



SETECS
Secure Transactions and Electronic Commerce Systems

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SOFTWARE LICENSE AGREEMENT
between
SETECS[®] Inc. (“SETECS[®]”)
and

[Customer]

This Software License Agreement (the "Agreement") is made and entered into as of _____ (date), (the "Effective Date") by and between **SETECS®**, **Inc.**, a Maryland Corporation doing business as "SETECS®" ("SETECS®"), with offices at 5801 Nicholson Lane, Suite #1233, North Bethesda, MD 20852, USA and _____ ("LICENSEE"), a _____ Corporation, with offices at _____.

1. DEFINITIONS

In this Agreement, the terms:

"Derivative Works" means a revision, modification, translation, abridgment, condensation or expansion of Licensed Applications and Software Modules or any other software form in which Licensed Applications and Software Modules may be used, recast, transferred or adapted.

"Executable Code" means the form of Licensed Applications and Software Modules resulting from the compiling and linking of Source Code (including object files or modules) by a computer into machine language and thus is in a form permitting execution or interpretation by a computer without any additional compiling, linking, or human processing.

"Defined Hardware/Software" means only those computer products developed or customized by SETECS® for LICENSEE for which the Licensed Applications and Software Modules, as, may be installed or used.

"Documentation" means any materials provided by SETECS® in digital or boxed version of the Licensed Applications and Software Modules provided with the purpose to instruct LICENSEE or End-Users about the installation, customization and use of the Licensed Applications and Software Modules.

'Effective Date' of this Agreement means the later of the two dates when this Agreement is signed by both parties.

"End-User" means an individual or entity that purchases, downloads, installs or uses Defined Hardware/Software Modules and Applications that contain the Licensed Applications and Software Modules.

"Licensed Applications and Software Modules" means SETECS® Applications and Software Modules and other computer, special devices, mobile phones, and smart cards software programs, all corrections, modifications, and enhancements to such programs and modules made by SETECS® and provided hereunder during the term of this Agreement. The Software includes individual software modules, software packages, libraries and JAR files in binary form, documentation, configuration files, and sample code and programs, whether provided in physical form or received on-line in a digital form, and it is licensed for the sole purpose of installing and operating SETECS® Applications or any other or the LICENSEE Applications for which Licensed Applications and/or Software Modules are used either as built-in or add-on components. SETECS® Software and other modules for computers, special devices, mobile phones, and smart cards are stand-alone products and do not need to be combined with any other external software components or modules other than those treated as prerequisites.

"Licensee Applications" means all software and hardware applications installed and operated by the Licensee on servers, user workstations, mobile phones, SIM or UICC mobile phone chips, Point-of-Banking (PoB) Stations, Point-of-Sale (PoS) devices or any other static or mobile devices that use the applications and software modules contained in the Licensed Applications and Software Modules, or any part of the Licensed Applications and Software Modules. LICENSEE Applications also include all upgrades, extensions, and new versions released by SETECS® during the term of this Agreement. LICENSEE Applications are end-user applications and do not need any external software components or

modules designed for or intended to be used as a replacement of the Licensed Applications and Software Modules for use by the LICENSEE or any other third party to install or operate other software products or programs (e.g. software is not software development tool).

“*Initial Ship Date*” means the later of the two dates: Effective Date or the date when SETECS® informs the LICENSEE that the customized version of the SAFE™ system is available for download.

“*Per Copy Royalty*” means the royalty paid for use of Licensed Applications and Software Modules, where per-copy licensing is applicable.

“*Product*” means Licensed Applications and Software Modules or Documentation and any combination of Licensed Applications and Software Modules and Documentation.

“*Sample Code*” means the sample application Programming interfaces (APIs), Web Services exported service APIs, or application source code and object files contained within the Software and placed in the “Samples” directory and so designated as Sample Code

“*Source Code*” means the form of Licensed Applications and Software Modules in which the program logic is easily deduced by a human being, such as a printed listing of the program, or in an encoded machine-readable form, such as might be recorded on magnetic tape or disk, from which a printed listing can be made by processing it with a computer. Source code includes all un-compiled Source Code modules and un-linked object files or modules created from the Source Code of the Licensed Program.

“*Transaction Fee*” means the fee paid for transactions performed by Licensed Applications and Software or Hardware Modules.

“*Use/Using*” means copying and/or transmitting any portion of the Licensed Applications and Software Modules into computers, mobile phones, SIM/UICC chips, PoB Stations, PoS devices or any other device for processing of the machine instructions or statements contained in such modules. A license hereunder to use Licensed Applications and Software Modules does not include a license to LICENSEE to use such Licensed Applications and Software Modules internally for its own purposes, except as set forth in Section 2 and as a Demo version, as specified in the Cooperation Agreement.

2. LICENSE

2.1 Subject to the terms and conditions of this Agreement, SETECS® hereby grants to LICENSEE a non-exclusive, non-assignable, and non-transferable right to: (a) install and use the Licensed Applications and Software Modules for purposes of providing mobile and security applications and services; (b) internally archive downloaded or otherwise received installation modules of the SAFE™ system, distributed by SETECS®; (c) make available to end-users for download selected applications located in SETECS® “Downloads” directory in order to use LICENSEE’s Applications from their PCs and mobile phones; and (d) distribute in object code form only applications located in the “Downloads” directory of the SETECS® Software (Licensed Programs) and any of LICENSEE’s configuration adjustment of the Licensed Programs, provided LICENSEE meets and complies with all requirements set forth in Sections 2.2 through 2.6 of this Agreement.

2.2 LICENSEE agrees to use the SETECS® Licensed Applications and Software Modules only as expressly provided for in this Agreement and only during the term of this Agreement. LICENSEE may distribute the applications in the “Downloads” directory in object code form only (collectively “SETECS® Applications”) and any of their configuration modifications and only provided that (a) any such distribution is solely as an integrated part of the use of Licensee Applications and Software Modules on PCs or mobile devices and (b) LICENSEE requires end-users of the LICENSEE Applications and Software

Modules to agree to an End-User License Agreement that meets the requirements set forth in Section 2.3 of this Agreement.

2.3 Any distribution of SETECS® applications must contain an End-User License Agreement (EULA) containing language that (a) prohibits the end-user from modifying, reproducing, decompiling, reverse engineering and translating the application; (b) prohibits the end-user from distributing or transferring the application; (c) disclaims any and all warranties on behalf of SETECS® and its affiliated companies; (d) disclaims, to the maximum extent permitted by law, SETECS® and its affiliated companies liability for all damages, direct or indirect, incidental or consequential, that may arise from any use of the LICENSEE Applications; and (e) requires the end-user to agree not to transfer the application, directly or indirectly to any other users, but use it exclusively for his/her own use.

2.4 LICENSEE shall have no rights to Source Code to any Licensed Program and LICENSEE shall not have any rights to create any Derivative Works or make translations of the Licensed Program(s). LICENSEE shall not disassemble, decompile, reverse assemble, reverse compile, recompile or make extracts from Licensed Program(s) or attempt to determine the Source Code or permit others to do so.

2.5 Unless otherwise provided in this Agreement, SETECS® does not grant to LICENSEE any right to distribute, sell, or sub-license the Licensed Applications and Software Modules in any form to any third party other than to distribute end-user applications to its own customers, partners and end-users. LICENSEE acknowledges that all rights, title, and interest in and to the Licensed Applications and Software Modules and Documentation, including without limitation, patents, copyrights, trademarks, service marks, and trade secrets are and shall be owned exclusively by SETECS® and that SETECS® reserves all rights not expressly granted to LICENSEE under this Agreement.

2.6 LICENSEE is not granted any use or reproduction of any Application and Software Module for which the required Per Copy Royalty has not been made by LICENSEE, provided however that LICENSEE may provide to its potential customers limited access to evaluation copy of the LICENSEE Applications including the SETECS® Applications and Software Modules on a royalty-free basis ("Demo Version").

3. DELIVERY

3.1 Upon receipt and execution of this Agreement, SETECS® agrees to deliver one copy of the Licensed Applications and Software Modules and any other applicable deliverables in the form of installation packages.

4. DISTRIBUTION, MARKETING, ROYALTIES

4.1 Commencing with the Initial Ship Date and continuing thereafter through the term of this Agreement, LICENSEE shall install and activate the number of copies of each of the Licensed Programs bundled with each copy of the Defined Hardware/Software sold, licensed, or distributed by LICENSEE, subject to any quantity limitations set forth in LICENSEE purchase order and other documents. LICENSEE shall use reasonable good faith efforts to promote and market the Defined Hardware/Software Applications for which the Licensed Applications and Software Modules are used.

4.2 In consideration of the rights and licenses granted to LICENSEE under this Agreement, LICENSEE agrees to pay SETECS® a Per Copy Royalty or Per Use Royalty, if applicable, for use of products for each copy the LICENSEE sells, licenses or distributes, other than limited term evaluation copies. Licensing of products may also be based on transaction fees and other financial arrangements, based on transactions performed using Licensed Programs.

4.3 Per Copy Royalties shall accrue upon distribution of any copy of the Licensed Program bundled with the Defined Hardware/Software to end-users. Per Transaction Fees shall accrue immediately upon execution of each transaction. LICENSEE shall pay all accrued Per Copy Royalties and Transaction Fees

within thirty (30) days after the end of each month. Payments shall be accompanied by a written report signed by an officer of LICENSEE stating the number of copies of the Licensed Program distributed in such month and the calculation of the royalty payment. All amounts stated hereunder are denominated in and payable in United States Dollars within thirty (30) days after the end of each month.

5 PAYMENTS AND TAXES

5.1 All amounts payable by LICENSEE to SETECS® under this Agreement are net payments to SETECS®, exclusive of any tax, withholding tax, levy, or similar governmental charge that may be assessed by any jurisdiction in or outside the Territory. Such taxes, withholding taxes, levies, and governmental charges (collectively "Taxes") include Taxes based on sales, use, excise, import or export values/fees, value-added, income, revenue, net worth, or may be the result of the delivery, possession, or use of the Licensed Products, the execution or performance of this Agreement or otherwise. Should any Taxes be legally due by SETECS®, LICENSEE agrees either to increment the amount of payments for the amount of Taxes or to pay such Taxes on behalf of SETECS® and therefore indemnify SETECS® for any claim for such Taxes demanded. LICENSEE shall make no deduction from any amounts owed to SETECS® for any Taxes. LICENSEE covenants to SETECS® that all Products distributed hereunder will be in the ordinary course of LICENSEE's business and LICENSEE agrees to provide SETECS® with appropriate information and/or documentation satisfactory to the applicable taxing authorities to substantiate any claim of exemption from any Taxes.

5.2 For all Taxes paid by LICENSEE, LICENSEE shall provide to SETECS® within forty-five (45) days after the end of any quarter, a certificate of tax payment documenting the payment and amount of the Taxes paid during the preceding quarter.

6. RECORD KEEPING AND REPORTS

6.1 LICENSEE agrees to maintain shipment and transactions records relating to the disposition, operation and use of Licensed Products. LICENSEE shall prepare and submit quarterly financial reports to SETECS® no later than thirty (30) days following the last business day of each calendar quarter. Each report must specify the quantities of any Product distributed and transactions or any other fees collected during that quarter.

6.2 SETECS® may inspect the records described in Sections 6.1 at a date and time mutually agreed upon by the parties. In addition, LICENSEE agrees to allow SETECS® independent auditors to audit and analyze appropriate accounting records of LICENSEE from time to time to ensure compliance with all terms of this Agreement. Any such audit shall be permitted by LICENSEE within fifteen (15) days of LICENSEE's receipt of SETECS® written request to audit, during normal business hours. The cost of such an audit will be borne by SETECS®, unless a material discrepancy indicating inadequate record keeping or that additional License Fees are due to SETECS® is discovered, in which case the cost of the audit shall be borne by LICENSEE. A discrepancy shall be deemed material, if it involves payment or adjustment of more than five percent (5%) of the amount paid or Ten Thousand Dollars (\$10,000.00) in favor of SETECS®. Audits and inspections shall not interfere unreasonably with LICENSEE's business activities. Any underpayment of Per Copy Royalties or Transaction Fees disclosed by any such audit shall be paid to SETECS®, together with the applicable late payment charges, within ten (10) business days of notice to LICENSEE.

7. TRADEMARKS; COPYRIGHT NOTICES

7.1 The trademarks and trade names under which SETECS® markets any Product are the property of SETECS®. This Agreement gives LICENSEE no rights therein, except the restricted License to reproduce such trademarks and trade names in any authorized reproduction of any Product, provided that SETECS® is referenced as the owner of the trade name or trademark.

7.2 LICENSEE agrees to maintain and respect the trademark, trade name and copyright notices of any Licensed Program and Documentation in connection with its advertisement and distribution of the Licensee Application. LICENSEE hereby agrees to include a reference to SETECS® and the Licensed Program(s) in any advertisement for the LICENSEE Applications. LICENSEE shall use reasonable commercial efforts to ensure compliance hereto by all LICENSEE's distributors and dealers.

8. DISTRIBUTION; EXPORT RESTRICTIONS

8.1 LICENSEE shall contractually require each entity in LICENSEE's chain of distribution to market and distribute the Licensed Program(s) and the LICENSEE Applications as a unit, and shall use reasonable commercial efforts to enforce such requirements and prohibit any sale or distribution of the Licensed Programs separate from the LICENSEE Applications. LICENSEE shall use reasonable commercial efforts to monitor, prevent, and cause the discontinuance of any separation of the Licensed Program(s) and the LICENSEE Application prior to their delivery to the final Customer, Partner or End-User.

8.2 LICENSEE shall contractually require that each intermediate entity in its chain of distribution to the final End-User respects SETECS® copyrights, trade names and trademarks, complies with the Product handling and licensing requirements of this Agreement, and makes no unauthorized copies of SETECS® Products and shall use reasonable commercial efforts to enforce such requirements.

8.3 LICENSEE acknowledges that some SETECS® Products contain encryption. Some encryption Products may be exportable while others are export restricted by the U.S. Department of Commerce's Bureau of Export Administration (BXA). LICENSEE further acknowledges that for this reason, the export of such items may subject the LICENSEE or its executives to fines and/or other severe penalties. Unless all required permits and/or approvals have been obtained, LICENSEE shall not export or re-export the restricted Product outside of the United States or its own Country of Operations, whether directly or indirectly, and will not cause, approve or otherwise facilitate others such as agents, subsequent purchasers, licensees or any other third parties in doing so. The parties agree to cooperate with each other with respect to any application for any required licenses and approvals. However, LICENSEE acknowledges that it is their ultimate responsibility to comply with all export laws and that SETECS® has no further responsibility after the initial distribution or sale to the LICENSEE within the United States or Country of Operation. Additionally, LICENSEE warrants and hereby gives written assurance to SETECS® that it will do all efforts necessary to comply with the U.S. Export Administration and other applicable export laws and regulations in various countries, as they apply to Licensed Program(s), Documentation, Products and all other things delivered to, or derived from things delivered to, or from things delivered to, LICENSEE under this Agreement.

9. PATENTS AND COPYRIGHT INDEMNIFICATION

9.1 SETECS® will defend any action brought against LICENSEE to the extent that it is based upon a claim that a Licensed Program, furnished hereunder and used within the scope of a License granted hereunder, infringes a copyright or patent arising under the laws of any Country of Operations or a United States trademark. SETECS® will pay resulting costs, damage awards and legal fees finally awarded against LICENSEE, in such action to the extent of the amounts paid to SETECS® under this contract which are attributable to such claim provided that (a) the LICENSEE notifies SETECS® promptly in writing of any claim and (b) SETECS® has sole control of the defense of any such claim and all related settlement negotiations. SETECS® shall have no liability for any claim based upon (a) use of other than a current unaltered version of the Licensed Program or (b) use, operation or combination of the Licensed Program with non-SETECS® programs or data, if such infringement would have been avoided but for such use, operation or combination.

9.2 Should the Licensed Program become, or be likely to become, in SETECS® opinion, the subject of a claim of infringement of such copyright or patent, SETECS® may, at its option, procure for LICENSEE the right to continue using the Licensed Program, or replace or modify it to make it non-infringing.

9.3 This Section 9 states the entire liability of SETECS® with respect to any infringement of copyrights, trademarks or patents.

10. WARRANTY; SUPPORT; MAINTENANCE.

10.1. WARRANTY

10.1.1. SETECS® warrants only to LICENSEE that any Licensed Program will substantially conform to the specifications in the published Documentation for such Licensed Program in effect when the Licensed Program is shipped to LICENSEE. If LICENSEE finds what it believes to be errors or a failure of the Licensed program to meet specifications which significantly affect performance, and provides SETECS® with a written report, SETECS® will use reasonable efforts to correct promptly, at no cost to LICENSEE, any such errors or failures. This is LICENSEE's sole and exclusive remedy for any express or implied warranties hereunder other than the warranty against infringement specified in Section 9 hereof. SETECS® warranty and obligation is solely for the benefit of LICENSEE, who has no authority to extend this warranty to any other person or entity. SETECS® MAKES NO WARRANTY THAT ALL ERRORS OR FAILURES WILL BE CORRECTED.

10.1.2 EXCEPT AS PROVIDED IN PARAGRAPH 10.1.1 AS TO LICENSEE, SETECS® MAKES NO WARRANTY, EXPRESS OR IMPLIED, RESPECTING THE PRODUCT AND MAKES NO WARRANTY TO ANYONE OTHER THAN LICENSEE. EXCEPT FOR EXPRESS WARRANTIES MADE HEREIN, AS BETWEEN SETECS® AND LICENSEE, SETECS® DISCLAIMS ALL OTHER WARRANTIES, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT AND MERCHANTABILITY.

10.2 LICENSEE MAINTENANCE AND SUPPORT

10.2.1 SETECS® agrees to make available to LICENSEE, during the term of this Agreement, SETECS® current software support services, which consists of verbal and written communication regarding problems and technical advice for each Licensed Program. Support services are specified in Exhibit "A". SETECS® may change its software support services provided to LICENSEE generally upon written notice to LICENSEE.

10.2.2 SETECS® agrees to make available to LICENSEE, at no charge, as published during the term of this Agreement and only for so long as such Product is distributed by SETECS®, Executable Code patches and corrections and Documentation describing which errors or problems discovered in the Product have been corrected. Such patches, corrections and Documentation may be distributed in written or machine-readable form, or as an entirely new reproduction package, or by electronic distribution, at SETECS® option, and shall be considered part of the Product hereunder. This Paragraph 10.2.2 does not extend to other upgrades or revisions of the Licensed Program, but shall not limit LICENSEE rights if upgrades are included pursuant to Exhibit "A".

11. CONFIDENTIAL INFORMATION

11.1 All documentation and information which is designated by SETECS® as proprietary or confidential, including without limitation drawings, Source Code, computer program listings, techniques, algorithms and processes and technical and marketing information ("Confidential Information") which is supplied by SETECS® to the LICENSEE and by the LICENSEE to its users and customers ("Receiving Party") in connection with this Agreement (other than documentation and information intended for public distribution to third parties) shall be treated confidentially by the Receiving Party and its employees and shall not be disclosed by the Receiving Party without SETECS® prior written consent. Information shall not be considered to be Confidential Information if it (1) is already or otherwise becomes publicly known through

no act of the Receiving Party; (2) is lawfully received from third parties subject to no restriction of confidentiality; or (3) can be shown by the Receiving Party to have been independently developed by it prior to such disclosure. The Receiving Party agrees to protect the Confidential Information with the same standard of care and procedures, which it uses to protect its own trade secrets and proprietary information.

11.2 LICENSEE shall not copy, reproduce, remanufacture, disassemble the Executable Code or in any way duplicate all or any part of the Confidential Information, including translating it into another software language, except in accordance with the terms and conditions of this Agreement. LICENSEE shall have an appropriate agreement with each of its employees having access to Confidential Information, sufficient to enable LICENSEE to comply with all terms of this Agreement.

12. LIMITATION OF LIABILITY AND INDEMNIFICATION

12.1 In no event shall SETECS® be liable for any loss of profits, loss of business, loss of use or of data, interruption of business, or for indirect, special, incidental or consequential damages of any kind whether under this Agreement or otherwise, even if SETECS® has been advised of the possibility of such damages, or for any claim against LICENSEE by any other party, except to the limited extent provided in the section entitled "Patents and Copyright Indemnification". In no case will SETECS® be liable for any representation or warranty made to any third party by LICENSEE, any agent of LICENSEE, any distributor or dealer or other person or entity in the distribution chain.

12.2 Notwithstanding anything in this Agreement to the contrary, SETECS® entire liability to LICENSEE for damages concerning performance or nonperformance by SETECS® or in any way related to the subject matter of this Agreement and regardless of whether the claim for such damages is based in contract or in tort, shall not exceed the amount of the payments made hereunder by LICENSEE to SETECS® in the six months prior to such claim.

12.3 LICENSEE shall defend, indemnify, and hold harmless SETECS® and its directors, officers, agents, employees, members, subsidiaries, and affiliates from and against any claim, action, proceeding, liability, loss, damage, cost, or expense (including, without limitation, attorney's fees) arising out of or in connection with LICENSEE's use of the Licensed Program.

13. TERM; TERMINATION

13.1 The term of this Agreement shall commence on the Effective Date and shall terminate one year later, unless earlier terminated as provided in this Section 13 or otherwise rightfully terminated by termination of the associated Cooperation Agreement. Unless either party shall give the other written notice thirty (30) days prior to the expiration of the then current term, this Agreement shall automatically renew for successive periods of one year each subject to the notice and termination rights herein contained.

13.2 Either party may, at its option, terminate this Agreement and, the Licenses granted hereunder, if either (1) the other party fails to make any payment to the non-breaching party hereunder when due and does not cure within ten (10) days of notice of non-payment, (2) the other party fails to meet any of its other obligations under this Agreement, and such failure continues uncured thirty (30) days following written notice thereof, (3) the other party declares bankruptcy or is adjudicated bankruptcy, or (4) a receiver or trustee shall be appointed for the other party or substantially all of its assets.

13.3 The obligations of each party in Section 11 shall survive termination of this Agreement and shall remain in effect until the earlier of such time as the Confidential Information becomes in the public domain. Upon termination of this Agreement, LICENSEE shall discontinue marketing and distribution of Products, provided, that unless the termination was by reason of default by LICENSEE, LICENSEE may fulfill orders received through the date of termination, subject to payment of the applicable Per Copy

Royalty or Per Transactions Fee. Upon termination LICENSEE shall promptly return and make no further use of property, materials and other items and all copies thereof belonging to SETECS® relating to this Agreement.

13.4 This Agreement is executory in nature and so long as LICENSEE has any continuing obligations hereunder, SETECS® shall be entitled to protect the master reproduction copies of the Licensed Program(s) by impounding in the event that LICENSEE fails to promptly perform any obligation under this Agreement, which would fully protect SETECS® proprietary rights. No trustee, receiver or debtor in possession may retain the Licensed Program(s) in any form or sell or License any Product(s), unless all of the provisions of 11 U.S.C Section 365 of the United States Bankruptcy Act have been complied with and SETECS® is adequately protected.

13.5 LICENSEE understands and acknowledges that violation of LICENSEE's obligations pursuant to this Agreement may cause SETECS® irreparable harm and damage, which may not be recovered at law, and LICENSEE agrees that SETECS® remedies for breach of this Agreement may be in equity by way of injunctive relief, as well and any other relief available, whether in law or in equity. SETECS® understands and acknowledges that violation of SETECS® obligations pursuant to Section 11 of this Agreement may cause LICENSEE irreparable harm and damage, which may not be recovered at law, and SETECS® agrees that LICENSEE's remedies for breach of this Agreement may be in equity by way of injunctive relief, as well and any other relief available, whether in law or in equity.

14. ASSIGNMENT

14.1 This Agreement and the Licenses granted hereunder are to a specific entity or legal person, not including corporate subsidiaries or affiliates of LICENSEE, and are not assignable, by LICENSEE, nor are the obligations imposed on LICENSEE delegable without the previous written consent of SETECS®. Any attempt to sublicense, assign or transfer any of the rights, duties or obligations under this Agreement in derogation hereof, shall be null and void.

15. ESCROW OF SOURCE CODE

15.1 If required by LICENSEE, SETECS® agrees to enter into an escrow agreement with a third party source code escrow agent, naming LICENSEE as a beneficiary (the "*Escrow Agreement*") and in connection therewith deposit a current complete copy of the SETECS® source code for the Licensed Products and all information described in the Escrow Agreement (the "*Source Code Deposit Materials*") with an escrow agent (the "*Escrow Agent*") for LICENSEE's benefit within forty-five (45) business days following the Effective Date. LICENSEE shall pay for the annual beneficiary fees and for all other costs related to the Escrow Agreement, and SETECS® shall not be responsible for any costs related to the Escrow Agreement, except its own internal costs for complying therewith. During the term of this Agreement, SETECS® shall keep the source code in escrow current by depositing updated information described in the Escrow Agreement including, without limitation, additional separate deposits for each release of the Licensed Products throughout the term and the listings and all supporting documentation and related materials.

15.2 If at any time SETECS® shall become subject to any Insolvency Event or SETECS® has materially failed to perform its services obligations under this Agreement, then at the request of LICENSEE the Escrow Agent shall deliver to LICENSEE a copy of the most recent version of the Source Code Deposit Materials and such earlier versions as LICENSEE requests.

16. GENERAL

16.1 In the event that any one or more of the provisions of this Agreement shall be found to be illegal or unenforceable in the United States or in the Country of Operations, then notwithstanding, this Agreement shall remain in full force and effect, and such term or provision shall be deemed stricken.

16.2 Neither party's right to require performance of the other party's obligations hereunder shall be affected by any previous waiver, forbearance, or course of dealing.

16.3 This is a Software License Agreement. No agency, partnership, joint venture or other joint relationship is created hereby and neither LICENSEE nor LICENSEE's agents have any authority of any kind to bind SETECS® in any respect whatsoever.

16.4 Neither party is responsible for failure to fulfill its obligations under this Agreement due to causes beyond its control.

16.5 This Agreement constitutes the entire understanding between SETECS® and LICENSEE and supersedes all proposals, oral or written, and all communications between the parties relating to the subject matter of this Agreement. The terms and conditions of this Agreement shall prevail, notwithstanding any variance with any purchase order or other written instrument submitted by LICENSEE, whether formally rejected by SETECS® or not. This Agreement may be amended or modified only by a written document signed by each party.

16.6 The parties expressly stipulate that all litigation under this Agreement shall be brought in the State courts of the County of Montgomery, Maryland or the United States District Court for Maryland, (and for the purpose of any such suit irrevocably submit and consent to the personal and subject matter jurisdiction and venue of any such court). LICENSEE and SETECS® agree that North Bethesda, Maryland is both the place of making and the place of performance of this Agreement.

16.7 Any notice or other communication required or permitted hereunder shall be given in writing to the other party at such address as shall be given by either party to the other in writing. Such notice shall be deemed to have been given when (i) delivered personally, (ii) sent via certified mail (return receipt requested), (iii) sent via cable, telegram, telex, telecopier, fax (all with confirmation of receipt), or (iv) by recognized air courier service.

Address for Notices to SETECS:	Address for Notices to LICENSEE:
SETECS®, Inc. 5801 Nicholson Lane, Suite #1233 North Bethesda, MD 20852 U.S.A. Phone: 240-535-2095 E-mail: info @setecs.com	Address: _____ City, State: _____ Phone: _____ Fax: _____

16.8 This Agreement shall be governed by and construed in accordance with the laws of the United States of America and the State of Maryland, without regard to principles of conflicts of laws. The United Nations Convention on the Sale of Goods shall not apply to this Agreement. SETECS® and LICENSEE have caused this Agreement to be executed by their duly authorized representatives on the respective dates entered below.

SETECS® , Inc.

By: _____

Print Name: Sead Muftic

Title: Chairman/CEO

Date: _____

LICENSEE:

By: _____

Print Name: _____

Title: _____

Date: _____

EXHIBIT “A”

SOFTWARE LICENSE AGREEMENT

MAINTENANCE SERVICES, SUPPORT and TECHNICAL CONTACT

SETECS® will provide the following support levels and maintenance services:

- Remote support for **initial installation, customization and activation**, that includes the following services:
 - For the initial installation the software, up to 20 hours support at no charge to LICENSEE
 - Additional hours of remote support as requested by LICENSEE at the rate of \$150 per hour.
 - Additional on-site support (e.g., visit to LICENSEE's facility) as requested by LICENSEE at the rate of \$1,200/day plus travel expenses.
- **Software maintenance services** include the following services:
 - Telephone support and consulting
 - Up to 4 hours/month at no charge to LICENSEE during first year of agreement; additional hours of remote support as requested by LICENSEE at the rate of \$150 per hour.
 - Additional on-site support upon request by LICENSEE at the rate of \$1,200/day plus travel expenses
 - Software updates
 - For each new release, up to 4 hours of support at no charge to LICENSEE
- **Software updates services**, which are offered after the 90 days guarantee period, can be obtained at two levels:
 - At **20%** annually of the total software price, the services include correction of software bugs and errors
 - At **25%** annually of the total software price, the services include upgrades with new releases

Technical Contact:

Sead Muftic
SETECS®, Inc.
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U.S.A.
Phone: 240-535-2095
E-mail: info@setecs.com