

## **CHARTERED EQUIPMENT RIDER**

Subject to Subscribers payment of applicable subscription fees, March Networks shall provide the Chartered Equipment required by the Order, if any. March Networks has no responsibility or liability pursuant to this Agreement for any equipment Subscriber uses in conjunction with the March Networks System, other than the Chartered Equipment, or for any other third party product or service. Unless otherwise defined hereunder, the capitalized terms used in this Rider shall have the same meaning as defined in the Terms of Service available at <a href="https://www.marchnetworks.com/ToS/">https://www.marchnetworks.com/ToS/</a>.

- <u>Charter</u>. If an Order calls for Chartered Equipment, March Networks grants Subscriber an operating lease to the Chartered Equipment (the "<u>Charter</u>"), in accordance with the provisions of this Agreement.
  - 1.1. Ownership, Replacement, & Return. The Chartered Equipment remains wholly owned by March Networks, and the Subscriber receives no title, ownership, or other rights or interest in Chartered Equipment other than the use thereof during the Term. March Networks may replace Chartered Equipment during the Term and may require that Chartered Equipment be returned, at Subscriber's expense, in the event of a notice of non-renewal of the Term. Subscriber shall, at the (expiration of the Term or sooner termination of the Charter), at its expense, de-install, remove all Subscriber Data, pack and return all the Chartered Equipment to March Networks at such location as shall be designated by March Networks in the same operating order, repair, condition and appearance as of the installation date, reasonable wear and tear excepted. Subscriber shall not, directly or indirectly, sell, mortgage, pledge, or otherwise dispose of or encumber the Chartered Equipment. If Subscriber breaches its payment obligations, including deadlines, or materially breaches this Agreement, Subscriber hereby authorizes March Networks at any time thereafter to enter any premises where the Chartered Equipment may be and take possession of the Chartered Equipment (including without limitation through action of March Networks' subcontractors or CSPs).
  - 1.2. Damage & Continuation of Charter. Risk of loss/damage to Chartered Equipment transfers to Subscriber upon installation. In case of destruction of Chartered Equipment or damage beyond normal wear and tear, Subscriber shall pay March Networks the fair market value of the damaged Chartered Equipment, as determined by March Networks in its reasonable discretion. The Charter will not terminate, and Subscriber's obligations will not be altered, as a result of any defect in, damage to, loss of, or obsolescence of the Chartered Equipment or any part thereof from any cause whatsoever, or any interference with use of the Chartered Equipment or act of God. It is the express intention of March Networks and Subscriber that all rent and other sums payable by Subscriber related to the Charter will be payable throughout the Term of the Charter. The Charter shall be binding upon Subscriber and its assignees.
  - 1.3. *Compliance with Laws*. In its use of the March Networks Technology Subscriber will comply with all laws, including without limited Privacy/Security Laws, as well as all applicable requirements of the manufacturer of the Chartered Equipment which apply to the physical possession, use, operation, condition and maintenance of the Chartered Equipment.

- 1.4. No Liens or Alterations. Subscriber shall keep the Chartered Equipment free from any marking or labeling which might be interpreted as a claim of ownership by Subscriber or any party other than March Networks and its Assignee, and shall affix and maintain tags, decals or plates furnished by March Networks on the Chartered Equipment indicating ownership and title to the Chartered Equipment in March Networks or its Assignee. Upon reasonable notice to Subscriber, March Networks or its agents shall have access to the Chartered Equipment and Subscriber's books and records with respect to the Charter and the Chartered Equipment at reasonable times for the purpose of inspection and for any other purposes contemplated by the Charter, subject to the reasonable security requirements of Subscriber. Subscriber shall not without the prior written consent of March Networks affix or install any accessory, feature, equipment or device to the Chartered Equipment.
- 1.5. Insurance. During the Term of the Charter, Subscriber, at its own expense, shall maintain in regard to the Chartered Equipment, insurance in an amount not less than the replacement cost. Such insurance shall name March Networks and its Assignee as additional insureds. All such insurance shall provide that it may not be terminated, canceled, or altered without at least thirty (30) days' prior written notice to March Networks and its Assignee. Coverage afforded to March Networks shall not be rescinded, impaired, or invalidated by any act or neglect of Subscriber. Subscriber agrees to supply to March Networks, upon request, evidence of such insurance.
- 1.6. UCC Financing Statements. Subscriber shall execute and deliver such instruments, including Uniform Commercial Code financing statements, as are required to be filed to evidence the interest of March Networks and its Assignee in the Chartered Equipment and the Charter. Subscriber authorizes March Networks and its Assignee to file Uniform Commercial Code financing statements without Subscriber's signature to evidence the interest of March Networks and its Assignee in the Chartered Equipment and the Charter. Subscriber has no interest in the Chartered Equipment except as expressly set forth in the Charter, and that interest is a leasehold interest. March Networks and Subscriber agree, and Subscriber represents for the benefit of March Networks and its Assignee that the Charter is intended to be a "finance lease" and not a "lease intended as security" as those terms are used in the UCC; and that the Charter is intended to be a "true lease" as the term is commonly used under the Internal Revenue Code of 1986, as amended (the "Code"). If the Charter is deemed to be a "lease intended for security" or is otherwise deemed to be a secured loan and/or not a "finance lease" or "true lease", then Subscriber shall be deemed to have granted March Networks a first priority security interest in the Chartered Equipment related to such Charter to secure all of Subscriber's obligations to March Networks under such Charter and such security interest shall be perfected by the Uniform Commercial Code financing statement(s), the filings of which are authorized above.
- 2. General Terms for Chartered Equipment.
  - 2.1. *Installation.* Subscriber shall provide the required network configuration and connectivity and a suitable place of installation for the Chartered Equipment with all appropriate facilities. A qualified CSP must perform the installation, first line support and onsite maintenance of the

Chartered Equipment listed in the Order on behalf of Subscriber at Subscriber's expense. Subscriber agrees to obtain all permits and licenses necessary for installation of the Chartered Equipment.

- 2.2. Licensed Firmware. Certain Chartered Equipment is provided with proprietary operating software already installed and periodic updates made available for download ("Firmware"). Firmware is licensed to Subscriber for use solely in conjunction with the designated Chartered Equipment and the System. The Firmware may contain third party software which requires notices and/or additional terms and conditions. Those terms, and any authorship attribution and like notices that March Networks is required to provide, are set out in the Third Party License Terms available at <a href="https://www.marchnetworks.com/firmwaretplt/">https://www.marchnetworks.com/firmwaretplt/</a>. By accepting this Agreement, Subscriber is also accepting the additional terms and conditions, if any, set forth therein. In addition to any terms and conditions identified in the Third Party License Terms, the disclaimer of warranty and limitation of liability provisions in Articles 10 and 12 of the Terms of Service shall apply to all Firmware and this Charter.
- 2.3. *Support & Maintenance*. So long as Subscriber remains in full compliance with this Agreement, including all Subscriber's payment obligations and deadlines hereunder, March Networks shall provide support according to March Networks' then-standard Chartered Equipment support plan.
- 2.4. *Rights Notices*: Subscriber shall not remove, alter, or deface any brand name or notice of ownership, intellectual property, or other rights on or embedded in the Chartered Equipment.
- 2.5. *Chartered Equipment Warranty*. March Networks warrants that during the Term, the Chartered Equipment will function materially according to the Chartered Equipment published specifications. In the event of breach of the warranty in the preceding sentence, March Networks shall repair the Chartered Equipment in question or replace it with comparable NVRs, cameras or other hardware. This Subsection 2.5 states Subscriber's sole remedy and March Network's entire liability for breach of the warranty in this Subsection 2.5.
  - a) The warranty in this Subsection 2.5 will be null and void if: (A) the Chartered Equipment is altered in any way or relocated, transferred, or assigned without March Networks' prior written consent, including by loading software; (B) the Chartered Equipment is stored, transferred, or connected other than as permitted in this Agreement and in the Chartered Equipment Documentation; or (C) applicable subscription fees are not paid when due.
  - b) The warranty in this Subsection 2.5 does not apply to the extent that failure of the Chartered Equipment results from: (A) neglect, shipping, power surges, or excessive or inadequate power, or any repair, modification, adjustment, or installation of options or parts by anyone other than March Networks (including its subcontractors); or (B) damage resulting from floods, earthquakes, or other extraordinary events.
  - c) If March Network repairs or replaces Chartered Equipment as a result of any cause set forth Subsection 2.5(a) or (b), Subscriber shall reimburse the cost of March Networks' repair time, at its then-standard Professional Services rates, as well as the cost of any replacement camera or other hardware.