



License Agreement for ZONITH SOFTWARE PRODUCTS

IMPORTANT – READ CAREFULLY. THIS SOFTWARE AGREEMENT (THE AGREEMENT), WHICH IS CONTAINED IN THE SOFTWARE PACKAGE INSTALLED OR DELIVERED TO YOU, IS A LEGALLY BINDING AGREEMENT BETWEEN YOU (THE LICENSEE) AND ZONITH A/S (ZONITH) AND COVERS THE SOFTWARE PACKAGE BRANDED AS ALARM CONTROL SYSTEM OR TETRA ALARM CONTROL SYSTEM OR ZONITH ALARM CONTROL SYSTEM OR TACS OR ZACS(PRODUCTS) AS WELL AS ALL ALARM LISTENERS, ADDITIONAL MODULES AND CUSTOMISED INTERFACES AND SOLUTIONS (COMPLEMENTARY PRODUCTS).

1. STRUCTURE AND APPLICATION OF THE AGREEMENT

- 1.1 This Agreement applies to the rights granted by Zonith to the licensee (“the Licensee”) to use the Products and Complementary Products.
- 1.2 The Agreement contains conditions regarding license for the Products and Complementary Products, and general terms concerning price, copyright, liability, termination, force majeure, venue etc.

2. SCOPE OF THE LICENSE RIGHT

- 2.1 Zonith hereby grants to the Licensee a perpetual, non-exclusive right of use to the number of users (equivalent to the number of licenses) for one or more of the software Products, as ordered by the Licensee, including modules, written documentation and software components and tools licensed by third parties, different open source products and other Zonith software Products (hereafter as a whole called “the Product”), solely for the Licensee’s own use.
- 2.2 The Product and Complementary Products may include third party software, and the Agreement therefore includes terms from license agreements from such third parties. Therefore, any breach of the Agreement may result in claims from these third parties for which the Licensee is liable in accordance with the Clauses 5, 6 and 16 of the Agreement. Third party is neither responsible for nor obliged to support the Product and Complementary Products or its software in any way.
- 2.3 The license right of the Product and Complementary Products includes support and upgrades, as stated in Clause 9.
- 2.4 Zonith may decide not to continue to develop, sell or distribute the Product and Complementary Products or parts thereof. In that case Zonith is entitled to terminate the Agreement with three (3) months written notice at any time.

3. COPYRIGHT

- 3.1 The Product and Complementary Products are protected by copyright law. The Licensee shall not be entitled to copy or distribute the Product and Complementary Products or parts thereof.
- 3.2 The Licensee shall, however, be entitled to make back-up copies of the Product and Complementary Products as provided by mandatory law. The use of such back-up copy shall be subject to the Agreement. The present condition does not impact the Licensee’s right to make an unlimited number of back-up copies of processed data.

4. CHANGES

- 4.1 The Licensee shall not be entitled to make any changes of the Product and Complementary Products, including reverse engineering or decompilation of the Product and Complementary Products, except for those, which may be allowed in accordance with mandatory law.
- 4.2 In the event of the Licensee or a third party interfering with or making any changes of the Product and Complementary Products, Zonith's obligations under the Agreement may be terminated by Zonith with immediate effect and Zonith hereby disclaims any liability for the consequences of such interference or change.

5. INTELLECTUAL PROPERTY RIGHTS

- 5.1 Zonith or its suppliers shall own all copyright and any other intellectual property rights to the Product and Complementary Products. The Licensee shall respect Zonith and its suppliers rights and the Licensee shall be full liable in the event of any violation of those rights, including unauthorised passing on the Product and Complementary Products or any part of them to a third party.
- 5.2 The Licensee shall not be entitled to break, change or delete any security codes, nor shall the Licensee be entitled to remove statements in the Product and Complementary Products or on the media on which the Product and Complementary Products are delivered regarding copyrights, trade marks, or any other proprietary notices.
- 5.3 The Licensee shall be under an obligation to ensure that the Product and Complementary Products are stored in such a manner that third parties do not have access to it and that a third party does not come into possession of the Product and Complementary Products in any other way. The Licensee shall make all employees who have access to the Product and Complementary Products fully aware of this obligation.
- 5.4 Information and data supplied by Zonith with the Product and Complementary Products, such as, but not limited to, user manuals and documentation, are confidential and proprietary to Zonith or its suppliers and contain trade secrets of Zonith or its suppliers. Such information are furnished solely to assist the Licensee in the installation, operation and use of the Product and the Licensee agrees not to reproduce or copy such user manuals etc., except as is reasonable for proper use of the Product.

6. LOGO

- 6.1 The Licensee acknowledges Zonith's and third parties sole ownership of any logo and trademark submitted with the Product and Complementary Products and all associated goodwill. The Licensee agrees and acknowledges that Zonith and such third party retain all right, title, and interest in and to its respective logos and trademarks.
- 6.2 The Licensee represents and warrants that it will not use the logos in any manner that will diminish or otherwise damage Zonith's and third party's goodwill in the logo. The Licensee agrees not to adopt, use, or register any corporate name, trade name, trademark, domain name, service mark or certification mark, or other designation similar to, or containing in whole or in part, the logos of Zonith and third party. The Licensee agrees that all use of the logos by the Licensee will inure to the benefit of Zonith or third party.
- 6.3 The Licensee represents and warrants that it will comply with all applicable laws, rules, and regulations, and will not violate or infringe any right of any third party in relation to promotion, sale, or use of the Product and Complementary Products with the logos.
- 6.4 The Licensee acknowledges that a breach by it of this Clause 6 may cause Zonith and third party irreparable damage that cannot be remedied in monetary damages in an action of law. In the event of any breach that could cause irreparable harm to Zonith or third party, or cause some impairment or dilution of their reputation or logos, Zonith and third party shall be entitled to an immediate injunction, in addition to any other legal or equitable remedies.

7. TRANSFER

The Licensee shall not be entitled to sell, lease, lend, redistribute, allow the use of or transfer or assign the Product or the license right to the Product to a third party in any way whatsoever. However, the Licensee may provide the Product and Complementary Products for third party as a part of a facility management agreement against immediate notification to Zonith and payment of additional licenses.

8. PRODUCT AND COMPLEMENTARY PRODUCTS

- 8.1 The Product and Complementary Products are standard software products, which are delivered by Zonith with functions specified in the accompanying documentation. Any assistance or development provided by Zonith in connection with the choice of the Product and Complementary Products will be based on the Licensee's information. The Licensee shall be responsible for both the completeness and the accuracy of such information. Zonith shall have no liability as to whether the Product meets a functionality or requirement assumed by the Licensee.
- 8.2 Development of specific software in order to adopt or integrate the Product and Complementary Products with the Licensee's existing system etc. is not a part of the Product and Complementary Products and price and terms for such development shall be agreed on a separate basis.

9. PRODUCT WARRANTY AND SOFTWARE UPGRADE

- 9.1 The Licensee shall be under an obligation to examine and test the Product and Complementary Products immediately after the installation of the Product and Complementary Products.
- 9.2 A defect in the Product and Complementary Products shall be regarded as material if it has an effect on the functionality of the Product and Complementary Products as a whole or if it prevents operation of the Product and Complementary Products.
- 9.3 If the Licensee documents a material defect in the Product and Complementary Products, Zonith shall, at its discretion, be under an obligation either to remedy the defect free of charge or deliver a new version of the Product and Complementary Products without the material defect or terminate the Agreement and repay the upfront license fee received against the return of all the Licensee's versions and copies of the Product manuals, accompanying documentation etc. In such case the parties shall not be entitled to bring further claims against each other. The indication of procedures, methods or uses (work around) which result in the defect not having a significant effect on the Licensee's use of the Product and Complementary Products shall be equated with remedying defect.
- 9.4 Zonith shall have tested the Product and Complementary Products prior to delivery. However, it cannot be excluded that the Product and Complementary Products – like other software – contains defects, errors and inexpedencies, which are not covered by the above Clause 9.2. These shall not constitute due ground for termination and shall not entitle the Licensee to remedial action or other powers connected with default. Zonith will endeavour to correct material defects, errors and inexpedencies in subsequent upgrades of the Product and Complementary Products.
- 9.5 The Product and Complementary Products shall be licensed "as is" and without any other warranties, obligations to take remedial action or obligations in the event of breach than those stipulated above. Thus Zonith will not provide warranty to the effect that the operation and running of the Product and Complementary Products will be without interruptions, defect-free or error-free or that product defects or errors can or will be remedied or corrected.
- 9.6 Zoniths normal procedure to remedy defects as described above in Clause 9.3 is as follows: Zonith shows a workaround as a temporary solution. If that does not solve the problem, Zonith remedies the defect free of charge. Hereafter, Zonith refers the Licensee of the coming new release.
- 9.7 Product and Complementary Products are named after a scheme x.y.z, where x indicates a major release, y indicates a minor release, and z indicates a patch. Zonith cannot guarantee full backward compatibility between major releases. Zonith will though specify the differences in the release documentation.
- 9.8 It is the responsibility of the Licensee to register a valid email address at Zonith for obtaining information about new releases. Such registration can be submitted to registration@zonith.com and the content should include email address, license key for Product and Complementary Products, company name and responsible person name.

10. THIRD PARTY RIGHTS

- 10.1 Zonith shall be liable to the Licensee for any infringement of the intellectual property rights of a third party caused by the Product and Complementary Products. If legal action is brought against the Licensee, in which it is claimed that such an infringement has been made, the Licensee shall be under an obligation to notify Zonith of this immediately. Zonith shall subsequently take over the case and the costs

connected with the case, and, for its own account, Zonith shall have an irrevocable power of attorney to proceed with the court case or enter into a settlement with the party in question regarding the alleged infringements.

- 10.2 If a court finds in favour of said third party's claim in a judgement, Zonith shall, at its own discretion, be entitled either to acquire the right for the Licensee to continue using the Product and Complementary Products or bring the infringement to an end by changing or replacing the Product and Complementary Products with another Product which has the same or similar functionality as the Product and Complementary Products, or terminate the Agreement with immediate effect against repayment of the license fee paid by the Licensee. In such case the Licensee cannot bring any further claims against Zonith.

11. LICENSE FEE AND ANNUAL SUPPORT & SOFTWARE UPGRADE LICENSE FEE

- 11.1 The Licensee shall pay an upfront license fee plus a subsequent annual license fee. The upfront license fee covers first year's use of the Product and Complementary Products including rights to download and install any new releases of the Product and Complementary Product that Zonith releases during the first year.
- 11.2 After the first years use of the Product or Complementary Products an annual Support & Software Upgrade License fee shall be paid. The annual Support & Software Upgrade License fee is calculated from a, by Zonith specified, percentage of the License fee of the Product and Complementary Products. The annual Support & Software Upgrade License fees are invoiced by the supplier of the Product and Complementary Products thirty (30) days prior to the end of the license year. The fee shall be paid in advance. Payment for the first term must be made on the date shown on the invoice.

12. LIABILITY AND LIMITATION OF LIABILITY

- 12.1 Zonith shall not be liable for any loss resulting from indirect damage or consequential damage (or loss of expected profit, loss of data or their recovery, loss of goodwill or any other similar consequential damage) in connection with the use of the Product and Complementary Products or loss resulting from lacking functionality in the Product and Complementary Products regardless of whether Zonith has been informed about the possibility for such a loss and regardless whether Zonith can be blamed for the loss due to negligence or similar behaviour on the part of Zonith.
- 12.2 The amount of Zonith's total liability for loss or damage shall be limited to the license fee paid by the Licensee for the Product and Complementary Products regardless of whether Zonith has been informed about the possibility for further loss and regardless of whether Zonith can be blamed for the loss due to negligence or similar behaviour on the part of Zonith. The Licensee acknowledges and agrees that it is better qualified to foresee and quantify its own potential losses than Zonith and to insure against such risks.
- 12.3 Zonith shall not be liable for any errors, defects or deficiencies, which are not related to the Product and Complementary Products. Nor shall Zonith be liable for the integration or interaction between the Product and Complementary Products and the Licensee's existing hardware and software. Zonith shall not be liable for the effect of any upgrades on existing hardware, software or adjustments for the Product and Complementary Products regardless of whether such adjustments were developed by Zonith. Nor shall Zonith be liable for defective or insufficient supply from third parties of infrastructure necessary for the Product and Complementary Products to function properly, including, but not limited to, services from telephone companies, network etc.

13. PRODUCT LIABILITY

Zonith shall be liable in accordance with the rules of the EU Product Liability Directive 85/374/EEC, to the extent that this legislation cannot be varied from by agreement. Zonith disclaims product liability on any other basis.

14. FORCE MAJEURE

Neither party shall be liable to the other party in the event of force majeure, which has an effect on the party's obligations in accordance with the Agreement. Events which will be regarded as force majeure shall include war and mobilisation, natural disasters, strikes, lock-outs, fires, non-deliveries, delayed or short deliveries from sub suppliers, damage to production apparatus, computer virus, import and export controls, power cuts, instability or breakdown from providers of telephone or internet, and other circumstances beyond the reasonable control of the affected party.

15. TERM AND TERMINATION

- 15.1 The Agreement is valid for twelve (12) months from the date shown on the invoice of the upfront license fee or the date this Agreement is accepted by installing the Product or the Complementary Products - whichever date occurs first.
- 15.2 Termination of the Agreement by one of the parties has to be made in writing, at a minimum of three (3) months' notice before the end of a term. Unless terminated, the Agreement shall automatically be renewed for further twelve (12) months periods.
- 15.3 Upon termination for any reason of the Agreement, the Licensee is obliged to immediately return or destroy the Product and Complementary Products and copies thereof as directed by Zonith or the Supplier, and, if requested by Zonith or the Supplier, to certify in writing as to the destruction or return of the Product and Complementary Products and all copies thereof.

16. DEFAULTS

If the Licensee is in default of the Agreement, the Licensee's right under the Agreement shall terminate with immediate effect, and the Licensee shall be under an obligation to return the Product and Complementary Products, including any back-up copies and accompanying documentation, without a right to repayment. In addition, Zonith shall be entitled to compensation for any loss, which Zonith may suffer, in accordance with the general rules of Danish law, including all losses, damages, costs, expenses, etc., without any limitations, incurred or suffered by Zonith as a result of claims from third party in relation to the Licensee's breach of the Agreement.

17. CONFIDENTIALITY

The Licensee expressly undertakes to retain in confidence all information and know-how that Zonith have transmitted to the Licensee and identified as being proprietary and/or confidential or which, by the nature of the circumstances surrounding the disclosure, ought in good faith to be treated as proprietary and/or confidential. The Licensee's obligation hereunder shall remain effective for five (5) years after the disclosure of the confidential information.

18. CHOICE OF LAW AND COURT OF JURISDICTION

The Agreement shall be governed by Danish law and the competent court of jurisdiction for any disputes arising out of the Agreement shall be the Copenhagen Maritime and Commercial Court.