

Aprilage Development Inc. License Agreement

This SOFTWARE LICENCE AGREEMENT is between Aprilage Development Inc. (APRILAGE) a corporation incorporated under the laws of Ontario and the licensee identified in Schedule "A" (Licensee).

In consideration of the mutual covenants contained in this agreement and all schedules hereto and amendments hereof the (Agreement) and for other good and valuable consideration (the receipt and sufficiency, of which is acknowledged by each party hereto) the parties agree as follows:

1.01 **PERMITTED USE.** APRILAGE hereby grants to Licensee on the terms set out herein a personal, non-transferable and non-exclusive license to use the object code version of the APRIL[®] Age Progression computer program(s) hereafter referred to as (Software or APRIL[®] Software) and any related documentation and materials (Documentation) solely for Licensee's own internal business purposes. Licensee's right to use the Software and the Documentation is limited to those rights expressly set out in this Agreement. Unless specified otherwise in Schedule "A", Licensee shall have a perpetual right to use the Software and Documentation and shall have full rights to any imagery created with the Software and Documentation. This Provision of this agreement shall apply to any and all copies of the Software and Documentation that the Licensee may receive possession of pursuant to this Software License Agreement now or at any time in the future and the Licensee agrees to be bound by the terms herein.

1.02 **RESTRICTIONS ON USE.** Licensee shall not (a) copy the Software except to copy it onto a hard disk attached to the computer or computers being used by Licensee in accordance with this Agreement; (b) assign, transfer, lease, export or grant a sublicense to use the Software or the Documentation to any Person; (c) network the Software or otherwise use it other than as permitted hereunder; (d) rent, time share, or operate a service bureau for any third party or parties using the Software; (e) charge a fee to any party for access to and/or use of the APRIL[®] Software, either by mail, internet, or interpersonal use; nor (f) alter or circumvent the copy protection mechanisms in the Software or reverse engineer, de-compile or disassemble the Software.

1.03 Licensee shall not use APRIL[®] Software for medical or surgical applications, or any mission critical application in which failure could create a situation where compromise to personal security, injury or death could occur.

1.04 Licensee shall take all reasonable precautions to prevent any Person from using the Software and Documentation in any way that would constitute a breach of this Agreement. For the purposes of this Agreement, "Person" includes an individual, corporation, partnership, joint venture, trust, unincorporated organization, the Crown, Federal or State government or any agency or instrumentality thereof or any other judicial entity recognized by law. The Software is licensed as a single product and not to be used on more than one computer.

1.05 **VERIFICATION.** On APRILAGE's reasonable request, Licensee will furnish APRILAGE with a signed statement confirming whether software is being used by licensee in accordance with this Agreement.

1.06 **BACK-UP COPY.** Licensee may store the delivered Software and Documentation off-site in a secured location owned by Licensee or its principals in order to provide a back-up in the event of destruction by fire, flood, acts of war, acts of nature, vandalism or other incident.

1.07 **TITLE.** Licensee acknowledges that the Software and Documentation and all intellectual property rights relating thereto are and shall remain the property of APRILAGE.

2.01 SOFTWARE FEE. Licensee shall pay to APRILAGE as agreed upon in the software proposal (Proposal) the applicable fee set as agreed upon in Proposal. Licensee hereby acknowledges such fee to be fully earned and non-refundable, in whole or in part, upon delivery of the Software and Documentation.

2.02 INVOICING. Unless otherwise specified in Schedule "A" to this Agreement, billings for the Software and Documentation will be invoiced in whole upon receipt of purchase order and delivered upon receipt of any and all applicable charges and fees as related to the purchase of the Software.

2.03 TAXES AND DUTIES. In addition to the amounts due under this Agreement, Licensee agrees to pay any local, state, provincial or federal sales taxes or duties exigible on the transaction contemplated by this Agreement, exclusive of taxes based on net income.

2.04 SHIPPING AND HANDLING. In addition to the amounts specified in Schedule "A" and in the Proposal, Licensee agrees to pay any applicable shipping and handling related to the purchase of the software.

2.05 OVERDUE AMOUNTS. Any amounts owed to APRILAGE shall bear interest after the due date until paid in full at the prime rate of APRILAGE's principal bank plus five per cent (5%), calculated and payable weekly, not in advance, both before and after default and judgment, with interest on overdue interest at the same rate.

3.01 WARRANTY. APRILAGE warrants that:
(a) APRILAGE has the right to grant the license to use the Software and Documentation; and
(b) the Software and Documentation infringes no Canadian, American, or European Union patent or copyright known to APRILAGE as of the date of execution of this Agreement.

3.02 WARRANTY LIMITATION. APRILAGE does not represent or warrant that (1) the Software and Documentation will meet Licensee's requirements, (2) the operation of the Software will be continuous or error free or (3) the functions contained in the Software will operate in all the combinations which may be selected for use by Licensee. Other than as expressly set out herein there are no representations, warranties or conditions of any kind whatsoever, express or implied, statutory or arising otherwise in law or from a course of dealing or usage of trade, including but not limited to implied warranties or conditions of merchantable quality and fitness for a particular purpose in connection with the products or use thereof.

A fundamental breach of this agreement by APRILAGE shall not limit the intended effect of this section or any other provision of this Agreement which is expressed to limit APRILAGE's liability.

EXCEPT FOR THE EXPRESS LIMITED WARRANTIES PROVIDED IN ARTICLE 3.01 ABOVE, ALL OF THE APRIL[®] SOFTWARE, PROVIDED UNDER THIS AGREEMENT IS PROVIDED BY APRILAGE ON AN "AS IS BASIS".

EXCEPT FOR THE EXPRESS LIMITED WARRANTIES PROVIDED IN ARTICLE 3.01 ABOVE, APRILAGE AND APRILAGE'S LICENSORS DISCLAIM ANY AND ALL EXPRESS AND/OR IMPLIED WARRANTIES AND CONDITIONS OF EVERY KIND PERTAINING IN ANY WAY TO THE APRIL[®] SOFTWARE PROVIDED BY APRILAGE UNDER THIS AGREEMENT, INCLUDING WITHOUT LIMITATION, EACH WARRANTY AND/OR CONDITION OF QUALITY, MERCHANTABILITY, DESCRIPTION, OPERATION, ADEQUACY, SUITABILITY, FITNESS FOR PARTICULAR PURPOSE, TITLE, INTERFERENCE WITH USE OR ENJOYMENT, AND/OR NON INFRINGEMENT, WHETHER EXPRESS OR IMPLIED BY STATUTE, COMMON LAW, USAGE OF TRADE, COURSE OF DEALING, CUSTOM, OR OTHERWISE. NEITHER APRILAGE, OR APRILAGE'S LICENSORS, MAKE ANY REPRESENTATION, NOR PROVIDE ANY WARRANTY AND/OR CONDITION, REGARDING THE ADEQUACY OF THE APRIL[®] SOFTWARE FOR ANY PARTICULAR PURPOSE, OR THE ADEQUACY OF ANY AND/OR AL OF SAME TO PRODUCE ANY PARTICULAR RESULT.

SOME JURISDICTIONS DO NOT ALLOW THE EXCLUSION OF CERTAIN IMPLIED WARRANTIES, LIMITATIONS ON HOW LONG AN IMPLIED WARRANTY MAY LAST, OR THE EXCLUSION OR LIMITATION OF INCIDENTAL, CONSEQUENTIAL, OR SPECIAL DAMAGES. IF ANY JURISDICTION HAVING APPLICABILITY TO THIS AGREEMENT DOES NOT PERMIT ANY SUCH EXCLUSION AND/OR LIMITATION: (A) EACH WARRANTY WHICH CANNOT BE EXCLUDED SHALL BE LIMITED IN TIME TO SIXTY (60) DAYS IMMEDIATELY FOLLOWING THE DATE OF THE CUTOVER; AND (B) APRILAGE'S TOTAL LIABILITY TO LICENSEE FOR BREACH OF ANY AND/OR ALL SUCH WARRANTIES SHALL BE LIMITED TO THE AMOUNT STATED IN ARTICLE 5.02 OF THIS AGREEMENT.

4.01 **INFRINGEMENT INDEMNITY.** If any claim based upon alleged direct infringement of a Canadian, American or European Union patent or copyright is asserted against Licensee by virtue of its use of the Software or Documentation, APRILAGE will indemnify Licensee against all damages, liabilities, losses and expenses incurred by Licensee as a result of such claim, provided that (a) the alleged and/or actual infringement has not been caused by the use of Licensee supplied data or visual resources, or by the modification, merger, or Interface of APRIL[®] Software by any party other than APRILAGE, or by the combination and/or use of any of APRIL[®] Software with software, hardware, firmware, data, and/or technology not provided by APRILAGE under this Agreement or approved by APRILAGE in writing; and (b) Licensee promptly notifies APRILAGE in writing within ten (10) Days of Licensee first becoming aware of each such claim; and (c) Licensee does not make any admission against APRILAGE's interests and Licensee does not agree to any settlement of any such claim without the prior written consent of APRILAGE and (d) Licensee, at the request of APRILAGE provides all reasonable assistance to APRILAGE in connection with the defense, litigation, and/or settlement by (e) APRILAGE of each such claim; and APRILAGE has sole and exclusive right, if it chooses, to control over the selection and retainer of legal counsel, as well as over the litigation and/or the settlement of each claim.

4.02 If the APRIL[®] Software becomes, or in APRILAGE's opinion is likely to become, the subject of a claim covered by the indemnity in Article 4.01 above, Aprilage may at its option, (1) use reasonable efforts to procure for Licensee the right to continue using the Software or Documentation, as the case may be, or (2) replace or modify the same (without loss of functionality) so that it becomes non-infringing.

4.03 If neither of the solutions referred to in 4.02 is available, as determined in APRILAGE's discretion, APRILAGE may terminate this Agreement and refund the Software fee paid less a reasonable amount for any value received by Licensee.

4.04 APRILAGE's total liability to Licensee for any and all infringement claims related to APRIL[®] Software shall be strictly limited to the obligations set out in this Article 4.0 and shall be subject to all of the limitation of liability provisions set out in Article 5.0 of this Agreement.

5.01 **LIMITATION OF LIABILITY.** APRILAGE and its related companies, subsidiaries, directors, officers, employees and agents shall not be liable for any special, indirect or consequential damages or any damages resulting from the use of any product, data or profits however caused and whether based in contract or tort including negligence even if APRILAGE has been advised of the possibility of such loss.

5.02 Licensee agrees that the maximum liability of APRILAGE and its related companies, subsidiaries, directors, officers, employees and agents under any, and all circumstances is limited to the Software fee paid to APRILAGE by Licensee.

6.01 **CONFIDENTIAL INFORMATION.** Licensee agrees that the Software and Documentation are proprietary and confidential information of APRILAGE and that all such information is confidential and fundamental and an important trade secret of APRILAGE Licensee shall take the same care to safeguard the Software and Documentation as would be taken by, a reasonable person to safeguard its own confidential information. APRILAGE may request, and in which case Licensee agrees to comply with, certain reasonable security, measures as part of the use of the Software and Documentation. For greater

certainty, the Licensee shall not publish or communicate the object code version of the APRIL[®] Software and any related Documentation. The Licensee acknowledges that publication or communication of the object code version of the Software will compromise the confidentiality of the APRIL[®] Software; will compromise the value of APRIL[®] Software and the ability of Aprilage Development Inc. to pursue the licensing of APRILAGE based upon the value of the object code as a trade secret; and will cause irreparable harm to Aprilage Development Inc. The Licensee may publish or communicate, any imagery created with the Software and Documentation, provided that the imagery bears a notice that it was created using APRIL[®] software.

This Article 6.01 shall survive termination or expiration of this agreement

7.01 PRESS AND PUBLICITY Licensee agrees that APRILAGE may list the Licensee as a current user of the software in promotional material, or a product web-site and or mention the user in any press and publicity that the software may generate.

7.02 MARKING. Licensee shall ensure that all intellectual property notices of APRIL[®] remain on the Software and Documentation and any copies thereof. Licensee agrees to acknowledge the continuing contribution of The Centennial Centre of Science and Technology, a.k.a. the Ontario Science Centre, to the original morphing exhibition software. The licensee agrees to refer to the contribution in a manner such as: "The original public exhibition of this face morphing concept was developed through a partnership between the Ontario Science Centre and C.O.R.E. Digital Pictures Inc."

7.03 COPIES. Licensee shall maintain records of each copy of the Software in its possession and copies of such records shall be delivered to APRILAGE on request.

7.04 INSPECTION. Licensee shall advise APRILAGE on demand of all locations where the Software or Documentation are used or stored. Licensee shall permit APRILAGE or its authorized agents to inspect all such premises during normal business hours and on reasonable advance notice.

8.01 TERMINATION. Licensee shall be deemed to be in default under this Agreement, and APRILAGE may terminate this Agreement and all rights granted herein (without prejudice to any other rights, remedy or relief against Licensee) effective immediately on notice to Licensee, if Licensee:

(a) makes a general assignment for the benefit of creditors or a proposal or rearrangement under any bankruptcy legislation, or a petition is filed against Licensee under any bankruptcy legislation, or if Licensee shall be adjudicated or declared bankrupt, or if a liquidator, trustee in bankruptcy, custodian, receiver, receiver and manager, or any other officer with similar powers shall be appointed of or for Licensee, or if Licensee shall commit an act of bankruptcy or shall propose a compromise or arrangement or institute proceedings to be adjudged bankrupt or insolvent or consents to the institution of such appointment or proceedings or admits in writing inability to pay debts generally as they become due;

(b) at any time permits the Software or Documentation to be seized or taken in execution or in attachment by a creditor of Licensee, or permits a writ of execution to issue against the Software or Documentation or if Licensee gives any security interest therein;

(c) is in default of any obligation on its part to pay any monies owed to APRILAGE pursuant to this Agreement or otherwise fails to cure such default and satisfy APRILAGE that such default has been cured within five (5) days of receiving notice in writing from APRILAGE to cure the same;

(d) is in default of any other provision hereof and fails to cure such default and satisfy APRILAGE that such default has been cured with in thirty (30) days of receiving notice in writing from APRILAGE to cure the same.

9.01 LICENSEE'S OBLIGATIONS ON TERMINATION OR EXPIRATION

Upon the termination or expiration of this Agreement, Licensee shall:

- (a) immediately pay to APRILAGE any amounts due under this Agreement then unpaid;
- (b) immediately discontinue use of the Software and Documentation and return thereof in any form, including translations or compilations whether partial or complete same and whether or not modified or merged into other software; and
- (c) have a duly authorized officer of Licensee certify that the above has been done.

10.01 ASSIGNMENT AND LICENCE. It is understood and agreed that:

- (a) Licensee shall not have the right to assign, license or transfer this Agreement;
- (b) APRILAGE may assign its rights hereunder to any other party provided such assignment shall not relieve APRILAGE of its obligations hereunder except to the extent performed by such assignee.
- (c) APRILAGE may at its option terminate this Agreement and all rights arising there from on any change in beneficial control of Licensee;

10.02 ENTIRE AGREEMENT. It is understood and agreed that this Agreement constitutes the entire agreement between the parties pertaining to the subject matter hereof and supersedes all proposals, prior agreements, undertakings, communications, negotiations and discussions with respect to the subject matter hereof whether oral or written. Except as provided herein, there are no conditions, representations, warranties, undertakings, promises, inducements or Agreements whether direct, indirect, collateral, express or implied made by APRILAGE to Licensee.

10.03 WAIVER. The failure of either party to exercise any of its rights hereunder shall not constitute or be deemed a waiver or forfeiture of such rights.

10.04 AMENDMENTS. No supplement, modification, amendment or waiver of this Agreement shall be binding on the parties except when made in writing and when signed by duly authorized representatives of both parties. If both parties agree in writing to amendments and/or schedules of this contract that contradict with the verbiage in the standard agreement, the amendments or the schedules will prevail.

10.05 NOTICE. Any notices required to be given hereunder shall be delivered in writing at the address of each party as set forth hereunder or to such other address that either party may substitute by written notice to the other. Any notice so delivered shall be deemed to have been received on the date of delivery.

10.06 APPLICABLE LAW. This Agreement shall be construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein and the hereto irrevocably submit to the non-exclusive jurisdiction of the Ontario courts.

Aprilage Development Inc. License Agreement

SCHEDULE "A"

AGREEMENT Between Aprilage Development Inc.

And _____
(please print name of licensee)

LICENSED SOFTWARE: (Execution-Only form)	APRIL [®] Age Progression Software
DOCUMENTATION:	included
SUPPORT:	per Proposal
UPGRADES:	per Support Service Contract
RESTRICTIONS (if any):	as described in Section 1.02 herein
DELIVERY:	by FTP or Courier
FEE:	per Proposal
PAYMENT:	by Bank Check made payable to: Aprilage Development Inc. by Bank Transfer to: please request details

Once signed, please fax back to 416 599-1212

**Support Service Contract for APRIL[®] Desktop and Kiosk Editions
(v.2.0 or higher)**

SCHEDULE "B"

Aprilage Development Inc. agrees to provide annually renewable Aprilage support and maintenance service (Support Service) for APRIL[®] Age Progression Software (APRIL[®] Software) utilized by licensee (Licensee).

The Support Service contract is an annual contract and is valid for one year at a time. It is mandatory for the first year only and optional thereafter. Support Service shall commence on the date of first activation of the APRIL[®] Software once the Support Service term has expired; the Licensee has the option to renew support by purchasing additional annual Support Service contracts. The Licensee also has the option of purchasing several years of support with the initial APRIL[®] Software license to avoid annual renewals.

When renewing the Support Service contract, the new contract will commence immediately after the expiry of the old contract. Notwithstanding any delay in purchase of renewed Service Support coverage dates will be consecutive without break.

Premium Coverage *includes* upgrades to new versions of the APRIL[®] Software that become available during the period the Support Service contract is valid and includes the below.

Optimal Coverage *excludes* upgrades to new versions and includes the below.

Annual Support Service consists of:

- Unlimited technical and troubleshooting assistance, by telephone or e-mail, with any problems or questions regarding the licensed APRIL[®] Software. Technical Support is available Monday to Friday between the hours of 9:00am and 6:00pm Eastern Standard Time.
- Any software updates or patches to the **current** version held by the client of APRIL[®] Software that may come available during the year.
- Additional APRIL[®] temporary licenses for special circumstances, such as training, trade shows, etc. upon request by the Licensee. Subject to approval by Aprilage management.