

COMPONENT CONTROL.COM, INC.

1731 KETTNER BLVD., SAN DIEGO, CA 92101

License Agreement

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ARTICLE 1. License Grant:

In exchange for your payment to Licensor of the then current license fee (“License Fee”) as set forth on Licensor’s software proposal addressed to you (“Software Proposal”), Licensor grants to you, the end user, a personal, nonexclusive, nontransferable, nonassignable, terminable license, without the right to sublicense, to use a single copy of the Software modules identified in the Software Proposal, solely for your own internal use, on a single production database, on a single server and internal networks at your facilities, but only by the number of concurrent user connections that you have paid for, and solely in accordance with the terms and conditions of this Agreement (“License”).

ARTICLE 2. Definition of Software:

The term “Software” used herein, consists of a computer program designated as “Quantum Control,” and comprised specifically of the modules specifically set forth on the Software Proposal, that is designed to track inventory, manufacturer and historical data of parts; and if applicable in the context used, includes all related printed documentation, including manuals covering the installation, application, and use of the computer program and published specifications; and all subsequent improvements to either the software or related printed documentation made by Licensor. “Software” also includes all Quantum Control module customizations and additional functionality specifically identified as deliverables under one or more custom programming Development Proposals entered into by the parties, to be developed and integrated into the Quantum Control system.

ARTICLE 3. Limitations:

3.1 Use on Designated Hardware. Licensee shall use the Software with a single production database, on a single server within Licensee’s internal networks as limited to the number of concurrent user connections that you have paid for (upon payment of the License Fee). In addition, Licensee may make and install one Software copy for back-up purposes and one Software copy for test purposes, provided that only one instance of the Software shall be operated for production purposes at any time. Such back-up and test instances may be operated on separate servers provided that they remain on Licensee’s internal networks at a Licensee facility. Licensee agrees that it shall obtain a separate license from Licensor for the installation and use of the licensed Software on any computer systems other than the hardware designated by Licensee to Licensor prior to any such installation and/or use. Certain qualifications are required for the Licensee to add other sites for use of the Software.

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ARTICLE 6. Termination:

6.1 **Cause for Termination.** The License granted herein shall automatically terminate without notice upon the occurrence of any of the following: (i) expiration of the term specified herein, or of any optional renewal term; (ii) disclosure of the Software to a third party, whether directly or indirectly, and whether inadvertently or otherwise; (iii) the breach by the Licensee of any of the terms contained herein, which is not cured within ten (10) days after notice, by the Licensee, or the commission of an Event of Default (as defined below), or (iv) the cessation of business by Licensee or any successor or assignee to whom the Software has been properly transferred.

6.2 **Events Of Default.** Licensee shall have committed an Event of Default, and this Agreement and the license granted hereunder shall automatically terminate, if any of the following occur: (i) Licensee attempts to use, copy, license, or convey the Software in any manner contrary to the terms of this Agreement or in derogation of Licensor's proprietary rights in the Software; (ii) Licensee fails or neglects to perform or observe any of its obligations under this Agreement, including, without limitation, the timely payment of the License Fee, with respect to SMA Required Modules, or any fees due under the applicable SMA, as the case may be, or any other sums due Licensor within ten (10) days after notice that the payment is delinquent; or (iii) Licensee makes an assignment of Licensee's business for the benefit of creditors, a petition in bankruptcy is filed by or against Licensee, a receiver, trustee in bankruptcy, or similar officer is appointed to take charge of all or part of Licensee's property, or Licensee is adjudicated bankrupt.

6.3 **Effect of Termination.** Licensee agrees that immediately upon termination of this Agreement, whether or not Licensee receives notice of such termination, the License shall be immediately terminated and Licensee shall not have any further rights to use the Software. Upon a termination, Licensee shall immediately return all copies of the Software to Licensor and certify that no additional copies were made. Licensee further agrees that in the event of termination through its default, all fees or charges due for the remaining term of this Agreement shall immediately become due and payable. Upon termination of the license granted hereunder, Licensor's obligations to Licensee shall cease.

6.4 **Cumulative Remedies.** All rights and remedies conferred herein shall be cumulative and in addition to all of the rights and remedies available to each party at law, equity or otherwise.

ARTICLE 7. General Terms And Conditions:

7.1 **Relationship of Parties.** The relationship between Licensor and you is only that of a licensor and licensee. Neither party is the agent or legal representative of the other party, and neither party has the right or authority to bind the other party in any way. This Agreement creates no relationship as partners or a joint venture, and creates no pooling arrangement.

7.2 **Notices.** Unless otherwise provided in this Agreement, any notice required or permitted by this Agreement to be given to either party shall be deemed to have been duly given if in writing and delivered personally or mailed by first-class, certified mail, postage prepaid and addressed to Licensee at the address it has provided Licensor, or to Licensor at 1731 Kettner Blvd, San Diego, Ca. 92101.

7.3 **Assignment.** You have no right to assign, delegate, transfer or otherwise encumber this Agreement or any portion thereof without Licensor's prior written consent. In the event of a corporate reorganization, merger and/or acquisition, the Licensee may assign its rights under this Agreement to its successor in interest, subject to the written approval of the Licensor, which may not be unreasonably withheld.

7.4 **Amendments.** This Agreement shall be modified only by a written agreement duly executed by Licensor and Licensee.

7.5 Waiver. The failure of either party to enforce any of its rights hereunder or at law shall not be deemed a waiver or a continuing waiver of any of its rights or remedies against the other party, unless such failure or waiver is in writing.

7.6 Attorneys' Fee. In the event a dispute arises regarding this Agreement, the prevailing party shall be entitled to its reasonable attorneys' fees and expenses incurred in addition to any other relief to which it is entitled.

7.7 Severability. If any provision, or part thereof, of this Agreement is judicially declared invalid, void or unenforceable, each and every other provision, or part thereof, nevertheless shall continue in full force and effect, and the unenforceable provision shall be changed or interpreted so as best to accomplish the objectives and intent of such provision within the limits of applicable law.

7.8 Governing Law. This Agreement shall be interpreted and enforced according to the laws of the State of California, without application of its conflicts or choice of law rules. This Agreement shall be deemed to be performed in San Diego, California. Both parties irrevocably submit to the jurisdiction of the state or federal courts located in San Diego, California, for any action or proceeding regarding this Agreement, and both parties waive any right to object to the jurisdiction or venue of the courts in San Diego, California.

7.9 Entire Agreement. This Agreement constitutes the entire agreements between the parties regarding the subject matter hereof, and supersedes all prior or contemporaneous understandings or agreements, whether oral or written regarding the subject matter hereof.

7.10 Authority. If you are entering into this Agreement on behalf of an entity, you represent and warrant that you have the authority from your respective governing body to enter into this Agreement and to bind your respective company to all the terms and conditions of this Agreement.