MICROSOFT SOFTWARE LICENSE TERMS (SAMPLE TEMPLATE)

WINDOWS IOT ENTERPRISE & MOBILE (ALL EDITIONS)

IF YOU LIVE IN (OR IF YOUR PRINCIPAL PLACE OF BUSINESS IS IN) THE UNITED STATES, PLEASE READ THE BINDING ARBITRATION CLAUSE AND CLASS ACTION WAIVER IN SECTION 8. IT AFFECTS HOW DISPUTES ARE RESOLVED.

Thank you for choosing Microsoft!

Depending on how you obtained the Windows software, this is a license agreement between (i) you and the device manufacturer or software installer that distributes the software with your device; or (ii) you and Microsoft Corporation (or, based on where you live or, if a business, where your principal place of business is located, one of its affiliates) if you acquired the software from a retailer. Microsoft is the device manufacturer for devices produced by Microsoft or one of its affiliates, and Microsoft is the retailer if you acquired the software directly from Microsoft.

This agreement describes your rights, obligations, and the conditions upon which you may use the Windows software. You should review the entire agreement, including any supplemental license terms that accompany the software and any linked terms, because all of the terms are important and together create this agreement that applies to you. You can review linked terms by pasting the (aka.ms/) link into a browser window.

By accepting this agreement or using the software, you agree to all of these terms, and consent to the transmission of certain information during activation and during your use of the software as per the privacy statement described in Section 3. If you do not accept and comply with these terms, you may not use the software or its features. You may contact the device manufacturer or installer, or your retailer if you purchased the software directly, to determine its return policy and return the software or device for a refund or credit under that policy. You must comply with that policy, which might require you to return the software with the entire device on which the software is installed for a refund or credit, if any.

1. Overview.

- a. Applicability. This agreement applies to the Windows software that is preinstalled on your device, or acquired from a retailer and installed by you, the media on which you received the software (if any), any fonts, icons, images or sound files included with the software, and also any Microsoft updates, upgrades, supplements or services for the software, unless other terms come with them. It also applies to Windows apps developed by Microsoft that provide functionality such as mail, calendar, contacts, music and news that are included with and are a part of Windows. If this agreement contains terms regarding a feature or service not available on your device, those terms do not apply.
- **b.** Additional terms. Depending on your device's capabilities, how it is configured, and how you use it, additional Microsoft and third -party terms may apply to your use of certain features, services and apps.
 - (i) Some Windows apps provide an access point to, or rely on, online services, and the use of those services is sometimes governed by separate terms and privacy policies, such as the Microsoft Services Agreement at https://aka.ms/msa. You can view these terms and policies by looking at the service terms of use or the app's settings, as applicable; please read them. The services may not be available in all regions.
 - (ii) The manufacturer or installer may also preinstall apps, which will be subject to separate license terms.
 - (iii) The software may include third-party programs that are licensed to you under this agreement, or under their own terms. License terms, notices and acknowledgements, if any, for the third-party program can be viewed at https://aka.ms/thirdpartynotices.

2. Installation and Use Rights.

a. License. The software license is permanently assigned to the device with which you acquired the software.

You many only use the software on that device.

- **b. Device.** In this agreement, "device" means a physical hardware system with an internal storage device capable of running the software. A hardware partition or blade is considered to be a device.
- c. **Restrictions.** The manufacturer or installer and Microsoft reserve all rights (such as rights under intellectual property laws) not expressly granted in this agreement, and no other rights are licensed to you. For the avoidance of doubt, this license does not give you any right to, and you may not (and you may not permit any other person or entity to):
 - (i) use or virtualize features of the software separately;
 - (ii) publish, copy (other than the permitted backup copy), rent, lease, or lend the software;
 - (iii) transfer the software;
 - (iv) work around any technical restrictions or limitations in the software;
 - (v) use the software as server software or to operate the device as a server, except as permitted under Section 2(d)(iii) below; use the software to offer commercial hosting services; make the software available for simultaneous use by more than one user over a network, except as permitted under Section 2(d)(v) below; install the software on a server for remote access or use over a network; or install the software on a device for use only by remote users; a single device may be locally and simultaneously interacted with by up-to two end user operators;
 - (vi) reverse engineer, decompile, or disassemble the software, or attempt to do so, except and only to the extent that the foregoing restriction is (a) permitted by applicable law; (b) permitted by licensing terms governing the use of open-source components that may be included with the software; or (c) required to debug changes to any libraries licensed under the GNU Lesser General Public License that are included with and linked to by the software; and
 - (vii) when using Internet-based features you may not use those features in any way that could interfere with anyone else's use of them, or to try to gain access to or use any service, data, account, or network, in an unauthorized manner.

d. Multi-Use scenarios.

- (i) **Multiple versions.** If when acquiring the software, you were provided with multiple versions (such as 32-bit and 64-bit versions), you may install and activate only one of those versions at a time.
- (ii) Multiple or pooled connections. Hardware or software you use to multiplex or pool connections, or reduce the number of devices or users that access or use the software, does not reduce the number of licenses you need. You may only use such hardware or software if you have a license for each instance of the software you are using.
- (iii) Device connections. You may allow up to 20 other devices to access the software installed on the licensed device solely to use the following software features for personal or internal purposes: file services, print services, Internet information services, and Internet connection sharing and telephony services on the licensed device. The 20 connection limit applies to devices that access the software indirectly through "multiplexing" or other software or hardware that pools connections. You may allow any number of devices to access the software on the licensed device to synchronize data between devices. This subsection does not mean, however, that you have the right to install the software, or use the primary function of the software (other than the features listed in this subsection), on any of these other devices.
- (iv) Remote access. Users may access the licensed device from another device using remote access technologies, but only on devices separately licensed to run the same or higher edition of this software.
- (v) **Remote assistance.** You may use remote assistance technologies to share an active session without

obtaining any additional licenses for the software. Remote assistance allows one user to connect directly to another user's computer, usually to correct problems.

- (vi) POS application. If the software is installed on a retail point of service device, you may use the software with a point of service application ("POS Application"). A POS Application is a software application which provides only the following functions: (i) process sales and service transactions, scan and track inventory, record and/or transmit customer information, and perform related management functions, and/or (ii) provide information directly and indirectly to customers about available products and services. You may use other programs with the software as long as the other programs: (i) directly support the manufacturer's specific use for the device, or (ii) provide system utilities, resource management, or anti-virus or similar protection. For clarification purposes, an automated teller machine ("ATM") is not a retail point of service device.
- (vii) Cloud Computing Devices. If your device uses Internet browsing functionality to connect to and access cloud hosted applications: (i) no desktop functions may run locally on the device, and (ii) any files that result from the use of the desktop functions may not be permanently stored on the system. "Desktop functions," as used in this agreement, means a consumer or business task or process performed by a computer or computing device. This includes but is not limited to email, word processing, spreadsheets, database, scheduling, network or internet browsing and personal finance.
- (viii) **Desktop Functions**. If your system performs desktop functions, then you must ensure that they: (i) are only used to support the application, and (ii) operate only when used with the application.

e. Windows IoT Enterprise Features for Development and Testing Only.

(1) Device Health Attestation. You may only implement Device Health Attestation in a commercial use if you execute a Microsoft Windows IoT Core Services Agreement at: <u>https://azure.microsoft.com/en-us/services/windows-10-iot-core/</u>.

- f. **Specific Use.** The manufacturer designed the licensed device for a specific use. You may only use the software for that use.
- **3. Privacy; Consent to Use of Data.** Your privacy is important to us. Some of the software features send or receive information when using those features. Many of these features can be switched off in the user interface, or you can choose not to use them. By accepting this agreement and using the software you agree that Microsoft may collect, use, and disclose the information as described in the Microsoft Privacy Statement available at https://aka.ms/privacy_ and as may be described in the user interface associated with the software features.
- 4. Authorized Software and Activation. You are authorized to use this software only if you are properly licensed and the software has been properly activated with a genuine product key or by other authorized method. When you connect to the Internet while using the software, the software will automatically contact Microsoft or its affiliate to confirm the software is genuine and the license is associated with the licensed device. You can also activate the software manually by Internet or telephone. In either case, transmission of certain information will occur, and Internet, telephone and SMS service charges may apply. During activation (or reactivation that may be triggered by changes to your device's components), the software may determine that the installed instance of the software is counterfeit, improperly licensed or includes unauthorized changes. If activation fails the software will attempt to repair itself by replacing any tampered Microsoft software. Successful activation does not confirm that the software is genuine or properly licensed. You may not bypass or circumvent activation. To help determine if your software is genuine and whether you are properly licensed, see https://aka.ms/genuine. Certain updates, support, and other services might be offered only to users of genuine Microsoft software.
- 5. Updates. You may obtain updates only from Microsoft or authorized sources, and Microsoft may need to update your system to provide you with those updates. The software periodically checks for system and app updates, and may download and install them for you. To the extent automatic updates are enabled on your device, by accepting this agreement, or using the software, you agree to receive these types of automatic updates without any

additional notice.

- 6. Geographic and Export Restrictions. If your software is restricted for use in a particular geographic region, then you may activate the software only in that region. You must also comply with all domestic and international export laws and regulations that apply to the software, which include restrictions on destinations, end users, and end use. For further information on geographic and export restrictions, visit https://aka.ms/exporting.
- 7. Support and Refund Procedures. For the software generally, contact the device manufacturer or installer for support options. Refer to the support number provided with the software. For updates and supplements obtained directly from Microsoft, Microsoft may provide limited support services for properly licensed software as described at https://aka.ms/mssupport. If you are seeking a refund, contact the manufacturer or installer to determine its refund policies. You must comply with those policies, which might require you to return the software with the entire device on which the software is installed for a refund.
- 8. Binding Arbitration and Class Action Waiver if You Live in (or, if a Business, Your Principal Place of Business is in) the United States.

We hope we never have a dispute, but if we do, you and we agree to try for 60 days to resolve it informally. If we can't, you and we agree to **binding individual arbitration before the American Arbitration Association ("AAA")** under the Federal Arbitration Act ("FAA"), and not to sue in court in front of a judge or jury. Instead, a neutral arbitrator will decide and the arbitrator's decision will be final except for a limited right of appeal under the FAA. Class action lawsuits, class-wide arbitrations, private attorney-general actions, and any other proceeding where someone acts in a representative capacity aren't allowed. Nor is combining individual proceedings without the consent of all parties. "We," "our," and "us" includes Microsoft, the device manufacturer, and software installer.

- a. Disputes covered—everything except IP. The term "dispute" is as broad as it can be. It includes any claim or controversy between you and the manufacturer or installer, or you and Microsoft, concerning the software, its price, or this agreement, under any legal theory including contract, warranty, tort, statute, or regulation, except disputes relating to the enforcement or validity of your, your licensors', our, or our licensors' intellectual property rights.
- b. Mail a Notice of Dispute first. If you have a dispute and our customer service representatives can't resolve it, send a Notice of Dispute by U.S. Mail to the manufacturer or installer, ATTN: LEGAL DEPARTMENT. If your dispute is with Microsoft, mail it to Microsoft Corporation, ATTN: CELA ARBITRATION, One Microsoft Way, Redmond, WA 98052-6399. Tell us your name, address, how to contact you, what the problem is, and what you want. A form is available at https://go.microsoft.com/fwlink/?LinkId=245499. We'll do the same if we have a dispute with you. After 60 days, you or we may start an arbitration if the dispute is unresolved.
- c. Small claims court option. Instead of mailing a Notice of Dispute, and if you meet the court's requirements, you may sue us in small claims court in your county of residence (or if a business your principal place of business) or our principal place of business–King County, Washington USA if your dispute is with Microsoft. We hope you'll mail a Notice of Dispute and give us 60 days to try to work it out, but you don't have to before going to small claims court.
- d. Arbitration procedure. The AAA will conduct any arbitration under its Commercial Arbitration Rules (or if you are an individual and use the software for personal or household use, or if the value of the dispute is \$75,000 USD or less whether or not you are an individual or how you use the software, its Consumer Arbitration Rules). For more information, see https://aka.ms/adr or call 1-800-778-7879. To start an arbitration, submit the form available at https://aka.ms/arbitration to the AAA; mail a copy to the manufacturer or installer (or to Microsoft if your dispute is with Microsoft). In a dispute involving \$25,000 USD or less, any hearing will be telephonic unless the arbitrator finds good cause to hold an in-person hearing instead. Any in-person hearing will take place in your county of residence (or if a business, your principal place of business) or our principal place of business—King County, Washington if your dispute is with Microsoft. You choose. The arbitrator may award the same damages to you individually as a court could. The arbitrator may award declaratory or injunctive relief only to you individually to satisfy your

individual claim.

e. Arbitration fees and payments.

- (i) Disputes involving \$75,000 USD or less. The manufacturer or installer (or Microsoft if your dispute is with Microsoft) will promptly reimburse your filing fees and pay the AAA's and arbitrator's fees and expenses. If you reject our last written settlement offer made before the arbitrator was appointed, your dispute goes all the way to an arbitrator's decision (called an "award"), and the arbitrator awards you more than this last written offer, the manufacturer or installer (or Microsoft if your dispute is with Microsoft) will: (1) pay the greater of the award or \$1,000 USD; (2) pay your reasonable attorney's fees, if any; and (3) reimburse any expenses (including expert witness fees and costs) that your attorney reasonably accrues for investigating, preparing, and pursuing your claim in arbitration. The arbitrator will determine the amounts unless you and we agree on them.
- (ii) **Disputes involving more than \$75,000 USD.** The AAA rules will govern payment of filing fees and the AAA's and arbitrator's fees and expenses.
- (iii) Disputes involving any amount. If you start an arbitration, we won't seek our AAA or arbitrator's fees and expenses, or your filing fees we reimbursed, unless the arbitrator finds the arbitration frivolous or brought for an improper purpose. If we start an arbitration we will pay all filing, AAA, and arbitrator's fees and expenses. We won't seek our attorney's fees or expenses from you in any arbitration. Fees and expenses are not counted in determining how much a dispute involves.
- f. Must file within one year. You and we must file in small claims court or arbitration any claim or dispute (except intellectual property disputes see Section 8.a.) within one year from when it first could be filed. Otherwise, it's permanently barred.
- **g. Severability**. If the class action waiver is found to be illegal or unenforceable as to all or some parts of a dispute, those parts won't be arbitrated but will proceed in court, with the rest proceeding in arbitration. If any other provision of Section 8 is found to be illegal or unenforceable, that provision will be severed but the rest of Section 8 still applies.
- **h. Conflict with AAA rules.** This agreement governs if it conflicts with the AAA's Commercial Arbitration Rules or Consumer Arbitration Rules.
- i. Microsoft as party or third-party beneficiary. If Microsoft is the device manufacturer or if you acquired the software from a retailer, Microsoft is a party to this agreement. Otherwise, Microsoft is not a party but is a third-party beneficiary of your agreement with the manufacturer or installer to resolve disputes through informal negotiation and arbitration.
- **9. Governing Law.** The laws of the state or country where you live (or, if a business, where your principal place of business is located) govern all claims and disputes concerning the software, its price, or this agreement, including breach of contract claims and claims under state consumer protection laws, unfair competition laws, implied warranty laws, for unjust enrichment, and in tort, regardless of conflict of law principles. In the United States, the FAA governs all provisions relating to arbitration.
- **10. Consumer Rights, Regional Variations.** This agreement describes certain legal rights. You may have other rights, including consumer rights, under the laws of your state or country. You may also have rights with respect to the party from which you acquired the software. This agreement does not change those other rights if the laws of your state or country do not permit it to do so. For example, if you acquired the software in one of the below regions, or mandatory country law applies, then the following provisions apply to you:
 - a. Australia. References to "Limited Warranty" are references to the express warranty provided by Microsoft or the manufacturer or installer. This warranty is given in addition to other rights and remedies you may have under law, including your rights and remedies in accordance with the statutory guarantees under the Australian Consumer Law.

In this subsection, "goods" refers to the software for which Microsoft or the manufacturer or installer provides the express warranty. Our goods come with guarantees that cannot be excluded under the

Australian Consumer Law. You are entitled to a replacement or refund for a major failure and compensation for any other reasonably foreseeable loss or damage. You are also entitled to have the goods repaired or replaced if the goods fail to be of acceptable quality and the failure does not amount to a major failure.

b. Canada. You may stop receiving updates on your device by turning off Internet access. If and when you reconnect to the Internet, the software will resume checking for and installing updates.

c. Germany and Austria.

- (i) **Warranty.** The properly licensed software will perform substantially as described in any Microsoft materials that accompany the software. However, the manufacturer or installer, and Microsoft, give no contractual guarantee in relation to the licensed software.
- (ii) Limitation of Liability. In case of intentional conduct, gross negligence, claims based on the Product Liability Act, as well as, in case of death or personal or physical injury, the manufacturer or installer, or Microsoft is liable according to the statutory law.

Subject to the preceding sentence, the manufacturer or installer, or Microsoft will only be liable for slight negligence if the manufacturer or installer or Microsoft is in breach of such material contractual obligations, the fulfillment of which facilitate the due performance of this agreement, the breach of which would endanger the purpose of this agreement and the compliance with which a party may constantly trust in (so-called "cardinal obligations"). In other cases of slight negligence, the manufacturer or installer or Microsoft will not be liable for slight negligence.

d. Other regions. See https://go.microsoft.com/fwlink/?LinkId=534978 for a current list of regional variations

11. Additional Notices.

- a. Networks, data and Internet usage. Some features of the software and services accessed through the software may require your device to access the Internet. Your access and usage (including charges) may be subject to the terms of your cellular or internet provider agreement. Certain features of the software may help you access the Internet more efficiently, but the software's usage calculations may be different from your service provider's measurements. You are always responsible for (i) understanding and complying with the terms of your own plans and agreements, and (ii) any issues arising from using or accessing networks, including public/open networks. You may use the software to connect to networks, and to share access information about those networks, only if you have permission to do so.
- **b. H.264/AVC and MPEG-4 visual standards and VC-1 video standards.** The software may include H.264/MPEG-4 AVC and/or VC-1 decoding technology. MPEG LA, L.L.C. requires this notice:

THIS PRODUCT IS LICENSED UNDER THE AVC, THE VC-1, AND THE MPEG-4 PART 2 VISUAL PATENT PORTFOLIO LICENSES FOR THE PERSONAL AND NON-COMMERCIAL USE OF A CONSUMER TO (i) ENCODE VIDEO IN COMPLIANCE WITH THE ABOVE STANDARDS ("VIDEO STANDARDS") AND/OR (ii) DECODE AVC, VC-1, AND MPEG-4 PART 2 VIDEO THAT WAS ENCODED BY A CONSUMER ENGAGED IN A PERSONAL AND NON-COMMERCIAL ACTIVITY AND/OR WAS OBTAINED FROM A VIDEO PROVIDER LICENSED TO PROVIDE SUCH VIDEO. NO LICENSE IS GRANTED OR SHALL BE IMPLIED FOR ANY OTHER USE. ADDITIONAL INFORMATION MAY BE OBTAINED FROM MPEG LA, L.L.C. SEE WWW.MPEGLA.COM

- c. Malware protection. Microsoft cares about protecting your device from malware. The software will turn on malware protection if other protection is not installed or has expired. To do so, other antimalware software will be disabled or may have to be removed.
- 12. Entire Agreement. This agreement (together with the printed paper license terms or other terms accompanying any software supplements, updates, and services that are provided by the manufacturer or installer, or Microsoft, and that you use), and the terms contained in web links listed in this agreement, are the entire agreement for the software and any such supplements, updates, and services (unless the manufacturer or installer, or Microsoft, provides other terms with such supplements, updates, or services). You can review this agreement after your software is running by going to https://aka.ms/useterms.orgoing to Settings System About within the software.

You can also review the terms at any of the links in this agreement by typing the URLs into a browser address bar, and you agree to do so. You agree that you will read the terms before using the software or services, including any linked terms. You understand that by using the software and services, you ratify this agreement and the linked terms. There are also informational links in this agreement. The links containing notices and binding terms are:

- Windows Privacy Statement https://aka.ms/privacy
- Microsoft Services Agreement https://aka.ms/msa

NO WARRANTY

THE SOFTWARE ON YOUR DEVICE (INCLUDING THE APPS) IS LICENSED "AS IS." TO THE MAXIMUM EXTENT PERMITTED BY YOUR LOCAL LAWS, YOU BEAR THE ENTIRE RISK AS TO THE SOFTWARE'S QUALITY AND PERFORMANCE. SHOULD IT PROVE DEFECTIVE, YOU ASSUME THE ENTIRE COST OF ALL SERVICING OR REPAIR. NEITHER THE DEVICE MANUFACTURER NOR MICROSOFT GIVES ANY EXPRESS WARRANTIES, GUARANTEES, OR CONDITIONS FOR THE SOFTWARE. TO THE EXTENT PERMITTED UNDER YOUR LOCAL LAWS, THE MANUFACTURER AND MICROSOFT EXCLUDE ALL IMPLIED WARRANTIES AND CONDITIONS, INCLUDING THOSE OF MERCHANTABILITY, QUALITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT. YOU MAY HAVE ADDITIONAL CONSUMER RIGHTS OR STATUTORY GUARANTEES UNDER LOCAL LAWS THAT THESE TERMS CANNOT CHANGE.

IF YOUR LOCAL LAWS IMPOSE A WARRANTY, GUARANTEE, OR CONDITION EVEN THOUGH THIS AGREEMENT DOES NOT, ITS TERM IS LIMITED TO 90 DAYS FROM WHEN THE FIRST USER ACQUIRES THE SOFTWARE. IF THE MANUFACTURER OR MICROSOFT BREACHES SUCH A WARRANTY, GUARANTEE, OR CONDITION, YOUR SOLE REMEDY, AT THE MANUFACTURER'S OR MICROSOFT'S ELECTION, IS (I) REPAIR OR REPLACEMENT OF THE SOFTWARE AT NO CHARGE, OR (II) RETURN OF THE SOFTWARE (OR AT ITS ELECTION THE DEVICE ON WHICH THE SOFTWARE WAS INSTALLED) FOR A REFUND OF THE AMOUNT PAID, IF ANY. THESE ARE YOUR ONLY REMEDIES FOR BREACH OF A WARRANTY, GUARANTEE, OR CONDITION YOUR LOCAL LAWS IMPOSE.

TO THE EXTENT NOT PROHIBITED BY YOUR LOCAL LAWS, IF YOU HAVE ANY BASIS FOR RECOVERING DAMAGES, YOU CAN RECOVER FROM THE MANUFACTURER OR MICROSOFT ONLY DIRECT DAMAGES UP TO THE AMOUNT YOU PAID FOR THE SOFTWARE (OR UP TO \$50 USD IF YOU ACQUIRED THE SOFTWARE FOR NO CHARGE). YOU WILL NOT, AND WAIVE ANY RIGHT TO, SEEK TO RECOVER ANY OTHER DAMAGES OR REMEDY, INCLUDING LOST PROFITS AND DIRECT, CONSEQUENTIAL, SPECIAL, INDIRECT, OR INCIDENTAL DAMAGES, UNDER ANY PART OF THIS AGREEMENT OR UNDER ANY THEORY. THIS LIMITATION APPLIES TO (I) ANYTHING RELATED TO THIS AGREEMENT, THE SOFTWARE (INCLUDING THE APPS), THE DEVICE, SERVICES, CORRUPTION OR LOSS OF DATA, FAILURE TO TRANSMIT OR RECEIVE DATA, CONTENT (INCLUDING CODE) ON THIRD PARTY INTERNET SITES OR THIRD PARTY PROGRAMS, AND (II) CLAIMS FOR BREACH OF CONTRACT, WARRANTY, GUARANTEE, OR CONDITION; STRICT LIABILITY, NEGLIGENCE, OR OTHER TORT; VIOLATION OF A STATUTE OR REGULATION; UNJUST ENRICHMENT; OR UNDER ANY OTHER THEORY.

THE DAMAGE EXCLUSIONS AND REMEDY LIMITATIONS IN THIS AGREEMENT APPLY EVEN IF YOU HAVE NO REMEDY (THE SOFTWARE IS LICENSED "AS IS"), IF REPAIR, REPLACEMENT, OR A REFUND (IF REQUIRED BY YOUR LOCAL LAW) DOES NOT FULLY COMPENSATE YOU FOR ANY LOSSES, IF THE MANUFACTURER OR MICROSOFT KNEW OR SHOULD HAVE KNOWN ABOUT THE POSSIBILITY OF THE DAMAGES, OR IF THE REMEDY FAILS OF ITS ESSENTIAL PURPOSE.

Check with your device manufacturer to determine if your device is covered by a warranty.