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#### SOFTWARE LICENSE AGREEMENT

THIS SOFTWARE LICENSE AGREEMENT ("License") is made as of the Effective Date by and between Krengel Technology Inc with offices located at 600 Shady Ridge Road, Hutchinson, Minnesota, USA ("Licensor") and the individual or entity identified identified on the corresponding Registration Statement ("Licensee").

#### **WITNESETH**

WHEREAS, Licensor is a Minnesota corporation formed for the purpose of developing and marketing web services software; and

WHEREAS, Licensor owns certain computer software for composing, transmitting, receiving, and parsing XML documents via web services ("RPG-XML Suite"); and

WHEREAS, Licensee requires software for composing, transmitting, receiving, and parsing web services RPG-XML Suite; and

WHEREAS, Licensee desires to license RPG-XML Suite.

NOW, THEREFORE, in consideration of the mutual benefits of the covenants and restrictions herein contained, Licensor and Licensee hereby agree as follows:

#### **ARTICLE I: RECITALS AND DEFINITIONS**

Section 1.01 -- Recitals: The above recitals and identification of parties is true and correct.

Section 1.02 -- Definitions: The following definitions shall apply:

- (1) Acceptance Date: The term "Acceptance Date" shall mean the date the Software is accepted by Licensee as provided under this License.
- (2) Access: The term "access" and variants thereof shall mean to store data in, retrieve data from or otherwise approach or make use of (directly or indirectly) through electronic means or otherwise the Software.
- (3) Cancellation Notice: The term "Cancellation Notice" shall mean that written notice sent by one party to this License to the other party to this License seeking to cancel this License because of breach by such other party.
- (4) Computer: The term "Computer" shall mean that certain logical partition designated by licensor on that computer system as described in Exhibit A which is attached hereto and by this reference incorporated herein.
- (5) Documentation: The term "Documentation" shall mean that certain RPG-XML Suite User's Guide including all updates thereto.
- (6) Defect Notice: The term "Defect Notice" shall mean that certain written notice from Licensee to Licensor identifying discrepancies between the actual performance of the Software and the performance of the Software represented in the Documentation.
- (7) Effective Date: The term "Effective Date" shall mean the date this License is signed by Licensor.
- (8) Implement: The term "implement" and variants thereof (including, but not limited to, the terms "implementation", "implementing" and "implemented") shall mean to load and make available for access.
- (9) License Fee: The term "License Fee" shall mean

that certain fee charged to Licensee by Licensor for the license granted to Licensee by Licensor under this License.

- (10) License Term: The term "License Term" shall mean a period of time starting with the Effective Date and continuing twenty years thereafter.
- (11) Licensee: The term "Licensee" shall mean the person accepting this agreement.
- (12) Registration Statement: The online record created by the licensee for purposes of registering.
- (13) Software: The term "Software" shall mean the executable code for that certain software commonly referred to as RPG-XML Suite as made available to Licensee by Licensor on the Effective Date.
- (14) Unauthorized Access: The term "Unauthorized Access" shall mean any access to the Software or Documentation except for the exclusive purposes of composing, transmitting, receiving, and parsing XML documents via web services demonstrating the performance, utility and functions of the Software, developing new web services, and training employees of Licensee in the use of the Software.
- (15) Unauthorized User: The term "Unauthorized User" shall mean any individual who accesses the Software or Documentation except for employees authorized by Licensee to access the Software for the purposes of developing web services.

## ARTICLE II: SCOPE OF LICENSE

Section 2.01 -- Grant of License: Licensor hereby grants to Licensee a non-exclusive and non-transferable license to use the Software on the Computer and to use the Documentation for the License Term.

Section 2.02 -- Acceptance: The software shall be deemed accepted by licensee as of the effective date.

Section 2.03 -- Risk of Loss: Licensee assumes risk of loss to the Software as of the Acceptance Date.

Section 2.04 -- Authorized Use: Licensee shall prevent Unauthorized Users from accessing the Software. Licensee shall prevent Unauthorized Access to the Software.

## ARTICLE III: PAYMENT

Section 3.01 -- Fees: Licensee shall pay the entire license fee and sign and return the License Agreement before a permanent key is issued.

Section 3.02 -- Taxes: Licensee shall pay any and all applicable taxes.

## ARTICLE IV -- TERMINATION

Section 4.01 -- Termination Limitations: This License may only be terminated as provided under this Article IV.

Section 4.02 -- Term: This License shall be valid for the License Term except as extended hereunder.

Section 4.03 -- Termination: Licensee may terminate this License for convenience with ten days written notice of termination to the other party.

Section 4.04 -- Cancellation for Cause: If a party violates its obligations under this License, the other party may cancel the License by sending Cancellation Notice describing the noncompliance to the noncomplying party. Upon receiving Cancellation Notice, the noncomplying party shall have thirty days from the date of such notice to either cure any such noncompliance or, if the noncompliance cannot be cured within such thirty day period, to begin curing such noncompliance in good faith. If such noncompliance is not cured within the required thirty day period, or, if the noncompliance cannot be cured within such thirty day period and the noncomplying party does not make a good faith effort to begin curing such noncompliance within such thirty day period, the party providing Cancellation Notice shall have the right to cancel this License as of the thirty-first day after the date of the Cancellation Notice.

Section 4.05 -- Destruction of Software upon Termination: Upon termination or cancellation of this License, Licensee shall destroy all Software provided to Licensee by Licensor pursuant to this License and shall provide Licensor with a certificate of compliance with this Section 4.05 signed by an authorized representative of Licensee.

## ARTICLE V: WARRANTY

Section 5.01 -- Representations: Licensor represents and warrants that the Software shall perform as represented in the Documentation.

Section 5.02 -- Warranty: The services to be provided by Licensor hereunder shall be performed on a best efforts basis and shall conform to the standards generally observed in the industry for similar services. Such services shall be in compliance with all applicable laws, rules, regulations or orders.

Section 5.03 -- Original Development: Licensor represents and warrants that the Software is owned exclusively by Licensor and shall not infringe upon or violate any patent, copyright, trade secret or other property right of any third party.

**Section 5.04 -- WARRANTY LIMITATION: THE FOREGOING WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES EXPRESSED OR IMPLIED, INCLUDING BUT NOT LIMITED TO, IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND WARRANTIES OF MERCHANTABILITY.**

Section 5.05 -- Indemnification: Licensor shall defend, indemnify and hold harmless Licensee (including employees, consultants, agents, and subcontractors of Licensee) against any liability arising from the negligence of Licensor or any claim by any third party against Licensee for claimed violations of trade secrets, proprietary information, trademark, copyright or any patent rights resulting from Licensee's use of the Licensed Software. If Licensee's quiet enjoyment and use of the Software is disrupted as a result of a third party claim, Licensor shall perform one or all of the following actions within one year of the date such third party's claim is discovered by Licensee:

- (1) Replacement: Replace the Software by implementing on the Computer a non-infringing software product of equivalent functional and performance capability of the Software;
- (2) Modification: Modify the Software to avoid the infringement without eliminating the functional and performance capabilities of the Software as described in the Documentation;
- (3) Obtain License: Obtain a license from the third party claiming infringement for Licensee's use of the Software.

**ARTICLE VI: INTELLECTUAL PROPERTY**

Section 6.01 -- Ownership and Title: Title to the Software and Documentation including ownership rights to patents, copyrights, trademarks and trade secrets therein shall be the exclusive property of Licensor.

Section 6.02 -- Reverse Engineering: Licensee shall not reverse engineer the Software.

Section 6.03 -- Confidentiality: Licensee hereby acknowledges that the Software and the Documentation may contain information that may be trade secret and proprietary to Licensor. Licensee hereby agrees not to disclose such information except to persons and organizations expressly authorized by Licensor to receive such information. Licensee shall not remove or alter any copyright notices or proprietary legends affixed by Licensor to the Software.

Section 6.04 -- Copies: Licensee shall not copy the Software or Documentation and shall not allow the Software or Documentation to be copied without the prior written consent

of Licensor.

Section 6.05 --Indemnification: Except as provided in Section 5.05, Licensee shall defend, indemnify and hold harmless Licensor against any damages or liability arising from use of the Software or Documentation by Licensee.

Section 6.06 -- Limitation of Damages: Licensor shall not be liable for any lost profits, or incidental or consequential damages resulting from, or arising out of, implementation, access or use of the Software or Documentation by Licensee. Licensor shall not be liable for any failure to perform its obligations under this License because of circumstances beyond the control of Licensor, which such circumstances shall include (without limitation) natural disaster, terrorism, labor disputes, war, declarations of governments, transportation delays, failure of the Computer, telecommunications failure and misuse of the Software or Documentation by Licensee.

Section 6.07 -- Continuation: The terms and provisions of this Article VI shall survive termination of this License.

**ARTICLE VII: MISCELLANEOUS**

Section 7.01 -- Assignments: All assignments of rights under this License by Licensee without the prior written consent of Licensor shall be void.

Section 7.02 -- Entire License: Excepting the Software Maintenance Agreement between Licensor as Vendor and Licensee as Customer and the Source Code Escrow Agreement between the parties hereto, this License contains the entire understanding of the parties and supersedes previous verbal and written agreements between the parties concerning licensing of the Software.

Section 7.03 -- Equitable Remedies: The parties hereby acknowledge that damages at law may be an inadequate remedy. Therefore, Licensee shall have the right of specific performance, injunction or other equitable remedy in the event of a breach of this License by Licensor.

Section 7.04 -- Amendments and Modifications: Waivers, alterations, modifications or amendments of a provision of this License shall not be binding unless such waiver, alteration, modification or amendment is in writing and signed by an authorized representative of both parties.

Section 7.05 -- Severability: If a provision of this License is rendered invalid, the remaining provisions shall remain in full force and effect.

Section 7.06 -- Captions: The headings and captions of this License are inserted for reference convenience and do not define, limit or describe the scope or intent of this License or any particular section, paragraph, or provision.

Section 7.07 -- Counterparts: This License may be executed in multiple counterparts, each of which shall be an original, but which together shall constitute one and the same instrument.

Section 7.08 -- Governing Law: This License is governed by the laws of the Minnesota and venue shall be Hennepin County, Minneapolis Minnesota.

Section 7.09 -- Notice: Notices shall be in writing and shall be deemed delivered in person when delivered by courier or mailed postage prepaid by Certified or Registered Mail -- Return Receipt Requested -- to the person and address designated below for Vendor, and to the address set forth on the Registration Statement for Customer. Notice shall be deemed given on the date of receipt -- as evidenced in the case of Certified or Registered Mail by Return Receipt.

<u>Licensor</u>	<u>Address</u>
Krengel Technology Inc	600 Shady Ridge Road Hutchinson MN55350 USA

Section 7.10 -- Pronouns/Gender: Pronouns shall refer to the masculine, feminine, neuter, singular or plural as the context shall require.

Section 7.11 -- Bankruptcy: If either party must institute, defend, appear or attend a bankruptcy proceeding as a result of the filing of bankruptcy by the other party, fees and expenses shall be born by the filing party. If either party has a bankruptcy proceeding filed against it, the other party shall recover attorney fees, expert witness fees, and other costs incurred by such other party in connection with the bankruptcy proceeding, hearing or trial.

Section 7.12 -- Waiver: Waiver of breach of this License shall not constitute waiver of another breach. Failing to enforce a provision of this License shall not constitute a waiver or create an estoppel from enforcing such provision.

Section 7.13 -- Relationship of the Parties: It is agreed that the relationship of the parties is primarily that of Licensee and Licensor. Nothing herein shall be construed as creating partnership, employment relationship, or agency relationship between the parties, or as authorizing either party to act as agent for the other. Each party maintains its separate identity.

Section 7.14 -- Arbitration: Any controversy or claim arising out of or relating to this Agreement, or breach thereof, shall be settled by arbitration in accordance with Arbitration Rules of the American Arbitration Association in St. Paul, Minnesota. Judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction thereof. Three qualified Arbitrators shall be selected by the parties in accordance with the Arbitration Rules of the American Arbitration Association. Each party shall have the right of discovery as set forth in the Federal Rules of Civil

Procedure. The Arbitration shall be administered by the American Arbitration Association in St. Paul, Minnesota.

Section 7.15 -- Assurances: Each party hereby represents and warrants that all representations, warranties, recitals, statements and information provided to each other under this License are true, correct and accurate as of the date of this License to the best of their knowledge.

Section 7.16 -- Litigation Expense: In the event of litigation or arbitration arising out of this Agreement, each party shall pay its own costs and expenses of litigation and arbitration (excluding fees and expenses of arbitrators and administrative fees and expenses of arbitration).

EXHIBIT A

COMPUTER HARDWARE DESCRIPTION

## COMPUTER HARDWARE DESCRIPTION

LICENSOR: Krengel Technology Inc  
600 Shady Ridge Road, Hutchinson, Minnesota, USA

LICENSEE: As set forth in the corresponding Registration Statment

### COMPUTER SYSTEM DESCRIPTION

The Term "Computer" shall mean the following Computer Hardware:

IBM System I5 Computer(s) with serial number(s) as designated by licensor.