

IDELIX SOFTWARE INC. END USER LICENSE AGREEMENT

THIS AGREEMENT is made as of the 30th day of March, 2006 (the “Effective Date”) by and between IDELIX Software Inc. (“**IDELIX**”), with its principal place of business at Suite 555 – 1122 Mainland Street, Vancouver, British Columbia, Canada V6B 5L1 and Company (the “**Company**”), with its principal place of business at ADDRESS, CITY, STATE, ZIP CODE.

WHEREAS:

- A. IDELIX has developed computer software products more fully described in Exhibit A (the “**Products**”);
- B. The Company is a government agency, systems integrator, or an OEM of computer software or technology under its own name or under the third party label of others; and
- C. The Company wishes to obtain a non-exclusive, worldwide, limited license to distribute the Products as embedded in the products of the Company more particularly described in Exhibit B hereto.

NOW THEREFORE THIS AGREEMENT witnesses that in consideration of the terms and conditions contained herein, each of the parties agree with the other as follows:

1. **INTERPRETATION**

1.1 **Exhibits.** The following Exhibits are part of this Agreement:

Exhibit A	IDELIX Products
Exhibit B	Company Products in which IDELIX Product(s) are to be embedded
Exhibit C	Addresses and Contact Information

1.2 **Definitions.** The following terms, as used herein, shall have the following meanings:

- (a) “**Product**” means the IDELIX Pliable Display Technology SDK products listed in Exhibit “A”, that consist of a set of software libraries and an associated Applications Programming Interface, including subsequent versions/releases and all related documentation.
- (b) “**Company Improvements**” means any enhancements, modifications or upgrades of the products created by Company for use by Company as contemplated herein;
- (c) “**Company Products**” means the computer software and hardware proprietary to or resold by Company within which the Products will be embedded, as more particularly described in Part I of Exhibit B;

- (d) “**Deliverables**” means (i) a Golden Master for each Product, (ii) installation utilities and related Documentation, if applicable, (iii) any other deliverables identified in Exhibit A;
- (e) “**Documentation**” means any literature (provided in electronic and/or printed form) relating to the Products which are provided to the Company under this Agreement;
- (f) “**End User Customers**” means an end user customer, including distributors and resellers, of the Company Products;
- (g) “**Extended Term**” has the meaning given to that term in section 13.1;
- (h) “**Golden Master**” means a copy of the released object code for Company to use to embed the Product into Company’s Products for distribution, and for which royalties are paid;
- (i) “**Initial Term**” has the meaning given to that term in section 13.1;
- (j) “**IDELIX Product Release**” means a release of Product which IDELIX designates as a change in the digit(s) to the left of the decimal point in the Product version number [(x).y. z] or a change in the annual identifier (e.g. 01 or 2001)(e.g., “Release 1.0”, “Release 2.0”, etc.). Product Releases usually include the addition of a function or feature to an IDELIX Product;
- (k) “**Updates, Bug Fix, or Patch**” means a release of an IDELIX Product which IDELIX designates as a change in the digit(s) to the right of the tenths digit in the Product version number [x.y.(z)]. This release may include a minor change made to a Product, including changes made for purposes of maintaining operating system and data base system compatibility, error correction, work-arounds, and patch tapes. Updates, Bug Fixes or Patches should operate on the same operating system as the immediately preceding version;
- (l) “**Version**” means a release of the IDELIX Product which IDELIX designates as a change in the tenths digit in the Product version number [x.(y).z]. A Version results from the upgrading of an existing function or feature of a Product, or any change made to a Product which improves its performance, excluding Product Releases, as defined herein, but including all Updates, Bug Fixes or Patches made to the Product since the last previous version.

2. LICENSE GRANT

2.1 **Grant.** Subject to the limitations of this Agreement and Company’s compliance with all terms and conditions of this Agreement, including the attached Exhibits, IDELIX hereby grants to the Company a non-exclusive, non-transferable, worldwide, limited license for the term of this Agreement to:

- (a) utilize the Products to embed the Products in executable form in the Company Products;
- (b) grant perpetual licenses the Products embedded in the Company Products to End User Customers;
- (c) sublicense the Products that are embedded into the Company Products to third parties (Company shall provide no less than the same protection than that provided to Company Products); and
- (d) to carry on the activities contemplated by and as set out in this Agreement.

2.2 **Limitations.** Except to the extent necessary for the Company to manufacture and embed the Products and to provide a copy for the End-User Customer, Company may not reproduce Products or any part of the Deliverables. Company shall make no use of the Deliverables except as described in Section 2.1 above. Company shall not reverse engineer, decompile, or disassemble any Product except as permitted by applicable law.

2.3 **Further Limitations.** Company's license to distribute the Products is limited to distribution only with those Company Products listed on Exhibit B for the particular Products listed in Exhibit A and only embedded in the Company Products.

2.4 **Sub-License.** Upon Company Product being licensed by the Company to an End User Customer, Company shall ensure that such Company Products license provides no less than the same protections to Products than that provided to Company Products. The Company's agreements with any and all distributor, dealer, system integrator or reseller shall require all downstream End User Customers or third parties to whom Company Products are sold to provide no less than the same protections to Products than that provided to Company Products.

2.5 **Releases, Versions and Updates.** The Licensee's license shall include all Product Releases, Updates and Versions for a period of one year commencing on the date of this License Agreement. If the Licensee wishes to receive Product Releases, Updates and Versions after the expiry of the one year period, the Licensee must renew this agreement in one year increments.

2.6 **No Other Rights.** IDELIX does not grant any other rights or interests in the Products that are not explicitly granted in this Agreement. In no event shall Company distribute, sub-license, market, or authorize any other persons to do so, the Products on a stand-alone basis other than as embedded in Company's Products.

2.7 **Company Non-Compete.** For the Initial Term and each Extended Term, Company shall not develop or otherwise license or acquire any software or other product that has functionality equivalent to, or is competitive with, the Products. This clause applies only to the company Products that have the Products embedded.

3. OWNERSHIP

3.1 **IDELIX Intellectual Property.** Company acknowledges and agrees that IDELIX is the owner of all right, title and interest in the Products, Documentation, Product Releases, Updates, Bug Fixes or Patches and Versions, and/or is in possession of valid and existing licenses to the same which allow for the use of the Products as described in this Agreement. Nothing herein shall operate to grant Company any ownership rights in the Products, either as stand-alone products or when embedded into Company Products.

3.2 **Company Improvements.** All aspects of the Company Improvements shall be the sole and exclusive property of Company.

4. OBLIGATIONS

4.1 **Acknowledgement.** Company will (i) acknowledge IDELIX by displaying the IDELIX name in all relevant Company Product documentation and relevant promotional and advertising materials related to the Company Products and (ii) display the IDELIX logo at trade shows where appropriate.

Cooperation. Both parties are encouraged to share their engineering schedules and provide any necessary assistance for use toward developing and maintaining Products that are compatible with Company's applications. IDELIX will supply, as applicable or mutually agreed to, early access to beta and new releases of the Products. Company shall promptly report to IDELIX all suspected Product defects.

5. LIMITED WARRANTY

5.1 **Conformance.** IDELIX warrants that the Product(s) conform(s) substantially to the Documentation.

5.2 **Limitation.** EXCEPT FOR THE OTHER WARRANTIES EXPRESSED WITHIN THIS AGREEMENT, IDELIX SPECIFICALLY DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

5.3 **Deviations.** With respect to Product Releases only, if a Product Release fails to conform substantially to the Documentation, Company may report such deviations from Documentation ("**Deviations**") to IDELIX in writing. Upon delivery of a corrected Product Release to Company, Company shall have thirty (30) days in which to reject the Product Release for failure to substantially conform to the Product Documentation.

5.4 **Remedies.** If IDELIX fails to correct Deviations as described in Section 5.3 above, then Company may terminate this Agreement.

6. **PRODUCT SUPPORT**

6.1 **IDELIX Support.** IDELIX shall not be responsible for providing any support or training related to the Product(s) licensed hereunder to Company other than in accordance with this section.

6.2 **Technical Support.** IDELIX shall provide Company with ongoing technical support by way of resolving issues related to errors with the source code and the embedment of the Products. Company shall provide assistance to IDELIX, as necessary, for the performance of its support obligations by obtaining information from End User Customers concerning the nature of any such source code error. IDELIX shall have no obligation to provide maintenance or technical support to Company's own customers.

7. **IDELIX'S AND COMPANY'S REPRESENTATIONS**

7.1 **IDELIX's Representations.** IDELIX represents and warrants to Company that:

- (a) it has the authority to enter into this Agreement and to grant the rights and licenses provided herein;
- (b) this Agreement violates no previous agreement between IDELIX and any third party; and
- (c) to the best of its knowledge, the licensed Products do not infringe upon or violate any patent, copyright, trademark, trade secret or any other proprietary right of third parties.
- (d) IDELIX has not and shall not make material misrepresentations concerning the the Products.

7.2 **Company's Representations.** Company represents and warrants to IDELIX that:

- (a) the Company has the authority to enter into this Agreement;
- (b) this Agreement violates no previous agreement between Company and any third party; and
- (c) to the best of its knowledge, the Company Products with which Products are combined do not infringe upon or violate any patent, copyright, trademark, trade secret or any other proprietary rights of third parties.
- (d) the Company has not and shall not make material misrepresentations concerning the Products.

8. **INDEMNITIES**

8.1 **Indemnification of Company.** IDELIX will, at its expense, if notified promptly in writing and given sole control of the defence and all related settlement negotiations, with

Company's full assistance and cooperation at IDELIX's expense, defend, indemnify and hold harmless Company against any claim based solely on a breach of any of the representations given by IDELIX in Section 8, above. IDELIX will pay to Company resulting costs, damages and reasonable attorneys' fees finally awarded by a court only with respect to such claims. Company agrees that if a licensed Product becomes, or in IDELIX's opinion is likely to become, the subject of such a claim, Company will permit IDELIX, at IDELIX's option and expense, either to procure the right for Company to continue marketing and using the Product, or to replace or modify it so that it becomes non-infringing.

8.2 Indemnification of IDELIX. Company will, at its expense, if notified promptly in writing and given sole control of the defence and all related settlement negotiations, with IDELIX's full assistance and cooperation at Company's expense, defend, indemnify and hold harmless IDELIX against any claim based on: (a) an allegation that any Company Product(s) with which any Products are embedded, and/or the Company Product itself (except where such claims arise due to claims of infringement by the Product) developed by or for Company by a third party other than IDELIX infringes a patent, copyright, trademark or other enforceable proprietary right belonging to any third party; (b) Company's misrepresentations relating to the Company Product and/or the Product (not based on IDELIX's misrepresentation to Company). Company will pay to IDELIX that portion of any resulting costs, damages and reasonable attorneys' fees when incurred with respect to any such claim.

9. LIMITATION OF LIABILITY

EXCEPT FOR VIOLATION OF EITHER PARTY'S INTELLECTUAL PROPERTY RIGHTS UNDER APPLICABLE LAW, AND EXCEPT FOR EITHER PARTY'S INDEMNIFICATION OBLIGATIONS UNDER SECTION 9, THE LIABILITY OF IDELIX AND COMPANY UNDER THIS AGREEMENT WILL BE LIMITED AS FOLLOWS: (A) THE LIABILITY OF EACH PARTY TO THE OTHER WILL BE LIMITED TO THE TOTAL AMOUNT OF FEES PAID IN THE 12 MONTHS PRECEDING THE DATE WHEN THE CAUSE OF ACTION AROSE UNDER THIS AGREEMENT; (B) IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OR EXEMPLARY DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOSS OF REVENUES AND LOSS OF PROFITS, HOWEVER CAUSED AND ON ANY THEORY OF LIABILITY ARISING IN ANY WAY OUT OF THIS AGREEMENT, INCLUDING NEGLIGENCE, EVEN IF THAT PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

10. TRADEMARKS, TRADE NAMES, LOGOS, DESIGNATIONS AND COPYRIGHTS

10.1 Trademark Use During Agreement. Subject to the terms of this Agreement, Company is hereby granted during the term hereof a non-exclusive, worldwide license to use IDELIX's trademarks, trade names, logos and designations for the licensed Products in connection with Company's advertisement, promotion, and distribution of the Products with Company's Products . Company will not use any IDELIX trademark, trade name, logo or designation in connection with any Company Product unless a Product is embedded with such Company Product. Company may substitute Company's trademarks for those of IDELIX

consistent with the preservation of IDELIX's proprietary rights in the Product, as described in this Section 10.

10.2 Proprietary Notices. Company will include the appropriate trademarks, trade names, logos and designations for any of IDELIX's Products when using such trademarks, trade names, logos and designations in advertising and promotional materials for the Product(s). Company agrees not to alter, erase, deface or overprint any such notice on anything provided by IDELIX. IDELIX shall have the right upon reasonable notice to review any advertising, marketing or Product materials, including any Company Products into which any Product is incorporated, to determine Company's compliance with the obligations of this Section 10.

10.3 No Proprietary Rights. Except as provided in Section 10.1 and 10.2, Company has not paid any consideration for the use of IDELIX trademarks, trade names, logos, designations or copyrights, and nothing in this Agreement will give Company, distributors or resellers any right, except the right to use as stated in this Section 10, title or interest in any of them.

10.4 No Continuing Rights. Upon expiration or termination of this Agreement, Company will immediately cease all display, advertising and use, with the exception of Product shipped or due to be shipped, of all IDELIX's trademarks, trade names, logos, and designations and will not thereafter use, advertise or display any trademark, trade name, logo or designation which is, or any part of which is, similar to or confusing with any trademark, trade name, logo or designation of IDELIX.

10.5 Obligation to Protect. Company agrees to use reasonable commercial efforts to protect IDELIX's proprietary rights and to cooperate at IDELIX's expense in IDELIX's efforts to protect its proprietary rights. Company agrees to promptly notify IDELIX of any known or suspected breach of IDELIX's proprietary rights that comes to Company's attention. Company will also make reasonable efforts to ensure that its distributors and resellers take reasonable steps to protect IDELIX's proprietary rights as described in this Section 10.

11. PROPRIETARY INFORMATION

11.1 Proprietary Information. Each party during the performance hereof may disclose to the other certain of its proprietary and trade secret information ("**Proprietary Information**"). Proprietary Information will include the licensed Products, in whole or in part, and all proprietary information of either party, disclosed orally (and reduced to writing within thirty (30) days of disclosure) or in writing to the other party, which has been identified by the disclosing party, and clearly marked as "Proprietary Information". Proprietary Information may include, but is not limited to, trade secrets, processes, formula, specifications, programs, software packages, test results, technical know how, methods and procedures of operation, business or marketing plans, customer lists, proposals, licensed documentation and the terms of this Agreement.

11.2 Not Proprietary Information. Proprietary Information will not include information which:

- (a) is or becomes a part of the public domain through no act or omission of the receiving party;
- (b) was in the receiving party's lawful possession prior to the disclosure to it by the other party and had not been subject to limitations on disclosure;
- (c) is lawfully disclosed hereafter to the receiving party by a third party who did not acquire the information directly or indirectly from the disclosing party and was otherwise not restricted as to disclosure; or
- (d) was independently developed by the receiving party without use of any information disclosed under this Agreement, which independent development the receiving party can demonstrate.

11.3 Nondisclosure of Proprietary Information. Following the termination or expiration of this Agreement (as amended or restated from time to time), and for a period of three (3) years thereafter, each party will protect the Proprietary Information of the other party with the same degree of care used to protect its own Proprietary Information, but in any event, not less than a reasonable degree of care. Except to the extent necessary to enable a party to exercise its rights and/or perform its obligations under this Agreement, each party agrees not to duplicate in any manner the other's Proprietary Information, or to disclose it to any unauthorized third party. EACH PARTY WILL ENSURE THAT PROPRIETARY INFORMATION IS ONLY DISCLOSED TO THOSE EMPLOYEES (INCLUDING CONSULTANTS) WHO HAVE A NEED TO KNOW SUCH INFORMATION, AND WHO HAVE BEEN NOTIFIED BY SUCH PARTY OF THEIR OBLIGATIONS TO PROTECT AND NOT DISCLOSE THE PROPRIETARY INFORMATION OF THE OTHER PARTY.

12. DEFAULT AND TERMINATION

12.1 Default by Company. Company will be in default of this Agreement if, within the thirty (30) day period following written notice by IDELIX, Company fails to timely pay to IDELIX undisputed amounts due under this Agreement, or Company fails to cure a breach of any material representation or provision contained herein.

12.2 Termination by IDELIX. In the event of Company's default, IDELIX may terminate this Agreement in its entirety.

12.3 Default by IDELIX. IDELIX will be in default of this Agreement if, within the thirty (30) day period following written notice by Company, IDELIX fails to cure a breach of any material representation or provision contained herein.

12.4 Termination by Either Party. The non-defaulting party may terminate this Agreement upon ten (10) days written notice to the other party, after the thirty (30) day cure period, if any of the following events of default occur:

- (a) if either party materially fails to perform or comply with any provision of this Agreement and fails to cure such breach as set forth herein, or

- (b) if either party becomes insolvent, enters bankruptcy, reorganization or other similar proceedings under applicable laws, whether voluntary or involuntary, or admits in writing its inability to pay its debts, or makes or attempts to make an assignment for the benefit of creditors.

13. TERM AND TERMINATION

13.1 **Term.** The term of the Agreement is for twelve (12) months beginning on the Effective Date (the “**Initial Term**”). The Initial Term may be renewed for additional one year terms (each an “**Extended Term**”) upon the mutual agreement of both parties thirty (30) days prior to the expiration of the Initial Term or any subsequent Extended Terms.

13.2 **Effect of Termination.** Upon termination of this Agreement, as a result of Company’s default or expiration of this Agreement, no further licenses shall be granted by Company. Company shall be entitled to retain one copy of each licensed Product, except when termination is due to violation of IDELIX’s intellectual property rights, which copy is to be used solely for the purpose of providing maintenance and support to such end user customers who are not part of Company’s internal organization. Within ten (10) days after termination or expiration of this Agreement, Company shall deliver to IDELIX, or at IDELIX’s direction, destroy all other units of Product and all Deliverables.

13.3 **Termination Effect on License Rights.** Upon termination or expiration of this Agreement, all of Company’s license rights herein shall cease and Company shall cease all distribution of Product. Sections 3, 4, 5, 7, 8, 9 and 11 of this Agreement will survive termination of this Agreement.

14. GENERAL

14.1 **Access by Contractors.** Company may permit access to licensed Products by its subcontractors provided such access and use is called for in connection with work subcontracted by Company and Company shall impose no less restriction for use and protection of the Product than what Company requires for its own protection..

14.2 **Independent Contractor.** Each party is an independent contractor in all matters under this Agreement. Neither party will represent to any third party that it has any authority to assume or create any obligation, express or implied, on behalf of the other party, or to represent the other party as agent, employee, or in any other capacity, except as specifically provided herein.

14.3 **Entire Agreement.** This Agreement and all Exhibits and Attachments incorporated by reference, sets forth the entire agreement between the parties regarding the subject matter hereof and supersedes any prior agreements regarding the same subject matter, whether oral or written. No modifications or amendments to this Agreement will be binding upon the parties unless made in writing and executed by authorized officials of each party.

14.4 **Assignment.** Company may sell, transfer or assign this Agreement in connection with a merger, acquisition, sale of substantially all of the assets of Company, or similar business combination, including an amalgamation or merger with an affiliate company, provided that any

successor or assign agrees, in writing, to comply with all of the terms and conditions of this Agreement. IDELIX may sell, transfer or assign this Agreement in connection with a merger, acquisition, sale of substantially all of the assets of IDELIX, or similar business combination, including an amalgamation or merger with an affiliate company, provided that any successor or assign agrees, in writing, to comply with all of the terms and conditions of this Agreement.

14.5 **Force Majeure.** Neither party is responsible for any failure to perform due to unforeseen circumstances or to causes beyond that party's reasonable control, including but not limited to acts of God or any causes beyond the reasonable control of such party.

14.6 **Waiver.** A party's failure to exercise any right under this Agreement will not constitute a waiver of (1) any other terms or conditions of this Agreement, or (2) a right at any time thereafter to require exact and strict compliance with the terms of this Agreement.

14.7 **Notice.** All notices under this Agreement will be given in writing to contacts as listed in Exhibit E.

14.8 **Governing Law and Jurisdiction.** This Agreement is governed and construed in accordance with the laws of the Province of British Columbia. Any suit hereunder will be brought in the courts of the Province of British Columbia. The application of the United Nations Convention of Contents for the International Sale of Goods is expressly excluded.

14.9 **Equitable Relief.** Both parties acknowledge that any breach of its obligations under this Agreement with respect to the proprietary rights or proprietary information of the other party may cause the other party irreparable injury for which there are inadequate remedies in money or damages. Therefore, the injured party will be entitled to obtain an injunction against such breach from any court of competent jurisdiction.

14.10 **Severability.** If any provision of this Agreement is declared void, illegal or unenforceable, the provision shall be deemed amended as necessary to conform to applicable laws or regulations. If the provision cannot be amended without materially altering the intention of the parties, the remainder of the Agreement will continue in full force and effect as if the offending provision were not contained herein.

14.11 **Counterpart Signatures.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the _____ day of _____, 2006.

IDELIX SOFTWARE INC.

**MISSION CRITICAL UNMANNED
SERVICES, LTD.**

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT A

IDELIX PRODUCTS

A. IDELIX PRODUCTS BEING LICENSED

(a) IDELIX PRODUCT CODE AND DESCRIPTION

EXHIBIT B

COMPANY PRODUCTS WITH WHICH IDELIX PRODUCTS ARE INCLUDED

PART I

Under the terms of this Agreement, the Company license to distribute the IDELIX Products is limited to resale and distribution only with the Company Products listed below:

COMPANY PRODUCTS INFORMATION:

Company Product Name & Description		Current Operating System(s)

EXHIBIT C

ADDRESSES AND CONTACT INFORMATION

IDELIX KEY CONTACTS:

Business Contact

Keith Ippel, kippel@idelix.com

tel:

604-656-6304

fax: 604-656-6310

Technical Contact

David Baar, davebaar@idelix.com

tel: 604-656-6302

fax: 604-656-6310

Address:

Suite 555 -1122
Vancouver, British Columbia, Canada V6B 5L1

Mainland

Street

Normal business hours: 8am - 5pm (Pacific Time)

COMPANY KEY CONTACTS:

Business Contact

NAME, EMAIL

tel:

Address:

ADDRESS

CITY, STATE, ZIP