



Richmond Sound Design Ltd.

PERFORMANCE FOR THE LONG RUN

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LICENSE AGREEMENT **PRODUCTION SOFTWARE**

THIS AGREEMENT made effective as of the _____ day of _____, 200__.

BETWEEN:

RICHMOND SOUND DESIGN LTD.,

a company duly incorporated pursuant to the laws of the Province of British Columbia,
Canada, having an office at 5264 Ross Street, Vancouver, Canada;

("RSD")

AND:

the party described below

("Licensee")

1.0 LICENSE

1.1 RSD grants to Licensee, and Licensee accepts, on the terms and conditions hereinafter set forth, a non-transferable and non-exclusive License to use the computer software (the "Licensed Production Software") the licensed dongle (the "Licensed Production Dongle") and related documentation (the "Documentation") described in Schedule "A" hereto. Use of the Licensed Production Software by Licensee shall be limited to its own internal purposes. The meaning of Licensed Production Software shall include all revisions, error corrections, fixes and enhancements thereto, and the meaning of Documentation shall include all revisions thereto.

1.2 The License hereby granted is limited to:

(a) use of the Licensed Production Software only in object code, as permitted in Section 1.1, with a Licensed Production Dongle using a Hardware system produced or approved by RSD, and

(b) use of the Documentation only in connection with the permitted use of the Licensed Production Software.

2.0 TERM

2.1 The License shall become effective on the date that RSD receives the License Fees which are payable by Licensee for the particular Licensed Production Software program, Licensed Production Dongle and installation designated, and shall remain in full force and effect until terminated as hereinafter provided.

3.0 FEES

3.1 Licensee shall pay to RSD a License Fee in the amounts and at the times set out in Schedule "A".

4.0 COPYING

4.1 Licensee may make a reasonable number of copies of the object code of the Licensed Production Software, but only for use by Licensee as described in Section 1.0. Every such copy shall be and remain subject to the terms and conditions of this Agreement.

4.2 Licensee shall not copy the source code of the Licensed Production Software or any part thereof.

4.3 Licensee may make a reasonable number of copies of the Documentation, but only for use by Licensee as described in Section 1.0.

Every such copy shall be and remain subject to the terms and conditions of this Agreement.

4.4 Licensee shall not attempt to copy the Licensed Production Dongle or to bypass the normal function of the Licensed Production Dongle. Each Licensed Production Dongle allows only one copy of the Licensed Production Software to operate.

5.0 OWNERSHIP

5.1 All rights, title, and interest in and to the original and all copies of the Licensed Production Software, Licensed Production Dongle and the Documentation shall be and remain in RSD. Licensee has no right, title or interest in or to the Licensed Production Software, Licensed Production Dongle and the Documentation, in any and all forms, except the limited License rights set out in this Agreement. Licensee shall not at any time whether before or after the termination of this Agreement contest, or aid any other person in contesting, or do anything which otherwise impairs, the rights, title, and interest of RSD in and to the Licensed Production Software, Licensed Production Dongle and the Documentation.

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6.1 Licensee acknowledges that the Licensed Production Software, Licensed Production Dongle and the Documentation is held by RSD as its confidential information and trade secrets.

6.2 Licensee shall not without the prior written consent of RSD at any time whether before or after the termination of this Agreement, disclose, make accessible, furnish or use the Licensed Production Software, Licensed Production Dongle or the Documentation or any part

thereof, for the benefit of any third person or permit the occurrence of any of the above. Licensee shall cause its employees and agents to observe and comply with the confidentiality, use and non-disclosure requirements of this Agreement.

The provisions of this Section shall survive the termination or expiration of this Agreement or the License.

7.0 RESPONSIBILITIES OF LICENSEE

7.1 Licensee shall have exclusive responsibility for the supervision, management and control of the use of the Licensed Production Software, Licensed Production Dongle and the Documentation provided to it. Licensee's responsibility shall include, without limitation, assuring the proper hardware machine configuration, program installation, operating methods, and establishing and implementing adequate procedures and safeguards with respect to confidentiality and non-disclosure as provided in Section 6.

8.0 WARRANTY AND LIMITATIONS

8.1 While the Licensed Production Software and Licensed Production Dongle is believed by RSD to conform substantially with the applicable Documentation at the time of its shipment to Licensee, Licensee acknowledges that some errors are inevitable in a product of this nature.

8.2 THE LICENSED PRODUCTION SOFTWARE AND LICENSED PRODUCTION DONGLE IS LICENSED TO LICENSEE WITH THE WARRANTY THAT THE LICENSED PRODUCTION SOFTWARE AND LICENSED PRODUCTION DONGLE WILL FOR A PERIOD OF ONE YEAR FROM DATE OF DELIVERY PERFORM SUBSTANTIALLY IN ACCORDANCE WITH ITS SPECIFICATIONS AS AMENDED FROM TIME TO TIME. RSD DOES NOT WARRANT THAT THE OPERATION OF THE LICENSED PRODUCTION SOFTWARE AND LICENSED PRODUCTION DONGLE WILL NOT BE INTERRUPTED BY REASON OF ANY DEFECT OR THAT ALL ERRORS CAN OR WILL BE CORRECTED.

8.3 RSD SHALL NOT BE LIABLE FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL OR INCIDENTAL LOSS OR DAMAGE ARISING OUT OF OR IN CONNECTION WITH THE USE OR PERFORMANCE OF THE LICENSED PRODUCTION SOFTWARE, LICENSED PRODUCTION DONGLE OR THIS AGREEMENT.

8.4 THE WARRANTIES IN THIS SECTION 8 ARE IN LIEU OF ALL OTHER WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND THOSE ARISING BY STATUTE OR OTHERWISE IN LAW OR FROM A COURSE OF DEALING OR USAGE OF TRADE.

8.5 The total liability of RSD for damages arising out of this Agreement, regardless of the form of action, shall not exceed the amount paid by LICENSEE to RSD specifically in accordance with the fees in this Agreement only, to the date of the breach or default giving rise to the liability.

8.6 RSD warrants it is the legal owner of the Licensed Production Software and Licensed Production Dongle, has the right to license its use and indemnifies Licensee against any claims challenging its ownership rights.

9.0 RISK OF LOSS

9.1 If any Licensed Production Software, Licensed Production Dongle or Documentation is lost or damaged during shipment, RSD will replace the same at nominal charge to Licensee. If any Licensed Production Software, Licensed Production Dongle or Documentation is lost or damaged while in the possession of Licensee, RSD shall replace the same at a charge covering administration processing, handling, shipping and storage media.

10.0 MAINTENANCE

10.1 RSD shall maintain the Licensed Production Software and Licensed Production Dongle free of charge for licensee for a period of one year from delivery of the Licensed Production Software and Licensed Production Dongle to Licensee and thereafter if the Licensee has entered into a maintenance agreement with RSD, provided that all maintenance and other fees payable to RSD are paid when due.

10.2 All requests by Licensee for warranty services or maintenance services shall initially be submitted to RSD's local representative which shall verify such errors, make error corrections, supply fixes and otherwise resolve difficulties with the Licensed Production Software and Licensed Production Dongle prior to referring the errors, warranty, maintenance or other claims to RSD.

10.3 RSD, either directly or through its local representative, shall, as part of the warranty and maintenance services:

(a) upon notification of errors in the Licensed Production Software or Licensed Production Dongle, use reasonable efforts to verify such errors and provide corrections for verified errors,

(b) provide upon publication, one copy of error reports, revisions, fixes, and revised or additional Documentation, and

(c) provide revisions and enhancements to the Licensed Production Software or Licensed Production Dongle (excluding custom enhancements) which RSD may develop from time to time for use by its licensees generally. The term "enhancements" shall mean a modification to the Licensed Production Software or Licensed Production Dongle which improves operational performance, but which does not change the basic function of the Licensed Production Software or Licensed Production Dongle.

11.0 REMEDIES OF LICENSEE

11.1 If for reasons attributable to RSD, RSD fails to deliver the Licensed Production Software, Licensed Production Dongle or Documentation to Licensee, or the Licensed Production Software or Licensed Production Dongle fails to conform in a material manner with its specifications as amended from time to time, in accordance with this Agreement, then RSD's sole obligation and Licensee's sole remedy, will consist of:

(a) RSD supplying to Licensee an equivalent software program and/or dongle which meets the requirements of this Agreement,

(b) RSD correcting the Licensed Production Software or Licensed Production Dongle in accordance with its warranty and maintenance obligations described in this Agreement, or

(c) RSD refunding to Licensee the amount paid by Licensee for the Licensed

Production Software, Licensed Production Dongle and Documentation.

12.0 MODIFICATIONS TO THE LICENSED PRODUCTION SOFTWARE AND LICENSED PRODUCTION DONGLE

12.1 Licensee shall not without the prior written consent of RSD modify or cause to be modified the Licensed Production Software or Licensed Production Dongle.

12.2 RSD may develop and implement particular or custom additions, extensions or enhancements to the Licensed Production Software or Licensed Production Dongle at the request of Licensee. A separate agreement shall be required for such additions, extensions or enhancements to the Licensed Production Software or Licensed Production Dongle.

12.3 RSD shall have the right to make changes in the functionality, design or specifications of the Licensed Production Software or Licensed Production Dongle at any time upon 30 days prior written notice to Licensee.

13.0 DESIGNATED CONTACT

13.1 Licensee shall designate one employee of Licensee who shall be RSD's point of contact regarding delivery, maintenance and use of the Licensed Production Software, Licensed Production Dongle and Documentation.

14.0 TERMINATION

14.1 RSD may terminate this Agreement immediately should Licensee fail to observe or perform any of its obligations hereunder, or should Licensee cease to conduct its business or make an assignment for the benefit of its creditors or become insolvent or be adjudged bankrupt or if a trustee or a receiver manager is appointed to administer Licensee's affairs.

14.2 Forthwith upon termination of this Agreement, Licensee shall at the option of RSD either return or destroy the original and all copies of the Licensed Production Software, Licensed Production Dongle and the Documentation and any part thereof received from RSD or made in connection with the License granted herein, and if destroyed furnish to RSD a certificate satisfactory to RSD certifying such destruction.

15.0 MISCELLANEOUS

15.1 The License is personal to Licensee. Licensee shall not assign or transfer this Agreement, the License, or any right or obligation granted therein without the prior written consent of RSD. Any assignment or transfer, or any attempt to do so, without the consent of RSD shall be null and void.

15.2 This Agreement is binding upon and shall enure to the benefit of the respective successors and permitted assigns of the parties hereto.

15.3 All notices required hereunder shall be given in writing and shall be personally delivered or sent by postage prepaid registered mail addressed to the recipient at the recipient's address mentioned in this Agreement, or at such other address as either party may designate by notice.

15.4 Should any term or condition of this Agreement be found invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and shall continue to be valid and

enforceable.

15.5 Notwithstanding any other provisions, failure or delay in performance by RSD shall be excused to the extent caused by an event beyond RSD's reasonable control, including but not limited to such events as Act of God, war, act of national or civil or military authority, labour disputes, strikes, delays of carriers or delays or default in RSD's supplies.

15.6 Captions are inserted for convenience of reference only and shall not be considered in the interpretation of this Agreement. This Agreement is to be interpreted with such changes of gender or number as the context requires.

15.7 This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia, Canada.

15.8 This Agreement sets forth the entire understanding and agreement between the parties with respect to the subject matter hereof. There are no representations or promises between the parties except as set forth herein. No terms or conditions of this Agreement may be modified or waived except in writing.

IN WITNESS WHEREOF the parties hereto have executed this Agreement by their duly authorized representatives.

LICENSEE:

Licensee Name: _____

Licensee Address: _____

By: (signed) _____

Name: (printed/typed) _____

Title: _____

Date: _____

Site: _____

Gate: _____

Location: _____

LICENSEE'S CONTACT PERSON (see Section 13.0, above):

Contact person's name: _____

Contact person's address: _____

Contact person's phone #: _____

Contact person's email address: _____

Contact person's fax #: _____

For shipments by courier to the United States, US Customs requires the EIN or Social Security number of the recipient: _____

RICHMOND SOUND DESIGN LTD:

By: _____

Name: _____

Title: _____

Date: _____

LICENSE AGREEMENT

PRODUCTION SOFTWARE - SCHEDULE "A" LICENSED PRODUCTION SOFTWARE: SoundMan-Server

The "SoundMan-Server" program developed by RSD and coded by Loren Wilton performs according to the online specifications published and changed from time to time on the RSD web site.

Production versions of the "SoundMan-Server" program actually control the licensed number of input, output and playback channels and features according to the license files in the licensed production dongle.

DOCUMENTATION

1 - Online Programmer Manual and Command Set Document

LICENSED PRODUCTION DONGLE

1 - USB type "ROCKEY2" with unique encrypted license files and hard coded serial number

LICENSE FEES

\$0 for 2 live inputs, 2 outputs, 4 playbacks (6x2 matrix),
US\$75 for 4 live inputs, 4 outputs, 8 playbacks (12x4 matrix),
US\$150 for 6 live inputs, 6 outputs, 12 playbacks (18x6 matrix),
US\$300 for 8 live inputs, 8 outputs, 16 playbacks (24x8 matrix),
US\$450 for 12 live inputs, 12 outputs, 24 playbacks (36x12 matrix),
US\$600 for 16 live inputs, 16 outputs, 32 playbacks (48x16 matrix),
US\$1050 for 32 live inputs, 32 outputs, 64 playbacks (96x32 matrix),
US\$1350 for 64 live inputs, 64 outputs, 128 playbacks (192x64 matrix),
US\$1800 for 128 live inputs, 128 outputs, 256 playbacks (384x128 matrix),
US\$2400 for 256 live inputs, 256 outputs, 512 playbacks (768x256 matrix),
US\$3000 for 512 live inputs, 512 outputs, 999 playbacks (1511x512 matrix)
for a single Licensed Production Dongle on a single machine installation, including license maintenance fees for the first year following the effective date of the license agreement, subject to change without notice.

For each 10% increase in number of playback channels licensed, the license fee shall be increased by US\$15, subject to change without notice.

US\$100 for the Audio signal generator option
US\$250 for the Hammond organ synthesiser option
US\$250 for the IRIG time code decoder option

MAINTENANCE FEE

The annual license maintenance fees will for each licensed program be \$US400.00 per year, subject to change without written notice.