



## TERMS & CONDITIONS

### To Dealer/iKon Technologies Authorized Dealer Agreement

1. **Terms & Conditions.** This Addendum is incorporated by reference into the Authorized Dealer Agreement and contains detailed and standard terms on procedures, steps, and understandings for implementation of the Agreement.
2. **Definitions.** In the Agreement, the following terms have the meanings given:
  - “**Agreement**” refers to the Authorized Dealer Agreement between Dealer and iKon, together with these Terms and Conditions, any Exhibits or Addendum and iKon’s promulgated policies;
  - “**Affiliate**” means, with respect to any Person, any other Person which, directly or indirectly, controls, is controlled by or is under common control by, such Person;
  - “**Business Day**” is any day on which first class US mail is delivered in Texas;
  - “**Customers**” means Dealer’s customers purchasing Vehicles at the Designated Locations;
  - “**Dealer**” means an entity or group of entities which is contracted with iKon and actively selling iKon Products;
  - “**Designated Locations**” means Dealer’s locations as listed in the Agreement;
  - “**Device**” means the iKon Technologies Devices/Cellular Device and ancillary hardware;
  - “**Launch or Launch Week**” refers to the initial training period and launch by Dealer of iKon’s Products;
  - “**Marks**” means names, logos, service marks, trademarks, trade dress, and trade names;
  - “**Materials**” means literature, brochures, contracts and supplies necessary to market the Products and Services;
  - “**Person**” means an individual, corporation, partnership, association, limited liability company, joint stock company, group, trust or other unincorporated organization, agency, government, or political subdivision thereof;
  - “**Products**” means the Device, the Services, corresponding Service plans, accessories and such other related items offered by iKon Technologies to Dealer;
  - “**Services**” means wireless motor vehicle/asset tracking and all related service offerings provided by or through iKon pursuant to the Standard Terms, collectively with Products sometimes referred to as the iKon Technologies Connected Car System (iKon Connect);
  - “**Standard Terms**” means the Terms and Conditions pursuant to which the Device and Services are provided to Subscribers, as herein described, or provided separately;
  - “**Subscriber**” means any Person who has subscribed to the Services through the efforts of Dealer and is the actual user of the Services offered;
  - “**Vehicles**” means vehicles sold by Dealer at the Designated Locations.
3. **Retail Consumer Pricing.** Dealer may price the sale of the iKon Connected Car System – inclusive of registration/airtime services to the retail consumer at its reasonable discretion. iKon will suggest pricing levels and terms based upon typical market rate.
4. **Inventory Management.** Once the iKon Connected Car System is installed, the Dealer may use the system for vehicle inventory management.
5. **Training & Marketing.** iKon will ensure Dealer’s staff is trained. Training shall include providing the Dealer personnel with all necessary training and marketing materials appropriate to the Dealer operations for successful installation, use, and sale, of the iKon Technologies Connected Car System. In addition, iKon resources will be made available to provide ongoing training to personnel (as needed), for the term of the Agreement.
6. **Device Removal for Dealer Trade/Wholesale Units:** The Dealer shall remove all Devices from trade and wholesale vehicles. The removed Devices should be placed in a location/box clearly marked as iKon Return Devices. Your Dealer Success Consultant will be responsible for returning these Devices to iKon on a regular cadence. These Devices will be invoiced to you at \$0. Devices left in vehicles will be



invoiced at the Missing/Lost Device rate as set forth in the Agreement. Disposition of Devices at the time of termination of the Agreement is controlled by the terms of the Dealer Agreement.

**7. Reporting:** Dealer shall maintain a live, daily feed, with approved access to Dealers' sales and information to be made available through as follows:

- a. Vehicle Inventory Report & In-Transit Vehicle Inventory Report - These reports shall be used to ensure sufficient consignment Devices are made available by iKon to meet Dealer needs, updated within three business days of any retail sale.
- b. Monthly Sales Report - This report identifies all Vehicles sold (by VIN) and those Vehicles sold with iKon Subscriptions. This report shall be used to calculate sell-through registration rates and calculate any applicable discounts, bonus or rebate.
- c. Missing Devices - Devices in vehicles that have been off-lot for more 30 days which are unassociated with a sale, OR flagged as loaner or service vehicles, are invoiced as lost Devices, and invoiced as provided by the Dealer Agreement. Dealer shall be pro-active in identification of loaner and service vehicles, and assignment of geo-fences to include trusted locations for extended vehicle stays, to keep the number of unaccounted-for vehicles to a minimum.

**8. Event Cancellation/Rescheduling Reimbursement.** If an iKon-approved Launch is scheduled by Dealer but later cancelled or rescheduled by Dealer 10 business days or fewer before the scheduled event, Dealer shall reimburse iKon all reasonable and customary non-reimbursable costs or fees directly attributable to the launch incurred by iKon related to travel, lodging, shipping, and custom development fees.

**9. Price Increases.** iKon may increase airtime prices (and Devices for those not delivered on consignment arrangement) due to cost increases from suppliers, but Dealer will receive thirty days (30) written notice prior to any increase becoming effective or billable.

**10. Performance Adjustments/Options.** Should Dealer not reach the 30% registration rate of Customers as described in the Agreement for three (3) consecutive months, either after 90 days from Launch or for any continuous period of 90 days thereafter. iKon may, in its sole discretion, adjust the terms of this Agreement, including:

- a. bill for total registrations equaling 30% of dealer's monthly vehicle sales, OR
- b. immediately cancel the entire program at that Dealership and invoice the Dealer for unsold installed Devices at \$59 each, which will include 12 months of platform access for Dealer to use as inventory management platform; iKon may request the return of all uninstalled Devices (30% restocking fee applies); OR
- c. iKon may adjust the Smart Marketing fee, Device Registration/Activation Charge, and non-registration fee from time to time, providing a 30-day notice beforehand.

Said adjustment shall be based on sixty (60) days written notice to Dealer after expiration of the 90-day period above. In the event, the Dealer does not agree to the adjustment, they may cancel the Dealer Agreement and the termination provisions of the Dealer Agreement, and these Terms and Conditions shall apply.

**11. Full & Limited Warranties.** Notwithstanding any other term or disclaimer on warranties, iKon shall provide for one year from date of consignment a full warranty to repair or replace defective iKon Devices for any reason other than Dealer's intentional or negligent conduct caused malfunction. A limited lifetime warranty shall continue for defects of manufacture or workmanship. This warranty is for the benefit of the Dealer and is transferable when sold to the Dealer's customers.



**12. iKon Dealer Theft Warranty:** If a Dealer has a Vehicle stolen from the Dealer lot and the Vehicle is not recovered within 30 days, Dealer may file a claim with iKon and iKon will reimburse the Dealer for up to \$3,000 of the Dealer's insurance deductible. Dealer must have 90% of their Vehicle inventory with a working iKon Device installed at the time of theft. In the event less than 90% of the Vehicles have an active Device installed, iKon will not reimburse the Dealer for the insurance deductible. Dealer will only be reimbursed after settlement and payment of any claim by the covering insurer and completion of a proof of loss as provided by iKon. Dealer subrogates any recovery to iKon up to the amount of iKon reimbursement.

**13. Successors and Assigns:** Dealer recognizes that this Agreement is non-transferrable. *Any* change in ownership requires the Dealer to immediately notify iKon of such change, and iKon and the new ownership may reevaluate and sign a new agreement based on that evaluation.

**14. Intellectual Property:** Dealer agrees that all information which iKon collects or receives is owned by or is licensed to iKon and can be used for any purpose in support of iKon's programs and such other uses as provided in iKon's Privacy Policy.

**15. Dealer's Authority & Limitations:** Dealer shall have the non-exclusive right to solicit and provide products to Subscribers in accordance with this Agreement. Dealer shall not (a) use any iKon Marks in any publicity, advertising, or similar activity or on any stationary, business cards or other documentation without iKon's prior written approval, (b) create or modify any iKon documents without iKon's prior written approval; or (c) execute any agreement with any Person on behalf of iKon. All Subscribers shall be deemed to be an exclusive customer of iKon for the purchase of the Products and Services.

**16. Dealer Authorizations & Procedures:** Dealer shall: (a) iKon shall install all Devices unless that function is specifically delegated to the Dealer who shall be authorized to install the Equipment in the Vehicles, subject to the terms hereof; (b) sell, market and promote the Products only to Dealer's Customers purchasing Vehicles at Designated Locations (listed in the Exhibit to the Agreement) ; (c) devote best efforts as reasonably necessary to faithfully discharge Dealer's obligations under this Agreement; (d) promote, develop and protect the goodwill of iKon; (e) promote, market and sell the Products and Services to Subscribers in accordance with iKon's policies and procedures provided to Dealer and updated from time to time ("*Policies*"); (f) conduct its business and represent iKon in a professional, ethical, legal manner and employ the highest standards of business conduct and ethics; (g) timely submit all orders for Products or Services to iKon in accordance with the Policies; (h) maintain at all times a sufficient supply of Materials for distribution to prospective Subscribers; (i) not misrepresent the Products or Services to any Person or make any claims or warranties in connection with the Products or Services other than as expressly authorized in the Materials or otherwise in writing by iKon; (j) train Dealer's sales personnel on all iKon Products and Services, and permit only those Dealer employees or agents or associates who have been trained and certified in the installation of the Device by iKon or its Affiliates to install such Device in the Vehicles; (k) provide all necessary disclosures, which include privacy disclosure, to Customers as may be required by law and Dealer shall comply with all State and Federal law related to Customer privacy and data security that apply to the Dealer; (l) disseminate all iKon service bulletins to its personnel installing the Device and shall make such bulletins available to its personnel for convenient reference on a continuing basis; (m) comply with all applicable laws, as well as all policies and procedures of iKon Technologies; and (n) be responsible for all damages and injury incurred by any Person, vehicle or equipment arising out of, or related to, the installation, handling or testing of the Products by or at the direction of Dealer or its employees or agents.

**17. iKon Rights and Obligations.** iKon shall always have the sole and exclusive control and authority over the design, construction, development, management, operation, and maintenance of the iKon Technologies Network ("*iKon Technologies Network*"), as well as the Products and Services. iKon shall provide Subscribers with access to the iKon Technologies Network and the Services all in accordance with the Standard Terms and or Subscription Agreements. Products and Services are subject to change at any time by iKon. While iKon reserves the right, without prior notice to Dealer, to discontinue, add, adopt, or



change any Product, including the design or specification of any Product or Service, or any iKon Marks, iKon will provide reasonable notice of doing so, and provide reasonable assistance on any transition. iKon shall provide the Dealer with all Materials. Dealer shall not use any other literature, brochures, contracts or supplies to promote the Products or Services unless it has obtained the prior written approval of iKon.

**18. Subscriber Support.** iKon shall have and bear the sole and exclusive responsibility control and authority over the support of Subscribers, including Service activation, account maintenance billings, collections, and Subscriber support activities. Some of the foregoing Subscriber support actions may be provided on iKon's behalf by a third party.

**19. Trademark Use.** Dealer hereby grants a nonexclusive, uncompensated license, for the term of this Agreement, for iKon to use and to display Dealer's Marks in order to develop and host Dealer's custom branded app, and in connection with iKon's marketing and sale of products and services (including apps), as well as in advertising, press releases, publicity matters, and other promotional materials. Dealer similarly hereby further gives license to iKon for the term of this or any sales or commission Agreement with iKon to use or display in such materials as described above the Marks of such other entities (including OEMs) whose Marks Dealer has been hitherto licensed, or is otherwise permitted, to authorize its vendors, contractors, and Affiliates to use or display in association with the Dealer and its services.

**20. Returns.** Dealer shall be required to request a Return Materials Authorization ("RMA") prior to returning any Product to iKon. Dealer will be responsible for shipping the Product back to iKon. iKon shall be responsible for shipping of the repaired Product back to Dealer.

**21. Warranty Disclaimers; Limitations of Liability.** Unless a warranty is specifically and expressly guaranteed under this Agreement, iKON UNDER NO CIRCUMSTANCES SHALL BE LIABLE TO DEALER OR ANY OTHER PERSON, INCLUDING ANY SUBSCRIBER, FOR ANY LOSS, INJURY OR DAMAGE, OF WHATEVER KIND OR NATURE, RESULTING FROM OR ARISING OUT OF ANY MISTAKES, ERRORS, OMISSIONS, DELAYS OR INTERRUPTIONS IN THE RECEIPT, TRANSMISSION OR STORAGE OF ANY DATA, SIGNALS OR INFORMATION ARISING OUT OF OR IN CONNECTION WITH THE iKON TECHNOLOGIES NETWORK, OR iKON'S PRODUCTS OR SERVICES. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, iKON SHALL IN NO EVENT BE LIABLE TO DEALER OR ANY OTHER PERSON, INCLUDING ANY SUBSCRIBER, FOR PUNITIVE, INDIRECT, INCIDENTAL OR SPECIAL DAMAGES, LOST SAVINGS OR ANY OTHER FORM OF CONSEQUENTIAL DAMAGES, REGARDLESS OF THE FORM OF ACTION, EVEN IF iKON HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, WHETHER RESULTING FROM BREACH OF ITS OBLIGATIONS OR OTHERWISE. SUBJECT TO THE WARRANTY IN PARAGRAPH 11 HEREIN, iKON FURTHER DISCLAIMS ANY OTHER WARRANTY, WHETHER EXPRESS OR IMPLIED, AND MAKES NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE.

**22. Indemnification by Dealer.** Dealer shall defend, indemnify and hold iKon and its Affiliates harmless from and against any and all liabilities, losses, damages and costs, including reasonable attorney's fees and costs, resulting from, arising out of, or in any way connected with: (a) any acts, errors, omissions or breaches by Dealer of any warranty, representation, covenant or agreement contained herein; (b) the performance of Dealer's obligations hereunder; (c) the negligence or willful misconduct of Dealer or its employees or agents; (d) any injury (including death) to Persons or damages to property caused directly or indirectly by the acts or omissions of Dealer, including any claim related to Dealer's delay in activating the Service; (e) Dealer's or its employees or agents installation of the Equipment; and (f) the unauthorized use of iKon's Marks by Dealer.

**23. Indemnification by iKon.** iKon shall defend, indemnify and hold Dealer harmless from and against any and all liabilities, losses, damages and costs, including reasonable attorney's fees and costs, resulting from, arising out of, or in any way connected with: (a) any acts, errors, omissions or breach by iKon of any warranty, representation, covenant or agreement contained herein; (b) the negligence or willful



misconduct of iKon or its employees or agents; (c) any injury (including death) to Persons or damages to property caused directly or indirectly by the acts or omissions of iKon, including any claim related to iKon's delay in activating the Service; and (d) any claim that any Product or Service purchased by Dealer hereunder infringes a valid and enforceable copyright, patent, trademark or trade secret of a third party.

**24. Choice of Law/Venue; Parties' Relationships; Effective Notices.**

(a) This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to its choice of law rules, and in the event of litigation venue shall be proper in Tarrant County, Texas.

(b) The relationship of the parties shall be that of independent contractors. Neither party shall have authority to enter into agreements with third parties binding on the other party, nor to create or define any other type of relationship between the parties.

(c) All notices and other required communications hereunder shall be in writing. They shall be deemed effectively delivered upon (i) transmitter's confirmation of a receipt of a fax transmission, (ii) confirmed delivery by a standard overnight carrier, (iii) when delivered in person, (iv) the expiration of five (5) business days after certified or registered mailing in the United States, or (v) the time and date the email communication was received.

**25. Attorney's Fees.** If any action or proceeding is brought to resolve any dispute arising from this Agreement then, the prevailing party shall be entitled to recover its reasonable costs and attorneys' fees in addition to other rights of relief or recovery.

**26. Non-Assignability of Rights; Non-Waiver.** This Agreement or any rights or obligations hereunder may not be assigned by Dealer without the prior written approval of iKon. Failure of either party hereto to enforce any provisions of this Agreement or any rights with respect thereto or failure to exercise any election provided for herein shall in no way be considered to be a waiver of such provisions, rights or elections, and shall not in any way affect the validity of this Agreement or preclude or prejudice such party from later enforcing or exercising the same or any other provisions, rights, or elections which it may have under this Agreement. If any provision of the Agreement is declared invalid, unenforceable, or void to any extent by a court of competent jurisdiction, such provision shall be modified, if possible, by reducing its duration and scope to allow enforcement of the maximum permissible duration and scope. Such declaration shall not affect the remaining provisions of the Agreement, and the Agreement shall be enforced as modified or if no modification is enforceable as if such invalid clause had not been included. This Agreement supersedes all other agreements, either oral or in writing, between the parties hereto with respect to the subject matter hereof and contains all the covenants and agreements between the parties with respect to said matter. The Agreement may be amended only with the written consent of each party hereto.

**27. Interpretation of Agreement.** The titles of the sections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement. Unless the context of this Agreement clearly requires otherwise: (i) "or" has the inclusive meaning frequently identified with the phrase "and/or," and (ii) "including" has the inclusive meaning frequently identified with the phrase "including but not limited to" or "including without limitation." The parties agree that this Agreement shall be fairly interpreted in accordance with its terms without any strict construction in favor of or against either party, both parties can be considered drafters who had counsel, and that ambiguities shall not be interpreted against the drafting party.

**28. Arbitration.** In the event a dispute should arise between the parties related to this Agreement, the parties agree that they will attempt in good faith to resolve such issues independently or through a mediator. If these efforts fail, the parties agree to binding arbitration pursuant to the Commercial Rules of the American Arbitration Association by one arbitrator designated in accordance with said rules who shall also be entitled to issue equitable relief. Venue regarding any arbitration shall be in Arlington, Texas. Any arbitration award resolving any dispute shall be enforceable by judgment of a court of competent jurisdiction and shall be kept confidential by the Parties. The arbitrator's fees shall be shared equally





between the parties, and other costs, associated with the arbitration shall be paid by each respective party except as may be provided by paragraph 25 of this Agreement. Attorney's fees shall be awarded pursuant to paragraph 25 of this Agreement or if not applicable, by operation of applicable law.

**29. Inactive Dealers.** iKon has no duty to provide Smart Marketing services to an inactive Dealer or Dealer-designated location. No inactive Dealer or inactive Dealer-designated location may use iKon's Marks or intellectual property. In the case of a Dealer-designated location's change in ownership, iKon Technologies will offer the new ownership the benefits of the Smart Marketing's previous customers which becomes operative when an agreement with iKon is signed by the new ownership.

**30. Merger Clause.** Except as expressly stated herein, this Agreement, and its exhibits and addenda, as amended from time to time in accordance with the terms of this Agreement, contains the entire agreement among the parties relative to the subject matter hereof and supersedes all prior or contemporaneous promises, agreements, representations, and understandings, whether written or oral, of the Parties with respect to the subject matter hereof.