

Standard Terms and Conditions of Service

1. **Scope of Service Agreement.** The scope of the Service Agreement may provide for equipment listed on either the face of the document or Attachment A and may include those services as defined on Attachment A (excluding maintenance services which are the responsibility of Purchaser as defined on Attachment A or services which may be purchased for an additional fee). Response Times are defined on Attachment A.

2. **Commencement Date.** Unless otherwise agreed to in writing, this Service Agreement becomes effective upon the date stated as the "Commencement Date" on the cover page of this Agreement.

3. **Conditions Precedent.** The obligations of Daktronics in this Agreement are subject to the express condition precedent that Purchaser shall perform its obligations under the Agreement, particularly those obligations defined in Attachment A. Daktronics may, at its sole discretion, waive these conditions. The Purchaser's rights and Daktronics obligation under this Service Agreement shall be suspended until all payments owing to Daktronics are current.

4. **Payment Terms.** Purchaser agrees to pay Daktronics according to the Payment Schedule as outlined on the face of this document. In addition, the Purchaser agrees to pay or reimburse Daktronics for any taxes or charges resulting from this Agreement that are levied by a taxing authority, and shall hold harmless and indemnify Daktronics from the claims of any governmental authority asserting that any such Tax is due and payable.

5. **Conditions of Coverage.** This Service Agreement provides for the services defined on Attachment A. In addition, Daktronics will replace failed LED pixels, if greater than 1.0% of the total number of pixels in the sign have failed in any calendar year during the term of the Agreement, provided the sign is installed with the recommended ventilation/air conditioning system for its location. Air conditioning systems must be maintained according to manufacturer's specifications. Pixel failure occurs when the pixel will no longer emit light. This agreement does not cover LED degradation, which occurs when the LEDs continue to emit light, but at some lesser level of brightness. Pixel repair will be performed at the Daktronics Repair Center.

Daktronics will repair or replace failed radio components. 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.

6. **Service outside the Scope of Services** listed on Attachment A may be provided on a time and material basis according to the then current rates. Subject to the limitations in the Scope of Services, Daktronics 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 Daktronics' 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 Daktronics 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 Daktronics.

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 Daktronics 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 Daktronics.

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.

7. **Service Request.** Purchaser shall fully cooperate with Daktronics in connection with the service of the Equipment. The Purchaser shall immediately notify Daktronics in writing of equipment failure and allow Daktronics 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 Daktronics to use necessary machines, communication facilities, and other equipment at no charge.

8. **Return Items.** All items returned to Daktronics must have a Return Material Authorization (RMA) 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 (877-605-1116), (International +1-605-697-4417), fax (605-697-4444) or e-mail (helpdesk@daktronics.com) unless otherwise directed by Daktronics.

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

10. **Limitation of Warranty.** Daktronics 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 Daktronics, unless the displays were designed by Daktronics to be mobile.

11. **Confidentiality.** Purchaser shall consider all information, including the terms and conditions of this Agreement, furnished by Daktronics 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 Daktronics 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.

12. **Default.** Daktronics reserves the right to terminate this contract and accelerate all amounts due and payable if Purchaser fails to make payment to Daktronics 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. Daktronics reserves all its rights (both legal and equitable) under the contract, applicable statutes, or the common law. Selection of a remedy by Daktronics shall in no way be construed as a waiver of other remedies available to Daktronics. If Purchaser fails to perform any covenant or obligation under this Agreement or any other agreement that Purchaser has with Daktronics, including without limitation the failure to pay when due any amounts owed to Daktronics under this Agreement or any other agreement between the parties, Daktronics 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.

13. **Indemnity.** Daktronics 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 Daktronics; (ii) any negligent act or omission by Daktronics or its personnel, agents, subcontractors, or others engaged by Daktronics or under Daktronics' 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 Daktronics 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 Daktronics or its personnel, agents, subcontractors, or others engaged by Daktronics or under Daktronics' control).

14. **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. Purchaser understands and agrees that the prices granted herein would be higher in the absence of this limitation of liability. No action against Daktronics shall be commenced more than one year after the accrual of the cause of action. Daktronics shall have no liability with respect to claims relating to or arising from use of third-party products and services.

15. **Force Majeure.** Daktronics 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 Daktronics, including without limitation acts of God, natural disaster, labor or material shortages, war, earthquakes, acts of terrorism, etc.

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

17. **Termination.** If either party neglects or fails to perform any of its obligations under this Agreement, and such failure continues for a period of thirty (30) days after written notice thereof, the other party shall have the right to terminate this Agreement.

18. **Miscellaneous.** This Agreement shall be governed by the laws of the state of South Dakota without regard to its conflict of law principles. The parties consent to the jurisdiction and venue of the courts of South Dakota 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 Daktronics are not partners or joint venturers. 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.

Attachment A

GOLD[®] Services Scope of Services

Services Included

1. Daktronics parts coverage which includes:
 - a. Daktronics Rapid Parts™ Exchange Program.
 - b. Repair or replacement of failed electronic parts or assemblies.
 - c. Shipping of repaired or replaced failed electronic components from Daktronics.
2. Technical support via telephone during business hours as defined below.
3. Access to the Service Coordination Center.

Gold shall not include nor be construed to include any service or support that is not expressly stated above in the definition of the Gold service. Examples of services that are not within the scope of Gold service include, but are not limited to, the following:

1. On-site labor to diagnose and/or replace failed electronic components.
2. Remote monitoring services.
3. After hours telephone support.

Above listed exclusions are available as billable services. Quotes may be provided upon request.

Business Hours:

Monday through Friday, 8 am to 5 pm CST (excludes Daktronics observed holidays).

Purchaser Responsibilities

The maintenance items listed below are the responsibility of the Purchaser; failure to properly maintain equipment may, at Daktronics' sole discretion, relieve Daktronics of its responsibilities under the Standard Terms and Conditions Service Agreement attached hereto.

1. Throughout the term of this Agreement, Purchaser shall maintain site conditions within the common environmental range of all system devices as specified by Daktronics.
2. Purchaser is responsible for routine operator functions such as content creation or management.
3. Purchaser is responsible for routine maintenance functions.
4. Purchaser is responsible for management of customer-owned spare parts inventory.
5. Purchaser is responsible for costs of any on-site labor to diagnose and/or replace failed electronic components.