

END USER LICENSE AGREEMENT

This End User License Agreement, including all schedules, exhibits and attachments hereto (the "Agreement") is made and entered into as of the date set forth below by and between AnchorID, Inc. ("AnchorID"), a [Delaware] corporation with a principal address of One North Front Street, Suite 103, Kingston, NY 12401 and you ("Customer"). If you, or the company or business that you represent, do not agree with these terms,, you may not use AnchorID's Services.

In consideration of the mutual covenants contained herein, the parties hereby agree as follows:

1. Definitions

In this License Agreement the following words and expressions have the following meanings:

- (1) "Add-on Module" shall mean software module(s) that at any time may be added on to the Base Package as further described in Schedule A hereto;
- (2) "Affiliate" shall mean in relation to any party, any company or other legal entity, that is controlled by, controls or is under common control with the party;
- (3) "Base Package" shall mean the base package of Licensed Software as further described in Schedule A hereto;
- (4) "Capacity Increase" shall mean the additional capacity increase to the Licensed Software that may be obtained by a Customer during the term of this License Agreement, as set out in Schedule A hereto;
- (5) "Documentation" shall mean all related user documentation and manuals, in whatever medium, regarding the proper installation and use of the Licensed Software;
- (6) "Effective Date" means the day and year written in the signature field for AnchorID in the acceptance section in the Order Form;
- (7) "License Agreement" shall mean this Agreement together with any additional contractual documents included with the Order Form;
- (8) "Licensed Software" shall mean licensed computer software identified as such in the Order Form together with the Documentation;
- (9) "Maintenance and Support Fee" shall mean the amount identified as such in the order form submitted by Customer to AnchorID (the "Order Form");
- (10) "Term" shall have the meaning set forth in Section 19 of the Terms and Conditions;
- (11) "Total Software License Fee" shall mean the aggregate fee set forth in the Order Form.
- (12) "Upgrade" shall mean the release of a version of the Licensed Software containing major changes to the structure of the Licensed Software where important new features may be added. The change to an Upgrade will be recognized by an increase in value of the primary version number (e.g. version 3.x to be replaced by version 4.x);
- (13) "Update" shall mean the release of a version of the Licensed Software containing improvements and adjustments to the Licensed Software, however not including major structural changes and/or new important features. The change to an Update will be recognized by an increase in value of the secondary version number (e.g. version 3.0 to be replaced by version 3.1).

2. License Terms

AnchorID grants to Customer a perpetual (except as otherwise provided herein), non-exclusive, non-transferable and non-sublicensable license ("License") to use the Licensed Software with the agreed amount of Active Users set forth in the Order Form and Schedule A hereto.

Customer may copy the Licensed Software for back-up or archival purposes, provided that any copy contains all of the original Licensed Software's proprietary notices. **Customer may not:** (i) permit other entities or individuals to use the Licensed Software except under the terms listed herein, (ii) modify, translate, reverse engineer, decompile, disassemble (except to the extent applicable laws specifically prohibit such restriction and provided that Customer has first requested from AnchorID the tools necessary to create interoperable programs), or create derivative works based on the Licensed Software, (iii) copy the Licensed Software (except as specified herein), (iv) export, directly or indirectly, the Licensed Software to any person or entity outside the United States in violation of applicable U.S. export laws, (v) sell, rent, lease, or otherwise transfer rights to the Licensed Software, (vi) remove any proprietary notices or labels on the Licensed Software, (vii) separate, remove or replace any components of the Licensed Software provided by third parties ("Component Software"); use any Component Software independently of the Licensed Software; or use the Licensed Software without the Component Software.

If Customer has purchased an evaluation license (as indicated on the Order Form), Customer may use one copy of the Licensed Software for quality assurance, and testing.

3. Installation of Upgrade and Update

The Terms and Conditions of this License Agreement shall apply to the initial copy of the Licensed Software as well as to any Upgrade or Update to the Licensed Software subsequently delivered to Customer. Customer must destroy all previous copies of the Licensed Software, however duplicated or archived, within thirty (30) days of installation of the Upgrade or Update. If the Upgrade or Update is to a Component Software of the Licensed Software, it may be used only as part of the single Licensed Software package and may not be separated for individual use.

4. Maintenance and Support

For one year from the Effective Date, Customer shall purchase maintenance and support services from AnchorID or its authorized distributor with respect to all software licensed hereunder. The Maintenance and Support Fee entitles customer to the support services described in Schedule B hereto and the following maintenance services: (i) notification of and access to AnchorID software patches and documentation released by AnchorID; and (ii) notification of and access to Updates and Upgrades. Maintenance services do not include new modules released by AnchorID that include significantly different features and functionality, which are packaged and marketed as separate modules.

The Maintenance and Support Fee is due and payable in advance at the time of payment of the Total Software License Fee. The Customer may elect between different levels of support, the alternatives of which are set out in Schedule B.

The Maintenance and Support Fee in subsequent years shall be due and payable on each anniversary of the Effective Date, unless Customer notifies AnchorID in writing sixty (60) days in advance of such anniversary that Customer desires to terminate maintenance and support. If Customer terminates maintenance and support, AnchorID shall be under no obligation to resume providing such services to Customer under any circumstances.

If Customer licenses Add-on Modules or Capacity Increases effective on any date other than the Effective Date or any anniversary thereof, the Maintenance and Support Fee for such Add-on Modules or Capacity Increases shall be pro-rated for the remainder of the year in question.

Under no circumstances will AnchorID be responsible for supporting or correcting any errors in the Licensed Software resulting from any modifications made to the Licensed Software by Customer, and AnchorID will not be liable for any loss or damage of any nature directly or indirectly caused by such modifications. Customer must install Updates that contain bug-fixes in order to receive Maintenance and Support.

AnchorID may, at its sole discretion, cease providing Maintenance and Support for any prior version of the Licensed Software six (6) months after an Upgrade is made available.

Furthermore, at such time as AnchorID decides to cease maintaining and supporting the Licensed Software for its entire customer base, AnchorID may cease providing Maintenance and Support two years after such decision is communicated by written notice to Customer.

5. License Fees

- 5.1. **Invoices.** AnchorID or its authorized distributor shall invoice Customer in respect of the Total Software License Fee(s) monthly.
- 5.2. **Future Purchases.** Customer may purchase additional Base Packages, Add-on Modules and/or Capacity Increases upon payment to AnchorID or its authorized distributor of the fees therefor then in effect.

6. General Payment Conditions

Payment of Total Software License Fee, Maintenance and Support Fee and any other fees shall be made by electronic wire transfer to a bank account to be designated in writing by AnchorID or its authorized distributor. Any invoices shall be due and payable within 30 days of the invoice date.

Overdue payments shall bear interest at the rate of 12% annually, or the maximum permitted by applicable law, whichever is less, and Customer shall reimburse AnchorID for all reasonable out-of-pocket costs AnchorID incurs attempting to recover payments due.

The Total Software License Fee, Maintenance and Support Fee and any other fees are up-front non-refundable fees.

All fees, of whatever kind, are exclusive of all sales taxes, use taxes, value added taxes and any other similar taxes imposed by any federal, state, provincial or local governmental entity on the transactions contemplated by this Agreement, excluding taxes based upon AnchorID's net income. When AnchorID has the legal obligation to pay or collect such taxes, the appropriate amount shall be invoiced to and paid by Customer unless Customer provides AnchorID with a valid tax exemption certificate authorized by the appropriate taxing authority.

In the event that any withholding taxes or any other similar taxes are imposed by any federal, state, provincial or local governmental entity on the transactions contemplated by this License Agreement Customer shall pay such taxes in such amounts as are necessary to ensure that AnchorID receives the full amount of the then due fees.

7. Delivery

AnchorID shall deliver one copy of the Licensed Software to Customer, including software keys to enable use of the Licensed Software, unless otherwise expressly stated in the Order Form.

8. Audit Right

AnchorID or its designee shall have the right to have a reputable third party inspect Customer's data processing systems and records for the sole purpose of verifying that Customer has complied with these Terms and Conditions and reporting its findings to AnchorID. Such inspections will be made on not less than ten (10) days written notice, during regular business hours. If the inspection reveals an underpayment to AnchorID of license fees, Customer shall pay to AnchorID the deficit. AnchorID shall bear the expense of such inspection unless the inspection reveals license fees that vary more than ten percent (10%) from the license fees paid to AnchorID, in which case Customer shall bear the costs associated with the inspection.

9. Limited Warranty

- 9.1 AnchorID is, and shall remain, the owner or licensee of all intellectual property rights in and to the Licensed Software and there is no pending litigation against AnchorID which could materially impact its ability to perform its obligations under this License Agreement.
- 9.2 AnchorID has full power and right to license the Licensed Software and perform all other terms of this License Agreement, and the use of Licensed Software, or the exercise of the licenses granted hereunder, will not violate or interfere with the intellectual property or contractual rights of any third party, including without limitation, those rights arising under copyright, trademark, trade secret or patent law, provided, however that AnchorID shall not be liable for breach of representation and warranty if a violation or interference occurs by reason of content supplied by Customer or on its behalf by end users associated with Customer or other third parties associated with Customer.
- 9.3 AnchorID warrants that, for a period of ninety (90) days from the delivery, the CD or other media on which the Licensed Software is furnished ("Media") shall be free from defects in materials and workmanship under normal use and service. In the event that such media is proven to be defective, AnchorID's entire liability and Customer's sole and exclusive remedy shall be replacement of the media or such part of the media not meeting AnchorID's limited warranty or, at AnchorID's option, refund of any amount prepaid for the time periods following return of such failed or defective Products, provided that Customer returns the media or such part of the media to AnchorID. If failure of the media or any part of the media has resulted from accident, abuse, or misapplication of the Licensed Software, then AnchorID shall have no obligation to replace the media or any such part of the media under this limited warranty.
- 9.4 For a period of ninety (90) days from the Effective Date, AnchorID warrants that the Licensed Software will substantially conform to the Documentation. Without cost to Customer, AnchorID shall correct any failure of the Licensed Software to conform to the foregoing warranty if the failure is reported in writing in accordance with Section 25 (Notices) during the warranty period. If AnchorID is unable to modify the Licensed Software so that it substantially conforms to the Documentation, Customer's sole and exclusive remedy is to receive a full refund of all amounts paid hereunder upon return of the Licensed Software.
- 9.5 AnchorID shall have no obligation or other liability with regard to any error or non compliance with the warranties set forth above that is caused, in whole or in part by; (a) modifications or alterations to the Licensed Software made by Customer; (b) use of the Licensed Software by Customer other than as contemplated herein; (c) products or services not provided by AnchorID; (d) the gross negligence or willful misconduct of Customer; (e) Customer's implementation and installation of the Licensed Software other than in accordance with instructions furnished by AnchorID; or (f) electrical malfunction. AnchorID shall have no liability to Customer under this License Agreement, or otherwise, by reason of content supplied by Customer or on its behalf by third parties associated with Customer.

10. Indemnification

- 10.1 **Obligations.** AnchorID agrees to defend, indemnify and hold harmless Customer and its successors and assigns and their respective officers, directors and employees (the “Customer Indemnified Parties”) from all third party claims brought against the Customer Indemnified Parties (including reasonable out-of-pocket attorneys’ fees, court costs, damages awarded by a court of competent jurisdiction or agreed to in settlement, and other liabilities) alleging that all or part of the Licensed Software infringes any patent, trademark, copyright or trade secret. In the event the use of Licensed Software is enjoined or AnchorID believes that such an injunction is reasonably likely, AnchorID shall, at AnchorID’s option, (i) procure for Customer the right to continue to use such Licensed Software as licensed hereunder, (ii) replace or modify the same to make it non-infringing or (iii) terminate this Agreement and refund to Customer all prepaid fees paid to AnchorID for the unexpired portion of the remaining Term. This Section 10.1 states the exclusive remedy of Customer and the entire liability of AnchorID with respect to infringement, misappropriation or other violation of any patent, trademark, copyright or trade secret or other proprietary rights of third parties by AnchorID.
- 10.2 **AnchorID Exclusions.** AnchorID shall not be obligated to defend or to be liable under this Section 10 to the extent that the pertinent claim or demand asserted arises out of (i) use of Licensed Software with software or content supplied by Customer or other third parties; (ii) modifications to the Licensed Software or combination of the Licensed Software with non-AnchorID services or products by Customer or other third parties, in each case only to the extent that such infringement would not have occurred but for such use or combination or (iii) use of Licensed Software in violation of this Agreement.
- 10.3 **Customer.** Customer shall indemnify, defend and hold harmless AnchorID and its successors and assigns and their respective officers, directors and employees (the “AnchorID Indemnified Parties”) from and against any and all third party claims brought against the AnchorID Indemnified Parties (including reasonable out-of-pocket attorneys’ fees, court costs, damages awarded by a court of competent jurisdiction or agreed to in settlement, and other liabilities), arising as a result of or in connection with Customer’s use of, and exercise of its rights hereunder with respect to, the Licensed Software, including without limitation any failure to comply with any applicable law, rule or regulation (other than for claims for which AnchorID is obligated to indemnify Customer pursuant to Section 10.1 above).
- 10.4 **Process.** Any indemnification obligations set forth in this Agreement shall be subject to the following conditions: (i) the indemnified party under this Section 10 must promptly give the other party written notice of any claim for which indemnification may be sought, provided that failure to do so shall have no effect except to the extent the other party is prejudiced; (ii) the indemnifying party shall have control of the defense or settlement, provided that the indemnified party shall have the right to participate in such defense or settlement with counsel at its selection and at its sole expense; and (iii) the indemnified party shall reasonably cooperate with the defense, at the indemnifying party’s expense. An indemnifying party may not enter into any settlement agreement that will materially and adversely affect the rights or interests of any party being indemnified without such party’s approval, which approval shall not be unreasonably withheld.

11. Disclaimer of Warranties

THE LICENSED SOFTWARE IS PROVIDED “AS IS,” WITHOUT WARRANTY OF ANY KIND, EXCEPT AS STATED IN SECTION 9. THE ENTIRE RISK AS TO THE RESULT AND PERFORMANCE OF THE LICENSED SOFTWARE IS ASSUMED BY CUSTOMER. EXCEPT AS STATED IN SECTION 9, AnchorID AND ITS LICENSORS AND SUPPLIERS MAKE NO WARRANTIES OR CONDITIONS, EXPRESS, IMPLIED OR STATUTORY, WITH RESPECT TO THE LICENSED SOFTWARE OR THE USE OR OPERATION THEREOF AND SPECIFICALLY DISCLAIM THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

12. Limitation of Liability

Except with respect to claims covered by Section 10 or arising out of Section 18, under no circumstances shall either party's aggregate liability to the other party arising out of or related to this License Agreement exceed the lesser of (i) the aggregate fees due or paid to AnchorID from Customer at the time of such Party's claim or (ii) the actual damages sustained by such party, regardless of whether any action or claim is based on warranty, contract, tort or otherwise. Each party hereby releases the other party from all obligations, liability, claims or demands in excess of this limitation.

Neither AnchorID nor Customer shall be liable to the other party for any special, indirect, incidental, or consequential damages, including, but not limited to, any loss of revenues, lost profits, loss of or inaccuracy of data, or lost or interrupted business, however caused and whether based in tort (including negligence), contract, or any other theory of liability, even if such entity has been advised of the possibility of such damages.

This limitation of liability shall apply to the maximum extent permitted by law.

13. Customer's Representations and Warranties

Customer represents and warrants that it has the right to enter into this License Agreement, that Customer is an entity duly organized and existing (and in good standing) under the laws of the country or state of its formation and has the power and authority (corporate or otherwise) to execute and deliver this License Agreement.

14. Title

Except for those license rights granted to Customer in Section 2, all right, title and interest in and to the Licensed Software shall remain vested in AnchorID and/or its licensors and suppliers. The Licensed Software is protected by copyright laws and international copyright treaties. Title, ownership rights, and intellectual property rights in and to the content accessed through the Licensed Software is the property of the applicable content owner and may be protected by applicable copyright or other law. This License Agreement gives Customer no rights to such third party content.

15. U.S. Government-Restricted Rights

The Licensed Software is a "commercial item" as that term is defined in 48 CFR 12.101 (Oct. 1995), consisting of "commercial computer software" and "commercial computer software documentation" as such terms are used in 48 CFR 12.212 (Sept. 1995). Consistent with 48 CFR 12.212 and 48 CFR 227.7202-1 through 227.7202-4 (June 1995), all U.S. Government End Users (as defined in such regulations) acquire the Licensed Software with only those rights explicitly set forth herein.

16. Purchases in Canada

If the Licensed Software is purchased in Canada, Customer agrees to the following: The parties hereto confirm that it is their wish that this license as well as any other documents relating hereto, including notices, has been and shall be written in the English Language (Les parties aux présentes confirment leur volonté que cette License de même que tous les documents y compris et tout avis qui s'y rattache soient rédigés en langue anglaise).

17. Press Releases and Other Promotions

The parties may publish press releases concerning the existence of this License Agreement and the terms hereof with the other party's written consent which may not be unreasonably withheld. Otherwise no public statements concerning the existence or terms of the License Agreement will be made or released to any medium except with the prior approval of both parties or as required by statute or

regulation.

18. Confidential Information

- 18.1 Definition. "Confidential Information" means (i) the information and materials noticed or marked by AnchorID or Customer as confidential or proprietary, and (ii) information and materials which should reasonably be understood as confidential or proprietary given the nature of the information or materials and the circumstances under which it is disclosed. "Confidential Information" shall also include any disclosed information of third parties that a disclosing party is obligated to protect as trade secret or confidential. "Confidential Information" does not include information that (i) is already known to the receiving party at the time it is disclosed and has not been obtained wrongfully, (ii) is or becomes publicly known or available without fault of the receiving party, (iii) is independently developed by the receiving party without use of or reference to the disclosing party's Confidential Information, (iv) is approved for release in writing by the disclosing party or (v) is lawfully obtained from a third party who has the right to make such disclosure and without breach of any obligation owed to the disclosing party.
- 18.2 Obligations. The parties agree that any Confidential Information provided under this Agreement shall be held and maintained in strict confidence and shall not be disclosed to any person or entity other than to the employees and contractors of such party having a need to know in order for the party to perform properly its obligations and/or exercise its rights under this Agreement and who are subject to confidentiality obligations similar to those hereunder or as otherwise permitted under this Agreement. Each party agrees to protect the confidentiality of the Confidential Information of the other party in the same manner that it protects the confidentiality of its own proprietary and confidential information of like kind, but in no event shall either party exercise less than reasonable care in protecting such information. Neither party shall make any other use of any nature whatsoever of the other party's Confidential Information except as expressly permitted under this Agreement. No right of ownership or title to any Confidential Information is transferred by either party to the other under this Agreement.
- 18.3 Disclosure Required by Law. Notwithstanding the foregoing, the parties may disclose Confidential Information if required by law as part of a judicial or regulatory proceeding or other governmental investigation so long as the party required to make the disclosure takes reasonable steps available to contest such disclosure or to obtain protective treatment and notifies the other party prior to disclosure in sufficient time (if available) to enable such party to take such steps as well (or instead). The disclosing party shall provide the other party with reasonable assistance, at the other party's expense, in contesting such disclosure and seeking protective treatment.
- 18.4 Specific Performance. The parties acknowledge that in the event of any breach or threatened breach of this Section 9 by either party, the other party will suffer irreparable harm and will not possess an adequate remedy at law. Accordingly, each party shall have the right to seek injunctive or other equitable relief to restrain such breach and threatened breach and without any requirement to post any bond or surety.

19. Term and Termination

- 19.1. Term. This License Agreement will become effective on the Effective Date and will remain in effect until terminated in accordance with the following paragraph.
- 19.2. Termination. Notwithstanding any other provision, this Agreement may be terminated in accordance with the following:
- 19.2.1 If a party materially breaches this Agreement and the breach continues unremedied for thirty (30) days after receipt of written notice of the breach by the other party, the non-

breaching party may terminate this Agreement immediately and in its entirety upon notice to the breaching party; or

19.2.2 If a party files a petition of any type as to its bankruptcy, has an involuntary petition for bankruptcy filed against it which remains undismissed for at least ninety (90) days, is declared bankrupt, makes an assignment for the benefit of creditors, is liquidated or dissolves, or has a receiver appointed for all or a substantial portion of its property, the other party may terminate this Agreement immediately upon notice.

19.3. Results of Termination

19.3.1 Termination or expiration of this Agreement shall not release either party from the obligation to make payment of all amounts then or thereafter due and payable, nor does it waive any other rights or remedies either party may have under this Agreement.

19.3.2 Upon termination or expiration of this Agreement, Customer shall: (1) immediately return to AnchorID or destroy (i) all media containing the Licensed Software; (ii) all originals and copies of the Software, manuals, Documentation, product literature, fee schedules, and other written materials provided by AnchorID or its authorized distributor; and (iii) all Confidential Information and other property of AnchorID, provided that such materials or information are in Customer's possession or under its control. In addition, upon termination or expiration of this Agreement, AnchorID shall immediately return to Customer or destroy all Confidential Information and other property of Customer, provided that such materials or information are in AnchorID's possession or under its control.

20. Force Majeure

Neither party shall be liable to the other for any delay or non-performance of its obligations hereunder in the event and to the extent that such delay or non-performance is due to an event of Force Majeure.

Events of Force Majeure are events beyond the control of the party which occur after the time of signing of this License Agreement and which were not reasonably foreseeable at the time of signature of this License Agreement and whose effects are not capable of being overcome without unreasonable expense or loss of time to the party concerned. Events of Force Majeure shall include (without being limited to) war, acts of government prohibiting or impeding any party from performing its respective obligations under this Agreement, natural disasters, fire and explosions.

21. Independent Contractors

Nothing in this License Agreement shall create, evidence or imply any agency, partnership or joint venture between the parties. Neither party shall act or describe itself as the agent of the other nor shall it represent that it has any authority to make commitments on the other's behalf.

22. Severability

If any provision of this License Agreement is declared by any judicial or other competent authority to be void, voidable, illegal or otherwise unenforceable then the remaining provisions of this License Agreement shall continue in full force and effect. The judicial or other competent authority making such determination shall have the power to limit, construe or reduce the duration, scope, activity and/or area of such provision, and/or delete specific words or phrases as necessary to render such provision enforceable.

23. Assignment

Either party shall have the right, at its own discretion and at any given time during the Term of this

License Agreement, to assign the License Agreement to an Affiliate. AnchorID may assign this License Agreement to any successor of AnchorID. Customer may assign this License Agreement to any successor of Customer, provided, however, that the successor is not a competitor of the business and affairs of AnchorID.

24. Counterparts

This License Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

25. Notices

Except as may be otherwise provided herein, all notices, requests, demands, waivers and other communications made pursuant to this License Agreement shall be in writing and shall be conclusively deemed to have been duly given upon receipt: (i) if delivered by hand or (ii) if delivered by DHL or similar internationally recognized overnight courier or (iii) if delivered by certified mail return receipt requested.

Notices are to be sent to AnchorID to the address at stated on top of the Order Form, Attn. Legal Department. A copy of the notice shall be sent to AnchorID Inc., Attn. Legal Department, 1 North Front Street Suite 103 Kingston, NY 12401. Notices to Customer are to be sent to the address set out in the Order Form.

26. Choice of Law and Forum

This License Agreement, its interpretation, performance or any breach thereof, will be construed in accordance with, and all questions with respect thereto will be determined by, the laws of the state of New York. Both parties hereby irrevocably submit any disputes under this License Agreement to the jurisdiction of the courts located in the state of New York.

27. Miscellaneous

This License Agreement represents the complete agreement concerning the subject matter hereof and supersedes all prior agreements and representations between the parties.

This License Agreement may only be amended in writing, executed by both parties.

28. Survival

The rights and obligations of the parties under Sections 9, 10, 12, 18, 19.3, 25, 26 and 28 hereof shall survive any termination or expiration of this Agreement.