

SARATECH SOFTWARE AND MAINTENANCE TERMS AND CONDITIONS

*Updated April 30, 2026

These terms and conditions (“**Terms**”) govern the sale of products (“**Products**”), including software (“**Software**”), and the provision of services (“**Services**”) by Paydarfar Industries, Inc. dba Saratech and its divisions, subsidiaries, and affiliates (“**SARATECH**”), to the Party to whom the applicable Quotation is addressed (“**Customer**”). These Terms shall govern and control over any inconsistent or additional terms proposed by Customer, whether in a purchase order, acknowledgment, or otherwise. Any such additional or conflicting terms are expressly rejected and shall have no force or effect unless expressly agreed to in a written amendment signed by an authorized representative of SARATECH. Acceptance of Customer’s purchase order, commencement of performance, or delivery shall not constitute acceptance of any such terms. These Terms, together with any applicable Quotation and License Agreement constitute the entire agreement (“**Agreement**”) between the parties, and supersede all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral. In the event of any conflict between these Terms, the Purchase Order, and the Quotation, the Quotation shall govern. Customer’s issuance of a Purchase Order, tender of payment, or acceptance of the Products and/or Services from SARATECH, whichever occurs first, shall constitute Customer’s acceptance of these Terms, notwithstanding any inconsistent or additional terms proposed by Customer. THESE TERMS MAY ONLY BE WAIVED OR MODIFIED IN A WRITTEN AGREEMENT SIGNED BY AN AUTHORIZED REPRESENTATIVE OF SARATECH.

1. Definitions.

The following term(s) will have the meanings described below:

- a. **Maintenance Service** consists of (a) the provision of Software updates, (b) the provision of telephone support in connection with the Software, (c) new versions of software and update patches during the Maintenance Term, (d) technical software license support, (e) SARATECH Technical Support, and (f) mentoring.
- b. **Maintenance Term** shall mean the period commencing on the first date of the annual maintenance cycle as indicated on the Quotation and expiring on the maintenance expiration date indicated on the Quotation.
- c. **Maintenance Terms** shall mean these terms and conditions.
- d. **Quotation** shall mean the Quotation provided to Customer, including these terms and conditions.
- e. **Product** shall mean any Saratech product as specified in the Quotation.

2. Term. Software and Maintenance Services shall be provided for the duration as designated in the Quotation and shall automatically renew for successive one (1) year terms unless terminated by Customer by providing express written notice of termination at least sixty (60) days prior to the expiration of the initial term or any renewal term. If Customer purchases additional Software licenses during the term agreed upon, SARATECH reserves the right to adjust the annual maintenance term and pro rate the annual maintenance fees for such add-on Software to be coterminous with the initial Software maintenance term and billing cycle. Should there be no Maintenance Term, the agreed upon term shall commence on the date of Customer’s signature on the Quotation or the issuance of a purchase order and shall continue for a period of one (1) year thereafter. **NOTE: MULTI-YEAR DEALS SHALL BE NON-CANCELLABLE.**

- a. Termination Impact. Any termination of the Quotation shall not affect Parties’ obligations herein regarding Intellectual Property received prior to the effective date of the termination.

b. Termination of Quotation for Material Breach Notwithstanding the above, either Party may terminate the Quotation effective upon written notice to the other Party ("Defaulting Party"), if the Defaulting Party:

- Breaches the Quotation, and such breach is incapable of cure, or with respect to a breach capable of cure, the Defaulting Party does not cure such breach within thirty (30) days after receipt of written notice of such breach.
- Becomes insolvent or admits inability to pay debts generally as they become due.
- Becomes subject, voluntarily, or involuntarily, to any proceeding under any domestic or foreign bankruptcy or insolvency law, which is not fully stayed within seven business days or is not dismissed or vacated within forty-five (45) days after filing.
- Is dissolved or liquidated or takes any corporate action for such purpose.
- Makes a general assignment for the benefit of creditors.
- Has a receiver, trustee, custodian, or similar agent appointed by order of any court of competent jurisdiction to take charge of or sell any material portion of its property or business.
- In the event of termination of the Quotation for Material Breach, Customer shall pay Provider for all Services performed (if and as applicable) and expenses incurred (all in accordance with and subject to the provisions of the Quotation) by Provider prior to the date of termination.

3. Services Provided. SARATECH agrees to provide Maintenance Service during the Term of the Quotation to the Customer. If specified in the Quotation, Customer has purchased Premium Maintenance Service hours and SARATECH agrees to provide Premium Maintenance Service hours under these Terms herein. Should Customer not utilize all Premium Maintenance Service hours prior to the termination of the Maintenance Term, Customer will forfeit all purchased, unused hours. Should there be no applicable Maintenance Term, all Premium Maintenance Service hours must be used within one (1) year of purchase or will be forfeited.

4. License Agreements and Software Purchases. Any Software or Services provided to Customer by SARATECH are subject to the terms and conditions of the License Agreement (including but not limited to the Shrink Wrap Agreement, End User License Agreement, Licensed Software Designation Agreement, and/or Software License and Services Agreement) between Customer and the product manufacturer (hereinafter, "**License Agreement**"). Nothing herein shall be construed or interpreted to alter, eliminate, or change in any manner the rights and obligations thereunder.

a. For orders involving Siemens Product Lifecycle Management Software, Inc. Software and Services, the following Agreement shall apply:

- [Siemens EULA](#)

b. For orders involving Mentor Graphics Software and Services, the following Agreement shall apply:

- [Mentor EULA](#)

5. Payment and Taxes. Customer agrees to pay the sum in the Quotation. Advertised prices are in U.S. dollars and exclude shipping, handling and taxes unless otherwise noted. **All sales are final, and all payments hereunder are non-refundable.** Any amounts payable pursuant to the applicable

Quotation are exclusive of all federal, state, local, municipal, or other excise, sales, use, property or similar taxes and fees, now in force or enacted in the future and all such taxes and fees shall be paid by Customer. Customer agrees to indemnify Saratech against all claims and that Customer will promptly address and settle tax payment with authorities. Customer should note that many manufacturers will not accept returns, which may affect Customer's ability to return or exchange newly purchased Product(s).

- a. Late Payment(s). Any amount not paid when due will bear interest from due date until paid. Interest rate is equal to 1% per month, or maximum allowed by State Law, whichever is less. Failure to meet on-time payment, thirty (30) days *prior* to renewal date may result in a pause or hold of license file to prevent access to software.
 - Should cancellation have been made permissible in any adjustment to the agreed upon contract, any and all attempts to exit contract through non-payment or reduction will automatically enact a claw back clause if discounts were applied to previous years in the current contract.
- b. Work Stoppage Fee. If work is halted by the customer for more than a period of three (3) business days or in the event of non-payment (see section 3.7 above), a stoppage fee of 1-3% of total contract value will be incurred. Actual stoppage fee percentage will be determined solely by Saratech and computed at the time of stoppage based on resource impact and expected duration. Work Stoppage Fees must be paid prior to the resumption of any work by Saratech.

6. Maintenance Renewal Payment Terms. All Maintenance Renewal payments must be paid prior to the commencement of the renewal term. If all sums due hereunder are not received by Saratech at least five (5) days before the renewal date stated in the Quotation, Customer will be subject to a five percent (5%) late fee on the pre-tax subtotal of the invoice.

7. Machine Calibration. Customer shall be solely responsible for ensuring that all machinery, equipment, and devices on which, or with which, the part programming and ISV Kits are installed or used are fully calibrated, properly maintained, and verified to conform to specifications prior to installation or operation. It is recommended that calibration conform to ISO 9001:2015 Clause 7.1.5.1 and 7.1.5.2, which set forth requirements regarding calibration intervals, standards, and documentation. Customer shall provide machine calibration data to Saratech upon request.

8. Successive Maintenance Terms. SARATECH reserves the right to increase the price of successive Maintenance Terms in accordance with any increases imposed by Siemens with or without notice to Customer. SARATECH expressly disclaims all representations regarding maintenance and support services fees. Following the first two Maintenance Terms, Siemens' ability to increase the maintenance and Maintenance Services fees shall not be subject to the cap or notice period requirements. The initial Maintenance Term will commence on the first day of the month following the delivery date of the Software to Customer.

9. Late Maintenance Renewal. Customer must renew its maintenance agreement prior to the expiration of the Maintenance Term indicated in the Quotation. If Customer has allowed its maintenance payment to lapse, Customer's new maintenance term will be charged from the date of the expiration of the prior Maintenance Term as indicated in the Quotation. Additionally, Customer will be subject to a reinstatement fee of twenty-five percent (25%) of the total maintenance owed for the period between the date of expiration of their prior maintenance agreement and the effective date of the reinstatement. The start of the new maintenance agreement will be backdated to the original maintenance agreement's expiration date.

10. **Delaying Initial Purchase of Maintenance.** If Customer purchases a new license without an initial maintenance contract, there is a ninety (90) day grace period within which Customer may purchase a new maintenance contract without incurring any fees or penalties. The new contract will be backdated to the delivery date of the original license. Should Customer purchase an initial maintenance contract after expiration of the ninety (90) day grace period, Customer will be assessed a twenty-five percent (25%) reinstatement fee on all back maintenance from the date of the delivery of the original license. No maintenance support is provided during the grace period.

11. **Cancellation of Maintenance.** Customer can elect not to renew maintenance for the next Maintenance Term by cancelling the maintenance contract with the submission of a written request no less than sixty (60) days prior to the expiration of their Maintenance Term. Should Customer not provide at least sixty (60) days prior express written notice, maintenance will automatically be renewed as provided in Paragraph 2. SARATECH reserves the right to terminate these Terms with express written notice if Customer fails to comply with any terms of these Terms or any terms of the License Agreement between Customer and the product manufacturer.

No Maintenance Reactivation. Should Customer allow their maintenance contract to lapse and fail to renew their maintenance contract within a twenty-four-month (24) period past expiration date, Customer will **not** be eligible for maintenance reactivation; only the purchase of a new license will be possible.

12. **Customer Acknowledgment and Responsibilities.** Customer shall be solely responsible for all Services performed by SARATECH personnel for Customer. Customer shall not ask for Services beyond the scope of these Terms. Customer shall accept sole liability for all Services performed outside the scope of these Terms. SARATECH employees or personnel cannot accept management responsibilities under these Terms, nor shall they have signature authority. Customer agrees to always direct the work of SARATECH personnel and to provide all engineering inputs, assumptions, criteria, constraints, or other information necessary to complete assigned project(s). SARATECH personnel shall not be responsible for any management of any kind including project management nor shall they have authority to approve final products. Customer acknowledges that such work is outside the scope of these Terms.

13. **Charges and Additional Fees.** On-site mentoring has a minimum time charge of four (4) Premium Maintenance Service hours. Travel time as well as time spent at the Customer's site shall be deducted from Customer's balance of Premium Maintenance Service hours. On-site visits requiring an overnight stay shall incur an additional charge of three (3) mentoring hours per night. Each visit shall be no longer than five (5) consecutive overnight stays. Additional fees may apply including, but not limited to, fees for laptop rentals, training facilities, training and other costs relating to classes.

14. **Assigning Personnel, On-Site Service Calls and Cancellations.** All onsite visits must be scheduled no less than three (3) weeks in advance. SARATECH shall try to accommodate any requests for specific SARATECH personnel but cannot guarantee a specific engineer for any project or call. Customer shall be responsible for all travel fees and/or costs resulting from Customer cancellation of an onsite visit.

15. **Intellectual Property.** If not specifically set forth in any applicable Proposal, SARATECH shall exclusively own all intellectual property rights to its own deliverables and any intellectual property rights derived therefrom.

16. **Authority.** Each Party warrants that (i) it has full power and authority to enter into these Terms

and to grant the other Party the rights granted hereunder, and (ii) the signatories to these Terms are duly authorized to bind their respective Party.

17. Preexisting Work. Services articulated herein may require the use of SARATECH technical data (specifications, formulae, processes and/or computer software) developed at private expense and protected by copyright or other intellectual property rights or considered a trade secret by SARATECH or third parties ("Preexisting Works"). Such use or reference shall not constitute or imply a grant of a license, a transfer of any title or right, or any other right to use such Preexisting Works. All rights, titles, and interest in any Preexisting Works, and in any modifications, enhancements or derivatives thereto utilized in the performance of these Terms are and shall remain with SARATECH and its licensors. Preexisting Works provided are intended only for use in relation to the Services provided hereunder. Customer may not duplicate, redistribute, or utilize Preexisting Works whether internally or externally.

18. No Warranties and Limitation of Liability.

- a. SARATECH makes no representations or guarantees as to the level of expertise, background and or skills of the SARATECH employees or contractors utilized in performance of Services hereunder. EXCEPT AS EXPRESSLY SET FORTH HEREIN, ALL REPRESENTATIONS AND WARRANTIES, WHETHER EXPRESS, IMPLIED OR STATUTORY, ARE HEREBY DISCLAIMED AND EXCLUDED BY SARATECH, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. SARATECH SHALL NOT BE LIABLE FOR ANY LOSS OR DAMAGE CAUSED BY SARATECH IN FURNISHING PRODUCTS, SERVICES OR ANY OTHER PERFORMANCE UNDER OR PURSUANT TO THESE TERMS. CUSTOMER'S SOLE AND EXCLUSIVE REMEDIES FOR BREACH OF ANY AND ALL WARRANTIES AND FOR SARATECH'S LIABILITY OF ANY KIND (INCLUDING LIABILITY FOR NEGLIGENCE) UNDER THESE TERMS SHALL BE LIMITED TO THE REFUNDING OF THE SUM OF CUSTOMER'S MAINTENANCE AND PREMIUM MAINTENANCE SERVICE FEE SET FORTH IN THE QUOTATION FOR THE MAINTENANCE TERM.
- b. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL SARATECH BE LIABLE TO CUSTOMER OR ANY THIRD PARTY FOR ANY INCIDENTAL, CONSEQUENTIAL, INDIRECT, SPECIAL OR PUNITIVE DAMAGES (INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, LOST DATA, BUSINESS INTERRUPTION, LOSS OF BUSINESS INFORMATION OR OTHER PECUNIARY LOSS) REGARDLESS WHETHER SUCH LIABILITY IS BASED ON BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, BREACH OF WARRANTIES, FAILURE OF ESSENTIAL PURPOSE OR OTHERWISE, EVEN IF SARATECH HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH POTENTIAL LOSS OR DAMAGE.
- c. SARATECH'S TOTAL LIABILITY UNDER THESE TERMS SHALL NOT EXCEED THE TOTAL AMOUNT RECEIVED BY SARATECH FROM CUSTOMER UNDER THESE TERMS.
- d. FURTHERMORE, SARATECH MAKES NO WARRANTY THAT THE OPERATION OF THE SOFTWARE WILL BE UNINTERRUPTED OR ERROR FREE. UNDER NO CIRCUMSTANCES SHALL SARATECH BE LIABLE TO ANY THIRD PARTY HEREUNDER. Customer acknowledges that SARATECH shall not under any circumstances be liable or responsible for any malfunction of or defects in third party software, including, but not limited to third party software sold by SARATECH. SARATECH has not evaluated the suitability or compatibility of the Product(s) within Customer's

technology environment. Similarly, SARATECH does not warrant that the functions of the Product(s) will meet Customer's requirements or that the Product(s) will operate in combination with other Product(s) selected by Customer or Customer use. Customer's rights and remedies for all software sold by SARATECH are outlined in the respective Software License Agreement. Nothing contained herein shall be construed to confer additional rights or remedies on Customer.

19. Indemnification. Customer shall defend, indemnify, and hold SARATECH harmless from all claims, fines, penalties, assessments, liabilities, losses, and expenses, including attorneys' fees, citation, fines and court costs, and liabilities of every kind arising from any acts or omissions committed by Customer or Customer's employees or agents. Customer shall be responsible for all liabilities which may be imposed by reason of any asserted or established violation of law, order, rule or regulation by Customer, its employees, or agents.

20. Non-Exclusivity. Except as provided herein and except as otherwise expressly agreed to in writing by the parties, the relationship between the parties is non-exclusive. Nothing in these Terms shall preclude SARATECH from entering relationships with any other companies which are similar to the relationship with Customer, nor shall these Terms preclude SARATECH from marketing or providing its products or services to any person or entity as SARATECH sees fit, or from independently developing, marketing or selling any products or services that are similar to or compete with the other party's products or services.

21. Survival. Customer's obligations under all section herein shall survive termination of these Terms.

22. Authority. Each Party warrants that (i) it has full power and authority to enter into these Terms and to grant the other Party the rights granted hereunder, and (ii) the signatories to these Terms are duly authorized to bind their respective Party.

23. Relationship. The relationship between SARATECH and Customer shall be that of independent contractors and not that of principal and agent, nor that of legal partners. Neither Party shall represent itself as the agent or legal partner of the other nor perform any action that might result in other persons believing that it has authority to contract in any way to enter commitments on behalf of the other.

24. Severability. If any provision of these Terms shall be unlawful, void, or for any reason unenforceable, it shall be deemed severable from, and in no way shall affect the validity or enforceability of, the remaining provisions of these Terms. If a court/arbitrator determines that part or all of these Terms is not valid/enforceable, the Parties agree and request that these Terms be reformed to make as much of it valid/enforceable as possible.

25. Assignment and Delegation. Neither Party shall assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, that either Party may assign its rights or delegate its obligations without such consent to (a) affiliates, or (b) an entity that acquires all or substantially all of the business or assets of such party to which these Terms pertains, whether by merger, reorganization, acquisition, sale, or otherwise. Any purported assignment or delegation in violation of this Section shall be null and void. However, Customer acknowledges and agrees that SARATECH may utilize subcontractors in the performance of its duties hereunder without notice to Customer.

26. **Successors and Assigns.** These Terms shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns.
27. **Captions and Headings.** Captions and headings used in these Terms are for convenience only and are not part of these Terms and shall not be used in construing its meaning.
28. **Export.** Customer acknowledges that property supplied or developed by either party under these Terms may be subject to export controls under the applicable laws and regulations. Customer shall comply with such laws and regulations, and agrees not to knowingly export, re-export, or transfer property without first obtaining all required governmental authorizations or licenses. Each Party agrees to provide the other Party with such information and assistance as may reasonably be required by the other in connection with securing such authorizations or licenses, and to take timely action to obtain all required support documents.
29. **Waiver and Modification.** Failure by either Party to enforce any provision of these Terms will not be deemed a waiver of future enforcement of that or any other provision. Any waiver, amendment, or other modification of any provision of these Terms will be effective only if in writing and signed by the Parties.
30. **Governing Law.** These Terms shall be governed by and construed in accordance with the laws of the State of California without reference to choice of law principles including, but not limited to, matters of construction, validity effect or performance.
31. **Consent to Jurisdiction and Venue.** In the event that any litigation or other legal proceedings shall arise under or in connection with these Terms, and which are not subject to arbitration hereunder, such litigation or other legal proceeding shall be conducted in federal, state, or local courts located within Orange County, California. Furthermore, the Parties consent to jurisdiction and venue in federal, state, or local court located in Orange County, California, and the Parties hereby waives defenses or objections thereto, including defenses based on the doctrine of forum non conveniens.
32. **Force Majeure.** Neither Party shall be liable in damages for, nor shall these Terms be terminable or cancellable by reason of, any delay or default in such Party's performance hereunder if such default or delay is caused by events beyond such Party's reasonable control, including acts of God, law or regulation or other action or failure to act of any government or agency thereof, war or insurrection, riot, civil commotion, destruction of production facilities or materials by earthquake, fire, flood or weather, labor disturbances, epidemic, pandemic (including a material increase or reoccurrence of COVID-19 virus), power failures, communication line failures, failure of common carriers, or other disasters. The Party seeking relief under this Section shall immediately notify the other Party of such cause(s) beyond such Party's reasonable control. The Party invoking this Section shall use commercially reasonable efforts to reinstate its ongoing obligations to other Party as soon as practicable. If the cause(s) shall continue unabated for thirty (30) days, both Parties shall meet to discuss and negotiate in good faith what modifications to these Terms should result from such cause(s).
33. **Hazardous Materials.** The scope of SARATECH's services for these Terms does not include any responsibility for detection, remediation, accidental release, or services relating to waste, oil, asbestos, lead, or other hazardous materials, as defined by Federal, State, and local laws or regulations.
34. **Non-Solicitation.** During the term of any applicable Agreement and for a period of twelve (12) months following its termination or expiration, neither Party ("Hiring Party") shall, without the prior written

consent of the other Party (“Protected Party”), directly solicit for employment or engagement any employee or independent contractor of the Protected Party who was materially involved in the performance or receipt of Services.

Exceptions.

This restriction shall not apply to:

- (a) general recruitment efforts not directed specifically toward the other Party’s personnel (including job postings, advertisements, or use of recruiters not specifically tasked to target the other Party’s employees);
- (b) individuals who initiate contact with the Hiring Party without solicitation; or
- (c) individuals who have not been employed or engaged by the other Party for at least six (6) months prior to such contact.

Liquidated Damages for Poaching.

If either Party hires or engages any employee or contractor of the other Party in violation of this Section, the Hiring Party shall pay the Protected Party, as liquidated damages and not as a penalty, an amount equal to 100% of the employee’s or contractor’s annualized base salary or fees at the time of hire or engagement. The Parties acknowledge that this amount represents a reasonable pre-estimate of the costs of recruiting, hiring, training a replacement, and resulting lost productivity, which would be difficult to calculate with precision.

35. Entire Agreement. These Terms along with the License Agreement constitute the entire agreement between the Parties with respect to the subject matter hereof and supersedes and replaces all prior and contemporaneous understandings or agreements, written or oral, regarding such subject matter with exception of the License Agreement.