

### Need Help?

Your account handler is at your disposal.

### Azexis®

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### **Basic Terms & Conditions**

#### 1. **DEFINITIONS**

As used herein and throughout this Agreement.

- 1.1. "Agreement" means the entire content of this Basic Terms & Conditions document, the Proposal document(s), Schedule A, together with any other Supplements designated below, together with any exhibits, schedules or attachments hereto.
- 1.2. "Client Content" means all materials, information, photography, writings and other creative content provided by the Client for use in the preparation of and/or incorporation in the Deliverables.
- 1.3. "Copyrights" means the property rights in original works of authorship, expressed in a tangible medium of expression.
- 1.4. "Deliverables" means the services and work product specified in the Proposal to be delivered by Azexis<sup>®</sup> to the Client, in the form and media specified in the Proposal.
- 1.5. "Tools" means all design tools developed and/or utilized by Azexis<sup>®</sup> in performing the Services, including without limitation pre-existing and newly developed software including source code, Web authoring tools, type fonts, and application tools, together with any other software, or other inventions whether or not patentable, and general non-copyrightable concepts such as Web site design, architecture, layout, navigational and functional elements.
- 1.6. "Final Art" means all creative content developed or created by Azexis®, or commissioned by Azexis®, exclusively for the Project and incorporated into and delivered as part of the Final Deliverables, including and by way of example, not limitation, any and all visual designs, visual elements, graphic design, illustration, photography, animation, sounds, typographic treatments and text, modifications to Client Content, and Azexis® selection, arrangement and coordination of such elements together with Client Content and/or Third Party Materials.
- 1.7. *"Final Deliverables"* means the final versions of Deliverables provided by Azexis<sup>®</sup> and accepted by the Client.
- 1.8. "Preliminary Works" means all artwork including, but not limited to, concepts, sketches, visual presentations, or other alternate or preliminary designs and documents developed by Azexis® and which may or may not be shown and or delivered to the Client for consideration but do not form part of the Final Art.
- 1.9. "Project" means the scope and purpose of the Client's identified usage of the work product as described in the Proposal.
- 1.10. "Services" means all services and the work product to be provided to the Client by Azexis $^{\$}$  as described and otherwise further defined in the Proposal.
- 1.11. "Third Party Materials" means proprietary third party materials which are incorporated into the Final Deliverables, including without limitation stock photography or illustration.
- 1.12. "Trademarks" means trade names, words, symbols, designs, logos or other devices or designs used in the Final Deliverables to designate the origin or source of the goods or services of the Client.

#### PROPOSAL

The terms of the Proposal shall be effective for 90 days after presentation to the Client. In the event this Agreement is not executed by the Client within the time identified, the Proposal, together with any related terms and conditions and deliverables, may be subject to amendment, change or substitution.

#### 3. FEES & CHARGES

#### 3.1. Fees.

In consideration of the Services to be performed by Azexis<sup>®</sup>, the Client shall pay to Azexis<sup>®</sup> fees in the amounts and according to the payment schedule set forth in the Proposal, and all applicable sales, use or value added taxes, even if calculated or assessed subsequent to payment schedule.

#### 3.2. Expenses.

Client shall pay Azexis<sup>®</sup> expenses incurred in connection with this Agreement as follows: (a) incidental and out-of-pocket expenses including but not limited to costs for overnight couriers, service bureaus, typesetting, blueprints, models, presentation materials and computer expenses, at cost plus Azexis<sup>®</sup> standard mark-up of fifteen percent (15%), and, if applicable, a mileage reimbursement at 25p per mile; and (b) travel expenses including transportation, meals, and lodging, incurred by Azexis<sup>®</sup> with the Client's prior approval.

#### 3.3. Additional Costs.

The Project pricing includes Azexis<sup>®</sup> fee only. Any and all client approved outside costs including, but not limited to, equipment rental, photographer's costs and fees, photography and/or artwork licenses, prototype production costs, talent fees, music licenses, and online access or hosting fees, will be billed to the Client unless specifically stated otherwise in the Proposal.

#### 3.4. Invoices.

All invoices are payable within thirty (30) days of receipt. A 1.5% monthly service charge is payable on all overdue balances. Payments will be credited first to late payment charges and next to the unpaid balance. The Client shall be responsible for all collection or legal fees necessitated by late or default in payment. Azexis® reserves the right to withhold delivery and any transfer of ownership of any current work if accounts are not current or overdue invoices are not paid in full. All grants of any license to use or transfer of ownership of any intellectual property rights under this Agreement are conditioned upon receipt of payment in full which shall be inclusive of any and all outstanding Additional Costs, Taxes, Expenses, and Fees, Charges or the costs of Changes.

#### 4. CHANGES

#### 4.1. General Changes.

Unless otherwise provided in the Proposal, and except as otherwise provided for herein, the Client shall pay additional charges for changes requested by the Client which are outside the scope of the Services on a time and materials basis, at Azexis<sup>®</sup> standard hourly rate. Such charges shall be in addition to all other amounts payable under the Proposal, despite any maximum budget, contract price or final price identified therein. Azexis<sup>®</sup> may extend or modify any delivery schedule or deadlines in the Proposal and Deliverables as may be required by such Changes.

#### 4.2. Substantive Changes.

If the Client requests or instructs Changes that amount to a revision in or near excess of fifteen percent (15%) of the time required to produce the Deliverables, and or the value or scope of the Services, Azexis® shall be entitled to submit a new and separate Proposal to Client for written approval. Work shall not begin on the revised services until a fully signed revised Proposal and, if required, any additional retainer fees are received by Azexis®.

#### 4.3.*Timing*.

Azexis<sup>®</sup> will prioritise performance of the Services as may be necessary or as identified in the Proposal, and will undertake commercially reasonable efforts to perform the Services within the time(s) identified in the Proposal. The Client agrees to review Deliverables within the time identified for such reviews and to promptly either, (i) approve the Deliverables in writing or (ii) provide written comments and/or corrections sufficient to identify the Client's concerns, objections or corrections to Azexis<sup>®</sup>. Azexis<sup>®</sup> shall be entitled to request written clarification of any concern, objection or correction. The Client acknowledges and agrees that Azexis<sup>®</sup> ability to meet any and all schedules is entirely dependent upon the Client's prompt performance of its obligations to provide materials and written approvals and/or instructions pursuant to the Proposal and that any

delays in the Client's performance or Changes in the Services or Deliverables requested by the Client may delay delivery of the Deliverables. Any such delay caused by the Client shall not constitute a breach of any term, condition or Azexis<sup>®</sup> obligations under this Agreement.

#### 4.4. Testing and Acceptance.

Azexis<sup>®</sup> will exercise commercially reasonable efforts to test Deliverables requiring testing and to make all necessary corrections prior to providing Deliverables to the Client. The Client, within reasonable period of receipt of each Deliverable, shall notify Azexis<sup>®</sup>, in writing, of any failure of such Deliverable to comply with the specifications set forth in the Proposal, or of any other objections, corrections, changes or amendments the Client wishes made to such Deliverable. Any such written notice shall be sufficient to identify with clarity any objection, correction or change or amendment, and Azexis<sup>®</sup> will undertake to make the same in a commercially timely manner. Any and all objections, corrections, changes or amendments shall be subject to the Terms & Conditions of this Agreement. In the absence of such notice from the Client, the Deliverable shall be deemed accepted.

#### CLIENT RESPONSIBILITIES

The Client acknowledges that it shall be responsible for performing the following in a reasonable and timely manner:

- (a) coordination of any decision-making with parties other than Azexis®;
- (b) provision of Client Content in a form suitable for reproduction or incorporation into the Deliverables without further preparation, unless otherwise expressly provided in the Proposal; and (c) final proofreading and in the event that the Client has approved Deliverables but errors, such as, by way of example, not limitation, typographic errors or misspellings, remain in the finished product, the Client shall incur the cost of correcting such errors.

#### 6. **ACCREDITATION/PROMOTIONS**

All displays or publications of the Deliverables shall bear accreditation and/or copyright notice in Azexis® name in the form, size and location as incorporated by Azexis® in the Deliverables, or as otherwise directed by Azexis®. Azexis® retains the right to reproduce, publish and display the Deliverables in Azexis® portfolios and Web sites, and in galleries, design periodicals and other media or exhibits for the purposes of recognition of creative excellence or professional advancement, and to be credited with authorship of the Deliverables in connection with such uses. Either party, subject to the other's reasonable approval, may describe its role in relation to the Project and, if applicable, the services provided to the other party on its Web site and in other promotional materials, and, if not expressly objected to, include a link to the other party's Web site.

#### 7. CONFIDENTIAL INFORMATION

Each party acknowledges that in connection with this Agreement it may receive certain confidential or proprietary technical and business information and materials of the other party, including without limitation Preliminary Works ("Confidential Information"). Each party, its agents and employees shall hold and maintain in strict confidence all Confidential Information, shall not disclose Confidential Information to any third party, and shall not use any Confidential Information except as may be necessary to perform its obligations under the Proposal except as may be required by a court or governmental authority. Notwithstanding the foregoing, Confidential Information shall not include any information that is in the public domain or becomes publicly known through no fault of the receiving party, or is otherwise properly received from a third party without an obligation of confidentiality.

#### 8. RELATIONSHIP OF THE PARTIES

#### 8.1. Independent Contractor.

Azexis<sup>®</sup> is an independent contractor, not an employee of the Client or any company affiliated with Client. Azexis<sup>®</sup> shall provide the Services under the general direction of the Client, but Azexis<sup>®</sup> shall determine, in its sole discretion, the manner and means by which the Services are accomplished. This Agreement does not create a partnership or joint venture and neither party is authorized to act as agent or bind the other party except as expressly stated in this Agreement. Azexis<sup>®</sup> and the work product or Deliverables prepared by Azexis<sup>®</sup> shall not be deemed a work for hire as that term is defined under Copyright Law. All rights, if any, granted to the Client are contractual in nature and are wholly defined by the express written agreement of the parties and the various terms and conditions of this Agreement.

#### 8.2.Agents.

Azexis<sup>®</sup> shall be permitted to engage and/or use third party designers/developers or other service providers as independent contractors in connection with the Services ("Agents"). Notwithstanding, Azexis<sup>®</sup> shall remain fully responsible for such Agents' compliance with the various Terms & Conditions of this Agreement.

#### 8.3.No Solicitation.

During the term of this Agreement, and for a period of six (6) months after expiration or termination of this Agreement, the Client agrees not to solicit, recruit, engage, or otherwise employ or retain, on a full-time, part-time, consulting, work-for-hire, or any other kind of basis, any Azexis® employee or Agent of Azexis®, whether or not said person has been assigned to perform tasks under this Agreement. In the event such employment, consultation or work-for-hire event occurs, the Client agrees that Azexis® shall be entitled to an agency commission to be the greater of, either (a) 25% of said person's starting salary with the Client, or (b) 25% of fees paid to said person if engaged by the Client as an independent contractor. In the event of (a) above, payment of the commission will be due within 30 days of the employment starting date. In the event of (b) above, payment will be due at the end of any month during which the independent contractor performed services for the Client. Azexis®, in the event of non-payment and in connection with this section, shall be entitled to seek all remedies under law and equity.

#### 8.4.No Exclusivity.

The parties expressly acknowledge that this Agreement does not create an exclusive relationship between the parties. The Client is free to engage others to perform services of the same or similar nature to those provided by Azexis<sup>®</sup>, and Azexis<sup>®</sup> shall be entitled to offer and provide services to others, solicit other clients and otherwise advertise the services offered by Azexis<sup>®</sup>.

#### 9. WARRANTIES & REPRESENTATIONS

#### 9.1.By the Client.

The Client represents, warrants and covenants to Azexis<sup>®</sup> that (a) the Client owns all right, title, and interest in, or otherwise has full right and authority to permit the use of the Client Content, (b) to the best of Client's knowledge, the Client Content does not infringe the rights of any third party, and use of the Client Content as well as any Trademarks in connection with the Project does not and will not violate the rights of any third parties, (c) the Client shall comply with the Terms & Conditions of any licensing agreements which govern the use of Third Party Materials, and (d) the Client shall comply with all laws and regulations as they relate to the Services and Deliverables.

#### 9.2.By Azexis®.

- (a) Azexis<sup>®</sup> hereby represents, warrants, and covenants to the Client that Azexis<sup>®</sup> will provide the Services identified in the Agreement in a professional and workmanlike manner and in accordance with all reasonable professional standards for such services.
- (b) Azexis® further represents, warrants and covenants to the Client that (i) except for Third Party Materials and Client Content, the Final Deliverables shall be the original work of Azexis® and/or its independent contractors, (ii) in the event that the Final Deliverables include the work of independent contractors commissioned for the Project by Azexis®, Azexis® shall have secure agreements from such contractors granting all necessary rights, title, and interest in and to the Final Deliverables sufficient for Azexis® to grant the intellectual property rights provided in this Agreement, and (iii) to the best of Azexis® knowledge, the Final Art provided by Azexis® and its subcontractors does not infringe the rights of any party, and use of same in connection with the Project will not violate the rights of any third parties. In the event the Client or third parties modify or otherwise use the Deliverables outside of the scope or for any purpose not identified in the Proposal or this Agreement or contrary to the Terms & Conditions noted herein, all representations and warranties of Azexis® shall be void.

  (c) EXCEPT FOR THE EXPRESS REPRESENTATIONS AND WARRANTIES STATED IN THIS
- (c) EXCEPT FOR THE EXPRESS REPRESENTATIONS AND WARRANTIES STATED IN THIS AGREEMENT, AZEXIS® MAKES NO WARRANTIES WHATSOEVER. AZEXIS® EXPLICITLY DISCLAIMS ANY OTHER WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR COMPLIANCE WITH LAWS OR GOVERNMENT RULES OR REGULATIONS APPLICABLE TO THE PROJECT.

#### 10. INDEMNIFICATION/LIABILITY.

#### 10.1. By the Client.

The Client agrees to indemnify, save and hold harmless Azexis® from any and all damages, liabilities, costs, losses or expenses arising out of any claim, demand, or action by a third party arising out of any breach of the Client's responsibilities or obligations, representations or warranties under this Agreement. Under such circumstances Azexis® shall promptly notify the Client in writing of any claim or suit; (a) the Client has sole control of the defence and all related settlement negotiations; and (b) Azexis® provides the Client with commercially reasonable assistance, information and authority necessary to perform the Client's obligations under this section. The Client will reimburse the reasonable out-of-pocket expenses incurred by Azexis® in providing such assistance.

#### 10.2. By Azexis®.

Subject to the terms, conditions, express representations and warranties provided in this Agreement, Azexis® agrees to indemnify, save and hold harmless the Client from any and all damages, liabilities, costs, losses or expenses arising out of any finding of fact which is inconsistent with Azexis® representations and warranties made herein, except in the event any such claims, damages, liabilities, costs, losses or expenses arise directly as a result of gross negligence or misconduct of the Client provided that (a) the Client promptly notifies Azexis® in writing of the claim; (b) Azexis® shall have sole control of the defence and all related settlement negotiations; and (c) the Client shall provide Azexis® with the assistance, information and authority necessary to perform Azexis® obligations under this section. Notwithstanding the foregoing, Azexis® shall have no obligation to defend or otherwise indemnify the Client for any claim or adverse finding of fact arising out of or due to Client Content, any unauthorized content, improper or illegal use, or the failure to update or maintain any Deliverables provided by Azexis®.

#### 10.3. Limitation of Liability.

THE SERVICES AND THE WORK PRODUCT OF AZEXIS® ARE SOLD "AS IS." IN ALL CIRCUMSTANCES, THE MAXIMUM LIABILITY OF AZEXIS®, ITS DIRECTORS, OFFICERS, EMPLOYEES, AGENTS AND AFFILIATES ("DESIGNER PARTIES"), TO CLIENT FOR DAMAGES FOR ANY AND ALL CAUSES WHATSOEVER, AND CLIENT'S MAXIMUM REMEDY, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT OR OTHERWISE, SHALL BE LIMITED TO THE PROJECT VALUE.

#### 11. TERM AND TERMINATION.

- 11.1. This Agreement shall commence upon the Effective Date and shall remain effective until the Services are completed and delivered.
- 11.2. This Agreement may be terminated at any time by either party effective immediately upon notice, or the mutual agreement of the parties, or if any party:
- (a) becomes insolvent, files a petition in bankruptcy, makes an assignment for the benefit of its creditors; or
- (b) breaches any of its material responsibilities or obligations under this Agreement, which breach is not remedied within ten (10) days from receipt of written notice of such breach.
- 11.3. In the event of termination, Azexis® shall be compensated for the Services performed through the date of termination in the amount of (a) any advance payment, (b) a prorated portion of the fees due, or (c) hourly fees for work performed by Azexis® or its Agents as of the date of termination, whichever is greater; and the Client shall pay all Expenses, fees, out of pockets together with any Additional Costs incurred through and up to, the date of cancellation.
- 11.4. In the event of termination by the Client and upon full payment of compensation as provided herein, Azexis® grants to the Client such right and title as provided for in Schedule A of this Agreement with respect to those Deliverables provided to, and accepted by the Client as of the date of termination.
- 11.5. Upon expiration or termination of this Agreement: (a) each party shall return or, at the disclosing party's request, destroy the Confidential Information of the other party, and (b) other than as provided herein, all rights and obligations of each party under this Agreement, exclusive of the Services, shall survive.

#### 12. **GENERAL**

#### 12.1. Modification/Waiver.

This Agreement may be modified by the parties. Any modification of this Agreement must be in writing, except that Azexis<sup>®</sup> invoices may include, and the Client shall pay, expenses or costs that the Client authorizes by electronic mail in cases of extreme time sensitivity. Failure by either party to enforce any right or seek to remedy any breach under this Agreement shall not be construed as a waiver of such rights nor shall a waiver by either party of default in one or more instances be construed as constituting a continuing waiver or as a waiver of any other breach.

#### 12.2. Notices.

All notices to be given hereunder shall be transmitted in writing either by facsimile or electronic mail with return confirmation of receipt or by certified or registered mail, return receipt requested, and shall be sent to the to the addresses identified below, unless notification of change of address is given in writing. Notice shall be effective upon receipt or in the case of fax or e-mail, upon confirmation of receipt.

#### 12.3. No Assignment.

Neither party may assign, whether in writing or orally, or encumber its rights or obligations under this Agreement or permit the same to be transferred, assigned or encumbered by operation of law or otherwise, without the prior written consent of the other party.

#### 12.4. Force Majeure.

Azexis<sup>®</sup> shall not be deemed in breach of this Agreement if Azexis<sup>®</sup> is unable to complete the Services or any portion thereof by reason of fire, labour dispute, act/force of nature or public enemy, death, illness or incapacity. Or, any local, national or international law, governmental order or regulation or any other event beyond Azexis<sup>®</sup> control (collectively, "Force Majeure Event"). Upon occurrence of any Force Majeure Event, Azexis<sup>®</sup> shall give notice to the Client of its inability to perform or of delay in completing the Services and shall propose revisions to the schedule for completion of the Services.

#### 12.5. Governing Law & Dispute Resolution.

The formation, construction, performance and enforcement of this Agreement shall be in accordance with the laws of England & Wales without regard to its conflict of law provisions or the conflict of law provisions of any other jurisdiction. In the event of a dispute arising out of this Agreement, the parties agree to attempt to resolve any dispute by negotiation between the parties. If they are unable to resolve the dispute, either party may commence mediation and/or binding arbitration through any forum mutually agreed to by the parties. The prevailing party in any dispute resolved by binding arbitration or litigation shall be entitled to recover its legal' fees and costs. In all other circumstances, the parties specifically consent to the local or national courts of England & Wales. The parties hereby waive any jurisdictional or venue defences available to them and further consent to service of process by mail. The Client acknowledges that Azexis® will have no adequate remedy at law in the event the Client uses the Deliverables in any way not permitted hereunder, and hereby agrees that Azexis® shall be entitled to equitable relief by way of temporary and permanent injunction, and such other and further relief at law or equity as any arbitrator or court of competent jurisdiction may deem just and proper, in addition to any and all other remedies provided for herein.

#### 12.6. Severability.

Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall nevertheless remain in full force and effect and the invalid or unenforceable provision shall be replaced by a valid or enforceable provision.

### 12.7. Headings.

The numbering and captions of the various sections are solely for convenience and reference only and shall not affect the scope, meaning, intent or interpretation of the provisions of this Agreement nor shall such headings otherwise be given any legal effect.

#### 12.8. Integration.

This Agreement comprises the entire understanding of the parties hereto on the subject matter herein contained, and supersedes and merges all prior and contemporaneous agreements, understandings and discussions between the parties relating to the subject matter of this Agreement. In the event of a conflict between the Proposal and any other Agreement documents, the terms of the Proposal shall control.

# Supplement 1: Print-Specific Terms & Conditions

#### P1. Samples

The Client shall provide Azexis<sup>®</sup> with five (5) samples of each printed or published form of the Final Deliverables, for use in the Azexis<sup>®</sup> portfolio and other self-promotional uses. Such samples shall be representative of the highest quality of the work produced.

#### P2. Finished Work.

The printed work, and the arrangement or brokering of the print services by Azexis<sup>®</sup>, shall be deemed in compliance with this Agreement if the final printed product is within the acceptable variations as to kind, quantity, and price in accordance with current or standard trade practices identified by the supplier of the print and print-related services. Whenever commercially reasonable and if available, Azexis<sup>®</sup> shall provide copies of the current or standard trade practices to the Client. Notwithstanding, Azexis<sup>®</sup> shall have no responsibility or obligation to negotiate changes or amendments to the current or standard trade practices.

# Supplement 2:

### Interactive-Specific Terms & Conditions

#### **I1. SUPPORT SERVICES**

#### I1.1. Warranty Period.

"Support Services" means commercially reasonable technical support and assistance to maintain and update the Deliverables, including correcting any errors or Deficiencies, but shall not include the development of enhancements to the Project or other services outside the scope of the Proposal. During the first three (3) months following expiration of this Agreement ("Warranty Period"), if any, Azexis® shall provide up to twenty (20) hours of Support Services at no additional cost to the Client. Additional time shall be billed at Designer's regular hourly rate, then in effect upon the date of the request for additional support.

#### I1.2. Maintenance Period.

Upon expiration of the Warranty Period and at the Client's option, Azexis® will provide Support Services under its "Frequent Flyer" Maintenance Contract or at Azexis® hourly rate. The parties may extend the Maintenance Period beyond one year upon mutual written agreement.

#### I2. ENHANCEMENTS

During the Maintenance Period, the Client may request that Azexis<sup>®</sup> develop enhancements to the Deliverables, and Azexis<sup>®</sup> shall exercise commercially reasonable efforts to prioritize its resources to create such enhancements. The parties understand that preexisting obligations to third parties existing on the date of the request for enhancements may delay the immediate execution of any such requested enhancements. Such enhancements shall be provided on a time and materials basis at Azexis<sup>®</sup> then in effect price for such services.

#### **I3. ADDITIONAL WARRANTIES & REPRESENTATIONS**

#### I3.1. Deficiencies.

Subject to the representations and warranties of the Client in connection with Client Content, Azexis® represents and warrants that the Final Deliverables will be free from Deficiencies. For the purposes of this Agreement, "Deficiency" shall mean a failure to comply with the specifications set forth in the Proposal in any material respect, but shall not include any problems caused by Client Content, modifications, alterations or changes made to Final Deliverables by the Client or any third party after delivery by Azexis®, or the interaction of Final Deliverables with third party applications such as Web browsers other than those specified in the Proposal. The parties acknowledge that the Client's sole remedy and Azexis® sole liability for a breach of this Section is the obligation of Azexis® to correct any Deficiency identified within the Warranty Period. In the event that a Deficiency is caused by Third Party Materials provided or specified by Azexis®, Azexis® sole obligation shall be to substitute alternative Third Party Materials.

#### I3.2. Designer Tools.

Subject to the representations and warranties of the Client in connection with the materials supplied by the Client, Azexis® represents and warrants that, to the best of Azexis® knowledge, the Tools do not knowingly infringe the rights of any third party, and use of same in connection with the Project will not knowingly violate the rights of any third parties except to the extent that such violations are caused by Client Content, or the modification of, or use of the Deliverables in combination with materials or equipment outside the scope of the applicable specifications, by the Client or third parties.

#### I4. COMPLIANCE WITH LAWS

Azexis<sup>®</sup> shall use commercially reasonable efforts to ensure that all Final Deliverables shall be designed to comply with the known relevant rules and regulations. The Client, upon acceptance of the Deliverables, shall be responsible for conformance with all laws relating to the transfer of software and technology

# Supplement 3:

### **Environmental-Specific Terms & Conditions**

#### 3D1. PHOTOGRAPHS OF THE PROJECT

Azexis<sup>®</sup> shall have the right to document, photograph or otherwise record all completed designs or installations of the Project, and to reproduce, publish and display such documentation, photographs or records for Azexis<sup>®</sup> promotional purposes in accordance with Section 6 of the Basic Terms & Conditions of this Agreement.

#### 3D2. ADDITIONAL CLIENT RESPONSIBILITIES

The Client acknowledges that the Client shall be responsible for performing the following in a reasonable and timely manner:

- (a) Communication of administrative or operational decisions if they affect the design or production of Deliverables, and coordination of required public approvals and meetings:
- (b) Provision of accurate and complete information and materials requested by Azexis<sup>®</sup> such as, by way of example, not limitation, site plans, building plans and elevations, utility locations, colour/material samples and all applicable codes, rules, and regulation information;
- (c) Provision of approved naming, nomenclature; securing approvals and correct copy from third parties such as, by way of example, not limitation, end users or donors as may be necessary;
- (d) Final proofreading and written approval of all project documents including, by way of example, not limitation, artwork, message schedules, sign location plans and design drawings before their release for fabrication or installation. In the event that the Client has approved work containing errors or omissions, such as, by way of example, not limitation, typographic errors or misspellings, the Client shall incur the cost of correcting such errors:
- (e) Arranging for the documentation, permissions, licensing and implementation of all electrical, structural or mechanical elements needed to support, house or power signage; coordination of sign manufacture and installation with other trades; and
- (f) Bid solicitation and contract negotiation; sourcing, establishment of final pricing and contract terms directly with fabricators or vendors.

#### 3D3. **ENGINEERING**

The Services shall include the selection and specifications for materials and construction details as described in the Proposal. However, the Client acknowledges and agrees that Azexis® is not a licensed engineer or architect, and that responsibility for the interpretation of design drawings and the design and engineering of all work performed under this Agreement ("Engineering") is the sole responsibility of the Client and/or its architect, engineer or fabricator.

#### 3D4. **IMPLEMENTATION**

The Client expressly acknowledges and agrees that the estimates provided in the Proposal, at any time during the project for implementation charges such as, including, but not limited to, fabrication or installation are for planning purposes only. Such estimates represent the best judgment of Azexis® or its consultants at the time of the Proposal, but shall not be considered a representation or guarantee that project bids or costs will not vary. The Client shall contract and pay those parties directly responsible for implementation services such as fabrication or installation ("Implementation"). Azexis® shall not be responsible for the quality or timeliness of the third-party Implementation services, irrespective of whether Azexis® assists or advises the Client in evaluating, selecting or monitoring the provider of such services.

#### 3D5.COMPLIANCE WITH LAWS

Azexis<sup>®</sup> shall use commercially reasonable efforts to ensure that all Final Deliverables shall be designed to comply with the applicable rules and regulations. However, Azexis<sup>®</sup> is not an expert and makes no representations or warranties in connection with compliance with such rules, codes or regulations. The compliance of the Final Deliverables with any such rule, codes or regulations shall be the responsibility of the Client. Azexis<sup>®</sup> shall use commercially reasonable efforts to ensure the suitability and conformance of the Final Deliverables.

#### 3D6.CLIENT INSURANCE

The Client shall maintain, during the term of this Agreement, at its sole expense, construction and maintenance liability, product liability, general business liability, and advertising injury insurance from a recognized insurance carrier in the amount of at least two million pounds (£2,000,000.00) per occurrence. Such insurance shall name Azexis individually as an additional named insured. The Client shall provide a copy of said insurance policy to Azexis at its request.

### Schedule A: **Intellectual Property Provisions**

#### IP1. RIGHTS TO DELIVERABLES OTHER THAN FINAL ART.

#### IP1.1. Client Content.

Client Content, including all pre-existing Trademarks, shall remain the sole property of the Client or its respective suppliers, and the Client or its suppliers shall be the sole owner of all rights in connection therewith. The Client hereby grants to Azexis® a nonexclusive, nontransferable license to use, reproduce, modify, display and publish the Client Content solely in connection with Azexis® performance of the Services and limited promotional uses of the Deliverables as authorized in this Agreement.

#### IP1.2. Third Party Materials.

All Third Party Materials are the exclusive property of their respective owners. Azexis® shall inform the Client of all Third Party Materials that may be required to perform the Services or otherwise integrated into the Final Deliverables. Under such circumstances Azexis® shall inform the Client of any need to license, at the Client's expense, and unless otherwise provided for by the Client, Azexis<sup>®</sup> shall obtain the license(s) necessary to permit the Client's use of the Third Party Materials consistent with the usage rights granted herein. In the event the Client fails to properly secure or otherwise arrange for any necessary licenses or instructs the use of third party art, the Client hereby indemnifies, saves and holds harmless Azexis® from any and all damages, liabilities, costs, losses or expenses arising out of any claim, demand, or action by a third party arising out of the Client's failure to obtain copyright, trademark, publicity, privacy, defamation or other releases or permissions with respect to materials included in the Final Deliverables.

IP1.3. Preliminary Works. Azexis $^{\rm @}$  retains all rights in and to all Preliminary Works. The Client shall return all Preliminary Works to Azexis® within thirty (30) days of completion of the Services and all rights in and to any Preliminary Works shall remain the exclusive property of Azexis<sup>®</sup>.

IP1.4.  $Original\ Artwork$ . Azexis $^{@}$  retains all right and title in and to any original artwork comprising Final Art, including all rights to display or sell such artwork. The Client shall return all original artwork to Azexis® within thirty (30) days of completion of the Services.

#### IP1.5. Trademarks.

Upon completion of the Services and expressly conditioned upon full payment of all fees, costs and out-of-pocket expenses due, Azexis<sup>®</sup> assigns to the Client all ownership rights, including any copyrights, in and to any artworks or designs comprising the works created by Azexis<sup>®</sup> for use by the Client as a Trademark. Azexis<sup>®</sup> shall cooperate with the Client and shall execute any additional documents reasonably requested by the Client to evidence such assignment. The Client shall have sole responsibility for ensuring that any proposed trademarks or Final Deliverables intended to be a Trademark are available for use in commerce and legal registration and do not otherwise infringe the rights of any third party. The Client hereby indemnifies, saves and holds harmless Azexis® from any and all damages, liabilities, costs, losses or expenses arising out of any claim, demand, or action by any third party alleging any infringement arising out of the Client's use and/or failure to obtain rights to use or use of the Trademark.

#### IP1.6. Tools.

All Tools are and shall remain the exclusive property of Azexis<sup>®</sup>. Azexis<sup>®</sup> hereby grants to the Client a nonexclusive, nontransferable (other than the right to sublicense such uses to the Client's Web hosting or Internet service providers), perpetual, worldwide license to use the Tools solely to the extent necessary with the Final Deliverables for the Project. The Client may not directly or indirectly, in any form or manner, decompile, reverse engineer, create derivative works or otherwise disassemble or modify any Tools comprising any software or technology of Azexis<sup>®</sup>.

#### IP2. RIGHTS TO FINAL ART.

#### IP2.1. Exclusive license, with modification rights:

Upon completion of the Services, and expressly subject to full payment of all fees, costs and out-of-pocket expenses due, Azexis<sup>®</sup> grants to the Client the exclusive, perpetual and worldwide right and license to use, reproduce, adapt, modify and display the Final Art solely in connection with the Project as defined in the Proposal and in accordance with the Terms & Conditions of this Agreement.

#### IP2.2. Assignment:

Upon completion of the Services, and expressly subject to full payment of all fees, costs and out-of-pocket expenses due, Azexis<sup>®</sup> hereby assigns to the Client all right and title in and to the Final Art. Azexis<sup>®</sup> agrees to reasonably cooperate with the Client and shall execute any additional documents reasonably required to evidence such assignment.