

PHIDGETS END USER LICENSE AGREEMENT

IMPORTANT - This is an agreement (the "**Agreement**") between you (herein "**you**") and Phidgets Inc. ("**Phidgets**"). Please read it carefully before using Phidgets Hardware or installing or using Phidgets Software (Phidgets Hardware and Phidgets Software may each be referred to as a "Phidgets Product" in this Agreement.)

BY USING THE PHIDGETS HARDWARE OR INSTALLING OR USING THE PHIDGETS SOFTWARE, YOU AGREE TO BE LEGALLY BOUND BY THE TERMS OF THIS AGREEMENT. IF YOU DO NOT AGREE TO THESE TERMS, DO NOT USE THE PHIDGETS PRODUCT OR INSTALL OR USE THE PHIDGETS SOFTWARE AND RETURN THE SAME AND ALL RELATED MATERIALS, MANUALS, DOCUMENTATION OR OTHER ASSOCIATED ITEMS WITHIN THIRTY DAYS TO PHIDGETS.

1) **USE RESTRICTIONS.**

Phidgets are not designed for applications that require a high degree of fault tolerance and reliability; they are not recommended for safety-critical operation.

Should you want to use a Phidget product in an application, it is your responsibility to insure that the Phidget Product meets your performance and reliability requirements.

2) **SOFTWARE LICENSE.** Phidgets hereby grants to you a non-exclusive license to use the Phidgets Software and all future Updates to the software.

3) **SOFTWARE RESTRICTIONS.** The Phidgets Software contains copyrighted material, trade secrets and other proprietary material and intellectual property of Phidgets. You agree that you and your employees shall not directly or indirectly:

- a) copy any of the Phidgets Software or any written materials for any purpose except as necessary for you or for other parties to use the Phidgets Software in connection with the associated Phidgets Product pursuant to this Agreement;
- b) assign this Agreement or sell or otherwise transfer the Phidgets Software to any other party except as part of the sale or transfer of the associated Phidgets Product and this Agreement;
- c) except in relation to source code that is provided or made available by Phidgets, reverse engineer, decompile or disassemble the Phidgets Software or otherwise reduce it to a human perceivable form;
- d) use the Phidgets Software except as authorized herein; or

4) **SOURCE CODE.** Some source code (the "**Source Code**") to some Phidgets Software may be provided or made available to you. This Source Code is protected by copyright and may not be reproduced except as permitted in this Agreement. This Source Code may only be used with a Phidgets Hardware product.

- 5) **MODIFICATIONS TO THE SOURCE CODE.** You may modify the Source Code and compile the Source Code and use the compiled Source Code, but only with the Phidgets Hardware to which the Source Code relates. If you modify the Source Code, irrespective of the amount of changes made to the Source Code, you may not remove, obscure or change any of Phidget's copyright notices that appear in the Source Code. Any modification to the source code immediately voids all software warranties.
- 6) **SUPPORT AND MAINTENANCE.** Phidgets may at its sole option provide error correction for the Software. Phidgets shall have the sole discretion as to the method, manner and extent, if any, of any Support that it provides in relation to the Phidgets Software and the documentation. Updates will be delivered to you in the same manner and at the same time Phidgets provides general Updates to all its customers.
- 7) **UPDATES.** Updates to the Phidgets Software may be made available for download. Unless otherwise stated by Phidgets at the time of downloading, all Updates, which you obtain, shall be deemed to be Phidgets Software and subject to the terms of this Agreement.
- 8) **OWNERSHIP AND COPYRIGHT.** The Phidgets Software is licensed, not sold, to you. You agree that Phidgets owns all right, title and interest, including but not limited to all copyright, patent, trade secret, and all other intellectual property rights, in improvements you made to the Phidgets Software, related written materials, trade marks, logos, names and other support materials furnished to you. No title to the intellectual property in the Phidgets Software, the documentation, magnetic or optical media or any other material provided therewith is transferred to you by this Agreement. If you are ever held or deemed to be the owner of any intellectual property rights in improvements you made to the Phidgets Software, then you hereby irrevocably assign to Phidgets all such right, title and interest and agree to execute all documents necessary to implement and confirm the letter and intent of this Section.
- 9) **LIMITED WARRANTY.** Phidgets warrants that the hardware products delivered to you under this Agreement are free from defects in materials and workmanship under normal use and service for a period of one (1) year from the date of shipment. All warranties are contingent upon proper use in the application for which the products were intended and do not cover products which have been modified or which have been subject to testing for other than specified electrical characteristics or to operating and/or environmental conditions in excess of the maximum values established in the applicable specifications, or otherwise have been the subject of mishandling, misuse, neglect, improper testing, repair, alteration, damage, assembly or processing that alters physical or electrical properties.

The aforementioned provisions do not extend the original warranty period of any article which has been repaired or replaced by Phidgets. All freight charges for equipment under warranty, and for repair or replacement of a defective product, will be borne by you.

Phidgets warrants that the Software will perform substantially in accordance with the accompanying materials. Updates to the software are provided as is. No oral or written information or advice given by Phidgets or a Phidgets representative shall create an additional warranty or in any way increase the scope of the warranty set out in this paragraph. Without

limiting the generality of the foregoing, Phidgets does not warrant that the Phidgets Software will meet your requirements or that its operation will be error free.

- 10) **WARRANTY DISCLAIMER.** PHIDGETS MAKES NO EXPRESS OR IMPLIED WARRANTY OTHER THAN THE WARRANTIES EXPRESSED IN PARAGRAPH 9 AND SPECIFICALLY DISCLAIMS ANY OTHER WARRANTIES OR CONDITIONS INCLUDING WARRANTIES AND CONDITIONS OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, RELIABILITY, ACCURACY, NON-INFRINGEMENT OR THAT THE USE OF THE PHIDGETS PRODUCT WILL BE UNINTERRUPTED OR ERROR-FREE AND PHIDGETS SPECIFICALLY DISCLAIMS ANY AND ALL WARRANTIES AND CONDITIONS WHICH MAY ARISE UNDER STATUTE. THIS DISCLAIMER OF WARRANTY CONSTITUTES AN ESSENTIAL PART OF THE AGREEMENT.

Some jurisdictions do not allow the exclusion of implied warranties or conditions, so the above exclusion may not apply to you. In that event, any implied warranties or conditions which would then apply shall be limited in duration to ninety (90) days from the date of purchase of the associated Phidgets Product. The warranties given herein give you specific legal rights, and you may have other rights which vary from jurisdiction to jurisdiction.

- 11) **YOUR REMEDIES.** In all cases which involve a failure of the Phidgets Product to conform in a material respect to the documentation during the warranty period or a breach of a warranty or condition, Phidgets' sole obligation and liability, and your sole and exclusive remedy, is for Phidgets, solely at Phidgets' option, to (a) promptly repair the Phidgets Product, (b) replace the Phidgets Product with hardware or software, as the case may be, conforming to the documentation, which hardware or software shall then become a Phidgets Product hereunder and subject to the terms and conditions of this Agreement, or (c) if Phidgets is unable, on a commercially reasonable basis, to repair or replace the Phidgets Product with conforming product within sixty (60) days, to terminate this Agreement and refund the purchase price.
- 12) **PROPRIETARY RIGHTS INDEMNITY.** Phidgets shall indemnify, defend and hold harmless you from and against any and all actions, claims, demands, proceedings, liabilities, direct damages, judgments, settlements, fines, penalties, costs and expenses, including royalties and attorneys' fees and related costs, in connection with or arising out of any allegation that the Phidgets Product infringes upon any patent, copyright or other intellectual property or proprietary right of a third party provided that: (a) Phidgets has the right to assume full control over any action, claim, demand or proceeding, (b) you shall promptly notify Phidgets of any such action, claim, demand, or proceeding, (c) you shall give Phidgets such reasonable assistance and tangible material as is reasonably available to you for the defense of the action, claim, demand or proceeding, and (d) you will not settle or compromise any of same for which Phidgets has agreed to assume responsibility without Phidgets' prior written consent. You may, at your sole cost and expense, retain separate counsel from the counsel utilized or retained by Phidgets.

Phidgets shall have no obligation to indemnify you from against any and all actions, claims, demands, proceedings, liabilities, direct damages, judgments, settlements, fines, penalties, costs and expenses, including royalties and attorney's fee and related costs, in connection with or arising as a result of:

- (a) you or any third party modifying the Phidgets Product;
 - (b) any infringement arising which relates to the use of the Phidgets Product in connection with any other hardware or software; or
 - (c) the Phidgets Product being used in a particular application that is not in accordance with section 1.
- 13) **ENJOINMENT.** If use of the Phidgets Product delivered under this Agreement is enjoined or is likely to be enjoined in the opinion of Phidgets' legal counsel based on any claim of infringement by a third party, Phidgets shall, at its sole discretion and expense, do one of the following: (a) negotiate a license or other agreement with the claimant so that the Phidgets Product is no longer subject to such claim, (b) modify the Phidgets Product so that it becomes non-infringing, provided such modification can be accomplished without materially affecting the performance and functionality of the Phidgets Product, (c) replace the Phidgets Product with non-infringing product of equal or better performance and quality, or (d) if none of the foregoing can be done on a commercially reasonable basis, terminate this Agreement and you shall stop using the Phidgets Product.
- 14) **LIMITATION OF LIABILITY.** IN NO EVENT SHALL PHIDGETS, ITS LICENSORS OR SUPPLIERS BE LIABLE TO YOU FOR ANY LOST PROFITS, OR OTHER INCIDENTAL, CONSEQUENTIAL, SPECIAL OR INDIRECT DAMAGES, EVEN IF ADVISED OF THE PROSPECT OF SUCH LOSSES OR DAMAGES OR IF THEY OUGHT REASONABLY TO HAVE KNOWN OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES. FOR GREATER CERTAINTY, SUCH PROFITS AND DAMAGES DO NOT INCLUDE DIRECT DAMAGES INCURRED BY YOU. FURTHER, IN NO EVENT WILL PHIDGETS' TOTAL CUMULATIVE LIABILITY HEREUNDER, FROM ALL OTHER CAUSES OF ACTION OF ANY KIND, INCLUDING CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, BREACH OF WARRANTY, MISREPRESENTATION, OR OTHERWISE, EXCEED THE TOTAL AMOUNT PAID BY YOU TO PHIDGETS IN THE ONE (1) YEAR IMMEDIATELY PRECEDING THE FINAL EVENT GIVING RISE TO A CLAIM AGAINST PHIDGETS. ONCE PHIDGETS BECOMES LIABLE FOR THAT AMOUNT PHIDGETS SHALL HAVE NO FURTHER LIABILITY TO YOU FOR ANY ADDITIONAL CLAIMS. THIS LIMITATION AND EXCLUSION APPLIES IRRESPECTIVE OF THE CAUSE OF ACTION, INCLUDING BUT NOT LIMITED TO BREACH OF CONTRACT, NEGLIGENCE, STRICT LIABILITY, TORT OR ANY OTHER LEGAL THEORY AND SHALL SURVIVE A FUNDAMENTAL BREACH.
- 15) **INDEMNIFICATION.** Except as otherwise specifically provided herein you shall indemnify and hold Phidgets harmless from any and all claims, damages, losses, liabilities, costs and expenses (including reasonable fees of lawyers and other professionals) arising out of or in connection with your use of the Phidgets Product, whether direct or indirect, including without limiting the foregoing, loss of data, loss of profit or business interruption. You shall promptly notify Phidgets of any such claim.

- 16) **TERMINATION.** You may terminate this Agreement at any time without cause. Phidgets may terminate this Agreement on 30 days notice to you if you fail to comply with any of the material terms of this Agreement unless you cure such failure within the 30 days notice of such failure. Any such termination by a party shall be in addition to and without prejudice to such rights and remedies as may be available, including injunction and other equitable remedies. Upon receipt by you of written notice of termination from Phidgets or termination by you, you shall at the end of any notice period (a) cease using the Phidgets Product; (b) use reasonable effort to return to Phidgets the Phidgets Product and all written documentation and all magnetic or optical media provided to you (or use reasonable effort to destroy all copies thereof in your possession); and (c) remit full payment of any balances owing to Phidgets. The provisions of Sections 8, 9, 10, 11, 15, 16, 17, 18, 20, 21, 22 shall survive termination of this Agreement.
- 17) **FORUM FOR DISPUTES.** The parties agree that the Alberta courts located in Calgary, Alberta, Canada will have exclusive jurisdiction to resolve any disputes between you and Phidgets concerning this Agreement and you hereby irrevocably attorn to the jurisdiction of that court in this regard. Notwithstanding the foregoing, any party may apply to any court in any jurisdiction for injustice relief or other equitable remedy.
- 18) **EXPORT RESTRICTIONS.** You agree that you will not export or re-export the Phidgets Product to any country, person, entity or end user subject to U.S.A. export restrictions. Restricted countries currently include, but are not necessarily limited to Cuba, Iran, Iraq, Libya, North Korea, Sudan and Syria. You warrant and represent that neither the U.S.A. Bureau of Export Administration nor any other federal agency has suspended, revoked or denied your export privileges.
- 19) **US GOVERNMENT RESTRICTED RIGHTS.** If you are acting on behalf of any unit or agency of the government of the United States of America, you agree that the Phidgets Software is provided with RESTRICTED RIGHTS. Use, duplication, or disclosure by the Government of the U.S.A. is subject to restrictions as set forth in subparagraph (c)(1)(ii) of the Rights in Technical Data and Computer Software clause at DFARS 252.227-7013 or subparagraphs (c)(1) and (2) of the Commercial Software Restricted Rights at 48 CFR 52.227-19, as applicable. The software was developed exclusively at private expense; no part of it is in the public domain and is an unpublished work. The manufacturer is Phidgets Inc., 2715 A, 16A St. NW Calgary, Alberta T2M 3R7.
- 20) **ENTIRE AGREEMENT.** Any and all terms and conditions set out in any correspondence between the parties or set out in a purchase order which are different from or in addition to the terms and conditions set forth herein, shall have no application and no written notice of same shall be required. This is the entire agreement between you and Phidgets pertaining to the Phidgets Product and your use of same, and supersedes all prior, collateral or contemporaneous oral or written representations, warranties or agreements regarding the same. No amendment to or modification of this Agreement will be binding unless in writing and signed by duly authorized representatives of the parties.
- 21) **MISCELLANEOUS.** In the event that one or more of the provisions is found to be illegal or unenforceable, this Agreement shall not be rendered inoperative but the remaining provisions shall continue in full force and effect.