

CLEVER DEVICES'
HARDWARE WARRANTY
AND
SOFTWARE MAINTENANCE AGREEMENT
FOR
NEW ORLEANS REGIONAL TRANSIT
AUTHORITY

NOVEMBER 5, 2021

CLEVER DEVICES' TRADEMARKS

Clever Devices®
AVM®
BusLink®
BusLink Switch®
BusTime®
BusTools®
BusWare™
CleverAnalytics®
CleverCAD®
CleverCare®
CleverCERT®
CleverCounter™
CleverReports®
CleverWare™
CleverWorks®
GH7™
GreyHawk 7™
IncidentAnalytics™
Incident Management™
IdleMonitor®
Intelligent Vehicle Network®
IVN®
Mtram®
M.A.I.O.R.®
PerfectNav™
Seymor®
SpeakEasy®
SmartYard®
TurnWarning®

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DEFINITIONS

As used in this Agreement, the following capitalized terms shall have the meanings set forth below:

| TERM | DEFINITION |
|--|---|
| "Additional Services" | Any future service not defined in this Agreement or included in the Statement of Work or Scope of Work. |
| "Agreement" | Means this Hardware Warranty and Software Maintenance Agreement, consisting of the signature pages, the Terms and Conditions, all exhibits, annexes, appendices, addenda and schedules, and each Amendment, if any. |
| "Category 1 Issue(s)" | Are/is a major systems failure(s). This includes any issue that prevents the full system or a subsystem from being used reliably. |
| "Category 2 Issue(s)" | Are / is a minor system failure(s). A minor system failure is any failure that prevents a subsystem from being used efficiently. |
| "Customer" | Refers to the Transit Authority who is a party to this Agreement. |
| "General Field Service Rates" | Rates for services not covered under a service agreement. |
| "Hardware Product(s)" | Means the Clever Devices' goods provided to Customer per the initial agreement between Customer and Clever Devices. |
| "Hardware Warranty" | It is the repair or replacement of returned faulty hardware during the specified Warranty Period. This applies to onboard equipment provided by Clever Devices. |
| "Intelligent Transportation System" or "ITS" | The Hardware and software comprising the Clever Devices solution deployed at Customer. |
| "Maintenance Period" | The duration of the maintenance subject to the terms and conditions as specified in Section 3.2 of this Agreement. |
| "No Problem Found" or "NPF" | A fully functional product with no need for repair. |
| "Non-Warranty Repairs" | Any causes defined in the Agreement as not covered by the Hardware Warranty. |
| "Non-Warranty Product" or "Non-Warranty Parts" | Are products or parts provided that are not covered under this Agreement or any other existing agreement between Clever Devices and Customer. |
| "Owner of Failure" | Determination of responsible for product fault based on diagnostics. |
| "Remote Support" | Any support in which Clever Devices accesses the Customer's system or network using a secure Virtual Private Network (VPN) connection. |

| | |
|------------------------------|--|
| “Resolution Tracking Number” | A categorized number assigned to a particular defect in the issue-tracking system. |
| “Scope of Work” | Referring to the scope of services offered in accordance with the Statement of Work. |
| “Software Enhancement(s)” | A change in Software functionality or graphical user interface |
| “Software Error(s)” | A flaw in Software that causes it to produce an incorrect or unintended result. |
| “Software Defect(s)” | A flaw in Software that causes it to produce an incorrect or unintended result. |
| “Software License(s)” | Means the rights granted to Customer in accordance with Clever Devices’ EULA, provided with the initial agreement between Clever Devices and Customer. |
| “Software Maintenance” | The maintenance provided for all components of the Software Product(s) purchased. |
| “Software Product(s)” | The specific Clever Devices’ licensed product(s). |
| “Software Service(s)” | Referring to acts of service by Clever Devices regarding the software deployed at Customer’s. |
| “Software Update(s)” | Either a modification or addition that, when made or added to the Software Product, brings the Software Product into material conformity with its published specifications. Software Updates are applied to Customer’s existing version of software and include bug fixes. |
| “Software Upgrade(s)” | New, standalone versions of a Software Product that may include major improvements and enhancements. An upgrade advances the product to a level of features or other enhancements which are above the original published and agreed specification, or product manual. |
| “Statement of Work” | The description of the services to be provided under this agreement between Clever Devices and Customer. |
| “Warranty Period” | Means, in relation to any Goods, the warranty period specified in this Agreement or in accordance with the proposal submitted in response to the Request for Proposal. |

1 OVERVIEW

This document sets forth Terms and Conditions of the basic Hardware Warranty Agreement and the Software Maintenance Agreement (the “Agreement”) between NEW ORLEANS REGIONAL TRANSIT AUTHORITY and Clever Devices Ltd.

2 COMPANIES INVOLVED

2.1 CLEVER DEVICES LTD.

Clever Devices Ltd. (“Clever Devices”) is a service provider to NEW ORLEANS REGIONAL TRANSIT AUTHORITY.

Clever Devices’ Contact

Michael Medici
Senior Vice President, Service
Clever Devices
516-433-8165
mmedici@cleverdevices.com

2.2 TRANSIT AUTHORITY

NEW ORLEANS REGIONAL TRANSIT AUTHORITY (“Customer”, “NORTA”) is the end user entity of Clever Devices’ Intelligent Transportation Systems (ITS) Hardware and Software Products.

NEW ORLEANS REGIONAL TRANSIT AUTHORITY Contact

Sterlin Stevens
2817 Canal Street
New Orleans, LA 70119
504-606-3354
sstevens@rtaforward.org

3 TERMS OF AGREEMENT

3.1 SCOPE OF AGREEMENT

This Agreement includes a Hardware Warranty and a Software Maintenance Agreement for the listed products, and a process for obtaining warranty service for the listed hardware products.

3.2 TERMS OF AGREEMENT

3.2.1 HARDWARE

The term of this Agreement is one (1) years from December 1, 2021 to November 30, 2022 starting during the deployment stage and the contracted warranty phase of this Agreement. Hardware Products no longer under Warranty or not covered by a current, valid Hardware Warranty Agreement will require a full technical audit to determine the system's functionality and health.

3.2.2 SOFTWARE

The term of this Agreement is one (1) years from December 1, 2021 to November 30, 2022 starting once the Software Warranty or previous Software Maintenance Agreement has expired. Support for licensed Software Products no longer under Warranty or not covered by a current, valid Software Maintenance Agreement will require repurchase of the Software License(s) or as otherwise mutually agreed upon between the parties in a signed writing.

3.3 ANNUAL RENEWAL AND EARLY TERMINATION

Clever Devices' Hardware Warranty and Software Maintenance Agreements renew automatically for one-year upon expiration of the current term, unless written notice is provided prior to the expiration date. Ninety (90) days before the expiration date, Clever Devices will invoice the renewal at an increase to the expiring Agreement at a rate no greater than 3%.

If early termination of this Agreement is exercised, a cancellation penalty of the cost of the remaining balance of this Agreement will apply.

4 HARDWARE WARRANTY AGREEMENT

This Hardware Warranty Agreement provides warranty Terms and Conditions that include scope, policies, and procedures for maintenance of Hardware Product(s) supplied by Clever Devices and identified herein.

4.1 COVERED HARDWARE PRODUCTS

The Clever Devices Hardware Products covered by this Agreement is referenced in Attachment A. If the quantity of products changes during the term of this Agreement, the resulting additional fee will be prorated for the remaining portion of this Agreement.

See attached Attachment A.

4.2 NEW MANUFACTURED PRODUCTS LIMITED WARRANTY

Clever Devices guarantees that each product is free from defects in material and workmanship. Clever Devices also guarantees the performance of this product for the contracted terms.

If the product fails to operate as specified and has not been tampered with or abused during this warranty period, Clever Devices or its authorized service agents will have the option to repair or replace the defective part or the product at no cost to the Customer. Bench fees will apply to any product received by Clever Devices with a "No Problem Found" (NPF) condition. NPF condition is defined as a fully functional product with no need for repair. Products returned with failures caused by improper use will be repaired and the appropriate charges will apply. Such services by Clever Devices will be the original purchaser's sole and exclusive remedy.

It is the Customer's responsibility to make certain new products are not being purchased for the replacement of defective products under warranty.

Clever Devices will not honor credit requests on any defective or used product. Product replacement will be the only option available to the Customer. At the discretion of Clever Devices, limited quantities of restockable product may be returned for credit; the product must be unused and in the original unopened containers. A 25% restocking fee will be charged and a credit will be issued only after the product has been received and inspected.

This warranty does not apply to: (a) damage caused by accident, abuse, misuse, misapplication or improper installation (b) damage caused by conditions outside Clever Devices' specifications, including but not limited to vandalism, fire, water, temperature, humidity, dust or other perils (c) to damage caused by service (including upgrades) performed outside the product specifications in documentation provided and by anyone who is not a Clever Devices authorized Technician (d) a product or a part that has been modified without the written permission of Clever Devices or (e) if any Clever Devices' serial number has been removed or defaced, (f) expendable or consumable parts, such as batteries and flashcards.

Clever Devices will not be liable for any special, incidental, or consequential damages for loss, damage directly or indirectly arising from Customer's use or inability to use the equipment either separately or in combination with other equipment, or for personal injury or loss or destruction of other property, or from any other cause.

4.3 WARRANTY REPAIR POLICY

A replacement or repaired product assumes the remaining warranty of the original product or 90 days post repair, whichever provides longer coverage. When a product is exchanged, the replacement product becomes the Customer's property and the replaced product becomes the property of Clever Devices.

4.4 SPARE PARTS INVENTORY

In support of this Agreement, the Customer should maintain an inventory of Clever Devices' system components at the recommended level for use during completion of repairs. The Customer's Technician shall remove and replace a defective component with a spare and send the defective component to Clever Devices for analysis and repair or replacement. Shipping fees for repair units are covered on an individual event basis and not included in the service price. If there is no unit in the spares pool to support remove/replace/restoration activity, the repair will be delayed until spare equipment is delivered to the property.

4.5 OBTAINING WARRANTY SERVICE

The Customer is responsible for returning any defective products to Clever Devices. Products will not be accepted without a Return Merchandise Authorization (RMA) number. The Customer shall obtain an RMA number by contacting Clever Devices' Customer Service Department using the below. Clever Devices will respond to RMA requests within two (2) business days.

Customer Service Telephone: 1-888-478-3359

Customer Service Email Address: CSReturns@CleverDevices.com

In order to provide an RMA number, Clever Devices will need the following information:

- Item Description
- Clever Devices Part Number
- Serial Number
- Quantity being returned
- Reason for Return
- Bus Number, if applicable

Upon receipt of an RMA number, the Customer may send the product(s) to Clever Devices using the address indicated below. The Customer is responsible to ensure secure packaging of the product in the original box in which it was received. Boxes and shipping materials can be purchased from Clever Devices for a nominal fee. Clever Devices is not responsible for any damage to the product caused during transit or for any package lost in transit. The Customer shall assume the cost of all defective product shipments made to Clever Devices.

Return Shipping Address:

Clever Devices Ltd.
300 Crossways Park Drive
Woodbury, NY 11797
Attn: Customer Service Department
RMA Returns: RMA#....

4.6 FAILURE ANALYSIS

A Clever Devices' Bench Technician will evaluate products received and complete a Failure Analysis. If the product is repairable, Clever Devices will repair the product. If the product is not repairable, Clever Devices will replace the product with another from Clever Devices' inventory. The "Owner of Failure" will be assessed during evaluation and shall be reported to the Customer at time of completion. Clever Devices will make a best effort to return the repaired product or provide a replacement within 30 days of receiving it from the Customer. Clever Devices will provide the Customer with a detailed quotation and/or invoice for all costs associated with Non-Warranty Repairs.

4.7 REPAIR

Upon a completed Failure Analysis and repair, if applicable, product(s) will be shipped back to the Customer. Clever Devices will only incur the cost for shipping products under warranty; the Customer is responsible for shipping cost for all Non-Warranty Repairs or replacements and/or “No Problem Found” conditions.

Customers may contact Clever Devices at any time during the warranty service process, for information regarding status.

4.8 NON-WARRANTY REPAIR POLICY

A Non-Warranty Repair is a repair made outside the scope of this maintenance Agreement and includes vandalism. Non-Warranty Products and Parts that are returned to a Clever Devices facility for repair are subject to a bench fee on a time and materials basis. Clever Devices will invoice the Customer at a bench technician labor rate of \$170.00 per hour for the first hour, and \$85.00 per hour for each additional hour. A minimum of 1 hour will be charged for labor; after the first hour, labor will be charged to the nearest ½ hour. Non-warranty Repairs made in the field will be subject to the General Field Service Rates detailed below.

Repairs made by Clever Devices on products not under warranty carry a limited repair warranty of 90 days on services and replacement parts only. Defects in repair work or any parts replaced by Clever Devices will be corrected at no charge if the defect occurs within 90 days from shipment from our facility.

4.9 GENERAL FIELD SERVICE RATES

Field Service rates include actual cost of transportation using commercial coach, air, rail, bus, rental car, and cab facilities as applicable, including transportation to and from the airport. Receipts are required.

| | |
|---------------------------|---|
| Mileage Allowance: | IRS Allowable rates |
| Personal Expenses: | Per Diem rates |
| Basic Rates: | \$150.00** per hour flat fee for actual time in Customer’s plant and for round-trip travel time for a Field Service Technician. |
| Miscellaneous: | Actual charges for other necessary items such as tolls, parking and freight charges. |

**Rates for Field Service Technicians may vary because of weekend/holiday rates. Overtime rates are billed at time and a half. Requests for service which require personnel other than a Field Service Technician will be provided at time of request.

4.10 NON-CLEVER DEVICES PRODUCT RECEIVED FOR REPAIR

Product(s) received by Clever Devices for repair that were not manufactured or supplied by Clever Devices shall be returned to Customer. Customer shall be responsible for the shipping cost(s) associated with of each product, along with a processing fee.

5 SOFTWARE MAINTENANCE AGREEMENT

This Software Maintenance Agreement provides Terms and Conditions that include definitions and maintenance procedures for the Software Product(s) supplied by Clever Devices and identified under section 5.1, Covered Software Products. This Agreement is subject to the End User License Agreement (EULA) for these product(s) and performance of features and functions as outlined in the User Manual or Acceptance Test Procedure document.

5.1 COVERED SOFTWARE PRODUCTS

The Clever Devices Software Products covered by this Agreement is referenced in Attachment B. If the quantity of products changes during the term of this Agreement, the resulting additional fee will be prorated for the remaining portion of this Agreement.

See attached Attachment B.

5.2 GENERAL DEFINITIONS

| | |
|------------------------------|--|
| Customer: | The single end–user organization (license holder of the Software Product) signing this Agreement and authorized to use the Program(s). |
| Software Product: | The specific Clever Devices licensed product(s). |
| Software Update(s): | Either a modification or addition that, when made or added to the Software Product, brings the Product into material conformity with its published specifications. Software Updates are applied to Customer’s existing version of software and include bug fixes. |
| Software Upgrade(s): | New, standalone versions of a Software Product that may include major improvement and enhancements. An upgrade advances the product to a level of features or other enhancements which are above the original published and agreed specification, or product manual. |
| Software Maintenance: | The maintenance provided for all components of the Software Product purchased. |
| Maintenance Period: | The duration of the maintenance subject to the terms and conditions as specified in section 3 “Terms of Agreement”. |

5.3 SCOPE OF MAINTENANCE SUPPORT

During the maintenance term, Clever Devices agrees to provide basic maintenance services in support of the licensed Software Product. Maintenance services shall consist of:

| | |
|-----------------------------|--|
| Software Update(s): | Customers with valid Software Maintenance Agreements are entitled to Software Updates for all licensed products. Software Updates may incorporate corrections of any substantial defects or fixes of any minor malfunction. In addition, Software Updates may include Software Enhancements to the Software that are implemented at the sole discretion of Clever Devices. Software Updates do not cover Clever Devices’ *deployment labor, training, hardware upgrades, data or data backups. |
| Software Upgrade(s): | Customers with valid Software Maintenance Agreements are entitled to Software Upgrades for all licensed products. Software Upgrades do not cover Clever Devices’ *deployment labor, training, hardware upgrades, data or data backups. |

Software Error and Defect Corrections: Clever Devices shall be responsible for using all reasonable diligence to correct verifiable and reproducible errors when reported to Clever Devices in accordance with its standard reporting procedures. Reported defects will be reviewed by Clever Devices. Reported defects are defined as:

- ***Defect:** To be corrected by the next maintenance release. Deployment labor will not be charged to correct any defects, including bugs fixes.
- **Enhancement:** Desirable enhancement which will be reviewed for inclusion in the next maintenance release.

Error and release testing will be performed at Clever Devices' offices. Reported errors will be tested on a test platform in a controlled environment. If applicable, NORTA will supply Clever Devices with a copy of the most current database associated with software version for which errors have been reported.

5.4 TECHNICAL SUPPORT

For all Clever Devices' products covered under warranty or by a current, valid Maintenance Agreement, Clever Devices' service organization provides technical support 24 hours a day, 7 days a week, 365 days a year. Regular business hours are Monday through Friday, 8:30am to 5:30pm Eastern Time. All other times are considered "after-hours". Clever Devices will escalate issues to third-party vendors for Clever Devices' Products running third-party application software.

5.4.1 ISSUE REPORTING

NORTA is responsible for reporting all discovered issues to Clever Devices' Technical Support Department. Once Clever Devices is contacted by phone or email, a Technical Support Representative and the Technical Supervisor are notified; if necessary, the Vice President of Service and OEM are also notified.

Clever Devices routinely provides agencies two methods for requesting technical support: using a toll-free number or email to our Technical Support service. Contacts for Clever Devices' service and support during regular business hours are as follows:

Technical Support Number: 1-888-478-3359

Email Address: TechnicalSupport@CleverDevices.com

All after-hour calls should only be made to the Technical Support Department phone. After-hour calls will be forwarded to an answering service and then to a Clever Devices on-call Technical Support Representative.

5.5 ISSUE TRACKING AND RESOLUTION

Upon receipt of a support request, our Technical Support Department proceeds to resolve the issue as follows below.

5.5.1 DETERMINE PRIORITY

A Technical Support Representative determines the issue's priority using the categories described below.

Category 1 Issue: Category 1 Issues are defined as major systems failures. Category 1 Issues includes any issue that prevents the full system or a subsystem from being used reliably. Category 1 Issues are assigned the highest priority, and patches are provided as quickly as possible. Workaround concepts are considered and put in place to minimize operational impact to the agency.

Category 2 Issue: Category 2 Issues are defined as minor system failure(s). A minor system failure is defined as any failure that prevents a subsystem from being used efficiently. Category 2 Issues are assigned a lower priority (than Category 1) and when resolved, will be corrected by a patch included in the next maintenance update release.

5.6 TRACK AND RESOLVE ISSUE

Clever Devices utilize a tracking system to manage and store Customer issues, reported defects and any new features, and improvements made during our software development lifecycle. Once categorized, issues will be entered into the tracking system and monitored through closure. The issue-tracking system will assign a Resolution Tracking Number that will be provided to Customer. Upon discovery of an error, and if requested by Clever Devices, Customer agrees to submit a listing of any data, including data log files, so we may reproduce the error and the operating conditions under which the error occurred or was discovered.

5.7 REMOTE SUPPORT

With permission from NORTA, Clever Devices will provide Customer with Remote Support as necessary, using a secure Virtual Private Network (VPN) connection. Through this connection Clever Devices will have the ability to logon to Customer's internal network and then access the deployed system(s) to assess and diagnose issues, update code, or deliver bug fixes.

Clever Devices agrees to comply with the Customer's ITS connection policy, barring the policy and procedure does not impede troubleshooting or functionality of Clever Devices' system. Clever Devices will not access Customer's internal network for any purpose other than technical online support, as provided in this proposal.

5.8 ADDITIONAL SERVICES

In support of the Software Product(s), Clever Devices may provide Additional services, per Agreement with the Customer, subject to payment of their normal charges and expenses. Additional Services may include

| | |
|--|---|
| Upgrade and Update Installation/Deployment Labor: | Clever Devices can offer assistance to help NORTA test, install and operate each new release of licensed Software Products. This assistance will be quoted at the time of each request unless contracted for on an annual basis. |
| Custom Enhancements: | Clever Devices will consider and evaluate the development of additional enhancements for specific use and will respond to requests for Additional services pertaining to the Software Product. Each response for an enhancement will include a cost to produce the enhancement. |
| Integration: | Integration with third-party software initially, or resulting from changes or updates to those products, will be quoted upon request. |

5.9 EXCEPTIONS

The following are not covered by this Software Maintenance Agreement:

- Any problems resulting from failures of the hardware platform on which the software is installed, or problems resulting from hardware or network devices connected or installed on the hardware platform on which the software is installed.
- Any problem resulting from misuse, improper use, alteration, or damage of the Software Product(s).
- Errors in any version of the Software Product(s) other than the most recent update delivered and deployed to Customer.

- Problems and errors resulting from improper installation of the delivered Software Product by the end user, or problems and errors resulting from the installation of software or hardware products not approved by Clever Devices for use with this product.

NORTA will be responsible for paying Clever Devices' normal charges and expenses for time or other resources provided by Clever Devices to diagnose or attempt to correct any such problem. In addition, NORTA will be responsible for procuring, installing, and maintaining all equipment, communication interfaces, and other hardware or software necessary to operate the Software Product(s) and to obtain maintenance services from Clever Devices. Clever Devices will not be responsible for delays caused by events or circumstances beyond its reasonable control.

Requests for support for licensed Software Products no longer under Warranty or not covered by a current, valid Software Maintenance Agreement will require repurchase of the Software License(s).

6 ADDITIONAL SCOPE OF WORK

Please see Attachment C, if applicable.

7 SIGNATURE PAGE

IN WITNESS WHEREOF, the parties hereto have executed this Contract on the day and year first above written.

Clever Devices Ltd.
CONTRACTOR

NEW ORLEANS REGIONAL TRANSIT AUTHORITY
CUSTOMER

By: _____
(Signature)

By: _____
(Signature) Authorized Representative

Name: _____
(Print)

Name: _____
(Print)

Title: _____

Title: _____

Dated: _____

Dated: _____

Attachment A

Itemized list of covered Hardware Products

| Quantity | Product Name |
|----------|--|
| 134 | IVN Controller |
| 66 | IVN-R Controller |
| 200 | Transit Control Head |
| 200 | EA Switch |
| 200 | PA Plate Assembly |
| 200 | Exterior Speakers |
| 200 | AVC Microphone |
| 200 | Multi-Band Antenna |
| 283 | CleverVision (217 Primary & 66 Secondary Monitors) |
| 200 | URLC |
| 200 | Handset |
| 134 | Interior LED Sign |

Attachment B

Itemized list of covered Software Products

| Product Name |
|------------------------------------|
| On-Board Software |
| CAD/AVL |
| AVA |
| BusTime |
| CleverWorks |
| CleverReports |
| DCC |
| BusLink |
| RideCheck+ |
| DVR License |
| Pre-Trip Inspection |
| Text-To-Speech (English & Spanish) |
| CleverCAD Mobile |
| CleverVision |
| AVM (134 Vehicles) |
| Radio Licenses (159 Vehicles) |

8 PRICING

8.1 CONFIDENTIAL QUOTATION

| | | | |
|----------|-------------------------------|------------|--|
| ATTN: | Sterlin Stevens | DATE: | November 5, 2021 |
| COMPANY: | New Orleans Transit Authority | FAX: | |
| EMAIL: | sstevens@rtaforward.org | OPP ID # | 0063s00000GUq7a |
| ADDRESS: | | PR # in SF | 5990 |
| PHONE: | 504-606-3354 | RE: | Fixed Route SW Maintenance & HW Warranty |

Clever Devices is pleased to submit the following quotation, subject to the terms and conditions listed below.

| Item | Qty | Description | Unit Price | Extended Price |
|---|-----|---|--------------|---------------------|
| Original Contract Warranty Renewal | | | | |
| 1 | 1 | Clever Devices 5th Year Warranty: Base Project | \$148,325.00 | \$148,325.00 |
| 2 | 1 | DVR System Annual Software Maintenance | \$41,237.00 | \$41,237.00 |
| Total | | | | \$189,562.00 |
| Change Order Warranty Renewal | | | | |
| Item | Qty | Description | Unit Price | Extended Price |
| Automatic Passenger Counting (APC) - Buses | | | | |
| 3 | 1 | Bus APC SW Maintenance | \$19,460.00 | \$19,460.00 |
| Pre-Trip Inspection | | | | |
| 4 | 1 | Pre-Trip SW Maintenance | \$2,946.00 | \$2,946.00 |
| Radio Integration - Buses | | | | |
| 5 | 1 | Radio Integration HW Warranty & SW Maintenance | \$9,233.00 | \$9,233.00 |
| Automatic Vehicle Monitoring (AVM) - Buses | | | | |
| 6 | 1 | AVM SW Maintenance | \$17,784.00 | \$17,784.00 |
| Text-To-Speech (TTS) in English | | | | |
| 7 | 1 | Text-To-Speech (TTS) SW Maintenance | \$278.00 | \$278.00 |
| CleverCAD Mobile | | | | |
| 8 | 1 | CleverCAD Mobile SW Maintenance | \$10,290.00 | \$10,290.00 |
| Audio Recordings in Spanish and Vietnamese and Text-To-Speech (TTS) in Spanish (add-on to English) | | | | |
| 9 | 1 | Text-To-Speech (TTS) Spanish (add-on to English) SW Maintenance | \$61.80 | \$61.80 |
| Fixed Route Buses - CleverVision | | | | |
| 10 | 1 | Fixed Route Buses CleverVision HW Warranty & SW Maintenance | \$44,667.00 | \$44,667.00 |

IVN-R Change - Streetcars

| | | | | |
|----|---|--|------------|------------|
| 11 | 1 | Change in StreetCar On-Board Hardware Warranty | \$3,852.00 | \$3,852.00 |
|----|---|--|------------|------------|

Radio Integration - Streetcars

| | | | | |
|----|---|--|------------|------------|
| 12 | 1 | Radio Integration HW Warranty & SW Maintenance | \$4,522.00 | \$4,522.00 |
|----|---|--|------------|------------|

CleverVision - Streetcars

| | | | | |
|----|---|---|-------------|-------------|
| 13 | 1 | Streetcar CleverVision HW Warranty & SW Maintenance | \$43,926.00 | \$43,926.00 |
|----|---|---|-------------|-------------|

Video Licenses & vMax Commander

| | | | | |
|----|---|---------------------------------|------------|------------|
| 14 | 1 | Video Licenses & vMax Commander | \$7,885.00 | \$7,885.00 |
|----|---|---------------------------------|------------|------------|

Total **\$164,904.80**

Grand Total **\$354,466.80**

Optional Training

| | | | | |
|----|---|---------------------------------------|------------|------------|
| 15 | 1 | Web-based Training (remote, 40 Hours) | \$6,000.00 | \$6,000.00 |
|----|---|---------------------------------------|------------|------------|

Notes:

- Cellular is removed from the pricing above and NORTA is responsible for all cellular purchases moving forward.
- The following items are no longer covered in the agreement:
 - Trapeze interface
 - APC-R
 - Phoenix Power Supplies
- Line item #5 includes only 6 months of the 2nd URLC Image Maintenance
- SEON DVRs are removed from the maintenance contract due to the manufacturer not extending warranty to Clever Devices.
- Phoenix Contact Power Supply and APC Systems are end of life and not included in the pricing above.
- In light of the current COVID-19 pandemic, Clever Devices and our suppliers are subject to Federal mandates which may slow production. Emergency Federal and State mandates, such as “shelter in place” or self-isolation requirements, may affect our ability to provide support and service at an optimal level. If circumstances outside our control force us to revise the schedule or impact support and service levels, we will communicate this to NORTA immediately and work with you to mitigate any disruption to the project and operations.
- Clever Devices is experiencing disruptions due to the global supply chain crisis, resulting in price increases and extended lead times. While we are working closely with our suppliers to optimize our inventory and negotiate pricing, changes are happening so rapidly that we are unable to control these issues to the extent that we have in the past. In the event of changes in the market conditions which impact costs and lead times, Clever Devices reserves the right to revise quoted prices and lead times prior to acceptance of a purchase order. Customers will be notified and afforded an opportunity to confirm purchase orders within five (5) business days from receipt of notice. We appreciate your patience and collaboration as we work through these challenges together.

Payment Milestones:

- Project milestones will be defined and agreed upon prior to acceptance of purchase order.

8.2 CLEVER DEVICES' STANDARD TERMS AND CONDITIONS OF SALE

8.2.1 SOFTWARE LICENSE

Requirement for End-User License Agreement

- Purchaser acknowledges that all Clever Devices Ltd. ("Clever Devices") software is sold subject to acceptance of the terms of the End User Licensing Agreement ("EULA")
http://www.cleverdevices.com/wp-content/uploads/2021/04/Clever-Devices_EULA_RV20210428.pdf
- Any entity procuring Clever Devices licensed products which is not the end-user of the licensed product ("Non End-User"), such as but not limited to an Original Equipment Manufacturer to which Clever Devices is a supplier, is obligated to provide Clever Devices with the End-User License Agreement (covering the software licenses associated with the contents of this quotation/proposal) signed by an authorized official of the End-User. Failure by a Non End-User to provide such a properly executed Clever Devices EULA to Clever Devices shall make the Non End-User liable for any misappropriation or misuse of Clever Devices' products.

Obligations of Non End-User Procuring Entities

- Non End-Users are granted the right to install the licensed products and to test their functionality in the End-User designated space or equipment. Non End-Users do not have licenses to otherwise use or operate Clever Devices' products and no other licenses or rights to use are provided or implied by this Agreement

8.2.2 GENERAL

- All Purchase Orders must be sent to the following email address:
customerPO@cleverdevices.com
- Prices are quoted in US\$ unless otherwise specified
- Prices do not include shipping, sales tax or duties, which will be added if applicable
- Unit Prices are good only for the total number of units quoted. Lesser quantities may command a higher per unit cost because of certain fixed costs contained in the quote
- Prices quoted herein are valid for ninety (90) days from the date of quotation or proposal, and are applicable to the quantities covered by this quotation; any change in quantity, delivery or elimination of one or more items may require a revision to the prices quoted
- Orders for one bus set (i.e. pilot bus) must be part of a complete quantity order or must be accompanied by a Letter of Intent to order the entire quoted quantity
- Three percent (3%) Annual Escalation will apply for shipments and services beyond 2021
- Clever Devices shall be paid for the items quoted above as follows:
 - Payment terms are Net 30 days, subject to prior approval of our Credit Department
 - Unless otherwise specified, Clever Devices shall be paid for all deliverable items, terms Net 30 days from the date of shipment from Clever Devices, or when services rendered by Clever Devices are completed
 - No customer account shall be credited for parts returned without prior written authorization from Clever Devices and receipt of such goods
 - Clever Devices' General Terms and Limits of Liability apply
- Unless specifically advised in the quote, lead time for Hardware and Services will be as advised by Clever Devices upon receipt of order. Standard lead time for hardware is sixteen (16) weeks from receipt of order, but Clever Devices stocks standard parts and if available will be shipped earlier. Delivery is F.O.B. Clever Devices Ltd., 300 Crossways Park Drive, Woodbury, NY 11797

- Clever Devices reserves the right, without advance notice, to make engineering or production changes, to include substitution of part numbers and/or vendor sources for components that may affect the design or specifications of its products, provided said modifications will not materially affect the performance of the product
- Unless negotiated and agreed to otherwise in writing, in no event is Clever Devices liable for consequential damage from late or non-delivery, malfunction or failure of its products, nor is Clever Devices liable for damage resulting from faulty installation. If Clever Devices performs repairs resulting from damage caused by installation, it will invoice the original installer for the cost of such repair
- Unless negotiated and otherwise agreed to in a signed writing by an authorized representative, the pricing is exclusive of any liquidated damages and is not an acceptance of any prime contract flow downs that are not regulatory in nature and applicable to Clever Devices' scope of work

8.2.3 CLEVER DEVICES' WARRANTY POLICY

Clever Devices' warranty obligations are limited to the terms set forth below:

- 1) New Manufactured Products Limited Warranty
 - a) Clever Devices guarantees for a period of one (1) year from original factory shipment that each product is free from defects in material and workmanship.
 - b) If the product fails to operate as specified and has not been tampered with or abused during this warranty period, Clever Devices or its authorized service agents shall either repair or replace any defective part or the product free of charge.
 - c) Bench fees will apply to any product received by Clever Devices with no-trouble-found. Products returned with failures caused by improper use or installation will be repaired and the appropriate charges will apply. Such services by Clever Devices shall be the original purchaser's sole and exclusive remedy. Clever Devices shall not be responsible for the cost of removal or installation of warranted products unless a prior written agreement has been reached at the time of the original purchase contract. Clever Devices' labor rate table will apply for all product replacement time.
 - d) Clever Devices will repair or replace, at Clever Devices' option, any defective product under warranty. Clever Devices will not honor credit requests on any defective used product. Product repair or replacement will be the only option available to the original Purchaser.
 - e) This warranty does not apply: (a) to damage caused by accident, abuse, misuse, misapplication or improper installation (b) to damage caused by conditions outside Clever Devices specifications including but not limited to vandalism, fire, water, temperature, humidity, dust or other perils (c) to damage caused by service (including upgrades) performed by anyone who is not a Clever Devices Authorized Technician (d) to a product or a part that has been modified without the written permission of Clever Devices or (e) if any of Clever Devices' serial number has been removed or defaced, or (f) expendable or consumable parts, such as batteries and flashcards.
 - f) Clever Devices shall not be liable for any special, incidental or consequential damages for loss, damage directly or indirectly arising from customer's use or inability to use the equipment either separately or in combination with other equipment, or for personal injury or loss or destruction of other property, or from any other cause.
- 2) Warranty Repair Policy
 - a) A replacement or repaired product assumes the remaining warranty of the original product or 90 days, whichever provides longer coverage for the original purchaser. When a product

is exchanged, any replacement product becomes the original purchaser's property and the replaced product becomes Clever Devices' property.

3) Obtaining Warranty Service

- a) The original purchaser is responsible for returning any defective products to Clever Devices after obtaining a Returned Merchandise Authorization (RMA) number from Clever Devices' Customer Service Department at 888-478-3359. No products will be accepted without an RMA number. When requesting an RMA number, be sure to have the serial number of the equipment available.
- b) The original purchaser must package the product properly for return shipment. Clever Devices is not responsible for any damage to the product caused during transit or for any package lost by the shipping company.
- c) The original purchaser assumes all cost in shipping the defective product to Clever Devices and Clever Devices will assume the cost in shipping back to the customer. All replacement/repaired products are shipped UPS Ground unless a rush is requested. The cost of shipping using any mode other than UPS Ground is to be paid by the original purchaser.

Ship to:

Clever Devices Ltd.
Attn: Service Department RMA # _____
300 Crossways Park Drive
Woodbury, NY 11797

8.2.4 CLEVER DEVICES' RETURN AND EXCHANGE POLICY

Clever Devices does not accept returns without a Returned Material Authorization. Custom-built equipment or merchandise specifically ordered for you is not returnable.

Where return of unused merchandise is at the request or convenience of the customer, a 25% restocking fee will be charged. No unused merchandise will be accepted for return later than thirty (30) days after shipment. All returned merchandise shall be sent freight prepaid and properly insured by the customer. Clever Devices reserves the right to select the method of shipment. Should you receive merchandise damaged in shipment, it is your responsibility to file a damage claim immediately with the delivery carrier.

1.2.5 Clever Devices' Non-Warranty Service Policy

1) Non-Warranty Repair Policy

Non-warranty repairs made by Clever Devices carry a limited repair warranty of 90 days on services and replacement parts only. Defects in our repair work or any parts replaced will be corrected at no charge if the defect occurs within 90 days from shipment from our facility.

2) Field Service

Field service calls will be made to customer's facility upon request. Time, expenses, and materials will be charged, as outlined below, unless other arrangements are made in advance. Field Service is treated as any repair. All travel must be pre-approved and is based upon actual prevailing airfare, hotel/motel rooms and Per Diem rates. Contact Clever Devices for current Per Diem rates.

GENERAL FIELD SERVICE RATES:

| | |
|-------------------|---|
| Transportation | Actual cost* using commercial coach or business class air, first class rail, bus, rental car, and cab facilities as applicable, including transportation to and from the airport. |
| Mileage Allowance | IRS allowable rates |
| Personal Expenses | Per Diem rates |
| Basic Rates | 150.00** per hour for actual time in customer's plant, plus a flat rate for round-trip travel time. |
| Miscellaneous | Actual charges for other necessary items such as tolls, parking and freight charges*. |

* Charges may be subject to a 12% administrative fee.

** Rates may vary because of weekend/holiday rates, the type of service required, a previously negotiated rate and/or personnel involved.

3) Non-Clever Devices Product Received for Repair

Product received for repair that were not manufactured or supplied by Clever Devices will be logged in and Clever Devices will require that the customer supply us with their shipper number in order to return the product. Such product will be held for a period of up to 90 days and will then be subject to discard, unless alternative arrangements have been agreed to in advance.

XXXXXXXXXX

Walter Weichselbaumer
Strategic Account Manager
516-967-3498

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