

PASCAL TAGS EQUIPMENT LEASE AGREEMENT

This Equipment Lease Agreement (“**Lease**”), effective as of [DATE] (the “**Effective Date**”), is by and between Pascal Tags Inc. (“**Lessor**”) and any entity or organization that leases equipment pursuant to an MSA or SOW (“**Lessee**”). This Lease is available at [HYPERLINK](#) and may be modified from time to time by Pascal at its sole discretion upon notice to Lessor.

- A. WHEREAS, the parties have entered into a master services agreement (“MSA”) and/or a SOW whereby Lessor provides certain software solutions that require hardware components (“**Unit(s)**”);
- B. WHEREAS, Lessor provides Units for lease to its Lessee;
- C. WHEREAS, Lessee desires to access and use the Units described herein and Lessor desires to provide such offerings, subject to the terms and conditions set forth in this Lease.

NOW, THEREFORE, in consideration of the mutual covenants, terms, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

AGREEMENT

1. **Lease Term and Expiration Date.** The Lease Term shall commence on the date that Unit Installation is complete (“**Commencement Date**”). The Initial Lease Term of this Lease shall begin on the Commencement Date and will continue in effect until the termination of the MSA or SOW (“**Initial Lease Term**”). This Lease will automatically renew unless canceled per the MSA or SOW (each a “**Renewal Lease Term**”), and, collectively, together with the Initial Lease Term, the “**Lease Term.**” Lessee must surrender the Units at Lessor’s request.

2. **Lease and Ownership.** This Lease is a “true lease”—and not a sale—of the Units. All title, interest, and any intellectual property rights to the Unit(s) remains with Lessor, and Lessee shall not acquire any interest in the Units other than the rights granted and described herein.

3. **Rent.** Lessee shall pay Lessor according to the Fee’s outlined in the MSA or SOW.

4. **Warranty of Units.** Lessor warrants Units during the Lease Term provided Units are operated, maintained, and stored in conditions agreeable to the Lessor and in accordance with the Unit’s Specifications. Any Units that fail to operate according to unit specifications during the Lease Term will be replaced by Lessor within a reasonable time if Lessee conforms to conditions outlined herein.

5. **Possession, Use, and Maintenance.** Lessee shall (a) properly use, operate, provide electrical power, maintain and store a Unit in accordance with the unit specifications, (b) not abandon a Unit; (c) not sublease a Unit; and (d) not create or allow to exist any lien, claim, security interest or encumbrance on any of its rights hereunder. Lessee, at its expense, shall maintain each Unit in good operating order, and shall report any failures of the Unit in writing to the Lessor as soon as practical and in no case later than 3 days of identification. Lessee shall not alter any Unit or affix any accessory

or equipment to the Unit. Any alteration or addition to a Unit shall void the warranty and the Unit's repair or replacement shall be at the sole cost of Lessee.

6. **Loss or Damage.** Lessee shall bear the risk, if the Unit is worn out, lost, stolen, destroyed, or, in Lessor's sole opinion, has suffered irreparable damage due to misuse or operating environment not in accordance with Unit's Specifications (each a "**Casualty Occurrence**"), provided that, such Casualty Occurrence is not covered by the Unit Warranty terms outlined in this Lease. Lessee shall give Lessor written notice of a Casualty Occurrence or other damage within 7 days of occurrence. If, in Lessor's opinion, the damage is not a Casualty Occurrence, Lessee shall, at its expense, within 30 days restore the Unit to the condition required by Section 4. If a Casualty Occurrence is confirmed by Lessor, Lessee shall pay to Lessor for all fees associated with the value of the Casualty Occurrence. If a Casualty Occurrence takes place the last month of the Lease Term, then an invoice will be sent to Lessee no later than 30 days after the Expiration Date as an outstanding invoice, the amount of which shall be due 30 days from the date of the invoice. Upon making this payment, the Lease Term with respect to the Unit shall terminate and Lessor shall be entitled to possession of the Unit.

7. **WAIVER AND INDEMNITY:** LESSEE HEREBY AGREES TO RELEASE, DEFEND, INDEMNIFY AND HOLD HARMLESS LESSOR, ITS DIRECTORS, OFFICERS, EMPLOYEES, AGENTS AND ASSIGNS FROM AND AGAINST ANY CLAIMS OF LESSEE OR THIRD PARTIES, INCLUDING CLAIMS BASED UPON BREACH OF CONTRACT, BREACH OF WARRANTY, PERSONAL INJURY, PROPERTY DAMAGE, STRICT LIABILITY OR NEGLIGENCE, FOR ANY LOSS, DAMAGE OR INJURY CAUSED BY OR RELATING TO THE DESIGN, MANUFACTURE, SELECTION, DELIVERY, CONDITION, OPERATION, USE, OWNERSHIP, MAINTENANCE OR REPAIR OF ANY UNIT. FURTHER, LESSEE AGREES TO BE RESPONSIBLE FOR ALL COSTS AND EXPENSES, INCLUDING REASONABLE ATTORNEYS' FEES, INCURRED BY LESSOR OR ITS DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, AND ASSIGNS IN DEFENDING SUCH CLAIMS OR IN ENFORCING THIS PROVISION. UNDER NO CONDITION OR CAUSE OF ACTION SHALL LESSOR BE LIABLE FOR ANY LOSS OF ACTUAL OR ANTICIPATED BUSINESS OR PROFITS OR ANY SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES.

8. **Events of Default and Termination.**

- a. Each of the following constitutes an event of default ("**Event of Default**"):
 - i. Lessee fails to make any payment when due;
 - ii. Lessee breaches any representation or warranty to Lessor;
 - iii. Any default occurs under any other agreement between Lessee and Lessor or any affiliate of Lessor;
 - iv. Lessee or any guarantor of this Lease ceases to do business, becomes insolvent, makes an assignment for the benefit of creditors or files any petition or action under any bankruptcy, reorganization, insolvency or moratorium law, or any other law or laws for the relief of, or relating to, debtors;
 - v. filing of an involuntary petition under any bankruptcy statute against Lessee or any guarantor of this Lease, or appointment of a receiver, trustee, custodian, or similar official to take possession of the properties of Lessee or any guarantor of this Lease, unless the petition or appointment ceases to be in effect within thirty (30) days after filing or appointment; and

vi. breach or repudiation of a guarantee obtained by Lessor in connection with this Lease. In addition to any other express termination right set forth elsewhere in this Lease,

b. Lessor may terminate this Agreement immediately upon any Event of Default and such Event of Default is not capable of cure, or if being capable of cure, the Event of Default is not cured within 10 days from the Event of Default date.

9. **Return of Units:** Within 14 days from the expiration or termination of the term of this Lease, the Expiration Date, or if Lessor shall rightfully demand possession of a Unit, Lessee, at its expense, shall promptly deliver possession of the Unit(s) to Lessor, properly protected and in the condition required by this Lease and the unit specifications, on board a carrier named by Lessor and shipping it, freight collect, to the destination designated by Lessor. If the Unit is not in the condition required, Lessee shall pay to Lessor all costs and expenses incurred by Lessor to bring the Unit into the required condition, the amount of which shall be outlined in an invoice from Lessor and shall be due within 30 days from the date of such invoice.

10. Representations and Warranties.

a. Lessee represents and warrants to Lessor that (a) Lessee has the power to make, deliver and perform under this Lease, (b) the person executing and delivering this Lease is authorized to do so on behalf of Lessee, and (c) this Lease constitutes a valid obligation of Lessee, legally binding upon it and enforceable in accordance with its terms. Lessee shall, during the lease term, display in a prominent place on the Unit labels supplied by Lessor stating that the Unit is leased from Lessor. Lessee further represents and warrants to Lessor that Lessee is and shall remain at the address provided in the Order Form.

b. **Disclaimer of Warranties.** EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH HEREIN, ALL SERVICES AND UNIT'S ARE PROVIDED "AS IS." LESSOR SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND NON-INFRINGEMENT, AND ALL WARRANTIES ARISING FROM COURSE OF DEALING, USAGE, OR TRADE PRACTICE. WITHOUT LIMITING THE FOREGOING, LESSOR MAKES NO WARRANTY OF ANY KIND THAT THE SERVICES, OR ANY PRODUCTS, UNITS, OR RESULTS OF THE USE THEREOF, WILL MEET LESSOR'S OR ANY OTHER PERSON'S REQUIREMENTS, OPERATE WITHOUT INTERRUPTION, ACHIEVE ANY INTENDED RESULT, BE COMPATIBLE OR WORK WITH ANY OTHER SERVICES.

11. **LIMITATION OF LIABILITY.** IN NO EVENT WILL LESSOR OR ANY OF ITS REPRESENTATIVES OR AFFILIATES BE LIABLE UNDER OR IN CONNECTION WITH THIS LEASE OR ITS SUBJECT MATTER UNDER ANY LEGAL OR EQUITABLE THEORY, INCLUDING BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, AND OTHERWISE, FOR ANY: (a) LOSS OF PRODUCTION, USE, BUSINESS, REVENUE, OR PROFIT OR DIMINUTION IN VALUE; (b) IMPAIRMENT, INABILITY TO USE OR LOSS, INTERRUPTION, OR DELAY OF THE SERVICES; (c) LOSS, DAMAGE, CORRUPTION; (d) COST OF REPLACEMENT GOODS OR SERVICES; (e) LOSS OF GOODWILL OR REPUTATION; OR (f) CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL, ENHANCED, OR PUNITIVE DAMAGES, REGARDLESS OF WHETHER SUCH PERSONS WERE ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES OR SUCH LOSSES OR DAMAGES WERE OTHERWISE FORESEEABLE, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE. IN NO EVENT WILL THE AGGREGATE LIABILITY OF LESSOR AND ITS REPRESENTATIVES AND AFFILIATES ARISING OUT OF OR RELATED TO THIS LEASE,

WHETHER ARISING UNDER OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, OR ANY OTHER LEGAL OR EQUITABLE THEORY, EXCEED THE TOTAL AMOUNTS PAID TO LESSOR UNDER THE MSA OR ANY SOW IN THE 6 MONTH PERIOD PRECEDING THE EVENT GIVING RISE TO THE CLAIM. THE FOREGOING LIMITATIONS APPLY EVEN IF ANY REMEDY FAILS OF ITS ESSENTIAL PURPOSE.

12. Assignment. The rights of Lessor under this Lease and title to the Unit may be assigned by Lessor at any time. If notified by Lessor, Lessee shall make all payments due under this Lease to the party designated in the notice without offset or deduction. No assignment of this Lease or any right or obligation under it may be made by Lessee without the prior written consent of Lessor. This Lease shall be binding upon and benefit Lessor and Lessee and their respective successors and assigns. If this Lease is assigned by Lessor to a partnership or trust, the term "Lessor" shall thenceforth mean and include the partnership or trust and shall also include, for purposes of Sections 4, 5, 8, 9, and 10, each partner in or beneficiary of the partnership or trust.

13. Waiver; Entire Agreement; Modifications; Notices; Governing Law and Venue. A delay or omission by Lessor to exercise any right or remedy shall not impair any right or remedy and shall not be construed as a waiver of any breach or default. Any waiver or consent by Lessor must be in writing. This Lease completely states the rights of Lessor and Lessee and supersedes all prior agreements with respect to a Unit. No variation or modification of this Lease shall be valid unless in writing. All notices shall be in writing, addressed to the other party at the address stated above, via email, or at such other address as may hereafter be furnished in writing. This Lease shall be governed by and construed under the laws of the State of Kentucky, without giving effect to the conflict-of-laws principles thereof, and Lessee hereby consents to the jurisdiction of any state or federal court located within the State of Kentucky.

14. Severability; Survival of Covenants. If any provision of this Lease shall be invalid under any law, it shall be deemed omitted, but the remaining provisions hereof shall be given effect. All obligations of Lessee under this Lease shall survive the expiration or termination of this Lease to the extent required for their full observance and performance.