

END USER LICENSE AGREEMENT (February 2019)
("EULA")

This EULA sets out the terms and conditions under which Priority agrees to provide You a License to use the Software. By using the Software, You agree to be bound by this EULA. If You do not agree to all the terms and conditions of this EULA, Priority is unwilling to license the Software to You, and in such event, You are prohibited from using the Software.

1. DEFINITIONS

In addition to the definitions appearing elsewhere in the EULA, the following capitalized terms shall have the following meanings:

- 1.1. "**Affiliate**" means any entity in which You or Priority (as the case may be) owns more than 50% of the issued stock or any entity that owns more than 50% of the issued stock of You or Priority (as the case may be) – all whether directly or indirectly;
- 1.2. "**Content**" means all data and information uploaded by You or by anyone on Your behalf into the Software or using the Software, all except for data and information provided to You by Priority;
- 1.3. "**Documentation**" means Priority's documentation applicable to the Software, including Priority's user guides, technical manuals and training materials;
- 1.4. "**Intellectual Property Rights**" means all right, title, and interest in and to the Software, including any and all intellectual, moral and/or industrial property and rights now or hereafter recognized under any applicable law or in equity anywhere in the world, whether registrable or unregistrable, issued or pending, registered or unregistered, including (i) all forms of patents and utility models; (ii) inventions, discoveries, (whether patentable or not); (iii) rights associated with works of authorship, including copyrights and mask works; (iv) trademarks and service marks, trade names, domain name registrations; (v) designs (whether registrable or not), design rights; (vi) database rights; (vii) trade secrets and know how; (viii) all rights to or in connection with confidential or proprietary information; and with respect to the intellectual property included in paragraphs (i) to and including (viii) above - any rights analogous to those mentioned herein; all derivative works and/or any improvements or modifications thereof; and any current or future applications, renewals, extensions, restorations, provisionals, continuations, continuations-in-part, divisions, reexaminations and reissues thereof; the right to apply to any of the above; any license rights with respect to the above received from third-parties; and all of the tangible embodiments thereof;
- 1.5. "**Priority**" means Priority Software Ltd and any of its Affiliates;
- 1.6. "**Software**" means Priority Software ERP software, including additional related or supplementary software modules as set forth in the Transaction Documents, and the Documentation; all including any updates, upgrades and/or other modifications thereto;
- 1.7. "**Transaction Documents**" means the applicable order form(s), contract(s) and/or any other documents approved by Priority, detailing, *inter alia*, the quantities and other details of the license(s) granted to You, including their respective Licensing Model(s), Licensing Base(s) and Licensing User Type(s) and any other limitations (*e.g.* the number of periodic transactions processes, limited-functionality access to the Software etc.);
- 1.8. "**You**" (or "**Your**") means the individual or legal entity licensing the Software under this EULA as set forth in the Transaction Documents.

2. LICENSE

- 2.1. License. The license granted to You by Priority is subject to Your compliance with all the terms and conditions of this EULA and to payment by You of all applicable fees, and provides You a personal, non-exclusive, non-transferable, non-sublicensable, limited right to use of the Software, solely for Your or Your Affiliates' internal business operations ("**License**").
- 2.2. Open Source and Additional Software Components. The Software may contain certain open source code or additional software components that may be subject to additional specific license terms. In accepting this EULA, you also agree to be bound by these license terms with respect to the aforementioned specific open source code or software components. The relevant open source software components used by Priority and the licenses applicable to them can be found here: <https://bit.ly/2CIx8Xx> and here: <https://bit.ly/2TpfD4g>.
- 2.3. Authorized Use. Only those authorized by You may use the Software, subject to all of the following: (a) such use is solely on Your behalf; (b) Such use shall be in compliance with all of the terms and conditions of this EULA; and (c) You shall be fully liable for any breach of this EULA.

2.4. Licensing Model(s), Base(s) and User Type(s).

Any License granted is defined based on one Licensing Model (as defined in Section 2.4.1 below), one Licensing Base (as defined in in Section 2.4.2 below) and one Licensing User Type (as defined in Section 2.4.3 below).

2.4.1. Licensing Model.

- (i) On-Premises Model: a License in which the Software is hosted by You (either at Your facility or at the facility of Your third party hosting services provider).
- (ii) SaaS Model (Software as a Service): a License in which the Software is located on a cloud service operated by Priority.

2.4.2. Licensing Base.

- (i) Perpetual Base: a License, which allows use of the Software perpetually.
- (ii) Subscription Base: a License, which allows use of the Software for a limited renewable term(s) with the License expiring at the end of such term if not renewed - after which You will be prohibited from using the Software.

2.4.3. Licensing User Type.

- (i) Named User: a License that allows use of the Software only by a particular named individual, as designated by You through the Software's tools ("**Named User**"). The quantity of Named Users using the Software cannot exceed the quantity of Named User Licenses as set forth in the Transaction Documents.
- (ii) Concurrent User: A License, which allows use of the Software by a single user, regardless of the identity of such user ("**Concurrent User**"). Multiple Concurrent Users may share use of the Software, provided that the quantity of Concurrent Users using the Software simultaneously at any given time does not exceed the quantity of Concurrent User Licenses as set forth in the Transaction Documents.
- (iii) Work Station: A License, which allows use of the Software by multiple individuals through a single physical workstation located in a specific location, as identified in the Transaction Documents ("**Work Station**"). The quantity of Work Stations using the Software cannot exceed the quantity of Work Stations Licenses as set forth in the Transaction Documents.
- (iv) API: A License, which allows use of the Software through non-standard applications (namely applications which do not form an integral part of the Software) using either Priority's Application Programming Interface or other external integration components or functionalities offered by Priority ("**API**").

If You are granted an API License You may receive a key code issued by Priority allowing access to the respective API ("**API Key**"). If You were provided with an API Key, You may not transfer or assign the API Key to anyone or allow others access to the API Key without Priority's prior explicit consent. The API Key must be kept safe and confidential at all time.

3. **LIMITATIONS**

3.1. You will not, and will not allow any third party, to:

- 3.1.1. Unless explicitly authorized by Priority to do so, or to the extent allowed under any applicable law - make any copies of the Software or any part thereof;
- 3.1.2. Except as and only to the extent any of the following restrictions are specifically prohibited by applicable law or to the extent as may be explicitly permitted by the licensing terms governing use of any open sourced components included with the Software - modify, adapt, translate, decrypt, decompile, disassemble or reverse engineer the Software, or in any other manner decode the Software or create derivative works based on the Software;
- 3.1.3. Sell, loan, rent, lend, lease, sub-license, resell, distribute, or otherwise transfer the Software to any third party or use the Software in any manner not expressly allowed under this EULA;
- 3.1.4. Remove or alter any patent numbers, trade names, copyright notices, trademark notices, serial numbers, labels, tags or other identifying marks, symbols or legends included in and/or otherwise affixed to the Software;
- 3.1.5. Use the Software in any manner inconsistent with any applicable law;

3.1.6. Use the Software to conduct any illegal activity, solicit any illegal activity, or to engage in any other activity that infringes upon the rights of Priority or any third party.

3.2. The user name and password used to access the Software shall be unique, may not be used by anyone except for the specific person to whom they were assigned, may not be shared with others and must be kept secured and confidential at all time.

4. ALLOWED DERIVATIVES AND DEVELOPMENTS

4.1. Priority may, at its discretion, allow You access to certain source code comprising part of the Software (“**Priority Open Code**”). Notwithstanding the provision of Section 3.1.2 above and without derogating from the applicability of other sub-sections of Section 3 above, Priority hereby allows and enables You to create, install and/or use software components created by You, those operating on your behalf or those from whom You have purchased such software components, where they are complementary, interfacing with and based on the Priority Open Code by way of modification, adaptation or the creation of a derivative work (“**Allowed Derivative**”) – subject to the following terms and conditions:

4.1.1. No Allowed Derivative shall be installed or used where such installation or use are contrary to any applicable law.

4.1.2. No Allowed Derivative shall be installed or used where (a) such installation or use involve the circumvention or cancellation of Priority’s licensing mechanisms, (b) in a manner that affects Priority’s licensing mechanisms, or in a manner that enables or (c) in a manner intended to enable You or others to circumvent Priority’s licensing mechanisms, exceed the terms or scope of the License or to use the Software without a suitable license from Priority.

4.1.3. Priority will not be responsible and shall have no liability where the installation or use of an Allowed Derivative causes a malfunction, interference or other impediment to Your or Your Affiliates’ use of the Software and/or any damage to any Content and/or to Your data or information – in such case You will be responsible for Your use of the Software and You will bear any resulting cost or damage.

4.1.4. You will only install and use an Allowed Derivative for Your or Your Affiliates’ internal purposes. You will not trade in an Allowed Derivative and will not allow others who are not Your Affiliates to use an Allowed Derivative – including through the acts described in Section 3.1.3 above.

4.2. Priority reserves the right to narrow or expand, from time to time, the scope of the Priority Open Code or altogether prevent its use by You, but it is hereby clarified that Your right to continue using an Allowed Derivative will not be affected where You have installed and commenced using such Allowed Derivative prior to the change in scope of the Priority Open Code by Priority as set forth in this Section 4.2.

5. CONTENT

5.1. You shall be solely responsible for all Content, including with respect to the accuracy, quality and legality of the Content. Priority does not claim ownership over the Content and shall not be responsible to the Content in any manner.

5.2. Notwithstanding anything to the contrary express or implied, if at any time Priority becomes aware that any Content (i) may be obscene, defamatory or fraudulent, violate any applicable law (ii) infringe any third party intellectual property rights or (iii) exposes Priority to any civil, regulatory or criminal liability, Priority shall be entitled to (a) notify You accordingly, and You shall immediately remove such Content; or (b) with respect to SaaS Licensing Model – remove such Content and notify You of its removal.

5.3. With respect to SaaS Model - Upon termination or expiration of this EULA, You will lose all access to the Content, provided however that (i) for a period of thirty (30) days from the effective date of termination of the License, Priority will provide You, upon Your written request, with a reasonable opportunity to download Your Content (at Your cost and expense); (ii) Priority reserves the right to permanently delete any Content at any time following said thirty (30) day period, and You hereby waive any rights and/or remedies with respect to such deletion of Content.

5.4. You shall indemnify, defend, and hold harmless Priority and its respective directors, officers, employees and agents, from and against any loss, damage, cost, expense or liability, resulting from or arising out of any third party claim based on a claim that any Content infringes upon the Intellectual Property Rights of a third party and/or is otherwise unlawful and/or contrary to any contractual obligation made by You towards such third-party with respect to the Content.

6. WARRANTIES

6.1. The Software is provided and licensed by Priority on an "as-is" basis. Priority expressly disclaims all warranties and conditions of any kind or nature, whether written or oral, express or implied, including with respect to the merchantability, fitness for a particular purpose or use, title, performance, security, or non-

infringement of third party rights. In addition, Priority expressly disclaims any implied warranty with respect to liability for compliance with applicable law applicable to You, which shall be Your sole responsibility.

- 6.2. Without derogating from the generality of Section 6.1 above, Priority does not represent or warrant that (i) the operation of the Software will be accurate, uninterrupted, faultless and/or error-free; (ii) the Software will operate on equipment and/or system other than those explicitly specified by Priority; (iii) the Software or any equipment or system on which the Software is used will be free of vulnerability to intrusion or attack; and/or (iv) disruptions and/or impairments in the use of Content and/or other data will not occur.

7. **LIMITATION OF LIABILITY**

- 7.1. To the maximum extent permitted by applicable law, in no event shall Priority, and its directors, officers, employees, agents and licensors, be liable for (i) any special, indirect, incidental, consequential, exemplary and/or punitive damages, (ii) any loss of and/or damage to Content and/or other data, loss of business, loss of revenues, loss of profits, loss of goodwill or loss of use, (iii) any damages resulting from use of the Software not in compliance with this EULA and/or (iv) any third party claims against You; arising out of or in any way related to this EULA.
- 7.2. Without derogating from the above, Priority's maximum cumulative liability in connection with this EULA will be limited to the total amount of License fees paid by You for the Software during the twelve (12) months period preceding the date on which the event giving rise to liability occurred. This limitation of liability for Software is cumulative and not per incident.
- 7.3. No action may be brought against Priority arising from or in connection with this EULA later than one (1) year from the date in which the grounds for such claim were established or the relevant facts became known to You, provided that the reasons due to which the grounds for such claim were not known after they had been established was not due to any circumstances under Your control and that You could not have prevented them by exercising due caution.

8. **OWNERSHIP**

- 8.1. All Intellectual Property Rights are and shall remain the sole and exclusive property of Priority. You are granted no title or ownership rights in or to the Software.
- 8.2. Without derogating from the above, Priority reserves all proprietary rights in and to all designs, engineering details and other data pertaining to the Software. The Software contains trade secrets of Priority, including the source code version and the specific design of the Software. All rights not expressly granted to You in this EULA are retained by Priority.
- 8.3. You shall promptly notify Priority in writing of any infringement or other violation of Priority's Intellectual Property Rights to which You become aware. You shall reasonably cooperate with Priority, at Priority's expense, in the defense and protection of such Intellectual Property Rights.
- 8.4. In case of SaaS Licensing Model You grant Priority a worldwide, royalty-free, transferable, sublicensable license to use, modify, reproduce and distribute the Content only as reasonably required to provide the SaaS services.

9. **AUDIT**

- 9.1. Priority (or any third party auditor on behalf by Priority) shall be entitled to audit Your systems and records (in accordance with Priority's then current procedures, which may include on-site and/or remote audit) in order to ensure compliance with the terms and conditions of the License and that any use of the Software is properly covered by Licenses ("**Audit**"), during Your normal business hours. An Audit may be conducted no more than once every six (6) months.
- 9.2. Priority will notify You in writing of its intent to perform an Audit at least five (5) business days prior to the planned date for such Audit. You will approve the suggested Audit date within three (3) business days of the receipt of such Priority's notice. If the Audit cannot take place at the planned date You will suggest an alternative date, which will be no more than three (3) business days from the planned Audit date as initially suggested by Priority.
- 9.3. You shall cooperate reasonably in the conduct of such Audits. Your failure to cooperate in the performance of an Audit, including Your failure to respond to an Audit notice from Priority as above, will be considered as a material breach of the License terms and may lead to the revocation of all Licenses granted to You and prevent You from further use of the Software.
- 9.4. For the avoidance of doubt, if an Audit reveals noncompliance with the License and/or any use of the Software by You which is not covered by Licenses, then without derogating from any rights and/or remedies available to Priority under agreement or at law, You will promptly cease all unauthorized use of the Software; pay

Priority the underpaid License fees and any other related underpaid fees (*e.g.* maintenance fees); and reimburse Priority for the cost of the Audit.

10. CONFIDENTIALITY

- 10.1. A party to this EULA that received any information under this EULA ("**Receiving Party**") agrees to hold in confidence any information, in whatever form disclosed, provided by or on behalf of either party ("**Disclosing Party**") to it or to which the it otherwise gains access, in the course of or incidental to the performance of this EULA ("**Confidential Information**"), subject to the exceptions of Article 10.4 below. Without derogating from the generality of the above, the Software shall be deemed as Confidential Information of Priority.
- 10.2. The Receiving Party agrees to refrain from using, copying, distributing, disseminating or otherwise disclosing such Confidential Information to anyone. Notwithstanding the above, the Receiving Party shall be authorized to disclose the Confidential Information to its employees and representatives ("**Related Parties**"), if and to the extent that that such Related Parties have a legitimate business need to have access to and knowledge of the Confidential Information and provided that: (i) the Receiving Party shall remain liable for any breach by its Related Parties thereof; and (ii) the Confidential Information is limited to such extent necessary.
- 10.3. All Confidential Information shall be and remain the property of the Disclosing Party. Disclosure of the Disclosing Party's Confidential Information to the Receiving Party shall not be construed as granting the Receiving Party any right, title, or license, whether express or implied, with respect to the Confidential Information or to its related Intellectual Property or products (including improvements, modifications and/or derivatives related to the Confidential Information), other than the right to use the Confidential Information in accordance with the provisions of this EULA.
- 10.4. The confidentiality obligations of the Receiving Party regarding the Disclosing Party's Confidential Information shall not apply to Confidential Information which: (a) is generally available to the public in reasonably integrated form without fault on the part of the Receiving Party; (b) is lawfully obtained from a source other than the Disclosing Party, which source is free of any obligation to keep the same confidential; (c) is previously known to the Receiving Party without an obligation to be kept confidential, as can be substantiated by written and dated records; (d) was independently developed by the Receiving Party, without use of the Disclosing Party's Confidential Information, as can be substantiated by written and dated records; (e) is expressly released in writing from such obligations by the Disclosing Party; or (f) is required to be disclosed pursuant to applicable law or request by a governmental or other entity authorized by law to make such request, including any stock exchange or securities agency or authority; provided, however, that the Receiving Party so required to disclose shall first notify the Disclosing Party (to the extent not prohibited from doing so) in order to enable it to seek relief from such requirement, and disclose only that portion of the Confidential Information which is required to be disclosed as stated in this subsection (f) above.
- 10.5. All copies of Confidential Information, regardless of form, shall, at the discretion of the Disclosing Party, either be destroyed or returned to the Disclosing Party, promptly upon the earlier of: (i) Disclosing Party's written request, or (ii) expiration or termination for any reason of this EULA. The Receiving Party shall confirm such destruction or return in writing to the Disclosing Party. The provisions of this Section 10.5 shall not apply to any Confidential Information with respect to which the Receiving Party may be subject to a legal obligation to maintain copies of for a certain period of time (at the end of which the Receiving Party shall promptly destroy or delete any such copies).

11. TERM AND TERMINATION

- 11.1. This EULA term commences on the date of Your first use of the Software, and shall thereafter continue to be in full force and effect until termination or expiration of the applicable License.
- 11.2. This EULA may be terminated by either party on written notice, if any of the other party becomes insolvent, ceases to do business as a going concern, makes an assignment, composition or arrangement for the benefit of its creditors, or admits in writing its inability to pay debts, or if proceedings are instituted by or against it in bankruptcy under applicable insolvency laws, or for receivership, administration, winding-up or dissolution or an analogous event to any of the foregoing occurs under any applicable law, all (i) except in the course of a solvent reorganization, restructuring or mergers; and (ii) provided such proceedings are not dismissed within sixty (60) days from the initiation thereof.
- 11.3. Any noncompliance by You with this EULA and any failure by You to pay, for any reason, the applicable fees for a License granted within thirty (30) days from the due date for payment, shall entitle Priority to forthwith terminate this EULA and/or suspend Your right to use the Software (at Priority's sole discretion), without thereby derogating from other rights and/or remedies afforded to Priority under any agreement or at law.
- 11.4. You may terminate a License granted on Subscription Base by written notice to Priority to that effect, in which event the effective date of termination shall be the end of the following calendar quarter, unless a

specific commitment period was provided in the Transaction Documents – in which case the termination shall become effective at the end of the said commitment period.

11.5. Upon expiration or termination for any reason of this License, You shall destroy all copies of the Software in Your possession or control, and shall certify to Priority in writing that You have satisfied such obligation.

12. GOVERNING LAW AND DISPUTE RESOLUTION

12.1. Any dispute arising out of or in connection with this EULA, including with respect to the interpretation, performance, breach or termination thereof ("**Dispute**") shall be governed, controlled, and interpreted exclusively by and under the laws of the State of Israel, without regard to the conflicts of law provisions thereof.

12.2. The parties hereby expressly and irrevocably submit to the exclusive jurisdiction of the competent courts in Tel-Aviv, Israel, in connection with any Dispute. Each party expressly and irrevocably waives any right that it may have to object to an action being brought in those Israeli courts, to claim that the action has been brought in an inconvenient forum, or to claim that those courts do not have jurisdiction.

13. MISCELLANEOUS

13.1. General Provisions. (i) The headings of the Sections in this EULA are for reference only and shall not be considered in the interpretation hereof; (ii) the word "including" is not intended to be exclusive and means "including without limitation"; (iii) This EULA contains the complete agreement with respect to the subject matter hereof and supersedes any prior understandings, agreements or representations regarding such subject matter; (iv) In the event that any provision of this EULA is held to be invalid, illegal or unenforceable by a court of competent jurisdiction, that provision shall be construed, limited, modified or deleted, to the extent necessary to eliminate any invalidity, illegality or unenforceability, and the remaining provisions of this EULA remain in full force and effect; (v) No waiver of any right under this EULA shall be effective unless in writing and signed by a duly authorized representative of the party to be bound; No waiver of any past or present right arising from any breach or failure to perform shall be deemed to be a waiver of any future right arising under this EULA; (vi) Nothing contained in this EULA shall be construed as creating a partnership, joint venture, agency or other similar relationship between Priority and You, nor as granting either party the right, power, or authority (express or implied) to bind or otherwise create any duty or obligation for the other; (vii) There shall be no employer-employee relationship between the parties.

13.2. Notices. Termination notices shall be delivered by registered post to the registered office address of Priority or Your (as the case may be) with delivery confirmation, and shall be deemed to have been delivered to the other party after such confirmation has been received. Any other notices may be delivered by electronic mail (e-mail), and shall be deemed to have been delivered upon receipt unless received not in a business day, in which case such notice shall be deemed to have been made to the other party on the next business day following receipt. E-mail addresses: If to Priority - info@priority-software.com; if to You - as provided to Priority.

13.3. Assignment. (i) You may not assign, subcontract and/or otherwise transfer any of its rights and/or obligations under this EULA, either in whole or in part, to any third party without the prior written consent of Priority, and any purported assignment, subcontracting or transfer without Priority's prior written consent shall be null and void; (ii) Priority may assign, subcontract and/or otherwise transfer any of its rights and/or obligations under this EULA, either in whole or in part, to any third party at Priority's sole discretion and without Your consent.

13.4. Amendment. Priority reserves the right to update this EULA from time to time, by sending You a notice on the amendment of this EULA.

13.5. No Third Party Rights. This EULA does not create any obligation of a party to any third parties, nor shall it be deemed to create any rights or causes of action on behalf of any third parties.

By: _____

Date: _____

Name: _____

Title: _____