PARTsolutions, LLC - PARTsolutions Services Agreement

Last Modified: June 13, 2013

PLEASE READ THIS PARTSOLUTIONS SERVICES AGREEMENT ("AGREEMENT") CAREFULLY BEFORE AGREEING TO THE TERMS, CONDITIONS AND ACCEPTANCE OF A PARTSOLUTIONS PROPOSAL, ONLINE ORDER OR OTHER PURCHASE OF PARTSOLUTIONS SERVICES.

This PARTsolutions Services Agreement is a legally binding contract between your company as defined in a PARTsolutions Proposal(s), Online Order or other purchase documentation ("Customer") and PARTsolutions, LLC, located at 400 Techne Center Dr Ste 301, Milford, OH 45150 USA ("PARTsolutions"). PARTsolutions provides services (as defined below) to you subject to and conditioned upon your acceptance of this PARTsolutions Services Agreement.

BY ACCEPTING THE DELIVERY OF ANY PARTSOLUTIONS SERVICES, CUSTOMER AGREES TO BE BOUND BY THIS AGREEMENT, INCLUDING THE WARRANTY DISCLAIMERS, LIMITATIONS OF LIABILITY, AND TERMINATION PROVISIONS BELOW. IF YOU DO NOT AGREE TO THE TERMS, DO NOT ACCEPT DELIVERY OF PARTSOLUTIONS SERVICES.

ANY PARTSOLUTIONS PROPOSALS AND/OR AMENDMENTS TO SUCH PROPOSALS THAT REFERENCE THIS PARTSOLUTIONS SERVICES AGREEMENT ARE CONSIDERED ATTACHED HERETO AS EXHIBIT A AND INCORPORATED HEREIN.

PARTsolutions may update or change this PARTsolutions Services Agreement from time to time. The current Agreement will be posted at http://www.partsolutions.com/terms.

I. Services:

I.1. PARTsolutions shall provide Customer with the Services set out in the Proposals. Amendments to the Proposals shall be agreed to in writing by both parties. Before any amendments to the Proposals are implemented, all changes in the price necessitated by such amendments shall be agreed to in writing.

II. Fees and Costs:

- II.1. Customer shall pay PARTsolutions for the Services, the fees and costs set out in the Proposals.
- II.2. Fees and costs are due and payable by Customer upon receipt of invoice.
- 11.3. The license fees and any other amounts payable pursuant to this Agreement are exclusive of all national, state, regional, local, municipal or other taxes and fees including, but not limited to, excise, sales, use, property, ad valorem, intangibles, goods and services and value added taxes, customs duties and registration fees, now in force or enacted in the future, and all such taxes and fees, except taxes based on PARTsolutions' net worth, capital or net income shall be paid directly by the Customer, or if paid by PARTsolutions, Customer will reimburse PARTsolutions.
- II.4. In addition to the fees and costs, Customer shall reimburse PARTsolutions pursuant to PARTsolutions' then current standard policies for all travel and special or unusual out-of-pocket expenses incurred at Customer's specific request which are not set forth in the Proposals.

III. Term and Termination

- III.1 This Agreement is effective on the date last signed by PARTsolutions and Customer below.
- III.2 This Agreement shall have an initial term of three (3) years from the effective date. Thereafter, the Agreement shall automatically renew for successive one (1) year periods, unless either party provides the other with six (6) months prior written notice of termination before the end of each term. In the event of Customer's breach of this Agreement, such breach not cured within thirty (30) days receipt of notice of such breach, PARTsolutions may terminate the Agreement upon written notice to Customer. In no event shall this Agreement be allowed to terminate while Services are being delivered as defined in Proposals.

IV. Timetable:

IV.1. While PARTsolutions intends to use all reasonable efforts to provide the Services in accordance with the timetable set out in the Proposals, it shall incur no liability whatsoever (whether in contract, negligence or otherwise) for any loss or damage resulting from delay however caused.

V. Intellectual Property Rights:

- V.1. PARTsolutions shall not be precluded in any way from developing, acquiring and/or marketing know-how, techniques or materials which may be similar to or competitive with know-how, techniques or materials delivered to Customer under this Agreement, provided that PARTsolutions shall not utilize proprietary information disclosed to it by Customer in the marketing of such materials.
- V.2. In the process of performing work related to Proposals, i) for data provided by Customer to PARTsolutions related to the Services, and ii) and in the event that the Services are to be provided by PARTsolutions utilizing software applications and related documentation supplied by Customer in relation to which rights may be owned by third parties, Customer warrants and represents that:
 - V.2.1. Customer has all necessary permissions, express or otherwise, to enable the software programs and documentation to be copied or otherwise used by PARTsolutions during the course of the Services;
 - V.2.2. in providing the Services PARTsolutions will not be infringing the rights of any third parties; and
 - V.2.3. the disclosure or use of the data and/or the software programs and documentation during the course of the Services will not involve the breach of any confidential or contractual relationship.
- V.3. Customer owns the models that will be created by PARTsolutions in PARTsolutions format.
- V.4. PARTsolutions and CADENAS GmbH, developers of PARTsolutions technologies, are authorized to include the models with PARTsolutions enterprise products on all CAD seats as well as on all existing and future web portals and other venues which may be created in the future. This enables a multitude of marketing channels to be exposed to Customer's products around the world.

VI. Personnel

- VI.1. PARTsolutions reserves the sole right to determine the allocation of PARTsolutions personnel in providing the Services.
- VI.2. Nothing herein shall prevent PARTsolutions from assigning PARTsolutions personnel, who are providing the Services to Customer under this Agreement, to perform services similar to the Services for other customers of PARTsolutions or restrict PARTsolutions in any other way in its use of PARTsolutions personnel.

VII. Warranty

- VII.1. PARTsolutions warrants that it will use reasonable care and skill in providing the Services.
- VII.2. PARTSOLUTIONS MAKES NO WARRANTY WITH RESPECT TO THE EQUIPMENT, MACHINERY, SYSTEMS AND/OR PRODUCTS DERIVED OR RESULTING HEREUNDER OR WITH RESPECT TO ANY EQUIPMENT, MACHINERY, SYSTEMS OR PRODUCTS OBTAINED BY PARTSOLUTIONS IN THE PERFORMANCE OF ITS SERVICES AND DELIVERED OR CONVEYED TO CUSTOMER BY PARTSOLUTIONS AND THE CUSTOMER ASSUMES ALL RISKS AND LIABILITY FOR THE RESULTS OBTAINED BY THE MANUFACTURE, USE OR IMPLEMENTATION OF THE SERVICES THAT ARE PROVIDED HEREIN, WHETHER USED SINGLY OR IN COMBINATION WITH OTHER DESIGNS OR PRODUCTS. THE ABOVE WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED AND ALL SUCH WARRANTIES ARE HEREBY DISCLAIMED INCLUDING, BUT NOT LIMITED TO, THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

VIII.Confidentiality

- VIII.1. In the performance of this Agreement, each party may have access to confidential, proprietary or trade secret information owned or provided by the other party relating to, but not limited to, software computer programs, object code, source code, marketing plans, business plans, financial information, specifications, flow charts, drawings and other data ("Confidential Information").
- VIII.2. Confidential Information shall be marked clearly as confidential or proprietary, or shall be indicated as confidential or proprietary at the time of disclosure:
- VIII.3. All Confidential Information supplied by one party to another pursuant to this Agreement will remain the exclusive property of the disclosing party.
- VIII.4. Recipient agrees to use the same degree of care that it uses to protect its own confidential and proprietary information of similar importance, but in no event no less than reasonable care, to prevent the unauthorized use, disclosure, publication or dissemination of Confidential Information.
- VIII.5. The receiving party will use such Confidential Information only for the purposes of this Agreement and will not copy, disclose, convey or transfer any of the Confidential Information or any part thereof to any third party, except pursuant to written permission granted by the disclosing party.
- VIII.6. Neither party will have any obligation with respect to Confidential Information which: (i) is or becomes generally known to the public by means other than a breach of the obligations of a receiving party; (ii) was previously known to the a receiving party or rightly received by a receiving party from a third party; or (iii) is independently developed by the receiving party without reference to or use of the Confidential Information.
- VIII.7. Customer acknowledges that PARTsolutions will use Customer's Confidential Information in the delivery of PARTsolutions Services which will result in the accessibility of works derived from the Confidential Information, including but not limited to 2D and 3D CAD models, via PARTsolutions software applications and web based digital parts catalogs. Customer will approve all works derived from Customer's Confidential Information prior to inclusion in PARTsolutions software applications and web based digital parts catalogs. Such approval, if not documented otherwise, shall be deemed received if no objection is received from Customer at the time PARTsolutions activates Customer's web based digital part catalog for public access.
- VIII.8. Recipient's duty to protect Discloser's Confidential Information expires five (5) years from the date of disclosure of Confidential Information. However, all obligations under this Agreement with respect to Confidential Information disclosed during the term of this Agreement shall survive such termination. Upon termination, all confidential written material shall be returned to the disclosing party along with a letter certifying that no copies have been made of such information.

IX. Liability

- IX.1. PARTsolutions' liability in connection with the provision of Services hereunder shall be subject to the following:
- IX.2. Customer shall retain full control over the use of the Software and any modifications or enhancements thereof as well as Customer's use of any recommendations provided by PARTsolutions during the course of providing services under this Agreement or related Agreement(s). Accordingly Customer agrees to be solely responsible for the design, repair and configuration of Customer's equipment, machinery, systems and/or products. Customer assumes all risks and liability for results obtained by the use or implementation of the designs in any way influenced by the use of the Software or the provision of services, whether such designs are used singly or in combination with other designs or products. Customer agrees that PARTsolutions shall have no liability to Customer or to any third party for any ordinary, special or consequential damages or losses which might arise directly or indirectly by reason of Customer's use of the Software or the provision of services. Customer shall protect, indemnify, hold harmless and defend PARTsolutions of and from any loss, cost, damage or expense, including attorney's fees, arising from any claim asserted against PARTsolutions that is in any way associated with the matters set forth in this Paragraph IX.2.
- IX.3. With respect to any claim not subject to Section IX.2, the liability of PARTsolutions for any claim hereunder, regardless of the form of action, whether in contract or tort, including claims of negligence against PARTsolutions, shall be limited to the total of all amounts Customer has paid to PARTsolutions for the Software or services that are alleged to have caused damages or that is related to the cause of action. In no event shall PARTsolutions be liable for any incidental or consequential damages including, without limitation, loss of use, loss of profits or other consequential damages, even if PARTsolutions has been advised of the possibility of such damages. No action, regardless of form, arising out of the transactions under this Agreement may be brought by Customer more than two years after the cause of action has occurred.

X. Export

- X.1. Customer acknowledges that the services, information, software and/or technology provided hereunder may be subject to export controls. Customer agrees that any services, information, software and/or technology provided hereunder will not be exported (or reexported from the country in which it is first installed), directly or indirectly, separately or as part of a system, without Customer, at its own cost, first obtaining all licenses from the United States Department of Commerce, United States Department of State or any other appropriate agency of the United States Government as may be required by law.
- X.2. Customer acknowledges and agrees that it shall not use any services, information, software and/or technology provided hereunder in the design, development, production, stockpiling or use of missiles, or chemical or biological weapons nor shall it use any Software for facilities which are intended to produce chemical weapons or chemical weapon precursors, unless a validated export license is obtained from the U.S. Department of Commerce where required.
- X.3. Customer further acknowledges and agrees that it shall not use any services, information, software and/or technology hereunder either directly or indirectly to design, develop, fabricate or test nuclear weapons or nuclear explosive devices or to design, construct, fabricate, operate or construct components for facilities: for the chemical processing of irradiated special nuclear or source material; for the production of heavy water; for the separation of isotopes of source and special nuclear material; or for the fabrication of nuclear reactor fuel containing plutonium unless a validated export license is obtained from the U.S. Department of Commerce where required.

XI. Hiring of PARTsolutions Employees

XI.1. Customer agrees that during the term of this Agreement and for a period of one (1) year after the completion of the Service described in the Proposals in Article 1 above, Customer shall not, except with the prior written consent of PARTsolutions, offer employment to any of PARTsolutions' employees.

XII. General

- XII.1. Customer may not assign or otherwise transfer any of its obligations, rights or remedies under this Agreement and any such attempted assignment or transfer shall be null and void.
- XII.2. Any amendment or addition to this Agreement is valid only when agreed upon in writing and signed by both parties.
- XII.3. The waiver or failure of either party to exercise in any respect any right provided for herein shall not be deemed a waiver of any further right hereunder. This Agreement constitutes the entire terms and conditions between the parties with respect to the project covered in the Proposals and supersedes all proposals, all previous negotiations and agreements, written or oral, express or implied, between the parties with respect to such project.
- XII.4. The complete or partial invalidity or unenforceability of any provision herein for any purpose shall in no way affect the validity or enforceability of such provision for any other purpose or the remaining provisions. Any such provision shall be deemed to be severed for that purpose subject to such consequential modification as may be necessary for the purpose of such severance.
- XII.5. All notices required to be given hereunder shall be in writing. Notice shall be considered delivered and effective upon receipt when sent by registered or certified mail, return receipt requested, addressed to the parties set forth above. Either party, upon written notice to the other, may change any name or address to which future notice shall be sent.
- XII.6. This Agreement shall be governed by, subject to and construed in accordance with the laws of the State of Ohio.
- XII.7. THIS AGREEMENT IS ACCEPTED BY BOTH PARTIES BY EXECUTING A PARTSOLUTIONS PROPOSAL REFERENCING THIS AGREEMENT.