

GENERAL TERMS AND CONDITIONS OF METAG CORPORATION

Validity: From May 2nd, 2016

1 SCOPE OF APPLICATION: DEFINITIONS

- 1.1 These terms and conditions shall be applied to the sale and purchase and delivery of Products, licensing and other assignment of rights of use of information technology products and the supply of information technology services. These terms shall be an integral part of delivery agreement between the parties.
- 1.2 **Product** shall mean Tagformance™, Tagsurance™, Reelsurance™, Readformance™ or Bendurance™ and other equipment, components, computer programs, media and any written material related thereto as specified in the Agreement.
- 1.3 **Services** shall mean delivery, installation, maintenance, product support, consultancy, training and other professional services specified in the Agreement.
- 1.4 **Standard Software** shall mean a computer program which is marketed and licensed as part of the Product, and the related documentation.

2 DELIVERY AND ACCEPTANCE

- 2.1 The Product and/or the Services shall meet the requirements set forth in the specifications and shall also correspond to the Agreement as to the characteristics. Any Standard Software shall be delivered in object code format only.
- 2.2 METAG Corporation (hereinafter Supplier) shall deliver the Product and/or Service to the Customer on the agreed date of delivery or within the agreed schedule. Unless otherwise agreed in writing, the terms of delivery of the Product shall be EXW, Incoterms 2010. The Product shall be accompanied by the instructions in English.
- 2.3 All risk of loss or damage to the Product shall pass to the Customer in accordance with the terms of delivery specified in section 2.2.
- 2.4 The Customer shall, at its own expense, prepare the operating environment of the Product in accordance with the Supplier's instructions.

- 2.5 Unless a separate acceptance test has been agreed upon, the Customer shall perform the acceptance inspection of the Product and/or Service within seven (7) days from the date of delivery. The Customer shall without delay inform the Supplier in writing of all errors or deficiencies defected in the delivery. In case the Customer does not inform the Supplier in writing of defects in the Delivery within seven (7) days of the date of delivery of the Product or Service, the Delivery is considered to be accepted by the Customer.
- 2.6 Errors which do not substantially interfere with the use of the Product shall not prevent the acceptance of the delivery; the Supplier shall, however, without undue delay remedy these errors in accordance with the warranty.

3 LICENCE TO STANDARD SOFTWARE

- 3.1 The copyright, patent and other intellectual property rights related to the Product and the Standard Software within are the sole property of the Supplier or a third party (hereinafter Manufacturer).
- 3.2 The Customer will be granted a licence to use the Standard Software in the Product as set forth in 3.3-3.8.
- 3.3 The Customer is granted a licence to use the Standard Software as installed in a computer accompanying the Product in the Customer's own internal operations. The right to use includes copying and use necessary for customary use of the Product or processing measurement results produced with the Product. The license is worldwide and non-transferable, unless the license is transferred as part of the Product and not separately from the Product. The license shall be in force perpetually unless terminated in accordance with the terms of the license or the Agreement.
- 3.4 The Standard Software, or any part thereof (including written material and other related material) may not, even partly, be transferred,

sold, leased, licensed, lent, copied, modified, amended, further developed, adapted, included in other products, software or services or compiled without the express prior written consent of the Supplier and/or its licensors. However, the license to Standard Software may be transferred as part of the Product as described in section 3.3.

- 3.5 The Customer may not, and may not allow any third parties, to take any action that is intended to, even partly, determine or discover the functioning, data structures, protocols, interfaces or the source code of the Standard Software or any part thereof.
- 3.6 Any notice or markings concerning ownership, copyright, or any other rights included in the Software, its packaging, or any related material may not be removed.
- 3.7 The license is terminated immediately in case the Customer breaches the terms of this license.

4 LICENSE TO RESULTS OF SERVICE

- 4.1 The copyright, patent and other intellectual property rights related to the results of the Service are the sole property of the Supplier.
- 4.2 The Customer is granted a license to use (including free right to copy and use as basis for further development and making changes or have them made by third party) the results of the Services in the Customer's own internal operations. The license is worldwide, perpetual and non-transferable.

5 USE OF THE PRODUCT

- 5.1 The Product shall be sealed to ensure the protection of proprietary information and trade secrets of the Supplier. The Customer shall have no right to open the Product or otherwise try to access the aforementioned information.
- 5.2 The Customer is aware and acknowledges that the Product can use radio frequencies use of which may require local or otherwise applicable governmental or official approvals or permissions. The Customer is fully liable of obtaining any such necessary or required approvals or permission as well as complying with any applicable laws and regulations concerning the use of the Product. The Supplier does not warrant any type approval for the Product.

- 5.3 The Supplier shall under no circumstances be liable of any of the Customer's use of the Product. The Supplier recommends that the Product should be used only in shielded and anechoic chambers or in production testing with a near field coupling element with low radiance to environment.

6 CHANGES TO PRODUCT

- 6.1 The Supplier may, with the consent of the Customer, replace part of the Product or the Standard Software by a new part, or software version. Such replacement shall meet the functionality, performance and other requirements of the original Standard Software set forth in the agreement.
- 6.2 The Supplier shall be entitled, prior to the delivery and without prior notification to the Customer, to make alterations to the Product which improves the Product provided that the Product continues to fulfil the requirements set forth in the Agreement.

7 DELAY OF DELIVERY

- 7.1 The Supplier shall inform the Customer immediately it becomes aware of delay in the Delivery and the parties shall agree on new delivery schedule without undue delay.

8 WARRANTIES

- 8.1 The warranty period and other terms of warranty for the Product shall be as set forth in 8.2-8.7.
- 8.2 The Supplier shall at its sole option, correct or replace at no cost and without undue delay defective or erroneous Product reported in writing by the Customer to the Supplier during the warranty period. An error means that the Product does not substantially operate as described in the specifications. The warranty period for the Standard Software and any results of the Services is ninety (90) days from the date of delivery of the Product (or the Service, as applicable). Unless otherwise agreed in writing, warranty period for the Product shall be twelve (12) months from the date of delivery of the Product. Any accompanied computer equipment shall have a warranty provided by its manufacturer, if any.

- 8.3 The warranty shall be valid only if the Product is used in the agreed operating environment and in accordance with the Agreement and Supplier's recommendations.
- 8.4 The Supplier shall perform the warranty corrections at Voyantic's office in Finland. The Customer shall without undue delay send the Product for correction at its own cost and packed as instructed by the Supplier. If separately agreed, the error diagnosis will be made at the Customer's site, in which case the Supplier shall be entitled to charge for travel time and travel expenses in accordance with the Supplier's then current price list.
- 8.5 The warranty given by the Supplier does not cover the repair of an error attributable to use contrary to the Agreement, the license or the instructions given by the Supplier or to a non-Supplier product or a change or correction made by the Customer or a third party or laws or regulations.
- 8.6 If it is established that the error reported by the Customer is not covered by the warranty, the Supplier shall be entitled to charge for the error diagnosis and location of the errors in accordance with the Supplier's then current price list. The Supplier shall also be entitled to charge the Customer for such agreed corrections of errors that are not covered by the warranty.
- 8.7 Except for the product liability provided by mandatory law, the Supplier's liability for the errors in the Product shall be limited to the fulfilment of the warranty obligations under this section 8. After the expiry of the warranty period the Supplier's liability for the errors in the Product or the Standard Software shall be limited to the obligations under the Maintenance Agreement, if any.

9 AVAILABILITY OF SUPPORT AND MAINTENANCE

- 9.1 The Supplier shall be responsible for the availability of support and maintenance for the Standard Software in Taiwan for a period of one (1) year from the date of delivery. The Supplier shall be responsible for the availability of spare parts for the Product for three (3) years from the date of delivery.

10 PRICES

- 10.1 Unless otherwise agreed in writing, the prices specified in the Agreement shall not include any public charges (including value added tax, customs fees or other fees) determined by the authorities and effective on the date of the signing of the Agreement. Value added tax, customs fees and such other fees shall be added to the prices in accordance with the current regulations of that point of time. Should the amount of public charges determined by the authorities or their collection basis change due to changes in the regulations or taxation practice, the prices shall be revised correspondingly.
- 10.2 If a price for a Product or service has not been agreed in the Agreement or otherwise, the price in the Supplier's price list effective on the date of order shall apply.
- 10.3 Unless otherwise agreed in writing, the Supplier shall be entitled to adjust the price of a Product or Service by notifying the Customer of the change in writing at least sixty (60) days before the effective date of the change. The change shall not affect the charges for invoicing periods commenced before the effective date of the change. In case of a price change, the Customer shall be entitled to terminate the Agreement for the Product and/or service in question on the effective date of the price change by notifying the Supplier thereof in writing at least thirty (30) days before the effective date of the change.
- 10.4 The Supplier shall be entitled to charge the travel costs as well as the accommodation and daily allowances separately. Travel arrangements shall be agreed separately in writing.

11 TERMS OF PAYMENT

- 11.1 Unless otherwise agreed in writing, the Supplier shall invoice for the Products or the Services fifty (50) % upon signing of Agreement and fifty (50) % before delivery. Unless otherwise agreed in writing, travel, accommodation and other costs shall be invoiced in connection of the Product or service they relate to.
- 11.2 The Supplier will invoice the recurring charges and other periodical charges in advance in accordance with agreed intervals.

11.3 Title to the Goods shall remain vested in METAG Corporation and shall not pass to the Buyer until the purchase price for the Goods has been paid in full and received by METAG Corporation.

12 SUBCONTRACTING

12.1 The Supplier shall have the right to subcontract its obligations under the Agreement. The Supplier shall ensure that his subcontractor shall comply with the confidentiality provisions specified in section 13. The Supplier shall be liable for the work of his subcontractor as for his own.

13 CONFIDENTIALITY

13.1 Each party shall keep in confidence all material and information received from the other party and marked as confidential or which should be understood to be confidential, and may not use such material or information for any other purposes than those set forth in the Agreement. The confidentiality obligation shall, however, not be applied to material and information, (a) which is generally available or otherwise public; or (b) which the party has received from a third party without any obligation of confidentiality; or (c) which was in the possession of the receiving party prior to receipt of the same from the other party without any obligation of confidentiality related thereto; or (d) which a party has independently developed without using material or information received from the other party.

13.2 Each party shall promptly upon termination of the Agreement or when the party no longer needs the material or information in question for the purpose stated in the agreement cease using confidential material and information received from the other party and, unless the parties separately agree on destruction of such material, return the material in question (including all copies thereof). Each party shall, however, be entitled to retain the copies required by law or regulations.

13.3 Each party shall be entitled to use the professional skills and experience acquired in connection with the delivery.

13.4 The rights and responsibilities under this section 13 shall survive the termination or cancellation of the Agreement.

14 FORCE MAJEURE

14.1 Neither party shall be liable for delays and damages caused by an impediment beyond his control, which he could not have reasonably taken into account at the time of the conclusion of the agreement, and whose consequences he could not reasonably have avoided or overcome. Strike, lockout, boycott and other industrial action shall constitute a force majeure event also when the party concerned is the target or a party to such an action.

14.2 A force majeure event suffered by a subcontractor of a party shall also discharge such party from liability, if subcontracting from other source cannot be made without unreasonable costs or significant loss of time.

14.3 Either party shall without delay inform the other party of a force majeure event in writing. The party shall correspondingly inform the other party of the termination of the force majeure event.

15 INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS

15.1 The Supplier warrants that the Product does not infringe an intellectual property right enforceable in the agreed country of delivery or use.

15.2 The Supplier shall at its own expense defend the Customer against claims that a product infringes any of the above-mentioned rights of a third party provided that the Customer promptly notifies the Supplier in writing of such claims and permits the Supplier to defend or settle the claims and gives to the Supplier all necessary information and assistance available and the necessary authorizations. The Supplier shall pay all damages awarded by a competent court to a third party, if the Customer has acted in accordance with the foregoing.

15.3 If in the justified opinion of the Supplier a product infringes any of the above-mentioned rights of a third party, the Supplier may at its own expense either

(a) obtain the right of continued use of the product for the Customer or

(b) replace the Product or

(c) modify the Product in order to eliminate the infringement.

15.4 If none of the above-mentioned alternatives is available to the Supplier on reasonable terms, the Customer shall, at the request of the Supplier, stop using the product and shall return it, and the Supplier shall credit the price paid by the Customer for the product less the proportion of the price corresponding to the actual time of use.

15.5 The Supplier shall, however, not be liable if the claim

(a) is asserted by a company, which exercises control over the Customer or which is controlled by the Customer.

(b) results from alteration of the product by the Customer or from compliance with the Customer's instructions;

(c) results from the use of the product in combination with any product not supplied by the Supplier or

(d) could have been avoided by the use of a released and equivalent product offered for use to the Customer without separate charge.

15.6 The liability of the Supplier for infringement of intellectual property rights shall be limited to this section 15.

16 DELAY OF DELIVERY, BREACH OF CONTRACT AND CANCELLATION OF CONTRACT

16.1 If a party finds that a delay will occur or is likely, he shall without delay inform the other party in writing of the delay and of the effects of the delay on the delivery time schedule.

16.2 If it becomes evident that the fulfilment of the Agreement will be delayed for more than four (4) months due to a force majeure event, each party shall be entitled to cancel the Agreement to the extent it is reasonable, by notifying the other party thereof in writing without either party having the right to claim damages. In assessing reasonableness, the consequences of cancellation and other factors affecting the matter shall be taken into account.

16.3 If any payment by the Customer is delayed by more than thirty (30) days from the due date despite a written reminder, the Supplier shall be entitled to suspend his performance without any liability and any licence to software in the Product shall cease until the Customer has paid all amounts due to the Supplier.

16.4 The Supplier shall be entitled to cancel the Agreement also if the Customer has not paid due payments within thirty (30) days from a written reminder sent after the due date and the Customer has not provided the Supplier with an acceptable guarantee for the payment of the charges under the agreement.

16.5 Either party shall be entitled to cancel the agreement to the extent it is reasonable also if the other party is otherwise materially in breach of the terms of the Agreement. If the breach of contract is capable of being remedied, the Agreement can be cancelled only provided that the party in breach has not rectified its breach within a reasonable period of time set by the other party in writing which shall be at least thirty (30) days.

16.6 Either party may cancel the agreement already prior to the date of its fulfilment, if it becomes evident that the other party will commit a breach of contract entitling to cancellation of agreement. Such cancellation of agreement shall, however, be without effect, if the party in breach either provides an acceptable guarantee for the fulfilment of the agreement or presents other reliable clarification of the fulfilment of the agreement within thirty (30) days of written notice of cancellation.

17 DAMAGES; LIMITATIONS OF LIABILITY

17.1 The liability of a party towards the other party based on the Agreement for direct expenses and damages caused by a breach of contract shall not exceed fifteen (15) percent of the price of the Products and services in whose delivery the breach of contract occurred. If the breach of contract cannot be attributed to certain products and services, the liability shall not exceed fifteen (15) percent of the total contract price.

17.2 Neither party shall be liable for any indirect or consequential damage.

17.3 The limitations of liability shall not apply to damages caused by wilful conduct or gross negligence.

17.4 The limitations of liability shall also not apply to claims covered by section 14 or to damages caused by the transfer, copying or use of software contrary to law or the terms of the Agreement, or damages caused by a breach of the export restrictions relating to the products or technical information.

18 APPLICABLE LAW; SETTLEMENT OF DISPUTES

18.1 The Agreement shall be governed and construed by the laws of Taiwan.

18.2 All disputes arising out of this agreement shall be resolved in Taichung District Court.

19 EXPORT RESTRICTIONS

19.1 Both parties shall comply with all applicable export restrictions.

20 ASSIGNMENT OF THE AGREEMENT AND CHANGES

20.1 Neither party may assign the Agreement, either wholly or in part, without the written consent of the other party. The Supplier shall, however, be entitled to assign its receivables under the Agreement to a third party.

20.2 All changes and amendments to the Agreement shall be agreed in writing in order to be valid.