

****KMDS License Terms & Conditions****

Copyright 2026 KMDS

****1. Scope of the Agreement****

This agreement governs your use of the products, software, services, and/or websites (individually a “Service” or collectively the “Services”) supplied by KMDS. It supersedes any prior agreements or documents relating to the Services. KMDS reserves the right to change these terms from time to time. By using the Services or by signature, you agree to these terms.

The software license is purchased at the time of sale of the POS system to the Agent, or is transferred from one Agent to a new Agent through the process controlled by the State of Oregon and/or the OLCC. The KMDS license number is the OLCC agent number.

****2. Acceptance****

You accept these terms by signing and returning the agreement, by signing in person with a KMDS representative, or by using the Services. KMDS treats use of the Services as acceptance. You may not use the Services or accept these terms if you are not of legal age to form a binding agreement or if you are prohibited from receiving the Services under applicable law.

****3. Term and At-Will Nature****

The term begins on the date of first use of the software or the date of signature, whichever occurs first. The relationship between KMDS and the Agent is at-will. Either party may end the relationship at any time, for any reason or no reason, with or without notice, or each party agrees to hold the other harmless for ending the relationship. KMDS reserves the right to refuse or discontinue business with anyone at any time. Continued use of the Services constitutes acceptance of these terms, including the at-will nature of the relationship.

****4. KMDS is a Tool; Not Accounting Advice or System****

KMDS provides a point-of-sale and related software tool that constitutes only a small subset of the skills, processes, and tools required to perform proper accounting, inventory management, and business record-keeping. KMDS believes its software is free of material imperfections. However, hardware errata, network issues, hard-drive or storage failures, employee or Agent data-entry or operational errors, and other external factors can cause the POS inventory or related data to be materially incorrect.

Agents acknowledge that KMDS is not their accounting system, accountant, or bookkeeper. Agents agree that they remain solely responsible for verifying inventory, sales, and other financial data. Agents agree to hold KMDS, its owners, employees, and affiliates harmless from any and all claims, damages,

losses, or liabilities arising from or related to material inventory discrepancies or other data inaccuracies, regardless of cause.

****5. OLCC State POS Transition and Associated Risks****

On or about October 6, 2026, KMDS requested in writing that the Oregon Liquor and Cannabis Commission (OLCC) provide a transition path to the new state-run point-of-sale (POS) system that would require no changes, modifications, or additional development on the part of KMDS between the date of the request and the cutover to the state-run system. The OLCC did not provide such a written agreement or confirmation.

By continuing to use the Services, Agents acknowledge and agree that they assume the risk that the OLCC may implement material changes to data formats, communications protocols, file structures, interfaces, or other requirements that affect POS functionality. If any such OLCC change requires work beyond KMDS's normal ongoing support or renders the KMDS system unusable or non-compliant, Agents agree to hold KMDS, its owners, employees, and affiliates harmless from any and all claims, damages, losses, costs, or liabilities arising from or related to such changes, including but not limited to lost revenue, business interruption, or the inability to operate.

Agents further agree that no refunds, credits, or pro-rata adjustments of any fees or charges paid to KMDS shall be due or payable in the event that OLCC changes require KMDS to limit, suspend, or completely shut down services, including permanent cessation of operations. Because the relationship is at-will, either party may discontinue the relationship at any time. Continued use of the Services after notice of these terms constitutes acceptance of the risks described above.

****6. Your Content****

You grant KMDS the right to use, modify, adapt, reproduce, distribute, and display content posted on or transmitted through the Services solely to the extent necessary to provide the Services.

****7. Use of the Services****

You agree to use the Services only for purposes permitted by these terms and applicable law. Unless specifically permitted in a separate written agreement, you will not reproduce, duplicate, copy, sell, trade, or resell the Services. You are solely responsible for any breach of these terms and for the consequences of any such breach.

You may not allow a third party to work on your system, extract data, or extract or disclose KMDS intellectual property (including by showing the software to a competitor or verbally conveying KMDS IP) without KMDS's prior written agreement.

****8. Passwords and Account Security****

You are responsible for maintaining the confidentiality of passwords associated with any account used to access the Services and are solely responsible for all activities that occur under your account.

****9. KMDS Software****

Any software provided is licensed and leased, not sold. The software license ends when the service ends (upon termination by either party under the at-will nature of the relationship). KMDS may disable the Services at any time, and you agree not to circumvent any technical limitations. You must not disassemble, decompile, or reverse-engineer the software except to the extent expressly permitted by applicable copyright law. KMDS reserves all other rights in the software.

****10. Software Updates****

KMDS may download and install updates from time to time. These updates may include bug fixes, enhanced functions, new modules, or new versions. You agree to receive such updates as part of your use of the Services.

****11. Changes to the Software and Cancellation****

A particular service may be a pre-release or beta version and may not function as a final version. KMDS may significantly change or decide not to release a final version. KMDS may create and use network, data, and resources associated with your domain for administrative, testing, and infrastructure purposes.

****12. Service Modifications and Stoppage****

The form and nature of the Services may change from time to time without prior notice. Consistent with the at-will nature of the relationship, KMDS may stop (permanently or temporarily) providing the Services or any features to you or to users generally at KMDS's sole discretion, without prior notice.

****13. Proprietary Rights****

KMDS owns all legal right, title, and interest in and to the Services, including all intellectual property rights. The Services may contain information designated confidential by KMDS, and you shall not disclose such information without KMDS's prior written consent. Nothing in these terms grants you any right to use KMDS trade names, trademarks, service marks, logos, domain names, or other brand features unless agreed in writing.

****14. Limitation of Liability****

You may recover from KMDS and its affiliates, resellers, distributors, and vendors only direct damages up to an amount equal to your service fee for one month. You cannot recover any other damages, including consequential, lost profits, special, indirect, incidental, or punitive damages.

These limitations and exclusions apply to anything related to these terms or the Services, including loss of data; content or code incompatibility; delays or failures in transmissions or transactions; claims for breach of contract, warranty, guarantee, or condition; strict liability; tort (including negligence or breach

of statutory duty); or misrepresentation. The limitations apply even if the remedy does not fully compensate you for any losses or fails of its essential purpose, and even if KMDS knew or should have known about the possibility of the damages.

****15. Indemnification****

You agree to defend, indemnify, and hold KMDS, its agents, officers, employees, and affiliates harmless from any and all demands, liabilities, losses, costs, and claims (including attorneys' fees) arising out of or related to: (a) any service provided or product sold by you, your agents, employees, or assigns; (b) any injury to person or property caused by products sold or distributed in connection with the Services; (c) any material supplied by you that infringes or allegedly infringes the proprietary rights of a third party; (d) copyright infringement; or (e) any defective product sold in connection with the Services.

****16. Hardware Compliance****

Hardware ages and must be replaced at reasonable intervals. Hardware may fail and require replacement before end of life. KMDS computers must be replaced no later than every 60 months to remain compliant. If replacement is needed and the Agent has not done so after a reasonable time (as defined by KMDS), KMDS reserves the right to disable the system and cancel the agreement. All computers and hardware must be purchased from KMDS. Computers are to be replaced as sets, except when a computer fails and the other computers are less than 60 months old.

****17. Software Compliance****

You may add software to a computer purchased from KMDS at your own risk. You agree never to ask KMDS to fix third-party software that does not work on a KMDS machine; instead you will remove it or have KMDS remove it immediately. If KMDS finds that added software interferes with KMDS software, KMDS may delete it without notice, and you agree not to reload it and to hold KMDS harmless.

****18. Hardware Replacement****

When replacing hardware, KMDS will make every effort to copy files from old drives that you may need. KMDS cannot copy copyrighted software. KMDS will try but cannot guarantee that passwords and usernames will be preserved. KMDS will not remove any old hardware from a store.

****19. Miscellaneous****

These terms form a legally binding agreement regarding your use of the Services. If any provision is held unenforceable, the remaining provisions will continue in effect. The at-will nature of the relationship set forth in Section 3 applies to all provisions of these terms.