These ELEKTROBIT License Terms and Conditions ('ELEKTROBIT T&C') shall govern the licensing of DELIVERABLES by ELEKTROBIT to the customer ('CUSTOMER') named in the accompanying quote ('QUOTE').

1. DEFINITIONS

In these ELEKTROBIT T&C capitalized terms used herein shall have the following meanings, in addition to the capitalized terms in the AGREEMENT:

1.1 'AFFILIATE' of a Party means an entity (i) which is directly or indirectly controlling such Party; (ii) which is under the same direct or indirect ownership or control as such Party; or (iii) which is directly or indirectly owned or controlled by such Party. For these purposes, an entity shall be treated as being controlled by another if that other entity has more than fifty percent (50 %) of the votes in such entity and is able to direct its affairs.

1.2 'AGREEMENT' means the QUOTE as accepted by CUSTOMER and the annexes thereto, together with these ELEKTROBIT T&C.

1.3 'BACKGROUND IP' means any software, hardware, documentation, materials, data, technology, information, know-how and INTELLECTUAL PROPERTY RIGHTS, in whatever form, that have been created or developed prior to or independently of the PROJECT governed by this AGREEMENT.

1.4 'BUSINESS DAY' means Monday to Friday from 9.00 a.m. to 5.00 p.m. (CET), except German (Bavarian) public holidays.

1.5 'CUSTOMER ITEM' means any specifications, drawings, sketches, models, programs, documentation, software, hardware, other materials, services and all other data which are provided or to be provided by CUSTOMER or on behalf of CUSTOMER in the PROJECT.

1.6 'CUSTOMER PRODUCTS' means products owned by CUSTOMER which contain, as an integral part, in either unmodified or modified form, the DELIVERABLES, GENERATED SOFTWARE or parts thereof.

1.7 'DELIVERABLE(S)' means any and all WORK PRODUCTS (without building environment), LICENSED PRODUCT, third party components and other deliveries and services as well as any DOCUMENTATION provided and delivered by ELEKTROBIT to CUSTOMER under the terms and conditions of the AGREEMENT.

1.8 'DOCUMENTATION' means any product descriptions, user manuals, training materials and other documents related to the DELIVERABLES, furnished by ELEKTROBIT to CUSTOMER. The PARTIES shall define the scope of DOCUMENTATION in the QUOTE.

1.9 'ELEKTROBIT TOOLING' means a tool for manufacturing, developing, generating and/or configuring software.

1.10 'EFFECTIVE DATE' means the date on which ELEKTROBIT receives the accepted QUOTES from CUSTOMER or any other date the Parties agree to in writing.

1.11 'ERROR' means a reproducible fault caused by ELEKTROBIT to a DELIVERABLE, which causes the DELIVERABLE, when properly used and, as applicable, integrated, to materially deviate from the SPECIFICATIONS.

1.12 'GENERATED SOFTWARE' means software which has been generated and/or configured using ELEKTROBIT TOOLING.

1.13 'INTELLECTUAL PROPERTY RIGHTS' OR 'IPR' mean any rights (whether owned by or licensed to a Party), other than trade and service marks, existing under patent law, copyright law, data and database protection law, trade secret law, designs rights law (whether or not the design is capable of registration), mask work and chip topography protection law, and all similar proprietary rights and similar rights. '**ELEKTROBIT INTELLECTUAL PROPERTY RIGHTS'** means those IPR that are owned or licensed by ELEKTROBIT and that are embodied in or practiced in the use of the DELIVERABLES by CUSTOMER as permitted under the license applicable to CUSTOMER as specified in Section 2 and 3 of these ELEKTROBIT T&C.

1.14 'LICENSED PRODUCT' means the software, technology, devices, tools or any components/parts of the aforesaid, including the DOCUMENTATION, in object code format only (if not explicitly agreed to source code disclosure in writing) to be provided under a license by ELEKTROBIT to CUSTOMER as identified in the AGREEMENT. LICENSED PRODUCT includes RUNTIME SOFTWARE and ELEKTROBIT TOOLING as well as ADAPTATIONS and EXTENSIONS. **'ADAPTATION'** means modifications, enhancements and customizations of the LICENSED PRODUCT excluding EXTENSIONS. **'EXTENSION'** means new functionality of a LICENSED PRODUCT.

1.15 'PROJECT' means the PROJECT as defined jointly by CUSTOMER and ELEKTROBIT in the QUOTE for which the DELIVERABLES are provided.

1.16 'QUALIFICATION' means the statement in writing by ELEKTROBIT to CUSTOMER outlining the potential effects of a change in the TARGET SYSTEM on the DELIVERABLES and whether and/or to what extent the DELIVERABLES need to be changed as part of a change request process.

1.17 'RUNTIME SOFTWARE' means a LICENSED PRODUCT (software) for use in a motor vehicle.

1.18 'SPECIFICATIONS' means the technical, functional and performance specifications for the DELIVERABLES as described in and/or referred to in the QUOTE.

1.19 'TARGET SYSTEM' means the platform, target architecture, system and/or user environment the DELIVERABLES shall operate in or with, as specified in the QUOTE.

1.20 'UNIT' means each single hardware and/or software component containing a royalty-bearing DELIVERABLE or part thereof, modified or unmodified.

1.21 'UPDATE' means new sub-versions of a LICENSED PRODUCT such as bug fixes and smaller revisions, additions, modifications and enhancements of the main versions (= minor releases) indicated by ELEKTROBIT as follows: x.1; x.2; x.3 or similar).

1.22 'UPGRADE' means any new version of a LICENSED PRODUCT incorporating major new features or functionalities, indicated by ELEKTROBIT as follows: 1.x, 2.x, 3.x, etc.

1.23 'WORK PRODUCT' means a result from engineering services, as defined in the QUOTE, excluding LICENSED PRODUCT, third party components/IP and open source components. The PARTIES shall define in the QUOTE whether a WORK PRODUCT shall be a NON-EXCLUSIVE WORK PRODUCT (licensed under Section 3.1) or an EXCLUSIVE WORK PRODUCT (licensed under Section 3.2).

2. GRANT OF RIGHTS IN LICENSED PRODUCT AND GENERATED SOFTWARE

2.1 LICENSE. In consideration of CUSTOMER's compliance with the terms and conditions of the AGREEMENT ELEKTROBIT hereby grants to CUSTOMER, under the ELEKTROBIT Intellectual Property Rights a non-exclusive, worldwide, non-transferable, fee- and/or royalty-bearing license, limited and restricted (if defined in the AGREEMENT) to

(i) a certain amount of users and/or a specific kind of access to the LICENSED PRODUCT (please see also Section 2.1.5),

(ii) the licensed term (limitation in time),

(iii) the TARGET SYSTEM (e.g. restricted to a certain defined ECU/microcontroller family 'PRODUCT LINE LICENSE'),

(iv) the PROJECT (e.g. 'PROJECT LICENSE') and/or

(v) a specific CUSTOMER PRODUCT

as agreed to in the Agreement as follows:

2.1.1. EVALUATION AND DEMONSTRATION LICENSE

(i) to use, copy, perform and internally display the LICENSED PRODUCT and/or the GENERATED SOFTWARE solely for the purposes of <u>evaluating</u> their feasibility for use by CUSTOMER, or as part of CUSTOMER's products and services, and

(ii) to use, copy, perform, and display the RUNTIME SOFTWARE solely as an integral part of CUSTOMER's combined soft- and hardware product for purposes of <u>demonstrating</u> to customers and prospective customers.

2.1.2. DEVELOPMENT LICENSE

(i) to use, execute, copy, integrate and compile the RUNTIME SOFTWARE and

(ii) to generate and configure GENERATED SOFTWARE

for the purpose of internally developing, configuring, adapting, assembling, integrating and testing CUSTOMER PRODUCTS, but not for mass production.

2.1.3. REPRODUCTION AND DISTRIBUTION LICENSE

(i) to use, copy, integrate and compile the RUNTIME SOFTWARE and/or the GENERATED SOFTWARE for the purpose of creating, testing, fabricating, producing and assembling CUSTOMER PRODUCTS; and

(ii) to make, use, import, distribute, license, offer to sell and sell such CUSTOMER PRODUCTS either directly or indirectly through a tiered or multi-tiered distribution system; and

(iii) to grant to customers a sublicense and right to distribute, offer to sell and to sell CUSTOMER PRODUCTS either directly, or indirectly through a tiered or multi-tiered distribution system; and

(iv) to grant to customers the right to use such CUSTOMER PRODUCTS within the limits set out in these ELEKTROBIT T&C.

Notwithstanding the above in this Section 2.1.3, CUSTOMER acknowledges and agrees that neither the LICENSED PRODUCT nor the GENERATED SOFTWARE may be used in any series production unless explicitly released for series production by ELEKTROBIT.

2.1.4. EDUCATIONAL LICENSE

to use the LICENSED PRODUCT and/or the GENERATED SOFTWARE for educational, non-commercial purposes in universities and technical schools. With respect to ELEKTROBIT TOOLING CUSTOMER shall generate software modules in object code only and shall not disclose nor provide the GENERATED SOFTWARE to any third party. NOTWITHSTANDING ANY

OTHER PROVISION OF THIS AGREEMENT, IT IS ACKNOWLEDGED AND AGREED THAT ALL DELIVERBLES PROVIDED UNDER OR IN CONNECTION WITH AN EDUCATIONAL LICENSE ARE PROVIDED ON A STRICTLY "AS IS" BASIS, WITHOUT RECOURSE OR WARRANTY OF ANY KIND. WITHOUT LIMITING THE FOREGOING, THE PROVISIONS OF SECTIONS 5.1 AND 5.2 SHALL NOT APPLY.

2.1.5.   SPECIFIC LICENSE MODELS OF ELEKTROBIT TOOLING LICENSES

Node Locked License/Single User License: The license entitles employees of CUSTOMER to use the DELIVERABLE on one personal computer owned by or under the control of LICENSEE. For Single User Licenses the license may be limited to a specified personal computer, which can be changed with ELEKTROBIT's approval only. The license does not allow to install the DELIVERABLES on multiple personal computers or otherwise enable the use of the DELIVERABLE to more than one developer, e.g. network or virtualization. This type of license is usually used in project related development teams. Every engineer has an individual license.

Dongled License: The Dongled License refers to a PC/Laptop based license, which is protected by a hardware dongle, and entitles employees of CUSTOMER to use the DELIVERABLE on a single, but not specific PC/Laptop by plug-in the dongle. The Parties could agree to restrict the Dongled License to a certain site. The license does not allow to distribute or emulate the dongle via LAN/WAN network. This type of license is usually used if several development teams work at the same development site and the license can be shared between several engineers (floating, but protected by a physical dongle).

Floating License: The Floating License refers to a server based license, which is protected by a server based hardware dongle, and entitles employees of CUSTOMER to use the DELIVERABLE globally in the licensed amount of seats. The license is protected by a license server, which controls and manages the total amount of available seats. This type of license is usually used, if licenses should be shared globally over several development sites and different time zones. Note: A LAN network connection between workstation and license server is required.

2.1.6.   SOFTWARE INTEGRATED IN HARDWARE

With respect to any software licensed by ELEKTROBIT and embedded into or bundled with hardware delivered by ELEKTROBIT ('ELEKTROBIT HARDWARE'), subject to any underlying third party rights and subject to payment in full by CUSTOMER, ELEKTROBIT grants to CUSTOMER a non-sublicensable, worldwide, non-exclusive license under ELEKTROBIT's applicable IPR to use the embedded software with such ELEKTROBIT HARDWARE in accordance with the applicable user manual(s) and the AGREEMENT. Any specific provisions in the QUOTE contrary to this clause shall take precedence over the ELEKTROBIT T&C. In the absence of such specific provisions specifying the applicable license, CUSTOMER is granted a license to use one copy of embedded software in connection with the ELEKTROBIT HARDWARE. CUSTOMER is not permitted to separate the embedded software from ELEKTROBIT HARDWARE, or distribute or transfer the embedded software without the ELEKTROBIT HARDWARE.

2.2   SUBLICENSING RIGHTS. CUSTOMER is entitled to grant a sub-license in the RUNTIME SOFTWARE and/or the GENERATED SOFTWARE to

(i) its AFFILIATES, provided however that such AFFILIATE accepts the terms and conditions of the AGREEMENT and enters – on ELEKTROBIT's request - into an AFFILIATE commitment directly to ELEKTROBIT; CUSTOMER shall inform ELEKTROBIT about such AFFILIATE sub-license in advance and ELEKTROBIT reserves the right with respect to a specific AFFILIATE to disapprove the exercise of the sub-licensing right if there are reasonable concerns that such AFFILIATE will not comply with its obligations;

(ii) subcontractors, but only with respect to the license granted under Section 2.1.2. and solely for use in connection with the assembly, production, fabrication, testing and related measures (but not the sale) of CUSTOMER PRODUCTS by or on behalf of CUSTOMER, provided however, that such subcontractors are (1) bound in writing to confidentiality and to the license restrictions granted hereunder and to Section 2.8 (Non Assertion) and (2) obligated in writing to return or destroy, as applicable, the LICENSED PRODUCT and DOCUMENTATION provided to them as soon as they are not required for the purposes of performing the tasks subcontracted to them. CUSTOMER shall inform ELEKTROBIT about such subcontractor in advance and ELEKTROBIT reserves the right to disapprove the exercise of the sub-licensing right if there are reasonable concerns that such subcontractor will not comply with its obligations;

(iii) its customers within the distribution chain, but only with respect to the license granted under Section 2.1.3., provided that such customers are bound in writing to (1) confidentiality, (2) the license restrictions granted hereunder and (3) Section 2.8 (Non Assertion). Subject to Section 2.2 (ii) such customers are entitled to grant a sub-license to their subcontractors.

ELEKTROBIT is entitled to restrict the sublicense right under Section 2.2 to object code versions only.

CUSTOMER shall be liable to ELEKTROBIT for the performance of sub-licensees as for its own.

For clarity, CUSTOMER is not entitled to grant a sub-license in or to ELEKTROBIT TOOLING.

2.3   SUBLICENSED THIRD PARTY COMPONENTS. If stated in the AGREEMENT, and in consideration of CUSTOMER's compliance with the terms and conditions of this AGREEMENT, ELEKTROBIT hereby grants to CUSTOMER, during the applicable Licensed Term and under the rights identified in the AGREEMENT, a sublicense to use the applicable 3rd party components in a manner specified in the AGREEMENT.

To the extent stated in the AGREEMENT special third party terms and conditions, as amended by the third party from time to time, supplement, and apply in addition to, the terms and conditions of these ELEKTROBIT T&C, and prevail to the extent inconsistent to these ELEKTROBIT T&C..

2.4   OPEN SOURCE COMPONENTS. The Parties acknowledge that the DELIVERABLES may contain open source components. For the avoidance of doubt, all utilization of open source components is governed by the applicable open source licenses.

2.5   NO REVERSE ENGINEERING; RESTRICTIONS. Except as permitted in this Section 2 (Grant of Rights) or required by the applicable mandatory law, CUSTOMER shall not (i) allow others to use or access the LICENSED PRODUCT; (ii) modify, reverse engineer, decompile, disassemble (except to the extent that this restriction is expressly prohibited or limited by applicable law) the LICENSED PRODUCT or create derivative works of any of them; (iii) rent, lease, loan or otherwise transfer rights to the LICENSED PRODUCT; (iv) disclose or make available the LICENSED PRODUCT to any third party; (v) remove or obscure any notices or markings that are specified by law and that are affixed on or incorporated in the LICENSED PRODUCT; (vi) combine or link or otherwise use LICENSED PRODUCT with open source components without ELEKTROBIT's prior written approval.

2.6   NO COMPETITIVE USE. Notwithstanding any other term or condition in the AGREEMENT, CUSTOMER is not entitled and nothing in the AGREEMENT grants CUSTOMER a right or license to distribute the LICENSED PRODUCTS nor any modification thereof as stand-alone software solution, unless explicitly agreed to in writing in the AGREEMENT.

2.7   PROTECTION OF LICENSED PRODUCT. All information, data, drawings, specifications, documentation, software listings, source and object code (other than open source) which ELEKTROBIT may have imparted and may from time to time impart to CUSTOMER relating to the LICENSED PRODUCT is proprietary and confidential. CUSTOMER hereby agrees that it shall use the same solely in accordance with the provisions of this AGREEMENT and that it shall not at any time during or after expiry or termination of this AGREEMENT, disclose the same, whether directly or indirectly, to any third party without ELEKTROBIT's prior written consent.

2.8   NON ASSERTION. CUSTOMER hereby covenants and agrees not to bring suit or otherwise assert a claim based on INTELLECTUAL PROPERTY RIGHTS resulting from CUSTOMER's modification of LICENSED PRODUCT or derivative works thereof against ELEKTROBIT (and ELEKTROBIT's Affiliates) and/or ELEKTROBIT's licensees and their respective customers based on or arising out of ELEKTROBIT's and/or ELEKTROBIT's licensees' and their respective customers' enhancement, further development, reproduction, use, distribution, licensing or other disposal of the LICENSED PRODUCT.

2.9   UPSTREAM INDEMNITY. CUSTOMER shall defend, indemnify and hold ELEKTROBIT and its Affiliates and the employees, officers and directors of them ("ELEKTROBIT Indemnitees") free and harmless from and against any and all claims, losses, liabilities, costs, damages and expenses (including reasonable attorneys' fees and expenses) suffered or sustained by, or asserted against, any ELEKTROBIT Indemnitee arising out of or relating to the misuse of the LICENSED PRODUCT or GENERATED SOFTWARE.

2.10 RESERVATION; LICENSOR OWNERSHIP. Except for the express grants under Section 2 (GRANT OF RIGHTS IN LICENSED PRODUCT AND GENERATED SOFTWARE), no other rights or licenses in the LICENSED PRODUCT or the GENERATED SOFTWARE are granted or conveyed to CUSTOMER whether by implication, estoppel, or otherwise. All right, title and interest in the LICENSED PRODUCT shall remain with ELEKTROBIT or its licensors.

2.11 NOTICES. Except for any notices required for open source components, notices or patent markings required by ELEKTROBIT and/or its licensors to be included in the CUSTOMER PRODUCTS shall be set out in the AGREEMENT. CUSTOMER shall be responsible for reproducing all such markings in the CUSTOMER PRODUCTS, together with any notices and markings required due to open source components, applicable law, regulations or authority decisions.

3.   GRANT OF RIGHTS IN WORK PRODUCTS

3.1   NON EXCLUSIVE WORK PRODUCTS

3.1.1.   LICENSE GRANT. ELEKTROBIT grants to CUSTOMER a non-exclusive, worldwide, sub-licensable and irrevocable right in and to NON EXCLUSIVE WORK PRODUCTS and the INTELLECTUAL PROPERTY RIGHTS therein and thereto, limited and restricted (if agreed in the AGREEMENT) to the use in the TARGET SYSTEM and/or the PROJECT.

3.1.2.   OWNERSHIP. The ownership and all rights in and to the NON EXCLUSIVE WORK PRODUCTS and the INTELLECTUAL PROPERTY RIGHTS therein and thereto shall vest irrevocably and exclusively in ELEKTROBIT or ELEKTROBIT's licensors without any limitation on use.

3.2   EXCLUSIVE WORK PRODUCTS

3.2.1.   LICENSE GRANT. Subject to Sections 3.2.2, 3.2.3 and 3.3 as well as to payment of the applicable fees and royalties, the ownership and all rights in and to the EXCLUSIVE WORK PRODUCTS shall vest irrevocably and exclusively in CUSTOMER without any limitation in use.

3.2.2.   ELEKTROBIT BACKGROUND IP. ELEKTROBIT and/or its licensors remains the owner of ELEKTROBIT BACKGROUND IP and all rights in and to ELEKTROBIT BACKGROUND IP shall remain or vest in ELEKTROBIT and/or its licensors. ELEKTROBIT grants to CUSTOMER a non-exclusive right to use ELEKTROBIT BACKGROUND IP being part of the WORK PRODUCT to the extent necessary to enable the agreed use of the EXCLUSIVE WORK PRODUCTS.

3.2.3.   GENERAL APPLICATIONS. Subject to Section 3.3, with respect to interfaces of generic use, the non-CUSTOMER specific know how, general technologies, methods, programming steps and algorithms **('GENERAL APPLICATIONS')** that are part of an EXCLUSIVE WORK PRODUCT, the ownership of, and all rights in and to, the GENERAL APPLICATIONS shall vest irrevocably and exclusively in ELEKTROBIT or ELEKTROBIT's licensors without any limitation on use and ELEKTROBIT grants CUSTOMER only a non-exclusive right in and to GENERAL APPLICATIONS.

3.3   GENERAL LICENSE RULES

3.3.1.   THIRD PARTY COMPONENTS. To the extent the WORK PRODUCTS comprise components that were licensed by ELEKTROBIT from a third party, ELEKTROBIT's license to those components of the WORK PRODUCTS shall be non-exclusive. To the extent stated in the AGREEMENT special third party terms and conditions supplement and apply in additional to, the terms and conditions of these ELEKTROBIT T&C, and prevail to the extent inconsistent to these ELEKTROBIT T&C.

3.3.2.   OPEN SOURCE. With respect to a license in and to open source solely the applicable open source license applies.

4.   DELIVERY AND ACCEPTANCE

4.1   DELIVERY. ELEKTROBIT shall deliver to CUSTOMER the DELIVERABLES EXW ELEKTROBIT's location (Incoterms 2010) according to the delivery schedule and in the format set forth in the QUOTE.

4.2   ACCEPTANCE. Within 30 days from delivery ('ACCEPTANCE PERIOD') CUSTOMER shall test the DELIVERABLES and provide a written ACCEPTANCE certification to ELEKTROBIT ('FORMAL ACCEPTANCE'), provided that the DELIVERABLES do not have significant ERRORS. Non-significant ERRORS shall be corrected after acceptance under ELEKTROBIT's warranty obligation. CUSTOMER shall provide to ELEKTROBIT a detailed, written report on the test results, particularly any detected ERRORS (if any) and other malfunction specifying, to the extent possible, the source of the ERROR or malfunction and its impact.

The DELIVERABLES shall be deemed to have been accepted, if the ACCEPTANCE PERIOD expires without CUSTOMER's written notice of significant ERRORS, or if and to the extent CUSTOMER or a customer of CUSTOMER has placed the DELIVERABLES in use (except for testing purposes). As far as partial deliveries have been agreed upon, they shall be separately subject to acceptance procedure and tested separately. Interaction of all the parts together shall be tested according to this Section 4.2.

5.   WARRANTIES AND DISCLAIMERS

5.1   RIGHT TO CONVEY; NO CONFLICTS. ELEKTROBIT warrants (a) that ELEKTROBIT has all requisite power and authority to enter into the AGREEMENT and carry out its obligations under the AGREEMENT; and (b) that ELEKTROBIT has the right (either as owner or as licensee) to grant the licenses and rights granted under Sections 2 and 3 (Grant of Rights) in the DELIVERABLES.

5.2   COMPLIANCE WITH SPECIFICATIONS. ELEKTROBIT warrants that the DELIVERABLES, if used in the defined TARGET SYSTEM, shall conform in all material respects with their applicable SPECIFICATIONS upon delivery and for a period of twelve months following the delivery ("WARRANTY PERIOD"). CUSTOMER's exclusive remedy for a breach by ELEKTROBIT of a warranty in this Section 5.2 shall be for ELEKTROBIT to deliver, within a reasonable time period, an UPDATE or a work-around, as ELEKTROBIT may reasonably determine, which makes the DELIVERABLES compliant with the SPECIFICATIONS relevant to the Update. ELEKTROBIT's obligations under this Section 5.2 are subject to its receipt of written notice from CUSTOMER within the WARRANTY PERIOD, identifying the specific failure of the DELIVERABLE to conform in all material respects to the SPECIFICATIONS. CUSTOMER shall – to the best of its knowledge – inform ELEKTROBIT in writing without undue delay about any error or misconduct, its cause and effects and shall support ELEKTROBIT to a reasonable extent in the evaluation and rectification of the error as well as in risk avoidance and risk minimization.

5.3   DISCLAIMERS. APART FROM THOSE WARRANTIES EXPRESSLY SET OUT IN THIS SECTION 5 (WARRANTIES AND DISCLAIMERS), ELEKTROBIT DOES NOT MAKE, AND HEREBY DISCLAIMS, ANY REPRESENTATION, WARRANTY, CONDITION OR TERM AS TO THE PERFORMANCE, QUALITY, MERCHANTABILITY, TITLE, FITNESS FOR PURPOSE OR NON-INFRINGEMENT OF THE DELIVERABLES COVERED BY THIS AGREEMENT, AND ANY AND ALL SUCH WARRANTIES AND CONDITIONS, WHETHER EXPRESS OR IMPLIED, OR STATUTORY ARE HEREBY EXPRESSLY EXCLUDED TO THE GREATEST EXTENT PERMITTED BY APPLICABLE LAW. ALL WARRANTIES ARE PERSONAL TO THE CUSTOMER AND DO NOT EXTEND TO ANY SUBCUSTOMERS, CUSTOMERS OR ASSIGNEES.

6.   LIMITATION OF LIABILITY

6.1   NO CONSEQUENTIALS. IN NO EVENT SHALL ELEKTROBIT, its AFFILIATES, ITS LICENSORS OR SUPPLIERS BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL LOSSES OR DAMAGES, OR FOR ANY LOSS OF BUSINESS, PROFITS OR GOODWILL OR FOR ANY PUNITIVE DAMAGES, WHATEVER THE CAUSE THEREOF, EVEN IF ELEKTROBIT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES.

6.2   LIMIT OF ELEKTROBIT LIABILITY. IN NO EVENT SHALL THE TOTAL AGGREGATE LIABILITY OF ELEKTROBIT AND ITS AFFILIATES (AND THE EMPLOYEES, OFFICERS AND DIRECTORS OF ANY OF THEM), HOWSOEVER ARISING UNDER OR IN CONNECTION WITH THE AGREEMENT WHATEVER THE CAUSE THEREOF, INCLUDING (WITHOUT LIMITATION) LIABILITY FOR INFRINGEMENT OF RIGHTS AND INDEMNITY OBLIGATIONS, EXCEED THE <u>LOWER</u> OF THE FOLLOWING AMOUNTS:

(i) REMUNERATION PAYABLE BY CUSTOMER TO ELEKTROBIT UNDER THE AGREEMENT OR

(ii) 500,000 EUR (IN WORDS: FIVE HUNDRED THOUSAND EURO).

6.3   LIABILITY FOR THIRD Party COMPONENTS. CUSTOMER FURTHER ACKNOWLEDGES AND AGREES THAT ELEKTROBIT DOES NOT WARRANT, AND DOES NOT ASSUME, AND EXPRESSLY DISCLAIMS, LIABILITY FOR LOSSES OR DAMAGES ARISING OUT OF OR CAUSED BY THIRD Party COMPONENTS INCLUDING (WITHOUT LIMITATION) OPEN SOURCE.

6.4   INDUSTRIAL STANDARD TECHNOLOGY. NEITHER ELEKTROBIT NOR ELEKTROBIT AFFILIATES ARE LIABLE FOR ANY DAMAGE, COSTS, LOSSES, EFFORTS, EXPENSES AND/OR RISKS ARISING OUT OF THE USE OF TECHNOLOGY THAT IS COVERED BY AN INDUSTRIAL STANDARD, SUCH AS AUTOSAR, NDS, ETC. FURTHERMORE CUSTOMER INDEMNIFIES ELEKTROBIT AND ELEKTROBIT AFFILIATES AS WELL AS HOLD ELEKTROBIT AND ELEKTROBIT AFFILIATES HARMLESS FROM ANY AND ALL DAMAGE, COSTS, LOSSES, EFFORTS AND EXPENSES ARISING OUT OF THE USE OF INDUSTRIAL STANDARD TECHNOLOGY.

6.5   FAIR PLAY PROVISION. TO THE EXTENT ELEKTROBIT'S LIABILITY IS NOT SUBJECT TO THE LIMITATIONS UNDER SECTION 6.1, 6.2, 6.3 OR 6.4 ABOVE, THE AMOUNT OF DAMAGES TO BE PAID BY ELEKTROBIT UNDER THE AGREEMENT SHALL BE DETERMINED BY HAVING, ADEQUATELY IN FAVOUR OF ELEKTROBIT, DUE REGARD TO THE ECONOMIC SITUATION OF ELEKTROBIT, NATURE, SCOPE, AND DURATION OF THE BUSINESS RELATIONSHIP, POSSIBLE CAUSATIVE OR RESPONSIBLE CONTRIBUTIONS BY CUSTOMER ACCORDING TO § 254 BGB, AND PARTICULARLY DISADVANTAGEOUS SITUATION OF INSTALLATION OF THE PART SUPPLIED OR LICENSED. ESPECIALLY DAMAGES, COST AND EXPENDITURES WHICH SHALL BE PAID BY ELEKTROBIT HAVE TO BE IN AN APPROPRIATE RELATIONSHIP TO THE VALUE OF ITS PART BEING DELIVERED OR LICENSED.

6.6   CHANGES TO DELIVERABLES OR TARGET SYSTEM. ELEKTROBIT SHALL NOT BE RESPONSIBLE NOR LIABLE FOR ANY CHANGES PROVIDED BY CUSTOMER OR BY THIRD PARTIES IN OR TO THE DELIVERABLES OR IN OR TO THE TARGET SYSTEM, UNLESS ELEKTROBIT PROVIDES A QUALIFICATION.

The Parties acknowledge that a change in or to the TARGET SYSTEM as well as a change of the environment the TARGET SYSTEM is used in could require changes in or to the DELIVERABLES to ensure proper functionality of the DELIVERABLES. Therefore CUSTOMER shall (i) inform ELEKTROBIT about changes in or to the TARGET SYSTEM and/or its environment which could affect the functionality of the DELIVERABLES and (ii) cooperate with ELEKTROBIT to enable ELEKTROBIT for providing the QUALIFICATION. The Parties decide on a case by case basis if and to what extent the QUALIFICATION services shall be remunerated. In the event of a need of changes in or to the DELIVERABLES the change request process applies.

6.7   GENERATED SOFTWARE. ELEKTROBIT SHALL NOT BE RESPONSIBLE NOR LIABLE, BUT CUSTOMER SHALL SOLELY BE RESPONSIBLE AND LIABLE FOR GENERATED SOFTWARE. WITHOUT LIMITING THE FOREGOING, ELEKTROBIT SHALL NOT AND IS NOT REQUIRED TO CHECK GENERATED SOFTWARE FOR INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS. IN CASE OF THIRD PARTY CLAIMS AGAINST ELEKTROBIT or ELEKTROBIT AFFILIATES

RESULTING FROM THE USE OF GENERATED SOFTWARE, CUSTOMER INDEMNIFIES ELEKTROBIT AND ELEKTROBIT AFFILIATES AS WELL AS HOLD ELEKTROBIT AND ELEKTROBIT AFFILIATES HARMLESS FROM ANY AND ALL DAMAGES, COSTS, LOSSES, EFFORTS AND EXPENSES (INCLUDING, BUT NOT LIMITED TO REASONABLE LEGAL AND ATTORNEY FEES) ARISING FROM SUCH CLAIMS.

6.8 CUSTOMER ITEMS. ELEKTROBIT SHALL NOT BE RESPONSIBLE NOR LIABLE, BUT CUSTOMER SHALL SOLELY BE RESPONSIBLE AND LIABLE FOR CUSTOMER ITEMS. WITHOUT LIMITING THE FOREGOING, ELEKTROBIT SHALL NOT AND IS NOT REQUIRED TO CHECK CUSTOMER ITEMS FOR INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS. IN CASE OF THIRD PARTY CLAIMS AGAINST ELEKTROBIT or ELEKTROBIT AFFILIATES RESULTING FROM THE USE OF CUSTOMER ITEMS, CUSTOMER INDEMNIFIES ELEKTROBIT AND ELEKTROBIT AFFILIATES AS WELL AS HOLD ELEKTROBIT AND ELEKTROBIT AFFILIATES HARMLESS FROM ANY AND ALL DAMAGES, COSTS, LOSSES, EFFORTS AND EXPENSES (INCLUDING, BUT NOT LIMITED TO REASONABLE LEGAL AND ATTORNEY FEES) ARISING FROM SUCH CLAIMS.

IN THE EVENT CUSTOMER ITEMS DO NOT MEET THE AGREED REQUIREMENTS OR ELEKTROBIT REASONABLY DETERMINES THAT THEY DO NOT FIT FOR THE PURPOSE CUSTOMER SHALL SOLELY BE RESPONSIBLE TO RESOLVE THIS ISSUE BY COMPLYING TO THE REQUIREMENTS REQUIRED IN THE PROJECT.

7. FORCE MAJEURE

Neither Party shall be liable to the other for any delay or non-performance of its obligations hereunder in the event and to the extent that such delay or non-performance is due to an event of force majeure. Events of force majeure are events beyond the control of the Party, which occur after the date of signing of this AGREEMENT and which were not reasonably foreseeable on EFFECTIVE DATE and whose effects are not capable of being overcome without unreasonable expense and/or loss of time to the Party concerned. Events of Force Majeure shall include (without being limited to) war, acts of government, natural disasters, fire and explosions.

8. TERM AND TERMINATION

8.1 TERM. The AGREEMENT shall come into force on Effective Date and shall be in force until terminated pursuant to Section 8.2 ("Term").

8.2 TERMINATION. Either Party may earlier terminate the AGREEMENT and all rights granted hereunder as follows:

8.2.1. MATERIAL BREACH. In the event that either of the Parties is in material breach of any obligation under the AGREEMENT, the non-breaching Party may terminate the AGREEMENT upon (i) providing the other Party with written notice of the breach and (ii) providing thereafter a sixty (60) day opportunity to cure beginning on the date of receipt by the alleged breaching Party of the notice of breach.

8.2.2. INSOLVENCY. In the event a Party becomes insolvent, or other than temporarily unable to financially fulfil its obligations, or makes an assignment for the benefit of creditors, or fails or admits in writing its inability to discharge its obligations as they become due, or has a petition in bankruptcy filed for or against it, or becomes the subject of any receivership, dissolution, trusteeship or other proceeding, the other Party shall have the right to terminate the AGREEMENT immediately upon providing written notice of such termination.

8.3 EFFECTS OF TERMINATION, CESSATION OR EXPIRATION

8.3.1. EXISTING OBLIGATIONS. Any termination of the AGREEMENT by either Party shall not relieve either Party of any obligation to the other Party arising prior to termination.

8.3.2. COMPENSATION OF COSTS. Additionally to the fees and charges due prior to effectiveness of termination, within thirty days from the effective date of termination, Licensee shall reimburse ELEKTROBIT for its reasonable and verified costs (including pre-financed costs, if any) incurred in the performance of this AGREEMENT prior to the effective date of termination, provided that the cumulative amount of the overall fees and charges paid and payable, and the reimbursement of such costs, shall not exceed the amount of fees and charges agreed upon between the PARTIES under the AGREEMENT.

8.3.3. LICENSE RIGHTS. Upon termination, expiration or cessation, if any, of the AGREEMENT and/or a license to a DELIVERABLE, except as provided in Section 8.3.4 (POST TERM USE): (i) all rights granted hereunder expire and cease immediately; (ii) CUSTOMER shall immediately stop all activities in relation to the applicable DELIVERABLES and GENERATED SOFTWARE MODULES and shall cause all its subcontractors to do the same; and (iii) each Party must promptly return or destroy, as instructed by the other Party, any and all confidential information of the other PARTY received hereunder (including all copies and derivatives in whatever form of any such

information), and each undertakes not to use that confidential information for any purpose.

8.3.4. POST TERM USE. Expiration, cessation or termination of this AGREEMENT - for a cause other than termination by ELEKTROBIT according to Section 8.2 - shall have no effect on CUSTOMER´s continuing ability to use and exploit DELIVERABLES and GENERATED SOFTWARE MODULES acquired and/or licensed prior to EFFECTIVE DATE of termination, cessation or expiration, subject to CUSTOMER's proper and timely payment of the agreed remuneration for the past and continuing use of the DELIVERABLES as well as CUSTOMER's compliance with all terms and conditions of the AGREEMENT in exercising the POST TERM USE, including (without limitation) the applicable license restrictions. In addition, if DELIVERABLES have already been provided to CUSTOMERS, CUSTOMER may retain a reasonable number of copies of the DELIVERABLES to be used for providing technical support to such CUSTOMERS following termination.

8.3.5. SURVIVING SECTIONS. Any terms and conditions that by their nature or otherwise reasonably should survive a cancellation, termination or expiry of this AGREEMENT shall be deemed to survive. Such terms and conditions include but are not limited to Section 1 ELEKTROBIT T&C (Definitions), Section 5 (WARRANTIES AND DISCLAIMERS), Section 6 (LIMITATION OF LIABILITY), Section 8.3 (EFFECTS OF TERMINATION, CESSATION OR EXPIRATION), Section 9.4 (NON-WAIVER), Section 9.5 (LAW AND JURISDICTION), Section 9.6 (SEVERABILITY).

9. MISCELLANEOUS

9.1 SCHEDULES, ENTIRE AGREEMENT. The AGREEMENT, together with any documents referred to in it, constitutes the whole AGREEMENT between the Parties relating to its subject matter and supersedes and extinguishes any prior drafts, agreements, representations and warranties of any nature, whether in writing or oral, relating to such subject matter. No modifications of the AGREEMENT shall be effective unless made in writing and signed by the Parties.

9.2 NO ASSIGNMENTS. The AGREEMENT may not be assigned nor transferred by either Party without prior written consent from the other Party, except for assignments to ELEKTROBIT's Affiliates or by ELEKTROBIT to a third party in connection with a merger or a sale of all or substantially all of ELEKTROBIT's business assets to which the AGREEMENT pertains.

9.3 EXPORT CONTROL. CUSTOMER agrees to comply with export control laws and regulations, and to obtain licenses to export, re-export or import the DELIVERABLES.

9.4 NON-WAIVER. No failure to exercise nor any delay in exercising by either Party to the AGREEMENT of any right, power, privilege or remedy under the AGREEMENT shall impair or operate as a waiver of such right, power, privilege or remedy.

9.5 LAW AND JURISDICTION. The AGREEMENT shall be governed by, construed and interpreted in accordance with the German law, excluding its rules for choice of law and the United Nations Convention on Contracts for the International Sale of Goods. Any disputes arising out of or in connection with this AGREEMENT shall be finally settled in arbitration conducted under the Arbitration Rules of the International Chamber of Commerce (ICC), by one arbitrator appointed in accordance with the said Rules. The place of arbitration shall be Nuremberg, Germany and the language to be used in such proceedings shall be English or – if the PARTIES choose - German. The award shall be final and binding upon the parties and enforceable in any court of competent jurisdiction. Nothing in this contract shall be deemed to limit the right to seek interim injunctive relief or to enforce an arbitration award in any court of law.

9.6 SEVERABILITY. If any provision of the AGREEMENT shall be held to be illegal, void, invalid or unenforceable under the laws of any jurisdiction, the legality, validity and enforceability of the remainder of the AGREEMENT in that jurisdiction shall not be affected, and the legality, validity and enforceability of the whole of the AGREEMENT shall not be affected in any other jurisdiction. Any provision that is held to be illegal, void, invalid or unenforceable will be replaced by a provision that most closely carries out the intention of such provision but that is legal, valid enforceable.

9.7 Headings and Construction. The headings and sub-headings are inserted for convenience only and shall not affect the construction of the AGREEMENT. The AGREEMENT has been reviewed by each Party and by their respective counsel and no rule of presumption against the drafting Party shall apply. In this AGREEMENT where the context admits: (a) reference to Sections and Annexes are references to sections of the AGREEMENT; (b) any reference to a section shall constitute a reference to all subsections thereof (by way of example only, a reference to "Section 6" shall include reference to Section 6.1, 6.2, and 6.2.1, and a reference to "Section 6.1" shall include reference to Section 6.1.1 and 6.1.2); and (c) any use of "including" shall be deemed to mean "including without limitation."