

SPECTRALINK CORPORATION
INTELLECTUAL PROPERTY INFRINGEMENT INDEMNITY BY NACR

All capitalized terms not defined in this document shall have the meaning ascribed to them in the NACR Sales Agreement.

- a. NACR will indemnify, defend and hold harmless CUSTOMER and its directors, officers and employees from any loss, liability, damage, cost or expense (including, without limitation, attorneys' fees) to the extent arising out of any finally adjudicated claim by a third party arising from: (a) any allegation that any Product, when used in accordance with this Agreement, infringes any patents or copyrights or misappropriates any trade secrets of a third party (any such claim, suit or proceeding, a "**Claim**").
- b. If any PRODUCTS become, or in NACR's opinion is likely to become, the subject of a Claim, then NACR may, at its option and expense, either: (a) procure for CUSTOMER the right to continue exercising the rights licensed to CUSTOMER in this Agreement, (b) replace or modify the Product so that it becomes non-infringing, in which case CUSTOMER shall cooperate, in distributing any replacement or modified Products, or (c) terminate this Agreement by written notice to CUSTOMER.
- c. Notwithstanding the foregoing, NACR has no obligation under this Agreement (including, without limitation, Section a above) or otherwise with respect to any Claim based upon: (a) any unauthorized use, reproduction, or distribution of the Products by CUSTOMER or any of its customers, (b) any use of the Products in combination with other products, equipment, software, or data not supplied by NACR, if such alleged infringement would not have arisen but for the combination with such other products, equipment, software or data, (c) any use, reproduction, or distribution of any release of the Software after NACR provides CUSTOMER with written notice that such release is or may be infringing a third party's intellectual property rights, or (d) any modification of the Products by any person other than NACR (or a subcontractor to NACR). This Section states NACR's entire liability and CUSTOMER's sole and exclusive remedy for infringement claims and actions.
- d. Mechanics. The foregoing obligations of indemnity are conditioned on CUSTOMER providing NACR (a) prompt written notice of any claim, action, or demand for which indemnity is claimed; (b) complete control of the defense and settlement thereof; provided, however, that NACR shall not enter into any settlement that binds CUSTOMER in any way without the consent of CUSTOMER, which consent shall not be unreasonably withheld, delayed, and/or conditioned; and (c) cooperation, at NACR's reasonable expense. In no event may NACR enter into any settlement or final judgment that requires any

admission on behalf of CUSTOMER without CUSTOMER's prior express written consent.