

IOT DEVICE TERMS AND CONDITIONS

1. Terms and Conditions Regarding the Installation and Use of any IOT Device

a. IOT Device General Disclosure.

Seller uses Internet connected devices and technology for remote access to the equipment purchased through Buyer's Order.

- i. Seller has installed a third-party industrial remote access gateway device manufactured by eWON (the "EWON" device), to enable the Seller to support the equipment purchased by Buyer. The EWON device allows the Seller to remotely access the equipment for a direct interaction with such equipment remotely (a) through the Internet using a third-party API over an encrypted proprietary VPN connection operated by and managed by HMS Networks (the manufacturer of the EWON device) or (b) through a direct dial-up cellular connection. Like any device on a network, the EWON device, VPN connection, and cellular dial-up, may expose the Buyer's network to cyber-vulnerabilities or unauthorized third party intrusion and the Seller does not possess the expertise to fix, alter, update, or generally maintain such network connections in order to prevent such vulnerabilities or intrusion; such services being hereby disclaimed and acknowledged to be outside the scope of services offered or provided by Seller.
- ii. The equipment purchased from Seller also includes an internal network interface controller ("NIC") installed directly on the Programmable Logic Controller ("PLC") which is networked to the EWON device. The NIC also enables the Seller to access the equipment directly while on-site and access the equipment through the EWON device while not on-site. This NIC may expose the Buyer's network to cyber-vulnerabilities or unauthorized third party intrusion and the Seller does not possess the expertise to fix, alter, update, secure, or generally maintain the NIC in order to prevent such vulnerabilities or intrusion; such services being hereby disclaimed and acknowledged to be outside the scope of any services offered or provided by Seller.
- iii. Due to the potential for the cyber-vulnerabilities from the EWON device and NIC Seller's responsibilities and liability is limited by these supplemental terms and conditions in addition to any limitations of liabilities which are contained in Cylonaire's TERMS AND CONDITIONS OF SALE. All terms and conditions listed in these supplemental terms and conditions are in addition to, and do not replace, the such limitations contained in Cylonaire's TERMS AND CONDITIONS OF SALE.

b. **Definition.** For purposes of these Supplemental Terms and Conditions, the term "Network Devices" refers to any EWON device or any NIC.

c. **DISCLAIMER OF WARRANTIES.** THE NETWORK DEVICES AND ALL ASSOCIATED LICENSED SOFTWARE, DOCUMENTATION AND OTHER PRODUCTS, INFORMATION, MATERIALS, AND SERVICES PROVIDED BY SELLER ARE PROVIDED "AS IS." SELLER SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT, AND ALL WARRANTIES ARISING FROM COURSE OF DEALING, USAGE, OR TRADE PRACTICE. WITHOUT LIMITING THE FOREGOING, SELLER MAKES NO WARRANTY OF ANY KIND THAT THE NETWORK DEVICES AND ASSOCIATED LICENSED SOFTWARE OR DOCUMENTATION, OR ANY PRODUCTS OR RESULTS OF THE USE THEREOF, WILL MEET BUYER'S OR OTHER PERSONS' REQUIREMENTS, OPERATE WITHOUT INTERRUPTION, ACHIEVE ANY INTENDED RESULT, BE COMPATIBLE OR WORK WITH ANY SOFTWARE, SYSTEMS, OR OTHER SERVICES, OR BE SECURE, ACCURATE, COMPLETE, FREE OF HARMFUL CODE OR ERROR FREE.

d. Pass-Through Warranty and Cyber-Security.

- i. Buyer acknowledges that Seller is not the manufacturer of the Network Devices and has not tested the devices for vulnerabilities or cyber-security resiliency. Seller makes no representations or warranties related to the ability of the Network Devices to address, prevent, handle or respond to any or all cyber-security vulnerabilities or defects, whether hardware or software. Buyer acknowledges that cyber-threats and vulnerabilities are uncovered daily and the Network Devices may present a cyber-security vulnerability to the Buyer.
- ii. Furthermore, Seller does not provide any warranty on the EWON device other than passing through the OEM's warranty (if any) for such device. Buyer acknowledges that any warranty for the EWON device is a pass-through warranty from the device manufacturer and as such is limited in scope to only those warranties (if any) offered by the device manufacturer. Please refer to the device manufacture's website for a full list of device warranties (if any) and limitations of liability.

e. **Buyer's Network.** Buyer is aware of and accepts all risks, without reservation, of installing the Network Devices on Buyer's internal network. Buyer acknowledges it has been provided with recommendations from Seller to install the Network Devices on a separate network segment of the Buyer's network which would protect the Buyer's business network from a vulnerability in, or, the exploitation through such a vulnerability of the Network Devices. Installing the Network Devices on a separate network segment would also the Network

Devices from a cyber-breach should a breach of the business network occur. Buyer is solely responsible for the administrative, physical, and technical security of the Network Devices and any other equipment installed on its network. Buyer acknowledges it has had the opportunity to have competent personnel review, and it has reviewed, the method and manner in which Seller has installed the Network Devices, and Buyer is satisfied with and accepts all risks, known or unknown associated with such installation or external access to Network Devices. Buyer acknowledges it has read and understands and at all times will follow the product documentation for installation, setup, and operating guidelines. Buyer further agrees to use the products and software purchased or obtained from Seller (including but not limited to the Network Devices) only in suitable physical operating environments as described in any documentation provided by Seller or made available by the manufacturers of the Network Devices and only for purposes for which such products and software are intended.

f. Seller Support and Remote Computing. Buyer acknowledges that access to the equipment purchased or obtained from Seller (including but not limited to the Network Devices) will be provided over various facilities and communications lines, and information will be transmitted over the internet, carrier lines, or a local network, all of which are beyond Seller's control. Seller assumes no liability for or relating to the integrity, privacy, security, confidentiality, or use of any information while it is transmitted on the internet or unsecured networks, or for any delay, failure, interruption, interception, loss, transmission, or corruption of any data or other information attributable to transmission on the internet, carrier lines, or any local networks. Use of the internet, carrier lines, or local network is solely at Buyer's risk and is subject to all applicable laws.

g. Limitation of Liability. Under no circumstances shall either Party be liable to the other for any consequential, special, incidental, indirect, multiple, administrative, or punitive damages, or any damages of any nature (including, without limitation, loss of use, loss of revenues, loss of anticipated profits, cost of capital, and physical or bodily injury, up to, and including, death) directly or indirectly arising out of or related to a cyber-breach associated with any equipment (including but not limited to the Network Devices) purchased by the Buyer or installed by Seller. Buyer acknowledges the risks associated with the use and maintenance of any equipment (including but not limited to the Network Devices) which is accessible through the internet (including the equipment purchased from Seller) and that such risks include the potential ability of unauthorized third parties to gain access to control and manipulate such equipment or device, and that a cyber-breach of such equipment or device may cause physical damage and bodily injury, up to, and including, death. The limitation of liability provisions set forth in Seller's Terms and Conditions of Sale apply to any cyber-breach associated with any equipment or service purchased from or installed by Seller, regardless of (A) whether any damages related to such cyber-breach were foreseeable, (B) whether or not the Buyer was advised of the possibility of such damages, and (C) the legal or equitable theory (contract, tort or otherwise) upon which a claim is based. The limitation of liability provisions set forth in Seller's Term and Conditions of Sale apply even if any remedies available to Buyer, whether under Buyer's Order, any terms or conditions of Sale or otherwise, fail of their essential purpose. **Buyer acknowledges and agrees Seller's total liability to Buyer directly or indirectly arising from or related to Buyer's Order or any equipment purchased from Seller, whether arising under contract, tort or otherwise, is limited to no more than the amount paid by Buyer to Seller under Buyer's Order.**

h. Mutual Cooperation in Case of Cyber-Breach. Each Party agrees to cooperate with the other Party in the case of a cyber-breach of any equipment purchased from or installed by Seller to determine the means, method, or type of cyber-breach and the extent, if any, of any information obtained during the cyber-breach. In the case of such a cyber-breach, Buyer agrees to immediately notify the Seller, but Buyer acknowledges and agrees it is solely responsible and liable for any response to federal, state or local government officials or agencies, or communications with any affected individuals, that may be required as a result of such cyber-breach, including but not limited to any cost or expenses (including attorneys' fees) incurred in connection with such response, and any penalties or remedies of a monetary or non-monetary nature that may be imposed, required or incurred in response to such cyber-breach (such costs, expenses, penalties, or remedies being referred to as "Cyber-breach Response Costs"). Buyer shall indemnify, defend and hold harmless Seller, its employees, officers, directors and owners against any such Cyber-breach Response Costs and any claims, suits, judgments, investigations, or demands relating to any such cyber-breach.

i. Allocation of Risk.

- i. The Parties acknowledge and agree that: (A) they have accepted and agreed these Supplemental Terms and Conditions; (B) that such disclaimer of warranty and limitation of liability provisions reflect an agreed upon allocation of risk between the Parties (including the risk that a contract remedy may fail of its essential purpose and cause consequential loss or damage); and (C) that such disclaimer of warranty and limitation of liability provisions form an essential basis of the bargain between the Parties, and in the absence of such provisions the price charged to Buyer for Seller's Goods and Services would be significantly higher to account for and fully offset any increased risk imposed on, or liability assumed or incurred by, Seller.