



TAILORED. VIDEO. INTELLIGENCE.

## AUTHORIZED DEALER AGREEMENT

This Agreement is made and entered into by and between **AIRSHIP Industries Inc.**, a Washington corporation with its principal place of business at 12226 134<sup>th</sup> Ct NE, Redmond, WA 98052 ("Company") and \_\_\_\_\_ ("Dealer"), having its principal place of business at \_\_\_\_\_.

**WHEREAS**, Company develops, manufactures and distributes certain digital video hardware and software products, including the products listed in Exhibit A ("AIRSHIP Products").

**AND WHEREAS**, Company and Dealer desire that Dealer be authorized to act as an independent dealer of AIRSHIP Products under the terms and conditions set forth below.

**NOW, THEREFORE**, Company and Dealer agree as follows:

- 1. Effective date.** This Agreement shall be effective as of the \_\_\_\_\_ day of \_\_\_\_\_ in the year \_\_\_\_\_ (the "Effective Date").
- 2. Appointment as dealer.** Subject to the terms of this Agreement and upon Company's satisfaction with Reference responses as further noted in attached Exhibit C, Company appoints Dealer, and Dealer accepts such appointment, as the independent dealer of AIRSHIP Products in and limited to the territory set forth in Exhibit B ("Territory"). Company reserves the rights from time to time, in its sole discretion and without liability to Dealer, to change, add to, or delete from the list of AIRSHIP Products.
- 3. Product order.** Dealer may order AIRSHIP Products either by written purchase order or by a telephone order followed by written confirmation. All orders accepted by Company, whether or not delivery dates are specified therein, may be subject to delays or failures in manufacture or in delivery due to any cause beyond the control of Company. Company reserves the right to cancel any orders placed by Dealer and accepted by Company, or to refuse or delay shipment thereof, if Dealer (i) fails to make any payment as provided in this Agreement or under the terms of payment set forth in any invoice or otherwise agreed to by Company and Dealer, (ii) fails to comply with the terms and conditions of this Agreement. Company also reserves the right to discontinue the manufacture or distribution of any or all AIRSHIP Products at any time (with at least 30 days written notice to Dealer) to cancel any orders outside of the 30-day notice period for such discontinued AIRSHIP Products without liability of any kind to Dealer or to any other person.
- 4. Price and license fees.** During the term of this Agreement, Company shall inform Dealer as to current prices and license fees to Dealer for AIRSHIP Products. Company may change its prices and license fees to Dealer from time to time without notice. Pricing for existing quotes the Dealer may have in effect will have at least thirty (30) days grace applied upon notification of the existing quote. Company's prices and license fees do not include any national, state or local sales, use, value added or other taxes, customs duties, or similar tariffs and fees which Company may be required to pay or collect upon the delivery of AIRSHIP Products or upon collection of the prices and license fees or otherwise. Should any tax or levy be made, Dealer agrees to pay such tax or levy and indemnify Company for any claim for such tax or levy demanded. Price list information provided to dealer remains the property of AIRSHIP and cannot be disclosed to third parties (including affiliate entities) without the written consent of AIRSHIP.
- 5. Payment.** All payments shall be made in United States dollars, free of any currency control or other restrictions to Company at the address designated by Company. Unless otherwise agreed by Company in writing, at the time of submission of any order for AIRSHIP Products hereunder, Dealer will pay by certified check, credit card or wire transfer to a bank account designated by Company the amount of the aggregate prices and license fees of the AIRSHIP Products ordered (plus any applicable taxes, shipping and other charges). Past due invoices are subject



to a finance charge equal to 15% APR, assessed on the last day of each month that the invoice remains past due. Failure to pay within payment terms waives any agreements for discounts provided on the invoice.

6. **Delivery.** All AIRSHIP Products will be shipped F.O.B. Company's warehouses and to the "SHIP TO" address specified by Dealer. Unless specified in Dealer's order, Company will select the mode of shipment and the carrier. Dealer shall examine the ordered AIRSHIP Products upon arrival at the SHIP TO address, and within ten (10) days of arrival, shall supply Company with a written list of all items not delivered pursuant to Dealer's order. Delivery shall be deemed to be complete, and the ordered AIRSHIP Products accepted, pursuant to said order, if Company does not receive the written list within ten (10) days of delivery. The delivered AIRSHIP Products shall be held at risk of Dealer or the SHIP TO party. All freight, insurance, duty, value added tax, sales tax, use tax, or excise tax applicable to the sale of product shall be paid by Dealer in addition to the current dealer price.
7. **Technical support.** Company will provide telephone and email technical support as Dealer may reasonably request during regular working hours (8:00 am to 8:00 pm United States Eastern Standard Time from Monday to Friday). Technical support to Dealer's End-User customers is the responsibility of Dealer.
8. **Software ownership and protection.** Subject to the terms of this Agreement, to the extent that AIRSHIP Products contain or consist of software, Dealer acknowledges that all right, title, and interest in any such software are the property of Company, or its licensors, and that Dealer, its employees, agents, representatives, successors, and customers shall not have, at any time, any proprietary interest in or to any such software or the concepts embodied herein. Dealer represents that Dealer will not reverse engineer, decompile, or disassemble any such software.
9. **Duration and termination.** This Agreement shall be in effect for six (6) months beginning on the Effective Date, except that it may be terminated or renewed by either party upon thirty (30) days written notice to the other party. Any monies paid by Dealer to Company shall not be affected by termination. In the event of termination or non-renewal of this Agreement for any reason, neither party shall be liable to the other because of such termination or non-renewal, for compensation, reimbursement or damages on amount of loss of prospective profits or anticipated sales, or on account of expenditures, inventories, investments, leases, or commitments in connection with the business or good will of Dealer or Company.
10. **Disclaimer of warranty.** ALL AIRSHIP PRODUCTS DELIVERED PURSUANT TO THIS AGREEMENT ARE DELIVERED "AS IS". COMPANY SPECIFICALLY DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WITH REGARD TO ALL OF AIRSHIP PRODUCTS.
11. **Warranties by dealer to customer.** Dealer agrees that any and all warranties made to customers of Dealer shall be made only by Dealer. Dealer acknowledges and agrees that Dealer will make no representation or warranties to its customers with respect to or on behalf of Company. Dealer hereby agrees to indemnify Company for any cost, loss, or liability arising out of Dealer's failure to comply with Dealer's obligations hereunder with respect to warranties.
12. **Limitation of liability.** COMPANY SHALL NOT BE LIABLE FOR ANY LOSS OF PROFITS, LOSS OF BUSINESS OR GOODWILL, LOSS OF USE OR OF DATA, INTERRUPTION OF BUSINESS, NOR OF INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES OF ANY KIND UNDER OR ARISING OUT OF THIS AGREEMENT, HOWEVER CAUSED, WHETHER FOR BREACH OF WARRANTY, BREACH OR REPUDIATION OF CONTRACT, TORT, NEGLIGENCE, OR OTHERWISE EVEN IF COMPANY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS. IN NO EVENT WILL COMPANY LIABILITY UNDER OR ARISING OUT OF THIS AGREEMENT EXCEED THE AMOUNT RECEIVED BY COMPANY FROM DEALER DURING THE ONE (1) MONTH PERIOD PRECEDING THE DISPUTE GIVING RISE TO SUCH LIABILITY UNDER, ARISING OUT OF, OR IN ANY WAY RELATED TO THIS AGREEMENT.
13. **Dealer as an independent contractor.** Dealer shall be deemed to be an independent contractor hereunder, and as such, Dealer shall not be nor hold itself out to be an employee or agent of company. Company expressly prohibits any direct or indirect use, reference to, or other employment of its name, trademarks, service marks, or trade names, except as expressly provided for in this Agreement.



14. **Execution of agreement and governing law.** This Agreement will become effective only after it has been signed by Dealer and accepted by Company, and its effective date shall be the date on which it is signed by Company. It shall be governed by and construed in accordance with the laws of the State of Washington, excluding the Convention on Contracts for the International Sale of Goods and that body of law known as conflicts of law. The terms of this Agreement are severable, and in the event that any portion of this Agreement shall be found to be unenforceable, the remainder of the Agreement shall remain in full force and effect.
15. **Consent of jurisdiction.** The Washington state courts of King County, Washington shall have exclusive jurisdiction and venue over any dispute arising out of this Agreement, and Dealer hereby consents to the jurisdiction of such courts.

**DEALER ACKNOWLEDGES THAT HE HAS READ THIS AGREEMENT, UNDERSTANDS IT, AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.** Further, Dealer agrees that this Agreement is the complete and exclusive statement which is the Agreement between the parties and supersedes all proposals and prior agreements, whether written or oral, and all other communications between the parties relating to the subject matter of this Agreement cannot be modified except by a writing signed by both Dealer and Company.

**Company: AIRSHIP Inc.**

**Dealer:**

\_\_\_\_\_  
(Signed)

(Signed)

By:

By:

Title:

Title:

Address:

Address:

Date:

Date:

**Exhibit A**

**AIRSHIP  
Products**

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Signed: \_\_\_\_\_  
Company Dealer

Print: \_\_\_\_\_

Date: \_\_\_\_\_

**Exhibit B**

**Territory**

Not confined.

Signed: \_\_\_\_\_  
Company Dealer

Print: \_\_\_\_\_

Date: \_\_\_\_\_

# Exhibit C

## References

Dealer provides the following references and authorizes Airship to contact the named references for non-confidential information pertaining to Dealer's business and customer relationships.

**1. Name/Relationship and Contact Information:**

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**2. Name/Relationship and Contact Information:**

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**3. Name/Relationship and Contact Information:**

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Signed: \_\_\_\_\_  
Company Dealer

Print: \_\_\_\_\_

Date: \_\_\_\_\_