



**DASAN Zhone Solutions, Inc.**

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DASAN Zhone Solutions, Inc. (hereinafter “DZS”) and Customer (hereinafter “CUSTOMER”) agree that the following terms and conditions apply to the Service Programs purchased hereunder. DZS objects to and rejects additional or different provisions that may appear in any document furnished by CUSTOMER unless such provision is expressly agreed to in writing by DZS.

**TERM.** This Agreement commences on the date on which CUSTOMER issues a purchase order for the remote technical support and shall continue in effect for a period of one (1) year (“Initial Term”).

This agreement shall be automatically renewed each year on the anniversary of the purchase order for additional one (1) year periods unless terminated by either party upon at least three (3) month written notice to the other prior to the expiration of the Initial Term, except where termination is for default.

1. **ORDERS AND PRICES.** All orders placed by CUSTOMER hereunder are subject to the terms of this agreement. DZS prices are exclusive of charges for transportation and other related services, and any sales tax or duty which customer may be required to collect or pay upon the order transaction. DZS shall include these separate items in its invoice prices to the CUSTOMER.
2. **PAYMENT:** The price of such service(s) will be at DZS’s standard published Service rates or special custom quote. Products subsequently purchased that are in same product family as products covered hereunder must also be covered under this agreement and will be invoiced upon shipment. All billing will be, coterminous with the date of the original shipment so that support for all subsequent products added to the Agreement will renew as of the same date. Service requested by CUSTOMER outside the scope of this Agreement shall be billable at DZS’s standard Time & Material rates. If CUSTOMER desires any Time and Material service, DZS will require CUSTOMER’s written authorization to proceed. Maintenance charges for new equipment will begin upon shipment. For previously installed equipment or software, maintenance charges will begin upon commencement date unless otherwise provided in this Agreement. Maintenance charges provided for in this Agreement shall be payable in advance on an annual basis unless otherwise specified in this Agreement. Renewals will be processed on a quarterly basis in the month following each calendar quarter. Maintenance charges for Time and Material services shall be invoiced separately as incurred. The entire payment shall be made within thirty (30) days after the date of invoice. Accounts that are past due may be subject to a monthly charge of one and one-half percent (1.5%) per month, or pro-rated portion of a month, of the total invoice. Accounts more than 60 days past due will be subject to suspension of Service until payment is received.
3. **CHANGES IN RATES:** Prices shall remain fixed for the Initial Term of this Agreement. Thereafter, pricing may be increased upon three (3) month prior written notice to CUSTOMER. If pricing increases, CUSTOMER may, upon receipt of such notice, terminate this service, upon furnishing DZS with thirty (30) days written notice prior to

the effective date of the increase in prices. In the absence of such a termination notice to DZS, the new prices will become effective on the date specified by DZS.

4. **SERVICE WARRANTY.** DZS warrants that any replacement Equipment provided hereunder shall be free of defects in material and workmanship under normal and proper use for ninety (90) days following provision of the Equipment or expiration of coverage hereunder, whichever occurs first.

DZS warrants that services shall be performed in a competent manner by qualified, trained maintenance personnel and shall be free from defects in workmanship for thirty (30) days following its performance.

DZS warrants that all repairs or replacements made to any Equipment under Extended Warranty or Product Repair Supplements shall be free from defects in material and/or workmanship and will substantially conform to the specifications for the period of sixty (60) days from their respective delivery or until expiration of their respective coverage under this Agreement, whichever occurs first. Exclusions: DZS does not warrant uninterrupted or error-free operation of Equipment or software. DZS shall have no obligation whatsoever under these warranty provisions with respect to defects relating, but not limited to, any of the following: (1) Incomplete, inaccurate or inappropriate data supplied by CUSTOMER or Customer's agent; (2). Assembly by a person or entity other than DZS; (3) Installation, wiring, repair or use other than as specified and authorized by manufacturer or DZS; (4) Use of the Equipment or software with other equipment or software not supplied or authorized by DZS; (5) Modification of the Equipment, software use, or possession without the prior written consent of manufacturer or DZS; (6) Subjecting the Equipment or software to environmental power or operating conditions other than as specified and authorized by manufacturer or us; (7). Subjecting the Equipment or software to misuse, abuse, neglect, negligence, accident, unusual hazard or disasters, including without limitation, fire, flood, water, wind, lightning or other acts of God; (8) Use of replacement parts not supplied by manufacturer or DZS.

5. **SERVICE EXCLUSIONS.** Third party devices (hardware, cabling, etc.) not provided by DZS, or DZS Hardware or Software which has been modified by anyone other than DZS, that may impact the performance of DZS Systems or the ability to diagnose and troubleshoot the DZS Systems is outside the scope of this Agreement. If materials are provided by DZS, or extraordinary services rendered (e.g.: a site visit) that are the direct result of the failure of or the existence of such third party equipment, CUSTOMER will be invoiced for such products or services. CUSTOMER is responsible for the compatibility of third party devices. CUSTOMER must provide a proper environment for DZS systems. The term environment applies to factors such as temperature and humidity, stability and reliability of power provisioning, and physical installation and access. Any failure, service interruption, or Hardware damage that results from adverse environments is outside the scope of this Agreement, and may result in voiding of warranty, billing for additional services, and/or billing for hardware replacement. The high level of availability offered in a DZS system comes in part from the use of redundant common equipment. Remote support and diagnostics can usually be accomplished at remote sites without affecting system operation providing the equipment was purchased with the appropriate redundancy. In Systems configured with minimal or no redundant equipment, system availability may be

affected when performing such activities, as well as by the failure of any of the components that could have been made redundant.

6. **PATENT AND COPYRIGHT INDEMNITY.** DZS will defend or settle, at its own expense, any claim or suit against CUSTOMER alleging that any DZS products furnished under this Agreement infringe any United States patent, trademark, copyright or trade secret. DZS will also pay all damages and costs that are by final judgment assessed against CUSTOMER due to such infringement. DZS's obligation as set forth in this Section is expressly conditioned upon the following: (1) that DZS shall be notified promptly in writing by CUSTOMER of any claim or suit; (2) that DZS shall have sole control of the defense or settlement of any claim or suit; (3) that CUSTOMER shall cooperate with DZS in a reasonable way to facilitate the settlement or defense of any claim suit; and (4) that the claim or suit does not arise from CUSTOMER modifications, or from combinations of products provided by DZS with products provided by CUSTOMER or others.) If any DZS products become, or in DZS's opinion are likely to become, the subject of a claim of infringement, DZS will, at its option: (1) procure for CUSTOMER the right to continue using the applicable product; (2) replace the product with a noninfringing product substantially complying with the products specifications; (3) modify the product so it becomes noninfringing and performs in a substantially similar manner to the original product; or (4) upon failure of the foregoing, DZS will refund the purchase price or one-time software license fee less a reasonable allowance for use upon return of the product to DZS. THIS SECTION STATES THE ENTIRE LIABILITY OF DZS FOR INFRINGEMENT BY ANY PRODUCTS PROVIDED HEREUNDER.
7. **SOFTWARE LICENSE.** DZS grants CUSTOMER a personal, nontransferable and non-exclusive right to use, in object code form, all software and related documentation furnished to CUSTOMER under this Agreement. This grant shall be limited to use with the equipment for which the software was obtained or, on a temporary basis, on back-up equipment when the original equipment is inoperable. Use of software on multiple processors is prohibited unless otherwise agreed to in writing by DZS. CUSTOMER agrees to refrain from taking any steps, such as reverse assembly or reverse compilation, to derive a source code equivalent of the software. CUSTOMER is permitted to make a single archive copy of software. Any copy must contain the same copyright notice and proprietary markings as are on the original software.) Use of software on any equipment other than that for which it was obtained, or any other material breach by CUSTOMER hereunder, shall automatically terminate this license). If the terms of this Agreement differ from the terms of any agreement packaged with software, the terms of the packaged software agreement shall govern.
8. **USE OF SOFTWARE AND INFORMATION.** CUSTOMER agrees that any software or technical and business information owned by DZS or its suppliers and furnished to CUSTOMER under this Agreement shall remain the property of DZS or the supplier and shall be kept in confidence by CUSTOMER All software and information furnished to CUSTOMER under this Agreement: (1) shall be used by CUSTOMER only to install or operate the product for which they were originally furnished; (2) shall not be reproduced or copied, in whole or in part, except as necessary for use as authorized under this Agreement; (3) shall not be disclosed or transferred without DZS's written permission; and (4) shall, together with any copies, be returned or destroyed when no

longer needed or permitted for use with the product for which they were initially furnished. If any equipment provided to CUSTOMER is subsequently transferred to another end user, upon written request to DZS, DZS will grant the new end user the right to use any related software and information. The new end user must agree in writing to DZS's terms and conditions respecting ownership, use and confidentiality of software and information and to payment of any scheduled fees.

9. **EXCLUSIVE REMEDIES AND LIMITATIONS OF LIABILITY:** DZS's liability with respect to any claim or damage whatsoever arising out of or related to the subject matter hereof shall in no event exceed the contract price with respect to that subject matter. In no event shall DZS be liable for any loss of data or collateral consequential, incidental, SPECIAL, punitive or indirect damages, costs, lost profits, or claims of any nature whatsoever arising out of or related to the subject matter hereof, even if DZS is informed of the possibility thereof. In the event of a dispute arising under this Agreement, neither party may bring an action, regardless of form, more than one (1) year after the cause of action has arisen, and in the case of nonpayment, DZS may not bring an action more than two (2) years after the last payment was due hereunder.
  
10. **GOVERNMENT REGULATIONS:** CUSTOMER shall comply with all applicable requirements of international, federal, state and local laws, ordinances, administrative rules and regulations. CUSTOMER shall not directly or indirectly export the products acquired hereunder or any technical data relating thereto without first complying with, and obtaining any licenses and/or other approvals required by, the United States Export Administration Act and Export Administration Regulations or any other applicable laws and regulations of the United States. CUSTOMER shall contractually require its subcontractors, customers and agents to comply with all such legal requirements as well, and CUSTOMER shall indemnify, defend and hold harmless DZS for any damages, losses, costs, or penalties incurred by DZS or its affiliates by virtue of such noncompliance by CUSTOMER or its subcontractors, customer's or agents.