

This document provides the limited equipment warranty provided by Daktronics with the purchase of Equipment. It further details the terms and conditions of any Extended Services which may be purchased with the original sale of the Equipment. By accepting delivery of the Equipment, Purchaser and End User agree to be bound by and accept these terms and conditions.

## **SECTION I LIMITED WARRANTY**

This Limited Warranty applies to all Equipment manufactured by Daktronics except such Equipment expressly subject to the Consumable Part Warranty which is denoted in the Equipment description as "CP Warranty" or elsewhere in the sales agreement. The Limited Warranty is subject to this Section I and the Terms and Conditions of Section IV.

Daktronics warrants to the End User that the Equipment will be free from Defects in materials and workmanship during the Limited Warranty Period. The Limited Warranty Period shall commence on the earlier of: (i) four weeks from the date that the Equipment leaves Daktronics' facility; or (ii) Substantial Completion as defined herein. Unless a longer statutory period is required which cannot be modified by agreement of the parties, the Limited Warranty Period shall expire on the first anniversary of the commencement date.

Daktronics' obligation under the Limited Warranty is limited to, at Daktronics' option, replacing or repairing, any Equipment or part thereof that is found by Daktronics not to conform to the Equipment's specifications. Unless otherwise directed by Daktronics, any defective part or component shall be returned to Daktronics at End-User's cost, for repair or replacement. All such items shall be shipped by End User DAP Daktronics designated facility per Incoterms® 2020. This Warranty does not include on-site labor charges to remove or install these components. However, Daktronics may, at its option, provide on-site warranty service. Daktronics shall have a reasonable period of time to make such replacements or repairs and all labor associated therewith shall be performed during Regular Working Hours.

All returns must be pre-approved by Daktronics before shipment. Daktronics shall not be obligated to pay freight for any unapproved return. If returned Equipment/part is repaired or replaced under the terms of this Limited Warranty, Daktronics will prepay ground transportation charges to ship such items DAP End User's designated facility (if Daktronics has a legal entity in the country of the End User) or a port of the End User's country (where Daktronics does not have a legal entity in the country of the End User) per Incoterms® 2020. If the returned Equipment/part is not found to be defective, the End User shall pay transportation charges to return the Equipment/part back to the End User and such Equipment/part shall be shipped Ex Works Daktronics designated facility per Incoterms® 2020. End User shall pay any upgraded or expedited transportation charges.

Any replacement parts or Equipment will be new or serviceably used, comparable in function and performance to the original part or Equipment and warranted for the remainder of the Limited Warranty Period. Purchasing additional parts or Equipment from Daktronics does not extend the Limited Warranty Period.

EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS LIMITED WARRANTY, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, DAKTRONICS DISCLAIMS ANY AND ALL OTHER PROMISES, REPRESENTATIONS AND WARRANTIES APPLICABLE TO THE EQUIPMENT AND REPLACES ALL OTHER WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OR CONDITIONS OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR ACCURACY OR QUALITY OF DATA. OTHER ORAL OR WRITTEN INFORMATION OR ADVICE GIVEN BY DAKTRONICS, ITS AGENTS OR EMPLOYEES, SHALL NOT CREATE A WARRANTY OR IN ANY WAY INCREASE THE SCOPE OF THIS LIMITED WARRANTY. THIS LIMITED WARRANTY IS NOT TRANSFERABLE.

## **SECTION II**

### **CONSUMABLE PARTS - LIMITED WARRANTY**

This Consumable Parts Limited Warranty applies all Daktronics manufactured Equipment expressly subject to the Consumable Parts Warranty which is denoted in the Equipment description as "CP Warranty." The CP Warranty is subject to this Section II and the Terms and Conditions of Section IV.

Daktronics warrants to the End User that the Equipment will be free from Defects in materials and workmanship for a period of one (1) year (the "CP Warranty Period"). The CP Warranty Period shall commence on the earlier of: (i) four weeks from the date that the Equipment leaves Daktronics' facility; or (ii) upon Substantial Completion, as defined herein, provided Daktronics has the obligation to install the Equipment. Unless a longer statutory period is required which cannot be modified by agreement of the parties, the Warranty Period shall expire on the first anniversary of the commencement date.

Daktronics' obligation under this Warranty is limited to providing a spare parts package with the Equipment delivery. The spare parts package is designed to exhaust over the life of the CP Warranty Period. Any defective part or component may be replaced with those parts provided in the spare parts package. This Warranty does not include on-site labor charges to remove or install these components nor does it include, except as expressly provided in this Section II, the repair or return of any defective component. Daktronics may, at its option, provide on-site warranty service.

The spare parts package does not include replacement control equipment. In the event the control equipment fails to conform to its specifications during the CP Warranty Period, the defective control equipment may be returned to Daktronics for repair or replacement. Daktronics shall have a reasonable period of time to make such replacements or repairs and all labor associated therewith shall be performed during Regular Working Hours.

In the event that the End User's spare parts package depletes prior to the expiration of the CP Warranty Period, End User may submit to Daktronics a detailed report of all repair and maintenance services performed on the Equipment for review by Daktronics. Daktronics may, at its discretion, request the End User to return all defective parts to Daktronics for review and analysis. If Daktronics determines that the spare parts package depleted at an unexpectedly high rate due to defective components or spare parts, then Daktronics may either repair the returned parts or send additional spare parts to the End User to support the Equipment through the CP Warranty Period. At the expiration of the CP Warranty Period, End User shall be responsible for the proper disposal of all defective parts, unless such parts are returned to Daktronics in accordance herewith.

All returns must be pre-approved by Daktronics before shipment. Daktronics shall not be obligated to pay freight for any unapproved return. All items shall be shipped by End User DAP Daktronics designated facility per Incoterms® 2020. If returned Equipment/part is repaired or replaced under the terms of this CP Warranty, Daktronics will prepay ground transportation charges to ship such items DAP End User's designated facility (if Daktronics has a legal entity in the country of the End User) or a port of the End User's country (where Daktronics does not have a legal entity in the country of the End User) per Incoterms® 2020. If the returned Equipment/part is not found to be defective, the End User shall pay transportation charges to return the Equipment/part back to the End User and such Equipment/part shall be shipped Ex Works Daktronics designated facility per Incoterms® 2020. End User shall pay any upgraded or expedited transportation charges.

Any replacement parts or Equipment will be new or serviceably used, comparable in function and performance to the original part or Equipment, and warranted for the remainder of the CP Warranty Period. Purchasing additional parts or Equipment from Daktronics does not extend the CP Warranty Period.

EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS CP WARRANTY, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, DAKTRONICS DISCLAIMS ANY AND ALL OTHER PROMISES, REPRESENTATIONS AND WARRANTIES APPLICABLE TO THE EQUIPMENT AND REPLACES ALL OTHER WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OR CONDITIONS OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, ACCURACY OR QUALITY OF DATA. NO ORAL OR WRITTEN INFORMATION, OR ADVICE GIVEN BY THE DAKTRONICS, ITS AGENTS OR EMPLOYEES, SHALL CREATE A WARRANTY OR IN ANY WAY INCREASE THE SCOPE OF THIS CONSUMABLE PARTS WARRANTY. THIS LIMITED WARRANTY IS NOT TRANSFERABLE.

### SECTION III EXTENDED SERVICE COVERAGE

The Extended Service Coverage is subject to this Section III and the Terms and Conditions of Section IV.

1. Extended Services Coverage. The scope of the Extended Services covers the Equipment and includes those services defined on Attachment A, SCOPE OF SERVICES or in Section A. Equipment of Daktronics quote (excluding maintenance services which are the responsibility of End User as defined on Attachment A or services which may be purchased for an additional fee) (the "Extended Services"). Response Times are defined on Attachment A.
2. Term. Unless otherwise stated in the Sales Agreement, the Extended Services shall begin upon Substantial Completion and shall expire in accordance with the term described in the Sales Agreement.
3. Conditions Precedent. Daktronics reserves the right to suspend its performance in the event: (a) payment for the Equipment or Extended Services are not made as required by the Sales Agreement, (b) the Equipment is not maintained within the recommended environmental conditions, including but not limited to appropriate ventilation/air conditioning for its location (Air conditioning systems must be maintained according to manufacturer's specifications), (c) the preventative maintenance, not otherwise included with the Extended Services, is not completed, or (d) You fail to perform any other obligation including, without limitation, complying with the terms of any software agreement between End User and Daktronics.
4. Spare Parts Package. In the event the Equipment was purchased with a spare parts package, the Purchaser and/or End User acknowledge and agree that the spare parts package is designed to exhaust over the life of the Equipment and, as such, the replenishment of the package is not included in the scope of the Extended Services.
5. Actions that Void the Services. Daktronics shall be under no obligation to continue Extended Services if the Equipment or Software is: (a) moved from its location of initial installation or reinstalled without the prior written approval of Daktronics (unless the equipment was designed by Daktronics to be mobile), or (b) improperly repaired or altered by a party not under Daktronics control and in a manner inconsistent with the Equipment manufacturer's standards or recommendations.
6. Service Providers. Daktronics may select the service providers delivering Extended Services on behalf of Daktronics at its reasonable discretion.
7. Shipping. All returns must be pre-approved by Daktronics before shipment. When returning parts to Daktronics for repair or replacement, You assume all risk of loss or damage, agree to use any shipping containers, which might be provided by Daktronics, and agree to ship the Equipment in the manner prescribed by Daktronics. Daktronics shall not be obligated to pay freight for any unapproved return. All items shall be shipped by End User DAP Daktronics designated facility per Incoterms® 2020. If returned Equipment/part is repaired or replaced under the terms of this CP Warranty, Daktronics will prepay ground transportation charges to ship such items DAP End User's designated facility (if Daktronics has a legal entity in the country of the End User) or a port of the End User's country (where Daktronics does not have a legal entity in the country of the End User) per Incoterms® 2020. If the returned Equipment/part is not found to be defective, the End User shall pay transportation charges to return the Equipment/part back to the End User and such Equipment/part shall be shipped Ex Works Daktronics designated facility per Incoterms® 2020. End User shall pay any upgraded or expedited transportation charges.
8. Access to the Equipment. The unfettered, solid, safe and unrestricted access to the Equipment (including, if requested, any installed Software) shall be provided taking into account environmental or site conditions. Unless otherwise specified on Attachment A, the End User shall be required to provide any lifts or access equipment. Additional equipment or personnel required for safety, as determined by Daktronics in its reasonable discretion, shall be billed separately on a time and material basis.
9. Adverse Conditions. In no event shall Daktronics be obliged to perform Services during the existence of Adverse Conditions. 'Adverse Conditions' include without limitation, the following: severe inclement weather, hazardous site conditions including the actual or suspected presence of hazards or contagions likely to cause death, illness, or physical

harm, or infestations of animals or dangerous insects, saturated ground conditions, or residence or occupation by unauthorized personnel. The determination of a site condition as an Adverse Condition shall be at the reasonable discretion of Daktronics. Inaccessibility due to Adverse Conditions will exempt a location from Extended Services Coverage until such time as the Equipment becomes safely accessible once again.

10. Default. Daktronics reserves the right to terminate the Extended Services and accelerate all amounts due and payable if: (a) Purchaser fails to make payment to Daktronics within ten days of the agreed payment dates, (b) You otherwise fail to comply with any material provision of this Service Agreement, or (c) any proceeding is filed by or against You in bankruptcy. Daktronics reserves all its rights (both legal and equitable) under the Agreement, applicable statutes, and the common law. If You fail to perform any covenant or obligation under this Extended Services coverage, Daktronics shall be excused from the performance of any of its obligations hereunder.
11. No Warranty. Daktronics makes no representations or warranties under the Extended Service Coverage.

#### **SECTION IV TERMS AND CONDITIONS OF COVERAGE**

The terms and conditions of this Section IV apply to the Warranty and Extended Services provided by Daktronics.

1. Definition. Capitalized terms used herein shall have the meanings set forth below:

“Coverage” means any applicable Warranty coverage or Extended Services coverage.

“Coverage Period” means the period of time when either a Warranty Coverage or an Extended Service Coverage is in effect per the terms of the Agreement.

“Defects” shall be defined as follows: with regard to the Equipment (excepting LEDs), a “Defect” shall mean a material variance from the design specifications that prohibits the Equipment from operating for its intended use; and with regard to LEDs, “Defects” means LED pixels that cease to emit light.

“End User” means the original end user of the Daktronics Equipment.

“Equipment” (and Software) means the Daktronics manufactured equipment detailed in the Sales Agreement.

“Extended Services” – means additional service coverage as described in Section IV in accordance with the Sales Agreement. The Extended Services may run concurrently with the applicable Warranty or may extend beyond the Warranty Period.

“Force Majeure Event” means any: act of God; natural disaster such as flood, fire, hurricane, earthquake, or other casualty; labor or material shortages or other types of industrial disturbance; quarantines or epidemics; national or regional emergencies; or any other events or circumstances not within the reasonable control of Daktronics, whether foreseeable or not, and whether similar or dissimilar to any of the foregoing.

“Limited Warranty” – means that warranty provided in Section I and applicable to all Equipment manufactured by Daktronics except that Equipment that denotes “CP Warranty” in the Equipment description found in the Sales Agreement.

“Purchaser” means the person or entity that enters into the Sales Agreement for the purchase of Daktronics Equipment. The Purchaser may or may not be the End User.

“Regular Working Hours” means Monday through Friday between 8:00 a.m. and 5:00 p.m. at the location where labor is performed, excluding any holidays observed by either End User or Daktronics.

“Sales Agreement” means the contractual documents entered into between Daktronics and the Purchaser for the purchase of Daktronics Equipment. The Sales Agreement may take many forms including without limitation an executed Daktronics

quote; contract agreement executed by both parties, or a purchase order issued by the Purchaser and accepted by Daktronics.

“Consumable Parts Warranty” or “CP Warranty” – means that warranty provided in Section II

“Substantial Completion” means the operational availability of the Equipment to the End User in accordance with the Equipment’s specifications, without regard to punch-list items, or other non-substantial items which do not affect the operation of the Equipment

“Warranty” – means either the Limited Warranty (Section I) or the CP Warranty (Section II) as applicable

“You” (i) in the case of the Limited Warranty of the Consumable Parts – Limited Warranty, means the End User; and (ii) in the case of Extended Service Coverage, means the Purchaser of the Extended Services until the Extended Services are assigned to the End User, at which time it refers to the End User.

2. Replacement Parts. Any replacement parts or Equipment will be new or serviceably used, comparable in function and performance to the original part or Equipment, and warranted for the remainder of the Coverage Period.
3. Cooperation. End User shall fully cooperate with Daktronics in connection with the service of the Equipment and Software. You shall promptly notify Daktronics of Equipment and Software failure. Waiver of liability or other restrictions shall not be imposed as a requirement prior to accessing the site.
4. Confidentiality. To the extent permitted by law, Purchaser and End User shall consider all information furnished by Daktronics, including these terms & conditions, to be confidential and shall not disclose any such information to any other person, or use such information itself for any purpose other than fulfillment of its obligations as defined in these terms & conditions unless written permission is first obtained from Daktronics to do so. Purchaser and End User shall provide confidential information only to those of its agents, servants, and employees who have been informed of the requirements of this paragraph and have agreed to be bound by them. The provisions of this paragraph shall survive termination of the Coverage.
5. Limitations of Coverage. The Coverage does not include: (a) service due to: (i) inadequate or improper power, including without limitation a sudden surge of electrical power; (ii) improper handling, care, maintenance, storage or use of the Equipment; (iii) a Force Majeure Event; (iv) environmental conditions outside the Equipment’s technical specifications (including, without limitation excessive temperatures, corrosives, and metallic pollutants); (v) defects or failures occurring during a lapse in Coverage; (vi) incorporation of accessories, attachments, software or other devices or systems not furnished by Daktronics; or (vii) any other cause other than ordinary use; (b) the provision of replacement communication methods (such as wire, metallic or fiber optic cable, conduit, trenching or other solutions) for the purpose of overcoming local site interference; (c) wireless devices or services used for providing wireless connection to the Equipment (wireless devices and services provided by Daktronics are subject to [Daktronics Terms & Conditions of Wireless Service](https://www.daktronics.com/TermsConditions/DD3956286) available at <https://www.daktronics.com/TermsConditions/DD3956286>); (d) LED degradation or ultraviolet (UV) damage (degradation means the LED continues to emit light, but at some lesser level of brightness); (e) paint or refinishing the Equipment or furnishing material for this purpose; (f) pixel failure less than a total of 0.5% of the overall display, or in the case of free form elements, one entire element; (g) electrical work external to the Equipment; (h) batteries; (i) third-party systems and other ancillary equipment including without limitation front-end video control systems, audio systems, video processors and players, HVAC equipment, and LCD screens; (j) the security or functionality of End User’s network or systems, including anti-virus software updates; or (k) any physical damage which includes, but is not limited to, missing, broken, or cracked components resulting from non-electrical causes; altered, scratched, or fractured electronic traces; missing or gauged solder pads; cuts or clipped wires; crushed, cracked, punctured, or bent circuit boards; or tampering with any electronic connections. Further, in displays manufactured using certain LEDs as indicated by an M or WR (indicating LED type) in the display name, this Agreement does not cover pixel failure after five (5) years. Daktronics shall be excused from any liability for any delay or nonperformance caused by a Force

## Majeure Event.

6. Return Items. All items returned to Daktronics must have a Return Material Authorization (RMA) number. For exchange items, the number is included with the shipment of the exchange unit. For repair items, an RMA number can be obtained by phone (800-325-8766), (International +1-605-275-1040), fax (605-697-4444) unless otherwise directed by Daktronics.
7. Indemnity. Daktronics shall indemnify, defend and hold harmless the End User and its subsidiaries, officers, directors, shareholders, partners, employees, agents, insurers, successors and assigns from any third-party claims for liability, losses, damages, costs or expenses (collectively, 'Losses') to the extent that such Losses arise out of: (i) any negligent act or omission by Daktronics or its personnel, agents, subcontractors, or others engaged by Daktronics or under Daktronics' control in the performance of this Service Agreement, provided that such Losses are attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property; or (ii) any fine or assessment with respect to any violation or alleged violation of any applicable laws regarding safety or health.

You shall indemnify, defend and hold harmless Daktronics and its subsidiaries, officers, directors, shareholders, partners, representatives, employees, agents, insurers, successors and assigns of each of the foregoing from any and all Losses arising out of or in any way related to: (i) any negligent act or omission by You or your personnel, agents, subcontractors, or others engaged by You or under your control (other than Daktronics or its personnel, agents, subcontractors, or others engaged by Daktronics or under Daktronics' control), provided that such Losses are attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property; or (ii) any unauthorized or infringing use by an indemnified party of any patent, process, trade secret, copyright, trademark, or other intellectual property right.

8. Limitation of Liability. IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR INDIRECT DAMAGES, REGARDLESS OF CAUSE, WHETHER SUCH LOSSES ARISE DIRECTLY OR INDIRECTLY FROM THE OTHER PARTY'S ACTS, OMISSIONS, OR BREACH; REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE; WHETHER OR NOT A PARTY WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES; WHETHER OR NOT THE REMEDIES AGREED HEREIN FAIL OF THEIR ESSENTIAL PURPOSE; AND REGARDLESS OF THE THEORY UPON WHICH A CLAIM IS BASED. For the purposes of this Agreement, the Parties agree that "Consequential Damages" include, but are not limited to, loss of use, loss of profit, loss of business opportunity, and loss of advertising revenue. No action against Daktronics shall be commenced more than one year after the accrual of the cause of action. Daktronics shall have no liability with respect to claims relating to or arising from use of third-party products and services, even if such products or services are sold through Daktronics.
9. Assignment. Purchaser may assign the Extended Service coverage to the End User, however such assignment does not relive Purchaser of its obligation to pay Daktronics in full for amounts owed under the Sales Agreement. No other assignment shall be effective without the prior written consent of the other party.
10. Miscellaneous. These terms & conditions shall be governed by the laws of the country, state or province where the Services are provided without regard to its conflict of law principles. These terms & conditions are the product of negotiations between the parties and any rules of construction relating to interpretation against the drafter of an agreement shall not apply and are expressly waived. Nothing in these terms & conditions are shall create any rights in any person or entity other than the parties hereto. These terms & conditions are represents the entire agreement of the parties and supersedes any previous understanding or agreement regarding the Services. These terms & conditions are may not be amended or altered in any manner except in a writing signed by both parties. These terms & conditions are may be executed in counterparts. You and Daktronics are not partners or joint venturers. If any part of these terms & conditions are in any manner held to be invalid, illegal, void, or to be in conflict with any law, then the validity of the remaining portions or provisions of these terms & conditions are shall not be affected, and such part, term, paragraph or provision shall be construed and enforced in a manner designed to effectuate the intent expressed in these terms & conditions are to the maximum extent permitted by law.