

IP-Core Firmware License Agreement

Between:

- **intoPIX SA**
Having its headquarters in Place de l'Université 16, B-1348 Louvain-la-Neuve, Belgium
Registered at the BCE under nr BE 0880.419.609
Represented by: Mr. Alain Wislet, Chief Operating Officer
Hereinafter "*Licensor*"

And:

- **CESNET z.s.p.o., Association of Legal Entities**
Having its headquarters in Zikova 4, CZ-160 00 Prague 6, Czech Republic.
And registered with Tax Number : CZ63839172
Represented by: Ing. Jan Gruntorád, CSc, Association Director
Hereinafter "*Licensee*"

Recitals:

- A. *Licensor* has developed the following IP-cores referred to as:
- IPX-JP2HD-ENC
 - IPX-JP2HD-DEC
 - IPX-DDR3 Bridge
 - IPX-MLB Multibridge
 - IPX-HDK-XV6

These IP-Cores are referred to in this *Agreement* as the "*Firmware*".

- B. *Licensee* integrates and manufactures equipment and systems for the Broadcast industry and networking markets and desires to incorporate the *Firmware* into its products, referred to in this *Agreement* as "*Licensed Products*".

Agreement:

This *Agreement* is in two parts. The first part, *Specific Conditions of License*, consists of terms and conditions specific to the transactions contemplated by this *Agreement*. The second part, *General Terms and Conditions of License*, consists of terms and conditions of general application which also apply to the transactions contemplated by this *Agreement*.

In consideration of the mutual promises contained in this *Agreement*, the parties agree as follows:

PART 1 – Specific Conditions of License

1 Firmware Features

1.1 Firmware Overview

The *Firmware* subject to this *Agreement* consists of the following IP-cores.

IP-cores references	Description	Family
IPX-JP2HD-ENC	JPEG2000 encoder IP-core	JPEG 2000 IP-cores
IPX-JP2HD-DEC	JPEG2000 decoder IP-core	
IPX-DDR3	DDR3 Bridge	Companion IP-cores
IPX-MLB	Multicore Bridge for shared memory access	
IPX-HDK-XV6	Standard Hardware Development Kit for Xilinx Virtex-6 platform	Integration Tool

1.2 Firmware Compliances

- 1.2.1 The *Firmware* will comply with the JPEG 2000 profile defined in ISO/IEC 15444-1as it exists on the *Effective Date*.
- 1.2.2 intoPIX reserves the right to make available from time to time additional updates as it deems necessary to its broadcast customers.
- 1.2.3 The *Firmware* will maintain such Compliances throughout the existence of this *Agreement*.

1.3 Firmware Deliverables

1.3.1 The *Deliverables* for IPX-JP2HD-ENC Netlist delivery are:

- One encrypted netlist file
- One constraint file
- One VHDL top level file
- One VHDL instantiation template
- One VHDL example file for clock and reset generation
- One User Manual

1.3.2 The *Deliverables* for IPX-JP2HD-DEC Netlist delivery are:

- One encrypted netlist file
- One constraint file
- One VHDL top level file
- One VHDL instantiation template
- One VHDL example file for clock and reset generation
- One User Manual

1.3.3 **The Deliverables for IPX-DDR3 Bridge are:**

- One source code file
- One reference file for MIG generation
- One VHDL intoPIX asynchronous bridge between MIG and intoPIX interface
- One simulation testbench.
- One User Manual.

1.3.4 **The Deliverables for IPX-MLB Bridge are:**

- One source code file
- One reference file for MIG generation
- One VHDL intoPIX asynchronous bridge between MIG and intoPIX interface
- One simulation testbench.
- One User Manual.

1.3.5 **The Deliverables for IPX-HDK-XV6 delivery are:**

- One environment layer
- Three application layers
- Make-file based compilation tools
- Compilation and intoPIX libraries
- One User Manual.

1.4 Licensed Fields of Use

1.4.1 Market related to the Broadcast industry.

2 Financial Data & Delivery Process for Firmware and License Proxies

2.1 Access to Technology Fee

2.1.1 Rights granted

Access to the following intoPIX technology
intoPIX JPEG 2000 IP-cores
IPX-ULL Ultra Low Latency Option
IPX-DDR3 Bridge to Memory Controller
IPX-MLB Multicore Bridge to Memory Controller
IPX-HDK-XV6 Integration Tool

2.1.2 IntoPIX JPEG 2000 IP-Cores Scope

The scope of the IntoPIX JPEG 2000 IP-Cores accessible upon availability under this Agreement is as follows:

Features	Parameters	Scope of Access to Technology
Platform	Xilinx	Xilinx Virtex Family (Virtex6 and furthers) - upon availability
	Altera	Stratix (Stratix-GX-IV and furthers) – upon availability Arria (Arria-II and furthers) – upon availability
	Others	-
Core Performance	Maximum pixel per line	1920 pix. 2048 pix. 4096 pix.
	Maximum pixel rate	Function of Allocated <i>FPGA</i> resources 70 MPixels/s 140 MPixels/s 280 MPixels/s
	Maximum code stream bit rate	250 Mbps 500 Mbps 1 Gbps Mathematically lossless (no limit)
	Compression Mode	Visually Lossless Nearly Math. Lossless Mathematically Lossless
Image features	Color Format	Monochrome, RGB, YUV, XYZ
	Chrominance sub-sampling	4:2:2 4:4:4
	Color Depth	10 bits / comp. 12 bits / comp.
Pre-processing	Color Processing	RCT – 18 bit Precision ICT – 18 bit Precision
Wavelet Transform	Wavelet	9/7 - 18 bits Precision 5/3 - 18 bits precision
	Number of decomposition	6
Compression	Tiles	Single Tile Multiple tiles
	Quality layer	Single
	Code block size	32 x 32 pixels
	Code block coding style	Standard JPEG 2000 options
Data Ordering	Progress. Order	CPRL
	Precinct size	128 x 128 for the smallest LL sub-band 256 x 256 for other sub-bands

2.1.3 IPX-ULL Technology Specifications

The IPX-ULL technology is an option of the intoPIX JPEG 2000 IP-Cores developed by intoPIX to enable lower than one frame latency while keeping a high compression efficiency. The IPX-ULL technology is incorporated on request into the intoPIX JPEG 2000 IP-Cores prior their netlist delivery.

The specification of IPX-ULL technology accessible upon availability under this *Agreement* is as follows:

ULL Features	Description – Specification
Platform	IPX-ULL option is incorporated on request into the netlist delivery of any intoPIX JPEG 2000 IP-Core (except Mathematically lossless ones).
Latency	The total encoding-decoding latency can be adjusted through the number of horizontal tiles per frame (or per field) used $Total_Minimum_Latency = \frac{image_duration * 3}{k}$ Where ' <i>k</i> ' is the specified number of tiles ' <i>image_duration</i> ' is the period of one frame or of one field.
Resources	<ul style="list-style-type: none"> Equal to the hosting intoPIX JPEG 2000 IP-Cores
Core Performances	<ul style="list-style-type: none"> Similar to the hosting intoPIX JPEG 2000 IP-Cores using horizontal tiles
Compression Efficiency	<ul style="list-style-type: none"> The IPX-ULL technology provides a strong attenuation of the tiling visual artifacts. Compression efficiency is kept lower than 30%. This means that for the same image quality but with an ultra-low latency, the ULL technology just request a 30% code-stream bit-rate increase compared to a normal compression process with 3 frame latency.
Control	<ul style="list-style-type: none"> Uses the Control interface of the hosting intoPIX JPEG 2000 IP-Cores

2.1.4 Access to Technology Fee

Technology acceded	Fee
intoPIX JPEG 2000 IP-cores IPX-DDR3 Bridge to Memory Controller IPX-MLB Multicore Bridge IPX-HDK-XV6	25.000 EURO
IPX-ULL Ultra Low Latency Option	10.000 EURO

2.1.5 Date for Access to Technology

Technology acceded	Date for access to Technology running on Xilinx Virtex 6
intoPIX JPEG 2000 IP-cores IPX-DDR3 Bridge to Memory Controller IPX-MLB Multicore Bridge IPX-HDK-XV6 IPX-ULL Ultra Low Latency Option	3 weeks from <i>Effective Date</i>

2.1.6 Invoicing

Technology acceded	Date and Amount of invoice
intoPIX JPEG 2000 IP-cores IPX-DDR3 Bridge to Memory Controller IPX-MLB Multicore Bridge IPX-HDK-XV6 IPX-ULL Ultra Low Latency Option	100% invoice at <i>Effective Date</i> .

2.1.7 Payment

intoPIX JPEG 2000 IP-cores IPX-DDR3 Bridge to Memory Controller IPX-MLB Multicore Bridge IPX-HDK-XV6 IPX-ULL Ultra Low Latency Option	30 days from date of invoice
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2.2 Netlist Delivery Fee

2.2.1 Rights granted

Delivery of the following intoPIX Netlists and Source Codes, individually or collectively
intoPIX JPEG 2000 IP-cores IPX-ULL Ultra Low Latency Option IPX-DDR3 Bridge to Memory Controller IPX-MLB Multicore Bridge to Memory Controller IPX-HDK-XV6 Integration Tool

2.2.2 IPX-JP1HD-ENC/DEC IP-core Specification

The IPX-JP2HD-ENC/DEC IP-core is a standard IP-core, part of the intoPIX IP-cores program. Following specifications apply to this JPEG2000 IP-core:

Features	Parameters	Supported Options
Function	JPEG2000 Encoder & Decoder	15444-1:2004
Platform	Xilinx	Virtex 6 family
Core Performance	Maximum pixel per line	2048 pixels
	Maximum lines per image	1080 lines
	Maximum pixel rate	140 MPixels
	Maximum code stream bit rate	500 Mbps
	Maximum frame rates	2048x1080 RGB/YCbCr/XYZ 4 :2 :2 10bit @ 60fps
	Compression Mode	Visually Lossless
Image Features	Color Format	RGB, XYZ, YCbCr
	Chrominance sub-sampling	4:2:2 4:4:4
	Color Depth	8 bits / comp. 10 bits / comp. 12 bits / comp.
Pre-processing	Color Processing	Irreversible Colour Transform as specified in 15444-1:2004
Wavelet Transform	Wavelet	9/7 - 18 bits Precision
	Internal Precision	18 bits
	Guard Bits	2
	Number of decomposition	6 (maximum)
Compression	Tiles	Single tile Multiple tiles in ULL mode
	Quality layer	Single
	Code block size	32 x 32 pixels (IntoPIX profile, Broadcast profile) 32x64, 64x32, 128x32 (Broadcast profile)
	Code block coding style	Standard JPEG 2000 options
	Code block coding options	Spcod; Spcoc = 0000 0000
	Latency – Regular	Encoder – 2 frames/tiles (ULL mode) Decoder – 1 frame/tile (ULL mode)
Data Ordering	Progression Order	CPRL
	Markers	TLM, No SOP, No EPH, no POC
	Precinct size	128 x 128 for the smallest LL sub-band 256 x 256 for other sub-bands

2.2.3 Netlist and Source Code Delivery Fee

Netlist / Source Code acceded	Netlist delivery Fee for individual Netlist delivery on Xilinx Virtex 6
IPX-JP2HD-ENC	5,000 €
IPX-JP2HD-DEC	5,000 €
IPX-DDR3 Bridge	Deferred to the upgrade to a next available platform
IPX-MLB Multicore Bridge	
IPX-HDK-XV6	Provided free of charge

2.2.4 Delivery date for Netlist and Source Code

Netlist / Source Code	Date of individual Netlist delivery on Xilinx Virtex 6 Platform
IPX-JP2HD-ENC	3 weeks from <i>Effective Date</i>
IPX-JP2HD-DEC	
IPX-DDR3 Bridge	
IPX-MLB-Multicore Bridge	
IPX-HDK-XV6	

2.2.5 Means of delivery

Electronic encrypted means of communications as stated in the General Terms and Conditions of License

2.2.6 Cost of delivery

Each party shall bear its own cost relating to the use of the means of delivery

2.2.7 Invoicing

Netlist / Source Code	Date and Amount of invoice
IPX-JP2HD-ENC	100% invoice at <i>Effective Date</i>
IPX-JP2HD-DEC	
IPX-DDR3 Bridge	
IPX-MLB Multicore Bridge	
IPX-HDK-XV6	

2.2.8 Payment

For all invoices	30 days from date of invoice
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2.3 Royalty Fee

2.3.1 Rights granted

Right to incorporate IP-cores into *Licensed Products* (this incorporation process is called hereinafter "*Instantiation*") subject to the terms and conditions of this *Agreement*.

2.3.2 Royalty Fees

2.3.2.1 Principle

For each *Instantiation*, *Licensee* will pay a *Royalty Fee* based on the value attributed by *Licensor* to the IP-core subject to such *Instantiation*. This value is represented by a certain number of *intoPIX Processing Units* or *IPUs*.

2.3.2.2 Determination of the number of IPUs per Licensed Product for Royalty Fee purposes

Following value weighting has been attributed to the IP-cores selected by CESNET.

Implemented and Enabled IP-Core	IPU Value
IPX-JP2HD-ENC	2 <i>IPUs</i>
IPX-JP2HD-DEC	2 <i>IPUs</i>
Any ULL enabled IP-core	+1 <i>IPU</i>
Any NMLS enabled IP-core	+1 <i>IPU</i>

In case more than one IP-core is implemented and enabled in each board, the corresponding *IPUs* will have to be paid for each individual IP-core implemented in the board.

2.3.2.3 Royalty Fee for development purposes

The *Access to Technology Fee* also includes a free IP-core *Instantiation* on three development boards for engineering purpose, under condition these development boards are used for strict internal use.

2.3.2.4 Royalty Fee per IPU

One *Royalty Fee* is due per *IPU* as determined under 2.3.2.1

Following prepaid *royalty fee* applies per cumulated *IPU* quantity delivered:

Number of ordered IPUs	IPU value
From 1 to 100 IPUs	200 €
From 101 to 500 IPUs	100 €
From 501 to 2.500 IPUs	75 €
More than 2.500 IPUs	50 €

2.3.2.5 Initial Royalty Fee Purchase Order

According to the terms negotiated in the Call for Negotiation, a first batch of 50 IPUs will be ordered upon the Effective Date, with following special conditions :

50 IPUs at 4,000 EURO.

All further License Proxy orders will follow the values and accumulation scheme as mentioned in 2.3.2.4

2.3.2.6 License Proxy

One *License Proxy* shall be ordered per enabled *Instantiation Unit* as determined under 2.3.2.1

Minimum License Proxy quantities
A minimum purchase order quantity of 50 IPU Licenses is required at the <i>Effective Date at the abovementioned special conditions, listed in 2.3.2.5</i>
Further purchase order quantity of 50 IPU Licenses is required, at standard conditions listed in 2.3.2.4

Each *License Proxy* is materialised either by a by uploading the *License Proxy* serial number electronically into the CESNET *Licensed Product*.

Electronic License Sticker
<ul style="list-style-type: none"> • Electronic upload with automatic display of the <i>License Proxy</i> serial numbers installed on the equipment • Quarterly reporting of the IPU consumption : CESNET <i>Licensed Product</i> serial numbers matched with applicable <i>License Proxy</i> serial numbers, including functional capability

2.3.2.7 Invoicing & Payment

Invoicing	<ul style="list-style-type: none"> • First batch of 50 IPU : upon Effective Date • For all subsequent IPU purchase orders : upon <i>License Proxy</i> delivery
Payment	30 calendar days from invoice date, with invoice to be on or after the date of shipment

2.3.3 Royalty Fee scheme for Companion IP-cores

2.3.3.1 Royalty Fee

No *Royalty Fee* is due per *Instantiation*, under the condition that the IPX-DDR3 Bridge companion IP-core is not used independently from the intoPIX JPEG 2000 IP-cores.

Implemented IP-Core	Number of IPUs
IPX-DDR3 Bridge	Not applicable
IPX-MLB Multicore Bridge	

2.3.4 Audits

- 2.3.4.1 *Licensee* agrees to allow a mutually-acceptable independent certified public accountant to audit the accounting records and other relevant records of *Licensee* related to use of *Licensor's Firmware* and any other records upon which the reports to the *Licensor* are based, provided that such accountant shall hold such records in strictest confidence except as necessary to provide *Licensor* a summary report on the accuracy of the *Licensee's* reports and any additional fees or credits owed to either party.
- 2.3.4.2 This report will not contain any information regarding *Licensee's* customers or other *Confidential Information*.
- 2.3.4.3 Any such audit shall be permitted by the *Licensee* within thirty (30) days of receipt of *Licensor's* written request to audit, during normal business hours, at a time mutually agreed upon.
- 2.3.4.4 The cost of such audit will be borne by the *Licensor*.
- 2.3.4.5 Audits shall not be made more frequently than annually and shall not unreasonably interfere with *Licensee's* business activities.
- 2.3.4.6 *Licensee's* determination of the payments due *Licensor* under this *Agreement* shall be deemed conclusive unless, within twelve (12) months from date of payment, *Licensor* notifies *Licensee* in writing of any probable error in such payments disclosed by *Licensee's* reports or an inspection by such audit.

3 *Licensors' Support for Licensee's Integration, Development & Maintenance*

3.1 *Update Maintenance Package*

- 3.1.1 This package entitles *Licensee* to receive available *Updates* on all delivered netlists.
- 3.1.2 This package does not include any Net List delivery for any platform, nor for any additional functionality other than the ones specified in 2.2.2.

Period	Number of Support Credits	Validity Period of the Support Credits	Cost
From <i>Netlist Delivery Date</i>	100	1 year	Included in the <i>Access to Technology Fee</i>
On each contract anniversary	50	1 year	4.500 EUR*, =10% of total NRE value

*Optional, conditional to ordering prior to contract anniversary
Licensors will provide *Licensee*, at least 30 days before the end of the contract anniversary, an offer to renew the Maintenance Package.

The contract anniversary date applicable for the *Update Maintenance Package* will coincide with the anniversary of the start date of the support credit validity period included in the *Access to Technology Fee*, i.e. on the *Date of Netlist Delivery*.

4 Marketing Actions

4.1 Press Releases

- 4.1.1** Both parties agree to issue two joint press releases announcing their collaboration upon the successful integration of the JPEG 2000 technology into the *Licensed Product*. Quotes by *Licensee* concerning JPEG2000 stated in this press release, can be published by intoPIX on its website or in commercial presentations.
- 4.1.1.1 one joint Press Release to announce the collaboration between intoPIX and *Licensee* at the *Agreement* signature.
- 4.1.1.2 one joint Press Release to announce the *Licensee's Licensed Product* release integrating the intoPIX technology, prior to or during the next available major Broadcast industry show or conference, mutually to be agreed upon.
- 4.1.2** Neither party will issue any press release, announcement or other public statement in connection with the execution of this *Agreement* or any matter relating to this *Agreement* other than the aforementioned press releases and quotes without the prior written consent of the other party to this *Agreement*, except as may otherwise be required by applicable law. Both parties shall agree on the content of any public statement announcing the execution or existence of this *Agreement*. All proposals / proposal texts for Press Releases will be initiated by intoPIX.

4.2 Use of *Licensee's* logo on intoPIX Website and catalogue

- 4.2.1** IntoPIX may use the "CESNET" logo on the IntoPIX website for a period and start date agreed by *Licensee* and intoPIX, and agreed to commence from the date on which the *Licensee* commences commercial sales of *Licensed Products*, for a period of 5 years, automatically renewed yearly thereafter.

4.3 Use of intoPIX logo on the *Licensee's* Website and catalogue

- 4.3.1** *Licensee* may use the "intoPIX" logo on the *Licensee's* website for a period and start date agreed by *Licensee* and intoPIX, and agreed to commence from the date on which the *Licensee* commences commercial sales of the *Licensed Products*, for a period of 5 years, automatically renewed yearly thereafter. *Licensed products* may also carry the "JPEG 2000 Powered by intoPIX" denomination on all products, marketing material, catalogues and website references.

4.4 Listing of *Licensee* on intoPIX Customer List

- 4.4.1** IntoPIX may list *Licensee* on its customer list.

4.5 Listing of intoPIX on the *Licensee* Partner List

- 4.5.1** *Licensee* may list intoPIX on its partner list.

4.6 No use of the *Licensee* name without permission

- 4.6.1** Except as expressly permitted under this Article 4, IntoPIX shall not otherwise use the "CESNET" name in any of its advertising or to promote any of its products without the prior written consent of *Licensee*.

General Terms & Conditions of License for intoPIX' IP-cores

0 Definitions

0.1 Acceptance Testing

Acceptance Testing means the testing performed by *Licensee* to determine whether or not the *Firmware* conforms to the *Specifications* and *Compliances*.

0.2 Access to Technology Fee

Access to Technology Fee means the non-recurring, non-refundable (unless otherwise stated in the *Agreement*), initial license fee in the total amount stated in EURO (EUR) which shall be paid by *Licensee* in order to receive the underlying intoPIX technology on which the *Firmware* is developed.

0.3 Access to Netlist Fee

Access to Netlist Fee means the non-recurring, non-refundable (unless otherwise stated in the *Agreement*) license fee in the total amount stated in Euro (EUR) which shall be paid by *Licensee* in order to receive the Netlist of the *Firmware*.

0.4 Agreement

Agreement means this IP-Core Firmware License Agreement (including its Specific Conditions, General Terms & Conditions, Appendixes and Annexes, if any) and the rights and obligations of the parties pursuant to it. This *Agreement* will come into force as of the *Effective Date* agreed between the parties.

0.5 Compliances

Compliances mean all standards or reference norms with which the *Firmware* shall conform to during the term of this *Agreement*. In the absence of any *Compliances* written in the *Specific Conditions of License*, the *Compliances* are as described in *Licensor's* published documentation.

0.6 Confidential Information

Confidential Information means any information that is considered to be confidential by the *Disclosing Party* provided such information is clearly marked "Confidential" at the time of disclosure or, if orally or visually disclosed, is identified as "Confidential" at the time of disclosure and confirmed in writing as "Confidential" to the *Receiving Party* within thirty (30) calendar days after the date of such disclosure.

0.7 Deliverables

Deliverables means the necessary information and tools that are required to reproduce the *Firmware* and/or other information and/or tools as provided by the *Licensor* as contemplated under this *Agreement* from time to time to *Licensee*.

0.8 Disclosing Party

Disclosing Party means a party that discloses *Confidential Information* to the other party.

0.9 Effective Date

Effective Date means the date as of which this *Agreement* will come into force.

0.10 End-User

End-User means the person and/or entity that purchases or leases *Licensed Product* from *Licensee* and/or its resellers and/or *OEMs* for its use and without any intention to act as an *OEM*.

0.11 Final Acceptance

Final Acceptance means the moment of time when *Licensee* considers that the *Firmware* conforms to the *Firmware Specifications* and *Compliances* and accordingly gives due *Notice* to *Licensor*.

0.12 Firmware

Firmware means the licensed technology and its associated documentation (including all *Updates* and *Upgrades*, bug fixes and the like provided to *Licensee*) which can generally be described as IP-cores and is more fully described in the *Specific Conditions of License* and which is made available to the *Licensee* subject to the terms of this *Agreement*.

0.13 FPGA

FPGA means field programmable gate array.

0.14 Intellectual Property Rights

- 0.14.1 *Intellectual Property Rights* means any and all tangible and intangible rights associated with works of authorship throughout the world and universe, including but not limited to copyrights, neighboring rights, moral rights, and all derivative works thereof;
- 0.14.2 Trademark and trade name rights and similar rights;
- 0.14.3 Trade secret rights;
- 0.14.4 Patents, designs, algorithms and other industrial property rights;
- 0.14.5 All rights generated or derived by *Licensor* in the course of performing any customization task for *Licensee*; and
- 0.14.6 All other intellectual and industrial property rights (of every kind and nature throughout the world and universe and however designated) whether arising by operation of law, treaty, contract, license, or otherwise, together with all registrations, initial applications, renewals, extensions, continuations, divisions or reissues thereof now or hereafter in force (including any rights in any of the foregoing).

0.15 Licensed Fields of Use

Licensed Fields of Use means the defined industry and/or markets in/on which the *Licensee* is authorized to sell *Licensed Products*.

0.16 Licensed Products

Licensed Products means *Licensee's* products incorporating the *Firmware*.

0.17 Licensee

Licensee means intoPIX' IP-cores' customer which is clearly identified in this *Agreement* and/or the *Specific Conditions of License*.

0.18 License Proxy

License Proxy means any material or method (e.g. sticker, code, dongle, registration) used to establish the existence of the right to use the *Firmware* in *Licensed Products* according to this *Agreement* and bearing any identification tags and/or serial number as *Licensor's* option.

0.19 Licensor

Licensor means intoPIX SA as clearly identified in this *Agreement* and/or the *Specific Conditions of License*.

0.20 Material Default of Performance

Material Default of Performance means the *Firmware* fails to conform to the *Specifications* and/or *Compliances* after *Licensor* has been given the opportunity to correct the *Firmware* in order to make it conforming but has failed to do so, as more fully described in this *Agreement*.

0.21 Notice

- 0.21.1 *Notice* means any official *Notice* issued by a party pursuant to this *Agreement* which shall be made in writing and sent to the appropriate party by any means of communication ensuring evidence and date of receipt.
- 0.21.2 Unless otherwise stated in this *Agreement* or agreed between the parties:
- 0.21.2.1 If made by personal delivery, or recognized overnight delivery service, such *Notice* shall be deemed to have been given three (3) business days after deposit in the mail.
 - 0.21.2.2 If made by electronic mail, such *Notice* shall be deemed to have been given one (1) business day after delivery by email.

0.22 Notice of Final Acceptance

Notice of Final Acceptance means the Notice delivered by Licensee to Licensor by which Licensee acknowledges that the *Firmware* meets the *Specifications* and *Compliances*.

0.23 Open Source Software

Open Source Software means:

- 0.23.1 any software that requires as a condition of use, modification and/or distribution of such software, that such software:
- 1.4.1.1 be disclosed or distributed in source code form;
 - 1.4.1.2 be licensed for the purposed of making derivative works;
 - 1.4.1.3 may only be redistributed free from enforceable intellectual property rights; and or
- 0.23.2 any software that contains, is derived from, or statically or dynamically links to any software specified under (0.23.1).

0.24 Original Equipment Manufacturer (OEM)

OEM means the person or entity that purchases *Licensed Product* from *Licensee* in order to incorporate such *Licensed Product* into its own product and resell or lease such combined product (*OEM Product*).

0.25 Performance Failure

Performance Failure means the *Firmware's* temporary failure to conform to the *Specifications* and/or *Compliances*.

0.26 Receiving Party

Receiving Party means a party that receives *Confidential* Information from the other party.

0.27 Royalty Fee

Royalty Fee means the recurring and non-refundable license fee in the total amount stated in Euro (EUR) which shall be paid by *Licensee* for *each* copy of the *Firmware* incorporated with or into *Licensee's* products and/or originally distributed with a *Licensed Product* as more fully described in this *Agreement*.

0.28 Specifications

Specifications means all the technical features of the *Firmware* upon which parties have agreed the *Firmware* must conform to as of its delivery until the end of the warranty period. In the absence of any agreement, the *Specifications* are as described in *Licensor's* published documentation.

0.29 Update

- 0.29.1 *Update* means any modification to the *Firmware* that may or may not add any significant functionality to the *Firmware* without any change made to its running platform set forth in the Specific Conditions of License.
- 0.29.2 *Updates* are released by *Licensor* to *Licensee* from time to time at *Licensor's* sole discretion.

0.30 Upgrade

- 0.30.1 *Upgrade* means any modification to the *Firmware* that adds significant functionality to the *Firmware* and that requires that it run on a next generation platform and accordingly consists in one move to a new *FPGA* platform or a new generation (e.g. from Xilinx Virtex 6 to Xilinx Virtex 7).
- 0.30.2 *Upgrades* are released by *Licensor* to *Licensee* from time to time at *Licensor's* sole discretion.

1 Grant of Rights & Licenses

1.1 Grant of Rights & Licenses to Licensee

Subject to the terms and conditions of this *Agreement*, *Licensor* hereby grants to *Licensee* the nonexclusive, non-perpetual, non-transferable, non-assignable right and license, throughout the world and universe, to use, make, have made, copy, have copied, reproduce and have reproduced and sub-license the *Firmware* in the *Licensed Fields of Use* which are described in the *Specific Conditions of License* and program and reprogram and have re-programmed *FPGAs* with the *Firmware*, in connection with the design, manufacture, sale, lease, distribution, repair, maintenance and service of *Licensed Products*. Additionally, *Licensee* may use the *Deliverables* (but not allow others to do so without the prior written consent of *Licensor*) as required in order to fully exercise the rights granted under this *Agreement*.

1.2 Grant of Rights & Licenses to Resellers, Lessors and Sub-Licensees

Licensor hereby agrees and confirms that all resellers, lessors or sub-licensees of *Licensed Products* sold, leased or licensed, or offered for sale, lease or license, by *Licensee* and incorporating the *Firmware* in the *Licensed Fields of Use* shall have the right to further distribute the *Firmware* as incorporated by *Licensee* in such *Licensed Products*. Further, and to the extent necessary to affect such repair, maintenance and service, all resellers, lessors or sub-licensees of *Licensed Products* may use *Firmware* as required to perform repair, maintenance and service on the *Licensed Products*. Such activities might include without limitation the installation of *Updates*, *Upgrades*, bug fixes, replacement of a faulty *FPGA* and the like.

1.3 Grant of Rights & Licenses to OEMs and End-Users

Licensor hereby agrees and confirms that all *OEMs* and *End-Users* of *Licensed Products* sold, leased or licensed, or offered for sale, lease or license, by *Licensee*, directly or through any third party, and incorporating the *Firmware* in the *Licensed Fields of Use*, shall have the right to use the *Firmware*, as incorporated in *Licensed Products*, in connection with the use of *Licensed Products*. Further, and to the extent necessary to affect such repair, maintenance and service, all *OEMs* and *End-Users* of *Licensed Products* may use *Firmware* as required to perform repair, maintenance and service on the *Licensed Products*. Such activities might include without limitation the installation of *Updates*, *Upgrades*, bug fixes, replacement of a faulty *FPGA* and the like.

1.4 Restrictions on use and Licensed Fields of Use

- 1.4.1 Except as otherwise agreed in this *Agreement*, *Licensee*, its resellers, lessors, sub-licensees, *OEMs* may only distribute *Firmware* on a bundled basis with *Licensed Products*, except that *Licensee*, its resellers, lessors, sub-licensees, *OEMs* and *End-Users* shall be permitted to make field replacements of *Licensed Product* components or sub-assemblies containing *Firmware* for purposes of maintenance, service and repair of *Licensed Products*. Such activities might include without limitation the installation of *Updates*, *Upgrades*, bug fixes, replacement of a faulty *FPGA* and the like.
- 1.4.2 *Licensee* acknowledges and expressly recognizes that the *Licensed Products* are conceived, distributed, marketed and eventually used only in the *Licensed Fields of Use* set forth in the *Specific Conditions of License* under this *Agreement*. In the event *Licensee* desires to commercialize and use *Licensed Products* for any other purpose than the *Licensed Fields of Use*, the following principles shall apply:
- 1.4.2.1 *Licensee* shall enter in good faith discussions with *Licensor* regarding such new market opportunities;
- 1.4.2.2 *Licensor* shall determine if such new purpose is acceptable taking into account *Licensor's Agreement* with other companies and *Licensor's* internal strategy;
- 1.4.2.3 *Licensee* shall refrain from entering into such new markets until it receives the official agreement of *Licensor*, but the *Licensor* shall not unreasonably delay or withhold the formal agreement (for the avoidance of doubt, any exclusive licensing agreement with any third party in such new markets prior to the *Effective Date* shall be deemed as a reasonable reason to forbid the licensing to the *Licensee* in such new markets);
- 1.4.2.4 All price conditions of the *Agreement* will not be automatically applicable to these new markets and shall accordingly be renegotiated in good faith between the parties hereof in order to take into account the effective business models and strategies of such new markets;
- 1.4.2.5 Unless otherwise agreed in a separate agreement (e.g. engineering or support *Agreement*), *Licensee* shall not benefit from any additional support from *Licensor* and *Licensee* shall undertake its own efforts for the use of the *Firmware* in connection with the new purpose and markets.
- 1.4.3 Except in the case of repair, maintenance and service, *Licensee* and its resellers, lessors, sub-licensees, *OEMs* and *End-Users* are strictly forbidden to distribute the *Firmware* alone. Such activities might include without limitation the installation of *Updates*, *Upgrades*, bug fixes, replacement of a faulty *FPGA* and the like. The *Firmware* can only be sold on a bundled basis incorporated into *Licensed Products*.
- 1.4.4 Except as otherwise agreed in this *Agreement*, *Licensee* and its resellers, lessors, sub-licensees, *OEMs* and *End-Users* may only make copies of the *Firmware* to the extent necessary for their authorized use of the *Firmware*, and for archival and back-up purposes, provided always that at all times and in each instance, they reproduce all copyright notices and proprietary legends on each copy in the same manner as such notices and legends appeared on the original. No other copies may be made without *Licensor's* prior written consent.
- 1.4.5 *Licensee* shall not, nor authorize any third parties to, decompile, reverse engineer, disassemble or otherwise reduce the *Firmware*.
- 1.4.6 *Licensee* may not modify or prepare derivative works of the *Firmware* in whole or in part.
- 1.4.7 *Licensee* shall take reasonable measures to ensure the respect of *Licensor's* rights by *Licensee's* personnel (e.g. employees, consultants, sub-contractors) consistent with the measures it takes with regard to its own firmware.

- 1.4.8 *Licensor* has the right to implement in the *Firmware*, at any time with prior sixty (60) days written *Notice* to *Licensee*, any additional device, material or method (e.g.: Secure Eeprom device or Dallas Dongle device referred as DS2432P) in order to protect its *Intellectual Property Rights*, provided such device does not affect the form, fit or function of the *Firmware* or cause the *Firmware* to fail to conform to the *Specifications* and/or *Compliances*.

1.5 Reservation of rights

Licensee acknowledges and agrees that *Licensee's* rights in respect of the *Firmware* shall be as expressly stated in this *Agreement*, and that *Licensee* shall not have any rights in respect of the *Firmware* which are greater than those rights expressly stated in this *Agreement*; limitations noted hereby in these articles are provided as examples and are not limitative.

1.6 Cares by Licensee

Licensee will use at least the same degree of care in safeguarding *Licensor's* *Firmware* from unauthorized disclosure as it uses in safeguarding *Licensee's* own *firmware* products from unauthorized disclosure.

2 Ownership & Intellectual Property Rights

2.1 Ownership & Intellectual Property Rights

- 2.1.1 Except for the rights and licenses granted in this *Agreement*, all ownership, copyright and *Intellectual Property Rights* as well as commercial rights in the *Firmware* are and will remain the sole, exclusive and absolute property of *Licensor*.
- 2.1.2 Except for the rights and licenses granted in this *Agreement*, *Licensee* shall not acquire any title, copyright or other proprietary rights in the *Firmware* under this *Agreement*.
- 2.1.3 Except for the rights and licenses granted in this *Agreement*, *Licensor* reserves all rights relating to the *Firmware*.

2.2 Notice of legal protection

Licensee is expressly informed that the *Firmware* is protected and subject to the Belgian law of 30th June 1994 concerning computer software and by all international treaties governing intellectual property including the TRIPS agreement.

2.3 Warranty of right to license & regarding open source

- 2.3.1 *Licensor* represents warrants and covenants that *Licensor* is the owner of the *Firmware* including *Intellectual Property Rights* and has all rights to grant the rights and licenses set forth in this *Agreement* and has obtained all necessary licenses and permits required, if any, to transfer or license the *Firmware* including *Intellectual Property Rights* to the *Licensee* for production and manufacturing of *Licensed Products*.
- 2.3.2 *Licensor* represents warrants and covenants that the *Firmware* does not include any portion of any *Open Source Software*.
- 2.3.3 *Licensor* acknowledges that the *Licensee* entering into this *Agreement* is relying on the *Licensor's* representations, warranties and covenants set out herein above..

3 Firmware Specifications & Compliances, Acceptance Testing and Deliverables

3.1 Specifications & modification of Firmware

- 3.1.1 The *Specifications* of the *Firmware* are set forth in the Specific Conditions of License. In the absence of any being set forth in the Specific Conditions of License, the *Specifications* are as described in the *Licensor's* published documentation.
- 3.1.2 *Licensor* will have no obligation under this *Agreement* to modify the *Firmware* except as may be required under the *Firmware* Product Performance Warranty Section.

3.2 Compliances

The *Compliances* for the *Firmware* are set forth in the *Specific Conditions of License*. In the absence of any being set forth in the *Specific Conditions of License*, the *Compliances* are as described in the *Licensor's* published documentation.

3.3 Acceptance Testing and Final Acceptance

- 3.3.1 *Licensee* will complete *Acceptance Testing* during the period set forth in the Specific Conditions of License. If no period is specified in the Specific Conditions of License, then the period shall be sixty (60) calendar days from the date of *Firmware's* receipt.
- 3.3.2 Within seven (7) calendar days after the completion of *Acceptance Testing*, *Licensee* will give *Licensor* *Notice of Final Acceptance* or *Notice* that it is rejecting the delivery. In the event of rejection, *Licensee* will specify the reason(s) for rejection.
- 3.3.3 Any failure to give *Notice of Final Acceptance* or rejection within seven (7) calendar days after *Licensee* received an official request in this respect from *Licensor* shall be deemed *Notice of Final Acceptance*, provided the *Acceptance Testing* period has expired.
- 3.3.4 In the event of rejection, *Licensor* will, at its sole cost and expense, promptly take such steps as may be necessary to correct the items identified by *Licensee* in its *Notice* of rejection and redeliver the *Firmware* to *Licensee* for further *Acceptance Testing* to determine whether the redelivered *Firmware* is acceptable.
- 3.3.5 *Licensee* will have thirty (30) calendar days as of the date of redelivery to complete such *Acceptance Testing*.
- 3.3.6 Thereafter, the procedures set forth here above will be reapplied as often as necessary until *Licensee* determines that the *Firmware* is accepted.
- 3.3.7 In the event these procedures are completed at least three (3) times and the *Firmware* is rejected each time by *Licensee*, *Licensee* may request the following:
 - 3.3.7.1 *Licensee* may, at any time thereafter and before any *Final Acceptance* by *Licensee*, terminate this *Agreement*, entirely or as it relates to specific *Firmware*, by written *Notice* to *Licensor*.
 - 3.3.7.2 If *Licensor* agrees to the reasons of *Licensee's* *Notice* of rejection then *Licensor* will refund the *Access to Technology Fee* and other fees already paid by *Licensee* relating to the rejected *Firmware*.
 - 3.3.7.3 If *Licensor* does not agree to the reasons contained in *Licensee's* *Notice* of rejection then *Licensor* will retain a mutually-acceptable independent third party technical assessment to determine if the *Specifications* and *Compliances* have been conformed to.
 - 3.3.7.4 If the third party confirms the reasons for rejection, then *Licensor* will refund the *Access to Technology Fee* and other fees already paid by *Licensee* related to the rejected *Firmware* and *Licensor* will pay the cost for the third party assessment.

- 3.3.7.5 If the third party invalidates all the reasons for rejection then (a) *Licensor* will not refund the *Access to Technology Fee* and other fees paid by *Licensee*; (b) *Licensee* will burden the costs for the third party assessment and (c) the *Firmware* will be considered accepted.

3.4 Deliverables

The *Firmware* shall include, without additional charge, the *Deliverables* set forth in the *Specific Conditions of License* or as otherwise provided to *Licensee*.

3.5 Updates & Upgrades

- 3.5.1 *Licensor* shall, without additional charge, promptly deliver to *Licensee* such bug fixes and other modifications to *Firmware* as released by *Licensor* to its customers from time to time. *Firmware Updates* will be provided by secure electronic means.
- 3.5.2 *Licensor* shall have no obligation to provide to *Licensee* any *Upgrades* which add any significant functionality to the *Firmware*, except as may be provided for by separate agreement between *Licensor* and *Licensee*.

3.6 Licensee's information

Licensee acknowledges that it has been perfectly informed about the specificity and the potential of the *Firmware* before willing to choose it.

4 Integration & Maintenance Support

4.1 Definition of support credit

- 4.1.1 One support credit consists of a reasonable support level, equivalent to one *Licensor* business hour needed by the most senior engineer of *Licensor* to propose a working solution to *Licensee's* integration issues.
- 4.1.2 No partial credits are possible.
- 4.1.3 Support credits can be used for support during *Licensor* business hours, and will be provided by phone, email, conference call or any means deemed reasonably necessary in consultation by both parties.
- 4.1.4 These support credits are available for one year only. They are not transferable from year to year. Unless otherwise agreed, the one year period commences on the date of *Netlist Delivery* of the IP-cores.
- 4.1.5 These support credits may not be used for customization of the *Firmware* to the individual *Licensee's* customers' needs or for the development of customized modules.
- 4.1.6 Any support related to debugging of the technology and warranting with regard to a new delivery and/or *Upgrade* shall be provided free of charge by *Licensor* as part of the *Firmware* product performance warranty and accordingly will not be considered as "support".

4.2 Free included integration support

- 4.2.1 *Licensor* will, for the validity period set forth in the *Specific Conditions of License* and without additional charge to *Licensee*, provide *Licensee* with the free included support – i.e. the support credits included in the *Access to Technology Fee* – set forth in the *Specific Conditions of License*.
- 4.2.2 Any other or additional technical assistance required by *Licensee* following *Firmware's* delivery will be by separate agreement or at *Licensee's* standard hourly rates for providing such assistance, as in effect from time to time..

4.3 **Optional & payable integration and/or maintenance support**

- 4.3.1 *Licensor* will, for the term set forth in the *Specific Conditions of License*, provide *Licensee* with the optional and payable support set forth in the *Specific Conditions of License*.
- 4.3.2 This support will include, at *Licensor's* option, integration and/or maintenance support.
- 4.3.3 Unless otherwise agreed in the *Specific Conditions of License* the fees for the optional integration and/or maintenance support are determined according to a percentage of the non-recurring expenses paid by *Licensee* as of the signature of this *Agreement* until the invoicing of such optional integration and/or maintenance support.
- 4.3.4 Any other or additional technical assistance beyond this optional support and required by *Licensee* will be by separate agreement or at *Licensee's* standard hourly rates for providing such assistance, as in effect from time to time.

5 **Fees & License Proxy**

5.1 **Access to Technology Fee**

Licensee agrees to and shall pay to *Licensor* the nonrecurring and non-refundable *Access to Technology Fee* set forth in the *Specific Conditions of License*.

5.2 **Access to Netlist Fee & Netlist delivery**

- 5.2.1 *Licensee* agrees to and shall pay to *Licensor* the *Access to Netlist Fee* set forth in the *Specific Conditions of License*.
- 5.2.2 Unless otherwise agreed in the *Specific Conditions of License*, the Netlist will be delivered via electronic encrypted means of communication and the following procedure applies:
 - 5.2.2.1 At *Licensor's* request, *Licensee* shall provide *Licensor* with *Licensee's* public key and/or any other necessary tool that *Licensor* estimates essential to ensure the encryption and the security of the electronic transfer of the Netlist. *Licensor* agrees that such public key and/or other tools are the *Confidential Information* of *Licensee* and shall be treated as such.
 - 5.2.2.2 *Licensee's* failure to provide its public key and/or the other necessary tools set forth in this Section will only affect the Netlist delivery schedule and, accordingly, such failure will not delay *Licensor's* right to invoice *Licensee* on all the dates agreed and set forth in the *Specific Conditions of License*.

5.3 **Royalty Fee & License Proxy**

- 5.3.1 A *Royalty Fee* is due for any *Firmware's* incorporation with or into *Licensee's* products and/or for any original distribution of *Licensed Products*, according to the procedures set forth in the *Specific Conditions of License*.
 - 5.3.1.1 For each incorporation of any *Firmware* with or into one (1) *Licensee's* product and/or for any original distribution of one (1) *Licensed Products*, *Licensor* shall provide *Licensee* with a *License Proxy* according to the procedures agreed in the *Specific Conditions of License*.
- 5.3.2 The *License Proxies* shall:
 - 5.3.2.1 take the form agreed by the parties as confirmed in writing in the *Specific Conditions of License*;
 - 5.3.2.2 be provided by *Licensor* to *Licensee* according to the procedure set forth in the *Specific Conditions of License*;

5.3.2.3 bear related *Firmware* identification and serial number.

5.3.3 Furthermore, *Licensee* shall be entitled to a credit of the related *Royalty Fee* for each *License Proxy* used in replacement components incorporated in *Licensed Products* in the course of repair, maintenance and service..

5.4 Other Fees

Any other fee agreed between the parties, with such agreement to incur additional fees made in advance and in writing, shall be invoiced and paid by *Licensee* to *Licensor* according to the *Specific Conditions of License*..

5.5 Third Party Fees

For clarity, *Licensee* acknowledges and agrees that *Licensee* shall be solely responsible for any third party license fees or royalties payable in connection with *Licensed Products*.

6 Invoicing, Payment & Taxes

6.1 Invoicing & Payment

6.1.1 *Licensor* shall invoice *Licensee* for any fee according to the calendar and the payment terms set forth in the *Specific Conditions of License*.

6.1.2 *Licensee* shall make payments according to the calendar and the payment terms set forth in the *Specific Conditions of License*.

6.2 Late Payment Charges

In the event that any overdue amount owed by *Licensee* to *Licensor* is not paid within ten (10) business days following receipt of written *Notice* from *Licensor* that such amount is overdue and unpaid, then *Licensor* may impose and *Licensee* shall pay a late payment charge equal to two percent (2%) per month on any overdue amount on top of an administrative fee of 500.00 EUR.

6.3 Net fee – VAT – Withholding Taxes

6.3.1 All fee amounts and all fee payments to be made by *Licensee* under this *Agreement* are net of any applicable value added taxes (VAT), sales taxes, use taxes, excise taxes or other similar taxes, if any.

6.3.2 Any withholding tax applicable on the payments mentioned in the *Agreement* by application of any income tax treaty in force between Belgium and *Licensor's* State shall be paid directly by *Licensee* wherever applicable.

6.3.3 Accordingly, all such fee payments shall be "grossed up" such that upon deduction of all value added taxes (VAT), sales taxes, use taxes, excise taxes or other similar taxes, if any, and/or withholding taxes required to be deducted by *Licensee* and paid to the appropriate taxing authority, the net amount after such deduction shall equal the all fee amounts to be paid pursuant to this *Agreement*.

6.3.4 If applicable, *Licensee* shall remit all such deducted amounts to the appropriate taxing authority, shall notify *Licensor* of the details of each such remittance of VAT and/or withholding taxes and shall transmit to *Licensor* the corresponding tax certificate attesting that such payment in order to permit to *Licensor* to utilize such a certificate as a foreign tax credit in Belgium.

6.3.5 Moreover, *Licensee* shall be responsible for making payment of any personal property taxes assessed against *Licensee* by reason of *Licensee's* possession or custody of any *Firmware*.

6.4 Responsibility for payment of VAT and other taxes added to net fee

- 6.4.1 *Licensee* is responsible for payment of any value added taxes (VAT), sales taxes, use taxes, excise taxes or other similar taxes.
- 6.4.2 If authorities, by reason of the rights and licenses granted by *Licensor* to *Licensee* under this *Agreement* or any payment of fees by *Licensee* to *Licensor* under this *Agreement*, make a claim against *Licensor* for payment of any value added taxes (VAT), sales taxes, use taxes, excise taxes or other similar taxes, if any, *Licensor* shall be responsible for such payment only if *Licensor* has actually received the net fee for the related license fees increased by such taxes, prior to that claim.
- 6.4.3 If authorities, by reason of the rights and licenses granted by *Licensor* to *Licensee* under this *Agreement* or any payment of fees by *Licensee* to *Licensor* under this *Agreement*, make a claim against *Licensor* for payment of any value added taxes (VAT), sales taxes, use taxes, excise taxes or other similar taxes, if any, although *Licensor* has only received from *Licensee* the net fee not increased by such taxes, *Licensor* shall be responsible for such payment but will be entitled to claim against *Licensee* for reimbursement of such tax payment.

7 Firmware Product Performance Warranty

7.1 Warranty of performance

- 7.1.1 *Licensor* represents warrants and covenants that for a period of five (5) years as of *Firmware's* delivery, the *Firmware* will conform to the *Specifications* and *Compliances*. Except as otherwise stated herein, *Licensor's* sole obligation under this warranty will be to correct any *Performance Failure* of the *Firmware* during the warranty period.
- 7.1.2 If the *Agreement* includes the delivery of several running platforms, a separate warranty period commences as new platforms are delivered (e.g. the delivery of Virtex 5 is one delivery and the delivery of Virtex 6 is another).
- 7.1.3 In the case that new or different *Firmware* is added to this *Agreement* (or purchased pursuant to it) and is then delivered, a separate warranty period commences as new *Firmware* is delivered.
- 7.1.4 For the avoidance of doubt, the warranty period is unique to each platform or new *Firmware* delivery, but shall not re-start or re-commence by virtue of the simple provision of *Updates* and *Upgrades*, except in the case of an *Upgrade* that is provided at additional cost.

7.2 Warranty of performance application procedure

- 7.2.1 In the event of *Performance Failure*, *Licensor* shall within thirty (30) business days as of the date it receives the *Performance Failure Notice* determine the relevant corrective action plan, if any, and report its findings to the *Licensee*.
- 7.2.2 *Licensor* shall then promptly implement, at its own expense, the corrective action and redeliver the *Firmware* to *Licensee*.
- 7.2.3 *Licensee* will have thirty (30) business days as of the date of redelivery to complete warranty testing to determine whether the redelivered *Firmware* conforms to the *Specifications* and *Compliances*.

- 7.2.4 At the conclusion of warranty testing, *Licensee* will notify *Licensor* in writing whether the corrected *Firmware* conforms to the *Specifications* and *Compliances* and is accepted, or fails to conform to the *Specifications* and *Compliances* and is rejected. In the event of rejection, *Licensee* will specify the reasons for rejection. Any failure to give due *Notice* within fifteen (15) days as soon as *Licensee* receives *Notice* and official request in this respect from *Licensor*, shall be deemed *Notice* of acceptance of the corrected *Firmware*, provided the warranty testing period has expired..
- 7.2.5 In case of rejection after warranty testing, the procedures set forth in 7.2.2, 7.2.3 and 7.2.4 will be reapplied as often as necessary until *Licensee* determines that the *Firmware* conforms to the *Specifications* and *Compliances* and gives due *Notice* of acceptance of the corrected *Firmware*.
- 7.2.6 In the event the procedures set forth in 7.2.2, 7.2.3 and 7.2.4 are completed at least three (3) times and the corrected *Firmware* is rejected each time by *Licensee* for failure to conform to the *Specifications* and *Compliances*, the following procedure applies:
- 7.2.6.1 *Licensee* may at any time thereafter terminate this *Agreement*, entirely or as it relates to specific *Firmware*, by written *Notice* to *Licensor* based on *Material Default of Performance* and receive a refund of fees paid with respect to the faulty *Firmware*, based on the effective number of *Licensed Products* actually affected by the *Performance Failure*.
- 7.2.6.2 If *Licensor* does not agree on the reasons of *Licensee's* *Notice of Material Default of Performance* then *Licensor* will retain a mutually-acceptable independent third party technical assessment to determine if the *Specifications* and *Compliances* have been conformed to.
- 7.2.6.3 If the third party determines *Specifications* and *Compliances* have not been conformed to and confirms the *Material Default of Performance*, *Licensor* will pay the cost for the third party assessment and *Licensee* will receive a refund of fees paid with respect to the faulty *Firmware*.
- 7.2.6.4 If the third party determines *Specifications* and *Compliances* have been conformed to and invalidates all reasons for the *Material Default of Performance*, *Licensee* will pay the reasonable cost for the third party assessment

7.3 Warranty exclusions

The foregoing warranty shall not apply to:

- 7.3.1 Any *Firmware* modified by anyone other than *Licensor* after *Firmware's* delivery.
- 7.3.2 Any *Firmware* used on an operating platform other than the operating platform referred to in this *Agreement*.

7.4 No refunds

Except in the event that the *Specifications* and/or *Compliances* have not been met and a *Material Default of Performance* has been confirmed by the *Licensor* and/or the third party (in those cases where a third party assessment is required), *Licensee* is not entitled to any refund of fees under the foregoing warranty.

7.5 Disclaimer

The foregoing warranty and the others contained in this *Agreement* are in lieu of all other warranties, express or implied, including but not limited to, the implied warranties of merchantability and fitness for a particular purpose.

8 Limitation of Liability

8.1 Licensee's acknowledgement

Licensee acknowledges that *Licensor* does not represent, warrant or covenant that the *Firmware* will work on every operating environment, will have uninterrupted or error free operation or, except as provided in *Licensor's Firmware* Product Performance Warranty set forth herein, that any errors will be corrected or correctable. Nevertheless, *Licensor* undertakes to perform its contractual obligations with reasonable care according to usual professional practice and standards.

8.2 Limitation of liability

Licensor shall not be responsible for and shall not pay any amount of incidental, consequential or other indirect damages, whether based on lost revenue or otherwise, regardless of whether the party was advised of the possibility of such losses in advance.

In no event shall *Licensor's* liability hereunder exceed the amount of the fees paid by *Licensee*, regardless of whether *Licensee's* claim is based on contract, tort, strict liability, product liability or otherwise, except as described under 9.1.4 and 9.1.5

9 Infringement

9.1 Infringement

9.1.1 General

- a) Up to now and using extensive *Intellectual Property Rights* tracking, *Licensor* represents, warrants and covenants to *Licensee* that the delivered *Firmware* does not infringe any patent, trademark, copyright or other *Intellectual Property Rights* of any third party, and does not contain technology which is a misappropriated trade secret of any third party.
- b) ***Licensor will have no liability under this article for any infringement arising from any modification made to Firmware other than by Licensor, or without Licensor's authorization, to the extent such infringement would not have occurred but for such modification or to the extent arising from the combination of Firmware with other equipment or systems not contemplated by this Agreement and/or the Specifications and/or Compliances if such infringement would not have occurred but for such combination.***
- c) Both parties agree to collaborate in order to minimize the risks and cost associated to the unlikely event of future discovery of any possible infringement of existing or future *Intellectual Property Rights* of third parties.
- d) Accordingly, the parties agree on the following principles.

9.1.2 Obligations of *Licensee* as to infringement claims from third parties received by *Licensee*

- a) *Licensee* shall give *Licensor* reasonably prompt written *Notice* of any third party infringement claim received by *Licensee* which is or may be covered under this article (such *Notice* may be sent by *Licensor* to *Licensee* when *Licensor* is informed of any third party infringement claim before *Licensee*).
- b) After delivery of this *Notice*, *Licensee* shall immediately stop *Licensed Products* commercialization until *Licensor* has authorized further commercialization and/or solved the infringement issue.

Any further use of infringing IP in *Licensed Products* after *Notice* of third party infringement claim will not be indemnified by *Licensor* and will open *Licensor* the right to claim indemnification against *Licensee* based on continuing contested use of *Licensor's Intellectual Property Rights*.

- c) *Licensee* accepts to, upon specific *Notice* of withdrawal from *Licensor*, immediately provide an upgraded *Licensed Product* to its clients, under the condition that *Licensor* provides an alternative solution to *Licensee*, with similar or better performance, without infringing IP. Any further use of infringing IP in *Licensed Products* after *Notice* of withdrawal will not be indemnified by *Licensor* and will open *Licensor* the right to claim indemnification against *Licensee* based on continuing contested use of *Licensor's Intellectual Property Rights*.

9.1.3 Remedies in case of infringement

Independently of its indemnification rights and without waiving, prejudicing or compromising same, *Licensee* agrees to consider that the following remedies are acceptable:

- a) *Licensor* may buy or license the third party *Intellectual Property Rights* and stop accordingly the alleged infringement.
- b) *Licensor* may in the shortest delay modify the infringing item to make it non-infringing or replace the infringing item with a non-infringing item with equal or better functionality and provide *Licensee* with this new solution substituting the infringing intellectual property.
- c) *Licensor* may prohibit further distribution of the *Firmware* except as necessary for the service, maintenance, repair of *Licensed Products* described in this *Agreement* and except as necessary for the distribution of *Licensed Products* in the process of manufacture (or planned for) and/or in inventory and/or sold but not delivered

9.1.4 Rights and obligations of *Licensor* as to infringement claims from third parties against *Licensee*

- a) *Licensor* has full power and authority to remedy, defend or settle any infringement claim against *Licensee* based on *Licensor's* infringement of *Intellectual Property Rights* belonging to the claiming third party.

These power and authority extent from amicable remedies to the defense before any court and/or tribunal.

However, *Licensor* shall have no power to admit any wrongdoing on the part of *Licensee* unless *Licensee* gives its prior written consent.

- b) In case of legal proceedings against *Licensee*, *Licensor* shall intervene in such proceeding and hold *Licensee* harmless from and against this claim and the associated financial consequences attributable to this breach by *Licensor* of the foregoing representation, warranty and covenant.
- c) *Licensee* may, by counsel of its own choosing and at its sole cost and expense, participate in any legal proceeding or settlement relating to any third party claim as to which a claim is made by *Licensee* under this indemnity.

9.1.5 Indemnification in case of infringement

- a) All amounts to be paid by *Licensor* to *Licensee* in case of definitively and officially declared infringement shall include duly proven losses (including e.g. costs for new equipment, changing equipment in relationship and caused by the infringement, costs and attorneys' fees) or other liabilities attributable to the infringement.

9.2 IP Infringement Control & Reverse Engineering

Licensee grants *Licensor* the right to ask an independent third party to reverse engineer *Licensed Products* provided the goal of such reverse engineering is strictly limited to IP infringement control. All the cost incurred by *such Intellectual Property Rights* infringement control shall be paid by *Licensor* unless any infringement case results from this control. In this case, all the cost shall be paid by *Licensee*.

9.3 IP Infringement Control & Audit

- 9.3.1 *Licensor* and *Licensor's* representatives shall have the right to audit *Licensee* and its subcontractors, including, but not limited to, examining relevant information, financial statements, materials, data, records, files, facilities and equipment. This audit is allowed provided the following conditions are respected.
- 9.3.2 Any such audit shall be permitted by *Licensee* within **thirty (30) calendar days** of receipt of *Licensor's* written request to audit, during normal business hours, at a time mutually agreed upon.
- 9.3.3 Audit shall exclusively take place in *Licensee's* facilities.
- 9.3.4 The goals and scope of such audit is to verify *Licensee's* compliance in relation to this *Agreement* and therefore *Licensor* shall not be entitled to examine information, materials, data, records, files, facilities and equipment that are not in connection to the execution of this *Agreement*.
- 9.3.5 All documents, materials, data, records, files reviewed shall be treated as *Confidential Information* hereunder and auditors shall be required to enter into appropriate non-disclosure agreements with *Licensee* and otherwise respect the working conditions and security restrictions of *Licensee's* facilities No equipment may be removed by auditors from *Licensee's* facilities.
- 9.3.6 All cost of such audit will be borne by *Licensor*.
- 9.3.7 Audits shall not unreasonably interfere with *Licensee's* business activities.

10 Marketing & Use of Trademarks

10.1 Marketing

The parties shall undertake the marketing activities set forth in the Specific Conditions of License, if any.

10.2 Use of Trademarks

Neither party may use trade names or trademarks of the other party in marketing, promotional or advertising materials without the written consent of the other party in each instance. Each party reserves all rights to its trademarks and trade names.

11 Term & Termination

11.1 Term

This *Agreement* shall commence on the *Effective Date* and shall stay in effect for a period of five (5) years. It shall be automatically renewed thereafter for successive one (1) year periods unless notice of intent not to renew is received by the other party at least six (6) months prior the commencement of any subsequent term.

11.2 Termination for breach

If a party to this *Agreement* commits a breach of any of its material obligations under this *Agreement* then the other party may terminate this *Agreement* if such material breach remains uncured for **sixty (60) calendar days** after the date the terminating party has given *Notice* of such material breach to the breaching party.

11.3 Termination on certain events

Each party may terminate this *Agreement* immediately by *Notice* to the other party in following events:

- 11.3.1 The other party commences any bankruptcy proceeding under the laws of any jurisdiction.
- 11.3.2 The other party makes an assignment for the benefit of its creditors.
- 11.3.3 The other party admits in writing its inability to pay its debts as they mature.
- 11.3.4 A trustee or receiver is appointed for all or a substantial part of the other party's assets.

11.4 Effect of termination

- 11.4.1 Upon termination or expiration of this *Agreement*, all rights of *Licensee* to use the *Firmware* will cease.
- 11.4.2 *Licensee* shall as soon as practicable return all copies of the *Firmware* in its possession or control to *Licensor*, together with any backup copies.
- 11.4.3 Upon *Licensor's* request, *Licensee* shall certify to *Licensor* by a written official and binding statement that all copies of the *Firmware* have been returned to *Licensor* and that no copy of the *Firmware* remains in the possession or control of *Licensee* or any of its affiliates.
- 11.4.4 Nevertheless *Licensee*, its resellers, lessors, sub-Licensees, *OEMs* and *End-Users* may continue to use any *Firmware* already distributed and further may use *Firmware* in connection with the distribution of *Licensed Products* in the process of manufacture (or planned for) and/or in inventory and/or sold but not delivered prior to the effective date of such termination and for the provision of maintenance, repair and support for any *Licensed Products*.

11.5 Survival

All provisions which by their nature should survive the expiration or any termination of this *Agreement* shall survive such expiration or termination, including, without limitations, Sections 0, 1.4-5, 2, 3.1-2, 4, 6, 7, 8, 9, 10.2, 11.5, 12 and 13.

12 General Provisions

12.1 Force Majeure

Neither party will incur any liability to the other party on account of any loss or damages resulting from any delay or failure to perform all or any part of this *Agreement* if such delay or failure is caused by an event of force majeure or by events, occurrences, or causes beyond the reasonable control of such party, which could not have been reasonably foreseen and not attributable to the negligence of such party or its contractors.

12.2 Notice

Any *Notice* required or permitted by this *Agreement* or given in connection with it, shall be in writing and shall be given to the appropriate party by personal delivery or by certified mail, postage prepaid, or recognized overnight delivery service. All notices to *Licensee* shall be made to the address, directions and person(s) as indicated in the Specific Conditions of License.

12.3 No Assignment

Neither party may assign this *Agreement* or any interest in this *Agreement*, or delegate its duties under this *Agreement*, without the prior express written approval of the other party. In the event, that a party consents to such assignment, this *Agreement* shall be binding upon the permitted successors and assigns.

12.4 Relationship of the Parties

Under no circumstances shall any employee of one party be deemed to be an employee of the other party for any purpose. Neither party has the right or authority to assume or create any obligation of responsibility on behalf of the other party. Nothing contained herein shall be construed as implying a joint venture or partnership relationship between the parties.

12.5 Non-solicitation

- 12.5.1 During the Term of this *Agreement* and for a period of one year after its termination, one party will not, either alone or in association with others:
- 12.5.1.1 solicit for employment, hire or engage as an independent contractor, or permit any organization directly or indirectly controlled by this party to solicit for employment, hire or engage as an independent contractor, any person who was employed by other party or any of its subsidiaries ;
 - 12.5.1.2 solicit or encourage any organization directly or indirectly controlled by this party to solicit, any employee of the other party or any of its subsidiaries to leave the employ of the other party or any of its subsidiaries.
- 12.5.2 The restrictions contained in this article are necessary for the protection of the business and goodwill of each party and its subsidiaries and are considered by both parties to be reasonable for such purpose.
- 12.5.3 The parties agree that any breach of this provision is likely to cause to the other party substantial and irrevocable damage and therefore, in the event of any such breach, agree that the other party, in addition to such other remedies which may be available, shall be entitled to receive a lump sum equal to five (5) years gross salary of the solicited employee.

12.6 Confidentiality

- 12.6.1 Each party will protect the *Disclosing Party's Confidential Information* from unauthorized dissemination and use with the same degree of care that such party uses to protect and safeguard its own like information, but not less than the degree of care that would be exercised by a prudent person given the sensitivity and strategic value of such *Confidential Information*.
- 12.6.2 *Confidential Information* shall be disclosed only to employees of the recipient who have a "need to know," who have been informed of the confidentiality obligations under this *Agreement*, who agree to comply with such obligations and who have executed an internal nondisclosure agreement at least as restrictive as the terms of this *Agreement*.
- 12.6.3 Neither party shall disclose any *Confidential Information* to any third party without first obtaining the *Disclosing Party's* written consent to such disclosure.
- 12.6.4 The *Receiving Party* shall be liable for any unauthorized disclosure or use of *Confidential Information* by *Receiving Party's* affiliates.
- 12.6.5 The restrictions of this Section shall not apply to alleged *Confidential Information* that is:
- 12.6.5.1 known to the *Receiving Party* at the time of receipt as evidenced by competent written proof;
 - 12.6.5.2 independently developed by the *Receiving Party's* employees without any access to or use of the *Disclosing Party's* alleged *Confidential Information*;
 - 12.6.5.3 lawfully obtained by the *Receiving Party* from a third party not bound by any obligation of confidentiality to the *Disclosing Party*;
 - 12.6.5.4 in the public domain when received or that thereafter enters the public domain through no fault of the *Receiving Party*;
 - 12.6.5.5 provided by the *Disclosing Party* to third parties without restriction; or
 - 12.6.5.6 disclosed by the *Receiving Party* pursuant to statute, regulation, or the order of a court of competent jurisdiction, provided that the *Receiving Party* promptly notifies the *Disclosing Party* in order to permit the *Disclosing Party* to seek a protective order or other appropriate relief.
- 12.6.6 The *Receiving Party* agrees that the *Disclosing Party* may be irreparably harmed and money damages may be inadequate compensation to the *Disclosing Party* in the event that the *Receiving Party* breaches any provision of this *Agreement* which relates to the *Disclosing Party's Confidential Information*. All provisions of this Section shall be specifically enforceable by the *Disclosing Party* and their agents and/or representatives by seeking injunctive, equitable or other relief. The provisions of this Section shall survive the expiration or termination of this *Agreement*. In the event of a conflict between this Section and Section related to the resolution of dispute, this Section shall prevail. The *Disclosing Party* may seek injunctive, equitable or other relief without having to first go through the informal dispute resolution procedures contained in this *Agreement* and may seek such relief in any court it deems necessary to ensure the protection of its *Confidential Information*.

12.7 Amendments

To be effective amendments and additions to this *Agreement* must be made in writing and signed by the parties. The requirement that amendments and additions to this *Agreement* must be in writing may only be waived in writing.

12.8 Severability and Waiver

- 12.8.1 Should individual terms of this *Agreement* be or become invalid or unenforceable, this shall not affect the validity of the remaining terms of this *Agreement*. In place of the invalid, unenforceable or missing term, such valid term which the parties would reasonably have agreed, had they been aware at the conclusion of this *Agreement* that the relevant term was invalid, unenforceable or missing, shall be deemed to have been agreed. Should a term of this *Agreement* be or become invalid because of the scope or time of performance for which it provides, then the agreed scope or time of performance shall be amended to correspond with the extent legally permitted.
- 12.8.2 The failure or delay by a party to enforce a provision of this *Agreement* shall not be interpreted as a waiver of the right to enforce such provision or a waiver of any subsequent breach. The waiver by any party to this *Agreement* of a breach of any other provision of this *Agreement* shall not be deemed a continuing waiver or a waiver of any subsequent breach of any other provisions of this *Agreement*.

12.9 Conflicts in documentation

In case of any conflicts on the same subject between this *Agreement* and any prior *Agreements*, purchase orders, acceptances, correspondences and other documents forming part of any order for licensed *Firmware* placed by or for *Licensee* and accepted by *Licensor* and/or any document, language or purported agreement provided by *Licensor* on delivery of or contained in the *Firmware* or *Deliverable* during the term of this *Agreement*, this *Agreement* shall govern and prevail, and the conflicting terms and conditions of any such documents shall be deemed deleted and shall not be binding upon either party insofar as they relate to this *Agreement*.

13 Resolution of Disputes, Arbitration & Governing Law

13.1 Reasonable efforts to resolve complaints

- 13.1.1 If a dispute arises out of or relates to this *Agreement*, or the breach, termination or validity thereof, the parties agree to use reasonable, good faith efforts to investigate all formal, written complaints made by the other party which relate to any obligation of a party hereunder.
- 13.1.2 Unless otherwise stated in this *Agreement*, within thirty (30) calendar days from the date it receives a complaint from a party, the other party shall determine the relevant corrective action, if any, and report its findings to the complaining party and implement a mutually agreeable corrective action plan.
- 13.1.3 In the case where the parties cannot agree on a corrective action plan or the resolution of any other issue related to this *Agreement*, the parties will attempt to resolve the dispute through an internal escalation.

13.2 Arbitration



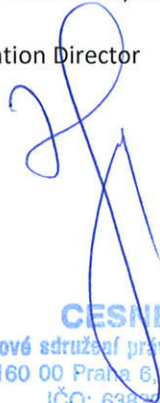

- 13.2.1 If the internal escalation does not resolve the disputes arising out of or in connection with this *Agreement*, these disputes shall be finally settled:
- 13.2.1.1 under the Rules of Arbitration of CEPANI (Centre belge pour l'étude et la pratique de l'arbitrage national et international);
 - 13.2.1.2 by one arbitrator appointed in accordance with the said Rules ;
 - 13.2.1.3 with Brussels as seat of arbitration and
 - 13.2.1.4 the proceedings conducted in the English language.

- 13.2.2 The arbitration award shall be final and binding on the parties and shall not be subject to appeal to any court, and may be entered in the court of competent jurisdiction for execution forthwith.
- 13.2.3 The parties, their representatives, other participants and the arbitrator shall hold the existence, content and result of arbitration in confidence.
- 13.2.4 The requirement for arbitration shall not be deemed a waiver of any right of termination under this *Agreement* and the arbitrator is not empowered to act or make any award other than based solely on the rights and obligations of the parties prior to any such termination.
- 13.2.5 The arbitrator may not limit, expand or otherwise modify the terms of this *Agreement*.
- 13.2.6 Each party shall bear its own expenses but those related to the compensation and expenses of the arbitrator shall be borne equally.
- 13.2.7 A request by a party to a court for interim measures shall not be deemed a waiver of the obligation to arbitrate, e.g. either party may seek immediate relief in an appropriate court to address any actual or threatened breach of the confidentiality provisions herein, but any case for damages arising from such breach would be decided by the arbitration provisions herein.
- 13.2.8 The validity of this arbitration clause shall be governed by, and construed in accordance with, the laws of Belgium.

13.3 Governing law

This *Agreement* and all related matters shall be interpreted under and controlled by the laws of Belgium, excluding any other choice of law rules and excluding the United Nations Convention on Contracts for the International Sale of Goods.

**IN WITNESS WHEREOF, the parties have executed this *Agreement* on the following *Effective Date* :
December 3, 2012.**

<p>INTOPIX SA (<i>Licensor</i>)</p> <p>By: Alain Wislet</p> <p>Title: Chief Operating Officer</p> <p>Signature: </p> <p> Place de l'Université 16 B-1348 Louvain-la-Neuve Belgium</p> <p>11/12/12</p>	<p>CESNET, z.s.p.o., Association of Legal Entities (<i>Licensee</i>)</p> <p>By: Ing. Jan Gruntorád, CSc</p> <p>Title: Association Director</p> <p>Signature: </p> <p> zájmové sdružení právnických osob 160 00 Praha 6, Žitkova 4 IČO: 63839172 DIČ: CZ63839172</p> <p>05 -12- 2012</p>
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