

PDF417 Scanning Software Module Licensing Agreement

concluded between MicroBlink Ltd, Strojarska cesta 20, HR-10000 Zagreb, Croatia, OIB 21173725829 (hereinafter referred to as “MicroBlink Ltd” or “**Licensor**”)

and Licensee (hereinafter referred to as “**Licensee**”)

Part One – General Terms and Conditions

1. Definitions

PDF417 Program Module (Program Module or SDK) – computer program in modular form allowing recognition of PDF417 and other barcodes, suitable for use in other computer and mobile device applications.

Application of the Licensee (Application) – computer application or application for mobile devices of the Licensee in which the Program Module or its parts are used.

End User – person or legal entity – customer of the Licensee authorized to use the Application.

Program Module License – non-exclusive and non-transferrable right of distribution and use of the Program Module or its parts in the Application by End Users in accordance with the End User License Agreement as in detail described under Article 3 hereof.

Warranty Period – period within which the Licensor shall warrant error-free operation of the Program Module, i.e. in which the Licensor must provide module maintenance and repair services free of charge, lasting six (6) months from the date of granting of the Program Module License to the Licensee. For avoidance of doubt, the commencement of the Warranty Period shall be the date when the Licensor hands over Program Module to the Licensee in the agreed form. Warranty Period applies only for commercially obtained Program Module Licenses. Non-commercial and Demo Program Module License does NOT have warranty of any kind. Warranty Period can be extended with optional Maintenance and Support services as set in Appendix A.

Web Shop – Licensor web shop on internet address www.pdf417.mobi where Licensee shall buy Program Module Licenses and optional Maintenance and Support.

2. Structure of the Agreement

This Agreement consists of **Part One – General Terms and Conditions, Appendix A: Prices and Conditions of Use, Appendix B: Maintenance and Support and Appendix C: Obligations Towards third parties** and represents the entire agreement between the Licensor and the Licensee regulating the use of the Program Module.

3. Scope of the Agreement – License

3.1. Subject to the Licensee's compliance with the terms and conditions of the Agreement, including but not limited to payment of applicable licensee fees, maintenance and support

services obtained hereunder, the Licensor grants the Licensee a limited, non-exclusive, non-transferable license to use the Program Module in object form and solely for the Licensee's business purposes. Such use shall extend to use by the Licensee and the Licensee's authorized End Users provided that such use of the Program Module by End Users shall at all times remain the Licensee's responsibility and liability. For the avoidance of doubt, permitted use of the Program Module shall include: (i) the right of use of the Program Module in the Application by End Users in accordance with this Agreement; (ii) the right to make and install copies of the Program Module within the framework of the Application, all under terms and conditions of this Agreement. All rights not specifically granted hereunder are expressly reserved by the Licensor.

3.2. Use Prohibitions. Except as expressly authorized by the Agreement, the Licensee may not: (a) copy, reproduce, distribute or disclose the Program Module, provided that the Licensee may make a reasonable number of copies of the Program Module for bona fide "cold standby" disaster recovery, backup and archival purposes and may use such copy for reasonable testing and in the event of a bona fide disaster recovery event. (b) modify, unbundle, or create derivative works of the Program Module; (c) rent, sell, lease, assign, transfer or sublicense the Program Module or use the Program Module to provide hosting, service bureau, on demand or outsourcing services for the benefit of a third party; (d) remove any proprietary notices, labels, or marks on or in any copy of the Program Module and pertaining documentation, if any; (e) use the Program Module in any manner that exceeds or is broader than the uses licensed to the Licensee; or (f) reverse assemble, decompile, reverse engineer or otherwise translate the Program Module, except to the extent specifically permitted by applicable law without the possibility of contractual waiver; (g) grant sub-licenses to third parties (except for use within the Application) nor grant them without the approval of the Licensor.

3.3. Program Module is the ownership of the Licensor, protected by copyrights and is not intended for sale.

4. Term of the Agreement and Termination

4.1. This Agreement shall stay in force and effect until its termination.

4.2. Termination by the Licensor. The Licensor may terminate this Agreement immediately if the Licensee's commits a material breach of its obligations under this Agreement. Material breach may include, but is not limited to, any breach that adversely and materially affects Licensor's or its licensors' intellectual property rights; failure to pay fees due and payable; or breach of the Licensee's confidentiality obligations. If the Licensee's breaches its obligations under the Agreement, the Licensor shall have the right to withhold its own performance hereunder.

4.3. Effect of Termination. Any termination hereunder shall not release Licensee from any liability that, as of the date of termination, had already accrued or is attributable to a period prior to such termination, nor shall termination preclude Licensor from pursuing any rights or remedies it may have under law with respect to any breach of this Agreement. In the event of termination of the Agreement by either party of a particular part of the Program Module, maintenance or support service or all such products and services (i) all applicable amounts due or to become due hereunder will immediately be due and payable to the Licensor; (ii) the

Licensee shall immediately suspend any further use and distribution of the Program Module provided that rights of End Users to whom the Application was distributed prior to the termination shall remain in force and effect, and (iii) the Licensee shall no longer be entitled to receive any applicable maintenance and support hereunder.

4.4. Termination or Expiration of Maintenance. If the Licensee has a license to use the Program Module and a separate right to receive maintenance and support services, and the Licensee either terminate or fail to renew such maintenance and support for any reason, the Licensee may continue to use the Program Module for the duration of the Program Module License term (if any) but will not be entitled thereafter to receive any maintenance for the Program Module nor shall it be entitled to any refund of any license or maintenance fee. For as long as this Agreement remains in effect, the Licensee may subsequently reinstate maintenance for the Program Module, if the Licensor still makes such maintenance generally available, by paying to the Licensor a fee equal to one hundred and fifty per cent (150%) of then-prevailing maintenance fee for each year for which maintenance fee was not paid, so that the Program Module can be updated to include the bug fixes, patches and updates made during the time when the Licensee was not an active maintenance subscriber.

4.5. Any provision of this Agreement surviving the termination hereof due to its nature, shall remain in force until it is executed and obliges the legal successors and cessionaries of both contracting parties.

5. Fees and Payments

5.1. The Licensee shall pay the license utilization fees in the manner defined in **Appendix A: Prices and Conditions of Use**. Following the execution of this Agreement and handover of the Program module in the subsequently agreed manner, the Licensor shall issue the Licensee an invoice for the license. Once the Licensee starts using the Program Module or any of its parts in any of the ways defined in **Appendix A: Prices and Conditions of Use** or if the use of the license exceeds the defined thresholds of the number of End Users or other way of authorized Use as set out in this Agreement, the Licensee shall buy appropriate License within 10 days on Licensor Web Shop.

5.2. The Licensee shall pay any applicable VAT, withholding tax, sales tax, import and custom duties and any other applicable taxes (collectively "Taxes") in addition to the fees. If the Licensee's account is ten (10) days or more overdue (except with respect to amounts subject to a bona fide dispute), in addition to any of its other rights or remedies, the Licensor reserves the right to suspend warranty or maintenance services and/or any other Licensor's services to the Licensee, without liability, until such amounts are paid in full. In addition, the Licensor shall have the right to terminate this Agreement in case the Licensee fails to meet its obligations arising from the use of the license within 30 days from the issue of an email reminder to pay the due amount for the license or other related fees (e.g. maintenance and support and similar). The Licensor shall not refund any due or paid fees to the Licensee, except if otherwise stated in this Agreement.

6. Assignment of the Program Module License

The Licensee may assign the Program Module License, as well as any related rights and obligations, to a third party, but only if that party undertakes to observe the provisions of this Agreement and subject to the prior consent of the Licensor, which consent will not be unreasonably withheld. The Licensee's license shall expire immediately upon the assignment. In case the license is cancelled by any party for whatever reason, the Licensee shall not be allowed to assign the Program Module License to any third party.

7. Obligations of the Licensor

7.1. Handover of the Program Module

The Licensor shall hand over the Program Module to the Licensee in the agreed manner and upon receipt of the payment of the first invoice in the line with Appendix A. Program Module shall be handed over in the form of an object code for supported operating systems. The Licensor shall hand over or made available to the Licensee the documentation necessary for the practical application of the Program Module. Such documentation can be on appropriate web site dedicated by Licensor.

7.2. Instructions and Notifications

The Licensor shall provide to the Licensee any instructions and notifications necessary for successful use of the Program Module. Such instructions and notifications shall be available on web site dedicated by Licensor.

7.3. Limited Warranty

For non-commercial Program Module License, Licensor does NOT give, imply, nor offer warranty of any kind.

For commercial Program Module License, the Licensor warrants to the Licensee that: (a) it has the authority to provide the Licensee the rights and licenses mentioned herein and (b) for the duration of the Warranty Period set forth in this Agreement the Program Module (i) when the Program Module is used in an operating environment stated in the documentation as supported by the Licensor, Program Module will materially conform to the specifications in the documentation for Program Module; and (ii) warranty and maintenance services shall be performed in accordance with industry standards using reasonable care and skill, and provided in accordance with the Licensor's then-prevailing policies. The specifications/documentation of the Program Module are enclosed with the accompanying documentation of the Program Module (e.g. read-me file in the distributed version of the program) or with other information issued by the Licensor (like offer to license the Program module). If it is established that the Licensor has breached either of the warranties in subsection (b) above, the Licensor's only obligation and the Licensee's exclusive remedy shall be for the Licensor to, at its option, (1) use reasonable efforts to cure the defect in the Program Module or re-perform the nonconforming services; or (2) replace the Program Module with software that materially conforms to the specifications in the documentation.

This warranty and the remedies offered are applicable only if: (i) the reported error or defect is reasonably reproducible by the Licensor; (ii) the Licensee reports the alleged breach with reasonable specificity in writing within thirty (30) days from its occurrence; (iii) the Licensee provides the Licensor with reasonable assistance in the diagnosis and remedy of the applicable breach; (iv) the Program Module or services are within the Warranty Period; (v)

the Licensee has installed and are using all updates, patches and fixes released by the Licensor for the affected part of the Program Module; (vi) the Licensee have complied in all material respects with the terms and conditions of the Agreement (including but not limited to payment of all fees) and have materially conformed to the documentation for the affected Program Module or services; and (vii) the error or defect is due solely to an error or omission on the part of the Licensor, its agents or employees.

The Licensee understands and agrees that third-party hardware equipment and software may be provided to it under warranty or pursuant to other terms and conditions offered by the manufacturer or licensor of such hardware or software.

NO THIRD PARTY, INCLUDING AGENTS, DISTRIBUTORS, OR AUTHORIZED RESELLERS OF THE LICENSEE, IS AUTHORIZED TO MODIFY ANY OF THE ABOVE WARRANTIES OR MAKE ANY ADDITIONAL WARRANTIES ON BEHALF OF THE LICENSOR. THESE WARRANTIES ARE THE LICENSEE'S EXCLUSIVE WARRANTIES AND REPLACE ALL OTHER WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, NONINFRINGEMENT AND FITNESS FOR A PARTICULAR PURPOSE. THE LICENSOR DOES NOT WARRANT THAT THE PROGRAM MODULE, MAINTENANCE OR OTHER SERVICES WILL MEET THE LICENSEE'S REQUIREMENTS OR THAT USE OF THE PROGRAM MODULE OR SERVICES WILL BE UNINTERRUPTED OR ERROR-FREE. SOME STATES OR JURISDICTIONS DO NOT ALLOW THE EXCLUSION OF CERTAIN EXPRESS OR IMPLIED WARRANTIES, SO THE ABOVE EXCLUSION MAY NOT APPLY TO THE LICENSEE. IF PERMITTED BY APPLICABLE LAW: (A) SUCH WARRANTIES ARE LIMITED IN DURATION TO THE WARRANTY PERIOD SPECIFIED FOR THE SUBJECT PROGRAM MODULE, MAINTENANCE OR OTHER SERVICE; AND (B) THE REMEDY FOR BREACH OF ANY SUCH WARRANTIES IS LIMITED TO REPAIR OR REPLACEMENT OF ANY GOODS FOUND NOT TO COMPLY WITH THEM OR THE PROVISION OF SERVICES AGAIN. NO WARRANTIES OF ANY KIND APPLY AFTER THAT PERIOD. SOME STATES OR JURISDICTIONS DO NOT ALLOW SUCH LIMITATIONS SO TO THAT EXTENT THE FOREGOING LIMITATION MAY NOT APPLY TO THE LICENSEE. THESE WARRANTIES GIVE THE LICENSEE SPECIFIC LEGAL RIGHTS AND THE LICENSEE MAY ALSO HAVE OTHER RIGHTS WHICH VARY FROM STATE TO STATE OR JURISDICTION TO JURISDICTION.

7.4. Ownership and Proprietary Information

The Licensor warrants that the right of exploitation which is the subject of this Agreement belongs to the Licensor, that the above right is unencumbered and not limited to the benefit of any third parties and that it has the authority to grant the rights from this Agreement to the Licensee. The Licensor guarantees to the Licensee the unobstructed use of the Program Module License. Third party components Licenses used in Program Module are described in detail under Article 3.

7.5. Limitation of liability

Limitations and exclusions from this Article shall apply in full to the extent not prohibited by applicable laws, without the possibility of contractual waiver.

To the extent permitted by the applicable law, the Licensor, its developers and suppliers shall not be liable for any data loss or damage, loss of work or reputation, lost profits, lost savings or incidental, indirect, special or consequential damages, arising out of Licensee use or inability to use the Program Module or the breach of this agreement, even if advised of the possibility of such damages.

In case a court order determine Licensor fault for direct damages, then those are limited only up to the amount received by the Licensee under this Agreement until the date of the occurrence of damages.

7.6. Reference listing

The Licensor and Licensee may mutually list one another on the reference list of users/technologies used on their promotional material. This right can be mutually denied in a written form.

8. Obligations of the Licensee

The Licensee shall use the Program Module in the contracted manner, within the contracted scope and limits.

8.1. Use of Subsequent Upgrades

The Licensee shall have the right to use subsequent upgrades of the subject of license outside the warranty period, provided the Licensee pays the compensation for the maintenance and support of the Program Module defined in **Appendix B: Maintenance and Support**.

9. Change of the Licensor

The Licensor shall have the authority to transfer the subject of the license and rights and obligations arising from this Agreement to another physical or legal person. The Licensor shall inform the Licensee of the change of the Licensor in writing.

10. Use and Display of Trademarks and other IP Rights

Licensee shall has the right to use 'MicroBlink' trademark in marketing, technical and other materials related to MicroBlink PDF417 scanning program module use in the Application. Licensee should display MicroBlink and trademarks related to third parties (Appendix C) in the HELP/ABOUT or similar part of the Application. MicroBlink trademark should be displayed using text '(C) MicroBlink Ltd 2016.' or using MicroBlink logo supplied by Licensor.

The Licensee understands and accepts that title to, ownership of, and all rights in the intellectual property, including but not limited to patents, copyrights, trademarks, and trade secrets in the Program Module, services and documentation, any derivative works thereof, and any goodwill accruing from the use of such Program Module, services and documentation, belong exclusively to and shall remain with the Licensor and/or its licensors. The Licensee shall not make available or disclose such intellectual property to any third

parties except as expressly permitted by this Agreement, and shall take appropriate action, including by instruction or agreement with its employees who are permitted access to such information, to satisfy the Licensee's obligations hereunder.

11. Obligations Towards Third Parties

Computer programs owned by third parties whose licenses the Licensor is using and has the right to distribute, are used in the Program Module. The use of third party licenses implies certain obligations which the Licensor undertakes to transfer to the Licensee within the framework of the utilization of the Program module.

The Licensee is fully liable towards End-Users including but not limited to, for its obligations arising out of the applicable consumer protections laws.

12. Confidentiality

“Confidential Information” means all information that is either marked as confidential or that a reasonable person would deem to be confidential based on the circumstances (including the source of the information) and industry practices. By way of illustration, the Licensor's Confidential Information includes, but is not limited to, program Module, documentation, technical data and information, methodologies and related documents, training materials, product plans and roadmaps, market strategies, business models, pricing and personnel data. The Parties agree to: (a) maintain in confidence the disclosing party's Confidential Information to the same extent that the receiving party maintains its own proprietary information of similar kind and value; (b) not disclose the other party's Confidential Information to any third party other than the receiving party's authorized personnel who have a need to know such Confidential Information in connection with this Agreement, except as expressly permitted herein or otherwise with the disclosing party's prior written approval; and (c) not use such Confidential Information for any purpose except those permitted by this Agreement. Notwithstanding the foregoing, (a) each party may provide or permit access to the disclosing party's Confidential Information to the receiving party's attorneys, independent accountants and financial advisors for the sole purpose of enabling such attorneys, independent accountants and financial advisors to provide advice to the receiving party, and (b) the Licensor may provide or permit access to the Licensee's Confidential Information to its contractors, resellers and distributors who have a need to know such Confidential Information to assist the Licensor with the activities contemplated or required of it by this Agreement; provided that in each such case the third party to whom Confidential Information is being disclosed is subject to obligations of confidentiality and non-use with respect to such Confidential Information substantially similar to the obligations of confidentiality and nonuse set forth in this Article 12.

The obligations set forth in this Article 12 shall not apply with respect to any portion of such Confidential Information which: (a) is publicly disclosed by the disclosing party, either before or after it becomes known to the receiving party; (b) was known to the receiving party, without any obligation to keep it confidential, prior to when it was received from the disclosing party; (c) is subsequently disclosed to the receiving party by a third party that is lawfully in possession thereof and without obligation to keep it confidential; (d) has been published by a third party or otherwise enters the public domain through no fault of the receiving party or in breach of this Agreement; or (e) has been independently developed or acquired by the receiving party. Moreover, the receiving Party shall have the right to disclose

any Confidential Information provided hereunder if, in the reasonable opinion of the receiving party's legal counsel, such disclosure is necessary to comply with a court order or applicable law or regulation; provided that where reasonably possible, the receiving party shall notify then disclosing party sufficiently prior to making such disclosure so as to allow the disclosing party adequate time to take whatever action the disclosing party may deem to be appropriate to protect the confidentiality of the Confidential Information. For Confidential Information pertaining to Intellectual Property, personal data and banking secrecy, the obligations set forth above are indefinite. For all other Confidential Information, such obligations shall continue for five (5) years from the date of initial disclosure.

13. Applicable law and jurisdiction

Contracting parties contract the applicability of laws of the Republic of Croatia as laws governing, used for the interpretation and execution of rights, duties and obligations of the Licensee and the Licensor arising from or in any way relating to the subject of this Agreement. Any and all rights, duties and obligations fall under the jurisdiction of the competent courts of the Republic of Croatia.

July 6th 2016.

Appendix A: Prices and conditions of use

Program module: PDF417 Scanning Software Module

Supported operating systems: IOS (iPhone) v5.1.1 and later, Android v2.2 and later

Pricing data

Basic License fee for up to 1.000 users for Android	1500.00 USD
Basic License fee for up to 1.000 users for iOS	1500.00 USD
Basic License fee for up to 1.000 users for Windows Phone	1500.00 USD

- user is defined as individual smartphone user who has downloaded application from Google Play, App Store or similar publicly available app store

- corporate, business and enterprise users do not qualify under this agreement but are negotiated separately from this agreement.

- all prices are “per application”

Pricing for corporate, business, enterprise or B2B users

Apps that use PDF417 SDK in B2B, corporate, business and/or enterprise uses (where users are not individuals) are negotiated separately from this agreement.

Pricing for non-commercial, educational and developer purposes

License fee for up to 500 users	0.00 USD
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- use of license fee for non-commercial, educational and developer purposes is free of charge for up to 500 users. After that limit is reached Licensee shall buy commercial license according to number of users.

- licensee should give proofs about non-commercial or educational purpose of the app

Appendix B: Maintenance and support

Maintenance and support is optional. After the warranty period of **6 months** (six months), Licensee shall pay Licensor maintenance and support fees on Licensor Web Shop.

Yearly maintenance/support fee for Basic License	300.00 USD
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- all maintenance and support prices are “per application”

Maintenance includes upgrading to new, more advanced versions of the PDF417 Program Module and up to 2 support tickets/emails for Basic license.

- PDF417 software module will be developed continuously to cover new phones and new versions of mobile operating systems and improved algorithms.

- Licensor has obligation to ensure normal functioning of PDF417 on new official versions of supported Operating systems.
- Support includes up to 3 support tickets/emails per year. For additional support tickets/emails, new yearly maintenance fee should be paid.

Support services include the removal of critical errors in the operation of the Program module – errors preventing the execution of the Application or errors interrupting the operation of the Application. Does not include possible errors in the results of the application.

Maintenance can be separately bought from licenses. Maintenance/support is free of charge during the warranty period with a limit of up to 1 support ticket/email.

All prices are without VAT.

Appendix C: Obligations towards third parties

PDF417 Scanning Software Module partially uses ZXing ("Zebra Crossing"), an open-source barcode image processing library which is licensed under Apache License 2.0. Licensee shall be conformant to Apache License 2.0. For more details visit: <http://www.apache.org/licenses/LICENSE-2.0>