

General Terms and Conditions of Sale

July 2023

General Contact Information:

Team NiSCA
100 Randolph Road
Somerset, NJ 08873
www.teamniscas.com

Sales and Customer Service Contact:

Phone: 1-732-271-7300
Email: sales@teamniscas.com
Orders: orders@kgusa.com

Technical Support Information:

Team NiSCA Service
31390 Viking Parkway
Westlake, OH 44145

Technical Support Contact:

Phone: 1-732-271-7328
Email: support@teamniscas.com

Price Discounts:

This document contains Team NiSCA Product List Pricing and Terms and Conditions for sale of NiSCA printers and associated products (the "**Products**") to its customers, whether they are dealers, distributors, resellers or end-users (individually and collectively hereinafter referred to as 'Customer(s)') by Team NiSCA of Kanematsu USA, Inc. Please contact your sales person, reseller, dealer or distributor, as appropriate, to determine buy price discounts.

Team NiSCA / Kanematsu USA, Inc Minimum Advertised Price (MAP) Policy:

Kanematsu USA, Inc., through its Team NiSCA Division (collectively referred to as "Team NiSCA"), has established a Minimum Advertised Price ("MAP") policy to help ensure the legacy of Team NiSCA as a top supplier of high performance, high quality, photo printers and related consumables and to protect its reputation and that of its products, the Products. The MAP Policy is also designed to ensure that resellers, dealers and distributors have the incentive to invest resources into services for development of Team NiSCA Product customers. Team NiSCA reserves the right to modify or suspend this MAP Policy upon written notice to its resellers, dealers and distributors.

The MAP Policy shall work under the following guidelines:

1. The MAP for all applicable Products shall be listed on each Team NiSCA price list. MAP pricing is established by Team NiSCA for specific Team NiSCA Products and may be adjusted by Team NiSCA, at its sole discretion. Any questions about this policy must be presented in writing and directed via the U.S. Mail to 100 Randolph Road, Somerset, NJ 08873 or via e-mail to sales@teamniscas.com. No oral communications about this policy are authorized.
2. The MAP Policy applies to all advertisements of Team NiSCA Products in any and all media including, without limitation, flyers, mailers, magazines, catalogs, mail order catalog, Internet or similar electronic media, Internet banner ads, broadcast emails and third party websites. Internet auctions may not display or have reserve bid or other acceptable prices below the MAP price. The MAP Policy is not applicable to any in-store advertising or to advertising paid for by a reseller, dealer or distributor for which no rebate is sought or co-op contribution made by Team NiSCA.
3. The MAP Policy applies only to advertised prices and does not apply to the price at which the Products are actually sold or offered for sale to an individual consumer at the reseller, dealer or distributor's retail location or over the telephone. Team NiSCA resellers, dealers and distributors remain free to sell these products at any prices they elect.
4. The MAP Policy does not establish maximum advertised prices. All resellers, dealers and distributors may offer applicable Products at any prices in excess of the MAP established for such Products.
5. The MAP Policy does not in any way limit the ability of any reseller, dealer or distributor to advertise that it "has the lowest prices" or "will meet or beat any competitor's price," that consumers should "call for a price," or phrases of similar import, as long as the price advertised for the applicable Product is not less than the MAP.

6. From time to time Team NiSCA Products may discontinue certain Products or engage in promotions with respect to certain Products. In such events, Team NiSCA reserves the right to modify or suspend the MAP with respect to the affected Products at its sole discretion.
7. **IMPORTANT:** Please recognize that the consequences for violating this MAP Policy are significant. The MAP Policy was determined after a careful analysis of the competitive marketplace. Failure to abide by this policy may, at Team NiSCA sole discretion, result in termination of eligibility to receive co-op advertising funds for one or more of the Products or applicable rebates, and in extreme cases may result in the termination of reseller/dealer/distributor's right to carry the Team NiSCA Product line. Team NiSCA does not intend to do business with resellers/distributors that degrade the image of Team NiSCA and its products. Team NiSCA will not provide prior notice or issue warnings before taking any action under this policy.

The Minimum Advertised Prices for all Team NiSCA Products is List Price. If the Customer wishes to publish the List Price on-line or in any other type of published medium, then the mean time between failure rate (MTBF) of the specific printer must be stated along with the List Price.

General Terms and Conditions of Sale: THESE TERMS AND CONDITIONS CONSTITUTE A BINDING CONTRACT BETWEEN TEAM NiSCA AND EACH CUSTOMER BY PLACING AN ORDER WITH KG PROSECURITY OR MAKING A PURCHASE FROM TEAM NiSCA, CUSTOMER ACCEPTS THESE TERMS AND CONDITIONS, INCLUDING THE MAP POLICY STATED ABOVE. THESE TERMS AND CONDITIONS ARE SUBJECT TO CHANGE WITHOUT PRIOR NOTICE, EXCEPT THAT THE TERMS AND CONDITIONS IN EFFECT AT THE TIME CUSTOMER PLACES AN ORDER WILL GOVERN THAT ORDER, IF THE REQUESTED SHIPMENT DATE IS LESS THAN 30 DAYS FROM THE DATE OF THE ORDER. ANY DIFFERENT TERMS OR CONDITIONS IN ANY FORM DELIVERED BY CUSTOMER ARE DEEMED TO BE MATERIAL ALTERATIONS TO THE TERMS AND CONDITIONS AND OF NO EFFECT UNLESS SPECIFICALLY AGREED BY KG PROSECURITY IN WRITING.

1. Products, Price and Taxes
 - 1.1 Product and Price List. Herein contains a Product and price list, and includes any special terms and conditions of sale which are not otherwise stated herein. Team NiSCA may change Product or price lists from time to time effective 30 days after Team NiSCA written notice to Customer of such change. Any such change will not apply to any order received prior to the date of such notice if the requested shipment date is less than 30 days from the date of the order. Prices are F.O.B. point of shipment. Unless otherwise directed by Customer, Team NiSCA will prepay the freight and bill Customer for transportation charges. In the event of any inconsistency or conflict between this Agreement and the price list regarding price or Product made available hereunder, the latter shall control.
 - 1.2 Price Adjustments and Promotional Programs. Team NiSCA may offer price adjustments and promotional allowances, as well as co-op and market development programs, by providing Customer with such information in writing.
 - 1.3 Taxes. Pricing is exclusive of federal, state and/or local excise, sales, use property, Customer, occupation or similar taxes. Customer agrees to pay all such taxes due on the Products, which will be added to Customer's total invoice amount, unless Customer furnishes Team NiSCA with a valid resale or exemption certificate.
2. Credit Approval, Payment Terms and Security Interest.
 - 2.1 Credit Approval. Team NiSCA invoicing and shipment of Customer's purchase orders will be subject to Team NiSCA approval of Customer's credit. Customer will provide Team NiSCA with such financial information as Team NiSCA reasonably requests to establish and maintain such credit approval.
 - 2.2 Payment Terms. The payment terms applicable to Customer's purchase orders will be Net 30 days from date of invoice unless otherwise specified in the price list or by Team NiSCA senior Management. Team NiSCA may assess late charges of the lesser of one and one half percent (1 1/2%) per month or a higher rate as may be allowed by law. Team NiSCA may also collect from Customer all costs, including reasonable legal fees, which Team NiSCA may incur to collect any delinquent account. Team NiSCA may hold delivery if the Customer's account is overdue or such delivery may exceed the established line of credit. Team NiSCA shall not be responsible for non-delivery. To avoid non-delivery, Customer may make a payment prior to the payment due date.
3. Orders, Shipments, Delivery and Cancellation.
 - 3.1 Purchase Orders. Customer must submit all purchase orders for Products in writing. This Agreement supersedes any terms or conditions contained in printed forms submitted as, or with, purchase orders, sales acknowledgments or invoices. The only effect of any terms contained in any purchase order will be to request the time and place of delivery and the model and number of units to be delivered, but they shall not change or add to the terms of this Agreement in any way. Purchase orders are deemed a contract of sale and binds the Customer to payment in full, unless the Customer cancels the purchase order, see 3.4.
 - 3.2 Shipments. Team NiSCA shall use reasonable efforts to meet the delivery dates requested in Customer's purchase orders; however, Team NiSCA shall not be liable for delays in delivery for any reason. Team NiSCA reserves the right to allocate Product shipments at Team NiSCA discretion among all of Team NiSCA customers. Team NiSCA shall ship Products to Customer's designated locations in the Territory. IN NO EVENT SHALL KG PROSECURITY BE LIABLE FOR INCREASED COSTS, LOSS OF PROFITS OR GOOD WILL OR ANY OTHER INCIDENTAL OR CONSEQUENTIAL DAMAGES DUE TO LATE OR NON-DELIVERY OF PRODUCTS.
 - 3.3 Delivery, Title and Risk of Loss. Delivery shall be F.O.B. point of shipment at Team NiSCA United States locations. Team NiSCA shall select the carrier, who will deliver the Products to Customer at the location(s) shown on the applicable purchase order, or as otherwise agreed to by the parties. Title and risk of loss or damage shall pass to Customer at Team NiSCA United States place of shipment upon delivery to carrier. Any loss or damage after delivery to the carrier, including damage or loss during transportation, shall be Customer's responsibility and shall not relieve Customer of its payment obligation.

- 3.4 Cancellation / Returns. Customer may cancel an individual purchase order provided it gives Team NiSCA notice of such cancellation at least sixty (60) days prior to the requested shipping date of such order. Purchase orders not canceled at least sixty (60) days prior to requested shipping dates shall be deemed final and non-cancelable. Returning products for credit is accepted on a case by case basis and will require a 25% restocking charge. Please contact your sales manager for more details.
4. Warranty.
- 4.1 Warranty Coverage. **Warranty which Team NiSCA passes on from the manufacturer, to the reseller / Customer covers printers, laminators, encoders, and print head parts and labor for the specified period (See price list for details) – unlimited prints within the term from the date of invoice, and 90-days for replacement print heads.** The warranty covers manufacturing defects and does not cover: (a) Defects or damage resulting from use of products other than in the normal customary manner; (b) Defects or damage from misused, accident or neglect; (c) Defects or damage from improper testing, operation, maintenance, installation, alteration, modification or adjustment; (d) Product disassembled or repaired in such a manner as to adversely effect performance or prevent adequate inspection and testing to verify any warranty claim; (e) Product which has had the serial number removed or made illegible; (f) Damage caused to print heads due to debris or use of improper cards; **(g) Damage caused by the use of non-genuine Team NiSCA ink ribbons or non-genuine over-laminate consumables.**
- 4.2 Procedures of Warranty Claims:
Customers wishing to claim defective products under warranty terms must contact technical support at 732-271-7328. A technician will diagnose problem / defect and if needed an RO (Return Order) will be issued. Product will be returned for depot service to Team NiSCA service center in Westlake, Ohio. **Team NiSCA does not bear packaging or shipping costs.** For Authorized Team NiSCA Customers, service turnaround time averages 5 - 7 days.
- 4.3 THIS WARRANTY IS GIVEN IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, WHICH ARE SPECIFICALLY EXCLUDED INCLUDING, WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT SHALL TEAM NiSCA BE LIABLE FOR DAMAGES IN EXCESS OF THE PURCHASE PRICE OF THE PRODUCT, FOR ANY LOSS OF USE, LOSS OF TIME, INCONVENIENCE, COMMERCIAL LOSS, LOST PROFITS OR SAVINGS OR OTHER INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES CAUSED OUT OF THE USE OR INABILITY TO USE PRODUCTS.
- 4.4 Overlamine Warranty. Overlamine products – sometimes known as holopatch, hardcoat, softcoat, thinfilm, secure id, id secure, and laminate are warranted for the period of one year from invoice date. This is the maximum shelf life of the product. Warranty can be voided within the period if products are stored in other than optimal conditions. Optimal conditions: storage of product must be away from direct sun light, in an environment that is from 65 - 75°F and 45 to 50% relative humidity.
5. Firmware, Mask Works and Software.
- 5.1 Firmware and Mask Works. One or more components of the Products to be sold to Customer under this Agreement may contain firmware or mask works programs built into their circuitry. Customer's purchase of the Products includes a non-exclusive, royalty-free license to distribute such firmware or mask works as part of the Product, but only under the conditions prescribed by Section 5.3.
- 5.2 Software. Any software program or software documentation supplied with the Product will be governed by the terms of the Software License Agreement, which accompanies the Product. Team NiSCA reserves the right to modify any of the specifications, functions or features of any software program, issue new releases, or cease supporting a particular program or release at any time. In the event Team NiSCA issues a new release of a software program, Team NiSCA shall continue, for a reasonable time, to support the release, which it is to replace, but Team NiSCA standard policy is to support only the most current release of a program and its most recent previous release. However, Team NiSCA shall offer to license to Customer and Customer's customers enhancements, which will allow Customer to upgrade its program to the most current release. Support shall not extend beyond reasonable efforts to provide a software fix, software is not warranted.
- 5.3 Restrictions on Use and Distribution. Any firmware, mask works or software which Team NiSCA furnishes with the Product is subject to the following minimum conditions, in addition to those which may be imposed by the Software License Agreement: (I) Team NiSCA (or its supplier) retains all title and ownership to such firmware, mask works or software, and Team NiSCA reserves all rights in patents, copyrights, trade secrets and other intellectual property in it; (II) Customer may not copy, disassemble, de-compile or reverse engineer the firmware, mask works or software under any circumstances, nor shall Customer assist or cooperate with third parties attempting any of the foregoing; and (III) Customer shall exercise the same care to prevent any unauthorized copying or dissemination by Customer's customers and others who are to use the Products as Customer would take to protect Customer's own proprietary information, but in no event less than reasonable care. Customer shall bind its customers to such licenses as required by Team NiSCA from time to time.
- 5.4 Design Tools. If Customer requires that Team NiSCA furnish Customer with any design tools or other development kit to enable Customer to write or modify Customer's software to operate the Product, and Team NiSCA agrees to supply Customer with such documents, Customer's use of any such hardware, software or documentation shall be governed by the terms of a separate written agreement with Team NiSCA.
- 5.5 Reverse Engineering. Customer acknowledges that the Team NiSCA software, if any, and Products furnished hereunder contain valuable trade secrets of Team NiSCA, and, therefore, agrees that it will not translate, reverse engineer, de-compile or disassemble or make any other unauthorized use of such Team NiSCA software and Products. Since unauthorized use of such Team NiSCA software, if any, and Products will greatly diminish the value of such trade secrets and cause irreparable harm to Team NiSCA, Customer agrees that Team NiSCA in addition to any other remedies it may have, shall be entitled to equitable relief to protect such trade secrets, including without limitation temporary or permanent injunctive relief without the necessity of proving of damages.

6. Trademarks, Logos and License Disclaimer.
- 6.1. Ownership and Use of Team NiSCA and/or the Manufacturer Marks. While this Agreement is in effect, Customer may indicate to the public that Customer is an authorized Customer of the Products. Customer shall not adopt or use any of Team NiSCA and/or Manufacturer's logos, trademarks or trade names, in whole or in part, or any confusingly similar word or symbol, as part of Customer's company name. Customer acknowledges Team NiSCA and/or the Manufacturer's exclusive ownership in the Team NiSCA and/or the Manufacturer names and logos as well as certain other trademarks and trade names which Team NiSCA and/or the Manufacturer uses in connection with the Products, and agrees that Customer will not acquire any interest in any of these trademarks or trade names by virtue of Customer's use or of this Agreement. NOTHING CONTAINED IN THIS AGREEMENT SHALL GRANT, EITHER DIRECTLY OR BY IMPLICATION, ESTOPPEL, OR OTHERWISE, ANY LICENSE UNDER ANY PATENTS, COPYRIGHTS, TRADEMARKS OR TRADE SECRETS OF TEAM NiSCA AND THE MANUFACTURER.
- 6.2. Review and Approval of Uses. Customer must obtain Team NiSCA prior written approval to use any of Team NiSCA and/or the Manufacturer's trademarks or trade names in any advertising or literature, and must strictly comply with Team NiSCA instructions regarding their use. Among other things, Customer shall be required to indicate explicitly Team NiSCA ownership of the name or mark. At Team NiSCA request, Customer shall submit to Team NiSCA, for Team NiSCA approval, specimens or photographs of Customer's letterhead, business cards, telephone directory listings, signs and vehicle markings and any other advertising materials in which Customer indicates an affiliation with Team NiSCA or the sale or distribution of the Products. At the expiration or termination of this Agreement, Customer shall immediately discontinue any use of all Team NiSCA and/or the Manufacturer trade names and trademarks, as well as any other combination of words, designs, trademarks or trade names that would indicate that Customer is or was an authorized Customer of the Products.
7. Limitation of Remedies and Liability. TEAM NiSCA TOTAL LIABILITY WHETHER FOR BREACH OF CONTRACT, WARRANTY, LATE DELIVERY OR NON-DELIVERY, NEGLIGENCE, STRICT LIABILITY IN TORT OR OTHERWISE, IS LIMITED TO THE PRICE OF THE PARTICULAR PRODUCTS SOLD WITH RESPECT TO WHICH LOSSES OR DAMAGES ARE CLAIMED. IN NO EVENT SHALL TEAM NiSCA BE LIABLE FOR ANY INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES.
8. Sales to the United States Government. In the event the Customer elects to sell Team NiSCA products or services to any U.S. federal, state or local government agency, or to a prime contractor or subcontractor selling to such entity, Customer does so solely at its option and risk, and agrees not to obligate Team NiSCA as a subcontractor, or otherwise to the government customer. Customer remains solely and exclusively responsible for compliance with all statutes, regulations and clauses governing sales to the U.S. federal, state or local Government agency. Team NiSCA makes no representations, certifications, or warranties whatsoever with respect to the ability of its goods, services or prices to satisfy any such statutes, regulations or clauses.
9. Sales Outside of the United States: If Customer chooses to do so, Customer sells the Products outside of the United States solely at its own option and risk. Customer remains solely and exclusively responsible for compliance with all statutes and regulations governing sales to foreign entities. These statutes include, but are not limited to, those of the United States Government including United States export control law, and those of the foreign entity involved, as well as those of certain international organization whose function it is to regulate such sales. Team NiSCA makes no representations, certifications or warranties whatsoever with respect to the ability of its goods, services or prices to satisfy any such statutes or regulations. Failure of Customer to conduct any sales to foreign entities in strict accordance with all statutes and regulations of all governments and organizations involved shall constitute a material breach of this Agreement.
10. Entire Agreement: Severability. This Agreement constitutes the entire and final expression between the parties pertaining to the subject matter of this Agreement and supersedes all other communications between the parties, including all previous oral or written communications. If any provision is held invalid, all other provisions shall remain valid, unless such invalidity would frustrate the purpose of this Agreement.
11. Relationship of Parties. Each party shall be deemed to be an independent contractor and not an agent, or representative of the other, and neither party may create any obligations or responsibilities on behalf of or in the name of the other. Under no circumstances may Customer hold itself out to be a partner, employee, franchisee, representative, servant or agent of Team NiSCA. Customer acknowledges that it is not relying on Team NiSCA for goods and services for Customer's business and that Customer has not been asked to pay a fee to Team NiSCA in connection with this Agreement. Customer also agrees that the operation of Customer's business is not associated with any trademark or other commercial symbol identified with Team NiSCA or Team NiSCA Products and that Customer is not a franchisee of Team NiSCA for any purpose.
12. Force Majeure. Neither party shall be liable to the other (except with respect to full and timely payment to Team NiSCA by Customer) for its delay or failure to perform due to strikes, riots, storms, fires, acts of God, or any other similar causes beyond the reasonable control of such party. In no event shall any such occurrence extend the term of this Agreement.
13. Disputes. All claims or controversies arising out of or relating to this Agreement shall be finally settled by arbitration in Somerset, New Jersey. The arbitration shall be governed by the Commercial Rules of Arbitration of the American Arbitration Association, and judgment rendered by the arbitrator (s) shall be binding upon the parties and may be entered by any court having jurisdiction thereof.
14. Governing Law. THIS AGREEMENT WILL BE ENFORCED AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW JERSEY, EXCLUDING ITS CONFLICT-OF-LAWS RULES. The United Nations Convention on Contracts for the International Sale of Goods shall be inapplicable to this Agreement.