

VU-VAULT.COM WEBSITE SERVICES AND CLOUD STORAGE LICENSE AGREEMENT

This VuVault.Com™ Website Services And Cloud Storage License Agreement (the "**Agreement**") is made on this _____ day of _____, 201_ (the "**Effective Date**"), by and between Digital Ally, Inc. ("**Digital Ally**"), a Nevada corporation having its principal place of business at 9705 Loiret Boulevard, Lenexa, Kansas 66219, and _____ ("**Customer**"), a _____ having its principal place of business at _____.

Unless otherwise defined in this Agreement, all capitalized terms will have the meanings given to them in Section 11 of this Agreement. The terms "**you**," "**your**," "**yours**," and "**Customer**" refer to the law enforcement customer using the Digital Ally™ website. The terms "**Digital Ally**," "**we**," "**us**," "**our**" or words of similar import refer to Digital Ally, Inc. The term "**Website**" refers to any and all Digital Ally™ or VuVault™ websites.

1. VUVAULT.COM™ PROGRAM AND SERVICES

1.01 VuVault.Com™ Program. The VuVault.Com™ back office software suite (hereinafter, "**VuVault program**") is designed to enable law enforcement agencies and providers to manage their digital video evidence across the Digital Ally products offered by Digital Ally and selected by Customer. The VuVault program is intended to be utilized for playing back, downloading, archiving, reviewing, unit configuration and management, running customizable reports and chain of custody logs as well as exporting/burning videos for court. This data is made available to the Customer over the Internet through each Customer's account on the VuVault program website ("**Website Account**"). The VuVault program is designed to work in conjunction with Digital Ally's event recording hardware, sold by separate purchase order in conjunction with the VuVault program ("**Units**"), including, if purchased by the Customer, the VuVault.Com™ All-In Package, which includes the VuVault program with the specific Cloud Storage Plan and the Units customized for the Customer's needs, and if purchased by the Customer, various "**Professional Services**" offered by Digital Ally. This Agreement applies to the Services (as defined in Section 1.02) only; Units (including all hardware) and Professional Services are sold by Digital Ally pursuant to their own terms and conditions, set forth in Exhibit B and Exhibit C respectively..

1.02 Services. The term "**Services**" used in this Agreement means all services and software offered by Digital Ally in conjunction with the VuVault program, including (i) the cloud storage plan ("**Cloud Storage Plan**") , options, and utilities you select and use, (ii) the VuVault program and Digital Ally software, applications, and Website Accounts, and (iii) the hosting and other services provided through our Website operations. By selecting to use the Services, you are granting to Digital Ally all authority we require to perform this Agreement, including authorizing Digital Ally to arrange for you to store your data in a cloud based system pursuant to VuVault program policies and procedures and all agreements between you and Digital Ally, and you agree that you will not resell the Services or use the Services in any manner that is prohibited by Digital Ally. You agree to be solely responsible for your stored data and for complying with all applicable copyright and other laws, including import and export control laws and regulations, and with the terms of any licenses or agreements to which you are bound. You warrant that the data you send or are storing in your Website Account is, and will be, free from any malware, viruses, Trojan horses, spyware, worms, or other malicious or harmful code. You agree to supply complete and accurate information to Digital Ally, and to promptly update your information if it changes. You further agree to use the Services in accordance with all applicable state, federal, and local laws, rules, regulations, and this Agreement, including in accordance with all Criminal Justice Information Services standards and policies. You may not use the Services in conjunction with other services, software, or hardware that are not provided, or approved in writing, by Digital Ally.

1.03 Cloud Storage Plans. The VuVault program offers a number of Cloud Storage Plans which each customer may select in accordance with its specific storage and retention needs. Pricing for the Cloud Storage Plan and other Services selected by, and customized for, Customer ("**Services Plan**") are provided on Exhibit A to this Agreement, which is attached hereto and incorporated herein by this reference. Exhibit A may contain pricing for both the Services purchased pursuant to this Agreement, as well as for the Units, sold pursuant to the Unit Terms of Sale. Exhibit A will record the Services you have selected, which may be modified from time to time by written

agreement between Digital Ally and Customer.

1.04 Data Retention Policy. Customer will manage its Customer Information in accordance with a data retention schedule customized for Customer, which is are provided on Exhibit B to this Agreement, attached hereto and incorporated herein by this reference. Exhibit B also contains information about how Customer will manage and store its archival Customer Information.

2. GRANT OF LICENSE; LICENSE RESTRICTIONS

2.01 Access to Website Account And Services. During the term of this Agreement and subject to the terms and conditions herein, Digital Ally hereby grants to Customer a limited, non-exclusive, non-transferable, non-sub-licensable, revocable, royalty-bearing license to access Customer's Website Account and to use the Services that Customer has selected and paid for ("**License**").

2.02 Primary Administrator; Authorized Users. Customer shall authorize a "**Primary Administrator**" to oversee this Agreement and the use of this License, and shall provide the name and contact information for the Primary Administrator to Digital Ally to further communications between Customer and Digital Ally, and Customer agrees to update the name and contact information of the Primary Administrator promptly should such information change. Subject to the options that Customer has selected and paid for, Customer may authorize department officers who wear Units that record events, and other personnel in its employ (including additional administrators), and law enforcement advisors of Customer that are authorized by the Primary Administrator, including Customer's independent advisors such as Customer's attorneys and prosecutors (collectively with the Primary Administrator, "**Authorized Users**"), to use the License issued to Customer under this Agreement so long as Customer agrees to be responsible for the Authorized Users' compliance with this Agreement.

If Customer is required to take any action, or prohibited from taking any action, under this Agreement, such requirements or prohibitions equally apply to all Authorized Users. Customer may not transfer or sublicense the License to any third party, in whole or in part, in any form, whether modified or not. Each Authorized User must be at least eighteen (18) years old to access or use the Services.

2.03 License Restrictions. Customer may not use the Services in any manner or for any purpose other than as expressly permitted by this Agreement. Customer will not engage in any of the following prohibited acts: (i) willfully tamper with the security of any of the Services; (ii) access data not associated with Customer's Website Account; (iii) log into an unauthorized server or a third party's Website Account without authorization; (iv) attempt to probe, scan or test the vulnerability of any of the Services or to breach Digital Ally's website security or authentication measures without proper authorization from Digital Ally; (v) willfully render unusable any part of the Services; (vi) reverse engineer, de-compile, disassemble or otherwise attempt to discover the source code or underlying ideas or algorithms of any of the Services; (vii) modify, translate, or create derivative works based on any of the Services; (viii) rent, lease, distribute, license, sublicense, sell, resell, assign, or otherwise commercially exploit any of the Services, or make any Services available to a third-party other than as contemplated in this Agreement; (ix) publish or disclose to third parties any evaluation of the Services without Digital Ally's prior written consent; (x) remove, modify, or obscure any copyright, trademark, patent or other proprietary notice that appears on the Website; (xi) supply untruthful or inaccurate information to Digital Ally; or (xii) use the Services for any unlawful purpose or in violation of any applicable law (including, without limitation, data protection and privacy laws). The software and related technology incorporated into the VuVault program are subject to applicable United States export laws and regulations. Customer must comply with all applicable United States and international export laws and regulations with respect to such software and related technology. Without limitation, Customer may not export, re-export or otherwise transfer such software or related technology, without a United States government license: (a) to any person or entity on any United States export control list; (b) to any country subject to United States sanctions; or (c) for any prohibited end use.

Customer agrees to immediately report to Digital Ally, and to use its best efforts to promptly stop, any violation of the terms and conditions set forth in this Section, this Agreement, and/or any other Digital Ally agreement or policy to which Customer has agreed to be bound, including but not limited to the Digital Ally Privacy Policy

(collectively, "**Terms and Conditions**"), all of which are incorporated herein by this reference. In the event of any suspected violation of the Terms and Conditions, Digital Ally may immediately disable Customer's access to the Services and suspend its provision of such Services.

2.04 Ownership of Intellectual Property. The Services, and all content, information and services displayed, or provided by Digital Ally, on the Website, including, but not limited to, trademarks and logos, designs, text, graphics, sounds, images, software, and other website materials or other asset provided under this License and Agreement, and all modifications and enhancements thereof ("**Digital Ally Materials**"), are the intellectual property of Digital Ally, its successors, assigns, licensors, or other vendors. The Digital Ally Materials are protected by United States and foreign intellectual property laws. Except as stated herein, none of the Digital Ally Materials may be copied, reproduced, or distributed in any form without the prior written permission of Digital Ally. Customer warrants that it will not infringe upon or violate, and will take appropriate steps and precautions for the protection of, the Digital Ally Materials, Services and related intellectual property rights of Digital Ally referred to in this Section.

2.05 Feedback. If Customer elects to provide any suggestions, comments, improvements, ideas or other feedback or materials to Digital Ally regarding Digital Ally's products and services (collectively, "**Feedback**"), Customer hereby grants to Digital Ally a non-exclusive, royalty-free, irrevocable, perpetual worldwide right and license to freely copy, reproduce, license, use, disclose, exhibit, display, transform, create derivative works and distribute any such Feedback without limitation. Further, Digital Ally will be free to use any ideas, concepts, know-how, or techniques contained in such Feedback for any purpose whatsoever, including, without limitation, developing, making, marketing, distributing and selling products and services incorporating such Feedback. Digital Ally will have no obligation to: (i) consider, use, return or preserve any Feedback Customer provides to Digital Ally; or (ii) to treat any Feedback as confidential. Any Feedback Customer provides to Digital Ally may or may not be treated confidentially by Digital Ally in Digital Ally's sole discretion, and Digital Ally will have no obligation or liability to Customer for the use or disclosure of any Feedback. Customer should not expect any compensation of any kind from Digital Ally with respect to Feedback. Digital Ally will exclusively own any improvements or modifications to the Services based on or derived from any Feedback, including all intellectual property rights therein.

3. PURCHASED SERVICES

3.01 Service Availability. Subject to the terms and conditions of this Agreement, Digital Ally will use commercially reasonable efforts to provide the Services on a twenty-four (24) hour, seven (7) day a week basis. From time to time the Services may become unavailable for reasons that include (but are not limited to) (i) equipment malfunctions, including equipment failures; (ii) scheduled maintenance or needed repairs; (iii) interruption, limitation, or failure of telecommunication or digital transmission links, network problems or other similar interruptions (including bandwidth problems); (iv) Hosting Provider failures; or (v) any force majeure or cause beyond Digital Ally's reasonable control. You will not be entitled to any setoff, discount, refund or other credit as a result of unavailability of the Services. Digital Ally reserves the right as it deems necessary in its sole discretion to modify or discontinue any Services, or any part of the Services, with or without notice.

3.02 Security. Digital Ally will use commercially reasonable efforts to protect Customer's Website Account and Customer Information against unauthorized disclosure or access. We comply with all applicable laws, including those pertaining to security breach notification, and we will notify you of any known security breaches to your Website Account. You are responsible for maintaining the confidentiality of your account access information, including your user names and passwords, for use of the Services, and for establishing and maintaining appropriate security, protection and backup of your Customer Information. You agree to change that access information and notify us immediately regarding any possible misuse of your Website Account and the Services.

3.03 VuVault Program Technical Support. Technical support is available to customers with questions regarding the Services and their Website Account during regular business hours. Contact information and access hours for our customer support services are available on the Website.

4. ROYALTIES AND PAYMENT

4.01 Royalties. Royalty payments from Customer to Digital Ally, in exchange for the right to use intellectual property or physical assets owned by Digital Ally and covered by this Agreement, are based upon the Cloud Storage Plan and service options you select. You agree to make payments (including all fees, compensation, and other amounts) for the Services in accordance with this Agreement and the terms and conditions of the invoice you receive from Digital Ally for your VuVault program Services. All amounts payable under this Agreement are denominated in United States Dollars and Customer will pay all such amounts in lawful currency of the United States.

4.02 Unpaid Charges; Interest. You will be responsible for all costs and expenses incurred by Digital Ally in connection with the collection of unpaid amounts and fees, including court costs and reasonable attorneys' fees. Any amount not paid when due will bear interest at the rate of one and one-half percent (1.5%) per month or the maximum rate permitted by applicable usury law, whichever is less, computed and compounded daily from the date due until the date paid.

4.03 Taxes. Unless otherwise agreed upon in writing, and subject to all tax exemptions available to Customer, the fees, compensation and other amounts payable to Digital Ally under this Agreement do not include any taxes, customs, duties, fees or other charges assessed or imposed by any governmental authority other than taxes imposed on or measured by Digital Ally's net income. Customer will pay or reimburse Digital Ally for all such taxes and charges imposed on Customer with respect to the Services under this Agreement upon demand, or provide certificates or other evidence of exemption from such taxes.

5. CUSTOMER INFORMATION

5.01 Customer Information Use. Digital Ally collects information from its customers, including all customer records, data, and customer content of any kind that Digital Ally receives from Customer (collectively, "**Customer Information**") in order to provide the Services. Customer Information will be used to provide the Services, technical support and for other business purposes, such as for billing, marketing, and evaluating the Services. The Digital Ally Privacy Policy provides more information on how Digital Ally collects, uses and shares the Customer Information, which can be viewed on the VuVault program website. Digital Ally may use, access, and retain Customer Information in order to provide the Services to you and enforce the terms of the Agreement, and you grant Digital Ally all authority it requires to do so. This authority includes, for example, the rights to copy Customer Information for backup purposes, modify Customer Information to enable access in different formats, use Customer Information to organize it, and access Customer Information to provide technical support.

5.02 Retention of Customer Information. Customer is solely responsible for preserving Customer Information during and beyond the term, and beyond the provisions of, this Agreement. Customer Information compiled by Digital Ally from rendering the Services will be retained as long as a legitimate business need exists to do so, in Digital Ally's sole discretion, and will be made available to law enforcement and other government agencies pursuant to legally valid requests for such information. Following termination of this Agreement for any reason, Digital Ally is not obligated to maintain Customer Information, unless required by a court, or other government entity, with jurisdiction over this Agreement.

5.03 Customer Information Ownership. Customer Information received by Digital Ally from Customer, or compiled by Digital Ally from rendering the Services, shall be and is hereby deemed, as between Digital Ally and Customer, to be the exclusive property of Customer including any related intellectual property rights. Customer is solely responsible for (i) the development, content, operation, maintenance, use, preservation, and retention of its Customer Information in contracting for and using the Services; (ii) for insuring that in compiling and providing its Customer Information to Digital Ally, and in using the Services, Customer at all times complies with the terms of this Agreement and all applicable laws, (iii) any claims relating to its Customer Information, including claims by third parties; and (iv) for insuring that Customer or its licensors own all right, title, and interest in and to the Customer Information, including those necessary to grant to Digital Ally the rights of use contemplated by this Agreement.

5.04 Customer Information At Termination. Although it is all customers' obligation to maintain, retain, preserve,

and back up its Customer Information at all times during and following the term of this Agreement, as long as Customer is not in default of the Agreement at and following termination of this Agreement, if Customer delivers written notice to Digital Ally within sixty (60) days following such termination that Customer requests the return of its Customer Information in Digital Ally's possession ("**Timely Notice**"), within sixty (60) days following such Timely Notice, Digital Ally will, at Customer cost and expense in accordance with Exhibit A hereto, provide Customer with post-termination and data retrieval authority and assistance as may be required for Customer to download and transfer its Customer Information to Customer servers. If a customer is in default of this Agreement at and/or following termination, it is a defaulting customer's obligation to have preserved its Customer Information and, unless required by a court or other government entity with jurisdiction over this Agreement, post-termination data retrieval assistance and/or preservation will not be provided to such defaulting customer by Digital Ally.

6. WARRANTIES AND CUSTOMER RESPONSIBILITIES

6.01 Software Warranty. Digital Ally software will be repaired, replaced or upgraded ("**Software Modifications**"), in the discretion of Digital Ally, at Digital Ally's premises during the term of this Agreement. Customer shall be responsible for the installation of Software Modifications, at Customer's expense.

6.02 Customer Providers and Equipment. Customer is responsible, at its cost, for providing and maintaining Internet access and all necessary telecommunications equipment, software and other materials necessary for accessing Customer's Website Account, for properly downloading Customer Information, and downloading, maintaining and using the Services.

6.03 Hosting Providers Waiver. Digital Ally may use third party vendors and service providers (collectively, with their affiliates and contractors, "**Hosting Providers**") to assist in performing Digital Ally's obligations under this Agreement, including in providing the Services hereunder. Your Services, including your Website Account and Website Account services, are hosted by Digital Ally through one or more Hosting Providers that provide the Cloud Storage capacity, Website access, and as applicable, local servers and storage facilities, used to provide the Services to Customer. **CUSTOMER EXPRESSLY UNDERSTANDS AND AGREES THAT IT HAS NO CONTRACTUAL RELATIONSHIP WHATSOEVER WITH THE HOSTING PROVIDERS, INCLUDING THE UNDERLYING WIRELESS AND/OR STORAGE SERVICE PROVIDERS OR THEIR AFFILIATES OR CONTRACTORS, AND THAT CUSTOMER IS NOT A THIRD PARTY BENEFICIARY OF ANY AGREEMENT BETWEEN DIGITAL ALLY AND ITS HOSTING PROVIDERS. IN ADDITION, CUSTOMER ACKNOWLEDGES AND AGREES THAT DIGITAL ALLY'S HOSTING PROVIDERS SHALL HAVE NO LEGAL, EQUITABLE, OR OTHER LIABILITY OF ANY KIND TO CUSTOMER, AND CUSTOMER HEREBY WAIVES ANY AND ALL CLAIMS OR DEMANDS THAT MAY BE ASSERTED AGAINST DIGITAL ALLY OR ITS HOSTING PROVIDERS ARISING FROM OR RELATED TO THE HOSTING PROVIDERS AND THE SERVICES THEY PROVIDE.**

6.04 No Responsibility for Service Interruptions or Lost Data. **DIGITAL ALLY SHALL HAVE NO LIABILITY WHATSOEVER AS A RESULT OF THE UNIT(S) BEING LOCATED IN AN AREA NOT COVERED BY APPROPRIATE WIRELESS COVERAGE, OR IF THE UNIT(S) FAIL TO ESTABLISH A CONNECTION WITH WIRELESS SERVICES, OR IF SERVICES ARE DISABLED DUE TO ANY NETWORK OR HOSTING PROVIDER RELATED ISSUES, OR FOR LOSS OF CUSTOMER INFORMATION. THE CLOUD STORAGE PLAN, THE SERVICES AND ALL INFORMATION, CONTENT, MATERIALS, AND SERVICES INCLUDED ON OR OTHERWISE MADE AVAILABLE TO YOU THROUGH THE WEBSITE ARE PROVIDED BY DIGITAL ALLY ON AN "AS IS" AND "AS AVAILABLE" BASIS.**

6.05 No Other Warranties. **EXCEPT AS EXPRESSLY SET FORTH IN SECTION 6.01 OF THIS AGREEMENT, DIGITAL ALLY MAKES NO OTHER WARRANTIES AND DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, NONINFRINGEMENT, OR FITNESS FOR A PARTICULAR PURPOSE. IF CUSTOMER MADE ITS PURCHASE THROUGH A THIRD PARTY,**

DIGITAL ALLY IS NOT RESPONSIBLE FOR THE REPRESENTATIONS OR WARRANTIES MADE BY SUCH THIRD PARTY.

7. INDEMNITY

7.01 Indemnity By Digital Ally. Digital Ally agrees, at its own expense, to defend or, at its option, to settle, any action brought against Customer to the extent it is based on a claim that the Services directly infringe any United States patent, copyright or trademark of a third party, and Digital Ally will indemnify and hold Customer harmless from and against any losses, damages, and expenses (including reasonable attorneys' fees) that are attributable to such action and are assessed against Customer in a final judgment. Digital Ally shall have the foregoing obligation to Customer only if Customer provides Digital Ally with a promptly delivered written request for indemnification and defense in such action and provides all available assistance and authority reasonably necessary for Digital Ally to defend such action. Digital Ally in such defense and indemnification will have sole control and authority over the defense and settlement thereof; and Digital Ally shall not be responsible to, and shall not compensate Customer for, any attorneys' fees or other expenses or costs incurred before Customer requests indemnification and defense. If any Services becomes, or in Digital Ally' opinion are likely to become, the subject of an infringement claim or action, Digital Ally may, at its option and in its sole discretion either procure, at no cost to Customer, the right for Customer to continue using the Services, or replace or modify the Services to render them non-infringing, provided there is no material loss of functionality. If in Digital Ally's reasonable opinion, the aforementioned options are not commercially viable options, Digital Ally may in its sole discretion terminate any of the Services or the Agreement. The preceding remedy provision states Digital Ally's sole obligation and your exclusive remedy in the event any claim or action for infringement is commenced or is likely to be commenced. This indemnification obligation will not apply to (i) any action caused by the use of the Services not in accordance with the terms of this Agreement; (ii) modifications to the Services by a person or entity other than Digital Ally or its third-party licensors; (iii) where the Services are combined with processes or materials not supplied under this Agreement by Digital Ally, or (iv) where Customer continues an allegedly infringing activity after being notified thereof.

7.02 Indemnification By Customer. Except for claims covered by Digital Ally's indemnification obligation in Section 7.01, Customer agrees to defend, indemnify and hold Digital Ally and its officers, directors, shareholders, employees, suppliers and re-sellers, its agents, licensees, licensors, and subcontractors ("**Indemnified Party(ies)**") harmless from and against all losses, damages and expenses, including reasonable attorneys' fees, in connection with any claims against the Indemnified Parties in any way arising out of or related to: (i) Customer's negligent or willful acts or omissions in using the Services; (ii) a violation by Customer of this Agreement, including engaging in any prohibited conduct hereunder; or (iii) any claim that Customer or its Authorized Users used the Services improperly, illegally, or for unauthorized or illegal monitoring. Customer will have the foregoing indemnification obligation only if an Indemnified Party provides Customer with a promptly delivered written request for indemnification and defense in such action and provides all available assistance and authority reasonably necessary for Customer to defend such action.

8. LIMITATION OF LIABILITY

UNDER NO CIRCUMSTANCES SHALL DIGITAL ALLY OR ITS AGENTS, SUBCONTRACTORS, LICENSEES, SUPPLIERS, LICENSORS OR RE-SELLERS BE LIABLE FOR ANY OF THE FOLLOWING: (I) THIRD PARTY CLAIMS OTHER THAN THOSE IDENTIFIED IN SECTION 7.01; (II) LOSS OF, OR DAMAGE TO, ANY RECORDS OR CUSTOMER INFORMATION; (III) DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, PUNITIVE, EXEMPLARY, RELIANCE, OR COVER DAMAGES (INCLUDING LOST PROFITS, LOST SAVINGS, AND LOSS OF GOODWILL, USE, AND DATA), EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES; (IV) ACTIONS OR CONDUCT OF CUSTOMER OR ITS AUTHORIZED USERS; (V) THE LOSS OF SIGNALS FROM ANY GPS SATELLITE, THE LOSS OF SIGNALS FROM ANY MOBILE NETWORK CELLULAR PROVIDER, THE LOSS OF TELEPHONE SYSTEM SIGNALS, THE LOSS OF INTERNET CONNECTIVITY, THE LOSS OF OR FAILURE OF THE CLOUD STORAGE SYSTEM OR ANY SERVICES PROVIDED BY THE HOSTING PROVIDERS, THE INABILITY OF CUSTOMER TO USE THE SERVICES FOR ANY REASON (INCLUDING DISCONTINUATION OF THE SERVICES,

DISCONTINUATION OF CUSTOMER'S ACCESS TO THE SERVICES, AND SERVICE INTERRUPTIONS OF ANY SORT); (VI) ANY UNAUTHORIZED ACCESS TO, ALTERATION OF, OR THE DELETION, DESTRUCTION, DAMAGE, LOSS OR FAILURE TO STORE, ANY OF CUSTOMER'S CONTENT OR OTHER DATA, INCLUDING CUSTOMER INFORMATION; OR (VII) ANY OTHER FACTORS OUTSIDE THE CONTROL OF DIGITAL ALLY. IN ANY CASE, DIGITAL ALLY AND ITS AGENTS, SUBCONTRACTORS, LICENSEES, SUPPLIERS, LICENSORS, AND RESELLERS AGGREGATE LIABILITY UNDER THIS AGREEMENT SHALL NOT EXCEED THE AMOUNT THE CUSTOMER ACTUALLY PAID US FOR THE SERVICES PROVIDED UNDER THIS AGREEMENT DURING THE TWELVE (12) MONTHS PRIOR TO THE DATE THE CLAIM AROSE. EACH CLAUSE OF THIS PARAGRAPH IS SEPARATE FROM THE OTHERS AND FROM THE REMEDY LIMITATIONS AND EXCLUSIONS ELSEWHERE IN THIS AGREEMENT, AND EACH WILL APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF A REMEDY OR TERMINATION OF THIS AGREEMENT.

9. CONFIDENTIALITY

Each party agrees to use commercially reasonable efforts to maintain the other party's Confidential Information in confidence and shall not use or disclose any portion of the other party's Confidential Information to third parties, except as expressly authorized by this Agreement or as reasonably necessary to perform this Agreement.

10. TERM AND TERMINATION

10.01 Term and Cancellation; Automatic Renewal. The term of this Agreement ("**Original Term**") shall commence on the Effective Date and shall continue during the length of the Services Plan selected by Customer and specified on Exhibit A, unless earlier terminated pursuant to this Agreement. **THE SERVICES PLAN YOU SELECT, AND THIS AGREEMENT, WILL AUTOMATICALLY RENEW AND WILL CONTINUE FOR THE SAME TERM OF YEARS AS THE EXPIRING SERVICES PLAN (EACH AUTOMATIC RENEWAL, A "RENEWAL TERM"), UNLESS TERMINATED BY EITHER PARTY IN ACCORDANCE WITH THIS AGREEMENT. UPON AUTOMATIC RENEWAL, THE THEN CURRENT FEES AND PROVISIONS OF THIS AGREEMENT SHALL APPLY AND YOU AUTHORIZE US WITHOUT NOTICE TO COLLECT THE THEN APPLICABLE FEE AND TAXES FOR THE RENEWAL TERM, USING ANY CREDIT CARD WE HAVE ON RECORD FOR YOU.** If your credit card expires or you have arranged another method of payment that has not been made in advance of the renewal date, your subscription or Services Plan will not automatically be terminated. You will remain responsible for payment of all charges for the Renewal Term. As used in this Agreement, "**Term**" shall include the Original Term and all Renewal Terms.

10.02 Cancellation Of Automatic Renewal. Either party may cancel this Agreement by giving written notice to the other party sixty (60) days prior to the end of a Term, and this Agreement and the Services will terminate at the end of that Term.

10.03 Suspension of Services. If you have not paid all applicable fees for the Services in accordance with this Agreement, or the Units in accordance with the terms of a Digital Ally purchase order, Digital Ally may provide you with written notice of such breach. If you do not make all outstanding payments then due within fifteen (15) days of such notice, Digital Ally may suspend your (including your Authorized Users') access to your Website Account and to the Services, until all fees are paid in full. If you are in breach of any other provision of this Agreement, Digital Ally may, in its sole discretion, immediately temporarily suspend your access to, and use of, the Website and Services (including use by your Authorized Users) until, in Digital Ally's sole discretion, the breach or the threat to the security or functionality of the Services or the Website are cured, and upon such cure, Digital Ally will use reasonable efforts to re-establish the affected Services promptly. The exercise of Digital Ally's rights under this Section 10.03 shall not be deemed to waive Digital Ally's right to terminate this Agreement based upon any such breaches, and Digital Ally may further exercise all of its additional legal and equitable rights, including but not limited to its rights under Section 10.04 of this Agreement.

10.04 Immediate Termination By Digital Ally. If Digital Ally learns: (i) that the Services or Units are being used

by anyone without authorization; (ii) that the Services or Units are being used for any unauthorized purpose; (iii) if Customer breaches its obligation to protect Digital Ally's Confidential Information; (iv) if Customer engages in an act prohibited under this Agreement or violates a provision of this Agreement; or (iv) if use of the Services or Units violates applicable law, Digital Ally may immediately and without notice of any kind, at its option and in its sole discretion, immediately terminate this Agreement, and may exercise all of its additional legal and equitable rights.

10.05 Termination for Cause. Subject to Digital Ally's rights under Section 10.03 and Section 10.04, this Agreement may be terminated: (i) by either party on thirty (30) days written notice to the other party following a material breach of the Agreement if the other party fails to cure such breach with reasonable promptness in light of all surrounding circumstances.

10.06 Termination for Convenience. Digital Ally, by written notice, may terminate this Agreement any time, in whole or in part, without cause and/or for its convenience, and such termination shall not constitute a default. In such event, Digital Ally shall be entitled to payment for the Services rendered to Customer up to the time of said termination, and Digital Ally shall return to Customer any advance payments made by it for the Services that will not be provided by Digital Ally under this Agreement going forward. Customer may terminate this Agreement any time, in whole or in part, without cause and/or for its convenience, and such termination shall not constitute a default, so long as Customer makes complete payment under this Agreement, including for the Term of its then current Services Plan, and also fulfills its surviving obligations hereunder, including those in Sections 10.07 and 10.08.

10.07 Return of Digital Ally Assets. Upon termination of this Agreement, Customer shall immediately cease use of the License and the Services, and at its expense, return to Digital Ally all Confidential Information (including all copies thereof) then in Customer's possession or custody or control, and certify in writing as to such action.

10.08 Survival. Termination or expiration of this Agreement shall not relieve either party of obligations that by their nature or term survive termination or expiration; such as, by way of example and without limitation, the obligation to make all payments that have or will become due under this Agreement, and the confidentiality obligations in Section 9.

11. DEFINITIONS

11.01 "**Cloud Storage**" means data storage where the digital data is stored in logical pools, the physical storage spans across multiple servers (and often locations), and the physical environment is typically owned and managed by a hosting company.

11.02 "**Confidential Information**" means non-public information that a party to this Agreement provides and reasonably considers to be of a confidential, proprietary or trade secret nature, including trade secrets, know how, inventions, techniques, research, designs, methods, compilations, processes, plans, programs, procedures, schematics, software source documents, data, customer lists, customer and supplier information, financial statements, projections and other financial information, and engineering, sales and marketing plans, whether in tangible or intangible form, and whether or not stored, compiled or memorialized physically, electronically, graphically, photographically, or in writing. Confidential Information shall not include Non-Confidential Information as defined below.

11.03 "**Internet**" means the global computer network comprised of interconnected networks using standard protocols including TCP/IP.

11.04 "**Non-Confidential Information**" means information which: (i) is, as of the time of its disclosure or thereafter becomes part of the public domain through no fault of the receiving party; (ii) can be demonstrated by credible evidence: (a) as rightfully known to the receiving party prior to the time of its disclosure, or (b) to have been independently developed by the receiving party; (iii) is subsequently learned from a third party not under a confidentiality obligation to the disclosing party; or, (iv) is required to be disclosed pursuant to a duly authorized subpoena, court order, or government authority, provided that the receiving party has provided prompt written

notice and assistance to the disclosing party prior to such disclosure so that the disclosing party may seek a protective order or other appropriate remedy to protect against disclosure.

11.05 "**Server**" means the Cloud server or servers as designated by Digital Ally from time to time through which Digital Ally provides the VuVault program Services in accordance with this Agreement.

12. MESSAGING

The Website may permit you to contribute and receive messages and to exchange communications with others ("**Messaging Utility**"); however, Digital Ally is not required to host, display, or distribute any user submissions on or through the Messaging Utility on the Website, and Digital Ally may remove communications at any time or refuse any user submissions for any reason. When using the Messaging Utility, you agree that in contributing any message, you will follow all applicable laws and all the Website rules contained in this Agreement. You understand and agree that all user submissions are considered non-confidential and non-proprietary. You understand and agree that you are solely responsible for any user submission that you submit, or any user submission that you receive, on the Messaging Utility.

By using the Messaging Utility, and in making a user submission, you grant to Digital Ally an irrevocable, perpetual, transferable, non-exclusive, fully-paid, worldwide, license to (a) use, distribute, reproduce, modify, adapt, publish, translate, publicly perform, and publicly display your user submission (or any modification thereto), in whole or in part, in any format or medium now known or later developed and (b) use (and permit others to use) your user submission in any manner and for any purpose (including, without limitation, commercial purposes) that Digital Ally deems appropriate in its sole discretion (including, without limitation, to incorporate your user submission or any modification thereto, in whole or in part, into any technology, product, or service). Digital Ally is free to disclose your user submission to any third party absent any obligation of confidence on the part of the recipient, and once submitted, Digital Ally does not guarantee that you will have any recourse through Digital Ally, the Messaging Utility, the Website or any third party, to edit or delete any user submission you have submitted.

DIGITAL ALLY DOES NOT CONTROL OR ENDORSE THE CONTENT, MESSAGES, OR INFORMATION FOUND IN ANY USER SUBMISSION AND, THEREFORE, DIGITAL ALLY SPECIFICALLY DISCLAIMS ALL LIABILITY WITH REGARD TO THE MESSAGING UTILITY AND ANY ACTIONS RESULTING FROM YOUR PARTICIPATION IN THE MESSAGING UTILITY.

User submissions should not be regarded as expressing the views of Digital Ally. Materials uploaded to the Messaging Utility may be subject to limitations, including limitations pertaining to usage, reproduction and/or dissemination, all of which you agree to observe in using the Messaging Utility.

Digital Ally has the right, in its sole discretion, to review the user submissions submitted to the Messaging Utility and to edit, reject, modify, and remove in whole or in part any user submission. Digital Ally at all times retains the right to terminate your access to the Messaging Utility, or a part thereof, without notice, for any reason whatsoever. Digital Ally, in its sole discretion, may at any time disclose any information to satisfy any applicable law, regulation, legal process, or governmental request.

13. GENERAL

13.01 Amendment. **WE MAY AMEND, CHANGE, OR MODIFY THIS AGREEMENT AT ANY TIME IN OUR SOLE DISCRETION BY POSTING THE REVISED TERMS ON THE WEBSITE OR BY OTHERWISE DELIVERING NOTICE TO YOU, BUT ANY INCREASE IN FEES WILL NOT AFFECT THE COST OF YOUR SERVICES PLAN DURING THE TERM. YOU AGREE THAT YOU WILL REGULARLY CHECK THE WEBSITE FOR CHANGES TO THIS AGREEMENT. YOUR CONTINUED USE OF THE SERVICES AFTER ANY AMENDMENT EVIDENCES YOUR AGREEMENT TO BE BOUND BY THE TERMS OF EACH AMENDMENT.**

13.02 Notices. All notices, requests, demand or other communications shall be given in writing and shall be effective when received, which receipt shall be established as follows:(i) on the date of delivery when delivered

personally or by a courier service (as conclusively evidenced by a report from such service); (ii) on the date actually delivered if deposited in U.S. certified mail, return receipt requested; or (iii) on the date of telecopy if successfully telecopied (as conclusively evidenced by a transmission report from the sender's telecopy machine indicating error-free transmission), to the parties at the addresses set forth above, unless a party requests in writing that another address or facsimile number be used for notice purposes.

13.03 Assignment and Delegation. You may not assign, transfer, or sell any of your rights, or delegate any of your responsibilities under this Agreement without Digital Ally's prior written consent. All assignments of rights by Customer are prohibited by this Section 13.03, whether they are voluntary or involuntary, by merger, consolidation, dissolution, operation of law, or any other manner. Digital Ally may assign this Agreement, and any or all of its rights, interests, or obligations hereunder, to its affiliates, its successors in connection with the transfer or sale of all or substantially all of its business related to this Agreement, or in the event of its merger, consolidation, change in control, corporate reorganization, or similar transaction (each, a "**Permitted Assign**" and collectively, "**Permitted Assigns**"), provided, however, that any Permitted Assigns shall assume all obligations of Digital Ally under this Agreement. Any purported assignment of rights or delegation of performance in violation of this Section 13.03 is void. Subject to the preceding provisions, this Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns.

13.04 Governing Law; Forum. This Agreement shall be governed by and construed in accordance with the laws of the State of Kansas without regard to its choice of law principles. Any action arising from or relating to this Agreement must be brought in the District Court of Johnson County, Kansas (and its appellate courts) or in the U.S. District Court for the District of Kansas (and its appellate courts), and the parties hereby irrevocably consent to the exclusive jurisdiction of, and venue in, such courts.

13.05 Waiver, Remedies, and Severability. If any provision of this Agreement is deemed illegal or otherwise unenforceable, that provision shall be severed and the remainder of this Agreement shall remain in full force and effect if the essential provisions of this Agreement for each party remain valid, legal and enforceable. The waiver of any breach, right, or election of any remedy in one instance, by either party, shall not affect, nor constitute a waiver of, any breach, rights or remedies in another instance. A waiver shall be effective only if made in writing and signed by an authorized representative of the party against whom the waiver is sought to be enforced. No failure or delay in exercising any right or remedy or requiring the satisfaction of any condition under this Agreement, and no act, omission or course of dealing between the parties operates as a waiver or estoppel of any right, remedy or condition.

13.06 Compliance with Laws. Customer and Digital Ally shall comply with all applicable federal, state, and local laws and regulations.

13.07 Force Majeure. Neither party shall be liable for any delay in performance or failure to perform, in whole or in part when due to labor dispute, strike, war or act of war (whether an actual declaration is made or not), insurrection, riot civil commotion, act of public enemy, accident, fire, flood, or other act of God, act of any governmental authority, judicial action, or similar causes beyond the reasonable control of that party. If an event of force majeure occurs, the party so affected shall promptly notify the other party.

13.08 Independent Contractor. Customer and Digital Ally are and shall be independent contractors to one another, and nothing herein shall be deemed to cause this Agreement to create an agency, partnership, or joint venture between the parties.

13.09 Signatures. This Agreement may be executed in several counterparts, all of which together shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties have not signed the same counterpart. A signature provided by facsimile transmission shall constitute a valid signature for the purpose of this Agreement.

13.10 Interpretation. Any pronoun used in this Agreement shall include the corresponding masculine, feminine and neutered forms. The words "include," "includes," and "including" shall be deemed to be followed by the phrase "without limitation." The words "herein," "hereof," "hereto," "hereunder," and similar terms shall refer to

this Agreement, unless the context otherwise requires. The references to Exhibits, Sections, Subsections, or Articles are references to the Exhibits, Sections, Subsections or Articles of this Agreement, unless the context otherwise requires. This Agreement shall be deemed to be drafted equally by both Parties and shall not be subject to any rule requiring that it be construed against any drafter.

13.11 Captions and Section Heading and Section Numbers. The captions, section headings, and section numbers appearing in this Agreement are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such sections of this Agreement.

13.12 Survival of Obligations. The obligations of the parties hereunder, which by their terms might apply after the completion or termination of this Agreement shall survive such completion or termination.

13.13 Electronic Information. You are capable of printing or storing a copy of any electronic records of transactions into which you enter including, without limitation, any amendments to this Agreement; and, you agree to receive electronically information about the Services and other electronic records from Digital Ally that are necessary and appropriate to this Agreement. If you wish to withdraw this consent, please contact us at the customer service number set forth on the Website, in which case Digital Ally shall have the right to terminate your use of the Services.

13.14 Authority. You represent to us that you are lawfully able to enter into contracts, including that you are not a minor. If you are entering into this Agreement for an entity, including the law enforcement agency you represent, you represent to us that you have legal authority to bind that entity.

13.15 Entire Agreement. This Agreement, along with the exhibits and policies referenced herein, constitutes the entire agreement between the Parties concerning the subject matter hereof, superseding all previous agreements, proposals, representations, or understandings, whether oral or written.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the Effective Date first above written.

DIGITAL ALLY, INC.

BY: _____
NAME:
TITLE:

CUSTOMER: _____

BY: _____
NAME:
TITLE:

EXHIBIT A

NOTE: use the designation Services Plan in Exhibit A to set out the time period of the Term

EXHIBIT B

Needs to be drafted by Greg, Jim and Leslie