

The Table of Contents and headings in this agreement are for convenience of reference only and will not affect the meaning or interpretation of any provisions of this agreement.

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This Smart Subscription Agreement Terms and Conditions along with the attached Purchase Order Form(s), the Quote(s), any appendices, and the **Smart Subscription Agreement** which is incorporated herein by reference, are the agreement (the "Agreement") and is made as of the date indicated on the Smart Subscription Agreement between JK Quality Integrated Security Solutions Ltd. ("JK"), located at 780 Birchmount Road, Unit 14, Scarborough, Ontario, Canada, M1K 5H4, and the customer (the "Subscriber") identified on the signing page of the Agreement. Any terms capitalized but not otherwise defined herein shall have the respective meanings set forth in the Definitions section of this Smart Subscription Agreement Terms and Conditions.

1. Lease and License of JK's Products

It is expressly understood and agreed that JK's Technology, products, and Software remain the property of JK and that this is a contract of lease and license only and that nothing herein contained shall be construed as conveying to the Subscriber any right, title or interest in and to the Software or Equipment, which may include but is not limited to JK's products, network video recordings, computers, servers, video products, cameras, monitors, storage, network switches, or other hardware or software (the "Equipment"), other than the lease. In no event shall the Subscriber assert any ownership interest in or to the Equipment or Software. The Subscriber shall not grant or permit any person or business entity to assert a security or other interest in the Equipment or Software. The foregoing is subject to any lease or license between JK and its suppliers. JK has all necessary rights, entitlements, permissions, and privileges to provide the Equipment and Software to the Subscriber pursuant to these terms and conditions, and to perform its obligations hereunder.

2. Equipment

The Subscriber hereby agrees to lease from JK the Equipment as set out in the Purchase Order Form(s) which is incorporated into this Agreement by reference, in accordance with the following:

- a) The Subscriber shall keep the Equipment in good repair, condition, appearance and working order and shall furnish any and all parts, mechanisms and devices required to keep the Equipment in good mechanical working order and free and clear of liens, encumbrances, and rights of others;
- b) The Subscriber hereby assumes and shall bear the entire risk of loss and damage to the Equipment from any and every cause whatsoever;
- c) The Equipment is, and shall at all times be and remain, the sole and exclusive property of JK; and the Subscriber shall have no right, title or interest therein or thereto except as expressly set forth herein; and
- d) If the Subscriber fails to pay JK within ten (10) days after the same is due and payable, or if the Subscriber fails to observe, keep or perform any other provision of this Agreement required to be observed, kept or performed by it, JK shall have the right to exercise any one or more of the following remedies: (i) To declare the entire amount specified in the Purchase Order Form(s) immediately due and payable without notice or demand to the Subscriber, (ii) to sue for and recover all amount, recovery costs and other payments, then accrued or thereafter, accruing; (iii) to take possession of the Equipment, without demand or notice, wherever same may be located, without any court order or other process of law, or (iv) to pursue any other remedy at law or in equity.

The Subscriber shall exercise due care in its operation, use and maintenance of the Equipment. The Subscriber shall not use, and shall not permit others to use, the Equipment in any manner that would contravene applicable laws, rules, regulations and other governmental directives, would violate the terms of any manufacturer's or like warranty, or would contravene the manufacturer's reasonable operational standards of the Equipment. If JK notifies the Subscriber of any additional operational standards, the Subscriber shall adhere and shall cause others using the Equipment under this Agreement to adhere, to such standards in the operation of the Equipment. The Subscriber shall not alter or modify the Equipment without the prior written consent of JK. The Subscriber agrees that only qualified employees of the Subscriber shall operate the Equipment. The Subscriber shall comply with and conform to all laws, ordinances and regulations, present or future, in any way relating to the ownership, possession, use or maintenance of the Equipment throughout the duration of this Agreement and to the absolute exoneration from liability of JK. JK reserves the right to modify and update the Equipment and will endeavour to provide notice of upgrades and/or notice that the Equipment is down only on a commercially reasonable efforts basis and under no circumstances will JK be liable or responsible to provide such notice. JK reserves the right from time to time, in its absolute discretion, to discontinue or to limit its production of any Equipment, to terminate or limit deliveries of any Equipment, the production of which is so discontinued or limited, to alter the design or the construction of any Equipment, and to add new and additional Equipment to its product lines without incurring any liability to the Subscriber with respect to any purchase order placed by the Subscriber. JK also reserves the right to modify and

update its policies relating to the Equipment in its discretion from time to time, provided that (i) such modification does not result in the Equipment being materially worse than the Equipment provided at the Effective Date or (ii) such modification has been agreed upon by the parties.

JK may at its sole discretion offer the Subscriber an opportunity to upgrade its Equipment during the Term of the Agreement, provided the Subscriber agrees to renew the Agreement for a minimum of 48 months at the current lease and subscription rate as determined by JK, in which case the Subscriber will return and ship the older Equipment to JK in good working condition as determined by JK. JK reserves the right to charge a fee for upgrading the Equipment.

3. Software License

- a) Grant of License:** JK hereby grants to the Subscriber a non-exclusive, non-transferable, worldwide right to install and use the Software for the Subscriber's commercial use provided that the Subscriber complies with all terms and conditions of this license. The license granted herein for the use of the Software, is a commercial license intended only for dedicated commercial purposes by licensed Users of JK, and no one may use this Software for any purpose or in any way related to the operation of any business enterprise or revenue generating activities other than as expressly licensed by JK. Sharing this Software with any other person or allowing any other person to view the Contents of this Software is in violation of this license. The Software is licensed as a single product; its parts may not be separated for use on more than one server, and the Subscriber agrees that this Software may not be used by more than one server at any one time. The documentation that accompanies the Software is licensed for internal, non-commercial reference purposes only. This license does not grant the Subscriber any rights to any trademarks or service marks of JK. The Subscriber may not access the Software if the Subscriber is a direct competitor of JK except with JK's prior written consent. In addition, the Subscriber may not access the Software for purposes of monitoring its availability, performance or functionality, or for any other benchmarking or competitive purpose. The foregoing is subject to any lease or license between JK and its suppliers. JK has all necessary rights, entitlements, permissions, and privileges to provide the Software to the Subscriber pursuant to these terms and conditions, and to perform its obligations hereunder.
- b) Prohibitions:** The Subscriber shall not (i) license, sublicense, sell, resell, transfer, assign, distribute or otherwise commercially exploit or make available to any third party the Software or the Content, or any part or component thereof, in any way except as specifically authorized by this Agreement; (ii) modify or make derivative works based upon the Software or the Content; (iii) create Internet "links" to the Software or "frame" or "mirror" any Content on any other server or wireless or Internet-based device; or (iv) reverse engineer or access JK's Technology or the Software in order to (a) build a competitive product or service, (b) build a product using similar ideas, features, functions or graphics of the Software, or (c) copy any ideas, features, functions or graphics of the Software. User licenses cannot be shared or used by more than one individual User but may be reassigned from time to time to new Users who are replacing former Users who no longer use the Software.
- c) Set up:** JK will provide the Subscriber with the Software in accordance with this Agreement and any applicable Purchase Order Form(s) or appendices. If the Subscriber requires configuration, set-up, support, and training services from JK for the Software, those services, and related charges will be set out in a Purchase Order Form signed by both JK and the Subscriber. Any such Purchase Order Form shall be subject to and governed by this Agreement, and by the provisions of JK's Policies provided to the Subscriber and set forth on JK's Website.
- d) Copyright:** JK or its suppliers own the title, copyright and other Intellectual Property Rights in the Software. The Software is protected by Canadian and United States copyright and other intellectual property laws and treaties.
- e) Reservation of Rights and Ownership:** JK expressly reserves all rights not expressly granted to the Subscriber in this license. JK reserves the right to modify and update the Software or its policies relating to the Software in its discretion from time to time, provided that (i) such modification does not result in the Software being materially worse than the Software provided at the Effective Date or (ii) such modification has been agreed upon by the parties.

JK provides the Software to the Subscriber pursuant to the terms and conditions of this Agreement. The Subscriber recognizes that certain third-party providers of ancillary software, hardware, or services may require its agreement to additional or different license or other terms before the Subscriber's use of or access to such software, hardware, or services.

- f) **Internet-based Services:** The Subscriber's use of JK's Internet-based services, if any, is subject to rules and regulations established from time to time by JK. The Subscriber may not use any JK Internet-based services associated with the Software in any manner that could damage, disable, overburden or impair such services or interfere with any other person's use and enjoyment of them. The Subscriber may not attempt to gain unauthorized access to any service, account, computer systems or networks associated with the Internet-based services. JK reserves the right to vary or discontinue Internet-based services provided to the Subscriber or made available to the Subscriber through the use of the Software.
- g) **Health Monitoring:** To the extent that JK is hosting the Subscriber's data and the Subscriber is leasing JK's Equipment, the purpose of Health Monitoring is to ensure all cameras and data/video feeds are operating and that there is nothing related to the JK Equipment and Software that is preventing the Subscriber from obtaining/collecting the information/data they require. JK will provide status updates to the Subscriber but is not responsible for monitoring the Content of the video images. The status updates shall include but are not limited to the operation of the cameras, the length of time data is stored, log-ins, and status of hard drives. The Subscriber acknowledges that there is an open connection between the Subscriber's server and JK's Content management system. JK shall use commercially reasonable efforts: (a) to provide the Health Monitoring option according to JK's documentation as described in this Agreement under normal use and circumstances, in a manner consistent with the generally accepted industry standards reasonably applicable to the provision of the Health Monitoring option, and (b) to notify the Subscriber if JK becomes aware of any breach of its security relating to the Health Monitoring option. Except as expressly provided for herein, JK makes no representation or warranties about the suitability, fitness for a particular purpose, or relevance of the data provided by the Health Monitoring option.
- h) **Consent to Use of Data:** The Subscriber agrees that JK may collect and use technical information gathered as part of the product support services provided to the Subscriber, if any, related to the Software. JK may use this information solely to improve its products or to provide customized services or technologies to the Subscriber and will not disclose this information in a form that personally identifies the Subscriber.
- i) **Links to Third Party Sites:** JK is not responsible for the Contents of any third-party sites or services, any links contained in their party sites or services, or any changes or updates to third party sites or services. JK is providing these links and access to third party sites and services to the Subscriber only as a convenience, and the inclusion of any link or access does not imply an endorsement by JK of the third-party site or service.
- j) **Additional Software/Services:** This license applies to all updates, supplements, add-on components or Internet-based service components of the Software that JK may provide or make available after the date the Subscriber obtains its initial copy of the Software unless they are accompanied by separate terms in which case the separate terms shall govern. To use Software identified as an upgrade, the Subscriber must first be licensed for the Software identified by JK as eligible for the upgrade. After installing the upgrade, the Subscriber may no longer use the original Software that formed the basis for the upgrade eligibility except as part of the upgraded Software.

4. Term and Termination

This Agreement commences on the Effective Date and shall remain in effect until the end of the Term as provided for in the Purchase Order Form(s) and this Agreement. In the event that the Subscriber has not provided 60 days' written notice to JK before the end of the Term of its intention to forego renewing this Agreement, this Agreement shall automatically renew thereafter and restart under the same terms and conditions, save as provided for herein, for unlimited consecutive one-month terms, after which the Subscriber may provide 60 days' written notice if and when it intends to end the term of this Agreement.

If a new Agreement is executed by the Subscriber and JK, JK will change or replace the Subscriber's Equipment, if required. JK reserves the right to retain the initial hardware deposit and charge the Subscriber a new hardware deposit for the Equipment.

In addition to any other rights granted to JK herein, JK reserves the right to suspend or terminate the Subscriber's password account or use of the Equipment and/or Software, to remotely shut down access to the Equipment, Software and Customer Data, or terminate this Agreement if the Subscriber's account becomes delinquent (falls into arrears) or as a result of the Subscriber's default in its obligations. The Subscriber will continue to be charged for User licenses during any period of suspension. If the Subscriber or JK initiates termination of this Agreement, the Subscriber will be obligated to pay the balance due on the Subscriber's account for the remaining Term, computed in accordance with the Payments, Deposit, and Charges section of this Agreement. The Subscriber agrees that JK may charge such unpaid fees to the Subscriber's credit card or otherwise bill the Subscriber for such unpaid fees. The Subscriber agrees and acknowledges that JK has no obligation to retain the Customer Data in the event of the Subscriber's default, and may delete such Customer Data, if the Subscriber has defaulted pursuant to this Agreement, including but

not limited to failure to pay outstanding fees or charges, and such default has not been cured within 30 days of notice of such default. JK reserves the right to impose a reconnection fee in the event the Subscriber's access to the Software and Customer Data is suspended or terminated for default and the Subscriber requests access to the Software and Customer Data thereafter.

If termination of this Agreement occurs during or after installation of the Equipment and/or Software, the Subscriber is required to pay JK \$1500.00, such amount representing administration and cancellation processing fees. Installation of the Equipment and/or Software is deemed to have commenced upon a JK representative or agent arriving at the Subscriber's installation site on the date of installation.

5. Payments, Deposit, and Charges

The start date of the Term (the "Start Date") is stipulated on the Quote, which can be no later than 30 days from the date of this hardware deposit collection. The Term shall start on the 30th day after the hardware deposit is collected, by which point the Subscriber is responsible for contacting JK to activate the software and license(s). Invoicing will begin on the Start Date and will continue subsequently thereafter as outlined in the Purchase Order Form(s), at which point the Subscriber shall pay for all invoices and monthly payments within 30 days of the invoice date, unless stipulated otherwise and agreed upon by JK.

The Subscriber shall pay to JK any hardware deposit(s), as outlined in the Purchase Order Form(s) at the inception of this Agreement. Upon termination of this agreement, and upon JK receiving the Equipment from the Subscriber, the deposit may be refunded to the Subscriber, excluding any monetary inflation or interest, under JK's sole discretion. The Subscriber will make payments on the first day of each month in advance and continuing monthly thereafter unless agreed upon in writing, or as set out in the Purchase Order Form(s).

The Subscriber shall pay all fees or charges in accordance with the fees, charges, and billing terms in effect at the time a fee or charge is due and payable as set forth in the applicable Purchase Order Form(s) and/or any form authorizing JK to debit from the Subscriber's bank account or business account. The Subscriber is responsible for paying for all User licenses ordered for the entire License Term and the corresponding maintenance fees, whether or not such User licenses are actively used. The Subscriber shall provide JK with accurate payment information and/or approved purchase order information as a condition to signing up for the Software. An authorized License Administrator may add licenses by executing an additional written Purchase Order Form; added licenses will be subject to the following, unless otherwise agreed upon by the parties: (i) added licenses will be coterminous with the pre-existing License Term (either initial term or renewal term); (ii) the license fee for the added licenses will be the then current, generally applicable license fee; and (iii) licenses added in the middle of a billing month will be charged in full for that entire month. JK reserves the right to modify its fees and charges and to introduce new charges at any time upon at least 30 days' prior written notice to the Subscriber unless otherwise agreed upon by the parties. All pricing terms are confidential, and the Subscriber and JK each agree not to disclose them to any third party.

If the Term is renewed after the Initial Term, JK will issue an invoice to the Subscriber for the renewed Term as set forth in the applicable Purchase Order Form(s), or as otherwise agreed upon by the parties. Unless otherwise provided in a Purchase Order Form, the renewal charge will be equal to the then current number of total User licenses times the license fee in effect during the prior Term, unless JK has given the Subscriber at least 30 days' prior written notice of a fee increase, which shall be effective upon renewal and thereafter.

JK's charges are exclusive of all taxes, levies, or duties imposed by taxing authorities on the provision of the Software and Equipment to the Subscriber pursuant to this Agreement, and the Subscriber shall be responsible for payment of all such taxes, levies, or duties. Unless otherwise provided in the Purchase Order Form: (i) entities with headquarters and a majority of entities resident in the United States will be billed in U.S. dollars; and (ii) all other entities will be billed in Canadian dollars. Delinquent invoices (accounts in arrears) are subject to interest of 1.0% per month on any outstanding balance, or the maximum permitted by law, whichever is less, plus all expenses of collection (including attorneys' fees and costs).

The Subscriber agrees to provide JK and/or its authorized representative with complete and accurate billing and contact information. This information includes the Subscriber's legal name, name(s) of authorized signatories, street address, email address, and name and telephone number of an authorized billing contact and Administrator. The Subscriber agrees to update this information within 30 days of any change. If the Subscriber believes any bill submitted to it by JK is incorrect, the Subscriber must contact JK in writing within 60 days of the date of the invoice containing the amount in question to be eligible to receive an adjustment or credit. If the Subscriber requires an advanced replacement, JK will issue an invoice for the full value of the Equipment being replaced, however if it is returned within 30 days JK will credit the Subscriber for the full value of the advanced replacement

Equipment, and in the event the advanced replacement Equipment is not returned, the invoice will not be credited and will be issued for payment, based solely on the return merchandise authorization number.

Default; Remedies. (a) If the Subscriber shall default in its regular payments or in making any other payment hereunder when due, or (b) the Subscriber shall default in the payment when due of any indebtedness of the Subscriber to JK arising independently of the Agreement, or (c) the Subscriber shall default in the performance of any other covenant herein and such default shall continue for five days after written notice to the Subscriber by JK or (d) the Subscriber becomes insolvent or makes an assignment for the benefit of creditors, or (e) the Subscriber applies for or consents to the appointment of a receiver, trustee, or liquidator of the Subscriber or of all or a substantial part of the assets of the Subscriber, or (f) the filing by or against the Subscriber of a petition in bankruptcy or a petition for reorganization or liquidation of the Subscriber under law, then, if and to the extent permitted by law, JK shall have the right to exercise any one or more of the following remedies:

- i) To retain the hardware and/or Equipment deposit and to declare the entire amount of payment hereunder immediately due and payable as to any remaining balance due on the Subscriber's account for the remaining Term without notice or demand to the Subscriber, computed in accordance with this section;
- ii) To sue for and recover all payments, then accrued or thereafter accruing, with respect to any or all Software, services, Cloud Managed Service, licenses, and any leased Equipment;
- iii) To take possession of any or all items of the Equipment and/or Software without demand, notice or legal process, wherever they may be located. The Subscriber hereby waives any and all damages occasioned by such taking of possession;
- iv) To terminate this Agreement as to any or all items of Equipment, Software, and/or items of services provided to the Subscriber by JK; and
- v) To pursue any other remedy at law or in equity

All such remedies are cumulative and may be exercised concurrently or separately.

6. Return of Equipment

In the event that this Agreement is not renewed by the Subscriber, this Agreement will terminate at which point the Subscriber will notify JK, and the Subscriber, at its sole cost and expense, shall promptly deliver the Equipment to JK at JK's address set forth in this Agreement. Any hardware deposit(s) will be retained by JK, and the Subscriber shall be liable to JK for the remainder of the fair market value of the Equipment, determined as of the date of this Agreement, unless the Subscriber returns the Equipment to JK within fifteen (15) business days after termination of this Agreement, in good working order. Should the Subscriber ship any Equipment back to JK, the Subscriber shall be responsible for any damage to the Equipment during shipping. In the event JK provides shipping instructions to the Subscriber, the Subscriber shall comply with such shipping instructions.

The fair market value of the Equipment is determined by the MSRP of the subscription package as set out in the Purchase Order Form(s) and as follows:

Essential Package: \$2968.00

Secured Package: \$8142.00

Q-Time Package: \$8282.00

Enterprise Package: \$10587.00

Encoder: \$870.00

7. Insurance

The Subscriber hereby acknowledges and agrees that its assumption of loss of the Equipment shall attach upon the earlier of (i) the Subscriber's receipt of the Equipment, or (ii) upon JK's delivery of the Equipment to a common carrier for transporting to Subscriber. The Subscriber shall, at its sole expense, obtain and maintain throughout the term general commercial liability insurance against claims to cover such liability caused by, or arising out of activities of the Subscriber and/or the Subscriber's employees with respect to the Equipment. All such certificates evidencing such insurance shall name JK as an additional insured. The Subscriber agrees to furnish proof of any such insurance to JK upon request.

The Subscriber shall be responsible for any loss of or damage to the Equipment from any cause at all, whether or not insured, from the Effective Date. If the Equipment is lost, stolen, damaged, the Subscriber will promptly notify JK of such event. In no event shall such loss or damage relieve the Subscriber of its obligation under this Agreement.

8. Subscriber's Responsibilities

The Subscriber represents and warrants that: (a) it has the legal power and authority to enter into this Agreement; and (b) it has not falsely identified itself nor provided any false information to gain access to the Software and/or Equipment.

The Subscriber is responsible for making payments to JK as outlined in the Payments, Deposit, and Charges section of this Agreement. The Subscriber is further responsible for all activity associated with the Software and Equipment, including activity occurring under the Subscriber's User accounts and shall comply with all applicable local, provincial, state, national and foreign laws, treaties and regulations in connection with the Subscriber's use of the Equipment and Software, including those related to data privacy, international communications, export control, consumer protection, unfair competition, anti-discrimination, false advertising, and the transmission of technical or personal data.

The Subscriber shall (i) notify JK immediately of any unauthorized use of any password or account or any other known or suspected breach of security; (ii) report to JK immediately and use reasonable efforts to stop immediately any copying or distribution of Content that is known or suspected by the Subscriber or the Subscriber's Users; (iii) not impersonate another JK User or provide false identity information to gain access to or use the Software or Equipment and not interfere with another User's use and enjoyment of the Software or Equipment; (iv) not post, distribute or otherwise make available or transmit any software or other computer files that contain a virus or other harmful component; (v) not delete from the Content documentation or any website used in connection with the Software any legal notices, disclaimers or proprietary notices such as copyright or trademark symbols or modify any logos that the Subscriber does not own or have express permission to modify, interfere or tamper with the Software or Equipment particularly where the Subscriber does not own or have express permission to modify, (vi) not interfere with or disrupt networks connected to the Equipment or Software; (vii) not use the Software or Equipment to infringe any third party's Intellectual Property Rights or rights of publicity or privacy; and (viii) not use the Software or Equipment to transmit or store any duplicative or unsolicited messages, unlawful, harassing, libelous, abusive, threatening, harmful, vulgar, obscene or otherwise objectionable or illegal material of any kind or nature.

9. JK's Responsibilities

JK is responsible for all JK activity outlined in the Purchase Order Form(s) and the Smart Subscription Agreement which includes providing maintenance services to the Subscriber at no cost during the first year of the Term of this Agreement. Maintenance services include installation, upgrading Equipment, repair and service calls to the Subscriber. JK is further responsible for collecting payments and deposits from the Subscriber as it pertains to JK's Smart Subscription, which include monthly Smart Subscription payments and any hardware deposits.

JK shall use its commercially reasonable efforts: (a) to provide support, operate, and maintain the Equipment, and Software for the Subscriber, including providing remote service and support, according to JK's documentation as described in this Agreement and as set forth in the Purchase Order Form(s), if applicable, under normal use and circumstances, in a manner consistent with the generally accepted industry standards reasonably applicable to the provision of the Software and Equipment; (b) to notify the Subscriber if JK becomes aware of any breach of its security relating to the Equipment, Software, or Customer Data or if the Equipment or Software has attracted any malware, viruses, and any other types of hostile and intrusive software; (c) in the event the leased Equipment becomes inoperative or defective, to replace such Equipment with similar Equipment valued at lesser or equal value dependent on the duration of the Term; and (d) to keep all Customer Data confidential applying the generally accepted industry standards for the protection of confidentiality.

JK may retain any and all such personnel as required to provide the necessary services and support to the Subscriber in accordance with these terms and conditions without notice to the Subscriber.

10. Account Information and Data

The Subscriber, not JK, shall have sole responsibility for the accuracy, quality, integrity, legality, reliability, appropriateness, and intellectual property ownership or right to use of all data, information or material that the Subscriber submits to the Software in the course of using the Software (the "Customer Data"), and JK shall not be responsible or liable for the deletion, correction, destruction, damage, loss or failure to store any Customer Data unless JK specifically agrees in writing to store data for the

Subscriber. The Subscriber agrees that JK may use aggregated, anonymized data in read-only format that is generated in the course of the Subscriber's use of the Software for its business purposes, including the development of marketing and sales collateral and general studies relating to the industry. In the event this Agreement is terminated (other than by reason of the Subscriber's default), JK will make available to the Subscriber a file of the Customer Data within 30 days of termination if the Subscriber so requests at or before the time of termination. JK reserves the right to withhold Customer Data without notice for any default by the Subscriber pursuant to this Agreement, including, without limitation, if the Subscriber's account becomes delinquent (falls into arrears).

11. Confidentiality

The Subscriber acknowledges and agrees that certain Customer Data may be stored and hosted by third-party hosting services on their secure cloud platform. The Subscriber agrees that all information related to JK including, but not limited to, the Intellectual Property Rights, information relating to the internal organization of JK, its products or trade secrets, technical data, files, lists, services, methods, processes, prices, contract terms or operating procedures and data, records, correspondence and other information pertaining to or concerning the business of JK, is proprietary and confidential (the "Confidential Information"). In the event that the Subscriber learns of or acquires such information during the course of his engagement with JK, the Subscriber shall use its best efforts and exercise utmost diligence to protect and maintain the confidentiality of the Confidential Information. The Subscriber shall not, directly or indirectly, use the Confidential Information for its own benefit, or disclose to another any Confidential Information, whether or not acquired, learned, obtained or developed by the Subscriber alone or in conjunction with others, except as such disclosure or use may be required in connection with the performance of this Agreement or as may be consented to in writing by JK. Such information may not be considered Confidential Information if it is in the public domain (through no wrongful act of the Subscriber) or to the extent that the Subscriber is required to disclose such information in accordance with applicable laws, and in that case only once reasonable notice has been provided to JK that disclosure has been requested. The provisions of this section shall survive any termination or expiration of this Agreement. JK or its suppliers own the title, copyright and other Intellectual Property Rights in the Equipment and Software. The Equipment and Software is protected by Canadian and United States copyright and other intellectual property laws and treaties.

12. Disclaimer of Warranties

JK and its licensors make no representation, warranty, or guaranty as to the reliability, timeliness, quality, suitability, truth, availability, accuracy or completeness of the Software, Equipment or any Content except as otherwise specifically provided in this Agreement. JK and its licensors do not represent or warrant that (a) the use of the Software or Equipment will be secure, accessible, timely, free from corruption, able to store all stored data uninterrupted or error-free or operate in combination with any other hardware, software, equipment, system or data, (b) the Software or Equipment will meet the Subscriber's requirements or expectations, (c) any stored data will be accurate, reliable or free from corruption, (d) the quality of any products, services, information, or other material purchased or obtained by the Subscriber through the agreement will meet the Subscriber's requirements or expectations, (e) errors or defects will be corrected, or (f) the stored data will be used and/or disclosed solely by or to the Subscriber. Except as herein specifically set forth, all conditions, representations and warranties, whether express, implied, statutory or otherwise, including, without limitation, any implied warranty of merchantability, fitness for a particular purpose, or non-infringement of third party rights, are hereby disclaimed to the maximum extent permitted by applicable law, by JK and its licensors.

13. Limitation of Liability

In no event shall JK's aggregate liability exceed the amounts actually paid by and/or due from the Subscriber in the twelve (12) month period immediately preceding the event giving rise to such claim. In no event shall JK and/or its licensors be liable to anyone for any indirect, punitive, special, exemplary, incidental, consequential or other damages of any similar type or kind (including regulatory fine or penalty, or claims for loss of data, revenue, profits, use or other economic advantage) arising out of, or in any way connected with the goods and services provided for in this agreement, including but not limited to the use or inability to use the goods and services provided for in this agreement, or for any Content obtained from or through the goods and services provided for in this agreement, or any interruption, inaccuracy, error or omission, regardless of cause, in the Content, even if JK or its licensors have been previously advised of the possibility of such damages.

14. Indemnification

The Subscriber shall indemnify and hold JK, its licensors and each such party's Affiliates, officers, directors, employees, attorneys and agents harmless from and against any and all claims, costs, damages, losses, liabilities and expenses (including attorneys' fees

and costs) arising out of the rental of the Equipment and all acts and omissions related thereto, or in connection with: (i) a claim alleging that use of the Customer Data infringes the rights of, or has caused harm to, a third party; (ii) a claim, which if true, would constitute a violation by the Subscriber of its representations and warranties; or (iii) a claim arising from the default by the Subscriber or the Subscriber's Users of this Agreement, provided in any such case that JK (a) gives written notice of the claim promptly to the Subscriber; (b) gives the Subscriber a reasonable opportunity to exercise sole control of the defense and settlement of the claim (provided that the Subscriber may not settle or defend any claim unless the Subscriber unconditionally releases JK of all liability and such settlement does not affect JK's business, Software, or Equipment); (c) provides to the Subscriber all available information and assistance; and (d) has not compromised or settled such claim.

15. General

This Agreement shall be governed by the laws of the Province of Ontario, and the laws of Canada applicable therein, without regard to the choice or conflicts of law provisions of any jurisdiction, and any disputes, actions, claims or causes of action arising out of or in connection with this Agreement shall be subject to the exclusive jurisdiction of the provincial and federal courts located in Toronto, Ontario. No text or information set forth on any Purchase Order Form, preprinted form or document shall add to or vary the terms and conditions of this Agreement, unless signed by the parties and incorporated by reference into this Agreement. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, then such provision(s) shall be construed, as nearly as possible, to reflect the intentions of the invalid or unenforceable provision(s), with all other provisions remaining in full force and effect. No joint venture, partnership, employment, or agency relationship exists between the Subscriber and JK as a result of this Agreement or use of the Software or Equipment. The failure of either party to enforce any right or provision in this Agreement shall not constitute a waiver of such right or provision unless acknowledged and agreed to by the other party.

JK may give notice by means of electronic mail to the Subscriber's email address on record in JK's account information or by written communication sent by first class mail or pre-paid post to the Subscriber's address on record in JK's account information. Such notice shall be deemed to have been given upon the expiration of 48 hours after mailing or posting (if sent by first class mail or prepaid post), or 12 hours after sending (if sent by email). Continued use of the Software or Equipment after any such changes shall constitute the Subscriber's acceptance of such changes. The Subscriber may give notice to JK (such notice shall be deemed given when received by JK) at any time by any of the following: letter delivered by nationally recognized overnight delivery service or first class postage prepaid mail addressed to JK at JK's Head Office to the attention of the Chief Financial Officer.

This Agreement may not be assigned by the Subscriber without JK's prior written approval; except that the Subscriber may assign the Agreement without JK's consent to (i) an Affiliate of the Subscriber, (ii) an acquirer of all or substantially all of the Subscriber's assets, or (iii) a successor of the Subscriber by amalgamation, provided in each case that the assignee assumes all of the obligations and liabilities of the Subscriber under this Agreement by covenant in favor of JK. In such an instance, notice of assignment must be provided to JK within 30 days of the effective date of the assignment. Any purported assignment in violation of this section shall be void. Any actual or proposed assignment or change in control of the Subscriber that results or would result in a direct competitor of JK directly or indirectly owning or controlling 50% or more of the Subscriber's voting shares shall entitle JK to terminate this Agreement for cause immediately upon written notice to the Subscriber. JK reserves the right to assign this Agreement, in its sole discretion, without the consent of the Subscriber.

If as a result of Unavoidable Delay a party fails to perform or comply with any of its obligations under this Agreement (other than an obligation to pay moneys when due), such failure will not constitute a default under or breach of this Agreement or give rise to any liability. The time for performing or complying with the obligation in question will be extended by a period equal to the period during which the Unavoidable Delay operates to prevent compliance. Each party will promptly notify the other of the occurrence of any Unavoidable Delay which might prevent performance or compliance with an obligation of such party under this Agreement. For purposes of this Agreement, "Unavoidable Delay" means any strike, lock-out, labour dispute, act of God, inability to obtain labor, utilities or services, application of applicable laws not in effect on the date hereof, enemy or hostile actions, sabotage, war, blockades, insurrections, riots, epidemics, washouts, nuclear and radiation activity or fall-out, civil disturbances, explosions, fire or other casualty, or any other cause, whether similar to or dissimilar from the foregoing, beyond the reasonable control of the party seeking to take advantage of the Unavoidable Delay and not avoidable by the exercise of reasonable foresight.

This Agreement shall enure to the benefit of and be binding upon the parties and their respective successors and permitted assigns of the respective parties hereto and the heirs, executors and Administrators of the Subscriber, if an individual, always providing that nothing in this paragraph contained shall impair any of the provisions hereinbefore set forth prohibiting assignment without the consent of JK.

This Agreement, together with any applicable Purchase Order Form, comprises the entire agreement between the Subscriber and JK and supersedes all prior or contemporaneous negotiations, discussions or agreements, whether written or oral, between the parties regarding the subject matter contained herein. No modification or amendment of this Agreement will be effective unless made in writing and signed by the parties.

Definitions

As used in this Smart Subscription Agreement Terms and Conditions, the Smart Subscription Agreement and in any applicable Purchase Order Form(s) now or hereafter associated herewith:

- (a) "**Administrator(s)**" means those Users designated by the Subscriber who are authorized to lease JK Equipment and license JK Software by executing the Agreement and the written Purchase Order Form(s) and to create User accounts and otherwise administer the Subscriber's use of the Equipment and Software;
- (b) "**Affiliate**" of a party means its parent organization(s) and subsidiary companies;
- (c) "**Cloud Managed Services**" includes some of the following services: company data stored on AWS, a monthly report provided to the Company, health monitoring and risk factors data;
- (d) "**Content**" means the audio and visual information, documents, software, products and services contained or made available to the Subscriber in the course of using the Software;
- (e) "**Customer Data**" means any data, information or material provided, submitted or created by the Subscriber to JK in the course of using Software;
- (f) "**Effective Date**" means the date of this Agreement;
- (g) "**JK's Head Office**" means JK's office as set forth on page 1 hereof as varied by JK from time to time in its sole discretion;
- (h) "**JK's Technology**" means all of JK's proprietary technology (including software, hardware, products, processes, algorithms, user interfaces, know-how, techniques, designs and other tangible or intangible technical material or information) made available to the Subscriber by JK in providing the Equipment and Software;
- (i) "**JK's Website**" means <https://jkquality.com>, as such website may be updated or varied by JK from time to time in its sole discretion;
- (j) "**Intellectual Property Rights**" means unpatented inventions, logos, product names, patent applications, patents, design rights, copyrights, trademarks, service marks, trade names, domain name rights, mask work rights, know-how and other trade secret rights, and all other intellectual property rights whether registered or not, derivatives thereof, and forms of protection of a similar nature anywhere in the world;
- (k) "**License Administrator(s)**" means those Users designated by the Subscriber who are authorized to purchase licenses by executing written Purchase Order Forms and to create User accounts and otherwise administer the Subscriber's use of the Software;
- (l) "**License Term(s)**" means the period(s) during which a specified number of Users are licensed to use the Software pursuant to the Purchase Order Form(s);
- (m) "**Purchase Order Form**" means the form(s), and/or any appendices, order acknowledgement, the Quote(s) and any amendments thereto that may be required, evidencing the leasing of JK goods and services and any subsequent purchase order information submitted online or in written form, specifying services contracted for the lease of Equipment and license of Software, the applicable fees, the billing period, and other charges or amendments as agreed upon by the parties. The Purchase Order Form(s) is/are to be incorporated into and to become a part of this Smart Subscription Agreement Terms and Conditions;
- (n) "**Quote**" means the Smart Subscription Quote form, or any form(s) that may be required, evidencing the leasing of JK goods and services and any subsequent purchase order information submitted online or in written form, specifying, services contracted for, the lease of Equipment and license of Software, the applicable fees, the billing period, and other charges and amendments as agreed upon by the parties. Each such Quote is to be incorporated into and to become a part of this Agreement;
- (o) "**Software**" includes JK's SRX-Pro Server, SRX-Pro Remote, SRX-Pro Mobile Remote, Video Pilot Client (VPC), Video Pilot Matrix (VPM), Video Pilot Matrix Console (VPMC), Artificial Intelligence (JK Ai), Video Analytics (iVA), including associated media, Cloud Managed Services (CMS), PACDM, LPR, Business Insights, Alert Centre, JKDM, Annexus Finder, Annexus Configuration Tool, JK Media Server and Portal, Video Editor, VEO, and all programs identified on a Quote and all operating information necessary to run those programs;
- (p) "**Term**" means the payment term of this Agreement specified in the Purchase Order Form(s), any appendices and/or Quote(s); and
- (q) "**User(s)**" means the Subscriber, its employees, representatives, consultants, contractors or agents who are authorized to use the Equipment and Software and have been supplied user identifications and passwords by the Subscriber (or by JK at the Subscriber's request)