

**TIGER SDK DEVELOPER
LICENSE AGREEMENT**

THIS DEVELOPER KIT LICENSE AGREEMENT ("Agreement") is made and entered into as of the day of, _____ (the "Effective Date"), by and between Cognitive Technologies, a California company ("CT"), with its principal place of business at 9 El Camino Drive, Corte Madera, California 94925, USA and

("Licensee"), a company, with its principal place of business at

WHEREAS, CT owns or controls all rights to a certain computer program known as "TIGER OCR" and related linkable library, together with related maintenance releases, updates, modifications, enhancements, revisions or versions.

WHEREAS, CT, desires to grant to Licensee certain rights to

- (i) use TIGER OCR to develop certain software and/or hardware applications ("Application") for use in _____ which operates on the hardware _____ platform ("Designated Platform") and
- (ii) incorporate TIGER OCR with the Application into a product (this product consisting of the Application and TIGER OCR incorporated with that Application shall be referred to as the "Application/TIGER OCR Program") on the terms and conditions set forth herein;

THEREFORE, in consideration of the preceding recitals and the covenants and conditions contained in this Agreement, the parties hereto agree as follows:

1. License.

a. Grant. Subject to the terms and conditions of this Agreement, CT grants to Licensee a non-exclusive, non-sublicensable, non-transferable license during the term of this Agreement to use TIGER OCR (in object code form only) solely for Licensee's own internal operations in its development of the Applications. Internal operations shall mean use by Licensee to develop Applications, but shall not include providing TIGER OCR (in any form) to third parties via time sharing, service bureau or in any other manner. Licensee may make one copy for its internal operations, and shall provide CT upon signing this Agreement a list of all employees, consultants and subcontractors who shall have access to TIGER OCR. The total number of individuals who will have access to TIGER OCR shall not exceed ten and all shall be bound by Licensee's standard confidentiality and non-disclosure agreement, executed copies of which will be provided to CT upon CT's request. The above number of copies and number of users may be increased only upon prior written authorization by CT. In addition to the number of copies allowed in the foregoing, Licensee may make copies of TIGER OCR solely for

reasonable archival and backup purposes. Licensee shall not reverse engineer, decompile, disassemble, modify or alter TIGER OCR or permit a third party to do so.

b. Licensee acknowledges that, in the event of breach of any of the foregoing provisions by Licensee, Licensor will not have an adequate remedy in money or damages. Licensor shall therefore be entitled to obtain an injunction against such breach from any court of competent jurisdiction immediately upon request. Licensor's right to obtain injunctive relief shall not limit its right to seek further remedies.

c.. License Fee and Royalties. Licensee has purchased a TIGER OCR Developer's Kit from CT or its limited distributors on the Effective Date as consideration for the license granted to Licensee under Section 1(a).

d. Maintenance. Upon expiration of the warranty period set forth in Section 2(a) below, CT will provide no free maintenance and support to Licensee. Licensee, at its option, may purchase maintenance and support with respect to TIGER OCR in exchange for payment by Licensee to CT of the annual maintenance fee for TIGER OCR as set forth in CT's then current price list. Such maintenance and support shall consist of the following:

(i) CT will use its best efforts to correct (including developing suitable workarounds) any "Program Errors" within seven business days after a Program Error is reported by Licensee to CT; and

(ii) CT will provide to Licensee any maintenance releases, updates, modifications, enhancements, revisions or versions related to TIGER OCR which are generally made available by CT to its customers free of charge. As used in this Agreement, "Program Error" shall mean a reproducible and repeatable error in TIGER OCR which prevents TIGER OCR from substantially conforming to or performing in accordance with the API Manual.

2. Warranties. Disclaimers and Limitations of Liability.

a. CT's Warranty.

i. TIGER OCR Warranties. CT warrants for a period of 90 days from and after the date on which TIGER OCR is shipped to Licensee that TIGER OCR will perform the functions described in the Product Manual when properly operated in accordance with the Product Manual on the Designated Platform. For any breach of the above warranties, Licensee's exclusive remedy, and CT's entire liability, shall be for CT, at its own expense, to use its best efforts to correct (including developing suitable workarounds) in a timely manner any reported Program Error; however, if CT is unable to correct such error conditions, then CT shall refund to Licensee all license fees and royalties paid under Section 1(b) of the Agreement. CT does not warrant that the operation of TIGER OCR will be uninterrupted or error-free, or that all errors will be corrected, or that TIGER OCR will satisfy Licensee's requirements or that TIGER OCR will operate in the combinations which Licensee may select for use.

ii. Media Warranty. CT warrants the media containing TIGER OCR to be free of defects in materials and workmanship under normal use for 90 days from and after the date on which the media is delivered to Licensee. During such 90 day period, Licensee may return defective media to CT and same will be replaced without charge. Such replacement of media is Licensee's exclusive remedy and CT's entire liability in the event of a media defect.

b. Warranty Disclaimers and Limitations. THE WARRANTIES ABOVE ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. The warranties above shall apply only if CT's examination discloses to CT's satisfaction that alleged defects actually exist and were not caused by Licensee's misuse, unauthorized modifications, neglect, improper installation or testing, attempts to repair, or the like, or by accident, fire, power surge or failure, or other hazard. Repair or replacement of a part, code or other item does not extend the warranty period beyond the initial warranty period

c. Limitation of Liability. IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING LOSS OF PROFITS, REVENUE, DATA, OR USE, INCURRED BY EITHER PARTY OR ANY THIRD PARTY, WHETHER IN AN ACTION IN CONTRACT OR TORT OR BASED ON A WARRANTY, EVEN IF THE OTHER PARTY OR ANY OTHER PERSON HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. CT'S LIABILITY FOR DAMAGES UNDER THIS AGREEMENT SHALL IN NO EVENT EXCEED THE AMOUNTS ACTUALLY PAID BY LICENSEE TO CT UNDER THIS AGREEMENT.

3. Indemnity.

a. Proprietary Rights, CT will defend Licensee against a claim that TIGER OCR, if used within the scope of this Agreement, infringes a United States copyright or patent ("Claim"), and CT will indemnify Licensee from any damages finally awarded based upon a Claim, provided that: (i) Licensee notifies CT in writing within 30 days of any Claim, (ii) CT has sole control of the defense and all related settlement negotiations, and (iii) Licensee provides CT with the assistance, information and authority necessary to perform the above. Reasonable out-of-pocket expenses incurred by Licensee in providing such assistance will be reimbursed by CT. CT shall have no liability for any Claim based on: (i) use of a superseded or altered release of TIGER OCR if such infringement would have been avoided by the use of current unaltered releases of TIGER OCR that CT provides to Licensee or (ii) the combination, operation or use of TIGER OCR with products or data not furnished by CT if such infringement would have been avoided by the use of TIGER OCR without such products or data. In the event TIGER OCR is held or is believed by CT to infringer CT shall have the option, at its expense, to (i) modify TIGER OCR to be non-infringing, (ii) obtain for Licensee the right to continue using

TIGER OCR, or (iii) terminate this Agreement and refund to Licensee all license fees and royalties paid under Section 1(b) of this Agreement. This Section 3 states Licensee's exclusive remedy and CT's entire liability for any infringement.

b. Other Indemnity. Licensee shall be responsible and shall indemnify and hold CT harmless for any and all losses, liability or damages arising out of, or incurred, in connection with (i) Licensee's use of TIGER OCR, except for warranty claims under Section 2(a) above and third party infringement claims as set forth in Section 3(a) above, and (ii) any unauthorized representation, warranty or agreement, express or implied, made by Licensee to any of its customers or any other third party with respect to TIGER OCR.

4. Proprietary Rights.

a. Ownership of Propriety Rights. CT shall retain all of its rights or title to and ownership of all copyrights, trademarks, trade secrets, patents and all other intellectual property rights related to or embodied in TIGER OCR. Except as otherwise expressly provided in this Agreement, Licensee has no right, title or interest in TIGER OCR or any intellectual property right relating to TIGER OCR.

b. Nondisclosure. By operation of and performance under this Agreement, the parties may have access to information that is confidential to one another (the "Confidential Information"). The Confidential Information shall be limited to TIGER OCR and information related thereto, which are CT's Confidential Information, and all information clearly marked as confidential. A party's Confidential Information shall not include information which: (i) is or becomes a part of the public domain through no act or omission of the other party; (ii) was already in the other party's lawful possession, as is documented by the other party; or (iii) is lawfully disclosed to the other party by a third party without restriction on such disclosure. The parties agree not to disclose or make each other's Confidential Information available, in any form, to any third party or to use each other's Confidential Information except as expressly permitted in this Agreement. Each party agrees to take all reasonable steps to ensure that Confidential Information is not disclosed or distributed by its employees or agents (who have access to same because of and on a need-to-know basis) in violation of any provision of this Agreement.

5. Export Law Compliance. U.S. Government Rights and Compliance with Laws.

Licensee understands and recognizes that TIGER OCR and other materials made available to it hereunder may be subject to the export administration regulations of the United States Department of Commerce and other United States government regulations related to the export of technical data and equipment and products produced there from. Licensee is familiar with and agrees to comply with all such regulations, including any future modifications thereof, in connection with the distribution of TIGER OCR.

Licensee further acknowledges that it is knowledgeable about U.S. Government export licensing requirements or that it will become so prior to engaging, directly or indirectly, in any export transaction involving TIGER OCR, related documentation or CT technical data. TIGER OCR and documentation are provided with Restricted Rights. Use,

duplication or disclosure by the U.S. Government is subject to restrictions as set forth in subparagraph (c)(1)(i) of the Rights in Technical Data and Computer Software clause at 15 CFR 252.227-7013. Further if applicable, Licensee shall be responsible for obtaining at its own expense all required non-U.S. governmental approvals and authorizations in connection with its marketing and distribution of TIGER OCR.

6. Term, Termination, and Effect of Termination

a. Term The term of this Agreement shall commence on the Effective Date and continue for three years thereafter, unless and until earlier terminated pursuant to Section 5(b) of this Agreement

b. Termination by Either Party. Notwithstanding anything herein contained to the contrary, either party, as applicable, shall have the right, in addition and without prejudice to any other rights or remedies, to terminate this Agreement as follows:

i. by CT, effective upon ten days written notice, if Licensee fails to pay the amounts due to CT pursuant to Section 1 hereof;

ii. by either party, effective immediately upon written notice if the other party commits any material breach of the terms hereof (other than the material breach specified in subsection i above) which, in the case of a breach capable of remedy, shall not have been remedied within 30 days of the receipt by the party in default of notice specifying the breach and requiring its remedy; or

iii. by either party, effective immediately upon written notice if (A) all or a substantial portion of the assets of the other party are transferred to an assignee for the benefit of creditors, to a receiver or to a trustee in bankruptcy, (B) a proceeding is commenced by or against the other party for relief under bankruptcy or similar laws and such proceeding is not dismissed within 50 days, or (C) the other party is adjudged bankrupt.

c. Effect of Termination. Termination or expiration of this Agreement shall not affect any other rights of either party which may have accrued up to the date of such termination or expiration and (i) Licensee shall not be relieved of any obligation for any sums due to CT under this Agreement and (ii) neither party shall be relieved of any confidentiality obligation under Section 4(b) of this Agreement.

d. Licensee's Duties Upon Termination. Upon any termination or expiration of this Agreement, Licensee agrees to immediately cease using or distributing TIGER OCR and certify in writing to CT within 30 days after such termination that Licensee has destroyed (or permanently erased) or has returned to CT, all copies of TIGER OCR and all related documentation (in all forms, partial and complete, in all types of media and computer memory and storage, and whether or not modified or merged into other materials).

7. Miscellaneous

a. Assignment: Benefits and Binding Nature of Agreement. Except in connection with a sale of all or substantially all of its assets, whether via merger or otherwise, Licensee may not assign, sublicense (except as expressly permitted in this Agreement) or transfer its

e. Governing Law, Jurisdiction and Venue. This Agreement and its terms and conditions shall be governed exclusively by and construed according to the laws of the State of California as applied to agreements executed and performed entirely in California by California residents.

f. Waiver. The failure of either party to enforce the provisions of this Agreement shall not be deemed a waiver of such provisions or of the right of such party thereafter to enforce such provisions.

g. Severability. In the event that any provision of this Agreement shall be held to be unenforceable or invalid, the enforceable or valid portion thereof and the remaining provisions of this Agreement will remain in full force and effect.

h. Independent Contractors. The parties are not employees or legal representatives of the other party for any purpose. Neither party shall have the authority to enter into any contracts in the name of or on behalf of the other party.

i. Taxes. Any and all amounts due to CT hereunder are exclusive of, and Licensee shall pay, any sales, use, property, license, value added, withholding, excise or similar tax, federal, state or local, that may be imposed upon or with respect to TIGER OCR or its delivery, sale, use or possession and any insurance premiums, packing charges, inspection fees, duties, tariffs, imposts and similar charges, exclusive of taxes based on CT's net income.

IN WITNESS WHEREOF, the undersigned have executed and delivered this Agreement by their duly authorized representatives as of the Effective Date.

COGNITIVE TECHNOLOGIES Licensee: _____

By: _____

(signature)

By: _____

(signature)

(print)

Title: President & CEO

Title: _____