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The following terms govern the use of the Products.

1. **INTELLECTUAL PROPERTY RIGHTS.** Any and all intellectual property rights in and to the Products shall remain in Microelectronics Technology, Inc. or its affiliates ("MTI") or its licensors. The Software is protected by copyright laws and international copyright treaties, as well as other intellectual property laws and treaties. The Software is licensed, not sold. Your use of any service accessible using the Software is not covered by this Agreement and may be governed by separate terms of use, conditions or notices.
2. **GRANT OF LICENSE.** Subject to compliance with terms of this Agreement and payment of the applicable fees, MTI hereby grants to you a limited, revocable, non-exclusive, non-transferable license to (i) use the Products for your internal testing and evaluation purposes, (ii) integrate the Products with your products to the limited extent necessary to create the Bundled Products, and (iii) distribute and sell the Products only when embedded in or bundled with as Bundled Products and not on a standalone basis. In addition, MTI grants you a nonexclusive, nontransferable license to sell and distribute Bundled Products indirectly, through your authorized Distribution Partners, but only when sold and distributed as an integrated Bundled Product. This License grants you the following rights:
  - a. **Software.** You may use, access, display, run or otherwise interact with ("Run") the Software in connection with operating the Products. The primary user of the Products may make a second copy of the Software for his or her exclusive use for backup purposes.
  - b. **Storage/Network Use.** You may also store or install a copy of the Software on a storage device, such as a network server, used only to Run the Software on your other Products over an internal network; however, you must acquire and dedicate a license for each separate Product on which the Software is Run from the storage device. A license for the Software may not be shared or used concurrently on different Products.
  - c. **Reservation of Rights.** All rights not expressly granted are reserved by MTI.
3. **RESTRICTIONS**
  - a. **End Users.** You will provide the Software to End Users (including through Distribution Partners) only on in conjunction with the Product with which it was originally delivered (and then, only as and in the form in which it was originally delivered), and in no event shall you provide such Software to End Users on a stand-alone basis. You further agree that any such Software shall be provided to End Users only pursuant to a written license agreement ("End User Agreement") containing provisions that provide MTI with rights, defenses and protections with respect to the Software that are at least equivalent (under the laws of each jurisdiction where the Bundled Products are distributed pursuant to this Agreement) to the rights, defenses, and protections provided to MTI under this Agreement, including without limitation those relating to intellectual property ownership, restrictions, and disclaimers and limitations of warranty and liability.
  - b. **Copyright Notices.** You must maintain all copyright and other proprietary notices on all copies of the Software.
  - c. **Limitations of Modifications.** You may not copy, modify, adapt or translate the Software, or create derivative works based on the Software without advance written approval from MTI.
  - d. **Limitations on Reverse Engineering, Decompilation and Disassembly.** You may not reverse engineer, decompile, or disassemble the Products.
  - e. **Assignment.** You may not transfer or assign this Agreement (by operation of law or otherwise) without the advance written approval from MTI which approval may be withheld for any reason, and any such assignment, transfer or delegation without such approval shall be void. Subject to the preceding sentence, this Agreement shall be binding upon, inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns.
4. **CERTIFICATION REQUIREMENTS; COMPLIANCE WITH LAWS; EXPORT**
  - a. **Regulatory Certification.** You will, at your own expense, ensure that the Bundled Products meet or exceed all regulatory or other certification requirements under all relevant laws and regulations in effect during the term of this Agreement.
  - b. **Compliance with Laws; Export Requirements.** You agree that you shall comply with all applicable federal, state and local laws, regulations, and export requirements in connection with your performance under this Agreement. Regardless of any disclosure made by you to MTI of an ultimate destination of the Products acquired by MTI and, notwithstanding anything contained in this Agreement to the contrary, you will not modify, export, or re-export, either directly or indirectly, any Products, or portions thereof, without first obtaining any and all necessary licenses from the US Government or agencies thereof or any country that requires an export license or other governmental approval at the time of modification, export or re-export.
5. **SUPPORT SERVICES:**
  - a. **Support.** You shall provide Level I and Level II support to your Distribution Partners and End Users. Subject to payment of the applicable support fees, MTI will provide you with Level III Support, by telephone, email, or as mutually agreed upon between the parties. MTI may refuse to provide support if you have not elected to distribute either the currently shipping version or the preceding version of the Products, and you shall be fully responsible for support in such circumstances.
  - b. **Maintenance Releases.** Maintenance Releases are provided to you free of charge if you are current with the applicable maintenance and support fees, you will also receive New Releases. You have the sole responsibility for distributing any such Maintenance Releases or New Releases to End Users (including through Distribution Partners).



6. **TERMINATION:** Without prejudice to any other rights, MTI may terminate this Agreement if you fail to comply with the terms and conditions of this Agreement. The provisions of this Agreement, other than your license to use the Software, shall survive the termination of this Agreement. Upon termination, your right to use the Products shall cease. Depending on your location, there may be rules or regulations regarding the disposal of the Products. Please contact MTI for further information.
7. **LIMITED WARRANTY:** Subject to the conditions in the following paragraph. MTI warrants for a period of twelve (12) months from the date of original shipment the Products will be free from defects in material and workmanship and will operate in substantial conformance with applicable specifications and drawings set forth in the Documentation. If the Products fail to meet this warranty, MTI (at its sole option) will either replace or repair the nonconforming Product. If neither of those can be done on a commercially reasonable basis, MTI may, at its sole option, pay you an amount based on depreciation of the Product over a three (3) year useful life. In the event of repair, pursuant to the foregoing warranty, the validity of the foregoing warranty will be twelve (12) months from the date of shipment of the repaired Product less the period of time between the date of original shipment and the date on which MTI received return of the Product for repair. The foregoing is your sole and exclusive remedy if a Product fails to meet the limited warranty above.
8. **WARRANTY CONDITIONS:** In order for the warranty to apply, you must first obtain a written return material authorization number (RMA#) from MTI. Returned Products must be labeled with RMA#, be shipped, transportation prepaid by you, by the most practical method of shipment. This warranty shall not apply to any custom work performed by MTI. This warranty shall also not apply to defects or substantial non-conformance with the Specifications which result from (i) improper installation, use, storage, care or maintenance by the buyer, (ii) wear resulting from normal use of parts subject to wear, (iii) modification, alteration, or combination with another product, (iv) use with products (including supplies) or software not furnished by MTI, or (v) accident, neglect, misuses or abuse or where the trademark has been defaced or obliterated. Unauthorized modification or alteration of Products shall invalidate this warranty. MTI shall return all Products repaired or replaced under warranty freight prepaid by MTI to you.
9. **DISCLAIMER OF WARRANTIES:** EXCEPT FOR THE LIMITED WARRANTY ABOVE, MTI AND ITS SUPPLIERS PROVIDE THE PRODUCTS "AS IS" AND WITH ALL FAULTS, AND HEREBY DISCLAIM ALL OTHER WARRANTIES AND CONDITIONS, EITHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OR CONDITIONS OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, LACK OF VIURSES, AND LACK OF NEGLIGENCE OR LACK OF WORKMANLIKE EFFORT. ALSO, THERE IS NO WARRANTY OR CONDITION OF TITLE, QUIET ENJOYMENT, OR NONINFRINGEMENT FOR THE PRODUCTS. THE ENTIRE RISK ARISING OUT OF THE USE OR PERFORMANCE OF THE PRODUCTS IS WITH YOU. MTI DOES NOT WARRANT THAT THE OPERATION OF THE SOFTWARE WILL BE UNINTERRUPTED OR ERROR FREE.
10. **LIABILITY DISCLAIMER:** TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL MTI OR ITS SUPPLIERS BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, DIRECT, INDIRECT, SPECIAL, PUNITIVE, OR OTHER DAMAGES OF ANY KIND WHATSOEVER, ARISING OUT OF OR IN ANY WAY RELATED TO THE USE OF OR INABILITY TO USE THE PRODUCTS. WHETHER BASED ON CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR OTHERWISE. EVEN IF MTI OR ANY SUPPLIER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THIS EXCLUSION OF DAMAGES SHALL BE EFFECTIVE EVEN IF ANY REMEDY FAILS OF ITS ESSENTIAL PURPOSE.
11. **INDEMNITY.** You agree to indemnify, defend and hold harmless MTI and its directors, shareholders, officers, agents, employees, consultants, successors and assigns from any and all third party claims; suits, proceedings, judgments, damages, and costs (including reasonable attorney's fees and expenses) (collectively, "Claims") arising from, in connection with or related in any way to directly or indirectly, (i) your material breach of this Agreement, or (ii) any alleged infringement of any third party's patent, copyright or trade secret by the Bundled Product, provided that MTI gives you prompt notice of any actual or threatened Claims, (iii) gives you sole control of the defense or settlement of such claims, and (iv) cooperates fully with you and your counsel in the defense or settlement thereof, so long as you pay MTI reasonable out of pocket costs.
12. **MISCELLANEOUS**
  - a. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of Taiwan, R.O.C. without regards to the conflicts of laws provisions. The Parties agree that the United Nations Convention on Contracts for the International Sale of Goods (1980) is specifically excluded from and shall not apply to this Agreement. The Parties shall attempt in good faith to resolve any dispute or claim related to or arising out of this Agreement, or the interpretation, making, performance, breach or termination thereof, amicably by themselves. If the dispute or claim is not resolved by the Parties themselves, then it shall be subject to the exclusive jurisdiction of the Hsinchu District Court in Taiwan, R.O.C., unless MTI elects to bring an action in the court of the Territory or jurisdiction of which the registered office or the assets of the Customer is located.
  - b. **Independent Contractors.** You are an independent contractor and nothing contained herein will be deemed or construed to create a joint venture, franchise, partnership, agency or similar relationship between MTI and you.
  - c. **Severability.** All terms and provisions of this Agreement are severable. Any term or provision of this Agreement or any application thereof which may be invalid or unenforceable shall be ineffective only to the extent of such prohibitions or unenforceability without affecting the remainder of this Agreement or any other application of such term or provision.
  - d. **Modifications.** This Agreement may be modified only by a written instrument duly executed by an authorized officer of the party affected by such modification. No condition, usage of trade, course of dealing or performance, understanding or agreement purporting to amend, modify, vary, explain or supplement the terms or conditions of this Agreement shall be finding unless hereafter made in writing and signed by the party to be bound.
  - e. **Waiver.** No delay or failure by either party to detect, protest or remedy the failure of the other party to perform any obligation under this Agreement will constitute a waiver of such party's rights. No waiver of any provision of this Agreement or of any rights or obligations of either party hereunder will be effective unless in writing and signed by an authorized officer of the waiving party.
13. **DEFINITIONS**
  - a. **Bundled Product** means the combination of the Product(s) and your products as an integrated system or complete solution. Such system or solution must add value to the Products such that the Bundled Product does not merely consist of repackaged Product.
  - b. **Distribution Partners** original equipment manufacturers, system houses, solution providers, systems integrators, distributors, dealers, and other third parties who acquire Bundled Products from you for further sale, rental or lease.

- c. **Documentation** means any written or electronic information provided by MTI pertaining to the Products including but not limited to user manuals, technical documentation, training guides, installation guides, interface control documents, software information (programs, executable and source files, GUI, Low Level Command Set API, SDKs, etc.) and training guides whether in paper or electronic format.
- d. **End User** shall mean those parties who use the Bundled Products for internal purposes as opposed to distribution or resell purposes.
- e. **Errors** mean incorrect code in the Software (including Firmware) or an incorrect statement or diagram in the Documentation that produces results not in conformity with the specifications for the Product.
- f. **Software** is the machine readable (object code) version of computer programs developed or marketed by MTI and related Documentation. Software (Firmware, Software Development Kits, .NET SDK, APIs, Low Level Command Sets, Demo GUI executable and source code, Apps, etc.) includes all Maintenance Releases, or other modifications, enhancements, versions, releases, bug fixes and work-arounds.
- g. **Level I Support** means front-line support including: ongoing maintenance and monitoring; ensuring that the device is properly installed, powered and connected; configuring RF-related and networking-related parameters' verification of network connectivity; field replacement of defective units; or providing on-site assistance to second-level and third-level support staff, as needed.
- h. **Level II Support** means second-level support including: debugging common operational problems, analyzing and addressing performance issues; supporting customer application development; debugging customer applications; providing advice on antenna configuration and positioning, RFID related tag read/write performance; or training and advising first-level technical support.
- i. **Level III Support** means engineering support including: diagnosing hardware and software; defects; assisting your designated personnel in the diagnosis of complex issues; or supporting application development.
- j. **Maintenance Releases** means modifications or revisions specifically to correct Errors in the Products so that the Products meet the original Specifications.
- k. **New Releases** means modifications or revisions (other than Maintenance Releases) to the Product which provides new or enhanced functionality of features, or improved performance.
- l. **Products** shall mean any and all MTI RFID and RFID-related products, including the Software (and Firmware) loaded on, or provided with, such products.
- m. **Specifications** means the applicable functional and technical performance parameters published in the Documentation.