

8.1 Warranty

- a. Supplier warrants to AT&T that the Device (excluding the internal battery) to be furnished hereunder will be new, merchantable, free from defects in design, material and workmanship, fit and sufficient for the purposes intended by AT&T's Customer, (as described in an Order or Statement of Work), and will strictly conform to and perform in accordance with applicable Specifications, drawings, models, samples and industry standards for a period of two years from the Incoterms Date. Supplier warrants to AT&T that the internal battery in the Device will be new, merchantable, free from defects in design, material and workmanship, fit and sufficient for the purposes intended by AT&T's Customer, (as set described in an Order or Statement of Work), and will strictly conform to and perform in accordance with applicable Specifications, and industry standards for a period of thirteen months from the Incoterms Date. Further, Supplier warrants that the Device, including the internal battery, shall be free from all Liens at the time of Delivery and Supplier conveys good title to Material sold, and that transfer of title to AT&T is rightful title. In addition, if Material comes subject to one or more warranties provided by third party manufacturers or vendors to Supplier ("OEM warranties"), then Supplier warrants that it has the authority to assign, and hereby assign, such OEM warranty to AT&T.
- b. **Optional Extended Battery Warranty.** Supplier shall offer AT&T an optional eleven month extension to the standard battery warranty. The optional warranty is at an additional cost which is described in Appendix C. Under the optional warranty Supplier shall replace at its own cost any battery that fails during the extended eleven month term. The extended battery warranty includes both a replacement battery and the labor required to remove the failed battery and install the new battery. All replacement batteries shall be new. The epidemic failure clause described below shall not apply to battery failures under the extended warranty.
- c. Supplier warrants to AT&T that any Services provided hereunder will be performed in a first-class, professional manner, in strict compliance with the Specifications, and with the care, skill, and diligence, and in accordance with industry standards. If Supplier fails to meet applicable industry standards, Supplier will, without additional compensation, promptly correct or revise any errors or deficiencies in the Services furnished hereunder.
- d. Supplier warrants that all Material provided to AT&T hereunder shall be tested prior to Delivery to ensure it is in strict compliance with the Specifications. Testing will include complete regression and interaction testing and load, unit, and integration testing when applicable.
- e. Supplier will defend, indemnify and hold AT&T harmless from and against all Loss proximately caused by its breach of these warranties, as provided in Section 10.2 entitled "Indemnity" and subject to the Section 10 entitled "Limitation of Damages".
- f. Supplier represents and warrants that:
 1. Supplier's compliance with the Laws specified in Section 7, above.
 2. For Material that Supplier represents as not containing encryption technology, but which comprises or contains dual-use items as defined by [EU] Regulation (EC) No. 428/2009 for EU member states and by the analogous regulations of other, non-EU countries: That, when Company places an Order or at any time on Company's request, Supplier will provide the Material classification information necessary for Company to implement the trade compliance controls that apply to the exportation of "dual-use items."
 3. For Material that contains encryption technology: That it has obtained the Permits to export that Material from its country of origin.

4. As of the date of delivery of the Material to the FTZ Kunshan, (i) Supplier will have up-to-date Permits, together with testing certificates, to confirm that the Material complies with Project Country Laws; and (ii) Material contains all applicable indelible marking required by Project Country Laws as evidence of Supplier's compliance with Homologation Laws.
 5. That (i) as of the date(s) on which title to and risk of loss in Material transfer from Supplier to Company, Material is, and bears the indelible markings that it is, free of hazardous substances prohibited by Law; (ii) Supplier has up-to-date certification and testing documentation to demonstrate compliance with Laws.
 6. That no person performing Services appears on a Consolidated Screening List.
 7. There are no actions, suits, or proceedings, pending or threatened, which will have a material adverse effect on Supplier's ability to fulfill its obligations under this Agreement;
 8. Supplier will immediately notify AT&T if, during the term of this Agreement, Supplier becomes aware of any action, suit or proceeding, pending or threatened, which may have a material adverse effect on Supplier's ability to fulfill the obligations under this Agreement or any Order;
 9. Supplier has all necessary skills, rights, financial resources and authority to enter into this Agreement and related Orders, including the authority to provide or license the Deliverables;
 10. The Deliverables shall not infringe any patent, copyright, trademark, trade secret or other intellectual property right. Moreover as of the Effective Date, no third party claim has been alleged against Supplier that any of the Deliverables provided hereunder infringes upon such third party's intellectual property rights;
 11. No consent, approval or withholding of objection is required from any entity, including any governmental authority, with respect to the entering into or the performance of this Agreement or any Order;
 12. That the Deliverables provided to AT&T hereunder do not contain (i) any vulnerability, including any condition in the instructions of the Software, whether consistent with its Specifications or not, that renders any System susceptible to unauthorized access and use, or (ii) any harmful code, including computer viruses, worms, trap doors, time bombs, undocumented passwords, disabling code (which renders the Deliverables unusable until a patch or new password is provided), or any similar mechanism or device; provided that enabling keys provided by Supplier to ensure conformance to product licensing restrictions shall be permitted so long as these enabling keys do not interfere with the proper use of the Deliverables at any time after initial installation;
 13. All representatives, including subcontractors, will strictly comply with the provisions specified in this Agreement and any Order; and,
 14. Supplier will strictly comply with the terms of this Agreement or any Order, including those specified in any Exhibits or Appendices thereto.
- g. If at any time during the warranty period for Deliverables AT&T or its Customer believes there is a breach of any warranty, AT&T will notify Supplier setting forth the nature of such claimed breach. Supplier shall promptly investigate such claimed breach and shall either (i) provide information satisfactory to AT&T that no breach of warranty in fact occurred or (ii) at no additional charge to AT&T, promptly take such action as may be required to correct such breach. If the required corrective action is to replace the material, re-perform the Services and/or repair the Material, and if Supplier fails or refuses to make such Material replacement, repairs and/or re-perform such Services, then, in addition to any other remedies, AT&T shall

have the right, at AT&T's option, either (1) to perform such Services and to repair such Material, at Supplier's expense; or (2) to receive a full refund of any amounts paid for such Material and Services.

Epidemic Failures

- a. Epidemic Failures and the required remedy are based on a shipped batch of Devices which shall not be less than the quantities of 2000 of either ECD or BTM. The Devices in each shipped batch will be identified by a lot number and have its own Epidemic Failure measurement.
- b. Any Embedded Cooler Radio Device failures from a single root cause that occur in more than three percent (3%) of Embedded Cooler Radio Devices with the same lot numbers in any three-month period within the Warranty Period will be considered an "Epidemic Failure."
- c. Any Bluetooth Beacon Device failures from a single root cause that occur in more than four percent (4%) of Bluetooth Beacon Devices with the same lot numbers in any three-month period within the Warranty Period will be considered an "Epidemic Failure."
- d. Supplier will initiate an action plan following notification from AT&T to Supplier that an Epidemic Failure has occurred ("Action Plan").
- e. The burden of proof for establishing that the Epidemic Failure is attributable to Supplier shall at all times remain with the AT&T Customer.
- f. In the event Supplier is found responsible for the Epidemic Failure, Supplier will:
 - (i) Replace the entire lot of Devices in which the Epidemic Failures have occurred regardless of the fact that some individual Devices have not failed.
 - (ii) Issue a full term Warranty under 8.1 (a) for the replacement Devices provided under this sub-section 8.2.
 - (iii) Be responsible for the cost of shipping replacement Devices (standard delivery). The replacement Devices must be provided to Customer(s) location as soon as possible and no later than sixty (60) days from the date an Epidemic Failure has been established by Customer. Customer commits to return malfunctioning Hardware at Supplier's expense to Supplier within thirty (30) days from receipt of replacement units.
 - (iv) Be responsible for the cost of installation of replacement Devices up to \$20.00 for each Embedded Cooler Radio Device.
 - (v) Be responsible for the cost of installation of replacement Devices up to \$4.00 for each Bluetooth Beacon Device.
- g. UNDER no circumstances will Supplier be responsible for:
 - (i) Lost tracking unit benefits (system down time);
 - (ii) Tracked asset relocation costs;
 - (iii) Costs related to reduced asset utilization.
- h. Special notes:
 - (iv) Any replacement Devices provided under this clause (Epidemic Failures) will be warranted for the longer of three (3) months or the remaining life of the original warranty on returned Devices.
 - (v) Supplier will at all times reasonably cooperate with Customer in analyzing any issues and helping to determine how to address same.
- i. Action Plan

- (i) The Action Plan is subject to following procedures:
- (ii) Supplier will develop a task force, within ten (10) business days of the reported Epidemic Failure, to help perform analysis and determine its root cause ("Task Force"). Technical representation from Customer will be included in the Task Force;
- (iii) Supplier will provide such resources as are reasonably required, including Supplier's technical staff, to perform an analysis and to develop a proposed course of action, which course of action will be documented in the Action Plan;
- (iv) The Task Force will propose objectives for the Action Plan as well as ways to measure its success;
- (v) The Task Force will document, in the Action Plan, a timetable during which those objectives should be met.
- (vi) A governance committee will be named to review and approve the Action Plan. This committee will be made up of representatives from both Customer and Supplier.
- j. The Task Force will within ten (10) business days analyze the problem and create an Action Plan and submit it to the Governance Committee for approval.
- k. Once the Governance Committee approves the Action Plan, the Task Force will implement it in accordance with the timetable set out in said Action Plan.

After the execution of the Action Plan, the Task Force will report back to the Governance Committee on the outcome of the Action Plan, indicating whether the implementation of the Action Plan met the Plan's agreed objectives.

Warranty Exclusions

- a. Supplier's warranty does not extend to defects that are caused by neglect, misuse or mistreatment by an entity other than Supplier, including improper installation or testing, or for any Materials or Services that have been altered, misused, abused, damaged, repaired, or modified in any way by an entity other than Supplier
- b. Supplier shall have no liability to AT&T or its customers or to any person for any loss or damage caused by improper installation of the Materials or Services by any third party, and the warranty as to installation shall be void in the event of such improper installation but only to the extent improper installation caused the defect that is the basis of a complaint. Notwithstanding the foregoing, other than a warranty for the adhesive tape, the planned installation of the Material and Services as prescribed by the Specifications issued by Supplier is an Intended Use entitled to Warranty.
- c. Supplier shall not be liable for any defects that result from the combination of such Materials or Services with accessories or devices not approved by Supplier as being compatible or reasonably to be anticipated to be used with the Devices. The Parties agree that batteries and SIM cards are not "accessories" or "devices" not approved by Supplier as being compatible. The Parties further agree that geo-mapping software and databases are not "accessories" or "devices" within the meaning of this Agreement, and that ordinary use of the Supplier Materials will involve combination with geo-mapping software and databases, none of which shall be subject to Supplier's approval. Notwithstanding the foregoing, the Parties hereto explicitly release Supplier from any and all warranty obligations hereunder with respect to the adhesive provided by Supplier or Subcontractor.

Supplier's Operational Obligations – Device Warranty

Supplier is obligated to address the following Warranty issues in regard to the Device:

- a. Device DOA before, at the time of installation or preparation for installation in the cooler.
- b. Devices that malfunction or otherwise fail to meet the Specifications upon installation in and operation of the coolers (“in field failures”).
- c. Creation in coordination with AT&T of Firmware updates either to correct errors or provide product updates.
- d. Creation in coordination with AT&T of Software updates either to correct errors or provide product updates.
- e. Supplier may satisfy the DOA return materials authorization obligation by providing AT&T at no cost, reserve Devices (at a quantity agreed to between the parties) that are to be used solely to replace DOA or malfunctioning devices. The reserve Devices are to be replenished by Supplier so as to permit a sufficient quantity to be available to fulfill the DOA or malfunctioning Device obligations.

All Devices replacing DOA Devices shall have a full term Warranty

Appendix T- Supplier's Warranty Service, Return Authorization Process and Policy

Customer Service Plan (Standard)

INTRODUCTION

Wistron NeWeb Corporation ("WNC") product return and replace/repair flow.

1. DEFINITIONS

- 1.1 "**CID**" shall mean Customer Induced Damage, including without limitation to:
 - 1.1.1 Defects incurred by abnormal usage, unallowable adjustments of devices or equipment.
 - 1.1.2 Defects arising out of virus, reversed polarity, software-related configuration errors or non-compatible software.
 - 1.1.3 Defects due to attempted repair by any third party without prior permission of WNC.
- 1.2 "**Defective Units**" shall mean the Product with defects upon design, workmanship, or material, which is attributable to WNC, found within warranty period.
- 1.3 "**DOA Products**" shall mean Dead On Arrival; the Products found defective due to design or manufacture problems within 15 days after Acceptance Test Period.
- 1.4 "**NTF**" shall mean No-Trouble-Found Products, which shall be returned with complete package and accessories subject to WNC standard criteria. NTF includes but is not limited to following events:
 - 1.4.1 The defect symptom of Customer's description cannot be observed after a serial of bench test and analysis.
 - 1.4.2 Unable to find any evidence of intermittence failure which attributable to oxidation, defective connections of electrical components, temporary shorts or opens in the circuits, software bugs, and any other with the similar causes.
- 1.5 "**OOW**" shall mean Out Of Warranty, the Products which warranty period has expired, and/or the product defect is not caused by WNC' manufacture workmanship or material.
- 1.6 "**Products**" shall mean the products manufactured by WNC and sold to Customer.
- 1.7 "**RMA Products**" shall mean Returned Merchandise Authorization, the Defective Units that are returned by Customer to WNC during the warranty period.
- 1.8 "**Service**" shall mean the product return and replace/repair flow provided by WNC to Customer hereunder.

2. WARRANTY

WNC's warranty period is 24 months from the Incoterms Date. WNC shall replace returned RMA Products during the warranty period.

This warranty covers Products built by WNC and does not cover any Products that have been modified, that has been repaired by anyone other than WNC, that has been subjected to CID, improper storage or maintenance, negligence, improper handling, accidental damage, excessive electrical current, and reversed polarity.

- 2.1 Products not covered by warranty:

- 2.1.1 Customer abuse: including but not limited to any parts missing or damaged due to improper installation/connections, external electrical fault, accidents, misuse (e.g. virus attack), abuse, neglect, improper storage or maintenance prior repair, alteration or improper packing by the Customer before returning the products.
- 2.1.2 Consumable parts: covering carton, PE bag, carry bag, foam (EPE, PU, or PE foam), label.
- 2.1.3 Manufacturer's serial number or related number and/or label has been altered, deleted, removed, or made illegible.
- 2.1.4 Warranty period expiration
- 2.1.5 Consigned parts

3. ACTIVITIES AND PROCESSES

Services shall be subject to the following activities and processes:

- 3.1 Supplier shall provide at FTZ Kunshan at the time of delivery of the Devices Ordered spare RMA Devices for each cooler manufacturer in an amount equal to five percent of the lot Order of Devices.
- 3.2 3.1 Supplier shall provide at FTZ Kunshan five hundred Devices to AT&T's Customer as in field failure replacements to be installed by Customer's field services providers as required.
- 3.3 Supplier shall provide AT&T with all Over The Air Firmware updates.
- 3.4 Any Firmware errors that cannot be corrected by an OTA update shall be treated as a physical failure of the Device.
- 3.5 Customer shall collect and return failed Devices to WNC as and when requested by WNC or on a quarterly.
- 3.6 For DOA and RMA Products returned to WNC for replacement, WNC shall pay 2-way transportation costs. If DOA and RMA Products are determined by WNC to be CID, NTF and or OOW Customer shall reimburse WNC for any shipping cost.
- 3.7 For CID, NTF and OOW Products, Customer shall pay all transportation costs for returns of the Products to WNC and for shipping to Customer.
- 3.8 WNC may charge Customer a reasonable labor cost and freight if NTF Products is greater than 3% of the lot returned. Customer can choose to have the NTF Product sent back or scrapped at it's cost.
- 3.9 Customer should ensure the conformity between claimed and returned quantity, as well as the model number.

4. PRICE

- 4.1 AT&T shall pay for CID, NTF, and OOW charge.
- 4.2 The charge for CID, NTF and OOW are subjected to Appendix C. The charge rate shall, upon WNC's prior notice, be revised in compliance with the variation of costs due to different parts, packing materials, and labor.

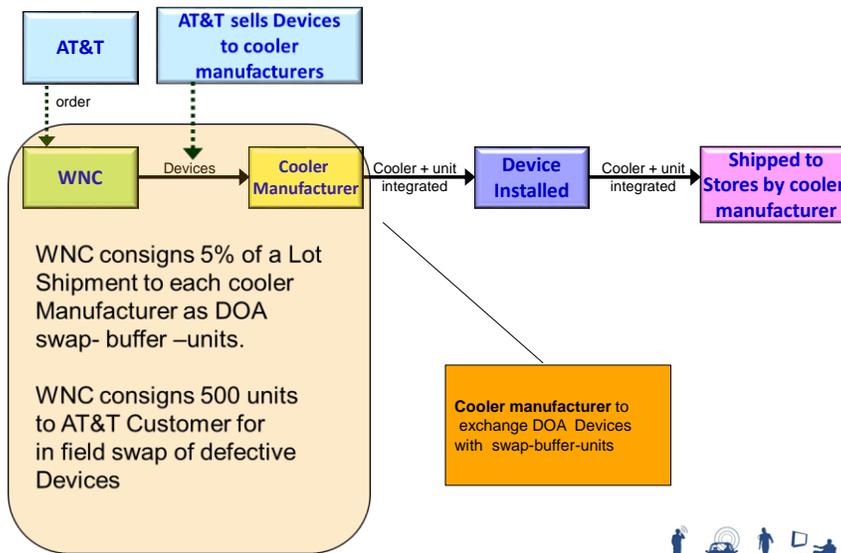
5. TURN-AROUND TIME

WNC shall replace spare Devices that are used to satisfy Supplier's Warranty obligations.

6. REPORTS

WNC will provide AT&T with a quarterly sorting and repair report showing Defective items, NTF items, CID items, OOW items and missing parts.

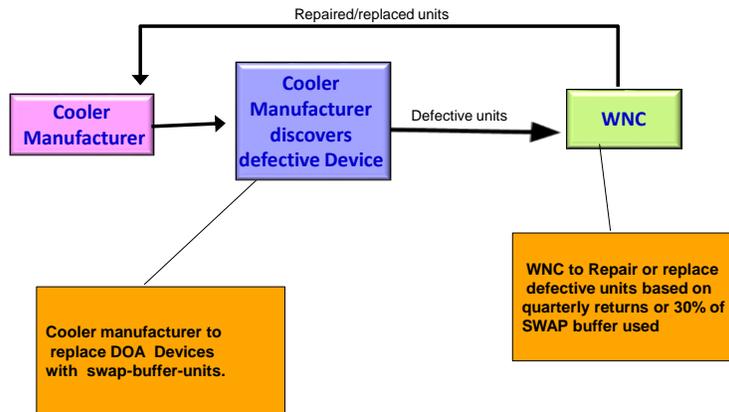
Forward Logistic



Confidential Material for Internal Use Only

WNC

Reverse Logistic – DOA at Cooler Manufacturer

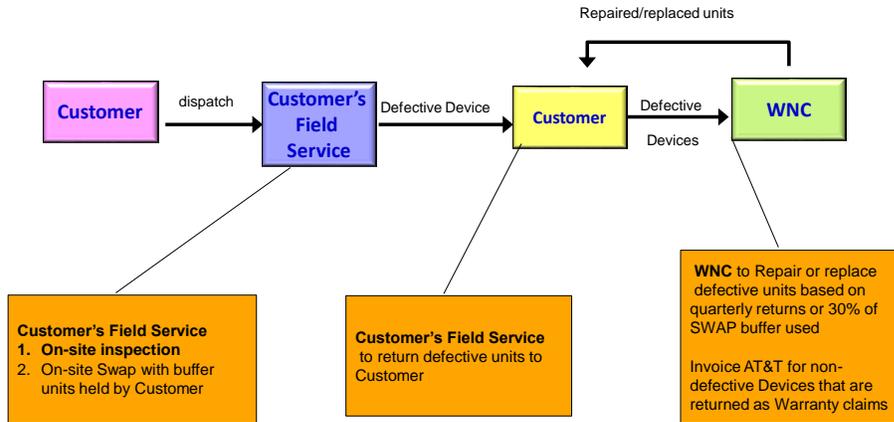


* WNC will provide user manual for firmware/software update if required.

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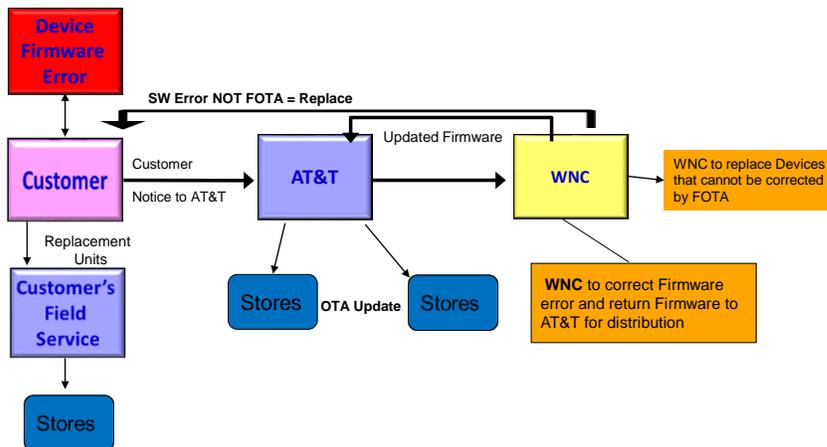
WNC

Reverse Logistic – In Field Device Failure



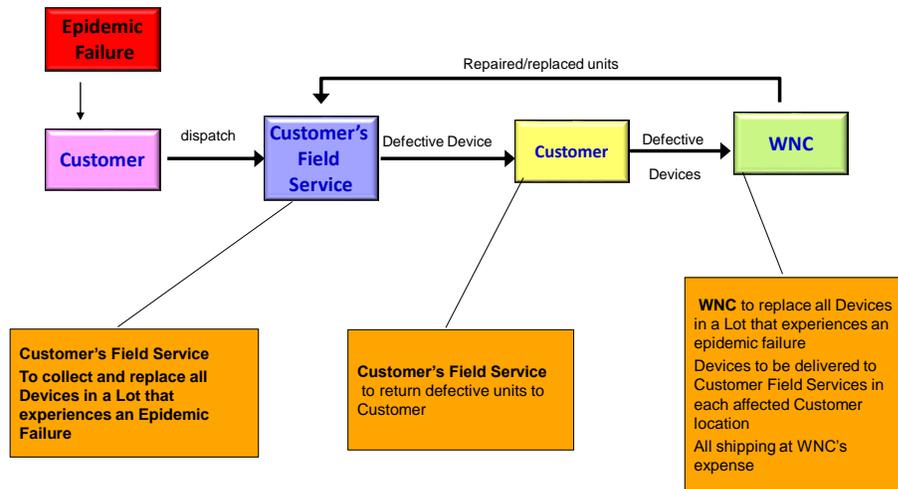
* WNC will provide user manual for firmware/software update if required.

Reverse Logistic – Firmware Over The Air Upgrade



* WNC will provide user manual for firmware/software update if required.

Reverse Logistic – Epidemic Failure



* WNC will provide user manual for firmware/software update if required.