not otherwise indicated as Covered Essential Components including, all accessory cords/cables, batteries, accessories/attachments, add-ons, stands, mounting kits, covers, keyboards or keypads or dials, computer mouse, connectors, fuses, encasing body or molding; (iii) normal wear and tear; (iv) improper packaging and/or transportation resulting in damage to the product while it is in transit (v) damage resulting from modifications, adjustments, alterations, manipulation or repairs made by anyone other than a service technician authorized by us; (vi) damage resulting from electricity or power fluctuations (vii) damage from freezing or overheating; (viii) the intentional or negligent treatment of the Covered Product in a harmful, injurious, malicious, reckless or offensive manner which results in its damage and/or failure; (ix) viruses, vandalism, loss, theft, or malicious mischief or disappearance; (x) removed or altered serial numbers; (xi) damage resulting from rust, corrosion, warping, bending to the Covered Product; (xii) animals or insect infestation; (xiii) damage to the product as a result of failure to follow the manufacturer's recommended maintenance, operation/storage of the product and manufacturer's specifications or instructions; (xiv) nuclear radiation, adverse environmental conditions, perils of nature, explosion or collision of or with another object, fire, water damage, humidity, lightning, dirt, sand or smoke (xv) any servicing that would violate any Canadian or U.S. economic or trade sanctions; (xvi) restoration of software or data, or data retrieval to/from the Covered Product or transfer any data to any Replacement; or (xvii) any Covered Product user training.

**13. Limitation of Liability.** Without diminishing the limitation of liability described in the Terms and Conditions, QC will not be liable for any indirect damages including any: (i) Property damage, lost time, lost data or lost income resulting from the services contemplated herein; (ii) delays in rendering covered services or the inability to render service for any reason; (iii) the unavailability of any parts/components; (iv) any costs incurred by the Customer associated with customized installations to fit the covered product such as third party stands, mounts and, customized alcoves and the like; or (v) to property or injury or death to any persons arising out of the operation, maintenance or use of the Covered Product or a Repair or Replacement provided under the provisions of this Plan.

**14. Terms and Conditions.** Customer and QC acknowledge and agree that this Plan forms part of and is an addendum to the Terms and Conditions forming part of the entire agreement between Customer and QC as of the date of a Purchase Order or Invoice. The services offered herein shall be deemed to be a "Service" as such term is defined in the Terms and Conditions.

**15. Updates.** QC may from time to time unilaterally update this Plan without notice to Customer by posting a new version of this Plan on the Website. Notwithstanding the forgoing, this Plan available to the Customer at the time of ordering this Plan by way of Purchase Order or Invoice payment are binding.