EXIGENT™-DR COMMERCIAL SOFTWARE LICENSE

This Commercial Software License Agreement (the "Agreement") for Unmanned Aerial System (UAS) Automatic Target Recognition capability is entered into by and between Archarithms, Inc., 303 Williams Avenue, Suite 131, Huntsville, AL 35801 ("LICENSOR") and _____ ("LICENSEE"). Collectively, the LICENSOR and LICENSEE are referred to as the "Parties."

RECITALS

WHEREAS, LICENSOR has developed algorithms that have been implemented in software which, when used in conjunction with sensors, have a high probability of detecting an UAS.   The core algorithms that enable automatic target recognition capability is being marketed by LICENSOR under the tradename of EXIGENT™-DR.

WHEREAS, based on EXIGENT™-DR software application demonstrations, LICENSEE has reason to believe that detection capability could be a component to a UAS detection capability that could make the premises designated by LICENSEE safer against UAS interference or attack.

WHEREAS, LICENSOR is willing to license EXIGENT™-DR and LICENSEE is interested in acquiring a license to EXIGENT™-DR, the Parties agree as follows:

1.0 DEFINITIONS

1.1   Effective Date means the last date of the execution of this agreement.

1.2   Licensed Software is LICENSOR's proprietary EXIGENT™-DR software and forthcoming updates/modifications as of the effective date.

1.3   INTELLECTUAL PROPERTY means any and all exclusionary rights existing from time to time anywhere in the world under statutory or common law, and whether or not perfected, including, but not limited to, all patents or patent applications owned or licensable by a Party hereto; rights associated with works of authorship including copyrights, copyright applications, copyright registrations, rights relating to the protection of trade secrets and confidential information; rights relating to the protection of trademarks; any right analogous to those set forth in this definition; and any other exclusionary rights relating to intangible property; and divisions, continuations, renewals, reissues, and extensions of the foregoing (as to the extent applicable) now existing, hereafter filed, issued, or acquired.

1.4   LICENSED SOFTWARE means the current version of EXIGENT™-DR as of effective date.

2.0 SCOPE

2.1   The scope of this agreement in the licensed EXIGENT™-DR to be used on one specific camera at a time. LICENSOR is entitled to a separate license fee and subsequent annual maintenance fees for each camera on which LICENSED SOFTWARE is used as set forth in the pricing table.

3.0 GRANTS

3.1   Upon payment by LICENSEE of the amount negotiated with the Government customer as the annual license is paid to LICENSOR, LICENSOR hereby grants to LICENSEE a non-exclusive, non-transferable, non-refundable license to use LICENSED PRODUCT for end use for the period of the license and subject to the restrictions within this Agreement. The first year of Archarithms' Software Maintenance Service is included in the initial purchase price. After the initial 12-month period, an annual fee is required to renew your Software Maintenance Service at a price provided in the pricing table. The first year of Software Maintenance Service is included with new product licenses. You can continue uninterrupted service in subsequent years by renewing your subscription annually. Archarithms' Software Maintenance Service includes: The latest updates to your AI Algorithm and associated software - with releases twice a year.

3.2   LICENSEE may make a single copy of the LICENSED SOFTWARE for back-up or archival purposes as necessary for use of the LICENSED SOFTWARE at each location LICENSEE is using EXIGENT™-DR.

3.3   The rights under this Agreement may not be transferred to any third party without the express written consent of LICENSOR. Any attempt to transfer the Agreement without such consent shall result in the immediate termination of the license Agreement.

3.4   The Agreement confers no license or rights, including sublicense rights, by implications, estoppel, conduct of the parties, or otherwise under any Intellectual Property Rights of LICENSOR except as expressly granted in this Agreement.

4.0 TERM AND TERMINATION

4.1   The term of this Agreement shall commence upon the Effective Date hereof and shall remain in effect for one (1) year. The first-year license includes the annual fee for the first year. The license may be renewed on an annual basis by mutual agreement of the Parties, at the Annual Fee described in the pricing table.

4.3   Without prejudice to any other rights, LICENSOR shall have the right to terminate this Agreement upon written notice to LICENSEE in the event that LICENSEE fails to comply with any of the material terms and conditions hereof and such failure has not been cured within thirty (30) days after providing LICENSEE written notice.

4.4   LICENSOR may further terminate this Agreement in the event that LICENSEE uses the LICENSED SOFTWARE outside of the License Agreement. If LICENSEE has used LICENSED SOFTWARE outside of the License Agreement, LICENSOR may retain amounts paid for the year in which the wrongful use has occurred.

4.5   Following termination or expiration of this Agreement, LICENSEE shall have no rights in LICENSED SOFTWARE and shall discontinue all use of the LICENSED SOFTWARE. Further, in such event, LICENSEE shall return the LICENSED SOFTWARE, and all copies thereof, and extracts therefrom, to LICENSOR, and delete or otherwise permanently destroy all electronic or machine-readable copies, including back-up and archive copies, of the LICENSED SOFTWARE and/or support materials within thirty (30) days after termination.

4.6   Any dispute under this license shall be resolved by the Parties working together to achieve a good faith resolution. If the Parties cannot mutually agree to the resolution of a dispute, the matter will be resolved by a court of competent jurisdiction in Madison County, Alabama applying the laws of the State of Alabama. The Parties waive any rights to a jury.

5.0   OWNERSHIP

5.1   This Agreement does not represent a sale. The LICENSED SOFTWARE is licensed, not sold. The LICENSED SOFTWARE, in whole or in part, are proprietary products owned by LICENSOR and protected under state, federal, and international law, including, but not limited to, trade secret laws, United States of America copyright laws, and international copyright treaties. All right, title, and interest in and to the LICENSED SOFTWARE, including associated Intellectual Property Rights, are, and shall remain, with LICENSEE, whether or not specifically recognized or perfected under the laws of the jurisdiction in which the LICENSED SOFTWARE is used or licensed.

5.2   This Agreement does not convey to LICENSEE an interest in or to the LICENSED SOFTWARE, but only a narrow right of nonexclusive use, revocable in accordance with the terms of this Agreement.

5.3   Any and all copies of the LICENSED SOFTWARE shall be the property of LICENSOR and shall include any copyright, restrictive legend, proprietary notice, or stamp that has been affixed to the originals. LICENSEE agrees that the existence of any copyright notice in connection with the LICENSED SOFTWARE shall not be construed as an admission or presumption that publication has occurred. Further, LICENSEE agrees to affix the following notice to the LICENSED SOFTWARE, or other notice as provided by LICENSOR in writing from time to time:

Copyright 2019, Archarithms Inc. All rights reserved under the copyright laws of the United States of America and international treaties. The LICENSEE's rights to use LICENSED SOFTWARE are set forth in a commercial software license in the possession of LICENSEE.

5.4   At the expiration of the license, at LICENSOR's request, LICENSEE agrees to provide all copies of LICENSED SOFTWARE to LICENSOR.

6.0 CONFIDENTIALITY

6.1   The LICENSED SOFTWARE contains information that is confidential and proprietary to LICENSOR (hereinafter "Proprietary Information"), which include, but are not limited to, the following: algorithms, program structure, system/software logic flow, file content, report format, coding techniques and routines, file handling, video screen and data entry handling, and report and/or output generator. LICENSEE shall not disclose the LICENSED SOFTWARE or copies thereof to third parties except to those of LICENSEE'S employees or contracted support personnel who require knowledge of the LICENSED SOFTWARE to enable LICENSEE to benefit from EXIGENT-AUR™ software.

6.2.   LICENSEE shall keep the Licensed Software and copies thereof confidential in perpetuity and will handle them and any of their component parts and protect them from unauthorized use, dissemination, or disclosure with the same degree of care LICENSEE uses to handle and protect LICENSEE'S own Proprietary Information, but will use no less than a reasonable degree of care.

6.3.   LICENSEE shall notify LICENSOR immediately of the existence of any circumstances surrounding any unauthorized knowledge, possession, or use of the LICENSED SOFTWARE or any portion thereof by any person or entity.

6.4.   Neither Party shall disclose the terms, nature, or purposes of this Agreement without the prior written consent of the other Party.

6.5.   If LICENSEE is ordered by a court or other governmental body of competent jurisdiction to disclose LICENSOR's Proprietary Information including this Agreement, or it is served with or otherwise becomes aware of a motion or similar request that such an order be issued, then notwithstanding the provisions of this Agreement, LICENSEE shall not be liable to LICENSOR for such disclosure provided that Licensee complies with the following requirements:

a.   If an already-issued order calls for immediate disclosure, then LICENSEE shall immediately move for or otherwise request a stay of such order to permit LICENSOR to respond to the order as set forth in this subsection;

b.   LICENSEE shall immediately notify LICENSOR of the motion or order by the most expeditious possible means; and

c.   LICENSEE shall join or agree to, or at a minimum shall not oppose, a motion or similar request by LICENSOR for an order protecting the confidentiality of the Proprietary Information, including joining or agreeing to join, or at a minimum not opposing, a motion for leave to intervene by LICENSOR.

7.0   WARRANTIES, REPRESENTATIONS & LIABILITIES

7.1 LICENSOR represents and warrants that:

- It has the unrestricted right to license the Software;

- LICENSOR represents and warrants that it has the unrestricted right to license the Software. EXCEPT FOR THE EXPRESS WARRANTY STATED HEREIN, LICENSEE GRANTS NO WARRANTIES, EITHER EXPRESS OR BY IMPLICATION, ON THE SOFTWARE, INCLUDING ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND CUSTOMER SHALL HOLD LICENSOR HARMLESS FROM SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES OF ANY KIND FROM ANY CAUSE ARISING OUT OF, OR IN CONNECTION WITH, THE INSTALLATION, USE, OR PERFORMANCE OF THE SOFTWARE.

7.2 EXIGENT™-DR capability, when combined with a means of identifying UASs, reduces risk that the UAS may impose to facilities, equipment or personnel. The Parties recognize that risk reduction is not risk elimination. Hence, LICENSOR makes no representation that that the risk has been totally eliminated with EXIGENT™-DR software. In no event will LICENSOR be liable to LICENSEE for consequential, indirect, incidental damages, or any lost profits or lost savings arising for the use of LICENSED SOFTWARE.

8.0 MISCELLANEOUS

8.1 The parties understand that information and technology resulting from the performance of this Agreement may be subject to export control laws and regulations, and each party is responsible for its own compliance with such applicable laws and regulations. The Parties shall adhere to any applicable United States export control laws and regulations and shall not export or re-export any technical data or products received or the direct product of such technical data except in compliance with the applicable export control laws and regulations of the United States. All rights to Use LICENSED SOFTWARE are granted on condition that such rights are forfeited if the Licensee fails to comply with the terms of Section 8.1 of this Agreement.

8.2. If the LICENSEE is an entity of the United States government, it is understood that this acquisition is being conducted under Federal Acquisition Regulation § 12.212.

8.3. The failure of any Party to enforce any rights granted hereunder or to take action against another Party in the event of any breach hereunder shall not be deemed a waiver by that Party as to subsequent enforcement of rights or subsequent actions in the event of future breaches.

8.4. LICENSEE agrees not to assign, sublicense, transfer, pledge, grant a security interest in, sell, lease, rent, loan, share rights, or otherwise transfer the LICENSED SOFTWARE or any of the personal rights licensed under this Agreement without the prior written permission of LICENSOR. Any such attempted transfer shall be null and void and shall immediately and automatically terminate this Agreement.

8.5 LICENSEE agrees not to reverse engineer LICENSED SOFTWARE nor authorize others to do so.

8.6 Should any term of this Agreement be declared void or unenforceable by any court of competent jurisdiction, such declaration shall have no effect on the remaining terms hereof.

8.7 The representatives signing on behalf of LICENSEE acknowledge that he or she has reviewed this Agreement and hereby represent that he or she has full power and authority to execute this Agreement. Each Party further represents that it is not bound by any other contract or agreement that would prevent full performance of this Agreement.

8.8 This Agreement constitutes the complete and final expression of the agreement of the Parties relating to its subject matter and supersede all previous contracts, agreements, communications, representations and understandings of LICENSOR and LICENSEE, either oral or written, relating to the subject of this License. This Agreement cannot be modified, or any of the terms waived except by an instrument in writing (referring specifically to this Agreement) executed by both Parties. All provisions of this Agreement have been the subjects of negotiation, and no principle of law providing for the interpretation of a contract against the draftsperson shall be applied in interpreting any provision in this Agreement.

8.9 LICENSEE shall not grant access to LICENSED SOFTWARE to any support contractor without express written permission of LICENSOR.