

VILLAGE OF YELLOW SPRINGS, OHIO

RESOLUTION 2023-05

AUTHORIZING THE VILLAGE MANAGER TO ACCEPT A GRANT AWARD FROM THE OHIO OFFICE OF CRIMINAL JUSTICE SERVICES TO COVER ONE YEAR OF A CONTRACT FOR PURCHASE OF EQUIPMENT AND SOFTWARE SUPPORT FOR BODY WORN CAMERAS

WHEREAS, House Bill 367, known as Andre’s Law, is now in House committee and, if signed into law will require, in part that “every law enforcement agency in Ohio, by July 1, 2023. . . provide body cameras to each officer in the (Policing) agency”; and,

WHEREAS, a Body Worn Camera (BWC) Use Policy was approved by Council by Ordinance 2022-09; and,

WHEREAS, Council agrees, regardless of State mandate, that implementation of body-worn cameras will provide the opportunity to review the Village of Yellow Springs police officers’ actions and reactions in the field and serve to enhance public trust and by adding another layer of transparency to police actions; and,

WHEREAS, Council authorized submission of a grant application to the Ohio Office of Criminal Justice Services (“OCJS”) for “purchase (of) up to eleven body-worn cameras, one for each sworn officer, and sufficient digital storage equipment to maintain the data for the Yellow Springs Police Department, as well as redaction software to comply with Ohio Revised Code Section 149.43” by means of Resolution 2022-54; and,

WHEREAS, the Ohio Office of Criminal Justice Services (“OCJS”) has awarded a grant to the Village of Yellow Springs Police Department in the amount of \$14,472.00 to cover the first year contract with Digital Ally as well as out-of-contract incidentals; and,

WHEREAS, the lowest and best quote found for a provider for combined hardware and software support is Digital Ally, who require a five year contract. Additionally, because Digital Ally provides hardware/software support for YSPD dashboard cameras, all camera systems will operate in a similar fashion, decreasing the learning curve for officers and records providers,

NOW THEREFORE IT BE RESOLVED, by the Council of the Village of Yellow Springs, State of Ohio that:

Section 1: The Village Manager is hereby authorized to accept the award from OCJS for the purpose of entering into a five-year contract with Digital Ally for provision of a body worn camera system in a form substantially similar to the draft agreement shown in Exhibit A and as finally approved by the Village Solicitor.



Video Solution Subscription Program

Account:	Bill To:	Ship To:
YELOHO Yellow Springs Police Department Paige Burge 100 Dayton St. Yellow Springs, OH 45387	Yellow Springs Police Department Paige Burge 100 Dayton St. Yellow Springs, OH 45387	Yellow Springs Police Department Paige Burge 100 Dayton St. Yellow Springs, OH 45387

Deployment & Activation:

- Remote Product Setup & Configuration
- Dedicated Project Manager
- Best Practices & Implementation Planning Session
- Officer Training and Train the Trainer Session - System Administrator & Troubleshooting Training Session

& video ("raw") files onto a customer provided storage device, in MP4 format, at a cost of \$89.00 per 100 GB of video

60 Month Subscription Plan Includes:

- (12) Complete FirstVu Pro Body Camera Kits
- (1) 8-Bay Docking Station (1TB, 4GB)
- Unlimited Users
- (1) Free Battery Replacement @18/mos.
- (1) Free Body Camera Refresh @ 30/mos.
- 5-Year Advance Exchange Program on Hardware
- All Cloud Licenses on a 180-Day Retention Plan
- Security Groups & Granular Permission Controls
- Event Tagging, Notations, Playback Review, & Reporting
- Access to Share/Prosecution Portal & Redaction Software
- Case Management & GPS Mapping
- Remote Activation & Remote Diagnostics
- Unlimited Body Camera Messaging Alert Notifications
- Product Support Per Program & Warranty - Applicable Taxes (Not Included) and Freight Due Upfront

Optional Services:

- Additional Storage Purchased in Blocks of 100GB for \$69 Per Year.

Annual Subscription Breakdown:

(1st Year Includes Hardware, Licenses, and Freight)

1st Year=\$ 10,353.00

2nd Year=\$ 9,468.00

3rd Year=\$ 9,468.00

4th Year=\$ 9,468.00

5th Year=\$ 9,468.00

5-Year Total =\$ 48,225.00

- Accessories Not in Body Camera Kit Purchased Separately.
- Turnkey Services Sold Separately @ \$3,000.00.
- Upon expiration or termination of the Subscription only, Digital Ally will provide "Download Assistance" to Customer of its audio

Length of Agreement -- 60 Months (5 year)

Billing Frequency -- annually

Pmt due

– Anniversary Date Every Year After Initial

Initial Pmt Amt: **\$8,784.00 + \$684.00 Dock + \$720.00 Mag Mounts + \$165.00 Freight = \$10,353.00 due Net 30**

VIDEO SOLUTIONS SUBSCRIPTION PROGRAM STANDARD TERMS AND CONDITIONS

The Video Solutions Subscription Program Quotation (“**Quotation**”) attached hereto will be subject to and governed by the following Standard Terms and Conditions (“**Agreement**”) if and when such Quotation is accepted and agreed to by Customer (“**Customer**” or “**you**”) and Digital Ally, Inc. (“**Digital Ally**” or “**we**”).

1. The Video Solutions Subscription Program (“**Program**”) is designed to be an event recording program offered by Digital Ally that uses an Internet-based software application, including cloud storage capabilities, powered and/or owned by Digital Ally and/or its designated cloud service provider(s). Digital Ally's event recording hardware (“**Equipment**”), leased as part of the Program pursuant to this Agreement is intended to collect and record events chosen by each customer. Under the Program design, the data, when recorded by firmware in the Equipment, is transmitted to, and stored on, cloud servers pursuant to the terms of this Agreement, based upon options selected by the customer (“**Subscription Plan**”), utilizing the internet to access each customer's account on the Digital Ally website (“**Website Account**”). Your Quotation will show the Subscription Plan you have selected, which includes the amount of cloud-based storage in your Subscription Plan. With the Program, you will be charged a “**Monthly Subscription Fee**” for the goods and services included in the Subscription Plan you have selected, which will be available for customers to deploy in accordance with the terms of this Agreement.
2. Digital Ally leases the Equipment to Customer, and Customer leases the Equipment from Digital Ally, in each case on the terms, and subject to the conditions, described in this Agreement. Customer will use the Equipment solely as permitted herein, in a careful and proper manner, in full compliance with all applicable laws and regulations.
3. Digital Ally hereby provides a limited license to Customer to utilize the Website Account, Digital Ally software and services, and Subscription Plan as described herein, subject to our Website Services and Cloud Storage License Agreement (“**License**”) which is published by Digital Ally on the Digital Ally Website and which License is hereby incorporated into this Agreement. Licensee shall use the Software and Services (as defined in the License) in a careful and proper manner, in full compliance with all applicable laws and regulations. Unless a specific provision of the License contains a different or superseding term regarding the Software and Services (in which case that provision shall apply to the Software and Services only), the general provisions of this Agreement apply equally to the License.
4. Customer will pay Digital Ally the Total Payment Amount at the time and manner set forth in the Quotation as rent for the Equipment (including the Monthly Subscription Fee) without deduction or set-off. The Total Payment Amount must be paid to Digital Ally at the address noted below, unless a different method of payment is set forth in the Payment Terms set forth in [Exhibit A](#). In the event Customer fails to make any part of the Total Payment Amount when due, Digital Ally may assess a late charge equal to 1 ½% per month of the amount past due, or the highest rate then permitted by law, whichever is less, in addition to Digital Ally's other rights under this Agreement. Customer must also reimburse Digital Ally for its costs incurred (including internal administrative expenses and reasonable attorneys' fees) in the collection of all past due payments comprising the Total Payment Amount.

5. Customer acknowledges that the Equipment is, and at all times will remain during the Term designated in the Quotation (“**Term**”), the sole and exclusive property of Digital Ally. Customer agrees, at any time to do or cause to be done, all acts, and to execute and deliver, all such documents as may be reasonably requested in order to protect Digital Ally’s ownership interest in the Equipment during the Term, including the filing of financing statements as necessary to perfect its interest. After payment of the Total Payment Amount at the expiration of the Term (“**Expiration**”), Customer will own the Equipment, however, if this Agreement is terminated for any reason prior to Expiration, all Equipment will be returned to Digital Ally at the Customer’s cost. Furthermore, upon Expiration or termination of the Term, Customer will discontinue its utilization of and relinquish its use of the License, and all of its rights and access to the Digital Ally Website and Program Software and services.
6. “**Customer Information**” is the content which Customer transmits to its Program Account, including the audio and video transmissions and meta data recorded by Customer on Digital Ally’s event recording hardware. Customer Information is Customer’s exclusive property, including any related intellectual property rights. Customer is solely responsible for (i) the development, maintenance, use, and retention of its Customer Information; (ii) preserving and backing up Customer Information during and beyond the Term; (iii) complying with the terms of this Agreement and all applicable laws, including copyright laws and import and export control laws and regulations, (iv) any claims relating to its Customer Information and its use, including claims by third parties; and (v) for insuring that Customer or its licensors own all right, title, and interest in and to the Customer Information. Customer agrees to be solely responsible for, and to adhere to, reasonable retention practices suitable to its business and/or government needs and requirements and will adhere to state statute of limitations before for deleting Customer Information. Metadata is proprietary to Digital Ally, and Customer understands that any metadata contained in the Customer Information will not be accessible to Customer without EVO Web (Digital Ally’s Internet based back- office storage solution), whether during or after the Term. If Customer wishes to continue to access the metadata in its Customer Information for archival purposes, as there is no viewer software recorder available Customer may continue to subscribe to EVO Web as its video retention solution, subject to the terms and conditions of this Agreement.
7. Your Quotation includes the price that Digital Ally will charge, upon expiration or termination of the Subscription only, if Customer requests that Digital Ally provide assistance to Customer in downloading its audio and video files onto a Customer Device in MP4 format (“**Download Assistance**”). The files that may be downloaded (to the extent accessible) with this Download Assistance will be the files as originally configured, without access to the metadata which Customer will not be able to access without EVO Web. Customer created segmented and redacted video may be available using this process but Customer notes and information from customer’s “cases” section will not be available. Download Assistance shall be provided to Customer in Digital Ally’s reasonable discretion, in accordance with Digital Ally’s then current Statement of Work terms and will not be provided if Digital Ally terminates this Agreement because of a breach of the Agreement by Customer. Any Download Assistance that Digital Ally agrees to provide to Customer shall be provided on an “*As Is*” and “*As Available*” basis. **DIGITAL ALLY MAKES, AND CUSTOMER RECEIVES, NO WARRANTIES, REPRESENTATIONS, OR GUARANTEES OF ANY KIND ARISING FROM OR RELATING TO ANY DOWNLOAD ASSISTANCE, OR RESULTS INVOLVED THEREUNDER, WHETHER EXPRESS, IMPLIED, STATUTORY, OR IN ANY COMMUNICATION WITH CUSTOMER, AND DIGITAL ALLY SPECIFICALLY DISCLAIMS ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OR ARISING FROM USAGE OF TRADE OR COURSE OF DEALING OR PERFORMANCE.** Once Customer Information (including video) is transferred to Customer, Customer is solely responsible for the integrity and long-term storage of the Customer Information, as well as all matters relating to chain of custody of such transferred Customer Information. The Customer Information Download, if supplied hereunder, will be an MP4 file, of a type that can be played on a media player/VLC, unless other playback options are separately negotiated by Customer and Digital Ally at the time of service, at additional cost to be determined at the time. Once Customer Information is transferred to Customer via a Download pursuant to this Paragraph, Digital Ally will keep a

backup of the Customer Information for seven (7) days or until Digital Ally verifies that Customer has received the Customer Information backup, whichever time period is shorter, after which such Customer Information will be permanently removed from EVO Web storage solution.

8. If Customer fails to pay any amounts due under this Agreement when due, and fails to cure such payment breach within 10 days after Digital Ally's written notice to Customer concerning such breach, or if Customer is otherwise in breach of this Agreement, including without limitation pursuant to Section 13, then Digital Ally may take any one or more of the following actions, in its sole discretion: (a) declare the aggregate Total Payment Amount due during the Term to be immediately due and payable upon written notice to Customer, (b) sue for and recover the Total Payment Amount due during the Term and other amounts then or thereafter owing to Digital Ally under this Agreement, (c) take possession of the Equipment, without demand or notice to Customer, wherever it is located, without any court order or other process of law (Customer waives all damages occasioned by such repossession), (d) terminate this Agreement, (e) disallow access to and utilization of the Digital Ally Website and/or Subscription services, and (f) pursue any other remedy available at law or in equity. Notwithstanding any repossession or any other action that Digital Ally may take, Customer will be and remain liable for the full performance of its obligations under this Agreement. All of Digital Ally's remedies are cumulative and may be exercised concurrently or separately.
9. Customer must keep the Equipment free and clear of all liens and encumbrances. Customer must report and pay when due all license and registration fees, assessments, sales use and property taxes, and other taxes, fees and governmental charges similar or dissimilar to the foregoing, arising out of the possession, use or operation of the Equipment during the Term, together with any penalties or interest, that are imposed by any federal, state or local government or any agency, or department thereof, upon either the Equipment or the use, operation or leasing of the Equipment during the Term and whether or not assessed against or in the name of Customer or Digital Ally.
10. During the Term, Customer will not be liable for any cost of repairs or replacement of the Equipment pursuant to the Warranty, unless repairs or the need to replace the Equipment is a result of abuse, accident, unauthorized use, or destruction while in the possession of the Customer.
11. Customer assumes and will bear all risk of loss or damage to the Equipment from the date of delivery. Customer will carry insurance against loss or damage by fire, theft, explosion, and all other hazards and risks ordinarily subject to extended coverage insurance for the full fair replacement value of the Equipment.
12. Termination or expiration of this Agreement will not relieve either party of obligations that by their nature or terms survive such termination or Expiration, including but not limited to, obligation to make all payments that have or will become due under this Agreement, and the obligations in Sections 8, 11, 12, 13, 14, 15, 16 and 17 of the Agreement.
13. If Digital Ally learns: (i) that the Software, Services, or Equipment are being used by anyone without authorization; (ii) that the Software, Services, or Equipment are being used for any unauthorized purpose; (iii) if Customer breaches its obligation to protect Digital Ally's Confidential Information or engages in an act prohibited under this the Agreement or the License, or (iv) if use of the Software, Services, or Equipment violates applicable law, Digital Ally may immediately and without notice of any kind, at its option, temporarily suspend Customer's access to the Software, Services, and Equipment, or may terminate the Agreement and License, and in either case, may exercise all of its legal and equitable rights and remedies for such breaches, including without limitation Digital Ally's rights and remedies set forth in Section 8. Subject to the foregoing and to Section 8, this Agreement may be terminated: (i) by either party on thirty (30) days written notice ("**Notice Period**") to the other party following a material breach of the Agreement or License if the other party fails to cure such breach during the Notice Period. Digital Ally, by written notice, may terminate the Agreement and License any time, in whole or in part, without cause and/or for its convenience, and such

termination shall not constitute a default. In such event, Digital Ally shall be entitled to payment for the Subscription Plan in effect up to the time of said termination, and Digital Ally shall return to Customer any advance payments made for such Subscription Plan. Upon termination of the Agreement and License for any reason by either party, Digital Ally is not obligated to maintain Customer's information contained in its Website Account, unless required by a court, or other government entity, with jurisdiction over this Agreement, and Customer shall immediately cease use of the Equipment, the Services, and the Software, and at Digital Ally's expense, return to Digital Ally all Confidential Information (as defined in the License), including all copies thereof, then in its possession or custody or control, and certify in writing as to such action.

14. Customer will defend Digital Ally, its directors, officers, shareholders, agents, employees, successors and assigns (collectively, the "**Indemnified Parties**"), from and against any third party claims for damages, losses, costs, and expenses (including reasonable attorneys' fees) arising out of or relating to: (i) Customer's use of the Equipment, Software, and Services leased and/or licensed under this Agreement and the License, including any claim that Customer or its agents, employees, or authorized users used the Equipment, Software, or Services for unauthorized or illegal monitoring, or negligently; (ii) any breach by Customer of this Agreement or the License, including engaging in any prohibited conduct hereunder or thereunder; or (iii) Customer's breach or violation of applicable law.
15. **UNDER NO CIRCUMSTANCES WILL DIGITAL ALLY OR ITS SUBSIDIARIES, AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, SUCCESSORS, ASSIGNS, SHAREHOLDERS, MEMBERS, SUBCONTRACTORS OR LICENSORS (COLLECTIVELY, THE DIGITAL ALLY PARTIES"), BE LIABLE FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES, OR FOR LOSS OF PROFITS, REVENUE, TIME, OPPORTUNITY OR DATA, WHETHER IN AN ACTION IN CONTRACT, TORT, PRODUCT LIABILITY, STATUTE, EQUITY OR OTHERWISE, EVEN IF ADVISED OF THE POSSIBILITY OF THOSE DAMAGES. UNDER NO CIRCUMSTANCES WILL DIGITAL ALLY OR THE DIGITAL ALLY PARTIES' CUMULATIVE LIABILITY UNDER THIS AGREEMENT EXCEED THE AMOUNT PAID BY CUSTOMER TO DIGITAL ALLY DURING THE SIX (6) MONTHS IMMEDIATELY PRECEDING THE EARLIEST EVENT GIVING RISE TO THE DAMAGES. EACH CLAUSE OF THIS SECTION IS SEPARATE FROM THE OTHERS AND FROM THE REMEDY LIMITATIONS AND EXCLUSIONS ELSEWHERE IN THIS AGREEMENT AND WILL APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF A REMEDY OR TERMINATION OF THIS AGREEMENT.**
16. **Limited Warranty; Warranty Disclaimer.** Digital Ally's Equipment and Software will be repaired, replaced, or upgraded, in the discretion of Digital Ally, at Digital Ally's premises during the Term in accordance with the Limited Warranty pertaining to the Equipment, attached hereto, and in accordance with the License pertaining to the Software and Website services provided by Digital Ally as part of the Subscription ("**Warranty**"). Customer shall be responsible for the installation of any such repaired, replaced or upgraded Equipment or Software, at Customer's expense. **EXCEPT AS EXPRESSLY SET FORTH IN THIS SECTION, DIGITAL ALLY MAKES NO OTHER WARRANTIES AND DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, INCLUDING ANY WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT, FITNESS FOR A PARTICULAR PURPOSE, AND WARRANTIES IMPLIED FROM A COURSE OF DEALING, COURSE OF PERFORMANCE OR USAGE OF TRADE. DIGITAL ALLY DOES NOT WARRANT THAT THE EQUIPMENT, SOFTWARE, SERVICES, OR ANY GOODS, SERVICES, OR DELIVERABLES PROVIDED HEREUNDER WILL OPERATE UNINTERRUPTED OR ERROR FREE OR ACHIEVE ANY INTENDED RESULTS.**
17. This Agreement shall be governed by and construed in accordance with the laws of the State of Kansas without regard to its choice of law principles. Any action arising from or relating to this Agreement must be brought in the District Court of Johnson County, Kansas (and its appellate courts) or in the U.S. District Court for the District of Kansas (and its appellate courts), and the parties hereby irrevocably consent to the exclusive jurisdiction of, and venue in, such courts. Each party irrevocably and unconditionally waives any right it may

have to a trial by jury in respect of any legal action arising out of or relating to this Agreement or the transactions contemplated hereby.

18. This Agreement and the agreements and policies referenced herein, including the License, Digital Ally website terms of use, Privacy Policy, and the Warranty (collectively, the “**Program Documents**”), constitute the entire agreement and understanding of the parties with respect to the transactions contemplated under this Program, and supersedes all prior agreements, arrangements and understandings of the parties, whether written or verbal, with respect to the subject matter of this Agreement. This Agreement may not be amended, supplemented, or otherwise modified (including any waiver of a right, power or privilege) except in a writing executed by Digital Ally and Customer. If any provision of the Agreement or License is deemed illegal or otherwise unenforceable, that provision shall be severed and the remainder of the Agreement or License shall remain in full force and effect if the essential provisions of such Program Document remain valid, legal and enforceable. The waiver of any breach, right, or election of any remedy in one instance, by either party, shall not affect, nor constitute a waiver of, any breach, rights, or remedies in another instance. A waiver shall be effective only if made in writing and signed by an authorized representative of the party against whom the waiver is sought to be enforced. No failure or delay in exercising any right or remedy or requiring the satisfaction of any condition under this Agreement or the License, and no act, omission, or course of dealing between the parties operates as a waiver or estoppel of any right, remedy, or condition.
19. Customer may not assign this Agreement or transfer or sublease any of the Equipment/Licenses during the Term without Digital Ally's prior written consent. This Agreement will be binding upon, and inure to the benefit of, the successors and permitted assigns of Customer and Digital Ally. Nothing expressed or referred to in this Agreement will be construed to give any person other than the parties to the Agreement any legal or equitable right, remedy or claim under or with respect to this Agreement or any of the Equipment/licenses, except such rights as will inure to a successor or permitted assignee under this Section.
20. If Customer’s Program Subscription includes participation in Digital Ally's Advance Exchange Program, offered in conjunction with the Warranty, Digital Ally will send Customer the replacement for a product to be replaced pursuant to the terms of the applicable Warranty in advance of receiving the product Digital Ally has agreed to replace for Customer (“**Replaced Products**”). In such case, Customer expressly understands, accepts and agrees that: (i) Customer is solely responsible for both the removal and preservation of the data previously stored on, or gathered in connection with, the Replaced Products; (ii) Customer will follow all Digital Ally and carrier shipping rules in returning the Replaced Products to Digital Ally; (iii) the return of products is final and that by participating in the Advance Exchange Program, ownership of the Replaced Products is transferred irrevocably to Digital Ally immediately, the Replaced Products will not be returned to Customer under any circumstances, and Customer is irrevocably transferring the Replaced Products to Digital Ally with no possibility of return; (iv) Customer is giving Digital Ally permission to destroy, utilize, re-sell, lease, or dispose of the Replaced Products in Digital Ally's sole discretion; and (v) Customer will ship the Replaced Products back to Digital Ally within thirty (30) days of Customer’s receiving its replacement or placing the already received replacement in use, whichever is earlier. If Customer fails to return the Replaced Products to Digital Ally within such thirty (30) day period, Digital Ally may, in its sole discretion, immediately suspend Customer’s participation in the Advance Exchange Program for such breach, until Customer either: (i) returns the Replaced Products to Digital Ally; or (ii) pays to Digital Ally the original purchase price of the Replaced Products. If Customer fails to return the Replaced Products to Digital Ally for a period exceeding ninety (90) days, Digital Ally may, in its sole discretion, immediately terminate Customer’s participation in the Advance Exchange Program, with no further opportunity to cure the breach, and Customer will be immediately responsible for paying to Digital Ally an amount equal to the original purchase price of the Replaced Products. When returning the Replaced Products, Customer must return all parts and accessories comprising of the Replaced Products, exclusive of wiring, or Customer will be responsible for payment of that part of the

Replaced Products not returned, which will be charged on a pro-rata basis in accordance with the value that Digital Ally in its discretion assigns to the parts and accessories not returned.

- 21. Any pronoun used in this Agreement shall include the corresponding masculine, feminine and neutered forms. Words of the singular number will be deemed to include the plural number and vice versa, where applicable. The words "include" and "including" shall be deemed to be followed by the phrase "without limitation." The words "herein," "hereof," "hereto," "hereunder," and similar terms shall refer to this Agreement, unless the context otherwise requires. As used in this Agreement, the words "shall" or "will" are intended to be mandatory in nature and the word "may" is intended to be permissive in nature. The references to Paragraphs, Exhibits, Sections, Subsections or Articles are references to the Paragraphs, Exhibits, Sections, Subsections or Articles of this Agreement unless the context otherwise requires. The recitals and exhibits to this Agreement are hereby incorporated into and made a part of this Agreement by this reference. This Agreement shall be deemed drafted equally by all parties, and no construction, presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provision of this Agreement.
- 22. This Agreement may be executed in several counterparts, all of which together shall constitute one agreement binding on all parties hereto, their successors and permitted assigns, notwithstanding that all the parties have not signed the same counterpart. A signature provided by electronic or facsimile transmission shall constitute a valid signature for the purpose of this Agreement.

The parties, through their duly authorized representatives, hereby agree and accept the terms, conditions and obligations described in the Quotation and the above standard terms and conditions and have caused this Agreement to be executed as of the date last set out below.

CUSTOMER:

DIGITAL ALLY, INC:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

LIMITED WARRANTY

The terms of this Limited Warranty ("**Warranty**") are applicable to all Digital Ally, Inc. manufactured hardware products ("**Product(s)**"), and by using the Products, the customer, for itself and its users, purchasing the Products ("**Customer**") agrees to be bound by this Warranty. This Warranty constitutes the entire agreement between Digital Ally, Inc. ("**Digital Ally**") and Digital Ally's Customer concerning the subject matter hereof, superseding all previous representations or understandings, whether oral or written. No person is authorized to give any other warranties or to change this warranty.

Warranty and Procedure:

DIGITAL ALLY WARRANTS THAT THE PRODUCTS WILL BE FREE FROM DEFECTS IN WORKMANSHIP AND MATERIAL FOR A PERIOD OF 12 MONTHS FROM THE DATE OF PURCHASE BY THE ORIGINAL PURCHASER (“WARRANTY PERIOD”).

If Digital Ally determines that a Product was or may be defective within the Warranty Period under normal use (as defined in the product installation and user’s guide), Digital Ally, in its sole discretion, at no cost to customer, will repair or replace such Product with the same or a like Product, at Digital Ally’s premises, as the exclusive remedy for a claim under this Warranty.

Extended warranties on designated Products may be available for purchase at an additional charge, and if Products are covered by a Digital Ally extended warranty, all other terms and conditions of this Limited Warranty shall apply to such extended warranties, except that the 12-month term of this Warranty shall in such cases be replaced with the period of time designated in the extended warranty. By way of example, if a three-year extended warranty is purchased for a Product, the **“Warranty Term”** on that Product will begin on the date of purchase and extend for a three-year period.

To receive coverage under this Warranty, Customer must contact Digital Ally’s Product Support department at www.digitalallyinc.com and further selecting the customer portal tab or by telephone at 1-800-440-4947 within the Warranty Period. Once replaced, the replacement Product shipped by Digital Ally to you (**“Replacement Product”**) shall be considered a Product hereunder and shall be covered under this Warranty for the remainder of the Warranty Period covering the Product being replaced (**“Replaced Product”**), or for ninety (90) days from the date of delivery of the Replacement Product to Customer, whichever is longer. Replacement Products may be new or manufacturer-certified reconditioned models. If Digital Ally agrees to provide Customer with a Replacement Product, Customer is solely responsible for the removal and preservation of the data previously stored on the Replaced Product; the return of the Replaced Product is final, ownership of the Replaced Product is transferred irrevocably to Digital Ally immediately, and Digital Ally can destroy, utilize, or dispose of the Replaced Product in Digital Ally’s sole discretion. Prior to returning a Product to Digital Ally at any time and/or for any reason, including for repair or replacement of a Product under this Warranty, Customer must first obtain a Return Material Authorization (**“RMA”**) from Digital Ally’s Product Support department. Digital Ally, Inc.’s Product Return Policy & RMA is attached hereto.

Coverage:

This Warranty applies to defects in a Product’s internal electronic components, circuitry, cabling, and connectors, as well as the Product’s recording capabilities and ability to download data files. This Warranty does not cover Products for the following: (i) normal wear and tear on the Product, consumables, frayed cables or wires, broken connectors, scratched or broken cases, or damage to external parts of the Product; (ii) damage caused by operator abuse, negligence or neglect, or by repairs or modifications not authorized by Digital Ally; (iii) any failure of the Product of any nature due to installation unless installation is provided by Digital Ally pursuant to a Statement of Work; (iv) damage caused by fire, flood, lightning, vandalism, collision, or other events beyond the reasonable control of Digital Ally; and (v) damage from use of the Product in hostile operating environments, or caused by operator’s use or storage of the Product in a manner not consistent with the written instructions or manual provided by Digital Ally. Digital Ally reserves the right to charge for repairs to a Product during the Warranty Period made necessary because of any of the foregoing causes at Digital Ally’s standard rates for repair of Products not under warranty.

Batteries are consumables and are covered for failure hereunder during the first 90 days following Product purchase only. Digital Ally software is not covered under this Warranty. Refer to the applicable Digital Ally software license agreement for more information regarding Customer's use of Digital Ally software.

It is Customer's responsibility to: (i) properly install and perform routine maintenance on the Products and Product components; (ii) cooperate with Digital Ally in attempting to resolve any problems with the Products using online communications, email, or telephone; (iii) appoint an administrator with the technical knowledge necessary to install and perform routine maintenance on the Products, and perform basic troubleshooting on the Products, and (iv) to comply with all laws regarding the use of the Product, and Customer assumes responsibility for the foregoing.

Limitations: Digital Ally is not, and shall not be, liable for any damages or personal injuries arising out of or relating to Customer's deployment, use, or misuse of the Products, and Customer assumes the risk from its purchase and use of the Product. Harmful personal contact with a Product might occur in the event of violent maneuvers, collisions, or similar circumstances, even if the Product was properly installed and used, and Digital Ally specifically disclaims any liability therefrom.

THIS WARRANTY IS GIVEN IN LIEU OF ALL OTHER WARRANTIES. THERE ARE NO WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY, WRITTEN, OR ORAL, THAT EXTEND BEYOND THIS WARRANTY. OTHER THAN THIS WARRANTY, ALL EXPRESS AND IMPLIED WARRANTIES ARE DISCLAIMED, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY, DESIGN, NON-INFRINGEMENT, AND FITNESS FOR A PARTICULAR PURPOSE, WARRANTIES AGAINST HIDDEN OR LATENT DEFECTS, AND WARRANTIES IMPLIED FROM A COURSE OF DEALING, COURSE OF PERFORMANCE OR USAGE OF TRADE. DIGITAL ALLY DOES NOT WARRANT THAT THE PRODUCTS WILL OPERATE UNINTERRUPTED OR ERROR FREE OR ACHIEVE ANY INTENDED RESULT. CUSTOMER EXPRESSLY UNDERSTANDS AND AGREES THAT, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, DIGITAL ALLY WILL NOT BE LIABLE UNDER ANY THEORY OF LIABILITY (WHETHER CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE) FOR ANY LOST PROFITS OR LOST REVENUE, LOSS OF USE, LOSS OF DATA, OR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, CONSEQUENTIAL OR EXEMPLARY DAMAGES THAT MAY BE INCURRED BY CUSTOMER ARISING FROM OR RELATING TO THIS WARRANTY OR THE SALE, USE, OR INSTALLATION OF THE PRODUCTS, WHETHER OR NOT DIGITAL ALLY HAS BEEN ADVISED OF OR SHOULD HAVE BEEN AWARE OF THE POSSIBILITY OF ANY SUCH LOSSES ARISING. CUSTOMER EXPRESSLY UNDERSTANDS AND AGREES THAT DIGITAL ALLY'S CUMULATIVE LIABILITY TO ANY PARTY FOR ANY LOSS OR DAMAGE RESULTING FROM ANY CLAIMS, DEMANDS, OR ACTIONS ARISING OUT OF OR RELATING TO THE PRODUCTS SHALL NOT EXCEED THE PURCHASE PRICE PAID TO DIGITAL ALLY FOR THE SPECIFIC PRODUCT IN CONTROVERSY. EACH CLAUSE OF THIS PARAGRAPH IS SEPARATE FROM THE OTHERS AND FROM THE REMEDY LIMITATIONS AND EXCLUSIONS HEREIN AND ELSEWHERE IN THIS LIMITED WARRANTY, AND EACH DISCLAIMER, LIMITATION, AND EXCLUSION WILL APPLY, INCLUDING WITHOUT LIMITATION, THE CONSEQUENTIAL DAMAGES WAIVER, NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF A REMEDY. THE PARTIES EXPRESSLY ACKNOWLEDGE THAT THE DISCLAIMERS, LIMITATIONS, AND EXCLUSIONS CONTAINED HEREIN ARE PART OF THE CONSIDERATION FOR THE AGREED UPON PRICE OF THE PRODUCTS.

General:

Any goods sold to Customer that are not manufactured by Digital Ally are not warranted by Digital Ally. With regard to such goods, Digital Ally agrees to pass along the manufacturers' warranties on such goods to Customer, to the fullest extent permitted by such manufacturers' warranties, and Customer agrees to accept such manufacturers' warranties as its sole and exclusive remedy in case of defects in such goods. This Warranty is not transferable. All parts of this Warranty apply to the maximum extent permitted by applicable law or unless prohibited by applicable law. If statutory or implied warranties cannot be lawfully disclaimed by applicable law, then all such warranties are limited to the duration of this Warranty and are further limited to and by the other provisions contained in this Warranty.

PRODUCT RETURN POLICY & RMA

Returns for Defect or Non-conformity Prior to Acceptance:

Subject to the Terms of Sale of the products purchased by you, the customer, from Digital Ally ("Product(s)"), Products will be deemed accepted upon the earlier of your formal acceptance of the Products or the expiration of 30 days from delivery of the Products ("Acceptance"). If you discover prior to Acceptance that some or all of the Products are (a) defective, or (b) do not conform to Digital Ally, Inc.'s ("Digital Ally") product specifications, they may be returned to Digital Ally for replacement or a credit of the purchase price that can be applied towards future purchases. Products returned prior to Acceptance must be in original box with original accessories, packaging, and manuals (if included) in undamaged, clean, and brand-new condition. Products that are returned incomplete, damaged, or with serial number missing or tampered with may not be accepted for return. All other terms of this Product Return Policy shall apply to returns for defect or nonconformity prior to Acceptance.

All Returns:

Digital Ally is not responsible for Products that you ship to us that are lost or damaged in transit. You are solely responsible for filing claims against the carrier for any such loss or damage, and in such case, Digital Ally will furnish to you all available information and give any other reasonable assistance requested by you to assist you in filing a claim for delivery damage. Digital Ally will be responsible for filing claims against the carrier for any such loss or damage for Products Digital Ally ships to you.

At Digital Ally's sole discretion, it may accept returns for replacement or credit after the Acceptance date.

Custom order Products (i.e. special cable lengths or engineer customized items) are sold on a non-cancelable and nonreturnable basis (NCNR), and returns of such custom order Products ("Custom Products") will be accepted on a case by case basis following written approval by a Digital Ally executive officer. If such return is authorized, Custom Products may only be returned for credit towards another Product of equal or greater value. Digital Ally retains the right to refuse returns of Custom Products.

Digital Ally retains the right to refuse the return of any Product, except as provided in the Digital Ally, Inc. Limited Warranty accompanying your Product purchase ("Product Warranty"). Other than returns covered by a Product Warranty, returns may be subject to a 20% restocking fee. Out-of-warranty returns will be charged a shipping fee.

Prior to returning a Product to Digital Ally for any reason, including under the Product Warranty, you must first obtain a Return Material Authorization ("**RMA**") from Digital Ally by contacting Digital Ally's Product Support department, supplying the requested information regarding the Product to be returned, and receiving Digital Ally's approval of the return. You will be given a case number for reference. Digital Ally will not accept returns without (a) an approved RMA, (b) the appropriate documentation included, and (c) compliance with this Product Return Policy.

The returned Product must be sent back to Digital Ally packed in accordance with Digital Ally's return shipping instructions, with the RMA number clearly marked on the outside of the return packaging, with the Product invoice, and all return shipping information necessary for Digital Ally to ship, as applicable, the exchanged or repaired Product back to you. You are responsible for shipping and insurance expenses arising from the Product return, and any repair or replacement costs, except as provided under the Product Warranty, and the RMA may require that, in addition to the Product to be returned, you also return any media, documentation, and any other items that were included in your original shipment. All Product returns shall be sent to the following address:

Digital Ally, Inc., 14001 Marshall Dr., Lenexa, KS 66215, ATTN: RMA

You are responsible for the removal and preservation of all data, including videos, previously stored on the Product you are returning; if Digital Ally accepts the return of a Product, the return is final, and ownership of the returned Product is transferred irrevocably to Digital Ally immediately.

Before an RMA is issued, Digital Ally may require the prepayment of items for which you are responsible, including, but not limited to, applicable restocking fees, shipping fees, and cost of repair or replacement of Products beyond the term or terms of the Product Warranty.