

**1. OBJECT.** These General Terms & Conditions of Sale ("**Terms and Conditions**") govern the sale of Products and Services by Sierra Wireless to Customer. Any acceptance of a Quotation or placement of a Purchase Order by Customer is expressly limited to the terms and conditions set forth herein. Any terms and conditions provided by Customer, including any terms and conditions that may be included in or referred to in any Customer purchase order, are expressly rejected by Sierra Wireless, and will not govern the sale of the Products or Services, nor be binding on Sierra Wireless, even if Sierra Wireless accepts or acknowledges such purchase order or provides the applicable Products or Services. BY ACCEPTING A QUOTATION OR PLACING A PURCHASE ORDER, CUSTOMER ACKNOWLEDGES THAT IT HAS READ, UNDERSTOOD AND AGREES TO BE BOUND BY THESE TERMS AND CONDITIONS, AND ACKNOWLEDGES THAT THESE TERMS AND CONDITIONS CONTAIN PROVISIONS WHICH LIMIT THE CUSTOMER'S RIGHTS AND REMEDIES AGAINST SIERRA WIRELESS.

**2. DEFINITIONS.** "**Customer**" means the customer identified in the Quotation or Sales Order Acknowledgement, as applicable. "**Sierra Wireless**" means the Sierra Wireless entity described in the header of the Quotation or the Sales Order Acknowledgement, as applicable. "Sierra Wireless" does not include any affiliates of Sierra Wireless (even if an affiliate receives a Purchase Order that is then transmitted to Sierra Wireless). "**Products**" includes, without limitation: hardware, Software and User Materials that are provided by Sierra Wireless to Customer. "**Services**" means any paid services provided by Sierra Wireless relating to Products, including without limitation support and maintenance services, installation services, configuration services and custom development services. "**Software**" means the software elements of the Products (including firmware) and includes, if provided by Sierra Wireless, software updates, but specifically excludes any Application Development Software. "**Application Development Software**" means any software made available to Customer to develop or execute custom applications on the Products, including without limitation the Legato® open source application framework software, its associated development environment and Linux distribution). "**User Materials**" are the materials (including drawings, diagrams, specifications, datasheets, documentation, training manuals, technical bulletins and user manuals) that are made available by Sierra Wireless to Customer for the use, and (where permitted) servicing, of the Products or Services, as applicable. "**Specifications**" means the datasheet specifications for the applicable Products or Services available at [www.sierrawireless.com](http://www.sierrawireless.com). "**Quotation**" means the most recent written quotation issued by Sierra Wireless for the applicable Products or Services.

**3. PURCHASE ORDERS.** Customer shall issue purchase orders ("**Purchase Orders**") to Sierra Wireless (or in some cases, one of its affiliates for transmission to Sierra Wireless) by facsimile, e-mail, or mail. The form of each Purchase Order shall comply with the laws of Customer's domicile. Each Purchase Order shall include, as applicable: the Sierra Wireless quotation number; the quantities, Sierra Wireless SKUs (part numbers), unit prices and total price (exclusive of tax) of the Products or Services ordered; the requested delivery date and delivery point; the terms of payment; and the contact information for the Customer; and, if different from the account registration, the "Bill To" address. Only Purchase Orders which Sierra Wireless accepts by issuing a written acknowledgement (a "**Sales Order Acknowledgement**") to Customer within five (5) business days of receipt of the Purchase Order are binding on Sierra Wireless. Each Sales Order Acknowledgement shall include, as applicable: the Sierra Wireless sales order number; the quantities, SKUs (part numbers), unit prices and total price (exclusive of tax) of the Products or Services ordered; the scheduled shipping date and delivery point; the agreed conditions of delivery; the terms of payment; and the contact information for Sierra Wireless' Sales Administrator; and, if Sierra Wireless agrees to any non-standard provisions in the Purchase Order, acceptance of those provisions. Customer may not modify or revoke an accepted Purchase Order (as evidenced by a Sales Order Acknowledgement), or modify or cancel a Sales Order Acknowledgement, without the prior written agreement of Sierra Wireless.

**4. TITLE AND DELIVERY.** **Title.** Subject to section 13 below (Intellectual Property), title to the Products shall pass to Customer when Sierra Wireless delivers the Products to Customer. **Delivery.** Sierra Wireless shall deliver the Products at the delivery point and delivery term (INCOTERMS 2010) indicated on the Quotation or Sales Order Acknowledgement, as applicable.

**5. EXPORT CONTROL.** Customer shall not, whether directly or indirectly (including facilitating a third party), export or re-export the Products from the country in which Customer has indicated to Sierra Wireless the Products will be sold and licensed to end-users without obtaining all applicable governmental licences.

**6. COPYRIGHT LICENCE.** Effective as of the date of delivery of the applicable Products, Software or deliverables to Customer, Sierra Wireless grants

Customer a non-exclusive, non-transferable, worldwide, fully paid-up copyright licence ("**Licence**") to: (a) use, copy and distribute the User Materials, (b) install and execute the Software on the Products, in object code form only, and (c) use the deliverables provided in connection with the performance of the Services, in each case solely in connection with the permitted use, distribution, sale and provision of first tier support of Products to end-user customers. **Restrictions on Use.** Customer shall not, directly or indirectly: (i) modify, decompile or translate the Software; or (ii) reverse engineer, disassemble, or create a derivative of, the Software or Products.

**7. PRICES AND TERMS OF PAYMENT.** **Prices.** The prices in the Quotation and Sales Order Acknowledgement include all applicable fees for the Licences, all necessary packaging, and are based on delivering the Products per section 4 (Title and Delivery), but do not include applicable federal, state, provincial, local or other government taxes. **Invoicing.** Sierra Wireless shall invoice Customer for Products after delivery (unless the Quotation or Sales Order Acknowledgement indicates that payment in advance is required), and for Services after issuance of the applicable Sales Order Acknowledgement. **Payment.** Customer shall pay all invoices in the currency stated in the invoice, in accordance with the payment terms set out in the Sales Order Acknowledgement and any payment instructions provided by Sierra Wireless. In the absence of any written agreement to the contrary, payment shall be due no later than 30 days from the date of the invoice. **Late Payment.** If Customer fails to pay any amount not in dispute when due, Sierra Wireless may, without prejudice to any other remedy, stop or suspend its performance, alter payment terms, terminate any open Purchase Orders, and charge interest on all overdue amounts at the rate of one percent (1.0%) per month compounded monthly (12.68% per year), or if less, the maximum rate allowed by law. Upon demand, Customer shall pay all such interest charges and all reasonable collection fees, including reasonable legal expenses. Despite the forgoing, where the laws of the Customer's jurisdiction of incorporation provide a mandatory alternative method for calculating interest on late payments, such method shall prevail.

**8. LIMITED WARRANTY.** Sierra Wireless warrants to the Customer that during the Warranty Period (as defined below): (a) the Products will substantially comply with, and perform per, the Specifications; (b) the hardware elements of the Products shall be free from material defects in materials and workmanship under normal use; and (c) the Services shall be performed in a professional manner using qualified personnel, in substantial compliance with the Specifications. Unless otherwise stipulated by Sierra Wireless in the Quotation, the "**Warranty Period**" for the hardware elements of the Products is twelve (12) months and for the Software and Services is ninety (90) days. The Warranty Period for the hardware elements starts on the date of delivery of the applicable Product, for the Software starts on the date of delivery of the first Product that incorporated the applicable Software release (or if earlier, the date the Customer accepted the applicable Software release), and for the Services starts on the date the deliverables giving rise to the claim were delivered to Customer. **Not Covered.** Sierra Wireless does not warrant that: (i) the Products will provide uninterrupted or error-free operation; (ii) except as expressly set out in the Specifications, the Products will operate satisfactorily in conjunction with other manufacturer's hardware, media or software; or (iii) Sierra Wireless will correct minor program defects in the Software which do not materially affect the ability of the Software to perform in accordance with the Specifications. The warranty does not apply to Products that: (i) have been installed, used or operated other than per the User Materials; (ii) have been maintained, altered or modified, opened or repaired, other than by Sierra Wireless or its authorized service provider; (iii) have been physically damaged, other than by Sierra Wireless or its authorized service provider; (iv) have experienced signal reception problems, unless caused by a defect in material(s) or workmanship in the Product; (v) have been used outside of published maximum ratings or with hardware that is electrically or mechanically incompatible as assessed by Sierra Wireless; or (vi) have had their serial numbers altered, removed or rendered illegible. The warranty does not cover or include: (i) the cost of installation, removal, reinstallation, or rework of other equipment; (ii) damage due to accidents, failure of Customer to follow instructions, misuse, abuse, neglect, fire, flood, war, or acts of God; (iii) technical assistance to install, configure, or operate the Product; (iv) Application Development Software; (v) any updates/upgrades to Software that are made available by Sierra Wireless at no additional cost; and (vi) third party products not manufactured by Sierra Wireless, which are provided "as is", without warranty of any kind, unless otherwise expressly specified by Sierra Wireless. **Claim Procedure.** To initiate a warranty claim, Customer must contact Sierra Wireless via one of the methods set forth at [www.sierrawireless.com/support](http://www.sierrawireless.com/support) under the section entitled "Repair and Warranty", and for hardware warranty claims, must request a Return Material Authorization ("**RMA**"), and follow the instructions set out in the RMA. If Sierra Wireless finds that the Product or Service meets the warranty conditions set out in this section, it shall, (1) at its expense and option (i) repair the defective Product, (ii) replace the defective Product with a new or rebuilt unit

(which may use refurbished parts of similar quality and functionality) or a substitute unit of equal or superior functionality, (iii) make a Software release available to Customer to address the defect, or (iv) reperform the applicable Services; (2) ship the repaired or replaced Product back to Customer, if applicable; and (3) warrant the repaired or replaced Product or reperform Service for a period of ninety (90) days or the remainder of the original Warranty Period, whichever is longer; or if Sierra Wireless is not able to repair or replace the defective Product or reperform the applicable Service, it will, in satisfaction of its sole and exclusive obligation in connection with such defective Product or Service, credit the Customer's account in the amount of the net purchase price paid by Customer for such defective Product or Service. **No Fault Found.** If Sierra Wireless is, despite reasonable commercial efforts, unable to find a fault with a Product returned by Customer under the warranty: (a) the returned unit shall be deemed to be No Fault Found ("**NFF**"), and Sierra Wireless shall ship the NFF unit back to Customer at Customer's expense, and (b) Customer may be required to pay the diagnostic fee specified on the Quotation for each NFF unit if the specified NFF Threshold is exceeded. **High Risk Activities.** Customer acknowledges that (i) the Products may contain technology or rely on systems that are not fault-tolerant; and (ii) the Products are not designed, authorized or intended for use in environments or applications where a failure or malfunction of the Product could lead to death, personal injury or severe physical or environmental damage ("**High Risk Applications**").

**9. EXCLUSIONS.** THE WARRANTIES SET OUT IN SECTION 8 (LIMITED WARRANTY) ARE SIERRA WIRELESS' EXCLUSIVE WARRANTIES FOR THE PRODUCTS AND SERVICES. SIERRA WIRELESS SPECIFICALLY DISCLAIMS ALL OTHER WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ANY WARRANTY OF NON-INFRINGEMENT, ANY WARRANTY THAT THE PRODUCTS ARE SECURE; OR ANY WARRANTY THAT THE PRODUCTS ARE SUITABLE FOR USE IN HIGH RISK APPLICATIONS.

**10. INDEMNIFICATION BY CUSTOMER.** Customer shall indemnify and hold Sierra Wireless harmless from all loss, expense and damages (including reasonable attorneys' fees) which may be incurred by Sierra Wireless as a result of any claims or actions resulting from: (a) damage to property, personal injury or death caused by the use of the Products in High Risk Applications by the Customer or any party to whom Customer has, directly or indirectly, supplied the Products; or (b) Customer's breach of any of its obligations hereunder and, without limitation, any breach by Customer of the restrictions in sections 19 and 20 hereunder (Product Use Restrictions).

**11. INDEMNIFICATION BY SIERRA WIRELESS.** Subject to section 12, Sierra Wireless will defend and indemnify Customer against any damages, liabilities or costs (including reasonable attorneys' fees) finally awarded by the court to a third party, or agreed to by Sierra Wireless as settlement proceeds, in respect of any claim, suit or proceeding filed against Customer by a third party alleging that Products manufactured and supplied by Sierra Wireless to Customer pursuant to these Terms and Conditions directly infringe any patent, copyright or trade secret of the third party, provided Sierra Wireless is: (a) promptly notified in writing and furnished a copy of such claim, suit or proceeding, (b) given a copy of each communication relating to the claim, as well as any other information, authority and assistance it needs to understand the allegations and defend against or settle the claim, and (c) given sole control of the defense and any settlement negotiations. Notwithstanding the foregoing, Sierra Wireless shall have no obligation to defend and no liability to indemnify for any damages, liabilities or costs to the extent that an infringement allegation is based upon: (i) use of the Products in an application or environment for which the Product was not designed or contemplated; (ii) use of the Products in combination with any other device or software; (iii) modifications, alterations or enhancements of the Product not created or provided by Sierra Wireless; (iv) any patent, copyright or trade secret which Customer or any of its affiliates owns or to which they have any financial interest; (v) the use of a non-current version of the Software, provided Sierra Wireless has made a more recent or current version of the Software (with equivalent or better functionality) available to Customer at no charge; (vi) use of a third party's products or software; (vii) compliance with Customer's specifications; (viii) resulting from any suit or allegation initiated by Customer (by way of example, a counter claim), or (ix) compliance with either essential or optional portions of ITU, IEEE, ETSI, 3GPP or any other published standards relating to WiFi (802.11[x]), Bluetooth (802.15.1), LPWA (LTE-M, NB-IoT and EC-GSM-IoT), GNSS or GPS. In the event of an allegation for which Sierra Wireless is obligated to defend Customer pursuant to this section 11, Sierra Wireless may, but shall not be obligated to: (i) obtain a license that allows Customer to continue to use the Products, (ii) replace or modify the Products so as to be non-infringing, but in a manner that does not materially affect the functionality of the Products, or (iii) if neither (i) nor (ii) is reasonably commercially available, refund to Customer all amounts paid for the affected Products, depreciated on a straight-line basis over a three year period, and prospectively cease to indemnify Customer with regard to such Products without being in breach of these Terms and Conditions.

**12. LIMITED LIABILITY.** IN NO EVENT SHALL SIERRA WIRELESS BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH OR ARISING OUT OF THESE TERMS AND CONDITIONS OR THE PRODUCTS OR SERVICES PROVIDED HEREUNDER, INCLUDING WITHOUT LIMITATION LOSS OF PROFITS OR REVENUES, LOST DATA, FAILURE TO REALIZE EXPECTED SAVINGS, OR ANY OTHER COMMERCIAL OR ECONOMIC LOSSES OF ANY KIND, WHETHER BASED ON CONTRACT, TORT (INCLUDING THEORIES OF NEGLIGENCE, RECKLESSNESS, STRICT LIABILITY, OR DEFECTIVE PRODUCT LIABILITY), OR ANY OTHER LEGAL THEORY, EVEN IF SIERRA WIRELESS WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. SIERRA WIRELESS' TOTAL LIABILITY IN CONTRACT, TORT (INCLUDING NEGLIGENCE OR BREACH OF STATUTORY DUTY), MISREPRESENTATION OR OTHERWISE ARISING IN CONNECTION WITH THE PERFORMANCE OR NON-PERFORMANCE OF THIS AGREEMENT SHALL BE LIMITED TO THE LESSER OF: (A) ONE HUNDRED THOUSAND (\$100,000) UNITED STATES DOLLARS; AND (B) TEN PERCENT (10%) OF THE TOTAL PRICE PAID BY CUSTOMER FOR THE PARTICULAR PRODUCTS OR SERVICES GIVING RISE TO THE LIABILITY. SIERRA WIRELESS AGREES TO SELL THE PRODUCTS AND SERVICES, AND CUSTOMER AGREES TO PURCHASE THE PRODUCTS AND SERVICES FROM SIERRA WIRELESS, ONLY IN CONSIDERATION OF, AND IN RELIANCE UPON, THE PROVISIONS SET OUT IN THIS SECTION 12. THESE PROVISIONS CONSTITUTE AN ESSENTIAL PART OF THE BARGAIN BETWEEN THE PARTIES AND HAVE BEEN REFLECTED IN THE PRICE AND OTHER CONSIDERATION FLOWING BETWEEN THE PARTIES. In the event that in any particular matter these limitations and disclaimers are limited or prohibited by law, they shall be applicable and enforced to the fullest extent permissible by law. The remedies of Customer specifically set forth in these Terms and Conditions constitute Customer's exclusive remedies for the matters, claims, breaches or issues to which they relate.

**13. INTELLECTUAL PROPERTY.** Except for the Licence granted under section 6 (Copyright Licence), Customer acknowledges that it acquires no right, title or interest in or to the intellectual property in: (a) the Products; (b) any other product or invention of Sierra Wireless; (c) any combination of the Products with any other product of Sierra Wireless; (d) any third party elements incorporated in the Products; or (e) any deliverables or work product of Sierra Wireless created while performing the Services.

**14. NON-DISCLOSURE.** This Agreement shall be governed by the Non-Disclosure Agreement referenced in the Quotation or if none is referenced, by the following: all information, including but not limited to technical, financial or commercial information, disclosed by Sierra Wireless to Customer, whether in tangible or intangible form, and whether marked as being confidential or by virtue of its nature could reasonably be expected to be confidential, shall be considered to be "**Confidential Information**" and shall be subject to the strictest confidentiality obligation. Customer shall not disclose any Confidential Information to third parties, and shall only disclose Confidential Information to those of its employees who have a need to know the Confidential Information to perform their work and who have signed a written agreement of confidentiality at least as stringent as set out herein. Customer may disclose Confidential Information to the extent it is required by law, regulation, court order or any governmental or regulatory body or authority to so disclose, but then only to the extent so ordered or required and exercising all reasonable efforts to obtain reliable assurances that confidential treatment will be accorded to the Confidential Information. In such circumstances, Customer shall use its best efforts to advise Sierra Wireless at the earliest possible time of the form and content of any Confidential Information that will be disclosed in order to give Sierra Wireless sufficient time to seek a protective order or other appropriate remedy. Customer acknowledges that any use or disclosure of Confidential Information in a manner not authorized by this Agreement will cause Sierra Wireless irreparable harm that could not be fully remedied by monetary damages. Customer agrees that, in addition to any other remedies it may have at law or in equity, Sierra Wireless shall have the right to apply for such injunctive or other equitable relief from a court or arbitrator of competent jurisdiction as may be necessary to prevent the unauthorized or unlawful action.

**15. PUBLICITY.** Neither party shall issue a news release or make a public announcement relating to the business transacted pursuant to these Terms and Conditions without the prior written approval of the other party. Notwithstanding the foregoing, Sierra Wireless may include Customer's name and logo on websites and marketing materials that generally identify customers of Sierra Wireless or users of the Products and Services. If Customer objects in writing to such use, Sierra Wireless will promptly remove the references to Customer. Both parties agree to work together on mutually beneficial public relations and marketing activities.

**16. FORCE MAJEURE.** Sierra Wireless shall not be liable if its performance becomes commercially impracticable due to any contingency beyond its reasonable control including, but without limitation, acts of God, fires, floods,

wars, sabotage, civil unrest, accidents, labour disputes (other than those with Sierra Wireless employees), labour shortages, government laws, rules and regulations, whether valid or invalid, inability to obtain material, equipment or transportation, incorrect, delayed or incomplete specifications, drawings, or data supplied by a third party, except that lack of funds or credit shall not constitute a Force Majeure.

**17. GOVERNING LAW & DISPUTES.** All claims or disputes arising hereunder or in connection with these Terms & Conditions shall be governed by the laws of the State of New York, U.S.A. and submitted to arbitration conducted by JAMS in New York, New York in accordance with JAMS rules of arbitration, except as follows: (i) for any Customer incorporated within the regions of Europe, Middle East or Africa, the laws of Switzerland shall govern and arbitration shall be conducted in Paris, France by the International Court of Arbitration in accordance with the ICC rules and procedures; and (ii) for any Customer incorporated within the Asia region, Australia or New Zealand, the laws of the Special Administrative Region of Hong Kong shall apply and the arbitration shall be conducted in Hong Kong, PRC, by the International Chamber of Commerce in accordance with ICC rules and procedures; in each case without regard to the conflict of law provisions of such jurisdiction. For greater certainty, the United Nations Convention on the Sale of Goods (The Vienna Convention) shall not apply to the purchase of Products by Customer. The arbitration shall be binding and conducted in English before a single arbitrator. The parties waive all rights to trial by jury.

**18. GENERAL TERMS. Assignment.** Customer shall not assign its order, or any interest therein, or any rights hereunder without the prior written consent of Sierra Wireless. **Waivers.** A party's waiver of any breach by the other party or failure to enforce a remedy will not be considered a waiver of subsequent breaches of the same or a different kind. **Entire Agreement.** These Terms and Conditions, together with the applicable Quotation, Purchase Order (excluding any terms and conditions provided by Customer) and Sales Order Acknowledgment, represent the entire agreement between the parties relating to the sale of Products and provision of Services. No prior representations or statements relating to the sale of the Products or provision of Services made by any Sierra Wireless representative, which are not stated herein or in the Sales Order Acknowledgment or Quotation, shall be binding on Sierra Wireless. No addition to or modification of any provision in this contract shall be binding upon Sierra Wireless unless made in writing and signed by a duly authorized Sierra Wireless representative.

**19. PRODUCT USE RESTRICTIONS. PC Card and External Wireless Modems.** Customer hereby acknowledges and agrees that the sale of PC Card Modems, or External Wireless Modems to Customer does not convey to Customer any intellectual property rights of QUALCOMM Incorporated to use such PC Card Modems, or External Wireless Modems in Embedded Applications, including but not limited to any rights under any patent, trademark, copyright, or trade secret. Customer may not use any PC Card Modem or External Wireless Modem in an Embedded Application, alone or in combination with other components or devices, without a separate license from QUALCOMM Incorporated under all applicable patents. Customer's use of any such PC Card Modem or External Wireless Modem in an Embedded Application shall be solely in accordance with the terms and conditions of such license. The Sales Order Acknowledgment issued by Sierra Wireless for each accepted Purchase Order from Customer shall indicate the applicable Product type for the purposes of this section; "PC Card" for PC Card Modems and "Ext Modem" for External Wireless Modems. For purposes of this section 19, the following definitions shall apply:

"Communications Device" means an end user terminal, including but not limited to a telephone, personal computer, personal digital assistant, facsimile machine, monitoring device, multi-media terminal, data entry terminal, automatic teller machine, point of sale terminal or a base station.

"Embedded Application" means the use of any assembly, module or modem card 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.

"ExpressCard Standard" means the ExpressCard Standard (Release 1.0), and updates thereto (provided that such updates do not reduce the minimum physical dimensions for a compliant ExpressCard below the dimensions that existed in Release 1.0 as of September 1, 2006) adopted by the Personal Computer Memory Card International Association ("PCMCIA").

"External Wireless Modem" means a CDMA modem device that (i) is not designed for use in an Embedded Application, (ii) is not used, or sold for use, in an Embedded Application, (iii) is designed, packaged and sold as an end-user consumer product solely for external use and coupling to a Communications Device by an end-user consumer, wherein such coupling is accomplished via either (a) a cable or other external physical connector attachable to and detachable from such Communications Device by an end-user consumer

without the use of a tool or (b) a wireless personal network interface (e.g., Bluetooth), (iv) when connected to a Communications Device, a visible distance and space is maintained between such Communications Device and such CDMA modem at all times so that the Communications Device and the CDMA modem remain separate and distinct products (i.e., the two products would not be handled, viewed as, or deemed to be, a single or complete integrated product by an end-user), (v) is not capable of initiating or receiving wireless communications transmissions without being attached to a Communications Device, and (vi) has at least one physical dimension of greater than 85.6 millimeters.

"PC Card Modem" means a CDMA modem card that (i) is not designed for use in an Embedded Application, (ii) is not used, or sold for use, in an Embedded Application, (iii) is designed, packaged and sold as an end-user consumer product that is (a) for use solely with a Communications Device, (b) is attachable to and detachable from such Communications Device by the end-user consumer without the use of a tool, and (iv) (a) complies with the physical specifications for Type I, Type II and/or Type III cards as defined in the PC Card Standard or ExpressCard/54 or Express Card/34 cards as defined in the ExpressCard Standard, or (b) integrates a Series A or a Series B USB connector for use in attaching such CDMA Modem Card to a Communications Device via a USB port, provided that such CDMA Modem has at least one physical dimension of greater than 50 millimeters and includes an integrated antennae.

"PC Card Standard" means the PC Card Standard (including Releases 1.0, 2.0, 2.1, 5.0, and 8.0), and updates thereto (provided that such updates do not reduce the minimum physical dimensions for a compliant PC Card below the dimensions that existed in Releases 1.0, 2.0, 2.1, 5.0, or 8.0 as of September 1, 2006), adopted by the PCMCIA.

## **20. PRODUCT USE RESTRICTIONS. M2M Data Modules, Telematics Modules, Ruggedized Access Points and Telematics Access Points**

Customer hereby acknowledges and agrees that any M2M Data Modules, Telematics Modules, Ruggedized Access Points or Telematics Access Points purchased by Customer hereunder shall be used by Customer solely for incorporation into or as an attachment to a Permitted Device, or installation in a Permitted Vehicle, as the case may be, and any such M2M Data Modules, Telematics Modules, Ruggedized Access Points or Telematics Access Points shall not be used for any other purpose or application or, in the case of M2M Data Modules and Telematics Modules, resold by Customer to any third party as a standalone product. Upon Sierra Wireless' reasonable request, Customer agrees to provide Sierra Wireless with access to its books, records and customer contracts solely to enable Sierra Wireless to confirm that Customer has complied with the preceding sentence. The Sales Order Acknowledgment issued by Sierra Wireless for each accepted Purchase Order from Customer shall indicate the applicable Product type for the purposes of this section; "Q-M2M" for M2M Data Modules; "Q-RAP" for Ruggedized Access Points; "Q-TAP" for Telematics Access Points and "Q-TM" for Telematics Modules. For purposes of this section 20, the following definitions shall apply:

"CDMA Access Point" means a complete device which (i) connects to CDMA network infrastructure equipment over a CDMA wireless network, (iii) does not incorporate a speaker or keypad, (iv) does not enable end user initiation or reception of a CDMA voice call or data transmission (other than certain operator and/or device requested status information) without connection to a Communications Device, wherein such connection may be made by a physical connection (such as wire or optical fiber), or by a wireless connection (such as an IEEE 802.11 wireless local area network) that does not use a WWAN air interface, (v) when connected to a Communications Device, a visible distance and space is maintained between such Communication Device and the CDMA Access Point at all times so that the Communications Device and the CDMA Access Point remain separate and distinct products (i.e., the two products would not be handled, viewed as, or deemed to be a single or complete integrated product by an end-user), and (vi) is capable of supporting multiple users.

"Communications Device" means an end user terminal, including but not limited to a telephone, personal computer, personal digital assistant, facsimile machine, monitoring device, multi-media terminal, data entry terminal, automatic teller machine, point of sale terminal or a base station.

"M2M Data Module" means a data-only CDMA modem card or module which (i) does not provide or incorporate any direct connectors and/or pins which are dedicated for audio input/output; (ii) does not provide a microphone or a means of interfacing a microphone (whether by wire or wireless connection) to such modem card or module; (iii) is sold by Customer for use solely when permanently attached to or incorporated into a Permitted Device; and (iv) is not capable of initiating or receiving wireless communications transmissions in accordance with any CDMA based wireless air interface unless it is physically and electrically connected to a Permitted Device.

"Permitted Device" means a utility meter, vending machine, cargo container, health care monitoring device that is only capable of transmitting and/or receiving data (including text messages) to and/or from a maximum of ten (10) pre-programmed destination phone numbers (e.g., physician's office), home security system or industrial security system, provided that such equipment/devices also do not possess any of the elements enumerated in clauses (i) and (ii) of the definition of "M2M Data Module" above and/or are not otherwise capable of being used to support any voice communications.

"Permitted Vehicle" means an automobile (commercial or personal), truck, bus, train or airplane.

"Ruggedized Access Point" means a CDMA Access Point that meets all of the environmental testing and/or certification standards set forth below:

- Class 1, Division 2 specifications
- Specifications for "Class A Digital Devices" pursuant to FCC Part 15 (Code of Federal Regulations, Title 47, Part 15)

- Mil-STD 810F – includes shock, vibration, humidity, and temperature (operational and storage, drop, et al.) specifications.

- International Electrotechnical Commission (IEC) series 60068 (drop, temperature, humidity, ESD, shock, thermal shock, water resistance, et al) equivalent specifications.

"Telematics Access Point" means a CDMA Access Point which (i) is sold for use solely when installed in, or attached via cable to, a Permitted Vehicle; and (ii) is not capable of initiating or receiving wireless communications transmissions in accordance with any CDMA based wireless air interface standard unless it is physically and electrically connected to a Permitted Vehicle.

"Telematics Module" means a CDMA modem card or module which (i) is sold for use solely when incorporated into a Permitted Vehicle, (ii) is not capable of initiating or receiving wireless communications transmissions unless it is physically and electrically connected to a Permitted Vehicle, and (iii) cannot be detached from the Permitted Vehicle by the end user.

**END OF DOCUMENT**