

# MASTER SERVICES AGREEMENT

THIS MASTER SERVICES AGREEMENT (“**MSA**”) is entered into by you (“**Customer**”) as evidenced by your use of the Services (defined below). “**Customer**” shall include Customer’s corporate subsidiaries, as well as corporate parents, affiliates, and other related companies (collectively, “**Affiliates**”) approved by Pivcon to receive Services under this MSA. For purposes of this MSA the term “**Pivcon**” shall mean PIVCON, Inc. Pivcon and Customer agree to the following terms and conditions:

## 1. Services

All services provided by Pivcon under this MSA (the “**Services**”) will be described in one or more Service Agreements. “**Service Agreements**” are order forms or service contracts that incorporate the terms of this MSA, including “**Service Descriptions**” “**Service Agreement**”, “**Statements of Work**”, and any such mutually agreed upon document. The MSA and each Service Agreement will be interpreted as a single agreement, independent of each other Service Agreement, so that all of the provisions are given as full effect as possible. In no event will the description of Services under any Service Agreement be deemed by implication or otherwise to exclude any Services described in this MSA or another Service Agreement. In the event of a conflict between the terms of the MSA and a Service Agreement, the terms of these documents will be interpreted according to the following order of precedence: (1) Service Agreements and (2) the MSA.

## Confidentiality

In the performance of the Services, Customer and Pivcon may have access to or be exposed to information of the other party not generally known to the public, including, but not limited to software, product plans, marketing and sales information, customer lists, usernames, passwords, private encryption keys, “know-how,” or trade secrets which may be designated as being confidential or which, under the circumstances surrounding disclosure, ought to be treated as confidential (collectively, “**Confidential Information**”). Each party shall only use such Confidential Information disclosed hereunder in connection with its performance of this MSA including disclosing such Confidential Information with Customer’s vendors, Customer’s business partners or other parties in connection with Pivcon’s performance of this MSA. Each party agrees to take the necessary precautions to maintain the confidentiality of Confidential Information by using at least the same degree of care as such party employs with respect to its own Confidential Information of a like-kind nature, but in no case less than a commercially reasonable standard of care to maintain confidentiality, and shall only make such information available to its employees on a “need-to-know” basis. The foregoing shall not include information, which, (A) was known by one party prior to its receipt from the other or is or becomes public knowledge without the fault of the recipient, (B) is received by the recipient from a source other than a party to this MSA, or (C) a party is required to disclose in response to an order by a court or governmental agency, provided that advance notice of the disclosure is provided to other party. The obligations with respect to Confidential Information shall continue for three (3) years from the date of termination of this MSA.

## 8. Support Services

Shall be as set forth in applicable Service Agreement.

## 9. LIMITED WARRANTY & LIMITATION OF LIABILITY; HIGH-RISK DISCLAIMER

**9.1. Limited Warranty.** PIVCON WARRANTS THAT SERVICES WILL BE PERFORMED IN A GOOD AND WORKMANLIKE MANNER. EXCEPT AS EXPRESSLY STATED IN THE PRECEDING SENTENCE, PIVCON (INCLUDING ITS AFFILIATES, SUBSIDIARIES, SUPPLIERS, LICENSORS, SUBCONTRACTORS, DISTRIBUTORS, SERVICES PARTNERS, AGENTS AND MARKETING PARTNERS) AND EACH OF THEIR RESPECTIVE EMPLOYEES, DIRECTORS AND OFFICERS (COLLECTIVELY, THE “**PIVCON PARTY(IES)**”) MAKES NO EXPRESS OR IMPLIED WARRANTIES WITH RESPECT TO ANY OF THE SERVICES OR DELIVERABLES, INCLUDING BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, PERFORMANCE, SUITABILITY OR NON-INFRINGEMENT; ANY WARRANTY RELATING TO THIRD-PARTY PRODUCTS OR THIRD-PARTY SERVICES; ANY WARRANTY WITH RESPECT TO THE PERFORMANCE OF ANY HARDWARE OR SOFTWARE USED IN CONDUCTING SERVICES; OR ANY WARRANTY CONCERNING THE RESULTS TO BE OBTAINED FROM THE SERVICES OR THE RESULTS OF ANY RECOMMENDATION THE PIVCON PARTIES MAY MAKE.

## 9.2. Limitation of Liability

NEITHER THE PIVCON PARTIES NOR CUSTOMER WILL BE LIABLE FOR ANY INCIDENTAL, INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES, ARISING OUT OF OR IN CONNECTION WITH THE SERVICES PROVIDED BY PIVCON. NEITHER PARTY SHALL HAVE LIABILITY FOR (A) LOSS OF REVENUE, INCOME, PROFIT, OR SAVINGS, WHETHER DIRECT OR INDIRECT, (B) LOST OR CORRUPTED DATA OR SOFTWARE, LOSS OF USE OF SYSTEM(S) OR NETWORK, OR THE RECOVERY OF SUCH, (C) LOSS OF BUSINESS OPPORTUNITY, (D) BUSINESS INTERRUPTION OR DOWNTIME, OR (E) SERVICES, PIVCON PRODUCTS OR THIRD-PARTY PRODUCTS NOT BEING AVAILABLE FOR USE BY CUSTOMER. EXCEPT FOR CLAIMS THAT

THE SERVICES (EXCLUDING THIRD-PARTY SERVICES) CAUSED BODILY INJURY (INCLUDING DEATH) DUE TO THE PIVCON PARTIES’ NEGLIGENCE OR WILLFUL MISCONDUCT, THE PIVCON PARTIES’ TOTAL LIABILITY, WHETHER THE CLAIM FOR SUCH DAMAGES IS BASED IN CONTRACT, WARRANTY, STRICT LIABILITY, NEGLIGENCE OR TORT, ARISING OUT OF, OR IN CONNECTION WITH THE SERVICES OR THIS MSA SHALL NOT EXCEED THE AMOUNTS PAID BY CUSTOMER FOR THE SPECIFIC SERVICE(S) GIVING RISE TO SUCH CLAIM DURING THE PRIOR THREE (3) MONTH PERIOD. EACH PARTY ACKNOWLEDGES THAT THESE LIMITATIONS APPLY EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR THE REMEDIES FAIL OF THEIR ESSENTIAL PURPOSE AND THAT, WITHOUT THESE LIMITATIONS, THE FEE FOR THE SERVICES PROVIDED HEREUNDER WOULD BE HIGHER.

## 10. Indemnification

Customer shall defend, indemnify and hold Pivcon harmless from, any third-party claim or action arising out of (A) the failure of Customer to obtain the appropriate license, intellectual property rights, or any other permissions, regulatory certifications or approvals associated with Customer provided technology, software or other components related to the Service, as well as software directed or requested by Customer to be installed or integrated as part of Services, or (B) any inaccurate representations regarding the existence of an export license or any allegation made against Pivcon due to Customer’s violation or alleged violation of applicable export laws, regulations, and orders. Pivcon shall defend, indemnify and hold harmless Customer from any third-party claim or action that the Services or any Deliverables prepared or produced by Pivcon and delivered pursuant to this Agreement infringe or misappropriate that third party’s patent, copyright, trade secret, or other intellectual property rights enforceable in New York State (“**Indemnified Claims**”). Notwithstanding the foregoing, Pivcon shall have no obligation under this Section for any claim resulting or arising from (A) Customer’s modifications of the Service or Deliverable that were not approved by Pivcon; (B) the combination, operation or use of the Service or Deliverable in connection with a third-party product or service (the combination of which causes the infringement); or (C) Pivcon’s compliance with Customer’s written specifications or directions, including the incorporation of any software or other materials or process provided by or requested by Customer. Each party agrees to indemnify and hold harmless the other party from any third-party claim or action for personal bodily injuries, including death, resulting from the indemnifying party’s gross negligence or willful acts or omissions resulting from the Services (excluding third-party services) provided hereunder. This section states each party’s exclusive remedies for any third-party claim or action, and nothing in this MSA or elsewhere will obligate either party to provide any greater indemnity to the other.

## 11. Important Additional Terms

### 11.1. Entire Agreement; Severability

This MSA and Service Agreements is the entire agreement between Pivcon and Customer with respect to its subject matter and supersedes all prior oral and written understandings, communications or agreements. No amendment to or modification of this MSA, in whole or in part, will be valid or binding unless it is in writing and executed by authorized representatives of both parties. If any provision of this MSA is void or unenforceable, the remainder of this MSA will remain in full force and will not be terminated.

### 11.2. Force Majeure

Neither party shall be liable to the other party for any failure to perform any of its obligations (except payment obligations) under this MSA during any period in which such performance is delayed by circumstances beyond its reasonable control including, but not limited to, fire, flood, war, embargo, strike, riot, telecommunication service outage or the intervention of any governmental authority (a “**Force Majeure**”). In such event, however, the delayed party must promptly provide the other party with written notice of the Force Majeure. The delayed party’s time for performance will be excused for the duration of the Force Majeure, but if the Force Majeure events lasts longer than thirty (30) days, the other party may immediately terminate the applicable Service Agreement by giving written notice to the delayed party.

### 11.3. Limitation Period

Neither party may institute any action in any form arising out of this MSA more than two (2) years after the cause of action has arisen, or in the case of nonpayment, more than six (6) years from the date of last payment.

### 11.4. Updates

Pivcon reserves the right to update this MSA at any time, effective upon posting an updated version at <http://www.pivcon.com>; however, Customer’s rights and obligations shall be as provided in the version of the MSA available to Customer at the time of Customer’s purchase or, when applicable, renewal of Services.

### 11.5. Independent Contractor

The parties hereto are independent contractors, and nothing in this MSA will create any partnership, joint venture, agency, franchise, sales representative, or employment relationship, or the relationship of principal and agent between the

parties. The parties, as independent contractors, will have sole responsibility for its own respective expenses, taxes and employees.

**11.6. Choice of Law, Jurisdiction and Venue**

Customer agrees that this Agreement shall be interpreted and construed in accordance with the laws of the State of New York and that any claims should be brought within a court of competent jurisdiction in Monroe County, New York.

**11.7. Notices**

Notices and other communications, as required or permitted to be given hereunder, shall be provided:

If Customer to:

If Pivcon to:  
**Pivcon Inc.**  
426 Bartell Lane  
Webster, NY 14580

**12. Authority**

This Agreement will be binding on and will inure to the benefit of the legal representatives, successors, and valid assigns of the parties hereto. Each party hereby represents that it has the authority and capacity to enter into this Agreement.

**13. Non-Solicitation.**

Neither Customer, nor any of its subsidiaries, affiliates, employees, or other agents shall directly or indirectly solicit, entice, or induce any employee, subcontractor, or agent of Pivcon to leave Pivcon or stop performing services for Pivcon during the term of this MSA and for the one-year period following the term of this MSA. In the event that Customer violates this Section, Customer shall pay Pivcon an amount equal to twelve months compensation based on the employee's, subcontractor's or agent's rate of compensation immediately prior to the breach, in addition to any other relief available at law or equity.

**14. Counterparts**

This MSA may be executed in counterparts, each of which shall be deemed an original, but all such counterparts shall together constitute one and the same instrument.

**CUSTOMER:**

Sign: \_\_\_\_\_

Print: \_\_\_\_\_

Title: \_\_\_\_\_

Date: July , 2010 \_\_\_\_\_

**PIVCON, Inc.:**

Sign: \_\_\_\_\_

Print: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_