Customer Terms and Conditions

This document sets forth the terms and conditions under which ITL LLC doing business as ITL Solutions ("ITL") sells goods and/or services to the customer ("Customer"). Any questions about these Terms and Conditions shall be directed to info@itl.us.

1. Acceptance and Order Confirmation

- **Acceptance:** Fulfillment by ITL of the goods and/or services ordered by the Customer constitutes acceptance of these Terms and Conditions. Any signed sales order, quote, or agreement for the goods and/or services in question shall also constitute acceptance by Customer of these Terms and Conditions.
    - ITL objects to and rejects any terms proposed by Customer that are in addition to, different from, or inconsistent with ITL's Terms, whether contained in Customer's purchase order or any other document. Such Customer terms shall be deemed material alterations and shall not become part of the parties' agreement unless ITL expressly consents to them in a separate written instrument.
    - ITL's orders are firm and may not be cancelled, rescheduled, or modified without ITL's prior written consent. ITL reserves the right to charge Customer for all costs, expenses, and losses incurred because of any attempted cancellation or modification.
- **Brand Names/Substitutions:** ITL will provide the goods and/or services as proposed, including brand names and part numbers. ITL reserves the right to make substitutions of equivalent or superior quality without notice unless strict compliance with the specified brand name/part number is expressly noted in the sales order.

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2. Delivery and Risk of Loss

- **Delivery:** The delivery date specified is the required delivery date at the designated destination. All delivery dates are estimates and not guaranteed. ITL shall have no liability for delays, and Customer shall not cancel any order or impose charges or penalties due to delayed delivery. Customer agrees to indemnify and hold ITL harmless for any direct, indirect, special, or consequential damages arising out of delivery delays, including lost profits, production downtime, or contractual penalties incurred by Customer.

- **Risk of Loss and Title:** Risk of loss or damage to the goods passes to the Customer upon the earlier of

  (a) delivery to the carrier, or

  (b) acceptance by the Customer at the designated destination, as specified in the sales order. Unless otherwise agreed, all shipments are FOB Origin for domestic shipments and FCA Shipping Point for international shipments.

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3. Payment and Taxes

- **Payment Terms:**
  - **Customers Payment Terms Without Established Credit:**
    First time non-federal government Customers without established credit terms must place a 50% deposit at the time of order placement. The balance is due prior to shipment.

    After first order, non-federal government Customers seeking credit with ITL will complete a credit application. A Customer credit/trade reference document which includes trade reference requests is also acceptable. Customer should include the amount of credit they are seeking on the credit/trade reference sheet or in the email when submitting the document for review. ITL's basis for credit limit amounts will be determined on a company-by-company basis.

    If Customer has not established credit after the first-time purchase, Customer will be required to continue our first order policy of 50% deposit at time of order placement and the balance prior to shipping.
  - **Customer Payment Terms With Established Credit:** Customer will pay ITL invoices within thirty (30) days from receipt of invoice.

    Net 30 terms apply to municipalities regardless of approved credit terms.

    Orders equal to or greater than $1.5 million will require a deposit at time of order placement, a second deposit prior to shipment and the balance will be net 30 unless Customer has exceeded their credit limit. ITL will require payment prior to shipment if a customer exceeds their credit limit.

- **Credit Card Customers Without Established Credit:**

  All credit card purchases will be processed at time of order placement. Payment will be applied to the order as a customer deposit. Customer will be sent a paid invoice showing the deposit applied to the order. A proforma invoice can be sent if the customer requests one prior to payment.

  ITL accepts all major Credit Cards, Checks, and ACH payments. Contact ar@itl.us for ACH information.

- **Charges:** The charges specified in the sales order are the total charges, but may not reflect all fess, costs, or expenses. Additional fees, costs, or expenses may be charged to the Customer.
- **Taxes:** Taxes shall be applied in accordance with federal, state, local, and international requirements and may be added after an order is placed or upon invoicing. Sales Tax will be applied at order placement if a valid tax certificate is not provided and ITL has physical or economical nexus in the delivery state.
- **Late Payment Terms:** Past due accounts will be assessed finance charges of 1.8% per month. All collection costs, including reasonable attorneys' fees, incurred by ITL to recover past-due amounts will be the Customer's liability.

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4. Warranties and Inspection

- **Limited Warranty:** ITL warrants that all goods sold will be free from defects in material and workmanship upon delivery, and all services will be delivered in a professional and workmanlike manner, for the period specified in the sales order, or if none is specified, for ninety (90) days from the date of acceptance by the Customer.
- **Flow-Down Warranties:** To the extent possible, ITL will pass through any Original Equipment Manufacturer ("OEM") warranties to the Customer. ITL's sole liability for breach of this limited warranty is, at ITL's option, to repair, replace, or refund the purchase price of the non-conforming goods or services.
- **Disclaimer:** Except for the limited warranty stated above, ITL makes no other warranties, express or implied, including but not limited to any implied warranties of merchantability, fitness for a particular purpose, or non-infringement.
- **Inspection:** Customer shall inspect all delivered goods and services immediately upon receipt. Failure to notify ITL of any non-conformity within three business days

of receipt constitutes final acceptance. Exceptions will be identified on the contract or sales order.

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5. Returns and Restocking

- **Standard Stock Return Policy:** ITL accepts returns of standard, non-customized goods within thirty (30) days of shipment, provided the goods are unused, in their original packaging, and in resalable condition. Returns are subject to ITL's inspection and written approval.
- **Restocking Fee:** All approved returns of standard stock items for reasons other than defect or error caused by ITL are subject to a twenty percent (20%) restocking fee, which will be deducted from the customer's refund.
    - **Procedure:** Customer must obtain approval from ITL prior to returning any goods. ITL will provide a Return Materials Authorization (RMA). The Customer is responsible for all shipping costs related to the return.
    - **Special/Custom Items (Non-Returnable):** Items that are Special/Custom (specially manufactured, ordered, or modified for the Customer) are non-refundable and not eligible for return unless they are proven to be defective.

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6. Liability and Indemnification

- **Limitation of Liability:**
    - Neither party shall be liable to the other for any direct, indirect, incidental, punitive, special, or consequential damages (including, without limitation, loss of business, profits, or goodwill) arising out of or related to these Terms and Conditions or the sales order, regardless of the form of action, whether in contract, tort (including negligence), strict liability, or otherwise, even if advised of the possibility of such damages.
    - In no event shall ITL's total aggregate liability arising out of or relating to these Terms and Conditions or any sales order exceed the total amount paid by the Customer to ITL for the specific goods or services giving rise to the claim. Any liability of ITL for correction, replacement, or refund shall be limited to defects occurring or identified within twelve (12) months following the occurrence or discovery of such defect and only during the applicable serviceability period or warranty, if any, that remains in effect.

- **Customer Indemnification:** Customer shall defend, indemnify, and hold ITL harmless from and against any damages, losses, liabilities, costs, and expenses (including reasonable attorneys' fees) arising out of or relating to Customer's

  (a) negligence or willful misconduct;

  (b) breach of these Terms; or

  (c) failure to comply with all applicable laws and regulations regarding the use of the goods or services.

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7. General Provisions

- **Disputes, Governing Law, and Jurisdiction:** This sales order shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia. Customer consents to the exclusive jurisdiction of the Commonwealth of Virginia state and federal courts to resolve disputes.
- **Business Confidentiality/Proprietary Information/Non-Disclosure:** The Customer agrees that all non-public information provided or made available by ITL, including without limitation ITL's proprietary software, source code, business methods, pricing, technical information, system designs, and other confidential or proprietary information ("ITL Business Confidential Information"), is proprietary. The Customer shall not disclose, disseminate, or otherwise make available any of ITL's proprietary information to any third party, nor use such information for any purpose other than as strictly necessary to use the services as authorized under this agreement. These confidentiality obligations shall survive termination or expiration of this agreement.
- **Intellectual Property Ownership:** ITL owns all rights to its platform, software, designs, trademarks, and any pre-existing technology. The Customer is only granted a limited license (right to use) the service for the term of the agreement, but never ownership.
- **Cybersecurity and Covered Defense Information (CDI):** If the PO involves CDI (as defined in DFARS 252.204-7012 (Safeguarding Covered Defense Information and Cyber Incident Reporting) and HSAR 3052.204-72 (Safeguarding of Controlled Unclassified Information (CUI)) or other CUI requirements, ITL shall comply with the requirements of DFARS 252.204-7012 and HSAR 3052.204-72 and their successor

clauses. ITL shall notify the Customer of any cyber incident immediately (no later than 24 hours) upon discovery. Customer shall also follow DFARS 252.204-7012 (Safeguarding Covered Defense Information and Cyber Incident Reporting) and HSAR 3052.204-72 (Safeguarding of Controlled Unclassified Information (CUI)) or other CUI requirements as required by law.

- **Export Control:** Customer agrees to comply with all applicable U.S. export control laws and regulations, including ITAR and EAR, related to the goods and services provided by ITL.

    - **Export Compliance**
      Customer acknowledges that the products, software, and technical data provided by ITL may be subject to U.S. and foreign export control laws, including but not limited to the U.S. Export Administration Regulations (EAR), the International Traffic in Arms Regulations (ITAR), and all applicable sanctions administered by the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC). Customer agrees to comply fully with all such laws and regulations. Customer agrees to indemnify, defend, and hold ITL harmless against any losses, penalties, damages, or claims arising out of Customer's failure to comply with export control laws or these export compliance obligations.

    - **Restrictions on Export, Re-Export, and Transfer**
      Customer shall not export, re-export, transfer, divert, use, or disclose any products, software, technology, or technical data furnished by ITL—directly or indirectly—

      (a) to any destination, entity, or person prohibited under applicable export laws, or

      (b) for any prohibited end-use, including nuclear, missile, chemical/biological weapons, or military end-uses not authorized by law.

      Customer is solely responsible for obtaining any licenses or approvals required for its export, re-export, or transfer of ITL's products.

    - **No Sale to Restricted Parties**
      Customer represents that neither it nor its customers, owners, or end-users are listed on any U.S. or foreign denied party, restricted party, or specially designated national lists. Customer agrees not to resell ITL's products to any restricted party or country.

- **End-Use and End-User Certification**
  At ITL's request, Customer shall provide end-use and end-user statements, certificates, or other documentation required for export classification, licensing, or compliance verification. ITL may suspend shipments until required information is received and verified.
- **Right to Refuse or Cancel Orders for Compliance**
  ITL may refuse or cancel any order if ITL determines, in its sole discretion, that the transaction may violate or pose a risk under applicable export control or sanctions laws. ITL shall have no liability for delays or cancellations resulting from compliance screening.

- **No Obligation for ITL to Seek Licenses**
  Unless expressly stated in writing, ITL has no obligation to apply for, obtain, or maintain any export license on Customer's behalf.

- **Survival**
  These export compliance obligations survive completion, cancellation, or termination of the order or agreement.

- **NOFORN**
  Information furnished by ITL may include controlled technical data designated NOFORN. Customer shall ensure such information is not released to any foreign national or foreign entity, including employees or contractors, without prior written authorization from ITL and any required U.S. Government export approval. Customer shall maintain physical, electronic, and procedural safeguards to prevent unauthorized access. Any violation of this NOFORN restriction constitutes a material breach and may result in termination of the order and indemnification obligations.

- **Termination:** ITL may terminate any order for default if the Customer fails to pay or breaches any material term.
- **Insurance:** ITL maintains its own commercial insurance coverage.

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8. Subcontracting

- The Company reserves the right to subcontract, assign, or otherwise delegate any of its rights or obligations under this Agreement, in whole or in part, without requiring the prior consent or approval of the Buyer.