



GENERAL TERMS AND CONDITIONS

1. Background

- 1.1 These General Terms and Conditions (GTC) constitutes the License Agreement (“Agreement”) between Gleechi AB, Vasagatan 28, 111 20 Stockholm, Sweden (“Gleechi”) and Customer (“Customer”) and is applicable to the Customer’s licensing of the Software (as defined below).
- 1.2 The core of the Software is a solution owned by Gleechi, which it uses for all its customers.
- 1.3 The Software provided hereunder consists of a plug-in to Unity (the Gleechi SDK named VirtualGrasp™ Pro). In addition to the Software Gleechi provides the "Cloud Service" to which the Software can be connected. The Software together with the Cloud Service can be used by the Customer to develop and/or update tools and products (“Objects”) that can be used in Customer’s virtual application. The Customer gets access to the Cloud Service for 2 years from the purchase of the Software at no additional fee.
- 1.4 The purpose of using the Software and the Cloud Service in combination is to automatically generate interactions between 3D objects and the digital hands in the Customer 3D environment. The process of creating these interactions is called “Baking”. One (1) Baking corresponds to the automatic generation of interactions for one (1) 3D object.
- 1.5 Any intellectual property rights in amendments and improvements of the Software will be owned by Gleechi as it improves the general Software. However, Gleechi does not gain ownership of any materials or background intellectual property rights of the Customer, but may learn and benefit from said material. Therefore, the parties have agreed as follows.
- 1.6 Total Finances are defined as: If you are a Legal Entity using the Software and Cloud service (other than to provide services to someone else), your Total Finances are your gross revenues and/or funding (no matter what the source), or, if you are a Not-for-Profit Entity, your budget for the entire entity (not just the department using the Software and the Cloud service). If you are an individual or a Legal Entity providing services to a third party, your Total Finances are deemed to be your customer or client’s Total Finances. If you are an individual using the Software and the Cloud service, but not providing services to a third party, your Total Finances are the amount generated in connection with your use of the Software and the Cloud service. In this case, your Total Finances would not include amounts you generate from other work (for example, if your day job is as a firefighter).

2. License and Limitations

- 2.1 Subject to the conditions herein, Gleechi hereby grants to Customer a, world-wide, non-exclusive, non-transferable, license to the Software
- 2.2 The Customer has the right to use the Software under the Agreement during the effective period of the Agreement.
- 2.3 Unless otherwise agreed or permitted by mandatory law, Customer may not modify, adapt, correct errors, translate, reverse engineer, decompile or disassemble the Software, create derivative works based on the Software or have such work carried out without the explicit prior written consent of Gleechi. Information necessary to achieve interoperability of the Software with other products shall be obtained only from Gleechi, which Gleechi shall be required to provide upon Customer’s expense and request.
- 2.4 Customer may not work around any technical limitations of the Software or part thereof.
- 2.5 Customer shall have no right to reproduce the documentation related to the Software, such documentation being protected by copyright. Customer shall have no right to use the documentation except for the permitted use under this Agreement.
- 2.6 Customer shall not take any actions that may subject the Software, in whole or in part, to all or part of the license obligations of any viral software, i.e software that could place the Software at risk of contamination, thereby subjecting the Software to the license terms of such viral software.
- 2.7 Customer shall not use any trade secret or other product-specific information derived from the Software to develop or market any products of its own which are substantially similar in its function to any part of the Software.
- 2.8 Gleechi may use sub-contractors to provide the Software under the Agreement. Gleechi is fully liable for such sub-contractors.

- 2.9 Customer is entitled to a maximum of 2000 Bakings per month during the effective period of the Agreement
- 2.10 The Financial Threshold for the Software and the Cloud service is US \$200,000 for the most recent twelve (12) month period. To be Tier Eligible to use Software and the Cloud service, your Total Finances may not exceed US \$200,000. If your Total Finances exceed \$200,000, you may only use the specific version VirtualGrasp™ Business which is available upon request at Gleechi.
- 3. Intellectual Property Rights**
- 3.1 Gleechi is and shall remain the exclusive owner of the entire right, title and interest in and to any and all trademarks, trade names, patents, copyrights, designs, know-how, software and other intellectual property rights relating to the Software, including any result arising from any development of the Software. Furthermore, Gleechi has the right to use technical data emanating from Customer's use of the Software, for example measurements of any objects, tools or products, in order to provide the Software to the Customer and for machine learning of its Software.
- 3.2 Neither Party shall acquire any right, title or interest in or to any such intellectual property rights or goodwill pertaining to the other Party's materials by virtue of its activities hereunder or by any other reason.
- 3.3 The Customer is neither permitted to file nor authorize the filing of any application for registration of any trademarks or trade names that are similar to any trademark or trade name of Gleechi.
- 3.4 Customer owns any results and output of its use of the Software, for example tools and products developed using the Software. Customer holds the entire right, title and interest in and to any and all trademarks, trade names, patents, copyrights, designs, know-how, software and other intellectual property rights relating to such results and output.
- 4. Indemnification**
- 4.1 Gleechi undertakes to indemnify and hold the Customer harmless from and against any losses, damages, costs and expenses resulting from or arising out of a claim filed by any third party against the Customer, claiming infringement of that third party's intellectual property rights based on Customer's use of the Software. Customer shall notify Gleechi immediately if it becomes aware of such third party claim, shall allow Gleechi to take control over the defense and shall provide reasonable assistance to Gleechi.
- 4.2 Gleechi is not liable to indemnify the Customer if the claim is caused by i) Customer's use of the Software in breach of the Agreement, and ii) any amendments of the Software by the Customer, or iii) Customer's use and/or combination of the Software with any third party hardware, software or services (if the infringement would have been avoided save for such use and/or combination).
- 4.3 Gleechi may, at its sole expense and option: (i) procure for the Customer the right to continue using the Software; (ii) replace the Software with a non-infringing version of equivalent function and performance; or (iii) modify the Software to be non-infringing without detracting from function or performance.
- 4.4 In the event that any infringement of Gleechi's patents, trademarks or other intellectual property rights shall come to Customer's notice, Customer shall immediately inform Gleechi thereof and shall assist Gleechi, at Gleechi's expense, in any actions that Gleechi shall see fit to take.
- 4.5 This section contains Gleechi's complete liability and Customer's sole remedy in case of infringement.
- 5. Liability for defects and limitation of liability**
- 5.1 Gleechi has and will maintain all necessary rights and authority to perform its obligations under the Agreement and to grant Customer the license under the Agreement.
- 5.2 The Software will have the functionality as specified in the applicable technical documentation ("Documentation"). Gleechi's liability to Customer for any claim relating to defects in the functionality of the Software shall be limited to undertake reasonable efforts in remedying any defects in the Software. Such obligation does not apply to minor defects that have no effect on the functionality of the Software. Minor defects will be managed in accordance with the ordinary maintenance of the Software. In no event shall Gleechi's obligations apply to Software, which has been subject to installation error, unauthorized use, negligence, accident, alteration or misuse.
- 5.3 If Customer has given notice of non-functionality and no defect is found for which Gleechi can be held liable, Gleechi shall be entitled to compensation for the costs and expenses Gleechi has incurred by reason of such notice.
- 5.4 Except as otherwise expressly granted in this Section 6, the Software provided by Gleechi is provided as is, without warranty of any kind, express or implied. Gleechi specifically disclaims any implied warranties that the operation of the Software will be uninterrupted or error free, of merchantability and fitness for a particular purpose, condition or design, conformance with sample or pre-contract representations and any warranty of non-infringement of patents,

copyrights or any other intellectual property rights. Gleechi does not warrant that the use of Software will ensure the Customer any specific result.

- 5.5 Except as otherwise expressly provided in the Agreement, Customer assumes complete and exclusive responsibility for any and all of its activities concerning the Software and shall indemnify and hold Gleechi harmless from and against any claims, damages, losses, costs, liabilities and expenses (including without limitation, legal fees) which may be brought against Gleechi by any third parties or which Gleechi may incur as a result of or arising, directly or indirectly, out of any such activities. The foregoing indemnity shall apply to amounts paid in settlement of claims but only when such settlement is made with the written approval of Customer. Gleechi shall give Customer notice of any claim and of any legal proceedings within the scope of the indemnity and shall give Customer the right to conduct the negotiations of any such claim and the defense of any such legal proceeding, subject to the right of Gleechi to be associated with such negotiation or defense. Customer's aggregate liability under the Agreement shall be limited to the amount the Customer paid for the licensing of the Software.
- 5.6 In no event, whether as a result of breach of contract or warranty, tort liability (including negligence and strict liability), or under any other legal theory, shall either party be liable for any incidental, consequential, punitive, special or indirect damages or losses whatsoever including without limitation loss of profit, loss of goodwill or other claims.
- 5.7 Gleechi's aggregate liability under the Agreement shall be limited to the amount the Customer paid for the licensing of the Software
- 5.8 The foregoing shall not limit either Party's liability for indemnities, in case of breach of confidentiality or breach caused by willful misconduct or gross negligence.

6. Consultancy Services

- 6.1 At the request of Customer, and subject to Gleechi personnel availability, Gleechi will provide additional consultancy services at Gleechi's current hourly fees.
- 6.2 Gleechi will provide any consultancy services in a professional manner, and in dialogue with the Customer. If required, the Parties will agree on a written specification for such services, including agreement on payment terms.

7. Confidentiality

- 7.1 Any technical, commercial or other information of a confidential nature disclosed by either party (the "Disclosing Party") to the other party (the "Recipient") shall be treated as strictly confidential and the Recipient shall use such information solely for its activities pursuant to the Agreement. The Recipient shall not during the term of the Agreement or thereafter without the prior written consent of the Disclosing Party pass it on to any person, except to those of the Recipient's employees for whom such information is required for the proper performance of their duties or rights under the Agreement and who are themselves bound by obligations of secrecy and non-use in respect thereof. The secrecy obligation shall, inter alia, apply to the terms and conditions of the Agreement, the Software, all customer lists and any other information which is not intended for disclosure to the public.
- 7.2 Upon expiration or termination of the Agreement for any reason, the Recipient shall immediately cease the use of any confidential information communicated to it by the Disclosing Party and shall return it to the Disclosing Party.
- 7.3 The confidentiality obligation as set out above does not apply to confidential information which
- the Recipient can establish through appropriate documentation, at the time of disclosure is or thereafter becomes, through no act or failure to act on the part of the Recipient, part of the public domain;
 - was known by Receiving Party prior to the disclosure thereof by Disclosing Party;
 - properly comes into the possession of Receiving Party from a third party which is not under any obligation to maintain the confidentiality of; or
 - the Receiving Party is obligated to disclose pursuant to a judicial or other government order, provided that Receiving Party shall provide Disclosing Party with prompt notice prior to any disclosure so that Disclosing Party may seek other legal remedies to maintain the confidentiality of the confidential information.

8. Force majeure

- 8.1 Neither party shall be held liable or deemed in default under the Agreement for any failure of or delay in performance of its obligations to the extent that and for so long as such performance is prevented or delayed by causes beyond its control, such as fire, flood, earthquake, war, embargoes, blockades, strikes, riots, governmental interference and defects or delays in deliveries by suppliers or subcontractors if caused by any circumstance referred to in this Section 12. The party whose performance is so prevented or delayed shall promptly inform the other party of the occurrence of any such event and such party shall use all reasonable efforts to avoid the effect of such event and to mitigate damages to the extent possible. Upon termination of such event, the prevented party shall forthwith resume obligations under the Agreement.

9. Fees

- 9.1 The Customer has agreed to purchase the Software on the Unity Asset Store for a fixed price as set out in the Unity Asset Store.
- 9.2 The fee paid in Unity Asset Store is non-refundable.
- 9.3 The fee includes usage of the Software for an unlimited time. The Cloud Service to which the Software can be connected to automatically generate hand-to-object interactions can be accessed and used by the Customer for up to 2 years after which the connection will be disabled.
- 9.4 Should the available and current major version of VirtualGrasp™ be updated in the Unity Asset Store, the Customer is required to purchase the newer version of VirtualGrasp™ in order to continue using the Cloud Service.

10. Duration and termination

- 10.1 Either party shall have the right to terminate the Agreement at its discretion by providing one-month prior written notice to the other party.
- 10.2 Either Party may terminate the Agreement, with immediate effect, by giving the other Party written notice if the other Party:
- commits a material breach of the Agreement and fails to cure such breach in a satisfactory manner within 30 days of the other Party's written demand thereof; and/or
 - the other Party cancels its payments, cancels its business, or can otherwise be assumed to have become insolvent.
- 10.3 Upon expiration or termination of the Agreement all rights granted to the Customer in the Agreement shall cease automatically and immediately, unless specifically agreed that such rights are granted also after the termination of the Agreement.
- 10.4 All Software, documents and other material of any kind supplied to Customer by Gleechi hereunder shall be and remain the exclusive property of Gleechi. Upon expiration or termination of the Agreement for any cause, Customer shall, at its own cost, forthwith return all such material as well as all copies, extracts or reproductions thereof, in whole or in part, to Gleechi's premises or such other place as Gleechi shall specify, or, at Gleechi's option, destroy or delete such material or media containing information proprietary to Gleechi or the Software and not retain any copy, extract or reproduction in whole or in part. Gleechi shall be entitled to request Customer to certify in writing its compliance with the provision under this Clause 10.4 and Customer shall issue such certificate promptly following receipt of such request.
- 10.5 The following provisions in these GTC shall survive the termination of the Agreement, sections 3 (license and limitations), 4 (intellectual property rights), 5 (indemnification), 6 (Liability for defects and limitation of liability), 8 (confidentiality) and 11 (Applicable law and jurisdiction).

11. Applicable law and jurisdiction

- 11.1 The Agreement shall be governed and interpreted in accordance with the laws of Sweden, without regard to any conflict of laws.
- 11.2 Any dispute, controversy or claim arising out of or in connection with this contract, or the breach, termination or invalidity thereof, shall be finally settled by arbitration administered by the Arbitration Institute of the Stockholm Chamber of Commerce (the "SCC"). The Rules for Expedited Arbitrations shall apply, unless the SCC in its discretion determines, taking into account the complexity of the case, the amount in dispute and other circumstances, that the Arbitration Rules shall apply. In the latter case, the SCC shall also decide whether the Arbitral Tribunal shall be composed of one or three arbitrators. The seat of arbitration shall be Stockholm. The language to be used in the

arbitral proceedings shall be Swedish.

- 11.3 Notwithstanding the foregoing, Gleechi may take any legal action necessary at any competent court for collection of any payment due to Gleechi hereunder. The parties hereby submit to the jurisdiction of an applicable court for such purpose.

12. Miscellaneous provisions

- 12.1 If the parties wish to extend the license granted in the Agreement to (i) include new Software (ii) upgrade to a new main release or (iii) otherwise extend the scope of the license granted, then the parties will in good faith negotiate mutually acceptable commercial and other terms therefore. The Parties shall thereafter amend the Agreement to reflect the updated technical and commercial agreement and, if necessary, document any further amendments to the Agreement in an addendum.
- 12.2 The Agreement, constitutes the entire agreement between the parties with respect to its subject matter and annuls and replaces any and all previous oral and written agreements, understandings and communications, however excluding any existing NDA, which may have existed between the parties with respect to such subject matter.
- 12.3 No modification, amendment, alteration or waiver of any provision hereof will be valid or binding unless made in writing and signed by the duly authorized representatives of both parties.
- 12.4 The Agreement shall inure to the benefit of and shall be binding upon the respective successors and assigns of the Parties, provided always that Customer shall not assign or encumber the Agreement or any of its rights, or otherwise delegate any of its obligations under the Agreement, without the prior written consent of Gleechi, which may not be unreasonably withheld.
- 12.5 Any notice required or permitted to be given under the Agreement by one of the parties to the other, shall be in writing in the English language and will, unless otherwise explicitly stated, be deemed to have been properly delivered if delivered in person, by prepaid registered air mail or by email, addressed to the respective party on the address set forth in the preamble of the Agreement, or as otherwise specified between the parties in writing. Such addresses may be changed by written notice given in the manner set forth above.
- 12.6 If one or more of the provisions of the Agreement is invalid, illegal or unenforceable in any respect or an amendment of one or more of the provisions of the Agreement is required, due to a change in any applicable law or due to a decision or other act (including failure to act) by any competent authority, the remainder of the Agreement shall be valid and binding and the parties agree that they shall replace or amend such provision or provisions with a valid, legal and enforceable arrangement which in its economic and other effects shall be as close as possible to the contractual situation existing prior to such a change, decision or act.
- 12.7 Each party warrants to the other party that the performance of the Agreement is neither in violation of any other agreement to which it is a party or by which it is bound nor any applicable legislation or other rules in the jurisdiction of that party.
- 12.8 Each party warrants that the individual signing the Agreement is authorized to enter into it on behalf of the party.