

13 February, 2018

SAAS SERVICES AGREEMENT

This SaaS Services Agreement (the "Agreement") is made and entered into by and between Reduct, Inc. ("Reduct") and the entity agreeing to these terms ("Customer"). The Agreement is effective as of the date Customer clicks to accept the Agreement (the "Effective Date"). If you are accepting on behalf of Customer, you represent and warrant that: (i) you have full legal authority to bind Customer to this Agreement; (ii) you have read and understand this Agreement; and (iii) you agree, on behalf of Customer, to this Agreement. If you do not have the legal authority to bind Customer, please do not click to accept and no licenses will be granted under this Agreement. By submitting Footage or using the Service, Customer further assents to this Agreement. This Agreement governs Customer's access to and use of the Service. This Agreement (including the ordering details and Exhibits) represents the full agreement of the parties; different terms of any related purchase order or similar form will have no effect or force even if signed by the parties after the Effective Date.

TERMS AND CONDITIONS

2. SAAS SERVICES AND SUPPORT

2.1 Subject to the terms of this Agreement (the "Terms"), Reduct will use commercially reasonable efforts to provide Customer the Services in accordance with the Service Level Terms in Exhibit A. As part of the registration process, Customer will identify an administrative user name and password for Customer's Reduct account. Reduct reserves the right to refuse registration of or cancel passwords it deems insecure.

2.2 Subject to the Terms, Reduct will provide Customer with commercially reasonable technical support services in accordance with the terms set forth in Exhibit B.

3. RESTRICTIONS AND RESPONSIBILITIES

3.1 Customer will not, directly or indirectly: reverse engineer, decompile, disassemble, or otherwise attempt to discover the source code, object code, or underlying structure, ideas, know-how, or algorithms relevant to the Services or any software, documentation, or data related to the Services ("Software"); modify, translate, or create derivative works based on the Services or any Software (except to the extent expressly permitted by Reduct or authorized within the Services); use the Services or any Software for timesharing or service bureau purposes or otherwise for the benefit of a third party; or remove any proprietary notices or labels. With respect to any Software that is distributed or provided to Customer for use on Customer premises or devices, Reduct hereby grants Customer a non-exclusive, non-transferable, non-sublicensable license to use such Software during the Term only in connection with the Services at the permitted site. The license may only be used by the

registered users. The pricing is based on the number of users, use of the Software by more than the paid number of users or by users different than those who are registered is a violation of the Terms and their use is unauthorized.

3.2 Further, Customer may not remove or export from the United States or allow the export or re-export of the Services, Software or anything related to or resulting from either in violation of any restrictions, laws, or regulations of the United States Department of Commerce, the United States Department of Treasury Office of Foreign Assets Control, or any other United States or foreign agency or authority. As defined in FAR section 2.101, the Software and documentation are “commercial items” and according to DFAR section 252.227-7014(a)(1) and (5) are deemed to be “commercial computer software” and “commercial computer software documentation.” Consistent with DFAR section 227.7202 and FAR section 12.212, any use modification, reproduction, release, performance, display, or disclosure of such commercial software or commercial software documentation by the U.S. Government will be governed solely by the terms of this Agreement and will be prohibited except to the extent expressly permitted by the Terms

3.3 Customer represents, covenants, and warrants that Customer will use the Services only in compliance with Reduct’s standard published policies then in effect (the “Policy”) and all applicable laws and regulations. Customer hereby agrees to indemnify and hold harmless Reduct against any damages, losses, liabilities, settlements, and expenses (including without limitation costs and attorneys’ fees) in connection with any claim or action that arises from an alleged violation of the Terms or otherwise from Customer’s use of Services. Although Reduct has no obligation to monitor Customer’s use of the Services, Reduct may do so and may prohibit any use of the Services it reasonably believes is or is alleged to be) in violation of the Terms.

3.4 Customer is responsible for obtaining and maintaining (a) all rights from third parties to the video and audio submitted to Reduct necessary for Reduct to exercise its rights and perform its obligations under this Agreement, and (b) any equipment and ancillary services needed to connect to, access or otherwise use the Services, including, without limitation, modems, hardware, servers, software, operating systems, networking, web servers, and the like (collectively, “Equipment”). Customer is also responsible for maintaining the security of the Equipment, Customer account, passwords (including but not limited to administrative and user passwords) and files, and for all uses of Customer account or the Equipment with or without Customer’s knowledge or consent. Customer is solely responsible for ensuring that it has complied with all privacy and publicity rights and all other laws and regulations in obtaining the audio and video files, in having the Services performed, and in distributing and displaying the video.

4. CONFIDENTIALITY; PROPRIETARY RIGHTS

4.1 Each party (the “Receiving Party”) understands that the other party (the “Disclosing Party”) has disclosed or may disclose business, technical, or financial information relating to

the Disclosing Party's business (hereinafter referred to as "Proprietary Information" of the Disclosing Party). Proprietary Information of Reduct includes non-public information regarding features, functionality, performance, Terms, and pricing of the Service as well as the Software, the technology and specifications underlying the Service, current and prospective customers, investor details, and product road maps. Proprietary Information of Customer includes non-public data provided by Customer to Reduct to enable the provision of the Services ("Customer Data") including all aspects of Customer's videos: the video (both the moving images and any still frames), the audio components (both audible and transcribed), the metadata tied to Customer's submitted video, and how Customer modify any of that using Reduct's services (such as highlighting or editing) (collectively, the Footage").

4.2 The Receiving Party agrees: (i) to take reasonable precautions to protect Proprietary Information, and (ii) not to use (except in performance of the Services or as otherwise permitted by the Terms, such as providing audio recordings of interview footage to third party transcriptionists) or divulge to any third person any Proprietary Information. The Disclosing Party agrees that the foregoing does not apply with respect to any information that the Receiving Party can document (a) is or becomes generally available to the public, or (b) was in its possession or known by it prior to receipt from the Disclosing Party without restriction, or (c) was rightfully disclosed to it without restriction by a third party, or (d) was independently developed without use of or reference to any Proprietary Information of the Disclosing Party. Receiving Party may disclose Proprietary Information, to the extent required, if required to do so by valid and applicable law or court order (after providing as much notice as possible to the Disclosing Party and assistance in limiting the scope of disclosure and applying for a protective order or other protective measures).

4.3 Customer retains its rights, title and interest in and to the Customer Data. Reduct (or its licensors and subcontractors) own and retain all right, title and interest in and to (a) the Services and Software, all improvements, enhancements, or modifications to any of the foregoing, (b) any software, applications, inventions, or other technology developed in connection with the Services or support, and (c) all intellectual property rights related to any of the foregoing.

4.4 Notwithstanding anything to the contrary, Reduct may collect and analyze data and other information relating to the provision, use, and performance of various aspects of the Services and related systems and technologies (including, without limitation, information concerning Customer Data and data derived from it) "Services Data", and Reduct will be free (during and after the term of this Agreement) to (i) use Services Data to operate, improve and develop the Services and and other Reduct technology and offerings, and (ii) disclose such data solely in aggregate or other de-identified form in connection with its business. No rights or licenses are granted except as expressly provided.

5. PAYMENT OF FEES

5.1 Customer will pay Reduct the then applicable fees for the Services described in the Order Form in accordance with the Terms (the "Fees"). If Customer's use or number of users of the Services exceeds the Service Capacity or Licensed Users (respectively) set forth on the Order Form or otherwise requires the payment of additional fees (per the Terms), Customer will be billed for such usage and Customer will pay the additional fees in the manner provided by the Terms. Reduct reserves the right to change the Fees or applicable charges and to institute new charges and Fees at the end of the Initial Service Term or then-current renewal term, upon 30 days prior notice to Customer (which may be sent by email). If Customer believes that Reduct has billed Customer incorrectly, Customer must contact Reduct no later than 60 days after the closing date on the first billing statement in which the error or problem appeared, in order to receive an adjustment or credit. All fees are in U.S. dollars unless otherwise specified.

5.2 Reduct may choose to bill through an invoice (email is acceptable), in which case, full payment for invoices issued in any given month must be received by Reduct within 30 days of the date of the invoice. Unpaid amounts are subject to a finance charge of 1.5% per month on any outstanding balance, or the maximum permitted by law, whichever is lower, plus all expenses of collection and may result in immediate termination of Service. Customer is responsible for all taxes associated with Services other than U.S. taxes based on Reduct's net income.

6. TERM AND TERMINATION

6.1 Subject to earlier termination as provided in the Terms, this Agreement is for the Initial Service Term as specified in the Order Form, and will automatically renew for additional periods of the same duration as the Initial Service Term (collectively, the "Term"), unless either party requests termination at least 30 days prior to the end of the then-current term.

6.2 In addition to any other remedies it may have, either party may also terminate this Agreement upon 30 days' notice (or without notice in the case of nonpayment), if the other party materially breaches any of the terms or conditions of this Agreement. Customer will pay in full for the Services up to and including the last day on which the Services are provided and any liabilities incurred by Customer prior to termination will survive termination or expiration of the Agreement. Upon any termination, Reduct will make all Customer Data available to Customer for electronic retrieval for a period of 30 days, but thereafter Reduct may, but is not obligated to, delete stored Customer Data. All sections of this Agreement that by their nature should survive termination will survive termination, including, without limitation, accrued rights to payment, confidentiality obligations, warranty disclaimers, and limitations of liability.

7. WARRANTY AND DISCLAIMER

7.1 The Services are under active development in a beta phase. While the core features of the software have been implemented, bugs and issues may still remain undiscovered until

this beta phase of testing is complete. Reduct will use commercially reasonable efforts consistent with prevailing industry standards to maintain the Services in a manner that minimizes errors and interruptions in the Services and will perform the Services in a professional and workmanlike manner. Services may be temporarily unavailable for scheduled maintenance or for unscheduled emergency maintenance, either by Reduct or by third-party providers, or because of other causes beyond Reduct's reasonable control, but Reduct will use reasonable efforts to provide advance notice in writing or by e-mail of any scheduled service disruption. However, Reduct does not warrant that the Services will be uninterrupted or error free; nor does it make any warranty as to the results that may be obtained from use of the Services. EXCEPT AS EXPRESSLY SET FORTH IN THIS SECTION, THE SERVICES ARE PROVIDED "AS IS" AND REDUCT DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT.

8. INDEMNITY

8.1 Reduct will hold Customer harmless from liability to third parties resulting from infringement by the Service of any United States patent or any copyright or misappropriation of any trade secret, provided Reduct is promptly notified of any and all related threats, claims, and proceedings and given reasonable assistance and the opportunity to assume sole control over defense and settlement; Reduct will not be responsible for any settlement it does not approve in writing. The foregoing obligations do not apply with respect to portions or components of the Service (i) not supplied by Reduct, (ii) made in whole or in part in accordance with Customer specifications, (iii) that are modified after delivery by Reduct, (iv) combined with other products, processes or materials where the alleged infringement relates to such combination, (v) where Customer continues allegedly infringing activity after being notified thereof or after being informed of modifications that would have avoided the alleged infringement, or (vi) where Customer's use of the Service is not strictly in accordance with this Agreement. If, due to a claim of infringement, the Services are held by a court of competent jurisdiction to be or are believed by Reduct to be infringing, Reduct may, at its option and expense (a) replace or modify the Service to be non-infringing provided that such modification or replacement contains substantially similar features and functionality, (b) obtain for Customer a license to continue using the Service, or (c) if neither of the foregoing is commercially practicable, terminate this Agreement and Customer's rights hereunder and provide Customer a refund of any prepaid, unused fees for the Service.

9. LIMITATION OF LIABILITY

9.1 NOTWITHSTANDING ANYTHING TO THE CONTRARY, EXCEPT FOR BODILY INJURY OF A PERSON, REDUCT AND ITS LICENSORS AND SUPPLIERS (INCLUDING BUT NOT LIMITED TO ALL EQUIPMENT AND TECHNOLOGY SUPPLIERS), OFFICERS, AFFILIATES,

REPRESENTATIVES, CONTRACTORS AND EMPLOYEES SHALL NOT BE RESPONSIBLE OR LIABLE WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT OR RELATED TERMS AND CONDITIONS UNDER ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY, OR OTHER THEORY: (A) FOR ERROR OR INTERRUPTION OF USE OR FOR LOSS OR INACCURACY OR CORRUPTION OF DATA OR COST OF PROCUREMENT OF SUBSTITUTE GOODS, SERVICES, OR TECHNOLOGY OR LOSS OF BUSINESS; (B) FOR ANY INDIRECT, EXEMPLARY, INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES; (C) FOR ANY MATTER BEYOND REDUCT'S REASONABLE CONTROL; OR (D) FOR ANY AMOUNTS THAT, TOGETHER WITH AMOUNTS ASSOCIATED WITH ALL OTHER CLAIMS, EXCEED THE FEES PAID BY CUSTOMER TO REDUCT FOR THE SERVICES UNDER THIS AGREEMENT IN THE 12 MONTHS PRIOR TO THE ACT THAT GAVE RISE TO THE LIABILITY, IN EACH CASE, WHETHER OR NOT REDUCT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

10. MISCELLANEOUS

10.1 If any provision of this Agreement is found to be unenforceable or invalid, that provision will be limited or eliminated to the minimum extent necessary so that this Agreement will otherwise remain in full force and effect and enforceable. This Agreement is not assignable, transferable or sublicensable by Customer except with Reduct's prior written consent. Reduct may transfer and assign any of its rights and obligations under this Agreement without consent. This Agreement is the complete and exclusive statement of the mutual understanding of the parties and supersedes and cancels all previous written and oral agreements, communications and other understandings relating to the subject matter of this Agreement, and that all waivers and modifications must be in a writing signed by both parties, except as otherwise provided. No agency, partnership, joint venture, or employment is created as a result of this Agreement, and Customer does not have any authority of any kind to bind Reduct in any respect whatsoever. All notices under this Agreement will be in writing and will be deemed to have been duly given when received, if personally delivered; when receipt is electronically confirmed, if transmitted by facsimile or e-mail; the day after it is sent, if sent for next day delivery by recognized overnight delivery service; and upon receipt, if sent by certified or registered mail, return receipt requested. This Agreement is governed by the laws of the State of California without regard to its conflict of laws provisions. The parties consent to jurisdiction and venue in the state and federal of courts in San Francisco, California. Customer hereby grants a license to display Customer's name and logo on its website and other marketing materials listing it as a Reduct customer.

EXHIBIT A

Service Level Terms

The Services will be available 99.9%, measured monthly, excluding holidays and weekends and scheduled maintenance. If Customer requests maintenance during these hours, any

uptime or downtime calculation will exclude periods affected by such maintenance. Further, any downtime resulting from outages of third party connections or utilities or other reasons beyond Reduct's control will also be excluded from any such calculation. Customer's sole and exclusive remedy, and Reduct's entire liability, in connection with Service availability is that for each period of downtime lasting longer than one hour, Reduct will credit Customer 5% of Service fees for each period of 30 or more consecutive minutes of downtime; provided that no more than one such credit will accrue per day. Downtime begins to accrue as soon as Customer (with notice to Reduct) recognizes that downtime is taking place, and continues until the availability of the Services is restored. In order to receive downtime credit, Customer must notify Reduct in writing within 24 hours from the time of downtime, and failure to provide such notice will forfeit the right to receive downtime credit. Such credits may not be redeemed for cash and are not cumulative beyond a total of credits for one (1) week of Service Fees in any one (1) calendar month in any event. Reduct will only apply a credit to the month in which the incident occurred. Reduct's blocking of data communications or other Service in accordance with its policies is not a failure of Reduct to provide adequate service levels under this Agreement.

EXHIBIT B

Support Terms

Reduct will provide Technical Support to Customer via both telephone and electronic mail on weekdays during the hours of 9:00 am through 5:00 pm Pacific time, with the exclusion of Federal Holidays ("Support Hours").

Customer may initiate a helpdesk ticket during Support Hours by calling 347-948-7654 or any time by emailing support@distill.video.

Reduct will use commercially reasonable efforts to respond to all Helpdesk tickets within 1 business day.