POCKETBOOK INTERNATIONAL S.A.

TERMS OF USE (END USER LICENSE AGREEMENT) FOR POCKETBOOK SOFTWARE AND POCKETBOOK READING DEVICES

Latest rev.: July 10, 2013

This is an agreement between you and Pocketbook International SA (with its affiliates, "Pocketbook" or "we"). Please read these Pocketbook Terms of Use, the Pocketbook Privacy Notice, the Pocketbook Terms of Use, and the other applicable rules, policies, and terms posted from time to time on the Pocketbook website (www.pocketbook-int.com), on or through your Pocketbook reading device, or provided with any Service (collectively, this "Agreement") before using the Pocketbook reading device, any Reading Application or the Service. By using the Pocketbook reading device, any Reading Application or the Service, you agree to be bound by the terms of this Agreement. If you do not accept the terms of this Agreement, then you may not use the Pocketbook reading device, any Reading Application, or the Service, and you may return the Pocketbook reading device for a refund in accordance with the applicable return policy. POCKETBOOK RESERVES THE RIGHT TO AMEND THE TERMS AND CONDITIONS OF THIS LICENSE FROM TIME TO TIME BY MEANS OF PLACING NEW EDITIONS HEREOF AT: http://www.pocketbook-int.com/legal/SLA. EACH NEW EDITION OF THE LICENCE AGREEMENT SHALL COME TO EFFECT AS AT THE DATE OF PLACEMENT AT THE MENTIONED WEB PAGE AND THIS IS THEREFORE RECOMMENDED THAT YOU PERIODICALY VISIT THAT PAGE SO THAT TO FIND THEN CURRENT VERSION OF THE LICENCE AGREEMENT.

IMPORTANT! BY USING THE POCKETBOOK READING DEVICE YOU AUTOMATICALLY ACKNOWLEDGE AND AGREE TO:

- a) the terms and conditions of this License Agreement regarding the use of Pocketbook Software;
- b) receive notifications from Pocketbook;
- c) the terms and conditions of the Apache license, version 2.0 (if applicable);

d) the terms and conditions of the GNU 3 (GPLv3) general public license or the GNU 2 (GPLv2) general public license (if applicable).

- The text of the Apache license, version 2.0, is available at:
- http://www.apache.org/licenses/LICENSE-2.0.
- Text of the GPLv3 license is available at:
- http://www.gnu.org/licenses/gpl.html.
- Text of the GPLv2 license is available at:
- http://www.gnu.org/licenses/gpl-2.0.htm.

For the purposes of this Agreement:

"Digital Content" means digitized electronic content, such as books, newspapers, magazines, journals, music, videos, apps, blogs, RSS feeds, games, and other static and interactive electronic content.

"Pocketbook reading device" means our portable electronic reading devices.

"Reading Application" means software (including any updates/upgrades to that software) we make available that permits users to shop for, download, browse, and/or use Digital Content on a Supported Device.

"Service" means the wireless connectivity that we provide Pocketbook reading device users, the provision of Digital Content, Software, and support and other services that we provide Pocketbook reading device and Reading Application users.

"Software" means the Reading Applications and all software on the Pocketbook reading device (including any updates/upgrades to that software), and any related documentation that we make available to you.

"Supported Device" means a mobile, computer or other supported electronic device other than a Pocketbook reading device on which you are authorized to operate a Reading Application.

Use of Wireless Connectivity. If supported, your Pocketbook reading device uses wireless connectivity to allow you to shop for and download Digital Content. Some Pocketbook reading device may require you to purchase a data plan from a third party in order to receive and use wireless connectivity. In such case, your wireless connectivity is subject to the fees, restrictions and limitations imposed by the wireless provider. In addition, if your Pocketbook reading device functions with third party services, such as Wi-Fi access points, a third party may charge you fees for the use of those services. If your Pocketbook reading device is not subject to a data plan or other third party fees, generally, we do not charge you for use of wireless connectivity.

Your Conduct. You may use the wireless connectivity provided by us only in connection with the Service as permitted by this Agreement. You may not use the wireless connectivity for any other purpose.

Availability. If your Pocketbook reading device is located in an area in which it cannot maintain wireless connectivity, you may not be able to use some or all of the Service. We are not responsible for the unavailability of wireless connectivity for your Pocketbook reading device or any corresponding loss of Service. Events beyond our reasonable control (such as changes in service or terms by wireless carriers) may impact the terms or circumstances under which we provide you wireless connectivity and may result in a change to these terms or a temporary or permanent modification or loss of wireless connectivity for your Pocketbook reading device.

Use of the Software. You may use the Software only on a Pocketbook reading device or through a Reading Application on a Supported Device. Additional terms contained in these Terms of Use below apply to the Software. For additional terms that apply to certain third party software, see the Legal, Legal & Compliance, or similar section in the Settings menu of your Pocketbook reading device or the Legal Notices section of your Reading Application.

Location Based Services. Some Pocketbook reading device devices have a feature that, when enabled, allows Pocketbook and applications on your device to access location information that can be used to provide location based services. If you are using location based services on your Pocketbook reading device for navigation, you are solely responsible for ensuring you drive safely, observe all traffic rules, and use your own judgment while driving and selecting routes. Pocketbook does not guarantee the accuracy, completeness, or security of any location based services.

Information Received. The Software will provide Pocketbook with data about your Pocketbook reading device and its interaction with the Service (such as available memory, up-time, log files, and signal strength). The Software will also provide Pocketbook with information related to the Digital Content on your Pocketbook reading device and Supported Devices and your use of it (such as last page read and content archiving). Information provided to Pocketbook, including annotations, bookmarks, notes, highlights, or similar markings you make using your Pocketbook reading device or Reading Application, may be stored on servers that are located outside the country in which you live. Any information we receive is subject to the Pocketbook Privacy Policy. Pocketbook Privacy Policy may provide for wider list of information received by Pocketbook. BY USING THE POCKETBOOK READING DEVICE YOU AUTOMATICALLY ACKNOWLEDGE AND AGREE THAT POCKETBOOK MAY COLLECT, STORE, PROCESS, TRANSMIT, PROVIDE AND/OR SELL ANY INFORMATION AVAILABLE ABOUT YOU AND THE READING DEVICE(S) THAT YOU ARE USING TO ANY THIRD PARTIES. THIS INFORMATION MAY BE USED BY POCKETBOOK AT ITS SOLE DISCRETION FOR ANY LAWFUL PURPOSES AND IN ANY MANNER OTHER THAN PROHIBITED BY APPLICABLE LAWS, WITHOUT LIMITATION.

Pocketbook reading device and software preinstalled or subsequently installed on it provides Pocketbook with details of the Pocketbook reading device used by you and certain actions performed by you on it such as:

- orientation of the Pocketbook reading device (portrait or landscape);
- the language of Digital Content;
- the format of Digital Content;
- details of authors of Digital Content used by you;
- the category and genres of Digital Content;
- file size in bytes;
- DRM type (Adobe, PocketBook, none);
- Digital Content opened for the first time or not;
- the application that you use for reading;
- time between the opening starts and finishes in milliseconds;
- functions of keys;
- the interface language;
- the reading device model;
- the identifier of the Pocketbook reading device to establish whether data have been collected from one or different Pocketbook reading devices (not the serial number);
- version of Software installed;

Data referred to in paragraph immediately above are provided to Obreey Content Management S.A. (Oliaji Trade Center, 1st Floor, Virginia, Seychelles), which is an affiliate of Pocketbook and is directly involved in statistical processing, analysis and generalization of data in question. Your agreement to be bound by these Terms of Use is voluntary and implies your unconditional consent to all and any data processing conditions established herein; if you do not agree to such conditions in the future you may, at any time, refuse to provide the data referred to in sub-clause (c), clause 4 of these Terms of Use by respectively modifying your preferences in the Pocketbook reading device or cease using it as prescribed herein.

Information Provided To Others. You are responsible for any information you provide to others using a Pocketbook reading device or a Reading Application. Any information you provide to a third party will be subject to the privacy notice or any similar terms that the third party provides to you, and will not be subject to the Pocketbook Privacy Policy.

Changes to Service. We may modify, suspend, or discontinue the Service, in whole or in part, at any time.

Termination. Your rights under this Agreement will automatically terminate if you fail to comply with any term of this Agreement. In case of such termination, Pocketbook may immediately revoke your access to the Service without refund of any fees. Pocketbook's failure to insist upon or enforce your strict compliance with this Agreement will not constitute a

waiver	of	any	of	its	rights.
--------	----	-----	----	-----	---------

Governing Language. If this Agreement is translated into a language other than English, the English version will govern and prevail to the extent that there is any conflict or discrepancy.

Contact Information. For help with your Pocketbook reading device, a Reading Application, the Service, Digital Content, or resolving other issues, please contact Customer Service by e-mail: <u>info@pocketbook-int.com</u> or by phone at + 41 (0) 91 922 07 05. For communications concerning this Agreement, please contact Pocketbook by email: <u>info@pocketbook-int.com</u>.

PRIVACY

Please review our Privacy Notice, which also governs your use of Pocketbook reading device and Pocketbook Services, to understand our practices.

ELECTRONIC COMMUNICATIONS

When you use any Pocketbook Service, or send e-mails to us, you are communicating with us electronically. You consent to receive communications from us electronically. We will communicate with you by e-mail or by posting notices on this site or through the other Pocketbook Services. You agree that all agreements, notices, disclosures and other communications that we provide to you electronically satisfy any legal requirement that such communications be in writing.

COPYRIGHT

All content included in or made available through any Pocketbook Service, such as text, graphics, logos, button icons, images, audio clips, digital downloads, and data compilations is the property of Pocketbook or its content suppliers and protected by United States and international copyright laws. The compilation of all content included in or made available through any Pocketbook Service is the exclusive property of Pocketbook and protected by U.S. and international copyright laws.

TRADEMARKS

All graphics, logos, page headers, button icons, scripts, and service names included in or made available through any Pocketbook Service are trademarks or trade dress of Pocketbook in the U.S. and other countries. Pocketbook's trademarks and trade dress may not be used in connection with any product or service that is not Pocketbook's, in any manner that is likely to cause confusion among customers, or in any manner that disparages or discredits Pocketbook. All other trademarks not owned by Pocketbook that appear in any Pocketbook Service are the property of their respective owners, who may or may not be affiliated with, connected to, or sponsored by Pocketbook.

PATENTS

One or more patents owned by Pocketbook apply to the Pocketbook Services and to the features and services accessible via the Pocketbook Services. Portions of the Pocketbook Services operate under license of one or more patents.

LICENSE AND ACCESS

Subject to your compliance with these Terms of Use and your payment of any applicable fees, Pocketbook or its content providers grant you a limited, non-exclusive, non-transferable, non-sublicensable license to access and make personal and non-commercial use of the Pocketbook Services. This license does not include any resale or commercial use of any Pocketbook Service, or its contents; any collection and use of any product listings, descriptions, or prices; any derivative use of any Pocketbook Service or its contents; any downloading or copying of account information for the benefit of another merchant; or any use of data mining, robots, or similar data gathering and extraction tools. All rights not expressly granted to you in these Terms of Use or any Service Terms are reserved and retained by Pocketbook or its licensors, suppliers, publishers, rightsholders, or other content providers. No Pocketbook Service, nor any part of any Pocketbook Service, may be reproduced, duplicated, copied, sold, resold, visited, or otherwise exploited for any commercial purpose without express written consent of Pocketbook. You may not frame or utilize framing techniques to enclose any trademark, logo, or other proprietary information (including images, text, page layout, or form) of Pocketbook without express written consent. You may not use any meta tags or any other "hidden text" utilizing Pocketbook's name or trademarks without the express written consent of Pocketbook. You may not misuse the Pocketbook Services. You may use the Pocketbook Services only as permitted by law. The licenses granted by Pocketbook terminate if you do not comply with these Terms of Use or any Service Terms.

YOUR ACCOUNT

If you use any Pocketbook Service, you are responsible for maintaining the confidentiality of your account and password and for restricting access to your computer, and you agree to accept responsibility for all activities that occur under your account or password. Pocketbook does sell products for children, but it sells them to adults, who can purchase with a credit card or other permitted payment method. If you are under 18, you may use the Pocketbook Services only with involvement of a parent or guardian. Alcohol listings on Pocketbook are intended for adults. You must be at least 21 years of age to purchase alcohol, or use any site functionality related to alcohol. Pocketbook reserves the right to refuse service, terminate accounts, remove or edit content, or cancel orders in its sole discretion.

REVIEWS, COMMENTS, COMMUNICATIONS, AND OTHER CONTENT

Visitors may post reviews, comments, photos, and other content; send e-cards and other communications; and submit suggestions, ideas, comments, questions, or other information, so long as the content is not illegal, obscene, threatening,

defamatory, invasive of privacy, infringing of intellectual property rights, or otherwise injurious to third parties or objectionable and does not consist of or contain software viruses, political campaigning, commercial solicitation, chain letters, mass mailings, or any form of "spam." You may not use a false e-mail address, impersonate any person or entity, or otherwise mislead as to the origin of a card or other content. Pocketbook reserves the right (but not the obligation) to remove or edit such content, but does not regularly review posted content.

If you do post content or submit material, and unless we indicate otherwise, you grant Pocketbook a nonexclusive, royalty-free, perpetual, irrevocable, and fully sublicensable right to use, reproduce, modify, adapt, publish, translate, create derivative works from, distribute, and display such content throughout the world in any media. You grant Pocketbook and sublicensees the right to use the name that you submit in connection with such content, if they choose. You represent and warrant that you own or otherwise control all of the rights to the content that you post; that the content is accurate; that use of the content you supply does not violate this policy and will not cause injury to any person or entity; and that you will indemnify Pocketbook for all claims resulting from content you supply. Pocketbook has the right but not the obligation to monitor and edit or remove any activity or content. Pocketbook takes no responsibility and assumes no liability for any content posted by you or any third party.

COPYRIGHT COMPLAINTS

Pocketbook respects the intellectual property of others. If you believe that your work has been copied in a way that constitutes copyright infringement, please contact us though usual contact details.

RISK OF LOSS

All items purchased from Pocketbook are made pursuant to a shipment contract. This means that the risk of loss and title for such items pass to you upon our delivery to the carrier.

RETURNS, REFUNDS AND TITLE

Pocketbook does not take title to returned items until the item arrives at our fulfillment center. At our discretion, a refund may be issued without requiring a return. In this situation, Pocketbook does not take title to the refunded item.

PRODUCT DESCRIPTIONS

Pocketbook attempts to be as accurate as possible. However, Pocketbook does not warrant that product descriptions or other content of any Pocketbook Service is accurate, complete, reliable, current, or error-free. If a product offered by Pocketbook itself is not as described, your sole remedy is to return it in unused condition.

POCKETBOOK AND THIRD PARTIES SOFTWARE TERMS

In addition to these Terms of Use, the terms below apply to any software (including any updates or upgrades to the software and any related documentation) that we make available to you from time to time for your use in connection with Pocketbook Services (the "Pocketbook Software"):

1. Use of the Pocketbook Software. You may use Pocketbook Software solely for purposes of enabling you to use and enjoy the Pocketbook Services as provided by Pocketbook, and as permitted by the Terms of Use and any Service Terms. You may not incorporate any portion of the Pocketbook Software into your own programs or compile any portion of it in combination with your own programs, transfer it for use with another service, or sell, rent, lease, lend, loan, distribute or sub-license the Pocketbook Software or otherwise assign any rights to the Pocketbook Software in whole or in part. You may not use the Pocketbook Software for any illegal purpose. We may cease providing any Pocketbook Software and we may terminate your right to use any Pocketbook Software at any time. Your rights to use the Pocketbook Software will automatically terminate without notice from us if you fail to comply with any of these Software Terms, the Terms of Use or any other Service Terms. Additional third party terms contained within or distributed with certain Pocketbook Software that are specifically identified in related documentation may apply to that Pocketbook Software (or software incorporated with the Pocketbook Software) and will govern the use of such software in the event of a conflict with these Terms of Use. All software used in any Pocketbook Service is the property of Pocketbook or its software suppliers and protected by United States and copyright laws.

2. Use of Third Party Services. When you use the Pocketbook Software, you may also be using the services of one or more third parties, such as a wireless carrier or a mobile platform provider. Your use of these third party services may be subject to the separate policies, terms of use, and fees of these third parties.

3. No Reverse Engineering. You may not, and you will not encourage, assist or authorize any other person to copy, modify, reverse engineer, decompile or disassemble, or otherwise tamper with, the Pocketbook Software, whether in whole or in part, or create any derivative works from or of the Pocketbook Software.

4. Updates. In order to keep the Pocketbook Software up-to-date, we may offer automatic or manual updates at any time and without notice to you.

5. Export Regulations; Government End Users. You must comply with all export and re-export restrictions and regulations of the Department of Commerce and other United States agencies and authorities that may apply to the Pocketbook Software. If you are a U.S. Government end user, we are licensing the Pocketbook Software to you as a "Commercial Item" as that term is defined in the U.S. Code of Federal Regulations (see 48 C.F.R. § 2.101), and the rights we grant you to the Pocketbook Software are the same as the rights we grant to all others under these Terms of Use.

6. Third-Party Services and Materials.

(a) Software provides access to services developed by Pocketbook and a third party (collectively and individually for the purpose of this subclause 6 (a), the Services). Such Services may not be available is some languages or countries. Internet access is required to use Services. Your use of individual Services is subject to additional terms and conditions;

(b) you are aware that when using such Services you may encounter content that may seem insulting, indecent or undesirable, the substance of which may or may not be defined as expressly indecent, and that links to insulting materials may be automatically and unintentionally generated as a result of search or entry of a certain URL. Nevertheless, you agree that you use such Services at your own risk and that Pocketbook is not responsible to you for any content the substance of which you may find insulting, indecent or undesirable;

(c) some Services involve demonstration, include or offer access to third-party content, data, information, applications or materials (hereinafter Third-Party Materials) and provide links to third-party websites. By using these Services, you acknowledge and agree that Pocketbook assumes no obligations to study or evaluate this content, the accuracy, completeness, relevance, correctness, compliance with copyright, lawfulness, decency, quality and other characteristics of any Third-Party Materials or websites. Pocketbook , its employees, affiliates and subsidiaries do not provide any warranties, recommend, assume or bear any responsibility to you or any third parties for any Third-Party Services, Materials or websites or any other third-party materials, products or services. Materials and links to third-party websites are provided solely for your convenience;

(d) financial information displayed through Services is provided only for information purposes and shall not be interpreted as an investment recommendation. Before making any transactions in securities based on information received through Services you hereby agree to consult an expert on finance and securities authorized to offer financial or securities recommendations in your country or region. Details of the location provided by any Services are intended only for simple navigation purposes and not for any situations where exact information about the location is required or where erroneous, inaccurate, delayed or incomplete location data may result in death, injury, harm to property or the environment. Pocketbook and its content providers provide no warranties of availability, accuracy, completeness, reliability or timeliness of securities, location information or any other data posted through Services;

(e) you agree that Services include patented content, information and materials owned by Pocketbook and/or its licensors and protected by relevant laws on intellectual property rights and other laws, including copyright laws and that you will not use such content, information or materials in any manner other than permitted for such Services or any manner in breach of terms and conditions of this License or any intellectual property rights of a third party or Pocketbook . Services may not be reproduced in full or in part, in any form or manner whatsoever. You agree not to modify, hire or provide for hire, rent, pledge, sell, distribute or create derivative work based on Services in any manner whatsoever. You shall not use Services in any unauthorized manner, including, but not limited to, the use of Services for delivery of any computer viruses, worms, Trojans or other malicious code or in a manner reducing the bandwidth or overloading of the network. You additionally agree not to use Services in any manner whatsoever to cause annoyance, insult, harassment, threat, slander or breach of third-party rights in any other way and Pocketbook shall not be liable for any such use of Services by you or any annoying, threatening, slanderous, insulting, infringing or unlawful messages that you may receive when using any of such Services

OTHER BUSINESSES

Parties other than Pocketbook operate stores, provide services, or sell product lines on this site. In addition, we provide links to the sites of affiliated companies and certain other businesses. We are not responsible for examining or evaluating, and we do not warrant the offerings of, any of these businesses or individuals or the content of their Web sites. Pocketbook does not assume any responsibility or liability for the actions, product, and content of all these and any other third parties. You should carefully review their privacy statements and other Terms of Use.

PAYMENT THROUGH PAYONLINE SYSTEM

Some services suggested to you may be rendered for payment. You will always be allowed to refuse them. Unless otherwise is directly indicated, all transactions including without limitation purchasing of electronic content will be operated via services of PayOnline company. By agreeing to such paid services and by transmitting your bank and/or credit card details needed to perform money transactions you fully and unconditionally agree that such information will be used by PayOnline company for payment purposes and in accordance with terms and conditions made available on the official web-site of the company at - http://www.payonlinesystem.com/.

DISCLAIMER OF WARRANTIES AND LIMITATION OF LIABILITY. DIGITAL CERTIFICATES

THE POCKETBOOK SERVICES AND ALL INFORMATION, CONTENT, MATERIALS, PRODUCTS (INCLUDING SOFTWARE) AND OTHER SERVICES INCLUDED ON OR OTHERWISE MADE AVAILABLE TO YOU THROUGH THE POCKETBOOK SERVICES ARE PROVIDED BY POCKETBOOK ON AN "AS IS" AND "AS AVAILABLE" BASIS, UNLESS OTHERWISE SPECIFIED IN WRITING. POCKETBOOK MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, AS TO THE OPERATION OF THE POCKETBOOK SERVICES, OR THE INFORMATION, CONTENT, MATERIALS, PRODUCTS (INCLUDING SOFTWARE) OR OTHER SERVICES INCLUDED ON OR OTHERWISE MADE AVAILABLE TO YOU THROUGH THE POCKETBOOK SERVICES, UNLESS OTHERWISE SPECIFIED IN WRITING. YOU EXPRESSLY AGREE THAT YOUR USE OF THE POCKETBOOK SERVICES IS AT YOUR SOLE RISK.

TO THE FULL EXTENT PERMISSIBLE BY APPLICABLE LAW, POCKETBOOK DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. POCKETBOOK DOES NOT WARRANT THAT THE POCKETBOOK SERVICES, INFORMATION, CONTENT, MATERIALS, PRODUCTS (INCLUDING SOFTWARE) OR OTHER SERVICES INCLUDED ON OR OTHERWISE MADE AVAILABLE TO YOU THROUGH THE POCKETBOOK SERVICES, POCKETBOOK'S SERVERS OR ELECTRONIC COMMUNICATIONS SENT FROM POCKETBOOK ARE FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS. POCKETBOOK WILL NOT BE LIABLE FOR ANY DAMAGES OF ANY KIND ARISING FROM THE USE OF ANY POCKETBOOK SERVICE, OR FROM ANY INFORMATION, CONTENT,

MATERIALS, PRODUCTS (INCLUDING SOFTWARE) OR OTHER SERVICES INCLUDED ON OR OTHERWISE MADE AVAILABLE TO YOU THROUGH ANY POCKETBOOK SERVICE, INCLUDING, BUT NOT LIMITED TO DIRECT, INDIRECT, INCIDENTAL, PUNITIVE, AND CONSEQUENTIAL DAMAGES, UNLESS OTHERWISE SPECIFIED IN WRITING.

CERTAIN STATE LAWS DO NOT ALLOW LIMITATIONS ON IMPLIED WARRANTIES OR THE EXCLUSION OR LIMITATION OF CERTAIN DAMAGES. IF THESE LAWS APPLY TO YOU, SOME OR ALL OF THE ABOVE DISCLAIMERS, EXCLUSIONS, OR LIMITATIONS MAY NOT APPLY TO YOU, AND YOU MIGHT HAVE ADDITIONAL RIGHTS.

TO THE DEGREE NOT EXPRESSLY PROHIBITED BY APPLICABLE LAWS, POCKETBOOK AND ANY OF ITS AFFILIATES SHALL NOT BE LIABLE FOR ANY HARM CAUSED TO AN INDIVIDUAL OR ANY INCIDENTAL. SPECIAL. INDIRECT OR CONSEQUENTIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, THE LOSS OF PROFIT, DAMAGE TO OR LOSS OF DATA, FAILURE DURING TRANSMISSION OR RECEIPT OF ANY DATA, AN INTERRUPTION IN ANY COMMERCIAL ACTIVITY OR ANY OTHER COMMERCIAL OR NONCOMMERCIAL LOSSES OR DAMAGE ARISING OUT OF OR IN CONNECTION WITH THE USE OR THE INABILITY TO USE POCKETBOOK READING DEVICES OR SOFTWARE AND SERVICES OR ANY THIRD-PARTY SOFTWARE AND APPLICATIONS RELATED TO THE USE OF POCKETBOOK SOFTWARE FOR ANY PURPOSE REGARDLESS OF THE LIABILITY THEORY (BY CONTRACT, TORT OR OTHERWISE) EVEN IF POCKETBOOK WAS AWARE OF THE POTENTIAL OCCURRENCE OF SUCH LOSSES. SOME JURISDICTIONS PROHIBIT LIMITATION OF LIABILITY FOR HARM TO INDIVIDUALS OR FOR INCIDENTAL OR INDIRECT DAMAGES. SO, SUCH LIMITATIONS MAY NOT APPLY TO YOU. AT ANY RATE, THE TOTAL LIABILITY OF POCKETBOOK TO YOU SHALL BE LIMITED TO 250 (TWO HUNDRED FIFTY) US DOLLARS FOR ALL LOSSES (OTHER THAN THOSE SUBJECT TO COMPENSATION IN ACCORDANCE WITH REQUIREMENTS OF APPLICABLE LAWS WHEN HARM IS CAUSED TO AN INDIVIDUAL). THE ABOVE LIMITATIONS SHALL APPLY EVEN IF THE APPLICATION OF ANY REMEDIES LISTED ABOVE DOES NOT CORRESPOND TO ITS MAIN PURPOSE.

ALL AND ANY SOFTWARE MAY BE PREINSTALLED, INSTALLED OR SUBSEQUENTLY INSTALLED ON THE READING DEVICES BY POCKETBOOK, OBREEY CONTENT MANAGEMENT S.A., YOU OR THE READING DEVICE AUTOMATICALLY AND IS PROVIDED AS IS UNLESS OTHERWISE INDICATED. YOU ACKNOWLEDGE AND AGREE THAT. REGARDLESS OF HOW ANY SOFTWARE IS INSTALLED, NEITHER POCKETBOOK, NOR OBREEY CONTENT MANAGEMENT S.A. OFFERS ANY WARRANTIES OR PROMISES AND SHALL OR CAN UNDER ANY CIRCUMSTANCES BE LIABLE FOR THE CONTENT, ADEQUACY AND CORRECTNESS OF OPERATION, QUALITY, SAFETY AND AUTHORSHIP OF ANY ELEMENT AND THE SOFTWARE AS A WHOLE. IN ADDITION, TO THE DEGREE EXPRESSLY NOT PROHIBITED BY APPLICABLE LAWS, POCKETBOOK AND OBREEY CONTENT MANAGEMENT S.A. DO NOT GUARANTEE ADEQUATE AND APPROPRIATE OPERATION OF THE READING DEVICE OR ANY PART THEREOF WITH ANY PREINSTALLED OR INSTALLED PROGRAMS AND APPLICATIONS. The functionality of Pocketbook Software supports acceptance of digital certificates issued by Pocketbook or third parties. YOU ARE INDIVIDUALLY AND FULLY RESPONSIBLE FOR A DECISION TO ACCEPT OR REJECT A CERTIFICATE ISSUED BY POCKETBOOK OR A THIRD PARTY. YOU USE DIGITAL CERTIFICATES AT YOUR OWN RISK. TO THE MAXIMUM DEGREE PERMITTED BY APPLICABLE LAWS POCKETBOOK PROVIDES NO EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ACCURACY, SAFETY OR NO BREACH OF THIRD-PARTY RIGHTS IN RESPECT OF DIGITAL CERTIFICATES.

GOVERNING LAW AND PARTIAL INVALIDITY.

These Terms of Use shall be governed by and interpreted in accordance with laws of the State of New York and federal laws of the USA except their conflict of laws principles. You shall have any claims, causes of action or disputes with us (hereinafter the Claims) arising out of or in connection with this License Agreement or Pocketbook resolved exclusively by a court of the Southern District of the State of New York or a federal court in the Southern District of the State of New York. You agree to submit to the personal jurisdiction of courts in the Southern District of the State of New York for proceedings on all such Claims. This License shall not be governed by the UN Convention on Contracts for the Sale of Goods, the effect of which is expressly excepted. If a competent court declares any provision of any part thereof unenforceable for any reason the remaining provisions of the License shall remain in full legal effect.

ENTIRE AGREEMENT. GOVERNING LANGUAGE.

This License represents the entire agreement between you and Pocketbook in respect of Pocketbook Software and replaces all and any previous or provisional arrangements of the Parties on the subject matter hereof. All and any amendments to this License shall be effective only if made in writing and signed by Pocketbook . Any translation of this License shall only be made to comply with requirements of local laws. In case of any discrepancies between the English version and the version on any other language the English version of the License shall prevail to the maximum degree not expressly prohibited by local laws.

RECOGNITION OF THIRD-PARTY RIGHTS.

Some parts of Software may use or include third-party software and other copyrighted materials. Recognition of thirdparty rights, license terms and conditions and a waiver of warranties in respect of such materials are included in electronic documentation for Software and your use of such materials is governed by the corresponding, aforementioned provisions.

NOTICES FROM POCKETBOOK.

You agree that if Pocketbook needs to contact you on issues of a product or your account the company may send you an email at the address that you indicated as your contact email address for the account. You agree that notices given to you by email have legal effect.

Addition 1 – IVONA EMBEDDED

YOU SHALL BE ONLY BOUND BY THE FOLLOWING PROVISIONS IF YOUR POCKETBOOK READING DEVICE CARRIES IVONA EMBEDDED TEXT-TO-SPEECH SOFTWARE (IN THIS ADDITION 1 – THE «SOFTWARE» AND THE «PRODUCT», RESPECTIVELY). IF SO, IN ADDITION TO THE ABOVE:

- 1. You may use the Software only as a part of the Product and solely in the appropriate purposes.
- 2. You may use the Software solely for personal use and not for commercial purposes.
- 3. You will not use the Software or any part or function thereof in a manner that:
 - (a) may be considered sexually explicit, vulgar, profane, offensive or obscene, defamatory, slanderous, religiously or racially offensive or otherwise promoting hate towards individuals or groups, promoting terrorist or other criminal activities; or
 - (b) infringes anyone else's intellectual property rights or rights or privacy.
- 4. You may not distribute Software or any part or function thereof, in any manner, including, but not limited to, in the form of audio files, as a part of applications, materials and multimedia works created by or for the End User or otherwise rent, resell, lease or lend Software or any part or function thereof to any third party.
- 5. To the maximum extent permissible under the mandatory provisions of law, you undertake not to reverse engineer, disassemble or decompile the Software or any portion thereof or otherwise attempt to derive or determine the source code or the logic therein except to the extent such acts may not be prohibited under applicable law. You shall not defeat or attempt to defeat, any security measures built into the Software.
- 6. You shall assume full responsibility for making backup copies of any of its own software, data and databases that will interact with the Software.
- 7. You do not acquire any ownership rights or intellectual property rights to the Software other than the express license granted in this End User License Agreement.
- 8. You shall not remove any Software proprietary rights notices or restrictions.
- 9. Any software provided to you in order to update, upgrade, correct or otherwise modify the Software, is deemed to be the part of the Software and shall by governed by the Product License Agreement, unless other terms of use are provided with such items.
- 10. You are not entitled to rent or lease the Software, or sublicense it to anyone. Any attempt to rent or lease or sublicense, or to transfer any of its rights shall be void.
- 11. You agree to destroy the Software together with all copies, modifications and merged portions in any form upon termination of the license granted to you.
- 12. Pocketbook shall provide you with its own limited warranty without referencing IVONA. Such warranty provided by Pocketbook shall not extend beyond the warranty granted by IVONA to Pocketbook.