

LICENSING AGREEMENT: TPI STANDARD



This License Agreement (the "Agreement") is entered into by and between the Gaming Standards Association (dba as "IGSA") ("LICENSOR"), a California Business Association, having a principal place of business at 5177 Brandon Court, Fremont, CA 94538 and _____ ("LICENSEE") having a principal place of business at _____.

This Agreement shall be effective as of _____ (the "Effective Date").

RECITALS

WHEREAS, LICENSOR has rights in standards it has created based on certain specifications relating to the IGSA **TPI Standard** (referred to herein as the "Standard"); and

WHEREAS, LICENSEE desires to obtain rights to use the Standard in order to provide services and / or create products for use and distribution by LICENSEE ("Offerings").

NOW, THEREFORE, for good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, LICENSOR and LICENSEE agree as follows:

AGREEMENT

1. LICENSE.

1.1. License Grant. Subject to the terms and conditions of this Agreement, LICENSOR hereby grants to LICENSEE, to the extent that LICENSOR has the authority to grant such rights, and LICENSEE hereby accepts, a limited, non-exclusive, non-transferable, license to use, or reproduce for internal use only, the Standard, solely as necessary for the purpose of implementing the Standard in LICENSEE's Offerings. LICENSEE understands and agrees that this license grant is to it, its parent company or wholly owned subsidiaries as of the effective date of this Agreement.

1.2. License Restrictions. LICENSEE agrees not to delete or alter in any manner the copyright, trademarks, and other proprietary rights notices of LICENSOR appearing on the Standard as delivered by LICENSOR.

2. LICENSE FEE. As full consideration for the rights granted to LICENSEE in the Standard under this Agreement, LICENSEE shall pay LICENSOR the annual license fee within 30 (thirty) days after the Effective Date of this Agreement. This fee is only for the Standard version described herein. Failure to pay the annual license fee within this period will terminate this license immediately. LICENSOR reserves the right to notify all appropriate Regulatory Authorities that use of the Standard is no longer possible after such failure to pay. As part of the annual license fee LICENSEE will receive any available updates and/or upgrades. LICENSOR reserves the right to adjust the annual license fee at its sole discretion.

3. DELIVERY AND ACCEPTANCE. LICENSOR shall deliver the Standard to LICENSEE within fourteen (14) days after the Effective Date of this Agreement and acceptance of payment in full of the License Fee described in 2 above. The Standard shall be deemed accepted upon delivery.

4. CONFIDENTIAL INFORMATION. "Confidential Information" means the Standard and any and all other technical and non-technical information including patent, trade secret and proprietary information, techniques, sketches, drawings, models, inventions, processes, apparatus, equipment, performance testing and algorithms provided by LICENSOR to LICENSEE or LICENSEE's Affiliate during the term of this Agreement. For purposes permitted under this Section 4, "Affiliate" means an entity or person directly or indirectly controlling, controlled by, or under common control with LICENSEE. For purposes of this Agreement, "Control" means the direct or indirect ownership of more than fifty percent (50%) of the outstanding voting securities of an entity, or the right to receive more than fifty percent (50%) of the profits or earning of an entity or person. In consideration of the rights granted under this Agreement, LICENSEE agrees that it will not make use of, disseminate, or in any way disclose the Confidential Information to any person, firm or business, including, but not limited to, its parent company and/or any Affiliates or subsidiaries, except to its employees and independent contractors who have executed a confidentiality agreement no less protective of LICENSOR than this Agreement. LICENSEE agrees that it will treat all Confidential Information with the same degree of care as it accords to its own confidential information, but in no case less than reasonable care. The disclosure by LICENSOR of Confidential Information shall impose no obligation upon LICENSEE with respect to any portion of the received information which LICENSEE can demonstrate: (i) is now, or which hereafter, through no fault of LICENSEE, becomes generally known or available; (ii) is lawfully furnished to LICENSEE by a third party and without restriction on disclosure; or (iii) is known by LICENSEE at the time of receipt of such information shown by written documentation.

5. WARRANTY DISCLAIMER. THE STANDARD IS PROVIDED "AS IS." LICENSOR MAKES NO OTHER WARRANTIES, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE WITH RESPECT TO THE STANDARD AND ANY RELATED MATERIALS. LICENSOR SPECIFICALLY DISCLAIM ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NONINFRINGEMENT OF THIRD-PARTY RIGHTS. LICENSOR DOES NOT WARRANT THAT THE STANDARD WILL MEET LICENSEE'S REQUIREMENTS, THAT THE OPERATION OF THE STANDARD WILL BE UNINTERRUPTED OR ERROR FREE, OR THAT DEFECTS IN THE STANDARD WILL BE CORRECTED. FURTHERMORE, LICENSOR DOES NOT WARRANT OR MAKE ANY REPRESENTATIONS REGARDING USE OR THE RESULTS OF THE USE OF THE STANDARD IN TERMS OF CORRECTNESS, ACCURACY, RELIABILITY OR OTHERWISE. LICENSEE ASSUMES RESPONSIBILITY FOR AVOIDING INFRINGEMENT OF PATENTS OWNED BY OTHERS APPLICABLE TO THE STANDARD AND DERIVATIVE SOFTWARE.
6. PROPRIETARY RIGHTS; INDEMNIFICATION.
 - 6.1. Proprietary Rights. LICENSOR owns all right, title, and interest in and to the Standard, including all patents, trademarks, trade names, inventions, copyrights, know-how, and trade secrets (collectively "Intellectual Property Rights") therein.
 - 6.2. Indemnity.
 - 6.2.1. LICENSEE agrees to defend, indemnify and hold harmless LICENSOR, and any licensees of the Standard (each, an "Indemnified Party" and collectively, the "Indemnified Parties") against any cost, loss, liability or expense (including reasonable attorneys' fees and costs) incurred by an Indemnified Party in connection with any suit, claim, action, demand, proceeding, order, decree and/or judgment of any kind or nature, resulting from or in connection with implementation of the Standard in LICENSEE's Offerings.
 - 6.2.2. This indemnification includes, but is not limited to, claims based on (i) any allegations that the Standard (or any portion thereof) or LICENSEE's Offering infringes any Intellectual Property Right; or (ii) any use by LICENSEE of the Standard outside the scope of the license set forth in Section 1.1 ("License Grant"); or (iii) any breach by LICENSEE of its obligations under Section 4 ("Confidential Information").
 - 6.2.3. The Indemnified Party shall (i) give LICENSEE notice of any such claim; (ii) provide LICENSEE all reasonably requested assistance, at LICENSEE's expense, in the defense or settlement of such claim; and (iii) except as set forth in Section 6.2.4 below, give LICENSEE sole control over the defense and settlement of such claim.
 - 6.2.4. Notwithstanding anything to the contrary in this Agreement, LICENSEE shall not enter into any settlement or compromise of such claim that could adversely affect the rights of LICENSOR without the prior written consent of LICENSOR, which consent shall not be unreasonably withheld.
 - 6.2.5. LICENSOR and any other Indemnified Party shall be authorized to participate in and observe any proceedings at its own cost and expense.
7. LIMITED LIABILITY. IN NO EVENT WILL LICENSOR BE LIABLE TO LICENSEE OR ANY OTHER ENTITY FOR LOSS OF DATA, COSTS OF PROCUREMENT OF SUBSTITUTE GOODS OR ANY SPECIAL, CONSEQUENTIAL, EXEMPLARY OR INCIDENTAL DAMAGES, WHETHER BASED IN CONTRACT, TORT, STRICT LIABILITY OR ANY OTHER LEGAL THEORY, EVEN IF LICENSOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. UNDER NO CIRCUMSTANCES WILL LICENSOR AGGREGATE LIABILITY FOR DIRECT DAMAGES EXCEED THE AMOUNTS PAID BY LICENSEE TO LICENSOR UNDER THIS AGREEMENT. THIS LIMITATION WILL APPLY NOT WITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY PROVIDED HEREIN. THE FOREGOING LIMITATIONS OF LIABILITY SHALL NOT APPLY TO DAMAGES ARISING FROM DEATH OR PERSONAL INJURY TO PERSONS OR TANGIBLE PROPERTY IN ANY JURISDICTION WHERE SUCH LIMITATION IS PROHIBITED BY APPLICABLE LAW.
8. ALLOCATION OF RISK. It is expressly understood and agreed that each and every provision of this Agreement that provides for a limitation of liability, disclaimer of warranties or exclusion of damages, is intended by the parties to be severable and independent of any other such provision and to be enforced as such. Such provisions allocate the risks between the parties, and is an essential element of the basis of the bargain between the parties.
9. TERM AND TERMINATION.
 - 9.1. Term. The term of this Agreement will commence on the Effective Date and, unless terminated earlier as provided below, will continue in perpetuity.
 - 9.2. Termination for Cause. This Agreement and all licenses hereunder will terminate on the thirtieth (30th) day after LICENSOR gives LICENSEE notice of a material breach by LICENSEE of any term or condition of this Agreement, unless the breach is cured before that day; provided that any breach of Section 4 ("Confidential Information") will be deemed a material breach of this Agreement that cannot be cured. Material breach is failure of LICENSEE to comply with any of the obligations contained in this Agreement or failure of LICENSEE to provide LICENSOR with information, assistance or notice as required in this Agreement.

- 9.3. Survival. The rights and obligations contained in Sections 1.2 (“License Restrictions”), 4 (“Confidential Information”), 5 (“Warranty Disclaimer”), 6 (“Proprietary Rights; Indemnification”), 7 (“Limited Liability”), 8 (“Allocation of Risk”) and 10 (“Miscellaneous”) shall survive any termination or expiration of this Agreement.
- 9.4. Effect of Termination. Upon the termination of this Agreement all rights to the Standard, including the right to sell Offerings using the Standard, are terminated.
10. MISCELLANEOUS.
- 10.1. Governing Law; Jurisdiction.
- 10.2. IGSA and GSA Asia - This Agreement shall be governed by and interpreted in accordance with the laws of the State of Nevada without reference to conflict of laws principles. The parties irrevocably consent to the exclusive personal jurisdiction of the courts located in Nevada. The parties agree that the United Nations Convention on Contracts for the International Sale of Goods is specifically excluded from application to this Agreement.
- 10.3. GSA Europe – This Agreement shall be governed by and interpreted in accordance with the laws of the Republic of Malta without reference to conflict of laws principals. The parties irrevocably consent to the exclusive personal jurisdiction of the courts located in Malta. The parties agree that the United Nations Convention on Contracts for the International Sale of Goods is specifically excluded from application to this Agreement.
- 10.4. GSA Japan – This Agreement shall be governed by and interpreted in accordance with the laws of the Japan without reference to conflict of laws principals. The parties irrevocably consent to the exclusive personal jurisdiction of the courts located in Tokyo. The parties agree that the United Nations Convention on Contracts for the International Sale of Goods is specifically excluded from application to this Agreement.
- 10.5. Export. LICENSEE understands that the Standard Offerings is subject to export control laws and regulations. LICENSEE may not export or re-export the Standard Offerings or any underlying information or technology except in full compliance with all United States, Japan, Malta, foreign and other applicable laws and regulations.
- 10.6. No Assignment. LICENSEE may not assign any of its rights nor delegate any of its obligations under this Agreement to any third party without the prior written consent of LICENSOR: provided that the annual license fee, if any, may be paid by a delegate of LICENSEE. LICENSOR may assign this Agreement without the prior written consent of LICENSEE.
- 10.7. Notices. All notices permitted or required under this Agreement shall be in writing and shall be delivered as follows with notice deemed given as indicated (a) by personal delivery when delivered personally; (b) by overnight courier upon written notification of receipt; (c) by facsimile transmission when confirmed by facsimile transmission; or (d) by certified or registered mail, return receipt requested, ten (10) days after deposit in the mail. All notices must be sent to the address first described above or to such other address that the receiving party may have provided for the purpose of notice in accordance with this Section.
- 10.8. Authority. Each party represents that all corporate action necessary for the authorization, execution and delivery of this Agreement by such party and the performance of its obligations hereunder has been taken.
- 10.9. Severability. If any section, provision, or clause thereof in this Agreement shall be found or be held to be invalid or unenforceable in any jurisdiction in which this Agreement is being performed, then it shall be severed from the Agreement and the remainder of this Agreement shall be valid and enforceable.
- 10.10. Entire Agreement. The terms and conditions herein contained constitute the entire agreement between the parties and supersede all previous or contemporaneous agreements and understandings, whether oral or written, between the parties hereto with respect to the subject matter hereof and no agreement or understanding varying or extending the same shall be binding upon either party hereto unless in a written document signed by the party to be bound thereby.

LICENSOR:

International Gaming Standards Association

LICENSEE:

By: _____

By: _____

Name: _____

Name: _____

Print

Print

Title: _____

Title: _____