

**Licence Agreement
for
Commercial Use
of
ProofPower**

This Licence Agreement is made this day of 20....

BETWEEN:

Lemma 1 Limited ('Lemma 1') whose registered office is at

27 Brook Street
Twyford
Berkshire
UK
RG10 9NX

AND:

.....

('Licensee')

whose principal place of business or registered office is at:

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Purpose of this Agreement:

Lemma 1 has the right to grant licences of a suite of software products known collectively as **ProofPower**. Lemma 1 wishes to grant to the Licensee a licence to use on the terms and conditions of this Agreement one or more of these products more particularly described in the Schedule to this Agreement ('ProofPower')

Now it is Agreed:

1. Grant of Licence In consideration of Licensee agreeing to abide by these terms and conditions Lemma 1 grants Licensee a non-transferrable licence ('the Licence') to use certain components of the suite of software products known as ProofPower as listed in the Schedule to this Agreement ('the Schedule') for internal business use only on the terms and conditions of this Licence Agreement subject to any additional restrictions on use identified in the Schedule. For the purposes of putting this Licence into effect, Lemma 1 will provide a copy of ProofPower to the Licensee. At Lemma 1's option, such provision may be made by providing access to a copy of ProofPower on the Internet for downloading by Licensee. The Licensee may make and use the number of copies of ProofPower indicated in the Schedule.

2. Security Licensee will put into effect, and maintain, adequate security measures to safeguard ProofPower from access or use by any unauthorised person and shall retain ProofPower under its effective control. Licensee will install ProofPower only on equipment under the control of the Licensee. Licensee will keep confidential all matters relating to ProofPower, other than those which are in the public domain, and disclose them only to its employees on a 'need to know' basis. Licensee will keep a record of every copy of ProofPower made and will make such record available to any duly authorised agent of Lemma 1 on request.

3. Warranty Lemma 1 warrants that it is entitled to grant this Licence. All other warranties, terms, conditions, whether express or implied are excluded to the fullest extent permitted by law. Any claim made under this warranty must be notified to Lemma 1 within seven days of the event giving rise to the claim.

4. Alterations Licensee will not alter or modify the whole or any part of ProofPower and/or any documentation which may be provided ('the Documentation') nor permit the whole or any part of ProofPower, and/or the Documentation to become combined with or incorporated in any other programme nor decompile, disassemble, or reverse engineer ProofPower except to the extent permitted by law.

5. Price and Payment Licensee shall pay to Licensee licence fees at the rates set out in the Schedule to this Agreement within 30 days of Lemma 1's proper invoice for the same.

6. Term and Termination The Licence granted in Clause 1 of this Agreement is perpetual. Lemma 1 may terminate the Licence granted in Clause 2 immediately on giving Licensee notice in writing if:

6.1 Licensee commits any material breach of any of these terms and conditions;

6.2 Licensee shall have a receiver or administrative receiver appointed of it or over any part of its undertaking or assets or shall pass a resolution for winding up (other than for the purposes of a bona fide scheme of solvent amalgamation or reconstruction, or a Court of competent jurisdiction shall make an order to that effect or if Licensee enters into any voluntary arrangements with its creditors or shall become subject to an administration order or shall cease to carry on business).

7. Effect of termination On termination of the Licence, Licensee shall return to Lemma 1, or dispose of in accordance with Lemma 1's written instructions, all copies of ProofPower and the Documentation. Any termination of the Licence shall not affect any accrued rights or liabilities of either party or the continuance in force of any of these terms and conditions which are expressly or by implication intended to come into continuing force on or after such termination.

8. Liability Except in respect of death or personal injury, for which no limit applies, Lemma 1's liability under this Agreement shall in no circumstances exceed one hundred and twenty five per cent of the price paid by

Licencee under this Agreement for the use of the copy of ProofPower under which the claim arose. Lemma 1 shall in no circumstances be liable for any loss of profits; lost contracts or lost data, or any consequential or indirect loss or damage arising from Licencee's use of, or inability to use, ProofPower.

9. Indemnity Lemma 1 shall indemnify Licencee against all actions, claims, proceedings, damages and costs arising from or incurred by reason of any infringement of a third party's intellectual property rights by the use or possession by Licencee of ProofPower pursuant to this Agreement, subject to the following provisions:

- 9.1** Licencee shall promptly notify Lemma 1 in writing of any alleged infringement of which it has notice;
- 9.2** Licencee shall make no admissions without Lemma 1's consent and shall allow Lemma 1 to conduct and/or settle all negotiations and litigation and shall give Lemma 1 all reasonable assistance. Lemma 1 shall bear the cost of any such negotiations or litigation and any costs incurred or recovered in such negotiations or litigation shall belong to Lemma 1;
- 9.3** Lemma 1 shall use its reasonable endeavours to modify the result of any work so that it becomes non-infringing.

10. Assignment Licensee may not assign this Agreement without Lemma 1's prior written consent. The failure by Lemma 1 to enforce at any time any one or more of the terms and conditions of this Agreement shall not be a waiver of those terms or conditions or of the right at any time subsequently to enforceable them.

11. Severance If any part of this Agreement shall be held unenforceable by any competent authority, such term or condition shall be deemed not to be a part of these terms and conditions and the remainder of this Agreement shall be unaffected.

12. Notices All notices given under this Agreement shall be given in writing and delivered to the address of the receiving party stated at the beginning of this Agreement. Notices may be delivered by hand; by first class mail or by fax, with prompt confirmation by post or hand. Notices

shall be deemed delivered if by hand when delivered; if by mail, two working days after sending; if by fax, the next working day after sending.

13. Law This Agreement shall be governed by and construed in accordance with the laws of England and the parties hereby submit to the non-exclusive jurisdiction of the English Courts.

Signed on behalf of Lemma 1

Signed on behalf of Licensee

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Name

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Name

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In the capacity of

.....
In the capacity of

Date

Date

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SCHEDULE

Software Licensed: PPDaz (Internal research and evaluation only)

Price: £0.00 (Internet download)

Total number of copies Licensee is permitted to make and use: 2

Restrictions: Licencee's right to use PPDaz is restricted to research and evaluation purposes only.