# ZEBRA® PARTNERCONNECT PROGRAM



#### TERMS AND CONDITIONS OF SALE

Unless Zebra otherwise agrees in writing, the following terms and conditions (the "Terms and Conditions of Sale") shall be applicable to all quotations, agreements, purchase orders and sales of all Products to Company. Zebra hereby objects to any terms proposed by Company in an Order, or in response to Zebra's acknowledgment of an Order, which add to, vary from, or conflict with these Terms and Conditions of Sale. Any such proposed terms shall not operate as a rejection of these Terms and Conditions of Sale but are deemed a material alteration thereof, and acceptance of all Orders by Zebra shall be deemed without such additional, different, or conflicting terms. Neither Zebra's commencement of performance nor shipment of Product shall be deemed or construed to be acceptance of any additional or inconsistent terms and conditions. Unless otherwise noted herein, all terms not herein defined shall have the meanings ascribed thereto in the Program Master Terms and Conditions and the Addendum/Addenda Company has agreed to. Except as expressly set forth herein, the terms and conditions of the Program Master Terms and Conditions and such Addendum/Addenda shall remain in full force and effect.

#### **DEFINITIONS:**

"Configured Products" shall mean Products arranged, set up and prepared to fit a specific customer use needs, and that are not ordinarily sold by Zebra in such form.

"Custom Products" shall mean Products modified to meet a specific requirement requested by Company and that are not ordinarily sold by Zebra in the modified form.

"Products" shall mean Zebra hardware (including Aftermarket Kits and Software) available from

Zebra and/or Distributors for purchase and resale (or licensing) as set forth in the Program.

Products include Configured Products, Custom Products and Standard Products.

"Order" shall mean a purchase order submitted by Company in accordance with Section 1 of

these Terms and Conditions of Sale.

"Standard Products" shall mean Products listed on Zebra's published price lists.

1. ORDERS AND ORDER PROCESSING

1.1 Company's Orders shall be submitted in writing or electronically to the Zebra legal entity

notified by Zebra to Company and shall specify, at a minimum: the Product and description, Zebra

part number, quantity, requested calendar shipping date, shipping and billing locations, and

Company's sales or other tax identification number as required. Orders must also contain End

User's name and address, and the location where Products are to be deployed and used. At Zebra's

sole and absolute discretion, Orders received without this information may be returned to

Company for completion.

1.2 Any electronically submitted Order or other request for Products submitted to Zebra shall

be binding on Company if it shows that it originated at Company's business facility or by any

Company employee or other authorized agents of Company. Zebra shall acknowledge receipt of

Company's Order and advise Company of Zebra's projected shipment schedule.

Zebra's projected shipment schedule shall be conclusively deemed accepted by Company unless

Company notifies Zebra of its objection thereto in writing by the earlier of (i) five (5) business

days after the date of Zebra's acknowledgment of receipt of Company's Order, (ii) and the

shipment date. Notwithstanding express designations as "proprietary" or "confidential" and

notwithstanding anything in the Participation Terms and Conditions to the contrary, Orders or any

other related documentation and the information contained therein shall not constitute

Confidential Information of Company.

- 1.3 Zebra will attempt to ship the exact quantity of Product ordered, however, all Orders for custom media/ribbon are subject to a ten percent (10%) over or under run. Overruns will be in full-length rolls. Zebra may invoice Company only for the actual quantity shipped by Zebra to Company.
- 1.4 No Order shall be binding on Zebra unless Zebra expressly accepts such Order.
- 1.5 Zebra reserves the right to refuse to accept any Orders for any reason, even if a previous quotation has been made.
- 1.6 Upon the occurrence of a termination or de-authorization event described in Section 25.3 of the Program Master Terms and Conditions, Zebra may, in its sole and absolute discretion, cancel any Orders that have been accepted but that have not been shipped at the time such termination or de-authorization event occurs.
- 1.7 For Orders under which deliveries are to be made in installments, Zebra's obligation to execute the Order or any part thereof shall automatically cease upon the expiration or termination of the Participation Terms and Conditions.

## 2. BLANKET ORDERS AND MINIMUM ORDER VALUE

- 2.1 The minimum order amount is USD \$50.00 per shipment per destination. Supplies orders for less than case quantity may incur a broken box fee.
- 2.2 Company shall contact its Zebra sales specialist if it desires to purchase Standard Products using a blanket Order. Such blanket Order must specify: (i) the total quantity that

  Company desires to purchase over a period not to exceed six (6) months after the date of the Order; (ii) the number of releases; and (iii) the date of each release. The quantity ordered represents a binding commitment of Company. Zebra will ship, and Company must accept delivery of, the total quantity ordered by the end of the six (6) months from the Order date. The maximum number of releases permitted is six (6). The minimum quantity for each release must be at least one (1) case per shipment, per location. Blanket Orders are permitted for Custom

Product and they will be priced for shipments occurring within six (6) months after the date of Company's Order and must comply with the requirements set forth in the additional terms and conditions for Custom Products described in Sections 6 and 8.2.

#### 3. ORDER REVISIONS AND CANCELLATIONS

3.1 Company may request Zebra to change an Order's shipment date no more than three (3) times per Order; provided, however, the new shipment date may not be more than six (6) months after the date the Order was originally scheduled to be shipped. In the event Company requests Zebra to delay shipment of Product with less than thirty (30) days written notice prior to the scheduled shipment date, Company may be subject to a fifteen percent (15%) charge based upon the then-current Order price of the Product at the time of such delay.

Zebra will accept changes/revisions to Orders (other than changes to shipment date subject to Section 3.1) up to thirty (30) business days before the scheduled shipment date unless otherwise specified. When changes/revisions to Orders are requested less than thirty (30) days before the scheduled shipment date the following will apply: (i) with respect to Orders for Custom Products that are supplies, Company shall be responsible for costs incurred by Zebra when a change to such Order is accepted and implemented by Zebra. (ii) with respect to Orders for all other Products, Company may be subject to a fifteen percent (15%) charge based upon the then-current Order price of the Product at the time such change is accepted and implemented by Zebra. Changes to Orders involving part number or quantity changes shall be assigned new shipment dates by Zebra, consistent with Zebra's then-current projected delivery schedule and product availability. Requests for expedited shipment dates may incur additional charges, for which Company shall be solely responsible. An Order cannot be changed more than three (3) times for any reason, including credit issues. If an Order receives more than three (3) changes, the Order may be subject to cancellation and must be rebooked by Company when requirements are satisfied and/or credit issues are resolved.

3.3 Orders for Standard Products cannot be cancelled with less than thirty (30) days prior to the scheduled shipment date. In the event Zebra accepts Company's request to cancel an Order less than thirty (30) days prior to the scheduled shipment date, Zebra may charge Company, and if charged, Company shall pay Zebra, an amount equal to twenty percent (20%) of the then current Order price of the canceled Order at the time of cancelation. Company may not cancel Orders for Custom Products or Configured Products.

#### 4. **PRODUCTS RETURNS**

Any return of Products shall require Zebra's prior express written approval (which may be granted or refused in Zebra's sole and absolute discretion), and Zebra may charge Company, and if charged, Company may be liable to Zebra for, a restocking fee in an amount equal to fifteen percent (15%) of the invoiced amount of the Products returned. Zebra will issue an RMA number for an approved return and Company must display it prominently on the outside of the shipping container. Items without a proper RMA number will be returned to Company, freight collect. Zebra will not accept returns of Custom Products or Configured Products.

## 5. <u>SHIPPING, TITLE, AND RISK OF LOSS</u>

- 5.1 All shipments are FCA Incoterms 2010, Zebra's designated shipping location. Zebra's shipping terms and locations are subject to change upon notice from Zebra. Title to the Products and risk of loss and all liability shall pass to Company upon Zebra's making the product available to Company's designated carrier. In the absence of such designation by Company, Zebra will select the carrier for shipment, but by doing so, will not thereby assume any liability in connection with shipment, and the carrier shall not in any way be construed to be Zebra's agent. Zebra assumes no responsibility for delays in shipment or damage after having made delivery of the Products to the carrier. Company shall be responsible for complying with all customs formalities and bear all costs and risks resulting therefrom.
- 5.2 Zebra shall ship Products by commercial means as reasonably requested by Company, provided that Zebra reserves the right to ship Products by any other reasonable and commercial

means it deems appropriate, in its sole and absolute discretion. All shipping and insurance charges for Products shipped by Zebra shall be paid by Company. All shipments and billings of Products shall be made to the Company at its business address provided by Company as part of the Application, unless otherwise agreed to by Zebra and Company, and specified in the Order. Each shipment hereunder shall be deemed a separate transaction.

Company will be deemed to have accepted the Products upon shipment, unless Company notifies Zebra in writing within the timeframe specified in Zebra's applicable Defect

On Arrival ("DOA") policies and procedures that Company rejects a particular unit of the Products for failure to conform to documented performance specifications. In its notice of rejection, Company must state the specific reason for rejection. In the event that Zebra authorizes a return of Products, Company shall return the affected unit to Zebra in the same condition as when Company received such unit. All returns must be in the original container and packaging, complete with all accessories and instructions, and must be shipped freight prepaid. Zebra's thencurrent DOA return policy and procedures shall apply. The foregoing provisions of this Section 5.3 constitute Company's sole remedy for defective Products; Company shall have no other right to reject all or any part of a shipment of Products furnished hereunder because any or all of the Products in that particular shipment may be defective.

#### 6. CUSTOM PRODUCTS

Company hereby grants Zebra and its Affiliates an irrevocable, worldwide, royalty-free, nonexclusive license, or in the case of Company's customer sublicense, to: (i) manufacture Custom Products with Company's or its customer's custom specifications set forth in any applicable statements of work; (ii) use data, specifications, instructions, intellectual property, and other proprietary information provided to Zebra by Company, and Company's or its customer's other intellectual property that is necessary to manufacture and ship Custom Products with Company's or its customer's custom specifications; and (iii) have third party contractors perform the foregoing on Zebra's behalf. Products made by Zebra pursuant to this grant, or pursuant to

any other request by Company for Zebra to modify, customize, or otherwise alter Standard Products, including Custom Products and Configured Products, shall be "Excluded Products" subject to Section 12. Zebra may share these Terms and Conditions of Sale with any third party to demonstrate its rights to so manufacture and ship Custom Products with Company's or its customers' custom specifications and using Company's or its customers' intellectual property. Except as expressly provided herein or in Section 18.6 of the Master Terms and Conditions, no rights or licenses are granted by Company or its customer(s) to Zebra to use any of Company's or its customers' trademarks, trade names, or service marks. Any and all customization and design work related to Custom Products, and all Zebra-produced, Product related methods, processes, know-how, specifications, documentation and materials, and all improvements, modifications and derivatives of the foregoing, whether in existence on the date hereof or developed thereafter, and all intellectual property rights in the foregoing shall be and remain the exclusive property of Zebra, and nothing herein or otherwise shall limit Zebra's right and ability to use or exploit such property. Company shall promptly execute and cause each applicable employee to execute all documents that may be necessary to establish Zebra's ownership of the foregoing, and shall require each employee who may qualify as an inventor, as determined by Zebra, to promptly sign all papers requested by Zebra for purposes of filing any patent application arising out of or related to the Custom Products.

## 7. <u>PAYMENT TERMS</u>

7.1 Unless otherwise agreed to by Zebra in an amendment to these Terms and Conditions of Sale that is signed by both parties, that expressly refers to this Section 7.1, and that states an intention to modify or amend it, each invoice shall be due and payable to Zebra at Zebra's designated bank account, in United States currency, payable by check or wire transfer, or by confirmed, irrevocable letter of credit acceptable to Zebra, within forty-five (45) days of the invoice date. Zebra may, in its sole and absolute discretion, ship C.O.D. or require full or partial payment in advance. Shipments that are lost or damaged in transit do not relieve Company from

the payment terms set forth herein. If payment is not made within the time it is due, Company shall pay Zebra a late payment charge equal to one and a half percent (1.5%) per month or the maximum interest rate permitted by law, whichever is lower, with such interest beginning to accrue on the thirty-first (31st) day after the invoice date. Company shall be liable to Zebra for all legal costs, fees and expenses incurred in securing payment of all amounts owed. Company shall have no right of offset and is prohibited from taking the benefits of any discounts, rebates or other programs by deduction from an invoice. Zebra may apply payment(s) made by Company to any of Company's then-open account(s), regardless of Company's designation for such payment. In addition to any rights or remedies Zebra may have, Zebra may, at its election, stop or delay all shipments to Company in the event Company fails to make any payment in accordance with these Terms and Conditions of Sale. Any such stopped shipments shall be considered to have been canceled by Company.

7.2 Claims or debits against Zebra for a particular invoice must be brought forth by Company within thirty (30) days of receipt of the Products or the invoice, whichever occurs later; otherwise, such claims are waived, and the invoice is due in full. Any positive changes to Company's account as a result of an Order, invoice or Products discrepancies shall be credited to Company's account. Zebra and Company will use reasonable efforts to settle discrepancies and Company shall promptly pay undisputed parts of invoices in accordance with Section 7.1. Notwithstanding the above, claims or debits relating to transportation charges or product shortages must be made within fourteen (14) days after Company's (or if drop shipped by Zebra, Company's customer's) receipt of the Products. Unresolved discrepancies and claims will be treated in accordance with Section 26 of the Program Master Terms and Conditions.

7.3 Zebra reserves the right to revoke any credit extended to Company if payment is in arrears or, in Zebra's sole and absolute discretion, Zebra determines Company's credit does not warrant further extension of credit. Each shipment shall be invoiced and paid for when due without regard

to other scheduled shipments. Payment shall not be conditioned upon the Products meeting any acceptance test procedures Company may have.

7.4 If Company fails to pay any invoice for Products in accordance with its terms, or in the event that Zebra, in its sole and absolute discretion, deems Company's financial condition or payment history inadequate or unsatisfactory, Zebra shall have the right, in addition to any other rights hereunder, to cancel any accepted Order(s); to stop or delay any further shipments of Products to Company; or to terminate these Terms and Conditions of Sale, in each case without incurring any liability for loss or damage of any kind occasioned by reason of any such cancelation, cessation, delay, or termination.

7.5 Credit limits and payment term decisions are solely at Zebra's discretion. Without prejudice to the foregoing, shipments shall at all times be subject to the approval by Zebra of Company's credit. Zebra reserves the right, even after partial performance or partial payment on Company's account, to require from Company satisfactory security for due performance of Company's obligations. Refusal to furnish such security will entitle Zebra to defer any further shipments until such security is furnished or to cancel Company's account or so much of it as remains unperformed without prejudice to any rights that Zebra may have against Company in

## 8. **PRODUCTS PRICE**

respect of breach of contract or otherwise.

- 8.1 Zebra shall sell Standard Products subject to any additions, discounts and discount programs, deletions, or changes that may from time to time be made, at the prices in effect on the date of acceptance of Company's Order.
- 8.2 Custom Products are priced as quoted. All sales of Custom Products are considered final and are subject to these Terms and Conditions of Sale and any additional terms and conditions that are provided with each quotation ("Additional Terms and Conditions for Custom Products").

8.3 All prices are FCA Incoterms 2010, Zebra's designated shipping location and are subject to

change in accordance with the terms of Section 9.2.

9. QUOTATIONS AND PRICE CHANGES

9.1 Unless otherwise stated in writing, all price quotations by Zebra expire after the time period

specifically listed on the quote, or where no such time period is specified, thirty (30) days after

the date of issuance of the quote.

9.2 Zebra will provide Company with prompt written notice of any change to its published list

prices. However, Zebra shall not be responsible for Company's non-receipt of change of price

notices. In the event Zebra increases the published list price for any Products, Zebra shall use

commercially reasonable efforts to give Company no less than thirty (30) days advance written

notice of such increases and the increases shall apply to all new Orders by Company that are

received and accepted by Zebra after the date of the price increase. If Company has scheduled

shipment of Products for more than six (6) months into the future through a valid Order received

and accepted by Zebra prior to any price increase, then the price for the Products to be shipped

under such Order shall be fixed for six (6) months from the date of the price increase. In the event

Zebra decreases its price for any Products, Zebra shall immediately grant a corresponding price

reduction on new Orders, as well as on Products ordered but not shipped, as of the date of the

price reduction.

10. TAXES

10.1 All prices are subject to the addition of any applicable federal, state, or local sales, use,

goods or services taxes, export and import duties and applicable tariffs, which shall be paid by

Company. Company agrees to pay any such taxes, duties, and tariffs that have not been collected

by Zebra and for which Zebra subsequently is required to pay to the taxing authority, other than

taxes based on Zebra's net income.

10.2 In order to exempt a sale from sales or use tax liability, Company will supply a Certificate

of Exemption or similar document to Zebra at the time of Order placement. If applicable law

requires Company to withhold any income taxes levied by the Territory authorities on payments to be made pursuant to these Terms and Conditions of Sale, ("Withholding Tax"), Company shall take advantage of any reduced Withholding Tax provided for by the Territory. Company shall promptly effect payment of the Withholding Tax to the appropriate tax authorities and shall transmit to Zebra within ten (10) business days of such payment official tax receipts or other evidence issued by the appropriate tax authorities sufficient to enable Zebra to support a claim for foreign tax credits in the United States or any other country. Company further agrees to assist Zebra upon Zebra's request if Zebra contests, by appropriate legal or administrative proceedings, the validity or amount of the Withholding Tax. In the event Zebra does not receive official tax receipts or other evidence within sixty (60) days of the date of the invoice for an Order, Zebra shall have the right to invoice Company for the Withholding Tax for such Order and Company agrees to pay such amounts upon receipt of invoice therefor.

# 11. PRODUCTS AVAILABILITY, DISCONTINUANCE AND PRODUCTS SHORTAGES/ALLOCATION

11.1 Zebra may discontinue the production or sale or modify the design or material specifications of any Products or parts thereof without any liability or obligation to Company or to Company's customers, including, without limitation, any obligation to modify any Products Company previously ordered. Zebra does not warrant to Company the continued availability of any of the Products, and Company hereby expressly releases Zebra from liability for any loss or damage to Company or Company's customers arising out of or related to Zebra's failure to accept or fill any Orders due to particular Products shortages, general Products, components or supplies unavailability or discontinuance of any Products. When, due to shortages because of economic, manufacturing, or other conditions, Zebra' determines that supplies will not be sufficient to meet the requirements of all its customers, Company understands and agrees that Zebra, may, in its sole and absolute discretion, allocate Products shipments among its various customers.

#### 12. PATENT INDEMNIFICATION

12.1 Zebra shall indemnify Company by: (i) defending Company against any claim or legal action brought against Company alleging that any Zebra-branded Products ("Branded **Products**"), as originally delivered by Zebra to Company under these Terms and Conditions of Sale, directly infringes a United States patent, if the Territory includes any jurisdiction within the United States of America, or a Canadian patent, if the Territory includes any jurisdiction within Canada, in existence as of the date of delivery of such Branded Products to Company ("Infringement Claim"), so long as Company notifies Zebra in writing as soon as reasonably practicable as to any such claim or lawsuit, Zebra is given sole authority and control of the defense, and Company provides Zebra with all requested information and assistance for resolving or defending the Infringement Claim, and (ii) paying all damages finally awarded against Company by a court of competent jurisdiction for the Infringement Claim. For Products hereunder that are not a Branded Products, including any third party software, Zebra's obligations for infringement claims shall be limited to any intellectual property indemnities or defense commitments provided by such third party supplier. If a Branded Product is subject to an Infringement Claim or, if in Zebra's judgment, may become subject to an Infringement Claim, Zebra's obligations under this Section shall be fulfilled if at any time Zebra, in its sole and absolute discretion: (i) obtains a license for Company to continue to use or to sell the Branded Products purchased from Zebra; (ii) replaces the Branded Products with Products that are, or modifies the Branded Products so that they are, substantially functionally equivalent but noninfringing; or (iii) refunds the purchase price Company paid Zebra for such Branded Products less a reasonable charge for straight line depreciation or prior use. Zebra shall not be liable to Company for any alleged or actual infringement arising out of or related to Company's ordering, use, or transfer of Branded Products after Zebra's notice to Company that Company must cease use or transfer of such Branded Products.

12.2 Zebra or its Affiliates shall not be liable to Company hereunder for: (i) any damages based upon a per-use royalty or Company's revenues, or upon any damages theory other than a reasonable royalty applied to, or lost profits of the patent owner based on, the purchase price paid by Company to Zebra for the infringing Branded Products; or (ii) any alleged or actual infringement arising out of: (a) use of Branded Products in connection or in combination with equipment, devices, or software not provided by Zebra; (b) use of Branded Products in a manner for which they were not designed; (c) any modification of Branded Products by anyone other than Zebra; (d) compliance with Company's or its customer's designs, specifications, guidelines, or instructions, including Company or its customer's designs, specification, guidelines, or instructions for Custom Product pursuant to Section 6; or (e) use of the Branded Products in a patented process (collectively, "Excluded Conduct"). Company shall indemnify Zebra and its Affiliates against any claim of infringement against Zebra or its Affiliates arising out of or related to Excluded Conduct or Excluded Products, or arising out of or related to Company's continued use or transfer of Branded Products after being notified by Zebra to cease such use or transfer. Zebra shall not be responsible for any compromise or settlement of any Infringement Claim made by Company without Zebra's prior written consent. 12.3 COMPANY'S SOLE AND EXCLUSIVE REMEDIES AND ZEBRA'S OR ITS AFFILIATES' ENTIRE LIABILITY IN THE EVENT OF AN INFRINGEMENT CLAIM ARE LIMITED TO THE PROVISIONS OF THIS SECTION 12. COMPANY HAS NO RIGHT TO RECOVER AND ZEBRA AND ITS AFFILIATES HAVE NO OBLIGATION TO PROVIDE ANY OTHER REMEDIES, WHETHER UNDER ANOTHER PROVISION OF THESE TERMS AND CONDITIONS OF SALE, THE PARTICIPATION TERMS AND CONDITIONS, OR ANY OTHER LEGAL THEORY OR PRINCIPLE, IN CONNECTION WITH AN

INFRINGEMENT CLAIM. IN ADDITION, THE RIGHTS AND REMEDIES PROVIDED IN

THIS SECTION 12 ARE SUBJECT TO AND FURTHER LIMITED BY THE RESTRICTIONS

SET FORTH IN SECTION 22 OF THE PROGRAM MASTER TERMS AND CONDITIONS.

IN NO EVENT SHALL ZEBRA OR ITS AFFILIATES BE LIABLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT, COLLATERAL, CONSEQUENTIAL OR PUNITIVE DAMAGES OR COMPANY'S LOST PROFITS IN CONNECTION WITH ANY CLAIMS, LOSSES, DAMAGES, OR INJURIES UNDER THIS SECTION. IN NO EVENT SHALL ZEBRA'S LIABILITY UNDER THIS SECTION EXCEED THE TOTAL NET SALES TO COMPANY OF THE APPLICABLE BRANDED PRODUCTS.

#### 13. COMPANY'S INSOLVENCY

- 13.1 If Company is in possession or control of Products but has not yet paid for such Products, any claim of title Company may have to the Products shall terminate immediately if: (a) Company institutes or consents to the institution of any proceeding under any Debtor Relief Law, or makes an assignment for the benefit of creditors; or applies for or consents to the appointment of any receiver, interim receiver, receiver and manager, trustee, custodian, conservator, liquidator, rehabilitator, administrator, administrative receiver or similar officer for it or for all or any material part of its property; or any receiver, interim receiver, receiver and manager, trustee, custodian, conservator, liquidator, rehabilitator, administrator, administrative receiver or similar officer is appointed without the application or consent of Company and the appointment continues undischarged or unstayed for sixty (60) calendar days; or any proceeding under any Debtor Relief Law relating to Company or to all or any material part of its property is instituted without the consent of Company and continues undismissed or unstayed for sixty (60) calendar days; or an order for relief is entered in any such proceeding;
- (b) Company becomes unable or admits in writing its inability or fails generally to pay its debts as they become due, or any writ or warrant of attachment or execution or similar process is issued or levied against all or any material part of the property of Company, and is not released, vacated or fully bonded within sixty (60) days after its issue or levy; or
- (c) Company suffers or allows any execution, whether legal or equitable, to be levied on Company's property or obtained against Company, or fails to observe or perform any of its

obligations under these Terms and Conditions of Sale or any other contract between Zebra and Company, or Company encumbers, or in any way charges, any of the Products. "Debtor Relief Laws" means the Bankruptcy Code of the United States, the BIA, the CCAA, the WURA and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of Canada, the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

"BIA" means the Bankruptcy and Insolvency Act (Canada) R.S.C. 1985, c. B-3 as now and hereafter in effect, or any successor statute.

"CCAA" means the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as now and hereafter in effect, or any successor statute.

"WURA" means the Winding-Up and Restructuring Act (Canada), R.S.C., 1985, c. W-11, as now and hereafter in effect, or any successor statute.

13.2 In the circumstances as described in Section 13.1 above, Zebra, at its sole and absolute discretion, shall be entitled to either: (a) recover the legal charge for the Products; or (b) request return of the Products, in which case Company shall return the Products within seven (7) days of such request.

#### 14. SECURITY INTEREST; COSTS OF COLLECTION

Company hereby grants to Zebra a security interest in all Products now existing or hereafter acquired, including all proceeds thereof as defined by the Uniform Commercial Code as adopted in the State of Illinois, United States of America, and in all accounts receivable arising from the resale of the Products by Company. This grant of security interest is made to secure payment of all debts and liabilities and performance of all obligations of Company to Zebra, whether such debts, liabilities, or obligations are now existing or hereafter arise, and whether direct or contingent. Such security interest shall terminate upon payment in full by Company of the applicable invoice. Company shall execute all instruments and perform all acts that may be

deemed necessary by Zebra for the creation, perfection, and protection of such security interest.

In the event Company shall fail to make payment when due for purchases, Company shall pay all

of Zebra's costs of collection, including, without limitation, reasonable attorneys' fees, costs, and

expenses.

15. ENTIRE AGREEMENT AND ORDER OF PRECEDENCE

15.1 These Terms and Conditions of Sale, together with the Participation Terms and Conditions,

represent the entire agreement of the parties with respect to the subject matter contained herein.

Any and all prior discussions or agreements with respect hereto are merged into and superseded

by these Terms and Conditions of Sale. None of these terms and conditions may be added to,

modified, superseded or otherwise altered except by a written instrument that is signed by an

authorized representative of Zebra and delivered by Zebra to Company, and that expressly refers

to these Terms and Conditions of Sale and states an intention to modify or amend it. Each

shipment of Products from Zebra to Company shall be deemed to be only upon these Terms and

Conditions of Sale except as they may be added to, modified, superseded or otherwise altered as

provided herein. Sales of Services will be made under the Zebra Services Contract (as defined

in the Reseller Community Addendum) and posted on www.zebra.com/partnerconnect-tc or

any equivalent thereof.

15.2 In the event of any conflicts or ambiguities between the legal documents covering Zebra's

direct sale of Products to Company, the order of precedence shall be as follows: (a) These Terms

and Conditions of Sale; (b) Reseller Community Addendum; (c) Program Master Terms and

Conditions; (d) Specialization Addendum/Addenda; and (e) the Zebra Standard Terms and

Conditions.

15.3 Company and Zebra expressly agree that the UN Convention on Contracts for the

International Sale of Goods shall not apply to these Terms and Conditions of Sale.

END OF TERMS AND CONDITIONS OF SALE FOR NORTH AMERICA.