

PRECISION OS MASTER SUBSCRIPTION AGREEMENT

THIS MASTER SUBSCRIPTION AGREEMENT GOVERNS CUSTOMER'S ACQUISITION AND USE OF THE LICENSED SOFTWARE AD, IF APPLICABLE, THE VR KITS. CAPITALIZED TERMS HAVE THE DEFINITIONS SET FORTH HEREIN.

IF CUSTOMER REGISTERS FOR A FREE TRIAL OR FOR FREE SERVICES, THE APPLICABLE PROVISIONS OF THIS AGREEMENT WILL ALSO GOVERN THAT FREE TRIAL OR THOSE FREE SERVICES.

BY ACCEPTING THIS AGREEMENT, BY (1) CLICKING A BOX INDICATING ACCEPTANCE, (2) EXECUTING AN ORDER FORM THAT REFERENCES THIS AGREEMENT, OR (3) USING FREE SERVICES, CUSTOMER AGREES TO THE TERMS OF THIS AGREEMENT. IF THE INDIVIDUAL ACCEPTING THIS AGREEMENT IS ACCEPTING ON BEHALF OF A COMPANY OR OTHER LEGAL ENTITY, SUCH INDIVIDUAL REPRESENTS THAT THEY HAVE THE AUTHORITY TO BIND SUCH ENTITY AND ITS AFFILIATES TO THESE TERMS AND CONDITIONS, IN WHICH CASE THE TERM "CUSTOMER" SHALL REFER TO SUCH ENTITY AND ITS AFFILIATES. IF THE INDIVIDUAL ACCEPTING THIS AGREEMENT DOES NOT HAVE SUCH AUTHORITY, OR DOES NOT AGREE WITH THESE TERMS AND CONDITIONS, SUCH INDIVIDUAL MUST NOT ACCEPT THIS AGREEMENT AND MAY NOT USE THE SERVICES.

The Services may not be accessed for purposes of monitoring their availability, performance or functionality, or for any other benchmarking or competitive purposes.

Precision's direct competitors are prohibited from accessing the Services, except with Precision's prior written consent.

This Agreement was last updated on [DATE]. It is effective between Customer and Precision as of the date of Customer's accepting this Agreement.

1. Definitions.

"Affiliate" means any entity that directly or indirectly controls, is controlled by, or is under common control with the subject entity. "Control," for purposes of this definition, means direct or indirect ownership or control of more than 50% of the voting interests of the subject entity.

"Agreement" means this Master Subscription Agreement.

"Confidential Information": All information designated in writing as confidential by each party, or which under the circumstances of disclosure reasonably ought to be considered as confidential. Without limiting the foregoing, Precision's Confidential Information shall also include the Licensed Software, Documentation, Collected Data, Usage Data, and the terms and pricing under this Agreement.

"Customer" means in the case of an individual accepting this Agreement on his or her own behalf, such individual, or in the case of an individual accepting this Agreement on behalf of a company or other legal entity, the company or other legal entity for which such individual is accepting this Agreement, and Affiliates of that company or entity (for so long as they remain Affiliates) which have entered into Order Forms.

"Documentation": The technical publications prepared and delivered by Precision to Customer relating to the operation by Users of the Licensed Software and VR Kits, such as reference, user, installation, systems administrator and technical guides, and release notes.

"Fees": The fees as specified on the Order Form(s), which are typically for the number of Subscriptions purchased by Customer, as such fees may be varied in accordance with this Agreement.

"EULA" means Precision's end user license agreement set out at https://www.precisionostech.com/wp-content/uploads/2020/10/TermsOfUse_EULA.pdf.

"Licensed Software": The computer software programs listed on the Order Form, and any other computer programs provided by Precision (including any Updates and Upgrades) to Customer under the terms of the applicable Order.

“Precision” means PrecisionOS Technology Inc., a Canadian corporation with offices at 319 West Hastings St., Suite 500, Vancouver, BC V6B 1H6 Canada

“**Subscription**”: Use of the Licensed Software on a single VR Kit for the Subscription Period.

“**Subscription Period**”: The period during which Customer is permitted to use the Licensed Software on the VR Kits as specified on the Order Form, including any renewal Subscription Periods.

“**Support Services**”: The technical support services provided by Precision in respect of the Licensed Software and VR Kits set out at <https://www.precisionostech.com/wp-content/uploads/2020/10/Support-Services.pdf>.

“**Third Party Software**”: Any software embedded in or delivered with the Licensed Software or VR Kits which is owned or licensed to Precision by a third party;

“**Updates**”: Periodically released versions of the Licensed Software and Documentation, which include updates, modifications, and corrections to the Licensed Software and Documentation.

“**Upgrades**”: Periodically released versions of the Licensed Software and Documentation which include significant function and feature enhancements to the Licensed Software and Documentation.

“**User(s)**”: Any individual who Customer permits to use the VR Kits embedded with Licensed Software. Users may include, but are not limited to, employees, consultants, contractors, agents, representatives, researchers, physicians, residents, students, customers, and third parties who Customer permits to use the VR Kits embedded with Licensed Software.

“**VR Kit**”: Third party manufactured head set and controller equipment for use with embedded Licensed Software and comprising an integrated part of the virtual reality solution which may be supplied by Precision where agreed under the applicable Order Form.

Other terms may be defined elsewhere in the text of this Agreement and will have such meaning throughout this Agreement.

2. License Grant.

(a) Subject to the terms of this Agreement, Precision grants to Customer a non-exclusive and non-transferable license during the Subscription Period to: (i) use the Licensed Software on the VR Kits for the number of Subscriptions listed on the Order Form; and (ii) use the Documentation in conjunction with the use of the Licensed Software. The license is specifically limited to the number of Subscriptions listed on the Order Form and to Customer’s use of such Licensed Software on VR Kits supplied by Precision or obtained directly by Customer from the manufacturer. This license shall be a license to use the machine-readable object code only, excluding any source code.

(b) In relation to Users: (i) Precision may require that each User accepts a “click through” or other form of User terms and conditions prior to use of the Software (“**EULA**”); and (ii) Customer is responsible for all activities of Users and for Users’ compliance with this Agreement.

(c) At a time implemented by Precision, the Licensed Software shall be controlled by license keys that Precision may operate to switch off access to the Licensed Software at the end of the Subscription Period or expiry of the permitted use, whichever is the earlier.

(d) Subject to the terms of this Agreement, Precision may supply VR Kits to Customer or Customer may obtain VR Kits directly from the manufacturer. Any replacement for lost or damaged VR Kits or refresh of the VR Kits to later models shall be at Customer’s Cost. THE VR KITS ARE THIRD PARTY HARDWARE PROVIDED BY PRECISION “AS IS” AND PRECISION EXPRESSLY EXCLUDES AND DISCLAIMS ALL REPRESENTATIONS, WARRANTIES, OR CONDITIONS OF ANY KIND, WHETHER EXPRESS, IMPLIED OR STATUTORY.

(e) The Licensed Software is only permitted to be used on the VR Kits. Without limiting any other provision of this Agreement, Customer shall not have the right to install, copy, or port the Licensed Software onto any hardware other than the VR Kits. Similarly, Customer shall not install or upload any software on the VR Kits in addition to the Licensed Software and Third Party Software (if any) supplied or installed by Precision.

(f) Customer shall be allowed to make reasonable copies of the Documentation for Users. Such authorized copies of the Documentation shall retain all copyright notices or proprietary markings specified thereon.

(g) If a separate license agreement for an item of third party software is delivered to Customer or referenced in any material that is included in the download or distribution package for the Licensed Software or VR Kits, then such Third Party Software shall govern Customer's use of that item or version of such Third Party Software. Customer's right to use any Third Party Software, third party data or other third party content provided by Precision with the Licensed Software or VR Kits shall be limited to the use necessary to operate the Licensed Software or VR Kits as permitted by this Agreement. THIRD PARTY SOFTWARE IS PROVIDED BY PRECISION "AS IS" AND PRECISION EXPRESSLY EXCLUDES AND DISCLAIMS ALL REPRESENTATIONS, WARRANTIES, OR CONDITIONS OF ANY KIND, WHETHER EXPRESS, IMPLIED OR STATUTORY.

(h) Customer may from time to time provide to Precision reasonable feedback with respect to Customer's usage of the Licensed Software, including without limitation information on usability and evaluation of the Licensed Software and Documentation ("**Feedback**"). Customer agrees that any such Feedback, as well as any other know-how, developments, improvements, or data concerning the Licensed Software that Customer may suggest or provide to Precision (collectively, "**Improvements**") will be the sole property of Precision and may be used by Precision for any purposes Precision sees fit.

3. Delivery; Set-Up.

(a) Title to VR Kits ordered under any Order Form(s) and supplied by Precision (for clarity, excluding any Licensed Software installed on such VR Kits), and risk of damage, loss or destruction of the VR Kits and Licensed Software delivered by Precision passes from Precision to Customer Ex Works (Incoterms 2010) Precision's (or its supplier's) shipping depot. If any portion of the purchase price for VR Kits supplied by Precision then remains unpaid, Precision shall have a purchase money security interest to secure payment for the VR Kits.

(b) Precision shall provide, at no additional cost, reasonable assistance to Customer to set-up the Licensed Software and VR Kits for use by Users. Such assistance shall be provided by Precision remotely (via phone and email). If on-site assistance is required, it may be provided by Precision for additional Fees and reimbursement of travel and accommodation services as specified on a separate Addendum.

4. Payment; Taxes.

(a) Customer shall pay Precision the Fees and any other amounts as specified on the Order Form(s) plus all shipping and freight charges in connection with delivery of any Licensed Software and VR Kits supplied by Precision. If Customer desires to purchase additional Subscriptions or VR Kits from Precision, Customer may do so by way of additional Order Form(s) according to Precision's then current pricing policies. The Subscription Period for each of any additional Subscriptions added during the applicable Subscription Period shall commence on the date that additional Subscription comes into force. The number of Subscriptions purchased cannot be decreased during the relevant Subscription Period.

(b) Fees for the initial Subscription Period and each renewal Subscription Period(s) are due and payable in advance for the full initial Subscription Period or renewal Subscription Period (as applicable). Precision shall invoice Customer for the Fees for the initial Subscription Period on execution on the Order Form, and thereafter for each subsequent renewal Subscription Period on or before renewal pursuant to Section 11(a). Precision reserves the right to vary the Fees for a renewal Subscription Period by providing written notice to Customer of the new Fees not less than 45 days before the commencement of the applicable renewal Subscription Period.

(c) Customer shall, besides other amounts payable under this Agreement, pay all local, state, provincial, federal, national, use, excise, sales, and value added taxes ("**Taxes**") (except for taxes imposed on Precision's income generally), as well as customs duties or tariffs, levied or imposed by reason of the transactions contemplated in this Agreement, including any new Taxes introduced during the Subscription Period. Concurrently with payment of all amounts hereunder, Customer shall remit to Precision all Taxes due. If any Taxes are required to be withheld, then Customer shall pay Precision an amount such that the net amount after withholding of such Taxes shall equal the amount that would have been otherwise payable under this Agreement.

(d) Any amounts payable by Customer which are not paid within thirty (30) days after they are due shall bear interest at a rate of 1.5% per month (equivalent to 18% per annum) from the due date until such amount is paid, both before and after judgment.

5. Technical Support; Additional Services.

(a) In consideration of the payment of the Subscription Fees, Precision will provide Support Services to Customer for the term of this Agreement, subject to this Agreement and the terms set out in **Error! Reference source not found.**

(b) If Customer requires Support Services to be provided at the local times at any sites outside of North America, such extended hours support may be purchased for the Fees and on the terms specified on a separate Addendum.

(c) Precision may make available to Customer various analytic reports concerning data analytics or usage metrics for the Licensed Software and VR Kits ("**Analytics Reports**") as may be offered by Precision from time to time and specified on a separate Addendum. Analytics Reports shall remain the sole property of Precision. Analytics Reports are a value-added service, and the Fees and payment terms for any such Analytics Reports will be specified on the applicable Addendum.

(d) In consideration of the payment of the Customization Fee, Precision will customize the Licensed Software as set out in Schedule 2, subject to this Agreement and any terms set out in Schedule 2. All customization of the Licensed Software performed in consideration of the Customization Fee will be deemed to comprise part of the Licensed Software and will be subject to the terms of this Agreement.

(e) Customer may engage Precision to perform other consulting services which are mutually agreed by the parties and specified on any separate Addendum. The Fees and payment terms for any such services will be specified on the applicable Addendum.

6. Updates and Upgrades.

(a) Precision will provide to Customer, without additional charge, all commercially released Updates (for clarity, excluding Upgrades) including over-the-air Updates. Precision shall determine, in its sole discretion, whether or not a given commercial release constitutes an Update or Upgrade.

(b) Precision in its sole discretion may elect to separately price and market Upgrades.

(c) All Updates and Upgrades will be deemed to comprise part of the Licensed Software and will be subject to the terms of this Agreement.

7. Ownership; Restrictions.

(a) All right, title and interest in and to the Licensed Software and Documentation, and all copyrights, patents, trademarks, service marks or other intellectual property or proprietary rights relating thereto, belong exclusively to Precision or its suppliers. Customer acknowledges that, except as specifically provided under this Agreement, no such right, title or interest in these items is granted.

(b) Customer and Users shall not (i) copy (except as expressly permitted by this Agreement), modify, create derivative works from, adapt, translate, merge, unlock, decompile, disassemble, reverse engineer, or attempt to decode the object code of the Licensed Software; (ii) distribute, transfer possession of, or otherwise make available the Licensed Software or Documentation to any third party, (iii) use the Licensed Software for the purposes of commercial timesharing, service bureau or other rental or sharing arrangements; or (iv) access or use the Licensed Software or Documentation in order to build a competitive product or service copy any ideas, features, functions or graphics of the Licensed Software.

(c) Customer shall not remove or destroy any copyright notices or proprietary markings contained on or in the Licensed Software or Documentation.

(d) As between Customer and Precision, Customer owns and retains ownership of all data uploaded to the Licensed Software by or on behalf of Customer or its Users, ("**Collected Data**"). Without limiting the foregoing, Precision may use the Collected Data to generate Usage Data (as defined below). "**Usage Data**" means information, data and reports derived from or compiled through the Licensed Software, provided such Usage Data has been anonymized and de-identified with the effect that there is no personal information contained in the Usage Data and the Usage Data does not identify Customer or its Users. Precision shall have the right to collect the Collected Data and Usage Data through automated communications from the Licensed Software, and Customer shall ensure that its network shall be configured in a manner that does not prevent such communication. Usage Data will be the sole property of Precision. Customer expressly understands and agrees that Precision may develop Usage Data without notice to Customer and Customer will have no claim to compensation for Precision's development or commercialization of Usage Data.

(e) Customer further agrees that Precision may process Customer Data, Customer's inputs, selections, actions, training and interactions in relation to Customer's use of the Licensed Software, to develop Precision's machine learning models, algorithms, learned elements, biases, attributes, and attribute transformations (the "**Learned Elements**"). Precision shall be the exclusive owner of all intellectual property rights in such Learned Elements and will be free to use Learned Elements to improve and enhance the License Software and for other development, diagnostic and corrective purposes in connection with the Licensed Software and other Company offerings, provided that the Usage and Learned Elements do not contain any Confidential Information of Customer or identify Customer or any personal information.

(f) To the extent Customer acquires any right, title or interest (if any) in or to any Learned Elements, Usage Data, or Improvements, Customer hereby assigns and will assign all such right, title and interest to Precision and agrees to execute and deliver any further documents and instruments as may be necessary to fully and effectually give effect to Precision's ownership of Learned Elements, Usage Data, and Improvements and to waive in favor of Precision, its successors, assigns and licensees any moral rights (if any) which any employee, contractor or agent of Customer may have therein.

8. Confidentiality.

(a) Each party will not use the Confidential Information of the other party for any purpose other than to exercise or perform its rights or obligations under this Agreement. Each party will only disclose Confidential Information of the other party to employees, contractors, agents, or representatives of the receiving party that have a need to know such information in connection with this Agreement and have agreed to protect such information in accordance with the terms hereof, or otherwise as permitted by this Agreement or with the consent of the other party. Each party agrees to use commercially reasonable efforts to prevent any unauthorized use or disclosure of the other party's Confidential Information. At a minimum, each party shall maintain at least the same procedures regarding the other party's Confidential Information that it maintains with respect to its own. The receiving party shall not acquire any interest in any Confidential Information received from the other party by reason of this Agreement. Nothing herein shall restrict a party's use or disclosure of its own Confidential Information. A party's Confidential Information shall not include any information which (i) is or becomes publicly available through no act or omission of the other party; (ii) is lawfully acquired by the other party from a third party without any breach of confidentiality; (iii) is independently developed without reference to the Confidential Information of the other party; or (iv) is disclosed in accordance with judicial or other governmental order or timely disclosure requirements imposed by law or stock exchange policies. Notwithstanding the foregoing, either party shall be permitted to disclose the terms and conditions of this Agreement in conjunction with due diligence or similar investigations by such third parties, and disclosure to potential third party investors in confidential financing documents, provided, in each case, that any such third party agrees to be bound by reasonable obligations of confidentiality and non-use.

(b) Both parties acknowledge that any use or disclosure of the other party's Confidential Information in a manner inconsistent with the provisions of this Agreement may cause the non-disclosing party irreparable damage for which remedies other than injunctive relief may be inadequate. Both parties further agree that the non-disclosing party shall be entitled to attempt to receive from a court of competent jurisdiction injunctive or other equitable relief to restrain such use or disclosure in addition to other appropriate remedies.

(c) Customer shall not disclose any benchmarking, or non-public feature-related information about the Licensed Software.

9. Warranty; Disclaimers.

(a) Precision warrants that the Licensed Software will perform substantially in accordance with the specifications set forth in the then current Documentation for a period of thirty (30) days (the "**Warranty Period**") from the date it is delivered.

(b) The entire liability of Precision and its suppliers, and Customer's sole and exclusive remedy for the breach of the warranty in Section 9(a) with respect to Licensed Software shall be the following: provided Customer provides written notice to Precision of such breach within the Warranty Period, Precision or its representatives shall, at their option, use commercially reasonable efforts to provide maintenance modifications or fixes with respect to any error in the Licensed Software, replace the Licensed Software or refund to Customer the amount it paid in Fees for the Licensed Software which gave rise to such claim. Precision, however, shall not be obligated to correct, cure or otherwise remedy any error or defect in the Licensed Software resulting from any (i) modification of the Licensed Software made by Customer or Users;

(ii) misuse or damage of the Licensed Software by Customer or Users; (iii) failure of Customer to notify Precision of the existence and nature of such nonconformity or defect promptly upon its discovery and within the Warranty Period; or (iv) use of the Licensed Software in an operating environment not compatible with the specifications in the Documentation.

(c) EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT, THE LICENSED SOFTWARE, VR KITS, SUPPORT SERVICES AND ANY OTHER ITEMS OR SERVICES PROVIDED HEREUNDER ARE PROVIDED "AS IS", AND PRECISION EXPRESSLY EXCLUDES AND DISCLAIMS ALL REPRESENTATIONS, WARRANTIES, OR CONDITIONS OF ANY KIND, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OR CONDITION OF MERCHANTABILITY, MERCHANTABILITY, DURABILITY, TITLE, NON-INFRINGEMENT OR FITNESS FOR A PARTICULAR PURPOSE. PRECISION DOES NOT WARRANT THAT: (I) THE LICENSED SOFTWARE AND VR KITS WILL MEET LICENSEE'S REQUIREMENTS; (II) THE LICENSED SOFTWARE AND VR KITS WILL OPERATE IN COMBINATION WITH OTHER HARDWARE, SOFTWARE, SYSTEMS OR DATA NOT PROVIDED OR APPROVED BY PRECISION WHICH LICENSEE MAY SELECT FOR USE; (III) THE OPERATION OF THE LICENSED SOFTWARE AND VR KITS WILL BE ACCURATE, COMPLETE, RELIABLE, UNINTERRUPTED OR ERROR-FREE; (IV) ALL ERRORS IN THE LICENSED SOFTWARE AND VR KITS WILL BE CORRECTED; OR (V) THE LICENSED SOFTWARE AND VR KITS WILL BE FREE FROM VIRUSES, WORMS, OR OTHER HARMFUL OR MALICIOUS COMPONENTS.

(d) THE LICENSED SOFTWARE AND VR KITS ARE PROVIDED FOR INFORMATIONAL PURPOSES ONLY, AND ARE NOT INTENDED TO BE AND SHOULD NOT BE USED FOR OR AS A SUBSTITUTE FOR PROFESSIONAL MEDICAL ADVICE, DIAGNOSIS, OR TREATMENT. PRECISION DOES NOT WARRANT OR REPRESENT THAT THE USE OF THE LICENSED SOFTWARE ON VR KITS IS APPROPRIATE OR SAFE FOR ANY PARTICULAR HEALTH NEEDS OR SUFFICIENT OR ADEQUATE TO PERFORM ANY PARTICULAR MEDICAL PROCEDURES.

(e) THIS AGREEMENT SPECIFICALLY EXCLUDES LIABILITY FOR DAMAGES OR LOSS DUE TO IMPROPER, ILLEGAL, UNAUTHORIZED, DECEITFUL, OR INCORRECT USE OF THE LICENSED SOFTWARE AND VR KITS, THE ENVIRONMENT IN WHICH THE LICENSED SOFTWARE AND VR KITS ARE USED, THE SAFETY PRECAUTIONS THAT ARE TAKEN TO AVOID ANY INJURY TO USERS OR OTHERS WHILE USING THE LICENSED SOFTWARE AND VR KITS (INCLUDING WITHOUT LIMITATION THE SUITABILITY OF THE USE ENVIRONMENT, ANY TAMPERING, DESTROYING, MANIPULATING, OR MEDDLING WITH THE LICENSED SOFTWARE OR VR KITS, ACTS OF GOD, OR OTHER CIRCUMSTANCES OUTSIDE THE CONTROL OF PRECISION). IT IS THE SOLE RESPONSIBILITY OF CUSTOMER TO ENSURE THAT ALL APPROPRIATE STEPS ARE TAKEN TO ENSURE THE SAFETY OF USERS AND OTHERS WHEN THE LICENSED SOFTWARE VR KITS ARE IN USE, INCLUDING WITHOUT LIMITATION ENSURING APPROPRIATE TRAINING, ENVIRONMENT AND ANY OTHER CONSIDERATIONS THAT MAY BE REQUIRED.

(f) Customer acknowledges that the Licensed Software and VR Kits are not fault-tolerant and are not designed, manufactured or intended for use in or in conjunction with on-line control equipment in hazardous environments requiring fail-safe performance, such as in the operation of nuclear facilities, aircraft navigation or communications systems, air traffic control, or direct life support machines. Precision, its affiliates, suppliers, subcontractors and distributors specifically disclaim any express or implied representations, warranties or conditions for such uses.

10. Limitations of Liability.

(a) IN NO EVENT WILL PRECISION OR ITS SUPPLIERS BE LIABLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES, LOSS OF PROFITS, FAILURE TO REALIZE EXPECTED SAVINGS, COSTS OF PROCUREMENT, OR PUNITIVE OR EXEMPLARY DAMAGES, THIRD PARTY CLAIMS, PERSONAL INJURY (INCLUDING PHYSICAL, MENTAL OR PSYCHOLOGICAL INJURY OR DISABILITY OR DEATH), WRONGFUL DEATH, LOSS OF PRIVACY, OR DAMAGE TO TANGIBLE OR REAL PROPERTY, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR WITH RESPECT TO OR RELATING TO THE USE OR OPERATION OF THE LICENSED SOFTWARE, VR KITS, SUPPORT SERVICES, AND ANY OTHER ITEMS OR SERVICES PROVIDED HEREUNDER, EVEN IF PRECISION OR ITS SUPPLIERS HAVE BEEN APPRISED OF THE POSSIBILITY OF SUCH DAMAGES.

(b) Customer agrees that the aggregate liability on the part of Precision and its suppliers arising out of or related to this Agreement or with respect to the use or operation the Licensed Software, VR Kits, Support Services, and any other items or services provided hereunder shall not exceed the greater of (i) the Fees paid by Customer for the previous twelve (12) months; and (ii) \$1,000.

(c) THE LIMITATIONS OF THIS SECTION 10 SHALL APPLY TO ALL CAUSES OF ACTION, WHETHER BASED ON BREACH OF WARRANTY, BREACH OF CONDITION, BREACH OF CONTRACT, FUNDAMENTAL BREACH OR BREACHES, NEGLIGENCE, OTHER TORT CLAIMS, STRICT LIABILITY OR ANY OTHER LEGAL OR EQUITABLE THEORY.

11. Term, Default and Termination.

(a) The term of this Agreement shall commence upon the Effective Date and shall continue for so long as Customer has valid Subscriptions, subject to earlier termination as provided in this Agreement.

(b) The initial Subscription Period shall commence on the date set out in the applicable Order Form and shall run for the period specified on the Order Form. The Subscription Period shall thereafter be automatically renewed for successive Subscription Periods each of equal duration to the initial Subscription Period unless either party gives the other notice of nonrenewal at least 30 days prior to the end of the initial or any successive Subscription Period.

(c) Precision may terminate this Agreement by written notice to Customer if Customer breaches any of Sections 2(a), 2(e), or 7(b), effective from the date of written notice.

(d) In the event either party defaults in any material obligation in this Agreement, the other party shall give written notice of such default, and, if the party in default has not cured the default within thirty (30) days after the notice (or five (5) days notice if supplied on a proof of concept or trial basis), the other party shall have the right to terminate this Agreement. Customer's failure to pay all amounts due under this Agreement shall constitute a default of its material obligations.

(e) Either party may terminate this Agreement immediately upon the occurrence of any of the following events with respect to the other party: (i) a receiver is appointed for such party or its material assets; (ii) such party becomes insolvent, generally unable to pay its debts as they become due, makes an assignment for the benefit of its creditors or seeks relief under any bankruptcy, insolvency or debtor's relief law; (iii) if proceedings are commenced against such party under any bankruptcy, insolvency or debtor's relief law, and such proceedings have not been vacated or set aside within sixty (60) days from the date of commencement thereof; or (iv) if such party is liquidated or dissolved or otherwise permanently ceases to do business.

(f) Upon termination of this Agreement, regardless of the cause, the licenses granted under this Agreement are immediately revoked. Within ten (10) business days after the termination of this Agreement, (i) each party shall return the Confidential Information of the other party to the other party, (ii) without limiting the foregoing, Customer shall, at Precision's direction, return to Precision or destroy all copies of the Licensed Software and Documentation in Customer's possession, and (iii) each party will deliver a certificate of an officer of that party certifying that the same has been completed. Customer shall continue to be obligated for any payments due as of the date of termination. Termination of the Agreement shall be in addition to, and not in lieu of, any other remedies available to either party.

(g) Neither expiration nor any termination of this Agreement shall relieve either Party of any obligation or liability accruing prior to such expiration or termination. In addition, such terms as by their nature would reasonably be expected to remain in force shall survive expiration or termination of this Agreement.

12. Indemnities.

(a) Precision, at its own expense, will indemnify, defend, and hold harmless Customer against any claim or award of costs and damages brought against Customer to the extent that it is based on a claim that the Licensed Software or Documentation used within the scope of this Agreement infringes any copyright, Canadian or United States patent, or trade secret of a third party, provided that Precision is promptly notified in writing of such claim. Precision shall have the right to control the defense of all such claims, lawsuits, and other proceedings. In no event shall Customer settle any such claim, lawsuit, or proceeding without Precision's prior written approval, and Precision shall have no liability for any settlement or compromise made without its consent. Precision shall have no liability for any claim under this Section if said infringement claim is based on the use of a superseded or altered version of the Licensed Software or Documentation or in the event such claim is based upon any modification or enhancement to the Licensed Software or Documentation made by Customer or Users. In the event a third party infringement claim is sustained in a final judgment from which no further appeal is taken or possible, or if Customer's use of the Licensed Software is enjoined by a court, or if Precision believes the Licensed Software and Documentation infringe the intellectual property rights of a third party, then Precision may, in its sole election and at its expense either: (i) procure for Customer the right to continue to use the Licensed Software and

Documentation pursuant to this Agreement; (ii) replace or modify the Licensed Software and Documentation to make it non-infringing, provided that such replacement or modification does not materially decrease the functionality of the Licensed Software or Documentation; or (iii) terminate this Agreement and refund to Customer the Subscription Fees for the period post-termination. Precision agrees to use option (iii) above only in the event that options (i) and (ii) are commercially impracticable. Precision shall have no other liability or obligation to Customer except as expressly set forth above. THIS SECTION 12(a) STATES THE ENTIRE LIABILITY OF LICENSOR AND ITS SUPPLIERS WITH RESPECT TO ANY CLAIM OF INFRINGEMENT OF THE INTELLECTUAL PROPERTY OR PROPRIETARY RIGHTS OF OTHERS. THIS SECTION 12(a) SHALL NOT APPLY DURING ANY FREE TRIAL PERIOD.

(b) Except as otherwise provided in Section 12(a), Customer hereby releases and will defend, indemnify and save harmless Precision and its employees, officers and directors (in this Section, the “**Indemnified Persons**”), and each of them, from and against all actions, proceedings, demands, claims, liabilities, losses, damages, judgments, costs and expenses including, without limiting the generality of the foregoing, reasonable legal fees and disbursements (together with all applicable taxes) which the Indemnified Persons or any of them may be liable to pay or may incur by reason of any claim made against the Indemnified Persons arising from Customer’s or its User’s use of the Licensed Software and VR Kits, including without limitation for any personal injury (including physical, mental or psychological injury or disability or death), wrongful death, loss of privacy, or damage to tangible or real property.

13. Miscellaneous.

(a) Customer agrees: (i) to issue a joint press release with Precision (“**Press Release**”) on a mutually agreed date within thirty (30) days of entering into this Agreement announcing that Customer has entered into an agreement to license the Licensed Software for use on VR Kits. Customer will have the right to review and approve the Press Release in advance; such approval shall not be unreasonably delayed or withheld.

(b) Customer hereby gives Precision limited permission to include and publish Customer’s name and logo on lists of Precision’s customers for the Licensed Software.

(c) Customer shall comply with applicable laws with regard to Customer’s use of the Licensed Software and VR Kits, including without limitation, all export laws and regulations.

(d) Each party acknowledges that it has read and understands this Agreement and further agrees that it (together with the EULA) is the complete and exclusive statement of the agreement between the parties which supersedes and merges all prior proposals, understandings, and all other agreements, oral and written, between the parties relating to the subject matter of this Agreement. This Agreement may not be modified or altered except by written instrument duly executed by both parties. The terms and conditions of any purchase order or other instrument issued by Customer in connection with this Agreement which are in addition to or inconsistent with the terms and conditions of this Agreement shall not be binding on Precision.

(e) Any notice or other communication required or permitted in this Agreement shall be in writing and shall be deemed to have been duly given on the day of delivery if sent by commercial courier or by e-mail transmission (provided the sender does not receive a message that the email has not been received or the recipient is “out of the office”), or seven (7) days after mailing if mailed by registered or certified mail, postage prepaid, and addressed to the respective parties at their respective corporate headquarters.

(f) This Agreement and performance under this Agreement shall be governed by the laws of the Province of British Columbia, Canada and the federal laws of Canada applicable therein, without regard to conflicts of law principles that would apply a different body of law. The *International Sale of Goods Act* of British Columbia and the United Nations Convention on Contracts for the International Sale of Goods will not apply in any way to this Agreement or to the transactions contemplated by this Agreement. The parties irrevocably submit to and accept generally and unconditionally the exclusive jurisdiction of the courts and appellate courts of British Columbia with respect to any legal action or proceeding which may be brought at any time relating in any way to this Agreement. Each party hereby waives any law which might provide for an alternative law or forum. Notwithstanding the foregoing, either party will have the right to apply to any court of competent jurisdiction for a temporary restraining order, a preliminary injunction or other equitable relief to preserve the status quo or prevent irreparable harm.

(g) If any provision of this Agreement is invalid under any applicable statute or rule of law, it is to that extent to be deemed omitted. The remainder of the Agreement shall be valid and enforceable to the maximum extent possible.

(h) Customer shall not, without the prior written consent of Precision, assign or transfer all or any of its rights or obligations under this Agreement. Precision may at any time, without Customer's consent, assign, transfer, charge, sub-contract or deal in any other manner with all or any of its rights or obligations under this Agreement.

(i) The waiver or failure of either party to exercise in any respect any right provided for in this Agreement shall not be deemed a waiver of any further right under this Agreement.

(j) Except as specifically provided in this Agreement, the remedies provided to the parties under this Agreement are cumulative and not exclusive to each other, and any such remedy will not be deemed or construed to affect any right which any of the parties is entitled to seek at law, in equity or by statute.

(k) Nothing in this Agreement shall be construed to create an agency, joint venture, partnership, or other relationship between the parties. No agent, employee, or representative of either party has the authority to bind the other party in any manner. The parties are independent contractors with respect to each other under this Agreement.

(l) Neither party shall be responsible for failure to perform in a timely manner under this Agreement when its failure results from any of the following causes; Acts of God or public enemies, civil war, insurrection or riot, fire, flood, explosion, earthquake or serious accident, strike, labor trouble or work interruption or any cause beyond its reasonable control. This section shall not apply to excuse any failure to make any payment when due.

(m) On Precision's request, no more frequently than annually, Customer shall furnish Precision with a signed certification (i) verifying that the Licensed Software and VR Kits are being used pursuant to the terms of this Agreement, including any Subscription limitations and (ii) listing the locations where the Licensed Software and VR Kits are being used. Customer agrees to permit Precision to audit the use of the Licensed Software and VR Kits and Customer's compliance with this Agreement. Any such audit may be conducted during regular business hours at Customer's facilities or by electronic or other commercially reasonable means, in Precision's sole discretion, and shall not unreasonably interfere with Customer's business activities. Any such audit shall be at Precision's expense, unless the audit reveals Customer's non-compliance with this Agreement, in which case Customer shall pay Precision's reasonable costs of conducting such audit.

(n) Subject to the restrictions on transfer contained in this Agreement, this Agreement will enure to the benefit of and be binding on the parties and their respective successors and permitted assigns.