

Use Restrictions

The products manufactured by u-blox AG and its affiliates (“**u-blox**”) and sold by Arrow Electronics, Inc. and its affiliates and subsidiaries (“Arrow”) are subject to certain limitations of use, third party licenses that require these products to be limited to use solely for the use as defined below and limitations of liability.

The Products may not be used in weapons and weapon systems (e.g. systems for identifying targets or for the guidance of missiles, bombs or bullets), including for testing and simulation of such weapon systems. Products are not intended for use as Critical Components (as defined below) in or in combination with (a) automated driving assistance device or system in any automotive application and mechanism (except where the Products are ISO 26262 compliant as stated in the Product data sheet), or (b) any kind of medical life-saving or life support device or system (including any device or system that is intended for surgical implant into the human body or to support or sustain life) and whose malfunction or failure to perform may result in significant injury or death to the user, or (c) any nuclear facilities, or (d) any air traffic control device, application or system, or (e) any other device, application or system where it is reasonably foreseeable that failure of the Product(s) as used in such device, application or system would lead to death, bodily injury or property damage. A Component is Critical when its malfunction or failure to perform may cause the failure of a device or system or may affect the effectiveness of such device or system. u-blox excludes its liability for any prohibited use or a use for which Products are not intended, and Buyer shall indemnify u-blox from claims resulting from such use.

Definitions:

“2G” means one or more of the following standards: GSM, GPRS, EDGE.

“3G” means one or more of the following wireless air interface standards: the CDMA2000 family of standards (e.g., CDMA2000 1xRTT, 1xEV-DO, 1xEV-DO Rev. A, 1xEV-DO Rev B.), WCDMA (e.g., UMTS, HSDPA, HSUPA, HSPA+), TD-CDMA and TD-SCDMA and any revisions or updates to any of the foregoing. Each 3G standard includes one or more 2G standards, except the CDMA2000 family of standards.

“4G” means (i) any and all future releases (beginning with Release 8) of the OFDM-based standard resulting from the Long Term Evolution (LTE) project and the Long Term Evolution Advanced (LTE Advanced) project, each within the 3rd Generation Partnership Project (3GPP) and all improvements and revisions thereto.

“Embedded Application” means the use of any assembly, module or modem card, including any 3G or 4G modem, embedded within another product in such a way that such assembly, module or modem card is not attachable to or detachable from such other product by an end-user consumer without the use of a tool.

“WiFi” means any network, system or device that contains an 802.11 conformant MAC and PHY interface to a wireless medium.”

A Cellular Product as indicated in u-blox’s order confirmation is subject to the following use restrictions (“Use Restrictions”):

“2G M2M” means a 2G module that may only be used in and sold for use in applications without voice capability except as an ancillary feature not used in the normal mode of operations and must be physically integrated or connected into one or more of the following types of product categories:

meter reading, vending machines, security & surveillance systems, traffic management or control, fleet or asset management systems, smart grid systems, industrial supervision and control systems, telematics, e-call, router, mobile tracking, people and animal tracking, standalone industrial PDAs, point of sale equipment, facsimile machines, photocopy machines, automated teller machines, health care monitoring devices, and similar M2M product categories. 2G M2M modules which use voice capability in the normal mode of operation may only be used in and sold for use in i) car phones and computers permanently wired into the car, ii) desktop phones or iii) fixed wireless terminals.

“2G Consumer” means a 2G module that must be physically integrated into a device which is a) designed, marketed or sold for use by individuals for entertainment, communications or productivity purposes and not for manufacture and whose primary functionality and use is not related to wireless voice communications and which falls in one of following product categories: cameras, pc card modems, USB sticks, PNDs, mobile computing, gaming, and similar entertainment, communication or productivity devices or b) a computer, including without limitation, a personal computer, laptop, tablet, e-reader, netbook, Mobile Internet Device (MID), or Ultra Mobile Personal Computer (UMPC).

“2G Handset”, “3G Handset”, “4G Handset” means a 2G, 3G or 4G module that must be physically integrated into a device marketed and sold for use in a terminal product in final form ready for use by the end user (or substantially completed in a partially or assembled form for final manufacturing, packaging, sale and distribution) that (a) contains the necessary hardware and/or software to enable voice communications (including without limitation using a cellular voice channel, VOIP, or otherwise) without the need to be coupled to another device (though the need to be coupled to a separate microphone or speaker, such as a Bluetooth earpiece (e.g., a watch phone) shall not disqualify a product from being a Handset); and (b) is designed to be easily carried on one’s person (e.g., in one’s hand, on one’s wrist, on one’s ear, or in one’s pocket) or in one’s vehicle. By way of example, Handsets include, without limitation, devices commonly referred to in the industry as low/voice centric phones, basic mobile phones, smart phones, feature mobile phones, enhanced phones, multimedia-centric phones.

“3G M2M”, “4G M2M” means a 3G or a 4G module that is used only for permanent integration into a complete device or item of equipment for use and sold for use as: (1) utility meter, (2) vending machine, (3) cargo container, (4) ATM machine, (5) POS device, (6) remote monitoring, automation and control system, (7) digital sign or digital billboard, (8) portable health care device or medical apparatus used to treat a medical condition (e.g., a defibrillator), (9) alarm or security system, or (10) portable tracking devices that are primarily utilized to track people, pets, livestock, wildlife or goods, provided that all of the aforementioned equipment or devices (i) either (A) are data only (i.e. does not support two-way voice communications and does not provide or incorporate any direct connectors and/or pins which are dedicated for audio input/output or a microphone or a means of interfacing a microphone (whether by wire or wireless connection) to such device), or (B) are only capable of transmitting and receiving two-way voice communications to and from a maximum of five (5) pre-programmed telephone numbers that can only be altered in a set-up mode, and which can be called i) automatically (for example in an emergency, accident or intrusion detection) and/or ii) manually after an activation period of no less than two minutes after the alteration of the telephone number (i.e. the pre-programmed telephone number cannot be called during such period) provided that the device is not a smart phone or other wireless telephone, and (ii) cannot provide a wireless hotspot for other subscriber devices by means of 3G, or 4G respectively, technology or other wireless technology.

“3G Telematics”, “4G Telematics” means a 3G or a 4G module that is used only for permanent integration into a device which (i) is incorporated into and is not detachable from an automobile, truck, bus or ship, and (ii) is not capable of initiating or receiving 3G, or 4G respectively,

communications unless such device is physically and electrically connected to an automobile, truck, bus or ship. A 3G or a 4G Telematics Module cannot be attached or detached from the vehicle by an end user consumer without losing the capability to initiate or receive wireless communication transmissions.

“3G Laptop”, “4G Laptop” means a 3G or a 4G module that is used only for permanent integration into a complete end-user terminal that (i) is designed primarily for use as a personal computer, (ii) includes a keyboard with a minimum of 26 keys, (iii) has a non-foldable screen with a screen size of at least 7 inches diagonal (or across its largest dimension), (iv) weighs at least 12 ounces, and (v) includes a tracking/pointing stick, touch screen, rollerball or touchpad to move the cursor. The 3G or 4G Laptop Module cannot be attached or detached from the terminal by an end-user consumer without the use of a tool.

“3G Other”, “4G Other” are 3G or 4G modules which do not fall into any of the above categories. In-band modem features may only be used for emergency purposes.

Acknowledgment of Use Restrictions:

Buyer expressly acknowledges and agrees that the Cellular Products purchased by Buyer may be purchased by Buyer only for the limited purposes specified in the applicable Use Restriction(s). Upon u-blox’s reasonable request, made at any time during a five (5) year period following delivery of Products, Buyer agrees to provide u-blox with access to its books, records and customer contracts solely to enable u-blox to confirm that Buyer has complied with the Use Restrictions set forth herein.

Third Party Beneficiary:

The parties expressly acknowledge and agree that in the event of Buyer’s breach of the Use Restrictions, u-blox’s Standard Essential Patent licensors shall be regarded as third party beneficiaries (“**Third Party Beneficiary**”) solely for the purposes of enforcing the terms of this Section. Furthermore, u-blox may assign its right to collect any additional royalties owed to the Third Party Beneficiary who may collect such additional royalties directly from Buyer (instead of u-blox collecting such additional royalties on behalf of the Third Party Beneficiary).

Indemnification:

Buyer shall indemnify, defend and hold Arrow and its affiliates and u-blox from all loss, cost, expense and damages (including reasonable attorneys' fees) which may be incurred by Arrow or its affiliates or u-blox as a result of any actions, claims or proceedings resulting from Buyer’s breach of any of its obligations herein.

Limitation of Liability:

Arrow’s aggregate liability for any and all claims, losses or expenses (including attorney’s fees) arising out of the sale of u-blox products to Buyer, whether based on contract, negligence, strict liability, agency, warranty, or any other theory of liability shall be limited to the lesser of (i) USD 1,000,000 or (ii) two hundred per cent (200%) of the total amount received by Arrow for the products causing the liability or indemnity obligation during the twelve (12) month period immediately preceding such claim for indemnity. Arrow reserves the right to control the defense and settlement of any claim (Buyer shall not make any admission or settlement without Arrow’s written consent), for which Arrow has an obligation to indemnify hereunder.

Terms and Conditions of Sale

To the extent not inconsistent herewith, all transactions with Arrow for the supply of goods or services are subject to Arrow's Terms and Conditions of Sale located at:

<https://www.arrow.com/en/legal/terms-and-conditions-of-sale>