



SOFTWARE LICENSE AGREEMENT

February 2020

Concerning the Products: Embedded Trust™ and IAR Embedded Workbench® and IAR Visual State® and IAR Flash Tool and Secure Desktop Provisioner from IAR Systems AB

PREAMBLE

THIS SOFTWARE LICENSE AGREEMENT ("THE AGREEMENT") APPLIES TO PRODUCTS LICENSED BY IAR SYSTEMS AB INCLUDING ANY OF ITS SUBSIDIARIES ("IAR SYSTEMS") OR DISTRIBUTORS ("IAR DISTRIBUTORS"), TO YOU ("THE LICENSEE").

The order confirmation from IAR Systems, or when applicable the agreement between IAR Systems and the Licensee, will set out, apart from the applicable licensing model, licensed product and license fee (which will also be stated in the Invoice), a) if the License in question is a PC-locked License or a Multi-user License, b) in case of a Multi-user License with the allowed number of simultaneous users, c) if the license includes a Support and Update Service and in such cases the service is time limited, the expiry date of such service. Any opening of a package where these terms have been stated or referred to, and any use of IAR Systems software, is subject to these terms and conditions.

YOU AS A USER OF THE LICENSED PRODUCTS STATED ABOVE AND ON THE INVOICE, WILL BIND THE CORPORATION OR ORGANIZATION ALSO SET OUT ON THE INVOICE TO THIS AGREEMENT, BY OPENING OF A PACKAGE OR INSTALLING SOFTWARE WHERE THIS AGREEMENT HAS BEEN STATED OR REFERRED TO. IF YOU ARE NOT IN AGREEMENT WITH THE TERMS HEREIN, OR DO NOT HAVE THE AUTHORITY TO BIND YOUR CORPORATION OR ORGANIZATION TO THESE TERMS, YOU SHALL IMMEDIATELY CONTACT IAR SYSTEMS AND YOU MAY NOT INSTALL ANY SOFTWARE OR MAKE USE OF ANY PARTS OF THE PRODUCT.

1. DEFINITIONS

The following terms have the meanings set forth below whenever they are used in this Agreement:

- 1.1 "Executable Software" means a copy of the executable code version of the software program(s) included in the enclosed package or otherwise specified in this Agreement or Invoice (including any link-time and runtime modules), along with templates and other instructions and any Software updates, revisions, and additional modules and templates (if any) that the Licensee may receive from IAR Systems hereunder from time to time.
- 1.2 "Software Source Code" has the meaning set out in section 3.9.
- 1.3 "Software" is a collective term for Executable Software and Software Source Code as defined above.
- 1.4 "Documentation" means a copy of the documentation, as provided by IAR Systems together with the Software for use by the Licensee.
- 1.5 "Product" means the Software and Documentation licensed to the Licensee under the conditions of this Agreement.
- 1.6 "Invoice" means IAR Systems' or IAR Distributor's invoice to the Licensee for the Product license granted hereunder.

- 1.7 "Perpetual Licensing Model" has the meaning set out in section 2.1.
- 1.8 "Subscription Licensing Model" has the meaning set out in section 2.2
- 1.9 "PC-locked License" has the meaning set out in section 3.2.
- 1.10 "Mobile License" has the meaning set out in section 3.3.
- 1.11 "Multi-user License" has the meanings set out in section 3.4.
- 1.12 "Network License" has the meanings set out in section 3.5.
- 1.13 "Global Network License" has the meanings set out in section 3.6.
- 1.14 "Concurrent Users" has the meaning as set out in section 3.7.
- 1.15 "Commuter license" has the meaning as set out in section 3.8.
- 1.16 "Evaluation License" has the meanings set out in section 3.12.
- 1.17 "Site" means the physical premises of the Licensee within the borders of one city.
- 1.18 "Target Architecture" means the family or group of embedded micro-controller and micro-processor devices belonging to one processor architecture, as defined by its instruction set, and as specified on the Invoice.
- 1.19 "Support and Update Services" means the services set out in section 12.
- 1.20 "Hardware" means debug probes and Secure Desktop Provisioner

2. TERM OF AGREEMENT

- 2.1 Perpetual Licensing Model: To the extent the licensing model is a perpetual model, the terms in this 2.1 shall apply.

This Agreement shall become effective on the latest at the Licensee's receipt of the Software and shall remain in effect for an indefinite period in time, subject to the terms and conditions set out below – in particular the right of IAR Systems to terminate the Agreement upon Licensee's breach.
- 2.2 Subscription Licensing Model: To the extent the licensing model is a subscription model, the terms in this 2.2 shall apply.

This Agreement shall become effective on the latest at the Licensee's receipt of the Software and shall remain in effect, subject to the terms and conditions set out below – in particular the right of IAR Systems to terminate the Agreement upon Licensee's breach, until the first anniversary of the commencement date of this Agreement. At the end of that initial term, or any subsequent term thereof pursuant to a renewal under this Article, this Agreement shall be automatically renewed for successive periods of 12 months unless terminated by either of the Parties giving written notice to that effect to the other Party not later than 30 days prior to the expiry of the relevant term.
- 2.3 Registration of the Licensee as a rightful user of Licensed Products shall be made in accordance with applicable instructions from IAR Systems.
- 2.4 For the avoidance of doubt: Also for Software delivered with a temporary license key (for some products called quick start key) enabling use for a limited time, the Agreement terms have become effective, including but not limited to its payment terms and use restrictions, already upon the Licensee's receipt of the Software, regardless of whether registration is made or not. (Evaluation licenses without obligation to pay license fees, are available to the extent separately provided by IAR Systems.)

3. OWNERSHIP AND LICENSE GRANT

- 3.1 IAR Systems holds the copyright, trade secrets, and any other intellectual property rights which subsist in the Licensed Product and all copies thereof. No title or other rights in the Licensed Product (other than rights expressly granted herein) shall pass to the Licensee.

THE PRODUCT IS LICENSED, NOT SOLD, TO THE LICENSEE FOR USE ONLY UNDER THE TERMS OF THIS AGREEMENT. THE LICENSEE ACKNOWLEDGES THAT THE PRODUCT CONSISTS OF PROPRIETARY, UNPUBLISHED PRODUCTS OF IAR SYSTEMS, PROTECTED UNDER INTERNATIONAL COPYRIGHT AND TRADE SECRET LAWS.

- 3.2 PC-locked License; To the extent the relevant license granted is a PC-locked License, the terms in 3.2.a and 3.2.b shall apply.

A PC-locked License is a single-user license, locked to the computer where the software is installed.

- 3.2.a Subject to the terms and conditions of this Agreement, IAR Systems hereby grants to the Licensee a personal, non-transferable and non-exclusive PC-locked License to use the Software. The Licensee's number of authorized users of the Software under the PC-locked License, if more than one, is stated in the Invoice or otherwise in writing from IAR Systems.
- 3.2.b The PC-locked License may be used by the Licensee only on one single, self-contained computer unit (stationary or portable), designated through its IP number or other means of identification. A switch of the designated computer to another single computer may be allowed to transfer the license via a transfer program provided by IAR Systems within the license management system. The Software may not be accessed by users from other computer units than the unit designated as set forth in this clause; through modem, Internet or any other means of network or remote access.
- 3.3 Mobile License: To the extent the relevant license granted is a Mobile License, the terms in 3.3.a and 3.3.b shall apply.
- A Mobile License comes with a hardware lock (dongle). A hardware lock is a device to be attached to one of the computer's external ports, which allows the Licensee to move the license to another computer. A hardware lock is part of the product package only to the extent explicitly ordered.
- 3.3.a Subject to the terms and conditions of this Agreement, IAR Systems hereby grants to the Licensee a personal, non-transferable and non-exclusive Mobile License to use the Software. The Licensee's number of authorized users of the Software under the Mobile License, if more than one, is stated in the Invoice or otherwise in writing from IAR Systems.
- 3.3.b The Mobile License may be used by the Licensee only for one single user, but with the right to a switch of the designated computer to another single computer using a hardware lock. The Software may not be accessed by users from other computer units than the unit designated as set forth in this clause; through modem, Internet or any other means of network or remote access.
- 3.4 Multi-user License; To the extent the Product license granted is a Multi-user License, the terms in this 3.4 shall apply.
- Subject to the terms and conditions of this Agreement, IAR Systems hereby grants to the Licensee a personal, non-transferable and non-exclusive Multi-user License to use the Software. The Licensee's number of authorized users of the Software under the Multi-user License, if more than one, is stated in the Invoice or otherwise in writing from IAR Systems or IAR Distributors.
- 3.5 A Network License is a Multi-user License, located on a single designated license server and used by multiple users on a network and on one Site only. The Network License is locked either to the computer where the license server software runs, or to a hardware lock (dongle). The use of a hardware lock allows to move the Network License to another server computer, in case of server failure. The Network License can be used on all client computers on the network where the Software is installed. However, the Network License is made for a maximum number of concurrent users.
- 3.6 A Global Network License is a Multi-user License, located on a license server and used by multiple users on a network that can be accessed from multiple Sites globally. The Global Network License is locked either to the computer where the license server software runs, or to a hardware lock (dongle). The use of a hardware lock allows to move the Global Network License to another server computer, in case of server failure. The Global Network License can be used on all client computers on the network where the Software is installed. However, the Global Network License is made for a maximum number of concurrent users.
- 3.7 Concurrent Users; For Products that are Executable Software and licensed as Network Licenses, the definition of concurrency is given by the license server software, which also keeps track of the number of current of users. A user session of an Executable Software is always a minimum of thirty (30) minutes, and is deemed to last for additional thirty (30) minutes after the last license activation by the license server. For Products including Software Source Code, the software shall be deemed in (concurrent) use on a computer when it is loaded into temporary memory (i.e. RAM) or installed into permanent memory (e.g., hard disk, CD-ROM, or other storage device) of that computer.
- 3.8 Commuter licensing; For Products released 2012 and later including a new license management system (LMS) a commuter license is granted. Commuter licensing permits a temporary use of a network license on a personal computer not connected to the network for up to 15 days. The commuter license permits the use of the Product outside the designated Site.
- 3.9 Source Code License: If the Product Licensee receives hereunder contained software modules or components in source code format ("Software Source Code"), the following shall apply to such Software Source Code, in addition to all other provisions of this Agreement:
The Licensee may use such Software Source Code only in conjunction with the Product and the Software Source Code or any derivative works thereof. The Software Source Code may only be compiled and linked with products from IAR Systems, and only in accordance with the provisions on such use set out in the Documentation and/or this Agreement. The Licensee is strictly prohibited to make any other use of the Software Source Code. Any breach of this Section 3.9 shall be considered a material breach of this Agreement.

INFORMATION OF IAR SYSTEMS, AND THAT MAKING SOFTWARE SOURCE CODE ACCESSIBLE TO OTHERS OUTSIDE THE SCOPE OF THIS AGREEMENT, BY THE NATURE OF SOURCE CODE, SEVERELY DAMAGES THE INTELLECTUAL PROPERTY RIGHTS OF IAR SYSTEMS, AND AGREES TO COMPENSATE IAR FOR ALL DAMAGE RESULTING FROM SUCH BREACH, THAT CAN BE REASONABLY SUBSTANTIATED BY IAR.

The Licensee shall keep and protect the Software Source Code with at least the same degree of care as its own proprietary source code, as further specified in section 5.

- 3.10 If the Product the Licensee receives hereunder contains Third Party-Owned software, the use of such Third Party-Owned software may be restricted to a specific Target Architecture. See Section 11.2 below.
- 3.11 Back-up Copies: The Licensee may make back-up copies of the Software in machine executable code form, only to be used in the event and to the extent that the copy of the Software received from IAR Systems fails to function, is lost, damaged, or destroyed. The Licensee warrants that it will make no other copies of the Software and will not allow, authorize, or assist others to copy any part or all of the Software in any form without the prior written approval of IAR Systems. There may be no more copies than are necessary to form part of a reasonable back-up cycle for the Licensee. Back-up copies of the Software may be kept by the Licensee in a bank deposit or other such secure place as is normally used by the Licensee for storage of its computer program back-ups. The rights for the Licensee under this section shall not in any case include any measures to affect or decrease the function of the software protection included in the software.
- 3.12 An Evaluation License is solely intended for testing and evaluation purposes. Any other use than for testing and evaluation is prohibited. IAR Systems has no obligation to provide support or related services and no warranties.

IN NO EVENT SHALL IAR SYSTEMS BE LIABLE TO THE OTHER FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, PUNITIVE OR TORT DAMAGES OF ANY NATURE OR KIND WHATSOEVER, INCLUDING BUT NOT LIMITED TO LOST PROFITS, IN CONNECTION WITH OR ARISING OUT OF THE USE OR PERFORMANCE OF SOFTWARE, SUPPORT MATERIALS, OR THE PROVISION OF SERVICES, EVEN IF THE OTHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

Section 11 in this Software License Agreement may also apply to an Evaluation License.

4. LICENSE RESTRICTIONS

- 4.1 The Licensee may not remove, make emulation, reverse engineer, decompile, or disassemble the Executable Software. Licensee is not allowed to derive the source or assembly code of files provided in executable or object formats. The Licensee accepts that all information gained about the Software is the valuable intellectual property of IAR Systems and as such must be treated as confidential as described under Article 5. The Licensee warrants that it will not sell, license, lease, rent, loan, lend, transmit, network, communicate, or otherwise distribute or transfer the Software in any manner to any third party whether on a permanent or temporary basis, except as explicitly stated in this Agreement. Furthermore the Licensee warrants that it will not use or permit the use of (including without limitation by time sharing or network use) the Software for the benefit of any entity other than the Licensee; or in a computer service business; make unauthorized copies of the documentation; make verbal or media translations of the documentation; make telecommunications data transmissions of the Software; use long-haul gateways on any central processing unit on which the Software is used. The Licensee is also expressly prohibited from adapting, modifying, revising, improving, upgrading, enhancing, and creating derivative works of the Executable Software for any purpose including error correction or any other type of maintenance.
- 4.2 The Licensee shall keep records of the Licensee's use of Software. The Licensee shall make the records available to either IAR Systems or a neutral third party on reasonable notice, as agreed between the parties. In the case of a neutral third party audit, IAR Systems and Licensee shall in good faith mutually appoint an auditor. Should such an agreement not be reached within 60 days after IAR Systems notice, then the parties agree to have Business Software Alliance conduct such an audit, or itself elect an auditor. The Licensee will permit IAR Systems or a third party, as the case may be, to have access to the Licensee's records and computer systems and to use software audit tools on the Licensee's systems to ensure that the Licensee is using its software in accordance with the applicable license terms. Upon the Licensee's request, the party conducting the audit with the Licensee shall enter into a non-disclosure agreement with the Licensee, to protect the Licensee's propriety and/or confidential information. Information retrieved and/or conveyed to IAR Systems as a result of such an audit as here described shall be limited as to only ensure that the Licensee is using its software in accordance with the applicable license terms, or evidence of the contrary.
- 4.3 Subject to the other terms herein, and with the Licensee as fully responsible for all actions or omissions of such a consultant, Licensee may let a consultant use the Software for work solely on behalf of the Licensee for the licensed purpose and provided that the Software is not used for any other purpose or third party.
- 4.4 Perpetual Licensing Model: To the extent the licensing model is a perpetual model, the terms in this 4.4 shall apply.

Upon each and every breach by the Licensee hereunder a contractual penalty amounting to 200% for breach under sections 3.2, 3.3, 3.4, 3.5, 3.6, 3.11, 4.1 or 4.3 and 1000% for breach under section 3.9 of the applicable licensee fee under the relevant Invoice is payable by the Licensee to IAR Systems. In case IAR Systems' actual damage due to the

breach would exceed this amount, also the remainder shall be paid by the Licensee, see also Section 3.9.

- 4.5 Subscription Licensing Model: To the extent the licensing model is a subscription model, the terms in this 4.5 shall apply.

Upon each and every breach by the Licensee hereunder a contractual penalty amounting to 200% for breach under sections 3.2, 3.3, 3.4, 3.5, 3.6, 3.11, 4.1 or 4.3 and 1000% for breach under section 3.9 of an amount equal to the aggregate annual license fee for the software paid by the licensee for the past one-year period is payable by the Licensee to IAR Systems. In case IAR Systems' actual damage due to the breach would exceed this amount, also the remainder shall be paid by the Licensee, see also Section 3.9.

5. CONFIDENTIALITY

- 5.1 The Licensee agrees that all material and information relating to the Software is made available for the use solely under and in accordance with this Agreement. The Licensee has no right at any time during or after cancellation or termination of this Agreement to disclose such material and/or information relating to the Software, whether directly or indirectly, to any third party without IAR Systems' prior written approval. The Licensee shall hold harmless, defend, and indemnify IAR Systems from and against any and all losses, costs, damages, and expenses arising out of or in connection with the Licensee's failure to comply with requirements of this Article 5. The Licensee's confidentiality obligations hereunder shall survive cancellation or termination, for any reason, of this Agreement.

6. PAYMENT TERMS AND CONDITIONS

- 6.1 In consideration of the rights granted and services rendered by IAR Systems under this Agreement, the Licensee shall pay the license fees for the Software as specified in the Invoice. Payments are to be made according to the payment schedule stated in the Invoice, or if not stated, invoices are payable within 30 days of the invoice date.
- 6.2 If the Licensee fails to effect payment within the stipulated time, IAR Systems or IAR Distributors shall be entitled to a) charge interest after due date as stated in the Invoice, or if not stated in the invoice, the interest charged will be the reference rate set by Sweden's central bank (the Riksbank) + 8%. b) postpone the fulfilment of any of its own obligations until payment is made, and/or c) terminate the Agreement by notice in writing to the Licensee and recover from the Licensee any and all loss incurred.
- 6.3 All prices are exclusive of, and the Licensee is responsible for, all fees and taxes, including custom duties, importation fees, sales, use, withholding, gross revenue, and like taxes, dues, and charges assessed or incurred in connection with the provision of goods and services under this Agreement.

7. LIMITED WARRANTY

- 7.1 IAR Systems warrants that the media on which the Software is recorded upon receipt by the Licensee will be free from defects in materials and faulty workmanship under normal use for a period of ninety (90) days from the date of delivery to the Licensee. During this warranty period IAR Systems will, at its option, after its receipt of the media in return, repair or replace, free of charge, defective media upon which the Software was supplied and record a copy of the Software on the repaired or replacement media. Said repair or replacement shall be the Licensee's exclusive remedy under this media warranty. Notwithstanding the foregoing, IAR Systems shall have no responsibility to repair or replace a media which, in IAR Systems' opinion, has been damaged by the Licensee by accident, abuse, or as a result of attempted self-maintenance service.
- 7.2 IAR Systems warrants that the Hardware upon receipt by the Licensee will be free from defects in materials and faulty workmanship under normal use for a period of ninety (90) days from the date of delivery to the Licensee. During this warranty period IAR Systems will, at its option, after its receipt of the Hardware in return, repair or replace, free of charge, defective Hardware. Said repair or replacement shall be the Licensee's exclusive remedy under this Hardware warranty. Notwithstanding the foregoing, IAR Systems shall have no responsibility to repair or replace a Hardware which, in IAR Systems' opinion, has been damaged by the Licensee by accident, abuse, or as a result of attempted self-maintenance service.
- 7.3 IAR Systems does not warrant that the Software will meet the Licensee's requirements or that the operation of the Software will be uninterrupted and error free. The Licensee is solely responsible for the selection of the Software to achieve its intended results or for the results actually obtained.
- 7.4 The above warranty does not apply to conditions resulting from improper use, external causes, including service or modifications not performed by IAR Systems or a contractor appointed by IAR Systems, or operation outside the specified environmental parameters. IAR Systems will not be responsible for operation of the Software other than on the host equipment specified in the Invoice and in conjunction with the operating environment designated for each version of the Software. Minor deviations from the above warranty, which are of little importance for the intended use of the Software and which do not cause more than minor inconvenience for the Licensee shall not be considered as breaches of the above warranty.

- 7.5 THE ABOVE WARRANTY IS IAR SYSTEMS' ONLY WARRANTY WITH REGARD TO THE SOFTWARE AND HARDWARE AND THIS AGREEMENT AND, SAVE AS PROVIDED IN THIS AGREEMENT, NO OTHER WARRANTY OR CONDITION, EXPRESSED OR IMPLIED, WILL APPLY, AND THE LICENSEE WILL NOT RAISE ANY OTHER CLAIMS BASED ON THE PERFORMANCE OR LACK OF PERFORMANCE OF THE SOFTWARE. IAR SYSTEMS SPECIFICALLY EXCLUDES ALL OTHER WARRANTIES, REPRESENTATIONS OR UNDERTAKINGS, EXPRESS, IMPLIED OR STATUTORY, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ABILITY TO ACHIEVE A PARTICULAR RESULT, OR OF ANY OTHER WARRANTY OBLIGATION ON THE PART OF IAR SYSTEMS.
- 7.6 IAR Systems expressly disclaims any liability for any hardware or software solutions at the Licensee which may affect the performance of the Software, including but not limited to network configurations.
- 7.7 The provisions of this Article 7 shall survive any expiration or termination of this Agreement.

8. INTELLECTUAL PROPERTY INFRINGEMENT

- 8.1 IAR Systems will in the way set out in 8.2, and subject to all limitations therein, act on any action brought against the Licensee to the extent it is based on a claim that the Software as it exists on the date of the Invoice infringes any patent or copyright duly issued under the laws of the country under which IAR Systems or the Licensee is organized.
- 8.2 IAR Systems shall, in the way set out below, as sole remedy, act on a third-party claim that the Software infringes the intellectual property rights of such party, provided that IAR Systems is given prompt notice of such claim and is given information, reasonable assistance, and sole authority to defend or settle the claim. IAR Systems may at its option obtain the right for the Licensee to continue using the infringing IAR Product, replace or modify the infringing Product until it becomes non-infringing, or if such replacement or modification is not reasonably available, terminate this license with respect to the infringing Product and provide for a reasonable refund of fees paid by the Licensee to IAR Systems for the IAR Product so affected.
- 8.3 IAR Systems shall not have any liability if the alleged infringement arises out of unauthorized use of the Software, postdelivery, non-IAR Systems modifications, or the combination with other products or devices not furnished by IAR Systems.
- THE OBLIGATIONS STATED IN THIS SECTION ARE IAR SYSTEMS' SOLE LIABILITIES AND THE LICENSEE'S SOLE REMEDIES FOR INFRINGEMENT OF PATENTS AND COPYRIGHTS. FOR THE AVOIDANCE OF DOUBT: THE LIABILITY OF IAR SYSTEMS UNDER THIS SECTION 8, IN THE CASE OF A PERPETUAL LICENSING MODEL, MAY NEVER EXCEED THE LICENSE FEE PAID BY THE LICENSEE, AND, IN THE CASE OF A SUBSCRIPTION LICENSING MODEL, MAY NEVER EXCEED AN AMOUNT EQUAL TO THE AGGREGATE ANNUAL LICENSE FEE PAID BY THE LICENSEE FOR THE PAST ONE-YEAR PERIOD.

9. FORCE MAJEURE

- 9.1 Either party shall be excused from fulfilment of any obligation under this Agreement only to the extent that and for so long as such performance is prevented or delayed by an industrial dispute or any other cause beyond its reasonable control, such as, but not limited to, riots; floods; war; warlike hostilities; fires; embargo; shortage of labor, power, fuel, means of transportation, or common lack of other necessities. A party wishing to claim relief under this Article shall forthwith notify the other party in writing on the intervention and on the cessation of such circumstance.

10. LIMITATION OF LIABILITY

- 10.1 THE USE OF THE SOFTWARE AND ALL CONSEQUENCES ARISING THEREFROM IS THE SOLE RESPONSIBILITY OF LICENSEE. IAR SYSTEMS SHALL NOT BE LIABLE TO THE LICENSEE FOR ANY LOSS OR DAMAGE CAUSED ARISING DIRECTLY OR INDIRECTLY IN CONNECTION WITH THE SOFTWARE, THE USE OF THE SOFTWARE, OR OTHERWISE.
- 10.2 PERPETUAL LICENSING MODEL: TO THE EXTENT THE LICENSING MODEL IS A PERPETUAL MODEL, THE TERMS IN THIS 10.2 SHALL APPLY.

IAR SYSTEMS' LIABILITY VIS-À-VIS THE LICENSEE UNDER THIS AGREEMENT SHALL UNDER ALL CIRCUMSTANCES BE LIMITED TO FIFTY (50) PER CENT OF THE LICENSE FEE FOR THE SOFTWARE PAID BY THE LICENSEE HEREUNDER, PROVIDED HOWEVER THAT IF SECTION 8 IS APPLICABLE THE TOTAL LIABILITY OF IAR SYSTEMS HEREUNDER MAY INSTEAD NEVER EXCEED 100% OF THE LICENSE FEE PAID BY THE LICENSEE HEREUNDER FOR SUCH SOFTWARE.

- 10.3 SUBSCRIPTION LICENSING MODEL: TO THE EXTENT THE LICENSING MODEL IS A SUBSCRIPTION MODEL, THE TERMS IN THIS 10.3 SHALL APPLY

IAR SYSTEMS' LIABILITY VIS-À-VIS THE LICENSEE UNDER THIS AGREEMENT SHALL UNDER ALL CIRCUMSTANCES BE LIMITED TO FIFTY (50) PER CENT OF AN AMOUNT EQUAL TO THE AGGREGATE ANNUAL LICENSE FEE PAID BY THE LICENSEE FOR THE PAST ONE-YEAR PERIOD, PROVIDED HOWEVER THAT IF SECTION 8 IS APPLICABLE THE TOTAL LIABILITY OF IAR SYSTEMS HEREUNDER MAY INSTEAD NEVER EXCEED 100% OF AN AMOUNT EQUAL TO THE AGGREGATE ANNUAL LICENSE FEE PAID BY THE LICENSEE FOR THE PAST ONE-YEAR PERIOD FOR SUCH SOFTWARE.

10.4 IAR SYSTEMS SHALL IN NO EVENT BE LIABLE TO THE LICENSEE UNDER THIS AGREEMENT FOR ANY SPECIAL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES UNDER ANY LEGAL THEORY, SUCH AS LOSS OF DATA, USE AND/OR PROFITS, BUSINESS INTERRUPTION OR DOWNTIME COSTS AND CAPITAL COSTS OR CLAIM OF THIRD PARTY, WHETHER ON ACCOUNT OF DEFECTS, PERFORMANCES, NON-PERFORMANCES, DELAYS, PERSONAL INJURIES, PROPERTY DAMAGES, OR OTHERWISE, REGARDLESS WHETHER IAR SYSTEMS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

10.5 NOTHING IN THIS AGREEMENT SHALL EXCLUDE OR LIMIT THE LIABILITY UNDER APPLICABLE COMPULSORY LAW OF IAR SYSTEMS FOR DEATH OR PERSONAL INJURY RESULTING FROM ITS NEGLIGENCE.

10.6 The provisions of this Article 10 shall survive the cancellation or termination of this Agreement.

11. THIRD PARTY RIGHTS

11.1 The IAR Embedded Workbench for Eclipse includes Eclipse Materials. This License does not apply to such Eclipse Material and this is not included in the term "Software" under this License. You agree to comply with all terms and conditions imposed on you in respect of such Eclipse Materials.

11.1.1 The Eclipse Materials are licensed under the terms of the Eclipse Public License (EPL), Version 1.0, a copy of which is included in the Eclipse Materials and also available at <http://www.opensource.org/licenses/eclipse-1.0.php>.

11.2 The IAR Embedded Workbench may include Third Party-Owned software. In addition to all other provisions of this License the Third Party-Owned software shall also be subject to the supplemental terms and conditions governing such Third Party-Owned software. These supplemental terms add to the terms of this License and shall supersede any inconsistent or conflicting terms in this License as they pertain to the Third Party-Owned software. If the Product the Licensee receives hereunder contains Third Party-Owned software the Licensee agree to comply with all terms and conditions imposed on you in respect of such Third Party-Owned software.

11.2.1 The Third Party-Owned Software is subject to the additional terms of each Third Party and a copy of these supplemental terms is available at www.iar.com/software-licenses.

12.SUPPORT AND UPDATE AGREEMENT (SUA)

12.1 Excluding what is specified in Section 12.2 and/or Section 7 of this Agreement, this Agreement does not grant the Licensee any right whatsoever to any improvements, modifications, enhancements or updates to the Software, or any other support services relating to the Software.

12.2 To the extent that the license granted includes Support and Update Service, the Licensee will be entitled to the services defined in the Support and Update Agreement ("SUA") attached hereto. In the case that the license granted does not include Support and Update Services or in the case where such services have expired, the Licensee may, depending on the nature of the granted license, purchase additional periods of Support and Update Services

12.3 Use of improvements, modifications, enhancements or updates received by the Licensee under IAR Systems' Support and Update Agreement (SUA) or received under Section 7 of this Agreement, shall be governed by the terms and conditions contained herein.

13.TERMINATION OF THE AGREEMENT

13.1 IAR Systems shall have the right to terminate this Agreement with immediate effect if the Licensee is in breach of any of its obligations under this Agreement, including, but not limited to (a) use of the Software in any manner other than pursuant to the rights granted in Article 3 and 4, (b) breach of the confidentiality provisions of Article 5, or (c) failure of the Licensee to remit payments as provided in Article 6.

13.2 This Agreement will terminate immediately without notice if Licensee suspends its payments, becomes bankrupt or insolvent or enters into liquidation or otherwise can be regarded as insolvent.

13.3 Upon IAR Systems' termination of this Agreement, as set out in this Article, then, IAR Systems may, at its option, and in addition to any other rights hereunder, and in addition to any other remedies available to IAR Systems under the law, in writing require the Licensee to return or destroy all versions of the Software and the Documentation and any and all documentation relating thereto on any media and in any form in Licensee's possession. Licensee shall give a written confirmation to IAR Systems that all material related to the Software and its operation has been returned to IAR Systems or destroyed. The provisions of this Section 13.3 shall survive the cancellation or termination of this Agreement.

14.EXPORT CONTROL REGULATIONS

14.1 The Software and the Documentation is subject to export or import regulations in various countries, including the regulations of the United States Export Administration Act. The Licensee hereby agrees that the Licensee will not

knowingly (a) export or reexport, directly or indirectly, any product or technical data or any controlled products restricted by applicable national regulations, including software, received from IAR Systems under this agreement, (b) disclose such technical data for use in, or (c) export or reexport, directly or indirectly, any direct product of such technical data or of such other controlled products, including software, to any destination to which such export or reexport is restricted or prohibited by U.S. or applicable non-U.S. law, without obtaining prior written consent of IAR Systems.

15. MISCELLANEOUS

- 15.1 This Agreement shall not in any situation be assignable or transferable in whole or in part by either party, without the prior written approval of the other party. This notwithstanding, IAR Systems shall be entitled to assign this Agreement in whole or in part to a company within the IAR Systems Group, and IAR Systems may assign this Agreement without penalty or detriment to its rights under this Agreement, and without the Licensee's prior written consent, in the event of a merger or similar reorganization or sale of substantially all of IAR Systems' assets.
- 15.2 As set out in the preamble, IAR Systems only provides the license on the terms and conditions presented by IAR Systems in this Agreement. No individual and/or general terms and conditions, including terms of purchases, presented by Licensee (for example in an order confirmation) or otherwise used by Licensee shall apply, irrespective of whether such terms and conditions has been submitted or later is submitted to IAR Systems and irrespective of whether IAR Systems performs delivery without declaring that it has rejected or later rejects to be bound by such terms and conditions. Consequently, IAR Systems is not bound by any qualified or modified acceptance to its proposal or to this Agreement, unless IAR Systems has clearly stated in writing that it accepts such qualified or modified acceptance.
- 15.3 No alteration or amendment to this Agreement shall be valid unless such alteration or amendment is made in writing and signed by the parties hereto.
- 15.4 Any notice or other communication under this Agreement shall be made in writing either by hand or by telefax (confirmed by airmail) or by certified or registered airmail first-class postage prepaid to the parties at the addresses stated in the Invoice (or at such other address a party may specify by written notice to the other).
- 15.5 This Agreement contains the entire understanding between the parties on its subject matter, and annuls and replaces any other agreements or understandings, whether written or oral, which may exist or have existed between the parties on the subject matter hereof.
- 15.6 This Agreement shall be governed by and construed in accordance with the substantive to the courts of the country in which IAR Systems is incorporated. Any dispute concerning this agreement or the interpretation or validity thereof, or any other dispute based thereon, shall be submitted to the courts of the country in which IAR Systems is incorporated.
- 15.7 The provisions of this Article 15 shall survive the cancellation or termination of this Agreement.