

**TECHNOLOGY SOLUTIONS, LLC**  
**32320 Five Mile Road**  
**Livonia, MI 48154**

**TERMS AND CONDITIONS TO  
EQUIPMENT SYSTEM SALES AND INSTALLATION AGREEMENT**

In consideration of the mutual agreements within the Equipment System Sales and Installation Agreement (the "Agreement"), Technology Solutions agrees to sell and install for Customer and Customer agrees to purchase from Technology Solutions the equipment (hardware and software) which is listed on the Equipment System Sales and Installation Agreement (the "Equipment").

1. **INSTALLATION**

Technology Solutions shall install the Equipment at the location(s) (hereinafter referred to as the ("Premises")) indicated on the Agreement. Unless otherwise indicated, the price includes delivery to the Premises.

2. **PURCHASE AND PAYMENT**

The Purchase Price for the Equipment is the total amount as indicated on the Agreement (the "Purchase Price"). Technology Solutions shall pay the sales tax indicated on the Agreement after its receipt from Customer. Customer shall be responsible for any sales, use, excise, property or other taxes not included on the Agreement. If Customer certifies that it is exempt from any or all taxes due, a properly executed resale certificate or tax exemption certificate must accompany the Agreement.

3. **CUTOVER**

The Cutover Date means the day when the Equipment is connected with the telephone carrier lines and becomes operational. The requested Cutover Date indicated on the Agreement is based on the completion prior thereto of the Customer's Responsibilities referred to in Articles 2 and 10 herein and the ability of the local Telephone Utility to provide the necessary line facilities. Technology Solutions shall furnish such personnel, tools and test equipment as are necessary to install the Equipment on the Cutover Date as stated in Article 1 or as soon as possible if delay is caused by the telephone utility, manufacturer or an independent installer. Technology Solutions shall perform the installation during normal work hours and work days. Technology Solutions shall use its best efforts to make timely delivery and installation. All stated delivery or installation dates are firm; however, if delay is caused by the telephone utility, manufacturer or an independent installer, Technology Solutions SHALL UNDER NO CIRCUMSTANCES BE LIABLE FOR ANY LOSS, DAMAGE OR EXPENSE DIRECTLY OR INDIRECTLY ARISING FROM DELAYS IN DELIVERY OR INSTALLATION.

4. **TITLE AND RISK OF LOSS**

Title to the Equipment hardware shall remain with Technology Solutions until and shall pass to Customer upon payment in full of the Purchase Price and completion of all other obligations of Customer under the Agreement. Customer shall assume risk of loss to the Equipment upon delivery of the equipment to Customer's Premises. Customer agrees to maintain insurance on the Equipment while at the Premises at full replacement value against fire, earthquake and other risks. Until title passes to Customer, Customer will not create, assume or suffer to exist any security interest, lien or encumbrance upon the Equipment ranking equal to or above Technology Solutions' security interest granted herein, nor will Customer sell, lease, dispose of or remove the Equipment from the Premises.

5. SECURITY INTEREST

Customer grants to Technology Solutions a security interest in the Equipment and any proceeds thereof to secure payment of the Purchase Price and satisfaction of all obligations of Customer to Technology Solutions under the terms of the Agreement. The parties acknowledge their intention that the aforesaid security interest shall attach when Customer obtains rights in the Equipment.

6. LIMITED WARRANTY AND DISCLAIMERS

Subject to the provisions of this Article 6, Technology Solutions warrants, for the period of one year commencing with the Cutover Date, that the Equipment installed by Technology Solutions will be free from defects in material and workmanship. However, if Customer enters into a separate Maintenance Agreement, the Warranty and related provisions of that Maintenance Agreement apply rather than the provisions of this Article 6.

If any defects covered by this Warranty appear and Technology Solutions is notified within the said period, Technology Solutions shall have the option of repairing or replacing the defective component(s) of the Equipment at its expense. Reconditioned replacement components, parts or materials may be used in any such repair or replacement. Repaired or replacement parts or components are warranted for the remainder of the original warranty period or for 90-days after replacement whichever is longer. The foregoing warranty shall be void for any time of the Equipment which has been subject to: (1) alteration or repair by persons not authorized by Technology Solutions; (2) misuse, negligence, accident, fire or other casualty; (3) operation beyond its design range, improper testing, or mishandling in any way; or (4) improper installation, maintenance or service by persons not authorized by Technology Solutions. The above warranty does not extend to products manufactured by others which are sold, installed and maintained by Technology Solutions as part of the system which comprise the Equipment herein unless specifically indicated in the Maintenance Agreement or to products normally consumed in operation or which have a normal life shorter than 12 months; as to such products Technology Solutions conveys to Customer the warranty, if any, of Technology Solutions' supplier.

THE FOREGOING WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER EXPRESS OR IMPLIED WARRANTIES OR MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR OTHERWISE. CUSTOMER'S EXCLUSIVE REMEDY FOR DEFECTIVE EQUIPMENT SHALL BE ONLY AS STATED IN THIS ARTICLE 6, IN THE EVENT THE REMEDIES PROVIDED FAIL OF THEIR ESSENTIAL PURPOSE, TECHNOLOGY SOLUTIONS SHALL HAVE THE RIGHT BUT NOT THE OBLIGATION TO REFUND THE MONEY PAID FOR THE PARTICULAR ITEM OF EQUIPMENT.

7. LIMITATION OF LIABILITY

TECHNOLOGY SOLUTIONS SHALL NOT BE LIABLE FOR ANY COMMERCIAL LOSSES, LOSS OF REVENUES OR PROFIT, LOSS OF GOOD WILL, INCONVENIENT, OR EXEMPLARY, SPECIAL INCIDENTAL, INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES WHATSOEVER, OR CLAIMS OF THIRD PARTIES, REGARDLESS OF THE FORM OF ANY CLAIM, WHETHER IN CONTRACT OR TORT, WHETHER FROM BREACH OF THE AGREEMENT, OR DEFECTIVE EQUIPMENT, OR ARISING FROM CUSTOMER'S INABILITY TO USE THE EQUIPMENT EITHER SEPARATELY OR IN COMBINATION WITH ANY OTHER EQUIPMENT, OR FROM LOSS OF DATA OR FROM ANY OTHER CAUSE, EVEN IF TECHNOLOGY SOLUTIONS HAS BEEN ADVISED OR SHOULD BE AWARE OF THE POSSIBILITY OR SUCH DAMAGE. TECHNOLOGY SOLUTIONS' LIABILITY FOR LOSS OR DAMAGES SHALL NOT EXCEED THE PRICE PAID FOR THE PARTICULAR ITEM OF EQUIPMENT REGARDLESS OF THE FORM OF ANY CLAIM. TECHNOLOGY SOLUTIONS SHALL HAVE NO LIABILITY RESULTING FROM THE USE OF THE EQUIPMENT IN CONJUNCTION WITH LIFE SUPPORT DEVICES.

8. INDEMNIFICATION

(a) Technology Solutions will indemnify and hold Customer harmless from any damages, costs or expenses finally awarded against Customer based upon a claim for personal injury, death or property damage caused by the negligence or willful misconduct of Technology Solutions in the performance of the Agreement and not caused by

the negligence or willful misconduct of Customer or its employees, agents or invitees. Technology Solutions may at its election defend and control any suit or proceeding brought against Customer with respect to any such claim.

(b) Federal and State laws may require that any use of the silent monitoring features, if any, of this Equipment be utilized in compliance with such laws. Customer shall indemnify and hold Technology Solutions harmless from any and all liabilities, damages, claims or demands, including costs and attorney's fees, made against Customer, its officers, employees, agents or any other individuals, arising from or connected in any way with Customer's use of the silent monitoring features of the Equipment. Customer further agrees to indemnify Technology Solutions for its costs and expenses, including attorney's fees, defending any action or claim brought against Technology Solutions arising from Customer's use of the silent monitoring features of the Equipment.

#### 9. FORCE MAJEURE, CUSTOMER CHANGES AND DELAYS

The Cutover Date and any other performance by Technology Solutions hereunder shall be subject to delays caused by an Act of God, war, riot, fire, explosion, accident, flood, sabotage, inability to obtain fuel or power, governmental laws, regulations or orders, acts or inaction of the Customer, or any other cause beyond the reasonable control of Technology Solutions. In the event of any delay, the date(s) set forth herein and the times for performance will be extended accordingly for additional period(s) of time to cover such period(s) of delay. Changes to the Equipment before Cutover requested by Customer, if received and accepted by Technology Solutions sufficiently in advance, will be implemented by Technology Solutions' best efforts; however, delay in Cutover may result and Customer agrees to pay any resulting added charges by Cutover. Cumulative delays requested by Customer of more than 20 days will result in increased associated labor and material costs, plus increases instituted by Technology Solutions applicable to all customers and any applicable equipment shortage and carrying charges.

#### 10. CUSTOMER'S RESPONSIBILITIES

Customer will, at its expense, take the following action for purposes of the installation and continued maintenance of the Equipment.

(a) Prior to installation: (i) provide a finished Equipment Room of sufficient size and including all finish work, painting and lighting; (ii) provide all necessary ventilating, heating, cooling, humidity and dust control equipment necessary to ensure that the Equipment Room will meet all environmental requirements provided by Technology Solutions and that such Equipment Room will be dry, free of dust and in such condition as not to be injurious to the employees or agents of Technology Solutions or the Equipment to be installed; (iii) provide clear, dedicated power for electrical service as necessary with suitable terminals in equipment and other rooms where required; (iv) take proper steps to protect the Equipment Room from water pipes and sprinklers which could cause damage to the Equipment, and from radio frequency and other similar types of interference; (v) be responsible for ensuring that the structural stability of the Premises is sufficient for the Equipment to be safely installed; (vi) immediately notify Technology Solutions of any anticipated delay in building availability, or inability to meet any of the above listed requirements; (vii) immediately upon execution of the Agreement to provide to Technology Solutions all necessary line, trunk and/or central office information; (viii) provide Technology Solutions with a signed letter of agency in the form provided by Technology Solutions authorizing Technology Solutions to make service requests upon the serving telephone company for Customer's Equipment Interconnection requirements, including telephone service for testing purposes where necessary (serving telephone company charges for these services are not included in the price and shall be separately paid by the Customer).

(b) In addition, during installation: (i) allow employees of Technology Solutions access to the Premises at hours consistent with the requirements of the installation; (ii) identify to Technology Solutions any equipment wiring or concealed conditions which might affect the Equipment or its installation and in the event of failure of disclosure hold Technology Solutions harmless from any claim, damage or liability resulting therefrom; (iii) provide suitable and accessible waste and sanitary facilities; and (iv) cooperate with reasonable requests from Technology Solutions for assistance in testing or installation.

(c) Following installation and as a condition for Technology Solutions' warranty or other maintenance obligations; (i) continually maintain an operating temperature and relative humidity consistent with the Equipment

manufacture's recommendations at all times (24 hours a day, 7 days each week); (ii) maintain other environmental conditions prescribed by Technology Solutions; (iii) maintain a lockable door to the Equipment Room; (iv) allow maintenance inspections during normal work hours; inspections other times requested by Customer will require special management and are subject to premium charges; (v) operate the Equipment strictly in the manner prescribed by Technology Solutions; (vi) permit Technology Solutions to install new or updated software to maintain the Equipment in the current edition during the warranty period, with applicable charges for additional memory capacity, hardware and installation and software use fees; and (vii) other additional moves, adds or changes as required at Technology Solutions' rates agreed to by the parties and Technology Solutions' then current delivery and installation cycles.

#### 11. PARTIES IN INTEREST; ASSIGNMENT; AMENDMENT

The Agreement shall inure to and be binding upon the parties hereto and their respective successors and assigns; provided, however, the Agreement may not be assigned by either party without the written consent of the other party except (a) to a successor company by merger or consolidation or of either party, or (b) to any company acquiring by sale, lease or otherwise substantially all the property, assets and business of either party, or any divisions or segment thereof having control of the activities of business to which the Agreement relates, or (c) to any company controlling, controlled by, or under common control with, either party. No amendment of the Agreement shall be binding on either party unless made in writing and signed by duly authorized officer of both parties.

#### 12. REMEDIES ON DEFAULT

If any of Customer's obligations to Technology Solutions shall not be paid when due, or if Customer breaches any other provision hereof, or if Customer cannot give Technology Solutions reasonable, written assurances of its solvency or ability to pay after such lack of payment or breach, or is named, whether voluntarily, as debtor in any proceeding brought under any applicable bankruptcy laws, or should Customer assign all or a substantial portion of its assets for the benefit of creditors, Customer shall be in default hereunder and all unpaid amounts shall at Technology Solutions' option, become immediately due and payable and/or Technology Solutions shall have all rights and its security interest in the Equipment. Upon Customer default, Technology Solutions shall have all rights and remedies under the Uniform Commercial Code and any other laws, including the right to any delinquent payments, for which Customer agrees to remain fully liable. In any event, if Customer cancels the Agreement prior to completion of the installation, Customer shall pay Technology Solutions (1) for all costs and expenses for equipment material and labor, (2) any loss in value of the Equipment, and (3) as liquidated damages as a reasonable estimate of Technology Solutions' loss profits and not as a penalty, 20% of the Purchase Price. No remedy of Technology Solutions' hereunder shall be exclusive of any other remedy herein or provided by law but such remedies shall be cumulative and addition to every other remedy. Customer agrees that in the event Technology Solutions takes any action for collection or otherwise to enforce or protect its rights or interests, herein, Customer shall be responsible for and pay any all costs associated with such collection or action including court costs and reasonable attorney's fees, plus interest at the highest rate of interest allowable by the law from and after the due date on the invoice. Technology Solutions may suspend performance until all payments by Customer are current.

#### 13. GENERAL

The Agreement shall be governed by and construed in accordance with the substantive and procedural laws of the State of Michigan, without giving affect to the principle of conflicts of laws. Jurisdiction and venue shall be appropriate in the Circuit Court of Wayne, Michigan or the United States District Court for the Eastern District of Michigan, Southern Division. No delay or omission to exercise any right or remedy accruing to either party hereunder upon breach or default by the other shall impair any such right or remedy by such party nor be construed as a waiver of such breach or default or of any similar breach or default thereafter occurring. All waivers affecting the provisions herein shall be in writing signed by the party so waiving. Any provisions of part hereof which shall be determined by an order of a court of competent jurisdiction to be invalid or unenforceable shall be severed from the Agreement without invalidating the remaining provisions hereof.

14. ENTIRE AGREEMENT

CUSTOMER, HAVING CAREFULLY READ ALL THE PROVISIONS OF THE AGREEMENT, ACKNOWLEDGES RECEIPT OF A COPY OF THE AGREEMENT AND EQUIPMENT SYSTEM SALES AND INSTALLATION AGREEMENT, AND ALL APPLICABLE TERMS AND CONDITIONS (found at [www.ts-llc.com](http://www.ts-llc.com)) WHICH TOGETHER ARE THE FINAL EXPRESSION OF THE AGREEMENT OF THE PARTIES RELATED TO THE SUBJECT MATTER HEREOF, AND THE COMPLETE AND EXCLUSIVE STATEMENT OF THE TERMS AGREED UPON. ALL PRIOR AGREEMENTS AND UNDERSTANDINGS BEING MERGED HEREIN, AND THAT THERE ARE NO REPRESENTATIONS, WARRANTIES OR STIPULATIONS, EITHER ORAL OR WRITTEN, NOT HEREIN CONTAINED.