



NEXT LED Standard Terms and Conditions of Service

1. Scope of Service Agreement. The scope of the Purchase Agreement between the product manufacturer (“Next LED”) and the party to which Next LED directly sells the product (“Purchaser”) may provide for equipment listed on either the face of the Purchase Agreement or any attachment and may include those services as defined on any attachment, excluding maintenance services which are the responsibility of Purchaser. Further, it is expressly understood that the Purchaser may only serve as an intermediary in the distribution channel and will represent this agreement in part or in whole on behalf of the product’s (“End User”). The following standard terms and conditions are subject to change. All transactions for all products sold by NextLED are subject to the latest published Terms and Conditions and to any special terms of sale which may be contained in applicable NextLED quotations, purchase agreements, and acknowledgements. If applicable NextLED quotations, purchase agreement, and acknowledgements have quantities, amounts, or definitions that are different from the standard terms and conditions, they shall supersede the standard terms and conditions.

2. Conditions Precedent. The obligations of Next LED in this Agreement are subject to the express condition precedent that Purchaser shall perform its obligations under the Agreement. Standard obligations include maintenance of site conditions within the common environmental range of all system devices as specified by Next LED, routine operator functions such as content creation or management, routine maintenance functions, management of customer-owned spare parts inventory, and up-front cost of any on-site labor to diagnose and/or replace failed electronic components. Next LED may, at its sole discretion, waive these conditions. The Purchaser’s rights and Next LED’s obligation under this Service Agreement may be suspended until all payments owed to Next LED are current. Buyer’s failure to comply with all payment terms may result in suspension of system access, which may not be restored until payments are fulfilled.

3. Payment Terms. Next LED accepts cash, money order, check or credit card payments. For check payment to: Next LED LLC. For credit card payments a 3% service fee will be applied. Purchaser agrees to pay Next LED according to the payment schedule as outlined on the face of the Purchase Agreement or any attachment or previously agreed upon payment schedule. Orders **delayed** in shipment at the request of Purchaser are subject to annual interest charges of 18% on the remaining balance, which must be paid by Buyer prior to shipment.

4. Cancellation Policy. Production is deemed to begin upon issuance of a purchase order confirmation or commencement of materials procurement. 25% Cancellation fee will be retained after production begins. Cancellation of an order with Next LED shall be considered official when it has been submitted in writing to Next LED and confirmation of receipt has been issued. Any cancelation must be submitted prior to delivery of product to Purchaser.

5. Delivery. Standard delivery lead time for digital displays is 12 weeks unless product is in inventory or arranged in advance with Next LED. NextLED will arrange, at the Purchaser’s cost, delivery of the product to the Purchaser. Once product has been placed with the shipping carrier the title to, risk of loss, and responsibility of product passes to the Purchaser. Purchaser will be responsible for any reasonable costs occurred by Next LED to have product unloaded at time of receipt. Standard delivery lead time is exclusive of any and all delays due to government permitting, end user payments, or conditions out of the control of NextLED.



6. Conditions of Coverage. This Service Agreement provides for the services defined on this document the Purchase Agreement or any attachment. Failure to follow proper installation instructions, including penetrations to cabinets, may void any and all warranties. Standard and routine warranty claims will be paid at a pre-approved amount dictated by our standard terms and conditions rate chart or written amendments made by employees of NextLED. All other warranties, express or implied, including merchantability and fitness for a particular purpose, are disclaimed.

(a.) Parts Warranty. Next LED will provide replacement parts for all mechanical failures of sign components for 60 months from date of shipment, provided the sign is installed with the recommended ventilation system for its location. In relation to pixel failure, it occurs when the pixel will no longer emit light. A pixel is the combination of a red, green, and blue emitting diode and may come in the form of a DIP or SMD product. A module will be replaced when more than 1% of the pixels are no longer emitting light or incorrectly emitting light. This agreement does not cover LED degradation, which occurs when the LEDs continue to emit light, but at some lesser level of brightness. Replacement modules will be provided at the time of service and the failed modules will be returned to the Next LED facility. Next LED will repair or replace failed wireless communication components if they are purchased from Next LED. A radio component has failed when it does not transmit or receive data properly. Local site interference or obstructions may cause intermittent or complete failure of radio performance. This Agreement does not include the provision of replacement communication methods (such as wire, fiber optic cable, conduit, trenching or other solutions) for the purpose of overcoming local site interference. Certain failures may result in a required total replacement and/or upgrade of any or all of the components in the system. In the event of a failure, the component will be checked thoroughly and if the component can be repaired or replaced, the costs of the repair or the replacement part are included in this Agreement. If the component cannot be repaired or replaced for whatever reason, and an upgrade is required, then the Purchaser shall be responsible for the difference in cost between the upgraded component and the cost of the repaired or replaced component to the extent the cost of the upgraded component exceeds the cost of the repaired or replaced component. Further, the Purchaser shall be responsible for any additional upgrades required by the upgraded component in the integrated system.

(b.) Labor Warranty. Next LED will reimburse Purchaser for approved service claims related to the service of equipment, provided the sign is installed with the recommended ventilation system for its location, to End User's display. Term of the labor warranty will be agreed upon in the purchase agreement. Service Provider is required to submit detailed service documentation for reimbursement approval to an authorized Next LED representative. If Purchaser is not an authorized Next LED vendor, Next LED will arrange for service of the equipment by an authorized vendor or service company and reimburse the Purchaser for all hours of service related to each instance at a maximum \$100.00 per service hour. Purchaser is responsible for direct payment of invoices from servicing company related to these service calls.

(c.) Brightness and Uniformity. Next LED guarantees the brightness and color uniformity of the display for 60 months from the date of delivery. During the first 60 months, the display will have an adequate brightness level appropriate for daytime viewing. The display will operate at a minimum of 5,000 Nits



through the first 60 months of operation. In an instance when brightness is not considered adequate Next LED will have remote access to the display to remotely manage and increase the brightness levels. During the first 60 months, the display will have consistent color and brightness throughout the entire display. Isolated and specific degradation related to image burn of one or many advertisements will not be covered. In the event of a module failure and replacement Next LED will have remote access of the display to remotely calibrate the color and brightness of new modules to align with existing modules. If it is determined by NextLED that the brightness or color uniformity is inconsistent with the guarantee NextLED will reimburse the end user for a prorated amount based on the number of months remaining in the guarantee.

(d.) Software Training. Next LED will provide remote software training with End Users for the operational life of the End User's purchased product from NextLED.

7. Stax Ventilation Recommendations. Next signs are built to perform in extreme conditions. Our STAX™ displays are fully sealed, with no moving parts, and require no fans or forced ventilation. Built with automotive-grade cabling and smart controls, they stand up to water, heat, cold, humidity, wind, and salt. Our testing is designed to quickly stress components and expose potential failure points. This includes thermal shock testing to simulate sudden weather changes, Water testing to verify full sealing, and salt spray testing to assess long-term durability in corrosive environments. Our products, including Stax display products are engineered to operate safely with a maximum internal component temperature of 180°F. No ventilation is required to maintain warranty coverage, and all components are designed to automatically shut down if the internal component temperatures are reached. However, if installation conditions force internal temperatures above 180°F, alternative installation methods, such as adding venting to the sign cabinet or adjusting the installation location, may be necessary. Next is not responsible for rectifying issues from heat challenged installations or insufficient ventilation. Pre-installation support is available to help customers ensure proper installation and avoid elevated temperature conditions.

8. Additional Service Provisions. Service outside the Scope of Services listed may be provided on a time and material basis according to the then current rates. Subject to the limitations in the Scope of Services, Next LED will maintain the equipment for normal wear and tear. The equipment may require additional maintenance beyond the Scope of Services attributable to causes other than normal wear and tear. Such causes may include, but are not limited to: inadequate or improper power, improper care or abuse of equipment, unauthorized attempts to repair or modify the equipment, failures caused by environmental conditions beyond Next LED's control such as corrosives and metallic pollutants, acts of God or nature (including damage done by vermin), terrorism, vandalism, or war. Service does not include paint or refinishing the equipment or furnishing material for this purpose, electrical work external to the equipment, or service of accessories, alterations, attachments, or other devices not furnished by Next LED unless otherwise agreed in writing. Batteries and metallic or fiber optic data cable are not covered unless otherwise agreed to in writing. This Agreement does not cover defects or failure resulting from the use of replacement parts not supplied by Next LED. Costs of normal access to the display(s) are covered under this Agreement. Normal access is defined as unfettered, solid, unrestricted access to the entire display with a 45' aerial lift or bucket truck for an outdoor display, taking into account environmental or site conditions, or 15' for an indoor display. Special circumstances will not be covered under this Agreement, including but not limited to: costs of additional lift equipment, or presence of any additional equipment and/or personnel



to insure safety of service personnel. In no event shall Next LED be obliged to perform Services under this Agreement during the existence of Adverse Conditions. "Adverse Conditions" include, among others, without limitation, the following: severe inclement weather, hazardous site conditions including infestations of animals or dangerous insects, saturated ground conditions, or residence or occupation by unauthorized personnel. The determination of a site condition as an Adverse Condition shall be at the sole discretion of Next LED. Inaccessibility due to Adverse Conditions will exempt a location from coverage under this Agreement until such time as the display(s) become accessible once again.

9. Service Request. Purchaser shall fully cooperate with Next LED in connection with the service of the Equipment. The Purchaser shall immediately notify Next LED in writing of equipment failure and allow Next LED full and free access to the equipment. Waiver of liability or other restrictions shall not be imposed as a requirement prior to accessing the site. Also, the Purchaser will allow Next LED to use necessary machines, communication facilities, and other equipment at no charge.

10. Return Items. All items returned to Next LED must have a Return Material Authorization (RMA) or case number. For exchange items, the number is included with the shipment of the exchange unit. For repair items, an RMA number can be obtained by phone (888-263-6530), fax (316-219-8715) or e-mail (service@nextledsigns.com) unless otherwise directed by Next LED. All service claims and warranty payments are subject to the return of all parts, including working parts not used and failed parts.

11. Shipping. When returning Equipment to Next LED for repair or replacement, Purchaser assumes all risk of loss or damage, and agrees to use any shipping containers, which might be provided by Next LED, and to ship the Equipment in the manner prescribed by Next LED.

12. Limitation of Warranty. Next LED shall be under no obligation to furnish continued service under this Agreement if the equipment is moved from its location of initial installation or reinstalled without the prior written approval of Next LED, unless the displays were designed by Next LED to be mobile.

13. Confidentiality. Purchaser shall consider all information, including the terms and conditions of this Agreement, furnished by Next LED to be confidential and shall not disclose any such information to any other person, or use such information itself for any purpose other than fulfillment of this Agreement unless Purchaser obtains written permission from Next LED to do so. Purchaser shall provide confidential information only to those of its agents, servants and employees who have been informed of the requirements of this paragraph and have agreed to be bound by them. The provisions of this paragraph shall survive termination of the Agreement.

14. Default. Next LED reserves the right to terminate this contract and accelerate all amounts due and payable if Purchaser fails to make payment to Next LED within ten days of the agreed payment dates or otherwise fails to comply with this Agreement, or any proceeding is filed by or against Purchaser in bankruptcy. Next LED reserves all its rights (both legal and equitable) under the contract, applicable statutes, or the common law. Selection of a remedy by Next LED shall in no way be construed as a waiver of other remedies available to Next LED. If Purchaser fails to perform any covenant or obligation under this Agreement or any other agreement that Purchaser has with Next LED, including without limitation the failure to pay when due any amounts owed to Next LED under this Agreement or any other agreement between the parties, Next LED shall be excused from the performance of any



of its obligations under this Agreement and any other Agreement it has with the Purchaser until such time as said default is cured, if ever.

15. Indemnity. Next LED shall indemnify, defend and hold harmless the Purchaser and their respective subsidiaries, officers, directors, shareholders, partners, employees, agents, insurers, successors and assigns from any and all liability, losses, damages, costs or expenses (collectively, "Losses") arising out of or in any way related to: (i) any material breach of this Agreement by Next LED; (ii) any negligent act or omission by Next LED or its personnel, agents, subcontractors, or others engaged by Next LED or under Next LED' control related to the execution of this Agreement; (iii) any claim against any indemnified party by reason of or alleging any unauthorized or infringing use by an indemnified party of any patent, process, trade secret, copyright, trademark, or other intellectual property right regarding the Equipment or the Software and its components; or, (iv) any fine or assessment with respect to any violation or alleged violation of any Applicable Laws regarding safety or health. The Purchaser shall indemnify, defend and hold harmless Next LED and its subsidiaries, officers, directors, shareholders, partners, representatives, employees, agents, insurers, successors and assigns of each of the foregoing from any and all Losses arising out of or in any way related to: (i) any material breach of this Agreement by the Purchaser; or (ii) any negligent act or omission by the Purchaser or its personnel, agents, subcontractors, or others engaged by the Purchaser or under their control (other than Next LED or its personnel, agents, subcontractors, or others engaged by Next LED or under Next LED's control).

16. Limitation of Liability. The parties agree that in no event whatsoever shall the liability of either party exceed the amount of the purchase price. It is agreed that in no event shall either party be liable for special, incidental, consequential or indirect damages, regardless of cause. In no event shall either party's total cumulative liability under this Agreement exceeds the purchase price. Purchaser understands and agrees that the prices granted herein would be higher in the absence of this limitation of liability. No action against Next shall be commenced more than one year after the accrual of the cause of action. Next LED shall have no liability with respect to claims relating to or arising from use of third-party products and services.

17. Force Majeure. Next LED shall be excused from any liability under this Agreement for any delay in performance or failure to perform which delay or failure to perform is caused by circumstances which are beyond the reasonable control of the Next LED, including without limitation acts of God, pandemics, supply chain interruptions, government restrictions, natural disaster, labor or material shortages, war, earthquakes, acts of terrorism, etc.

18. Assignment. Unless otherwise stated, this Agreement may not be assigned by either party without the written consent of the other party.

19. Photo Release. Owner agrees to allow NextLED to, at its own expense, make photographs of the project and use them in literature, advertising, annual statements, and other publications without the prior written consent of Buyer.

20. 10-Year FCC Guarantee. This device complies with FCC Part 15 regulations for Class A devices. Operation is subject to the following two conditions: 1.) this device may not cause harmful interference, and 2.) this device must accept any interference received, including interferences that may cause undesired operation. FCC



regulations state that unauthorized changes or modifications to this device could void the user's authority to operate it. In the event of a documented claim of electromagnetic interference as the result of the operation of this device, NextLED guarantees to provide a remedy to the complaint pursuant to FCC Part 15 regulations for Class A devices in effect at the time of shipment or issue a prorated refund to the buyer. The prorated refund will be determined by dividing the original purchase price by the number of months of the warranty period, then multiplying the result by the months remaining in the warranty period. Partial months are rounded to the nearest whole month.

21. Miscellaneous. This Agreement shall be governed by the laws of the state of Kansas without regard to its conflict of law principles. The parties consent to the jurisdiction and venue of the courts of Kansas for any action, suit or proceeding. This Agreement represents the entire agreement of the parties and supersedes any previous understanding or agreement. This Agreement may not be amended or altered in any manner except in a writing signed by both parties. This Agreement may be executed in counterparts. Each party hereto shall pay its own expenses, including without limitation accounting and attorneys' fees, in connection with this Agreement. The Purchaser and Next LED are not partners or joint ventures. If any part of this Agreement is in any manner held to be invalid, illegal, void, or to be in conflict with any law, then the validity of the remaining portions or provisions of this Agreement shall not be affected, and such part, term, paragraph or provision shall be construed and enforced in a manner designed to effectuate the intent expressed in this Agreement to the maximum extent permitted by law. The prevailing party in any legal action brought by one party against the other arising out of this Agreement will be entitled, in addition to any other rights and remedies it may have, to reimbursement for its expenses, including court costs and reasonable attorney's fees.