



RENTAL AGREEMENT

These standard rental terms and conditions are the only terms and conditions, oral or written, applying to the temporary rental of equipment (or of equipment with software or of software for installation on equipment) and other products ("Rental Equipment") to the customer noted in the Order, a business enterprise, and its affiliates, subsidiaries and related companies ("User") from FARO Technologies, Inc., and its affiliates, subsidiaries and related companies, ("FARO"), except for additional terms consistent with these standard rental terms and conditions on prices, quantities, delivery schedules, and the description of the Rental Equipment as set forth in an order or quotation issued by FARO or approved by FARO (each, an "Order," hereby incorporated by reference, and, combined, the "Rental Agreement"). FARO hereby objects to and rejects any other terms or conditions appearing on, incorporated by reference in, or attached to any purchase order, acceptance, acknowledgement, invoice, transmittal or other document, and FARO's acceptance of any Order is expressly made conditional on User's acceptance of this Rental Agreement. FARO's failure to object to any provision contained in a document or communication from User shall not be a waiver of this Rental Agreement.

ACCEPTANCE OF THIS RENTAL AGREEMENT SHALL BE DEEMED TO HAVE OCCURRED UPON THE FIRST OF USER EXECUTING AN ORDER, ACCEPTING THIS RENTAL AGREEMENT, OR TAKING DELIVERY OF ANY RENTAL EQUIPMENT, UPON WHICH THIS RENTAL AGREEMENT IS EFFECTIVE AND BINDING AGAINST THE PARTIES (AND THEIR HEIRS AND ASSIGNS). ANY DEVIATION FROM, OR EXCEPTIONS TO, THIS RENTAL AGREEMENT MUST BE IN WRITING AND SIGNED BY A DULY AUTHORIZED FARO REPRESENTATIVE.

1. TITLE. FARO is and shall remain the sole and exclusive owner of Rental Equipment.
2. PAYMENT. User shall pay FARO the agreed-upon price set forth in the Order within thirty (30) days from the date of FARO's invoice. The Parties agree that the price is good and valuable consideration for the use of the Rental Equipment during the Rental Term. FARO has the right to charge interest on late payments at a rate of 1.5% per month (18% per annum). User shall pay FARO for all governmental taxes, charges, or duties of every kind (excluding tax based upon FARO's income) that FARO may be required to pay with respect to facilitating the renting of the Rental Equipment by the User as well as the transportation, export, import, storage delivery, or use of the Rental Equipment. User shall provide FARO with properly completed exemption certificates for any tax or duty from which User claims an exemption. FARO shall have the right to set off any User payment against any outstanding User debt to FARO. If User fails to make full payment, FARO shall have the right, at its sole discretion, to withhold services and warranties, to cancel the Order, and enter User's premises to re-take possession of the Rental Equipment, in which event User agrees that any down payment or deposit shall be forfeited to FARO as liquidated damages, and not as a penalty, and all associated costs incurred by FARO shall be payable by User to FARO upon written demand.
3. USER RESPONSIBILITIES
 - 3.1. As material obligations, at all times during the Rental Term, User shall
 - 3.1.1. keep Rental Equipment free from all liens, security interests, and encumbrances,



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- 3.1.2. maintain Rental Equipment in good condition, less standard wear, and tear,
- 3.1.3. keep Rental Equipment in the same country as shipped to by FARO,
- 3.1.4. not sell, lease, license, or otherwise dispose of any Rental Equipment or permit it to become a fixture or an accession to other goods,
- 3.1.5. maintain physical possession of all Rental Equipment,
- 3.1.6. not allow Rental Equipment to become contaminated, such as by dust, dirt, liquid, or radiation contamination (and User will shall be invoiced and pay FARO the then-current full list price of any Rental Equipment that cannot be reasonably cleaned of contaminants or certified as radiation free upon return to FARO).

3.2. User shall return Rental Equipment to FARO within forty-eight (48) hours of the end of the Rental Term or termination of this Agreement (the "Due Date"). For every day past the Due Date that Rental Equipment is not returned to FARO, User shall pay FARO \$300 USD (or the equivalent thereof), per day, becoming immediately due and owing, up to and until reaching 100% of the then-current list price of the Rental Equipment.

3.3. User is responsible for all risk of loss, damage, alteration to, or destruction of the Rental Equipment that occurs between the point of FARO's delivery of the Rental Equipment to the carrier until the Rental Equipment has been returned back to FARO's return delivery location. Any damage to the Rental Equipment suffered during such time shall be repaired by FARO, at then-current labor and material rates, and shall be invoiced to and paid by User. If the Rental Equipment is lost or damaged beyond repair, User shall be invoiced and pay FARO 100% of the then-current list price for the Rental Equipment. All such shall be immediately due and owing.

3.4. During the Rental Term, User shall insure the Rental Equipment for at least the value of the Rental Equipment as of the Effective Date.

4. SHIPMENT. Shipment of the Rental Equipment shall be paid for by User. User will receive shipment instructions via a Return Merchandise Authorization at the time of return.

5. INTELLECTUAL PROPERTY AND CONFIDENTIALITY

5.1. Intellectual Property means all intellectual property rights relating to any Rental Equipment, including without limitation, patents, copyrights, trademarks, trade secrets, know-how, and any derivative works, improvements, modifications, repairs, maintenance, enhancements, and updates of any Rental Equipment.

5.2. User shall not own or acquire any right, title, or interest in any FARO Intellectual Property herein except that FARO grants User a limited, non-exclusive, non-transferable license to use FARO's Intellectual Property within the Rental Equipment (and, for software, in object code form only) during the Rental Term. User acknowledges and agrees that Rental Equipment contains trade secrets, confidential information, and proprietary information and shall maintain the Rental Equipment as FARO's Confidential Information, and proprietary information.



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5.3. Confidential Information shall mean anything that is marked or conveyed as confidential, information that a reasonable person would deem confidential due to its nature, or that is FARO's Intellectual Property. The Parties shall (a) prohibit disclosure of Confidential Information to third parties (excepting, other than to competitors of FARO, for need-to-know disclosures in furtherance of the purpose of this Rental Agreement that are subject to an obligation of confidentiality that is at least as strict as the terms herein), (b) use commercially reasonable efforts to protect Confidential Information (at least matching efforts used by User to protect their own confidential information or an industry standard level of care).

5.4. User shall not, in whole or in part, reproduce or duplicate, modify, disassemble, reverse assemble or engineer, sell, transfer, assign, sublicense, lease, rent or use in service to others, in any manner, the Rental Equipment, or permit access to or use thereof by any third-party.

5.5. Use of FARO software is subject to a click-through end user license agreement, available on request, which is hereby incorporated by reference.

6. WAIVER OF CONSEQUENTIAL DAMAGES AND LIMITATION OF LIABILITY.

6.1. Except as provided by law or in Exhibit A (Specific Requirements), FARO shall not be liable, in any case or cause, whether based in contract, tort (including, without limitation, negligence), strict product liability, or any theory of law, for (A) any consequential, special, indirect, or punitive damages, or (B) any maximum, aggregate, liability exceeding the then-current FARO list price that would apply to a sale of the Rental Equipment to which such liability relates.

6.2. Except as provided by law or in Exhibit A (Specific Requirements), Rental Equipment is provided without warranty of any kind, express or implied. FARO DISCLAIMS ALL WARRANTIES AND REPRESENTATIONS WITH RESPECT TO THE RENTAL EQUIPMENT, INCLUDING ARISING FROM COURSE OF DEALING, USAGE OF TRADE, STATUTORY OR OTHERWISE, INCLUDING WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

7. EXPORT. User shall not export or re-export Rental Equipment in violation of applicable law. Deliveries of the Rental Equipment to countries outside the country of delivery or to third parties shall be subject to pre-authorization by FARO and may be prohibited.

8. TERM AND TERMINATION

8.1. This Rental Agreement begins on the Effective Date. The term of this Rental Agreement is as delineated in the Order or, if no term is noted in an Order, one (1) month ("Rental Term").

8.2. Upon material breach, either Party may terminate this Rental Agreement. For material breach that cannot be cured, such termination is immediately effective upon written notification; for material breach that can be cured, such termination is effective upon expiration of seven (7) days' written notice, if such breach remains uncured.



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9. FARO CONTRACTING ENTITY, FARO NOTICE, GOVERNING LAW, AND LOCAL LAW REQUIREMENTS. FARO's contracting entity and FARO's notice location hereunder shall be in accordance with the chart in Exhibit A (FARO CONTRACTING ENTITY, FARO NOTICE, TERRITORY, GOVERNING LAW, AND LOCAL LAW REQUIREMENTS). The governing law and local law requirements applicable to this Rental Agreement shall be dependent upon the User's place of domicile and in accordance with Exhibit A. The Parties agree to comply with all applicable law. Jurisdiction and venue shall be regardless of the laws that might otherwise govern under applicable principles of conflicts of laws. The UN Convention on Contracts for the International Sale of Goods shall not apply to this Rental Agreement. FARO, USER, AND USER'S AFFILIATES HEREBY WAIVE THE RIGHT TO A TRIAL BY JURY. Any claim, action, suit, or other proceeding initiated by User hereunder shall be brought within one (1) year of the cause.

10. MISCELLANEOUS

10.1. Miscellaneous. This Rental Agreement shall not be construed more strictly against one Party than another due to drafting. Modification of this Rental Agreement shall only be possible in a mutually agreed, and signed, writing by both Parties. This Rental Agreement shall not create any relationship between the Parties. No Party shall have authority to make or enter into any commitments for or on behalf of any other Party. The Parties shall not publicize their relationship, the terms or existence of this Rental Agreement, nor use the trademarks of the other Party, without the prior written permission of the other Party, which shall not be unreasonably withheld or delayed. Days herein shall mean business days. This Rental Agreement may be executed by electronic means and in counterparts, which together shall be taken as one original.

10.2. Entire Agreement. This Rental Agreement and its attached Exhibit(s) constitute the entire agreement between FARO and User with respect to the Rental Equipment.

10.3. Survival. The obligations of payment, confidentiality, intellectual property rights, limitations of liability, and any clause that survives by its nature shall survive the termination or expiration of this Rental Agreement.

10.4. Force Majeure. Neither Party shall be liable for any loss or delay due to a cause beyond its control (a "Force Majeure Event"), including, without limitation, compliance with any rules, regulations, orders or instructions of any federal, state, county, municipal or other government, or any department or agency thereof, acts of god, acts of civil or military authorities, embargoes, natural disasters [fires, floods, hurricanes, pandemic], war or insurrection, labor interruption through strike or walkout, transportation delays, and/or inability or difficulties in obtaining necessary labor, manufacturing facilities, materials or transportation from its usual sources.

10.5. Assignment. Neither Party may assign, novate, transfer, or otherwise dispose of any of its rights or obligations under this Agreement, without the prior written consent of the other Party, which shall not be unreasonably withheld or delayed.



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10.6. Exhibits, Order of Precedence. The attached exhibit(s) following are hereby incorporated by this reference into the main body of this Rental Agreement and form an integral part thereof. To the extent that the terms and conditions in the main body of this Rental Agreement and that of any exhibit conflict, the terms and conditions in the exhibit shall control. To the extent that the terms and conditions of this Rental Agreement and that of any Order conflict, the terms and conditions in the Order shall control. If any conflict exists between local law and any section of this Rental Agreement, the local law shall apply and replace only that section.

Exhibit A

FARO CONTRACTING ENTITY, FARO NOTICE, TERRITORY, GOVERNING LAW, AND LOCAL LAW REQUIREMENTS:

<u>If User is domiciled in</u>	<u>FARO Entity</u>	<u>Governing law</u>	<u>Exclusive Jurisdiction/Venue</u>
United States and Canada	FARO Technologies, Inc. 250 Technology Park, Lake Mary, Florida, 32746	State of Florida; without regards to conflicts of laws	US District Court for the Middle District of Florida, Orlando Division
AMER Region (Mexico, Central, South America, the Caribbean)	FARO Technologies, Inc. 250 Technology Park, Lake Mary, Florida, 32746	State of Florida; without regards to conflicts of laws	American Arbitration Association’s International Centre for Dispute Resolution (Mediation and Arbitration Rules).
The European Union, the European Free Trade Association all countries in the EMEA Region	FARO Europe GmbH Lingwiesenstraße 11/2 D-70825 Korntal-Münchingen Commercial Registry: Amtsgericht Stuttgart, HRA 13211	German substantive law	Arbitration Rules of the German Arbitration Institute (DIS)/Stuttgart
France	France, F-93290, 13 rue de la Perdrix, Tremblay en France, Commercial Registry: N° de SIRET 42335574200044	French substantive law	Association Française d’Arbitrage/Paris, Arbitration
Spain	SPAIN SLU., C/ Vallespir, 59, E-08328 Allela (Barcelona), Commercial Registry: CIF 62363155	Spanish substantive law	Arbitration Rules of the Court of Arbitration of the Official Chamber of Commerce, Industry and Services of Madrid/Madrid



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United Kingdom	TECHNOLOGIES UK LIMITED, Unit A Great Central Way, Butlers Leap, Rugby, England, CV21 3XH Company number 07109819	England and Wales, without regards to conflicts of laws	Chartered Institute of Arbitrators (CIArb)/Birmingh am, England
APAC and Oceania Regions (Asian and Oceanian Countries)	FARO Singapore Pte Ltd. 3 Changi South Street 2, #01-01 Xilin Distric Centre 486548 SINGAPORE	Singapore	Arbitration Rules of the Singapore International Arbitration Center (SIAC)/Singapore
China	International (Shanghai) Co. LTD. 1/F, Building No. 2, Juxin Park 188 Pingfu Road, Cuhui District Shanghai 200231, PR China	Singapore	Arbitration Rules of the Shanghai International Economic and Trade Arbitration Commission/Shan ghai, PR China

Specific Requirements if User is domiciled in the AMER Region (Mexico, Central, South America, the Caribbean; but without the U.S. and Canada):

Liability for Breach of Core Contractual or Cardinal Duties: If core contractual or cardinal duties are infringed due to slight negligence and if, as a consequence, the achievement of the objective of this Rental Agreement including any applicable Order is endangered, or in the case of a slightly negligent failure to comply with duties, the very discharge of which is an essential prerequisite for the proper performance of this Rental Agreement (including any applicable Order), the Parties' liability shall be limited to foreseeable damage typical for the contract. In all other respects, any liability for damage caused by slight negligence shall be excluded.

Liability Cap: Unless the Parties are liable in accordance with "Unlimited Liability" section above, in no event shall the aggregate liability of each Party together with all of its affiliates arising out of or related to this Rental Agreement exceed the total amount paid by User and its affiliates hereunder for the rental giving rise to the liability in the twelve (12) months preceding the first incident out of which the liability arose. The foregoing limitation will not limit User's and its affiliates' payment obligations hereunder.

Scope: Exception in accordance with the "Unlimited Liability" section above, the above limitations of liability shall apply to all claims for damages, irrespective of the legal basis including claims for tort damages. The above limitations of liability also apply in the case of claims for a Party's damages against the respective other Party's employees, agents, or bodies.

Arbitration: In the event of any controversy or claim arising out of or relating to this contract, or the breach thereof, the parties hereto agree first to try and settle the dispute by mediation, administered by the International Centre for Dispute Resolution under its Mediation Rules. If



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settlement is not reached within 60 days after service of a written demand for mediation, any unresolved controversy or claim arising out of or relating to this contract shall be settled by arbitration in accordance with the International Arbitration Rules of the International Centre for Dispute Resolution.

The International Expedited Procedures shall apply in any case in which no disclosed claim or counterclaim exceeds \$50.00 Please enter dollar amount USD exclusive of interest and the costs of arbitration. Claims shall be heard by a single arbitrator, unless the claim amount exceeds \$150,000.00, in which case the dispute shall be heard by a panel of three arbitrators. The place of arbitration shall be in the City of Miami, Dade County, Florida. The language of the arbitration shall be English.

Specific Liability Requirements if User is domiciled in the EMEA or APAC/Oceania Region:

In all: Unlimited Liability: The Parties shall be mutually liable without limitation (a) in the event of willful misconduct or gross negligence, (b) within the scope of an express guarantee taken over by the respective Party, (c) in the event that a defect is maliciously concealed, (d) in case of an injury to life, body, or health, (e) according to the statutory product liability law.

Liability for Breach of Core Contractual or Cardinal Duties: If core contractual or cardinal duties are infringed due to slight negligence and if, as a consequence, the achievement of the objective of this Rental Agreement including any applicable Order is endangered, or in the case of a slightly negligent failure to comply with duties, the very discharge of which is an essential prerequisite for the proper performance of this Rental Agreement (including any applicable Order), the Parties' liability shall be limited to foreseeable damage typical for the contract. In all other respects, any liability for damage caused by slight negligence shall be excluded.

Liability Cap: Unless the Parties are liable in accordance with "Unlimited Liability" section above, in no event shall the aggregate liability of each Party together with all of its affiliates arising out of or related to this Rental Agreement exceed the total amount paid by User and its affiliates hereunder for the rental giving rise to the liability in the twelve (12) months preceding the first incident out of which the liability arose. The foregoing limitation will not limit User's and its affiliates' payment obligations hereunder.

Scope: Exception in accordance with the "Unlimited Liability" section above, the above limitations of liability shall apply to all claims for damages, irrespective of the legal basis including claims for tort damages. The above limitations of liability also apply in the case of claims for a Party's damages against the respective other Party's employees, agents, or bodies.

Specific Arbitration and Choice of Law Requirement if User is domiciled in the EMEA Region (but not in France, Spain, or the U.K.):

Germany, Arbitration: Prior to the resort by either Party to arbitration or litigation in connection with the dispute, the dispute will first be referred for resolution first to senior



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management of the Parties. All disputes arising out of or in connection with this Rental Agreement or its validity shall be finally settled in accordance with the Arbitration Rules of the German Arbitration Institute (DIS) without recourse to the ordinary courts of law. The arbitral tribunal shall be comprised of three arbitrators unless the Parties agree on expedited arbitration with a sole arbitrator. The seat of the arbitration shall be Stuttgart, Germany. The language of the arbitration shall be English. The law applicable to the merits shall be German substantive law. As allowed by applicable law, any arbitration ruling shall be confidential. Where the arbitration provisions of this Rental Agreement are inapplicable, or where they allow for actions for injunctive relief to be brought in state courts, any legal action brought under or in conjunction with this Rental Agreement will be brought in the Stuttgart Commercial Court and, where such court is not competent, in the Chambers of Commerce pertaining to the ordinary courts in Stuttgart, Germany.

Specific Arbitration and Choice of Law Requirement if User is domiciled France: All disputes arising out of or in connection with this Rental Agreement or its validity shall be finally settled in accordance with the Arbitration Rules of the Association Française d'Arbitrage Arbitration without recourse to the ordinary courts of law. The seat of the arbitration is Paris, France. The language of the arbitration shall be French. The rules of law applicable to the merits shall be French substantive law. Where the arbitration provisions of this Rental Agreement are inapplicable, or where they allow for actions for injunctive relief to be brought in state courts, any legal action brought under or in conjunction with this Agreement shall be brought in the Commercial Court of Paris, France ("Tribunal de Commerce de Paris").

Specific Arbitration and Choice of Law Requirement if User is domiciled Spain: All disputes arising out of or in connection with this Rental Agreement or its validity shall be finally settled in accordance with the Arbitration Rules of the Court of Arbitration of the Official Chamber of Commerce, Industry and Services of Madrid, without recourse to the ordinary courts of law. The seat of the arbitration is Madrid, Spain. The language of the arbitration shall be Spanish, and the award and any written decisions rendered in the English language. The rules of law applicable to the merits shall be Spanish substantive law. Where the arbitration provisions of this Rental Agreement are inapplicable, or where they allow for actions for injunctive relief to be brought in state courts, any legal action brought under or in conjunction with this Rental Agreement shall be brought in the commercial courts of Madrid, Spain.

Specific Arbitration and Choice of Law Requirement if User is domiciled United Kingdom: All disputes arising out of or in connection with this Rental Agreement or its validity shall be finally settled in accordance with the CI Arb Arbitration Rules of the Chartered Institute of Arbitrators (CI Arb) without recourse to the ordinary courts of law. The seat of the arbitration is Birmingham, England. Where the arbitration provisions of this Rental Agreement are inapplicable, or where they allow for actions for injunctive relief to be brought in state courts, any legal action brought under or in conjunction with this Rental Agreement shall be brought in the ordinary courts in Birmingham, England.



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Specific Arbitration and Choice of Law Requirement if User is domiciled in APAC and Oceania Regions (including Taiwan; excluding PR China):

Prior to the resort by either Party to arbitration or litigation in connection with the dispute, the dispute will first be referred for resolution first to senior management of the Parties. All disputes arising out of or in connection with this contract or its validity shall be finally settled in accordance with the Arbitration Rules of the Singapore International Arbitration Center (SIAC) in force at the time being. The tribunal comprises of a sole arbitrator, who shall be a qualified lawyer. The sole arbitrator must be of different nationality to the Parties in dispute. The arbitration language shall be English, and the arbitration place shall be in Singapore. As allowed by applicable law, any arbitration ruling shall be confidential. Where the arbitration provisions of this Rental Agreement are inapplicable, or where they allow for actions for injunctive relief to be brought in state courts, any legal action brought under or in conjunction with this Rental Agreement will be brought in the Singapore International Commercial Court.

Specific Arbitration and Choice of Law Requirement if User is domiciled in the PR China:

PR China: All disputes arising out of or in connection with this Rental Agreement or its validity shall be finally settled in accordance with the Arbitration Rules of the Shanghai International Economic and Trade Arbitration Commission/Shanghai International Arbitration Center for arbitration, without recourse to the ordinary courts of law. The seat of the arbitration is Shanghai, PR China. The language of the arbitration shall be English. The rules of law applicable to the merits shall be Chinese substantive law. Where the arbitration provisions of this Rental Agreement are inapplicable, or where they allow for actions for injunctive relief to be brought in state courts, any legal action brought under or in conjunction with this Rental Agreement shall be brought in the courts of Shanghai, PR China.