

INFRINGEMENT INDEMNITY

(a) **Infringement Indemnity.** CAPSTONE INTELLIGENT SOLUTIONS UK LIMITED will defend, indemnify, and hold harmless Customer and Customer's owners, officers, directors, and employees (individually and collectively, an "Indemnified Party"), at CAPSTONE INTELLIGENT SOLUTIONS UK LIMITED's expense, from any third party claim, action, suit, or proceeding against an Indemnified Party (a "Claim") to the extent that such Claim is based upon an allegation that a Product infringes any right protected by any patent, copyright, trademark or trade secret of any third party that is enforceable in the United States. CAPSTONE INTELLIGENT SOLUTIONS UK LIMITED will indemnify an Indemnified Party for any judgments, settlements, reasonable costs, and reasonable attorneys' fees resulting from a Claim. CAPSTONE INTELLIGENT SOLUTIONS UK LIMITED's obligations under this Section are conditioned upon the following: (i) upon becoming aware of the Claim, an Indemnified Party provides to CAPSTONE INTELLIGENT SOLUTIONS UK LIMITED prompt written notice of the Claim; (ii) an Indemnified Party gives to CAPSTONE INTELLIGENT SOLUTIONS UK LIMITED sole authority and control of the defense and/or settlement of the Claim; and (iii) an Indemnified Party provides all reasonable information and assistance requested by CAPSTONE INTELLIGENT SOLUTIONS UK LIMITED to handle the defense and/or settlement of the Claim. An Indemnified Party, at its expense, may hire legal counsel of its choice to participate in an advisory capacity related to discussions, negotiations, or proceedings of the Claim, but such legal counsel shall not, without the prior written consent of CAPSTONE INTELLIGENT SOLUTIONS UK LIMITED, participate in any other capacity with respect to the Claim.

(b) **Remedial Measures.** If a Product becomes the subject of a Claim, or if CAPSTONE INTELLIGENT SOLUTIONS UK LIMITED reasonably believes that use of such Product may become the subject of a Claim, then CAPSTONE INTELLIGENT SOLUTIONS UK LIMITED may do, at its own expense and option, at least one of the following: (i) procure for Customer the right to continue use of the Product at no additional cost to Customer for such right; (ii) replace the Product with a non-infringing product while maintaining the Product's essential specifications; (iii) modify the Product so that it becomes non-infringing while maintaining the Product's essential specifications; or (iv) refund to Customer a pro-rated portion of the Price paid to CAPSTONE INTELLIGENT SOLUTIONS UK LIMITED for the Product, based upon a linear monthly depreciation over a five (5) year useful life, in which case Customer will both cease all use of the Product and return the Product to CAPSTONE INTELLIGENT SOLUTIONS UK LIMITED.

(c) **Exceptions and Limitations.** CAPSTONE INTELLIGENT SOLUTIONS UK LIMITED will have no defense or indemnity obligation for any Claim based upon: (i) a Product that has been modified by someone other than CAPSTONE INTELLIGENT SOLUTIONS UK LIMITED, if such modification results in the allegation of the infringement; (ii) a Product that has been modified in accordance with either Customer-provided or End User-provided specifications or instructions, if such modification results in the allegation of the infringement; (iii) use or combination of a Product with Third Party Products, if such use or combination results in the infringement; or (iv) End User products or Third Party Products. The term "Third Party Products" means any products manufactured by or supplied by a party other than CAPSTONE INTELLIGENT SOLUTIONS UK LIMITED, and may include, without limitation, products ordered by Customer from third parties.

(d) **No Other Remedies Regarding Infringements.** THE FOREGOING STATES CAPSTONE INTELLIGENT SOLUTIONS UK LIMITED'S ENTIRE LIABILITY AND AN INDEMNIFIED PARTY'S SOLE AND EXCLUSIVE REMEDIES WITH RESPECT TO ANY INFRINGEMENT OR MISAPPROPRIATION OF ANY INTELLECTUAL PROPERTY RIGHTS OF ANY THIRD PARTY.