

LICENSE AGREEMENT

SARACH TECHNOLOGIES, LLC ("SARACH") and the PURCHASER named below ("PURCHASER") agree to the following:

Acknowledgment of Property Right. The PURCHASER acknowledges that SARACH owns all of the intellectual property rights in the COATS Software ("COATS") and the accompanying USER GUIDE manual (collectively, "COATS SYSTEMS");

License of the COATS SYSTEMS. Subject to the terms and conditions of this Agreement and maintenance of an ongoing Subscription, SARACH grants to PURCHASER a non-exclusive, non-transferable license to use the COATS SYSTEMS solely for its internal business use ("License"). COATS may only be used by PURCHASER pursuant to a valid COATS site key ("Site Key"), which will be issued by SARACH in its discretion following the payment of the applicable fee for the Site Key by PURCHASER. Each Site Key will authorize the installation and use of COATS either (1) on one or more single, stand-alone workstations or (2) on one or more network servers connected to one or more networked workstations that simultaneously use a valid copy of COATS. If PURCHASER desires to transfer COATS from one workstation or server to another workstation or server, then PURCHASER must first receive written authorization from SARACH to transfer the applicable Site Key. Only after receiving such written authorization from SARACH may PURCHASER transfer the use of COATS from one workstation or server to another workstation or server. The original Site Key will be automatically void and terminated if PURCHASER does not receive written authorization from SARACH.

Limitation on License. SARACH retains all of its rights in the COATS SYSTEMS to the extent not otherwise expressly granted in this Agreement, including, but not limited to, the right to reproduce the COATS SYSTEMS, the right to prepare derivative works based on the COATS SYSTEMS, the right to distribute copies of the COATS SYSTEMS, the right to perform the COATS SYSTEMS publicly, and the right to display the COATS SYSTEMS publicly. No part of the COATS SYSTEMS may be reverse engineered, decompiled, disassembled, reproduced, modified, transcribed, stored in a retrieval system, translated into any language or computer language, or transmitted in any form for any reason without the prior written consent of SARACH. PURCHASER may not obscure, remove or otherwise alter any copyright, trademark or other proprietary notices from the COATS SYSTEMS and any and all related materials supplied by COATS.

Term; Fees. SARACH reserves the right to charge license fees for COATS in advance. PURCHASER agrees to pay for this License and any COATS-related services it may choose to purchase and agrees that the fees for such License and services will be set according to SARACH's then-current COATS Support, Pricing, and Services Guide which is hereby incorporated by reference and made a part of this Agreement. SARACH reserves the right to make changes to the COATS Support, Pricing, and Services Guide at any time without notice to PURCHASER, with such changes to be effective upon renewal by PURCHASER. The License shall remain in effect only for so long as PURCHASER continues to make the payments for the periods specified in SARACH's then-current COATS Support, Pricing, and Services Guide. The License shall automatically terminate in the event that PURCHASER fails to comply with any of the terms and conditions of this Agreement, or at the end of an applicable term without payment of a renewing license fee. License fees do not include installation and training, file conversion costs, optional products and services, consulting services or the costs of any hardware. PURCHASER agrees to pay such fees when and as the services are rendered, and SARACH reserves the right to require prepayment or advance deposit. PURCHASER is responsible for sales or use taxes and state or local property or excise taxes associated with Purchaser's licensing and use of COATS.

Disclaimer of Warranties and Limitation of Liability. THE COATS SYSTEMS ARE PROVIDED "AS IS" AND WITH ALL FAULTS. SARACH DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT WILL SARACH BE LIABLE TO THE PURCHASER FOR ANY INDIRECT DAMAGES, INCLUDING ANY LOST PROFITS, LOST SAVINGS OR OTHER INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF THE USE OR INABILITY TO USE THE COATS SYSTEMS, EVEN IF SARACH OR ITS AUTHORIZED AGENT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, OR FOR ANY CLAIM BY ANY OTHER PARTY. ANY LIABILITY OF SARACH FOR THE COATS SYSTEMS UNDER ANY THEORY OF LIABILITY SHALL BE LIMITED EXCLUSIVELY TO REPLACEMENT OF THE COATS SYSTEMS OR A REFUND OF THE LICENSE FEES PAID BY PURCHASER, LESS STRAIGHT-LINE DEPRECIATION BASED ON A ONE-YEAR USEFUL LIFE OR TEN (\$10) DOLLARS, WHICHEVER IS GREATER. SARACH HEREBY DISCLAIMS ALL WARRANTIES AND RESPONSIBILITY FOR ANY THIRD-PARTY-PROVIDED SOFTWARE, SERVICE, OR WEBSITE, WHICH SHALL BE SUBJECT TO THE TERMS OFFERED BY SUCH THIRD-PARTY.

Accuracy of Provided Information and Compliance with Applicable Law. SARACH is not responsible for and does not guarantee the accuracy or completeness of any information provided by or through the COATS SYSTEMS. It is the sole responsibility of PURCHASER to verify the accuracy of any information so provided and to ensure its own compliance with applicable laws.

Indemnity. PURCHASER agrees to indemnify and hold SARACH and its officers, directors, employees and licensors harmless from any claim or demand (including but not limited to reasonable legal fees) made by a third party due to or arising out of or related to PURCHASER's violation of the terms and conditions of this Agreement, PURCHASER's violation of any laws, regulations or third party rights or PURCHASER's negligent act, omission or willful misconduct. Purchaser agrees to take full responsibility for the selection, authorization, monitoring, and supervision of each of its users of COATS or any service of SARACH. Under no circumstances shall SARACH be responsible for the act(s) or omission(s) of any of PURCHASER's users.

Support. "Support" shall mean the provision of Technical Support and/or periodic Updates, as those terms are defined herein. Support shall be provided by SARACH pursuant to one or more Support Plans. PURCHASER's continued participation in a Support Plan is a requirement for the continuation of the License. Pricing and additional terms relating to the Support Plan may be provided in the COATS Support, Pricing, and Services Guide. SARACH reserves the right, but is not obligated, to make certain enhancements or updates to COATS, including, e.g.,

updates to reflect changes to applicable tax codes. So long as PURCHASER is in compliance with this Agreement, including any payment requirements hereunder, SARACH may from time to time, at its sole discretion, make available to PURCHASER such updates or upgrades to replace or supplement COATS ("Updates"). The terms of this Agreement will govern any authorized download, installation, access, or use of such Update and such Update shall be included within the definition of "COATS" and "COATS SYSTEMS" for purposes of this Agreement, unless such Update is accompanied by a separate license in which case terms of that license will govern. It is the responsibility of PURCHASER to ensure that it is using the most recent version of the COATS SYSTEMS, and SARACH disclaims any responsibility for outdated versions of COATS. "Technical Support" means telephonic support as offered by SARACH and as generally available during SARACH's normal working hours. Support will only be available to PURCHASER if PURCHASER is a current licensee in compliance with this Agreement, including any payment requirements hereunder. Technical Support will only be offered in connection with the most recent version of the COATS SYSTEMS.

Portals. (a) So long as PURCHASER is in compliance with this Agreement, including any payment requirements hereunder, SARACH may from time to time, at its sole discretion, make available to PURCHASER certain additional "portal" software access or other services that can be used in conjunction with COATS ("Portal Products"). The terms of this Agreement will govern any authorized download, installation, access, or use of such Portal Products and such Portal Products shall be included within the definitions of "COATS" and "COATS SYSTEMS" for the purposes of this Agreement, unless such Portal Products are accompanied by a separate license in which case the terms of that license will govern. Pricing and additional terms relating to the Portal Products may be provided in the COATS Support, Pricing, and Services Guide. In addition, PURCHASER's access and use of the Portal Products shall be subject to one or more sets of Terms and Conditions provided on the COATS website. PURCHASER's use of the Portal Products shall be limited to PURCHASER's lawful business purposes in conformance with this Agreement and any Portal Product specific terms of use provided with the Portal Product, and PURCHASER's use shall not violate any third-party rights or applicable laws. (b) PURCHASER may choose to manipulate or use data that it may consider to be confidential or sensitive ("Confidential Data") along with one or more of the Portal Products. PURCHASER may choose to host the Confidential Data on its internal systems or to use a third-party hosting service. In the event that PURCHASER makes use of a third-party hosting service, PURCHASER's rights and obligations with respect to such services will be subject to the terms and conditions of the third party hosting service. In certain cases, SARACH may, as a courtesy to PURCHASER, facilitate PURCHASER's establishment of a relationship with a particular third-party hosting service, but PURCHASER acknowledges and affirms that it is solely responsible for its relationship with any third-party hosting service, and that its sole remedy in any dispute arising from such hosting services will be against said third party hosting provider. In all cases, PURCHASER shall be solely responsible for maintaining the security and integrity of the Confidential Data and preventing unauthorized access thereto. SARACH expressly disclaims all liability with respect to disclosure, breach, damage, or destruction of Confidential Data used by PURCHASER with any of the Portal Products, and disclaims all liability with respect to any unauthorized access of Confidential Data by third parties. SARACH reserves the right to permanently and immediately interrupt or revoke PURCHASER's access to the Portal Products if PURCHASER is, or SARACH has reason to believe PURCHASER is, (i) providing third parties or unauthorized PURCHASER employees (either knowingly or unknowingly) with access to the Portal Products; (ii) using the Portal Products in a manner inconsistent with the terms of this Agreement; (iii) failing to adhere to the appropriate terms of use or security precautions in order to prevent unauthorized access to the Portal Products, or (iv) otherwise in violation of the terms of this Agreement. Said interruption in access may be with or without notice.

Interruptions in Portal Access. SARACH reserves the right to interrupt access to the Portal Products, with or without notice, to perform standard maintenance and service and any necessary repairs or upgrades. SARACH shall not be liable for any damages or losses incurred by PURCHASER as a result of interruptions in service regardless of the reason for the interruption.

Optional Add-Ons. So long as PURCHASER is in compliance with this Agreement, including any payment requirements hereunder, SARACH may from time to time, at its sole discretion, make available to PURCHASER certain additional add-on licenses to other software products that can be used in conjunction with COATS ("Add-On Products"). The terms of this Agreement will govern any authorized download, installation, access, or use of such Add-On Products and such Add-On Products shall be included within the definitions of "COATS" and "COATS SYSTEMS" for the purposes of this Agreement, unless such Add-On Products are accompanied by a separate license, in which case the terms of that license will govern. Pricing and additional terms relating to the Add-On Products may be provided in the COATS Support, Pricing, and Services Guide. In certain cases, the Add-On Products may facilitate use of, license to, or access to third-party-provided software or third-party-provided websites. SARACH expressly disclaims all liability arising from PURCHASER's use of or access to such third-party-provided software or websites. PURCHASER's rights and obligations with respect to such third-party-provided software or websites will be subject to the terms and conditions of such third party.

Miscellaneous. Any dispute arising under this Agreement or growing out of the relationship between SARACH and the PURCHASER shall be construed, interpreted and governed by the laws of the Commonwealth of Virginia without regard to any conflict of laws provision. The United Nations Convention on Contracts for the International Sale of Goods (UNCCISG) does not apply to this Agreement. Any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Agreement shall be brought against either of the parties only in the courts of the Commonwealth of Virginia, City of Virginia Beach, or if it can acquire jurisdiction, in the United States District Court for the Eastern District of Virginia, Norfolk Division, and each party consents to the exclusive jurisdiction of such courts (and of the appropriate appellate courts) in any such action or proceeding and irrevocably waives any objection to venue. Process in any such action or proceeding may be served on any party anywhere in the world. This Agreement, its implementing invoices, and the terms of the COATS Support, Pricing, and Services Guide contain the entire understanding between the parties relating to the subject matter of this Agreement. All prior proposals, discussion and writings between SARACH and the PURCHASER relating to the subject matter of this Agreement are superseded by this Agreement. No change in this Agreement or waiver of a term of this Agreement shall be effective unless specifically set forth in writing and signed by the party to be bound by the change of waiver. Notwithstanding the foregoing, SARACH reserves the right to change the terms of the COATS Support, Pricing, and Services Guide at any time, with such changes to be effective upon renewal by PURCHASER. Neither this Agreement nor any rights or obligations under this Agreement may be assigned by PURCHASER, in whole or in part, without the prior written consent of SARACH. Each clause, paragraph and provision of this Agreement is entirely independent and severable from every other clause,

paragraph and provision. If any state or federal judicial or regulatory authority with adequate jurisdiction determines that any portion of this Agreement is invalid or unenforceable or unlawful, such determination shall affect only the specific portion determined to be invalid or unenforceable or unlawful and shall not affect any other portion of this Agreement which shall remain and continue in full force and effect except to the extent a determination by an authority frustrates the purpose of this Agreement. In all other respects, all provisions of this Agreement shall be interpreted in a manner which favors their validity and enforceability and which gives effect to the substantive intent of the parties.

Terms of Use

PLEASE READ THESE TERMS AND CONDITIONS ("TERMS OF USE") CAREFULLY BEFORE USING THE COATS SOFTWARE, INCLUDING BUT NOT LIMITED TO THE WEBSITE (WWW.COATSSQL.COM), ANY RELATED APPLICATIONS, FEATURES, CONTENT, OR SERVICES PROVIDED TO YOU THROUGH OR IN CONNECTION WITH THE COATS PLATFORM.

1. Acceptance

SARACH TECHNOLOGIES, LLC d/b/a "COATS" is the provider of the COATS website. By using or visiting the COATS website or accessing or downloading any Content, or services provided to you on, from, or through the COATS website (collectively the "Service"), you hereby agree to be legally bound by these Terms of Use. If you do not agree to any of these terms, please do not use the Service. Use of the Service is expressly subject to your agreement and compliance with these Terms of Use.

COATS software, associated services, and portal access are subject to the terms and conditions of the current COATS software license agreement and are not included within the definition of "Service" as used herein. Acceptance of these Terms of Use do not provide any license or right to any COATS software, associated services, or portal.

These Terms of Use shall apply regardless of the means by which the Service was accessed. Although we may attempt to notify you when major changes are made to these Terms of Use, you should periodically review the then most current version at www.coatssql.com. COATS reserves that right to, and may, in its sole discretion, modify or revise these Terms of Use and policies at any time. Such modifications or revisions shall become effective immediately upon the posting thereof, and your continued use of the Service following the posting of such modifications or revisions will constitute your acceptance of the Terms of Use, and any such modifications or revisions. Nothing in these Terms of Use shall be deemed to confer any third-party rights or benefits.

Date of Last Modification: March 27, 2026

2. Service

These Terms of Use apply to all users of the Service. As used herein, "Content" means the documents, files, images, animation, multi-media content, sound samples, sound files or sound media, video samples, video files or video media, interactive content, data, scripts, utilities, features, tools, diagrams, pictures, text, links, information, and other content or materials of any kind you may view on, access through, or contribute to the Service.

The Service may contain links to third party websites or resources that are not owned or controlled by COATS. COATS does not endorse, has no control over, and assumes no responsibility for, the content, privacy policies, or practices of any such third party websites or resources. By using the Service, you expressly relieve COATS from any and all liability arising from your use of any third party website or resource. Any concerns regarding any third party website or resource should be directed to its respective administrator, system operator, or webmaster.

3. COATS Accounts

In order to access some features of the Service, COATS will initially create an account for you. Contact COATS for your user name and password. Should your account become inactive, COATS has the right to suspend or terminate your account and refuse any and all current or future use of the Service. You are solely responsible for the activity that occurs on your account, and you must keep your account password secure. You agree to notify COATS immediately of any breach of security or unauthorized use of your account. Under no circumstances may you use another user's account without permission.

4. General Use of the Service – Permissions and Restrictions

COATS hereby grants you permission to access and use the Service only for lawful purposes, as set forth in these Terms of Use, subject to the following limitations:

- You may not distribute in any form any part of the Service or the Content without COATS' prior written authorization.
- You may not use or launch any automated system, including without limitation, "robots," "spiders," or "offline readers," that accesses the Service in a manner that sends more request messages to the COATS servers in a given period of time than a human can reasonably produce in the same period by using a conventional on-line web browser.
- You agree not to upload viruses or other malicious code, interrupt or attempt to interrupt the operation of the Service in any way, circumvent or attempt to circumvent any security feature of the Service, misuse or spoof any domain names associated with Service, redirect messages and communications to other sites, or do anything that might impair the functionality of the Service.

You acknowledge and agree that COATS may access, preserve and disclose your account information and Content if required to do so by law, or in a good faith belief that such access, preservation or disclosure is reasonably necessary to: (i) comply with legal process; (ii) enforce these Terms of Use; (iii) respond to your requests for customer service; or (iv) protect the rights, property or personal safety of COATS, users and the public.

5. Your Use of Content

In addition to the general restrictions above, the following restrictions and conditions apply specifically to your use of Content:

- The Content, and the trademarks, service marks and logos ("Marks") on the Service, are owned by or licensed to COATS, subject to copyright and other intellectual property rights under the law. You may not display or use the Marks in any manner without prior written consent, and nothing in these Terms of Use or on the Service shall be construed to grant any license or right to use any of the Marks without the prior written consent of COATS or the respective owner or licensor.
- All third-party trademarks are the property of their respective owners. Use of any third-party trademark or Content on the Service does not constitute or imply affiliation with or endorsement of COATS by these third parties. Nothing in the Agreement grants you any license to third-party trademarks or Content.
- Content is provided to you AS IS. You may access Content for your information and personal use solely as intended through the provided functionality of the Service and as permitted under these Terms of Use. You may not download, copy, distribute, exploit, or otherwise use any Content except as explicitly authorized by COATS or the respective licensors of the Content. COATS and all other licensors of Content reserve all rights not expressly granted in and to the Service and the Content.
- You may not circumvent, disable or otherwise interfere with security-related features of the Service, or any features that prevent or restrict use or copying of any Content or enforce limitations on use of the Service or the Content therein.
- COATS is not responsible for the accuracy, propriety, usefulness, safety, or intellectual property rights of or relating to Content. You agree that COATS is not responsible or liable, directly or indirectly, for any damage or loss caused by or alleged to be caused by your reliance on any Content, and you hereby waive any legal or equitable rights or remedies you have or may have against COATS with respect thereto. Content regarding COATS software, associated services, or portal access is provided as a courtesy only and COATS makes no representation or warranty by presentation of such Content.

6. Account Termination

COATS may terminate a user's access to the Service, in whole or in part, at any time, and for any reason, including without limitation if, in COATS' sole judgment, the user is determined to have violated these Terms of Use.

7. Warranty Disclaimer

YOU AGREE THAT YOUR USE OF THE SERVICE SHALL BE AT YOUR SOLE RISK. TO THE FULLEST EXTENT PERMITTED BY LAW, COATS, ITS OFFICERS, DIRECTORS, EMPLOYEES, AND AGENTS DISCLAIM ALL WARRANTIES, EXPRESS OR IMPLIED, IN CONNECTION WITH THE SERVICES AND YOUR USE THEREOF. COATS MAKES NO WARRANTIES OR REPRESENTATIONS ABOUT THE ACCURACY OR COMPLETENESS OF THIS WEBSITE'S CONTENT OR THE CONTENT OF ANY SITES LINKED TO THIS SITE AND ASSUMES NO LIABILITY OR RESPONSIBILITY FOR ANY (I) ERRORS, MISTAKES, OR INACCURACIES OF CONTENT, (II) PERSONAL INJURY OR PROPERTY DAMAGE, OF ANY NATURE WHATSOEVER, RESULTING FROM YOUR ACCESS TO AND USE OF OUR SERVICES, (III) ANY UNAUTHORIZED ACCESS TO OR USE OF OUR SECURE SERVERS AND/OR ANY AND ALL PERSONAL INFORMATION AND/OR FINANCIAL INFORMATION STORED THEREIN, (IV) ANY INTERRUPTION OR CESSATION OF TRANSMISSION TO OR FROM OUR SERVICES, (V) ANY BUGS, VIRUSES, TROJAN HORSES, OR THE LIKE WHICH MAY BE TRANSMITTED TO OR THROUGH OUR SERVICES BY ANY THIRD PARTY, AND/OR (VI) ANY ERRORS OR OMISSIONS IN ANY CONTENT OR FOR ANY LOSS OR DAMAGE OF ANY KIND INCURRED AS A RESULT OF THE USE OF ANY CONTENT POSTED, EMAILED, TRANSMITTED, OR OTHERWISE MADE AVAILABLE VIA THE SERVICES. COATS DOES NOT WARRANT, ENDORSE, GUARANTEE, OR ASSUME RESPONSIBILITY FOR ANY SERVICE ADVERTISED OR OFFERED BY A THIRD PARTY THROUGH THE SERVICES OR ANY HYPERLINKED SERVICES OR FEATURED IN ANY BANNER, EMBEDDED VIDEO, OR OTHER ADVERTISING, AND COATS WILL NOT BE A PARTY TO OR IN ANY WAY BE RESPONSIBLE FOR MONITORING ANY TRANSACTION BETWEEN YOU AND THIRD-PARTY PROVIDERS OF SERVICES. AS WITH THE PURCHASE OF A SERVICE THROUGH ANY MEDIUM OR IN ANY ENVIRONMENT, YOU SHOULD USE YOUR BEST JUDGMENT AND EXERCISE CAUTION WHERE APPROPRIATE.

10. Limitation of Liability

IN NO EVENT SHALL COATS, ITS AFFILIATES, OFFICERS, DIRECTORS, EMPLOYEES, OR AGENTS, BE LIABLE TO YOU FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES WHATSOEVER RESULTING FROM ANY (I) ERRORS, MISTAKES, OR INACCURACIES OF CONTENT, (II) PERSONAL INJURY OR PROPERTY DAMAGE, OF ANY NATURE WHATSOEVER, RESULTING FROM YOUR ACCESS TO AND USE OF OUR SERVICES, (III) ANY UNAUTHORIZED ACCESS TO OR USE OF OUR SECURE SERVERS AND/OR ANY AND ALL PERSONAL INFORMATION AND/OR FINANCIAL INFORMATION STORED THEREIN, (IV) ANY INTERRUPTION OR CESSATION OF TRANSMISSION TO OR FROM OUR SERVICES, (V) ANY BUGS, VIRUSES, TROJAN HORSES, OR THE LIKE, WHICH MAY BE TRANSMITTED TO OR THROUGH OUR SERVICES BY ANY THIRD PARTY, AND/OR (VI) ANY ERRORS OR OMISSIONS IN ANY CONTENT OR FOR ANY LOSS OR DAMAGE OF ANY KIND INCURRED AS A RESULT OF YOUR USE OF ANY CONTENT POSTED, EMAILED, TRANSMITTED, OR OTHERWISE MADE AVAILABLE VIA THE SERVICES, WHETHER BASED ON WARRANTY, CONTRACT, TORT, OR ANY OTHER LEGAL THEORY, AND WHETHER OR NOT THE COMPANY IS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. YOU FURTHER AGREE THAT ANY LIABILITY OF COATS SHALL BE LIMITED TO FEES PAID BY YOU IN THE TWELVE (12) MONTH PERIOD PRIOR TO THE DATE ON WHICH ANY DISPUTE AROSE OR TEN (\$10) DOLLARS, WHICHEVER IS GREATER. THE FOREGOING LIMITATION OF LIABILITY SHALL APPLY TO THE FULLEST EXTENT PERMITTED BY LAW IN THE APPLICABLE JURISDICTION. YOU SPECIFICALLY ACKNOWLEDGE THAT COATS SHALL NOT BE LIABLE FOR CONTENT OR THE DEFAMATORY, OFFENSIVE, OR ILLEGAL CONDUCT OF ANY THIRD PARTY AND THAT THE RISK OF HARM OR DAMAGE FROM THE FOREGOING RESTS ENTIRELY WITH YOU.

The Service is controlled and offered by COATS from its facilities in the United States of America. COATS makes no representations that the Service is appropriate or available for use in other locations. Those who access or use the Service from other jurisdictions do so at their own volition and are responsible for compliance with local law.

11. Indemnity

To the extent permitted by applicable law, you agree to defend, indemnify and hold harmless COATS, its affiliates, officers, directors, employees and agents, from and against any and all claims, damages, obligations, losses, liabilities, costs or debt, and expenses (including but not limited to attorney's fees) arising from: (i) your use of and access to the Service; (ii) your violation of any term of these Terms of Use; or (iii) your violation of any third party right, including without limitation any copyright, property, or privacy right. This defense and indemnification obligation will survive these Terms of Use and your use of the Service.

12. Your Ability to Accept Terms of Use

You affirm that you have reached the age of majority or greater and are fully able and competent to enter into the terms, conditions, obligations, affirmations, representations, and warranties set forth in these Terms of Use, and to abide by and comply with these Terms of Use.

13. Assignment

These Terms of Use, and any rights and licenses granted hereunder, may not be transferred or assigned by you. You acknowledge and agree, however, that COATS' rights and obligations hereunder may be transferred or assigned by COATS without restriction.

14. General

All sums paid are non-refundable. The Service shall be deemed solely based in Virginia, and shall be deemed a passive website that does not give rise to personal jurisdiction over COATS, either specific or general, in jurisdictions other than Virginia. These Terms of Use shall be governed by the internal substantive laws of the Commonwealth of Virginia, without respect to its conflict of laws principles. Any claim or dispute between you and COATS that arises in whole or in part from the Service shall be decided exclusively in the courts of the Commonwealth of Virginia, City of Virginia Beach, or if the party bringing suit can acquire jurisdiction, in the United States District Court for the Eastern District of Virginia, Norfolk Division, and you consent to the exclusive jurisdiction of such courts (and of the appropriate appellate courts) in any such action or proceeding and irrevocably waive any objection to venue.

These Terms of Use, together with any other legal notices published by COATS on the Service, shall constitute the entire agreement between you and COATS concerning the Service.

If any provision of these Terms of Use is deemed invalid by a court of competent jurisdiction, the invalidity of such provision shall not affect the validity of the remaining provisions of these Terms of Use, which shall remain in full force and effect.

No waiver of any term of these Terms of Use shall be deemed a further or continuing waiver of such term or any other term, and COATS' failure to assert any right or provision under these Terms of Use shall not constitute a waiver of such right or provision.

YOU AGREE THAT ANY CAUSE OF ACTION YOU MAY HAVE ARISING OUT OF OR RELATED TO THE SERVICES MUST COMMENCE WITHIN ONE (1) YEAR AFTER THE CAUSE OF ACTION ACCRUES. OTHERWISE, SUCH CAUSE OF ACTION IS PERMANENTLY BARRED.

Use of Artificial Intelligence Features

The following governs the use of certain features within the COATS platform, including Resume Parsing and Job Matching, which are powered by Artificial Intelligence ("AI Features").

1. Customer's Responsibilities and Acknowledgements

- **1.1. Assistive Tools Only:** The Customer acknowledges that the AI Features are assistive tools only. The AI Features use algorithms to extract information from resumes and compare it against job order requirements to generate a "match percentage." This output is for informational purposes and is not a recommendation, assessment, evaluation, or decision regarding any candidate.
- **1.2. Customer as Deployer/Employer:** The Customer acknowledges that for the purposes of applicable law, including but not limited to the Colorado Artificial Intelligence Act (SB 24-205), New York City Local Law 144, the Illinois Artificial Intelligence Video Interview Act, and California employment and privacy laws, it is the "Deployer," "Employer," or responsible entity using an "Automated Employment Decision Tool" (AEDT), "High-Risk AI System," or similar technology to make employment decisions.
- **1.3. Sole Responsibility for Decisions:** The Customer retains sole responsibility and liability for all its employment-related decisions, including but not limited to which candidates are screened, interviewed, selected, hired, or rejected. The Customer agrees that it will not represent to any party that COATS or its AI Features made any employment decision.

2. Compliance with Applicable Laws

The Customer represents and warrants that it will comply with all applicable federal, state, and local laws governing the use of AI in employment. This includes, but is not limited to:

- **2.1. Preventing Discrimination:** The Customer shall use the AI Features in a manner that does not result in unlawful discriminatory treatment or disparate impact based on any protected characteristic under applicable law.
- **2.2. Bias Audits:** For any jurisdiction that requires bias audits, the Customer is solely responsible for conducting, or engaging a qualified independent auditor to conduct, impartial annual bias audits of the AI Features as required by applicable law. The Customer is also responsible for making the results of such audits publicly available on its website.
- **2.3. Notice Requirements:** The Customer is solely responsible for providing all required notices to candidates, applicants, and employees regarding the use of AI in the hiring process. This includes, but is not limited to:
 - Notifying candidates or employees about the use of the AEDT and the job qualifications and characteristics that the tool will use in the assessment.
 - For any video interviews analyzed by AI, providing notice to applicants before the interview that AI will be used to analyze their interview and consider their fitness for the position, and providing an explanation of how the AI works and what characteristics it uses.
 - Providing clear and conspicuous notice regarding the use of AI systems for consequential decisions or automated decision-making technology.
- **2.4. Consent and Data Deletion :** For any video interviews analyzed by AI, the Customer must obtain explicit consent from the applicant to be evaluated by the AI program. The Customer is also solely responsible for complying with all applicant requests to delete their interviews and must provide instructions for doing so.
- **2.5. Impact Assessments and Record-Keeping:** The Customer shall conduct and maintain all required impact assessments (as required by applicable law) and risk management policies. The Customer will also maintain all records related to its use of the AI Features, bias audits, and applicant data for the period required by law.

3. Human Oversight, Intervention, and Dispute Resolution

- **3.1. Mandatory Human Oversight:** The Customer shall ensure that all outputs from the AI Features are subject to meaningful human review before any employment decision is made. The Customer is prohibited from using the AI Features as the sole or primary basis for any decision to hire, discipline, or terminate an individual. A natural person, exercising independent judgment, must make the final decision.
- **3.2. Candidate Rights and Appeal Process:** The Customer shall establish and manage a clear process for individuals to exercise their rights under applicable laws. This must include a process for an individual to:
 - Be informed of the reasons for an adverse employment decision where the AI Features were a substantial factor, have an opportunity to correct any incorrect personal data, and appeal an adverse decision for a timely human review.
 - Access information on the type of data collected and the source of that data upon request.
- **3.3. Opt-Out Rights:** Where required by law, such as under the California Consumer Privacy Act (CCPA), the Customer will provide individuals with the right to opt out of the use of the AI Features in favor of an alternative, human-led process.

4. Indemnification

The Customer agrees to defend, indemnify, and hold harmless COATS Staffing Software, its officers, directors, employees, and agents from and against any and all claims, damages, obligations, losses, liabilities, costs, or debt, and expenses (including but not limited to attorney's fees) arising from:

- (a) The Customer's use of and access to the AI Features;
- (b) The Customer's violation of any term of this Addendum;

- (c) The Customer's violation of any applicable law, rule, or regulation, including but not limited to the Colorado AI Act, NYC Local Law 144, the Illinois Artificial Intelligence Video Interview Act, California's FEHA, and the CCPA;
- (d) Any claim of discrimination or other unlawful employment practice arising from the Customer's hiring process or decisions.

5. Disclaimer

COATS provides the AI Features on an "as-is" basis and makes no warranties that the AI Features will be error-free, unbiased, or that their use will result in the hiring of any successful employee. COATS expressly disclaims all liability for the Customer's compliance with its legal obligations and for any decisions made by the Customer in its use of the AI Features.