

HARDWARE PROCUREMENT ADDENDUM

This Hardware Procurement Addendum ("Addendum") is incorporated by reference into and made a part of the applicable End User License Agreement between LogRhythm and the Customer set forth in such agreement ("Agreement"). This Addendum sets forth certain rights, duties, and obligations of the parties with respect to hardware or appliances described in an Order ("Hardware" or "Appliances" as applicable) procured by Customer from LogRhythm in connection with the Software licensed or remotely accessed by Customer under the Agreement. This Addendum shall supplement (and not supersede) the Agreement and shall take precedence solely to the extent of any conflict between this Addendum and the Agreement. All capitalized terms used and not expressly defined in this Addendum shall have the meanings given to them in the Agreement.

Subject to the terms and conditions of "Agreement", LogRhythm shall provide the Hardware or Appliances in accordance with the terms and conditions set forth below.

1. HARDWARE AND APPLIANCE DELIVERY. AUTHORIZED RESELLERS. To the extent Customer purchases Hardware from an Authorized Reseller, terms of Delivery are as determined between Customer and the Authorized Reseller. If Customer is purchasing Hardware or Appliances then, subject to the terms and conditions of this Addendum, Customer hereby agrees to purchase the Hardware or Appliance from LogRhythm, and LogRhythm hereby agrees to sell the Hardware or Appliance to Customer, pursuant to the applicable Order and the following:

1.1 Delivery. LogRhythm shall ship the Hardware or Appliance, pay the freight and add the shipping costs to Customer's invoice. Title to purchased Hardware or Appliances (but not to any Software incorporated or embedded therein, which is licensed hereunder and not sold to Customer) and risk of loss and damage shall pass to Customer when the Hardware or Appliance is put into the possession of the carrier at LogRhythm's shipment location. LogRhythm shall use reasonable commercial efforts to meet the delivery schedule set forth in an Order, if any. All Hardware and Appliances shall be delivered to Customer at Customer's address set forth on an Order and may be delivered in lots determined by LogRhythm.

1.2 Inspection. Customer shall have ten (10) business days after receipt of Hardware or Appliances (the "Return Period") to notify LogRhythm in writing of any discrepancies in the shipments or lost or damaged goods. LogRhythm will, at its cost, repair or replace Hardware or Appliances lost or damaged in shipment. LogRhythm shall only accept returns from Customer of Hardware or Appliances for which notification is sent to LogRhythm during the Return Period. Any damaged Hardware or Appliances must be returned by Customer with a return material authorization number issued by LogRhythm and accompanied by a notice specifying the discrepancy.

2. SECURITY Interest. Customer hereby grants LogRhythm a purchase money security interest in all Hardware sold by LogRhythm to Customer hereunder and in any proceeds, Customer receives from the resale thereof (including accounts receivable), until LogRhythm has received payment in full of the Hardware and Appliance fees and related charges.