REALIS

REALIS SIMULATION SOFTWARE MASTER LICENSE AGREEMENT

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed on the day and year first written, in two counterparts, each party retaining one.

LICENSEE: **Official Business Address of LICENSEE:** hereinafter referred to as the LICENSEE.

Signed: .... for and on behalf of the LICENSEE.
(Authorised Signatory)

Date: ....

Name: .... **Title:** ....
(Please Print)

Business:..

Address: ....

LICENSOR: Realis Simulation Inc hereinafter referred to as REALIS.
3535 Factoria Blvd SE, Suite 550
Bellevue, WA 98006
United States

Signed: .... for and on behalf of REALIS.

Date: ....

Name: .... **Title:** ....

This Agreement shall be interpreted, construed and enforced in accordance with Michigan law and the parties hereto agree that the State of Michigan courts shall have exclusive jurisdiction over disputes to this Agreement. Both parties hereby submit to the State of Michigan courts for the purposes of interpretation and enforcement of this Agreement.

REALIS

Export Control

REALIS Software's obligation to fulfil its commitments under this Agreement is subject to the condition that any transaction contemplated by this Agreement is not in violation of any national or international foreign trade or customs requirement, including but not limited to embargos or any other sanctions.

The Agreement is subject to all United States government laws and regulations as may be enacted, amended, or modified from time to time regarding the export of REALIS software, services, technology, or any derivatives thereof.

The LICENSEE agrees and certifies that neither the elements of LICENSED SOFTWARE nor any derivative thereof is being or shall be shipped, transferred, or re-exported, directly or indirectly from the location without: (i) the express written consent of REALIS and (II) if necessary, obtaining at LICENSEE's expense any required prior authorization from the United States Government as may be required by law or regulation and any subsequent amendments, or shall be used for any purposes prohibited by the same.

The LICENSEE further agrees and certifies that neither the elements of LICENSED SOFTWARE nor any derivative thereof shall be used in any missile, nuclear, chemical, biological or other activities as proscribed in EAR Part 744.

For the avoidance of doubt, this clause does not convey to the LICENSEE or imply any right to distribute or export any element of LICENSED SOFTWARE or to create derivative works therefrom.

Export Control Acknowledgement

Initial: ....

Date: ....

License type

To ensure that the correct LICENSE is deployed please indicate, using the tick boxes below, which LICENSE TYPE you would like to utilize when running the LICENSED SOFTWARE.

☐ Cloud Licensing
☐ On Premise Licensing

1 DEFINITIONS

The headings of this Agreement are inserted for convenience only and shall not affect its interpretation. Unless otherwise stated in the context in which they are used, the following expressions shall have the following meanings throughout this Agreement and the addenda and appendices attached hereto:

"ANNUAL RENEWAL FEES" are the fees payable by the LICENSEE to REALIS on anniversaries of the COMMENCEMENT DATE.

"CLOUD LICENSE" shall be the license that is hosted in REALIS's network and made available to the LICENSEE via the CLOUD LICENSE SERVER whilst the LICENSEE has a valid internet connection.

"CLOUD LICENSE MANAGEMENT SYSTEM" shall be the license control and distribution software that governs CLOUD LICENSE installations of the SOFTWARE and limits its use in accordance with this Agreement and addenda and appendices hereto.

"CLOUD LICENSE SERVER" shall be the server that is hosted by REALIS, and which hosts the CLOUD LICENSE details in line with expected LICENSED SOFTWARE.

"COMMENCEMENT DATE" shall be the date on which the LICENSED SOFTWARE, and if required LICENSE KEYS, are considered by REALIS to have been delivered to the LICENSEE.

"DOCUMENTATION" shall mean software user manuals, training materials and data sets associated with each element of SOFTWARE and provided by REALIS to the LICENSEE in connection with the performance of this Agreement. For the purposes of this Agreement unless specified otherwise, LICENSED SOFTWARE shall be assumed to include all associated DOCUMENTATION.

"EXECUTE" shall be to load SOFTWARE into a computer's RAM or other primary memory for execution by a processing node on the computer.

"EXPORT OPTION" shall denote a software option that allows and enables the creation of LIBRARY DERIVATIVE WORK to EXECUTE without LICENSE KEYS or LICENSE MANAGEMENT SYSTEM.

Agreement No : ....
Client Confidential

"INITIAL FEES" are the fees payable by the LICENSEE to REALIS on the COMMENCEMENT DATE.

"LIBRARY DERIVATIVE WORK" shall mean work in source or binary form that LICENSEE has derived from LICENSED LIBRARIES (including without limitation by incorporating, translating, or modifying, in whole or in part, any such LICENSED LIBRARIES), and which incorporates substantial additional IP and/or know-how compared to LICENSED LIBRARIES, and which in source code or human readable format is either (1) dependent on LICENSED LIBRARIES by reference, or (2) automatically generated by LICENSED SOFTWARE, and which, if made without REALIS's authorization, would constitute copyright infringement. For the avoidance of doubt, (i) a LICENSEE work in binary form incorporating in whole or in part one or more LICENSED LIBRARIES provided with the LICENSED SOFTWARE shall be considered as a LIBRARY DERIVATIVE WORK of said one or more LICENSED LIBRARIES but (ii) a LICENSEE work in source form merely referencing LICENSED LIBRARIES is not considered as a LIBRARY DERIVATIVE WORK.

"LICENSE" shall hereby refer to CLOUD LICENSE when the cloud licensing option is selected or ON PREMISE LICENSE when the on premise licensing option is selected. In the event neither option is selected; LICENCE shall be denoted as referring to an ON PREMISE LICENSE.

"LICENSE KEYS" shall be unique authorization code(s) accepted by the LICENSE MANAGEMENT SYSTEM which enable LICENSED SOFTWARE to EXECUTE

"LICENSED LIBRARIES" shall mean that part of LICENSED SOFTWARE with the purpose of use for LICENSEE to create LIBRARY DERIVATIVE WORK."LICENSE MANAGEMENT SYSTEM" shall hereby refer to CLOUD LICENSE MANAGEMENT SERVER when the cloud licensing option is selected or ON PREMISE LICENSE MANAGEMENT SERVER when the on premise licensing option is selected. In the event neither option is selected; LICENSE MANAGEMENT SYSTEM shall be denoted as referring to an ON PREMISE LICENSE MANAGEMENT SERVER.

"LICENSE SERVER" shall hereby refer to CLOUD LICENSE SERVER when the cloud licensing option is selected or ON PREMISE LICENSE SERVER when the on premise licensing option is selected. In the event neither option is selected; LICENSE SERVER shall be denoted as referring to an ON PREMISE LICENSE SERVER.

"LICENSED SOFTWARE" shall mean that part of the SOFTWARE for which REALIS wishes to grant to the LICENSEE a non-exclusive license to use, and includes LICENSED LIBRARIES and parts of LIBRARY DERIVATIVE WORK licensed under this Agreement.

"LICENSED WORKSTATIONS" shall be single-user or server computers located at the SITE, that the LICENSEE owns or leases, that EXECUTE the LICENSED SOFTWARE and are connected to the LICENSE SERVER and LICENSE MANAGEMENT SYSTEM via local area network or LICENSEE's private wide-area network.

"MAINTENANCE RELEASE" shall be any release of the SOFTWARE made generally available by REALIS to its Licensees with annual leases, or those with perpetual licenses who have an active maintenance agreement in effect, that corrects programming errors or makes other minor changes to the SOFTWARE.

"NEW PRODUCT" shall be a first release of SOFTWARE or a component of SOFTWARE comprised of substantially different computer code and functionality as existing SOFTWARE, available in production release by REALIS.

"ON PREMISE LICENSE" shall be the license that is made available to the LICENSEE via the ON PREMISE LICENSE SERVER or via an ON PREMISE LICENSE MANAGEMENT SYSTEM installed on to the LICENSED WORKSTATION.

"ON PREMISE LICENSE MANAGEMENT SYSTEM" shall be the license control and distribution software that accompanies ON PREMISE LICENSE installations of the SOFTWARE and limits its use in accordance with this Agreement and addenda and appendices hereto.

"ON PREMISE LICENSE SERVER" shall be a local or network file server, or redundant license server system, that LICENSEE owns or leases, located on LICENSEE's premises, that controls licenses for the LICENSED SOFTWARE using the LICENSE MANAGEMENT SYSTEM. The LICENSE SERVER is identified by a unique machine serial number and/or HostID. The LICENSE MANAGEMENT SYSTEM does function on virtual machines, although we do not provide technical support for licensing issues on virtual machines. We do allow you to clone license servers for business continuity/disaster recovery reasons. All terms of this Agreement apply when using virtual machines.
"SEAT" shall be a licensed component of LICENSED SOFTWARE that can EXECUTE on a processing node of LICENSED WORKSTATIONS.

"SITE" shall be agreed location(s) of the LICENSE SERVER and LICENSED WORKSTATIONS where the LICENSED SOFTWARE will be licensed, installed and EXECUTED.

"SOFTWARE" shall mean the range of engineering software for which REALIS holds the right to grant licenses.

"SUITE" shall be a grouping of SEATS with restricted rights to EXECUTE on a processing node of LICENSED WORKSTATIONS.

"UPDATE" shall be a version of the SOFTWARE made generally available by REALIS to its Licensees that includes additional features or functionalities but is substantially the same computer code as the existing SOFTWARE.

2   GRANT OF LICENSE

In consideration of the payments by LICENSEE of the fees specified in the addenda and appendices hereto, REALIS hereby grants to the LICENSEE a non-exclusive, non-transferable licence as set out in the Addendum to EXECUTE the LICENSED SOFTWARE subject to the terms and conditions of this Agreement and the addenda and appendices hereto. The licence carries the following restrictions:

a)   The LICENSEE may install and EXECUTE each element of the LICENSED SOFTWARE only on the ON PREMISE LICENSE SERVER if required by the licensing type and LICENSED WORKSTATIONS and in the number of SEAT(s) or PACKAGE(s) specified in the relevant addenda to this Agreement.

b)   The LICENSEE may create LIBRARY DERIVATIVE WORK in source and binary form for its internal use.

c)   If available, and as specified in the relevant addenda to this Agreement as an EXPORT OPTION, the LICENSEE may EXECUTE certain elements of the LICENSED SOFTWARE without LICENSE KEYS and LICENSE MANAGEMENT SYSTEM.

d)   The LICENSEE agrees that it shall only make such copies of the LICENSED SOFTWARE as are necessary for operation on the LICENSED WORKSTATIONS. The LICENSEE shall, on written demand by REALIS, certify to REALIS the number and location of such copies. The LICENSEE shall not copy the LICENSED SOFTWARE onto any physical media including but not limited to tapes and compact discs except as required for back-up storage.

e)   Unless otherwise agreed by REALIS, the LICENSEE is not permitted to use the LICENSED SOFTWARE to compare, benchmark, or develop LICENSEE software technology.

f)   The LICENSEE shall not sub-licence or distribute the LICENSED SOFTWARE, or sub-licence or otherwise distribute any computer programs which contain all or any part of the LICENSED SOFTWARE.

g)   The LICENSEE may copy and distribute LIBRARY DERIVATIVE WORK only in binary form to users belonging to the LICENSEE organization and its collaborators solely to EXECUTE the LIBRARY DERIVATIVE WORK for LICENSEE's internal use.

h)   The LICENSEE shall not remove any REALIS proprietary notices or identifying marks from the graphical or printed output of the LICENSED SOFTWARE, or from any associated DOCUMENTATION.

i)   The LICENSEE shall not disassemble, reverse engineer, decompile, adapt, translate or modify the LICENSED SOFTWARE except to the limited extent as might be expressly allowed from time to time under the governing law of this Agreement.

j)   Upon termination of this Agreement, the LICENSEE shall either destroy or return to REALIS all copies of the LICENSED SOFTWARE, including programs, documentation and data sets, supplied by REALIS under this Agreement. At the request of REALIS the LICENSEE shall, within one month of the date of such termination, furnish REALIS with a certificate of compliance with this paragraph, signed by a duly authorised officer of the LICENSEE.

3   ASSIGNABILITY

The LICENSEE shall not sub-license, assign or otherwise transfer this Agreement or any licence granted herein, or any right or obligation of the LICENSEE hereunder except with the prior written consent of REALIS. This requirement shall include requests for transfers and assignments resulting from mergers, acquisitions or re-organisations of business interests involving the LICENSEE. Any prohibited assignment shall be considered null and void.

Without the consent of the LICENSEE, REALIS shall have the right to assign all or part of the rights and obligations of REALIS hereunder to any third party, but shall ensure that any such assignment shall not affect the accrued rights of the LICENSEE hereunder.

4   OWNERSHIP

REALIS is the legal owner of the copyright, trade secrets and all other intellectual property rights which subsist in the SOFTWARE and LICENSED SOFTWARE. REALIS is also the legal owner of the media on which the LICENSED SOFTWARE is delivered to the LICENSEE. The LICENSEE agrees to maintain all such LICENSED SOFTWARE and media in confidence for REALIS as defined in Clause 5 of this Agreement. The LICENSEE agrees that it shall take all reasonable steps to ensure that no unauthorised person shall have access to the LICENSED SOFTWARE, or any proprietary information or data contained therein. Such reasonable steps shall include but not be limited to ensuring that a secure password system is operated on the HARDWARE to prevent unauthorised access and storing all LICENSED SOFTWARE (and copies thereof made as allowed under clause 2(b)) in a secure location.

5   CONFIDENTIALITY AND NON-DISCLOSURE

5.1   Disclosure of the Level of Fees Payable

The LICENSEE undertakes not to disclose the fees payable hereunder to any third party with the exception of government, taxation or other authorities for whom a legal requirement for disclosure of the same may be exercised against the LICENSEE.

The LICENSEE agrees that it shall not disclose the fees payable hereunder beyond those individuals within the LICENSEE who have a legitimate need to know.

5.2   Content of LICENSED SOFTWARE

The LICENSEE agrees that the LICENSED SOFTWARE which has or will come into its possession or knowledge in connection with this Agreement consists of confidential and proprietary material, data and information whose disclosure or use by third parties would be damaging to REALIS, shall be held by the LICENSEE in the strictest of confidence, and that no use shall be made of the same other than in performance of this Agreement. Such material, data and information shall be disclosed only to those employees or agents of the LICENSEE who have a need to know, and only after such employee or agent has entered into a confidentiality Agreement with the LICENSEE in substantially the same terms as this clause.

The LICENSEE shall not be held responsible for the protection of data or information which:

a)   was rightfully in the possession of the LICENSEE without restriction as to use or disclosure prior to the receipt thereof from REALIS; or

b)   is now or in the future becomes available to the public through no fault of the LICENSEE; or

c)   is rightfully disclosed to the LICENSEE by a third party without restrictions as to use and disclosure; or

d)   is explicitly approved for release by prior written authorisation from REALIS.

5.3   Publications

The LICENSEE may publish the results of calculations undertaken with the LICENSED SOFTWARE in any form desired and without limitation. REALIS may publish the name of the LICENSEE as being an authorised user of the LICENSED SOFTWARE.

6   DELIVERY OF LICENSED SOFTWARE AND LICENSE KEYS

6.1   One executable (non-source) or equivalent copy of the software contained in each element of LICENSED SOFTWARE shall be supplied to the LICENSEE together with sets of DOCUMENTATION equal to the number of SEATS or PACKAGE(s) licensed. REALIS reserves the right to deliver the LICENSED SOFTWARE either by making it available to LICENSEE for electronic download or by physical delivery.

6.2   The LICENSED SOFTWARE may require LICENSE KEYS to EXECUTE. Any such LICENSE KEYS will be issued in accordance with the LICENSE MANAGEMENT SYSTEM and REALIS's then current license management policy.

6.3   The date of delivery of the LICENSED SOFTWARE, such that it may be EXECUTED on LICENSED WORKSTATIONS, to the LICENSEE is the COMMENCEMENT DATE of the license for that element of LICENSED SOFTWARE.

6.4   REALIS reserves the right to charge REALIS's then current standard administrative fees whenever REALIS, in response to a LICENSEE request, generates replacement License Keys for LICENSEE due to a change in LICENSE SERVER. Prior to any such delivery, LICENSEE shall complete, sign and submit REALIS's standard hardware transfer request form.

6.5   REALIS and its affiliated companies take all legal steps to eliminate piracy of their software products. In this context, the SOFTWARE may include a security mechanism that can detect the installation or use of illegal copies of the SOFTWARE, and collect and transmit data about those illegal copies. Data collected will not include any customer data created with the SOFTWARE. By using the SOFTWARE, you consent to such detection and collection of data, as well as its transmission and use if an illegal copy is detected. REALIS also reserves the right to use a hardware lock device, license administration software, and/or a license authorization key to control access to the SOFTWARE. You may not take any steps to avoid or defeat the purpose of any such measures. Use of any SOFTWARE without any required lock device or authorization key provided by REALIS is prohibited.

7   PAYMENT OF FEES

7.1   The INITIAL FEES specified in the relevant addendum to this Agreement are payable by the LICENSEE to REALIS against a REALIS invoice on the COMMENCEMENT DATE for each element of LICENSED SOFTWARE.   The ANNUAL RENEWAL FEES are payable by the LICENSEE to REALIS against a REALIS invoice on the first and subsequent anniversaries of the COMMENCEMENT DATE.

7.2   REALIS may condition its delivery of any LICENSED SOFTWARE, MAINTENANCE RELEASE, UPDATE or LICENSE KEYS to LICENSEE on LICENSEE having paid all amounts then owed to REALIS.

7.3   For elements of LICENSED SOFTWARE specified in the relevant appendix to this Agreement as being subject to an annually renewable license, payment of ANNUAL RENEWAL FEES is a condition of the grant of license and maintenance and support services and failure to make such payments when due shall be considered a breach of this Agreement.

For elements of LICENSED SOFTWARE specified in the relevant appendix to this Agreement as being subject to perpetual license, payment of ANNUAL RENEWAL FEES is a condition of the supply of future software maintenance and support services. Should the LICENSEE elect not to pay the ANNUAL RENEWAL FEES at any time but subsequently wishes to receive these services, maintenance and support services shall only be reinstated by REALIS subject to a one-

off fee equal to the sum of all ANNUAL RENEWAL FEES that have not been paid by the LICENSEE. Subsequent fees shall then revert to the prevailing ANNUAL RENEWAL FEE level.

7.4   REALIS may increase the ANNUAL RENEWAL FEES at anniversaries of the COMMENCEMENT DATE by serving not less than one month's written notice on the LICENSEE. Any such increase shall not exceed the general rate of retail price inflation since the date of the previous increase for the same element of LICENSED SOFTWARE as measured by the retail price indices published by the United States and United Kingdom governments (whichever is the higher).

7.5   REALIS may increase the fees for Engineering Support, and User Training services by serving not less than three months' written notice on the LICENSEE, but the charge to the LICENSEE shall not exceed standard REALIS fees in force from time to time.

7.6   Payment terms and conditions for INITIAL FEES and ANNUAL RENEWAL FEES are as specified on the REALIS invoices for the same, compliance with which is a condition of this Agreement.

7.7   For the administrative convenience of the LICENSEE only, REALIS will on request reference LICENSEE purchase order documentation on the invoices for INITIAL FEES and ANNUAL RENEWAL FEES but compliance with the terms and conditions of said purchase orders are expressly excluded from and form no part of this Agreement.

8   SOFTWARE MAINTENANCE AND SUPPORT SERVICES

8.1   **Software Maintenance and Support Service**

Subject to payment of the INITIAL FEES provided for under this Agreement, or ANNUAL RENEWAL FEES on the first and subsequent anniversaries of the COMMENCEMENT DATE, the LICENSEE shall be entitled to the provision of software maintenance and support services from REALIS in respect of the LICENSED SOFTWARE for one year following the COMMENCEMENT DATE and subsequent anniversaries thereof.

The software maintenance and support service shall consist of:

a)   the maintenance by REALIS of an information service regarding reported errors in the LICENSED SOFTWARE;

b)   assistance by fax/phone/e-mail in solving reported errors in the LICENSED SOFTWARE;

c)   assistance by fax/phone/e-mail (of a non-engineering nature) in the interpretation and use of the LICENSED SOFTWARE; and

d)   the supply to the LICENSEE of any MAINTENANCE RELEASES and/or UPDATES for the LICENSED SOFTWARE.

Support shall extend only to the most current release of the LICENSED SOFTWARE supplied by REALIS to the LICENSEE and the most recent prior release, including MAINTENANCE

RELEASES and UPDATES. Maintenance and support is only guaranteed for current operating systems as defined in the DOCUMENTATION.

If there is any question or dispute as to whether a particular release is a MAINTENANCE RELEASE, UPDATE or NEW PRODUCT, the categorization of the release as determined by REALIS shall be final. LICENSEE agrees to install MAINTENANCE RELEASES and UPDATES promptly upon receipt from REALIS. MAINTENANCE RELEASES and UPDATES are subject to this Agreement. REALIS does not promise that there will be a certain number of MAINTENANCE RELEASES or UPDATES during a particular twelve-month period.

Exclusions. REALIS shall have no obligation to maintain or support (a) altered, damaged or LICENSEE-modified LICENSED SOFTWARE, or any portion of the LICENSED SOFTWARE incorporated with or into other software not provided or supported, as defined in the DOCUMENTATION, by REALIS, (b) any version of the LICENSED SOFTWARE other than the current version of the LICENSED SOFTWARE or the immediately prior release of the LICENSED SOFTWARE; (c) problems caused by LICENSEE's negligence, abuse or misapplication of LICENSED SOFTWARE other than as specified in the DOCUMENTATION, or other causes beyond reasonable control of REALIS, or (d) LICENSED SOFTWARE installed on any hardware, operating system version or network environment that is not supported by REALIS, as defined in the DOCUMENTATION. Support also excludes user training, configuration of hardware, non-REALIS software, and networking services; consulting services; general solution provider related services; and general computer system maintenance. These services may be available under separate contract by REALIS and are subject to the individual requirements of the LICENSEE.

8.2   **Notice of Termination of Support Services**

REALIS shall be entitled to withdraw support services for any LICENSED SOFTWARE by serving not less than one year's written notice to expire on an anniversary of the COMMENCEMENT DATE.

9   WARRANTIES & INDEMNITIES

9.1   **Indemnity**

REALIS shall indemnify and hold the LICENSEE harmless from and against any liability, cost, loss or expense resulting from a claim alleging that the LICENSED SOFTWARE or any portion thereof, infringes any copyright, patent, trade secret or other intellectual property right of any third party, provided that:

a)   REALIS shall be entitled to defend the action on behalf of the LICENSEE at its own expense, including the right to select legal representation;

b)   REALIS is given prompt written notice of such a claim;

     c)   the LICENSEE provides REALIS with all reasonably requested assistance in defending the claim; and

     d)   the LICENSEE has not entered into any negotiations with the third party.

REALIS undertakes to make reasonable efforts to resolve any such claim expeditiously to allow for continued use of the LICENSED SOFTWARE by the LICENSEE.

The foregoing indemnification does not extend to any claim resulting from modification, adaptation or combination of the LICENSED SOFTWARE with other material (whether or not allowed within the remaining terms of this Agreement), to the extent that the claim would not otherwise have arisen.

9.2   **Warranty**

Each element of LICENSED SOFTWARE is warranted to perform substantially as described in the accompanying DOCUMENTATION. When software problems or discrepancies with the DOCUMENTATION are detected by the LICENSEE, REALIS shall provide software support, as defined in clause 8.1, in correcting the LICENSED SOFTWARE, the associated DOCUMENTATION or both, as appropriate.

9.3   **Specific Limitations of Liability**

REALIS and the LICENSEE agree that all elements of the LICENSED SOFTWARE are engineering design aids which require considerable skill and judgement for their correct use and for the interpretation of computed results. REALIS and the LICENSEE further agree that the LICENSED SOFTWARE can be no substitute for rigorous and comprehensive prototype testing either by the LICENSEE, or its agents, suppliers or customers prior to the use of designs in vehicles, aircraft or any other products intended for production and or public use. The LICENSEE therefore indemnifies and holds harmless REALIS from any and all liability resulting from the work performed by the LICENSEE or its employees or agents using the LICENSED SOFTWARE, regardless of the performance or fitness for any particular purpose of the LICENSED SOFTWARE. The LICENSEE shall at its own expense defend any and all claims against REALIS under laws of product liability.

9.4   No claim shall be made against REALIS in respect of any defect in any element of LICENSED SOFTWARE or otherwise arising under or in connection with Agreement unless REALIS has been given every opportunity to fulfil its obligations to investigate and remedy such error or defect.

9.5   The LICENSEE agrees that the warranties expressly given and obligations expressly assumed by REALIS under this Agreement are in substitution for any other conditions or warranties which otherwise would have been implied in relation to the supply of the LICENSED SOFTWARE or to its installation and support pursuant to this Agreement and any other obligations and liabilities of REALIS, howsoever arising, in relation to the LICENSED SOFTWARE.

9.6   REALIS shall not be liable to the LICENSEE or any third party for any economic loss (including, but not limited to, loss of profits, business, revenue, goodwill or anticipated savings) or damages in respect of special, indirect or consequential loss (whether or not the possibility thereof is known to REALIS). To the fullest extent permitted by Governing Law REALIS, its affiliates or its officers, directors, employees, agents, licensors or suppliers' liability under this Agreement shall not exceed the INITIAL FEES or ANNUAL RENEWAL FEES as the case may be, paid by LICENSEE hereunder for the LICENSED SOFTWARE during the twelve (12) month period immediately preceding the event giving rise to the liability, regardless of the cause and whether arising in contract, tort (including negligence) or otherwise. The foregoing limitation on direct damages shall not apply to REALIS'S intellectual property indemnification obligations under clause 9.1. The parties agree that this clause 9 represents a reasonable allocation of risk..

10   TERM AND TERMINATION

10.1   This Agreement shall commence on the date signed by both REALIS and the LICENSEE and shall continue from year to year subject to the timely payment of INITIAL FEES and ANNUAL RENEWAL FEES unless terminated by either party pursuant to the remaining provisions of this Clause.

10.2   Either party may terminate this Agreement forthwith on serving written notice on the other if the other:

        a)   goes into liquidation or suffers a receiver to be appointed over all or any of its assets; or

        b)   fails to remedy any remediable breach of the Agreement within 30 days of receiving written notice of the breach; or

        c)   commits any irremediable breach; or

        d)   commits a breach of the undertakings as to confidentiality set out in Clause 5.

10.3   The LICENSEE may terminate this Agreement by serving not less than three months written notice to expire on an anniversary of the COMMENCEMENT DATE. REALIS may terminate this Agreement by serving not less than six months written notice on the LICENSEE to expire on an anniversary of the COMMENCEMENT DATE.

10.4   In the event of termination, all licences granted to the LICENSEE, and any obligations of REALIS, shall thereupon cease and, Subject to Clauses 10.5 and 10.6, the LICENSEE shall within fourteen working days return all tangible copies of all LICENSED SOFTWARE in whatever form and all copies associated DOCUMENTATION in its power, possession or control; and erase any copies of any thereof from any computer store or memory owned, used or controlled by the LICENSEE.

10.5   Termination shall be without prejudice to any accrued right of either party.

10.6 The restrictive covenants and promises of the LICENSEE and REALIS, in particular the undertakings set out in Clause 5, shall commence on the date on which this Agreement has been signed by both the LICENSEE and REALIS and shall survive any termination or rescission of this Agreement.

11   EXPORT AND RE-EXPORT RESTRICTIONS

The LICENSEE agrees and certifies that neither the elements of LICENSED SOFTWARE nor any derivative thereof is being or shall be shipped, transferred or re-exported, directly or indirectly into any country to which export is prohibited by the United States Export Administration Act and the regulations promulgated thereunder and any subsequent amendments thereto, or the export laws of the United Kingdom and any subsequent amendments thereto, or shall be used for any purpose prohibited by the same. This clause does not convey to the LICENSEE or imply any right to distribute or export any element of LICENSED SOFTWARE or to create derivative works therefrom.

12   SEVERABILITY

If any provision of this Agreement is adjudged by a court of competent jurisdiction to be invalid, void or unenforceable, REALIS and the LICENSEE agree that the remaining provisions of this Agreement shall not be affected thereby, and that the remainder of this Agreement shall remain valid and enforceable.

The failure of either party to enforce any provision on any one occasion shall not affect its right to enforce the same or any other provision on another occasion.

13   MISCELLANEOUS

13.1 Any modifications or alterations to this Agreement shall be effective only if in writing and signed by the parties hereto.

13.2 The terms and conditions of this Agreement supersede all previous negotiations, communications and agreements between the parties in relation to the subject matter whether oral or written and constitute the entire agreement between the parties unless and until amended in writing and signed by the parties hereto.

13.3 The fees specified in this Agreement and the addenda and appendices attached hereto do not include any taxes or duties howsoever designated, assessed, or based, that may be imposed or that shall become due on the LICENSED SOFTWARE or any services furnished by REALIS. Any such taxes or duties shall be paid by the LICENSEE.

13.4   It is agreed that if the LICENSEE shall breach the terms of this Agreement, REALIS shall have the right, in addition to such other remedies as may be available, to seek injunctive relief, it being acknowledged that legal remedies are inadequate.

13.5   Legal notices served under this Agreement shall be addressed to the officers of both parties who have duly executed the main body of the Agreement at the addresses defined for LICENSEE and REALIS.   Such notices shall be despatched by express mail service and shall be considered delivered one working day after despatch for addresses in the UK, Europe and the United States, and two working days elsewhere.

REALIS

ADDENDUM A

Specification of LICENSED SOFTWARE

TYPES OF LICENSES, LICENSE USAGE AND DISTRIBUTION

The type of License granted to the LICENSEE shall be specifically set out in this Addendum based on the following available license types, usage and distribution methods:

Perpetual License: a license beginning on the COMMENCEMENT DATE and continuing in perpetuity, subject to termination as set forth in this Agreement.

Annual Lease License: a license beginning on the COMMENCEMENT DATE and continuing for a period of twelve (12) months, subject to termination as set forth in this Agreement

Standard License: counted SEAT(s) of LICENSED SOFTWARE which can be EXECUTED concurrently on LICENSED WORKSTATIONS.

Suite License: SUITE(s) of LICENSED SOFTWARE whereby any instance of a SUITE component (a SEAT) being EXECUTED on LICENSED WORKSTATIONS is counted against the licensed number of SUITE(s).

Nodelock License: installation and EXECUTION of the LICENSE MANAGEMENT SYSTEM and LICENSED SOFTWARE will be limited to a single user LICENSED WORKSTATION.

Local, Regional and Global Network License: access to SEAT(s) or PACKAGE(s) of the LICENSED SOFTWARE is controlled by the LICENSE SERVER and is available to LICENSED WORKSTATIONS at the SITE, provided that access to and use of the LICENSED SOFTWARE at any one time does not exceed the number of SEAT(s) or PACKAGE(s). In addition the LICENSED SOFTWARE is restricted as follows: (a) a Local Network License may be shared at a single physical SITE, or a grouping of SITES within fifteen (15) kilometres of the LICENSE SERVER; (b) a Regional Network License may be shared at SITES within a country or group of countries which make up the Region and have access to the LICENSE SERVER; (c) a Global Network License may be shared at SITES at any global location with access to the LICENSE SERVER.

Agreement No : ....
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LICENSE CONFIGURATION

The following table defines elements of the LICENSED SOFTWARE provided to the LICENSEE, the number of SEAT(s) and PACKAGE(s) that can be EXECUTED at any one time, the License usage and distribution method, the COMMENCEMENT DATE at which the LICENSED SOFTWARE is delivered and the INITIAL FEES and ANNUAL RENEWAL FEES payable:

LICENSED SOFTWARE	Number of SEAT(s) or PACKAGE(s)	License Usage	License Distribution	COMMENCE-MENT DATE	INITIAL FEES	ANNUAL RENEWAL FEES*
				Total:		

* Note: ANNUAL RENEWAL FEES are listed at the level prevailing at the COMMENCEMENT DATE.

Type of license   Perpetual or Annual Lease *(select one)*

LICENSE SERVER unique serial number or HostID: *(enter HostID)*

Address of SITE(s) at which the LICENSED SOFTWARE is licensed for use by LICENSEE:
(list all sites)

IN WITNESS WHEREOF the parties hereto have caused this addendum to be attached to, and form part of the above numbered Agreement.

Signed: ....   Signed: ....

Date: ....   Date: ....

For and on behalf of REALIS   **For and on behalf of the LICENSEE**

REALIS

ADDENDUM B

License for Academic Use (Automotive Research & Teaching)

Restrictions of License for Academic Use

The LICENSEE hereby represents that it is an academic and/or non-commercial research institution organised upon a charitable or non-profit making basis and undertakes to use the LICENSED SOFTWARE solely for educational or research purposes. The LICENSEE accepts that the provision of software support services as defined in Section 7.1 shall be provided solely at the discretion of REALIS and that REALIS has the right to refuse support enquiries at any time. The LICENSEE shall furnish, upon request, REALIS with the results of all research work carried out using the LICENSED SOFTWARE and hereby agrees that REALIS may publish extracts of these results within the public domain. The LICENSEE agrees that it shall not publish the results of any research involving the use of the LICENSED SOFTWARE without obtaining the prior written approval of REALIS. Such approval shall not be unreasonably withheld provided that in the judgement of REALIS the LICENSED SOFTWARE has been used in an appropriate manner for the purpose reported and that any descriptions of the performance and capabilities of the LICENSED SOFTWARE represent a true and fair view.

Academic Discount

In recognition of the restrictions described above a substantial Academic Discount has been included in the schedule of fees specified in the relevant addenda of this Agreement. The value of this Academic Discount is calculated as the difference between the published list price of the software license provided and the fees specified on the relevant Addenda of this Agreement.

Use of LICENSED SOFTWARE for Commercial Purposes

Should the LICENSEE wish to use the LICENSED SOFTWARE for commercial purposes, a request for the restriction imposed by this Addendum to be waived must be submitted to REALIS in writing. The restrictions shall remain in force unless and until written permission has been provided to the LICENSEE by REALIS. REALIS reserves the right to charge an additional fee not to exceed the amount of the Academic Discount in consideration of providing this permission for subsequent commercial use. If the LICENSEE uses the LICENSED SOFTWARE for commercial purposes without first seeking and gaining permission from REALIS in the manner described, the LICENSEE undertakes to pay REALIS the amount of the Academic Discount back-dated to the COMMENCEMENT DATE. In such circumstances REALIS reserves the right to withdraw the Academic Discount for all future use of the LICENSED SOFTWARE.

All other terms and conditions of the Agreement remain unchanged.

Agreement N₀ : ....

Client Confidential

IN WITNESS WHEREOF, the parties hereto have caused this addendum to be attached to, and form part of the above numbered Agreement.

Signed: ....   Signed: ....

Date: ....   Date: ....

For and on behalf of REALIS   **For and on behalf of the LICENSEE**