

THIS IS A LEGAL AGREEMENT BETWEEN YOU, THE EMPLOYEE, THE INDIVIDUAL, OR THE ENTITY IDENTIFIED AS "CUSTOMER" (AS DEFINED HEREINAFTER) AND VENDOR. THIS AGREEMENT STATES THE TERMS AND CONDITIONS UNDER WHICH CUSTOMER MAY USE THE SOFTWARE. BY CLICKING ON THE ACCEPT BUTTON, INSTALLING, HAVING SOFTWARE INSTALLED ON CUSTOMER'S BEHALF, COPYING, HAVING SOFTWARE COPIED ON CUSTOMER'S BEHALF, USING OR HAVING SOFTWARE USED ON CUSTOMER'S BEHALF, CUSTOMER INDICATES THAT CUSTOMER HAS READ AND UNDERSTANDS THIS AGREEMENT AND AGREES TO BE BOUND BY THE TERMS SET FORTH IN THIS AGREEMENT. IF "SOFTWARE" IS INSTALLED, COPIED OR USED ON BEHALF OF CUSTOMER, THE TERMS SET FORTH IN THIS AGREEMENT SHALL APPLY TO CUSTOMER AS WELL AS TO THE INDIVIDUAL OR ENTITY INSTALLING, COPYING OR USING "SOFTWARE ON BEHALF OF CUSTOMER. THIS AGREEMENT SHALL BE EFFECTIVE AS OF THE EARLIER OF THE DATE SOFTWARE IS INSTALLED OR USED. "SOFTWARE" SHALL BE DEEMED ACCEPTED BY CUSTOMER TEN (10) DAYS AFTER THE DATE "SOFTWARE" IS DELIVERED TO CUSTOMER. IF CUSTOMER DOES NOT AGREE WITH THE TERMS AND CONDITIONS SET FORTH IN THIS AGREEMENT, DO NOT INSTALL OR USE "SOFTWARE" AND RETURN "SOFTWARE" TO VENDOR WITHIN TEN (10) DAYS OF THE DATE "SOFTWARE" IS DELIVERED TO CUSTOMER. ANY REFUNDS (IF APPLICABLE) SHALL BE SUBJECT TO VENDOR STANDARD REFUND POLICY IN EFFECT, LESS ANY RESTOCKING FEES AND OTHER APPLICABLE FEES.

RPG-XML SUITE ACCEPTANCE TESTING AGREEMENT

THIS ACCEPTANCE TESTING AGREEMENT ("Agreement") is made as of the Effective Date by and between Krengel Technology Inc with a mailing address at 600 Shady Ridge Road, Hutchinson MN ("Licensor") and the individual or entity identified on this agreement as customer ("Customer").

WITNESSETH

WHEREAS, RPG-XML Suite is a computer software product developed by Krengel Technology Inc for the purpose of composing, transmitting, receiving, and parsing XML documents; and

WHEREAS, Licensee has reviewed RPG-XML Suite and

desires to evaluate RPG-XML Suite as a computer software tool for composing, transmitting, receiving, and parsing XML documents.

NOW, THEREFORE, in consideration of the mutual benefits of the covenants and restrictions herein contained, Licensor and Licensee hereby agree as follows:

ARTICLE I -- RECITALS AND DEFINITIONS

Section 1.01 -- Recitals: The above recitals and identification of parties is true and correct.

Section 1.02 -- Definitions: The following definitions shall apply:

- (1) Acceptance Date: The term "Acceptance Date" shall mean the date the Software is accepted by Licensee for testing as provided under this Agreement.
- (2) Access: The term "access" and variants thereof shall mean to store data in, retrieve data from or otherwise approach or make use of (directly or indirectly) through electronic means or otherwise the Software.
- (3) Cancellation Notice: The term "Cancellation Notice" shall mean that written notice sent by one party to this Agreement to the other party to this Agreement seeking to cancel this Agreement because of breach by such other party.
- (4) Computer: The term "Computer" shall mean that certain logical partition designated by licensor on that computer system as described in Exhibit A which is attached hereto and by this reference incorporated herein.
- (5) Defect: The term "Defect" shall mean an instance of failure or malfunction of the Software.
- (6) Documentation: The term "Documentation" shall mean that certain RPG-XML Suite User's Manual and Technical Reference Manual as made available to Licensee by Licensor on the Effective Date and as modified by Licensor thereafter.
- (7) Defect Notice: The term "Defect Notice" shall mean that certain written notice from Licensee to Licensor identifying Defects and discrepancies between the actual performance of the Software and the performance of the Software represented in the Documentation.
- (8) Effective Date: The term "Effective Date" shall

mean the date this Agreement is signed by Licensor.

- (9) Enhancement: The term "Enhancement" shall mean the object code for modifications to the Software which improve or expand the functionality or features of the Software.
- (10) Implement: The term "implement" and variants thereof (including, but not limited to, the terms "implementation", "implementing" and "implemented") shall mean to load and make available for access.
- (11) License Fee: The term "License Fee" shall mean that certain fee charged to Licensee by Licensor for the license granted to Licensee by Licensor under this Agreement in according to Kregeltech's standard pricing based on Licensee's Computer Processor size.
- (12) Testing Term: The term "Testing Term" shall mean a period of time starting with the Effective Date and continuing for 30 days thereafter.
- (13) Software: The term "Software" shall mean the executable code for the RPG-XML Suite computer software (including Enhancements and Updates) as described in the Documentation.
- (14) Support Fee: The term "Support Fee" shall mean that certain fee charged to Licensee by Licensor for maintenance, support and training services as provided under this Agreement.
- (15) Support Term: The term "Support Term" shall mean a period of time starting with the Effective Date and continuing 30 days thereafter, except as extended as provided under this Agreement.
- (16) Test Report: The term "Test Report" shall mean documentation identifying Defects, Service Requests and Defect resolutions.
- (17) Update: The term "Update" shall mean the Object code for modifications to the Software which improve or expand the performance of the Software on the Computer.
- (18) Unauthorized Access: The term "Unauthorized Access" shall mean any access to the Software or Documentation except for the exclusive purposes of composing, transmitting, receiving, and parsing XML documents, testing and evaluating the performance, utility and functions of the Software, and training employees of Licensee in the use of

the Software.

- (19) Unauthorized User: The term "Unauthorized User" shall mean any individual who accesses the Software or Documentation except for employees authorized by Licensee to access the Software for the purposes of composing, transmitting, receiving, and parsing XML documents, testing and evaluating the performance, utility and functions of the Software and training employees of Licensee in the use of the Software.

ARTICLE II - SCOPE OF AGREEMENT

Section 2.01 -- Grant of Agreement: Licensor hereby grants to Licensee a non-exclusive and non-transferable license to use the Software on the Computer and to use the Documentation for the Testing Term for purposes of testing and evaluating the Software.

Section 2.02 -- Acceptance: Licensee shall implement the Software on the Computer. Upon completing implementation of the Software, the Software shall be deemed accepted for testing by Licensee.

Section 2.03 -- Risk of Loss: Licensee assumes risk of loss to the Software as of the Acceptance Date.

Section 2.04 -- Authorized Use: Licensee shall use reasonable efforts to prevent Unauthorized Users from accessing the Software. Licensee shall use reasonable efforts to prevent Unauthorized Access to the Software.

ARTICLE III - ACCEPTANCE TESTING

Section 3.01 -- Acceptance Test Plan: Licensee shall test and evaluate the Software in accordance with the Acceptance Test Plan attached hereto as Exhibit A and by this reference incorporated herein. Licensor shall have the right to modify the Acceptance Test Plan from time to time.

Section 3.02 -- Defect Resolution: Licensor shall work with Licensee in correcting Defects in the Software on a best efforts basis, as follows:

- (1) Problem Reporting: Upon discovering a Defect, Licensee shall report the Defect ("Service Request").
- (2) Telephone Support: Within a reasonable time after receiving a Service Request, Licensor shall provide telephone support in the form of consultations, assistance and advice concerning use of the Software and correction of the Defect ("Telephone Support").

Section 3.03 – Enhancements: Licensee shall implement all Enhancements and Updates on the Computer within thirty days after the date that such Enhancement or Update is released by Licensor.

ARTICLE IV - CUSTOMER SUPPORT

Section 4.01 -- Customer Consultations: Licensor shall provide Licensee with telephone consultations in answering questions concerning use of the Software. All such telephone consultations shall be subject to the discretion of Licensor.

Section 4.02 -- Program Modifications: Upon discovering a desired modification for the Software, Licensee may request implementation of the modification. Any such request shall be submitted to Licensor in writing. Implementation of any such modification shall be subject to the sole and exclusive discretion of Licensor. Any service provided by Licensor in implementing any such modification shall be at the time and material rates of Licensor prevailing at the time such services are rendered.

Section 4.03 -- Customer Cooperation: Licensee shall cooperate with Licensor by granting unrestricted access to the Software and the Computer, and providing data and information reasonably required to correct a Defect. Licensee shall provide Licensor with telephone access to the Computer and the Software.

Section 4.04 -- Schedule Restrictions: The services to be provided by Licensor hereunder shall be performed only during the hours of 8:30 am. through 5:00 p.m. Monday through Friday Central Standard Time (excluding holidays).

ARTICLE V -- PAYMENT

Section 5.01 -- License Fee: Licensee shall pay License Fee to Licensor upon Licensee request of permanent license key.

Section 5.02 -- Support Fee: Licensee shall pay Licensor a Support Fee as of the Effective Date and each anniversary of the Effective Date. Licensor shall establish the Support Fee for a Support Term by written notice to Customer at least thirty days in advance of the first day of such Support Term.

Section 5.03 -- Consulting Fee: Services provided to Licensee by Licensor which are not provided under this Agreement shall be invoiced to Licensee by Licensor at Licensor's published time and material rates prevailing at the time the services are rendered plus actual travel and per diem costs incurred by Licensor in providing such services.

Section 5.04 -- Taxes: Licensee shall pay any and all applicable taxes including (without limitation) all sales, use or similar taxes.

Section 5.05 -- Costs: Licensee shall pay all direct costs incurred by Licensor in providing any services pursuant to this Agreement. Such direct costs shall include (without limitation) postage, telephone, travel, material and reproduction costs.

Section 5.06 -- Invoicing and Payment: Licensor shall invoice Licensee monthly for any costs incurred by Licensor in providing services under this Agreement. Such invoice shall be accompanied by receipts evidencing such costs. Licensee shall pay any such invoice in full within thirty days of receipt.

ARTICLE VI -- TERMINATION

Section 6.01 -- Termination Limitations: This Agreement may only be terminated as provided under this Article VI.

Section 6.02 -- Term: This Agreement shall be valid for the Testing Term.

Section 6.03 -- Termination: Licensee may terminate this Agreement for convenience with ten days written notice of termination to the other party.

Section 6.04 -- Cancellation for Cause: If a party violates its obligations under this Agreement, the other party may cancel the Agreement by sending Cancellation Notice describing the noncompliance to the noncomplying party. Upon receiving Cancellation Notice, the noncomplying party shall have thirty days from the date of such notice to either cure any such noncompliance or, if the noncompliance cannot be cured within such thirty day period, to begin curing such noncompliance in good faith. If such noncompliance is not cured within the required thirty day period, or, if the noncompliance cannot be cured within such thirty day period and the noncomplying party does not make a good faith effort to begin curing such noncompliance within such thirty day period, the party providing Cancellation Notice shall have the right to cancel this Agreement as of the thirty-first day after the date of the Cancellation Notice.

Section 6.05 -- Destruction of Software upon Termination: Upon termination or cancellation of this Agreement, Licensee shall destroy all Software provided to Licensee by Licensor and all copies thereof in the possession of Licensee pursuant to this Agreement and shall provide Licensor with a certificate of compliance with this Section 6.05 signed by an authorized representative of Licensee.

Section 6.06 -- License Option: Licensee shall have the right to license the Software as provided under the Software License Agreement attached hereto as Exhibit B and by this reference incorporated herein. Licensee shall exercise such right by providing Licensor with a copy of the Software License Agreement signed by Licensee before the last day of

the Testing Term.

ARTICLE VII -- WARRANTY

Section 7.01 -- Testing: Licensee acknowledges that the Software was developed for purpose of composing, transmitting, receiving, and parsing XML documents only. Licensee hereby represents and warrants that Licensee desires to obtain use of the Software under this Agreement for purposes of testing and evaluating the Software only.

Section 7.02 -- Warranty: The services to be provided by Licensor hereunder shall be performed on a best efforts basis and shall conform to the standards generally observed in the industry for similar services. Such services shall be in compliance with all applicable laws, rules, regulations or orders.

Section 7.03 -- Original Development: Licensor represents and warrants that the Software shall not infringe upon or violate any patent, copyright, trade secret or other property right of any third party. Licensee hereby acknowledges that the Software includes proprietary software licensed to Kregel Technology Inc by BVS Tools.

Section 7.04 -- Hardware: Licensee hereby acknowledges that the Software only executes on the Computer, and that the Software will not execute on any other hardware system. Licensee shall be responsible for acquiring, installing and operating the Computer.

Section 7.05 -- WARRANTY LIMITATION:
EXCEPTING THE WARRANTIES SET FORTH IN SECTION 7.02 AND 7.03, LICENSOR DOES NOT MAKE AND LICENSEE HEREBY WAIVES ANY AND ALL WARRANTIES EXPRESSED OR IMPLIED, INCLUDING BUT NOT LIMITED TO, IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND WARRANTIES OF MERCHANTABILITY.

Section 7.06 -- Indemnification: Licensor shall defend, indemnify and hold harmless Licensee (including employees, consultants, agents, and subcontractors of Licensee) against any liability arising from the negligence of Licensor or any claim by any third party against Licensee for claimed violations of trade secrets, proprietary information, trademark, copyright or any patent rights resulting from Licensee's use of the Software. If Licensee's quiet enjoyment and use of the Software is disrupted as a result of a third party claim, Licensor shall perform one or all of the following actions within one year of the date such third party's claim is discovered by Licensee:

- (1) Replacement: Replace the Software by implementing on the Computer a non-infringing

software product of equivalent functional and performance capability of the Software;

- (2) Modification: Modify the Software to avoid the infringement without eliminating the functional and performance capabilities of the Software as described in the Documentation;
- (3) Obtain License: Obtain a license from the third party claiming infringement for Licensee's use of the Software.

The remedies set forth herein shall be the sole and exclusive remedies of Licensee under this Section 7.06.

ARTICLE VIII -- INTELLECTUAL PROPERTY

Section 8.01 -- Ownership and Title: Title to the Software and Documentation including ownership rights to patents, copyrights, trademarks and trade secrets therein shall be the exclusive property of Licensor.

Section 8.02 -- Reverse Engineering: Licensee shall not reverse engineer the Software.

Section 8.03 -- Confidentiality: Licensee hereby acknowledges that the Software, Test Plan, Service Requests, Defect Notices and the Documentation shall contain information that is trade secret and proprietary to Licensor. Licensee shall use reasonable efforts to not disclose such information except to persons and organizations expressly authorized by Licensor to receive such information. Licensee shall not remove or alter any copyright notices, proprietary legends, tradenames or trademarks affixed by Licensor to the Software or Documentation.

Section 8.04 -- Copies: Licensee shall not copy the Software or Documentation and shall not allow the Software or Documentation to be copied without the prior written consent of Licensor.

Section 8.05 --Indemnification: Except as provided in Section 7.06, Licensee shall defend, indemnify and hold harmless Licensor against any damages or liability arising from use of the Software or Documentation by Licensee.

Section 8.06 -- Limitation of Damages: Licensor shall not be liable for any lost profits, or incidental or consequential damages resulting from, or arising out of, implementation, access or use of the Software or Documentation by Licensee. Licensor shall not be liable for any failure to perform its obligations under this Agreement because of circumstances beyond the control of Licensor, which such circumstances shall include (without limitation) natural disaster, terrorism, labor disputes, war, declarations of governments, transportation delays, failure of the Computer,

telecommunications failure and misuse of the Software or Documentation by Licensee. Licensee shall not be liable for any failure to perform its obligations under this Agreement because of circumstances beyond the control of Licensee, which such circumstances shall include (without limitation) natural disaster, terrorism, labor disputes, war, declarations of governments and transportation delays.

Section 8.07 -- Continuation: The terms and provisions of this Article VIII shall survive termination of this Agreement.

ARTICLE IX -- MISCELLANEOUS

Section 9.01 -- Assignments: All assignments of rights under this Agreement by Licensee without the prior written consent of Licensor shall be void.

Section 9.02 -- Entire Agreement: This Agreement contains the entire understanding of the parties and supersedes previous verbal and written agreements between the Licensor and Licensee concerning the Licensing of the Software to the Licensor.

Section 9.03 -- Equitable Remedies: The parties hereby acknowledge that damages at law may be an inadequate remedy. Therefore, Licensor shall have the right of specific performance, injunction or other equitable remedy in the event of a breach of this Agreement by Licensee.

Section 9.04 -- Amendments and Modifications: Waivers, alterations, modifications or amendments of a provision of this Agreement shall not be binding unless such waiver, alteration, modification or amendment is in writing and signed by an authorized representative of both parties.

Section 9.05 -- Severability: If a provision of this Agreement is rendered invalid, the remaining provisions shall remain in full force and effect.

Section 9.06 -- Captions: The headings and captions of this Agreement are inserted for reference convenience and do not define, limit or describe the scope or intent of this Agreement or any particular section, paragraph, or provision.

Section 9.07 -- Counterparts: This Agreement may be executed in multiple counterparts, each of which shall be an original, but which together shall constitute one and the same instrument.

Section 9.08 -- Governing Law: This Agreement is governed by the laws of the state of Minnesota and venue shall be in Hennepin County, Minneapolis Minnesota.

Section 9.09 -- Notice: Notices shall be in writing and shall be deemed delivered in person when delivered by courier or mailed postage prepaid by Certified or Registered Mail --

Return Receipt Requested -- to the person and address designated below. Notice shall be deemed given on the date of receipt -- as evidenced in the case of Certified or Registered Mail by Return Receipt.

<u>Licensor</u>	<u>Address</u>
Krengel Technology Inc	600 Shady Ridge Road, Hutchinson MN

<u>Licensee</u>	<u>Address</u>
As registered at license download	

Section 9.10 -- Pronouns/Gender: Pronouns shall refer to the masculine, feminine, neuter, singular or plural as the context shall require.

Section 9.11 -- Bankruptcy: If either party must institute, defend, appear or attend a bankruptcy proceeding as a result of the filing of bankruptcy by the other party, fees and expenses shall be borne by the filing party. If either party has a bankruptcy proceeding filed against it, the other party shall recover attorney fees, expert witness fees, and other costs incurred by such other party in connection with the bankruptcy proceeding, hearing or trial.

Section 9.12 -- Waiver: Waiver of breach of this Agreement shall not constitute waiver of another breach. Failing to enforce a provision of this Agreement shall not constitute a waiver or create an estoppel from enforcing such provision.

Section 9.13 -- Relationship of the Parties: It is agreed that the relationship of the parties is primarily that of Licensee and Licensor. Nothing herein shall be construed as creating partnership, employment relationship, or agency relationship between the parties, or as authorizing either party to act as agent for the other. Each party maintains its separate identity.

Section 9.14 -- Arbitration: Any controversy or claim arising out of or relating to this Agreement, or breach thereof, shall be settled by arbitration in accordance with Arbitration Rules of the American Arbitration Association in St. Paul, Minnesota. Judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction thereof. Three qualified Arbitrators shall be selected by the parties in accordance with the Arbitration Rules of the American Arbitration Association. Each party shall have the right of discovery as set forth in the Federal Rules of Civil Procedure. The Arbitration shall be administered by the American Arbitration Association in St. Paul, Minnesota.

Section 9.15 -- Assurances: Each party hereby represents and warrants that all representations, warranties, recitals, statements and information provided to each other under this Agreement are true, correct and accurate as of the date of this Agreement to the best of their knowledge.

Section 9.16 -- Litigation Expense: In the event of litigation or arbitration arising out of this Agreement, each party shall pay its own costs and expenses of litigation and arbitration (excluding fees and expenses of arbitrators and administrative fees and expenses of arbitration).

EXHIBIT A

Licensee shall install RPG-XML Suite to their IBM iSeries Computer to parse, compose, and transmit XML documents. Licensee may not install this evaluation software into a production environment without express written permission from Kregeltech. During the evaluation term Licensee may obtain telephone / email support from Kregel Technology by emailing support@xml4rpg.com

EXHIBIT B

SOFTWARE LICENSE AGREEMENT

THIS SOFTWARE LICENSE AGREEMENT ("License") is made as of the Effective Date by and between Krengel Technology Inc with offices located at 600 Shady Ridge Road, Hutchinson, Minnesota, USA ("Licensor") and _____ with facilities located at _____ ("Licensee").

WITNESETH

WHEREAS, Licensor is a Minnesota corporation formed for the purpose of developing and marketing web services software; and

WHEREAS, Licensor owns certain computer software for composing, transmitting, receiving, and parsing XML documents via web services ("RPG-XML Suite"); and

WHEREAS, Licensee requires software for composing, transmitting, receiving, and parsing web services RPG-XML Suite; and

WHEREAS, Licensee desires to license RPG-XML Suite.

NOW, THEREFORE, in consideration of the mutual benefits of the covenants and restrictions herein contained, Licensor and Licensee hereby agree as follows:

ARTICLE I: RECITALS AND DEFINITIONS

Section 1.01 -- Recitals: The above recitals and identification of parties is true and correct.

Section 1.02 -- Definitions: The following definitions shall apply:

- (1) Acceptance Date: The term "Acceptance Date" shall mean the date the Software is accepted by Licensee as provided under this License.
- (2) Access: The term "access" and variants thereof shall mean to store data in, retrieve data from or otherwise approach or make use of (directly or indirectly) through electronic means or otherwise the Software.
- (3) Cancellation Notice: The term "Cancellation Notice" shall mean that written notice sent by one party to this License to the other party to this License seeking to cancel this License because of breach by such other party.
- (4) Computer: The term "Computer" shall mean that

certain logical partition designated by licensor on that computer system as described in Exhibit C which is attached hereto and by this reference incorporated herein.

- (5) Documentation: The term "Documentation" shall mean that certain RPG-XML Suite User's Guide including all updates thereto.
- (6) Defect Notice: The term "Defect Notice" shall mean that certain written notice from Licensee to Licensor identifying discrepancies between the actual performance of the Software and the performance of the Software represented in the Documentation.
- (7) Effective Date: The term "Effective Date" shall mean the date this License is signed by Licensor.
- (8) Implement: The term "implement" and variants thereof (including, but not limited to, the terms "implementation", "implementing" and "implemented") shall mean to load and make available for access.
- (9) License Fee: The term "License Fee" shall mean that certain fee charged to Licensee by Licensor for the license granted to Licensee by Licensor under this License.
- (10) License Term: The term "License Term" shall mean a period of time starting with the Effective Date and continuing twenty years thereafter.
- (11) Licensee: The term "Licensee" shall mean _____ ("Licensee").
- (12) Software: The term "Software" shall mean the executable code for that certain software commonly referred to as RPG-XML Suite as made available to Licensee by Licensor on the Effective Date.
- (13) Unauthorized Access: The term "Unauthorized Access" shall mean any access to the Software or Documentation except for the exclusive purposes of composing, transmitting, receiving, and parsing XML documents via web services demonstrating the performance, utility and functions of the Software, developing new web services, and training employees of Licensee in the use of the Software.
- (14) Unauthorized User: The term "Unauthorized User" shall mean any individual who accesses the Software or Documentation except for employees

authorized by Licensee to access the Software for the purposes of developing web services.

ARTICLE II: SCOPE OF LICENSE

Section 2.01 -- Grant of License: Licensor hereby grants to Licensee a non-exclusive and non-transferable license to use the Software on the Computer and to use the Documentation for the License Term.

Section 2.02 -- Acceptance: The software shall be deemed accepted by licensee as of the effective date.

Section 2.03 -- Risk of Loss: Licensee assumes risk of loss to the Software as of the Acceptance Date.

Section 2.04 -- Authorized Use: Licensee shall prevent Unauthorized Users from accessing the Software. Licensee shall prevent Unauthorized Access to the Software.

Section 2.05 -- Source Code: Licensor shall maintain a copy of the source code for the Software with a third party as provided under the terms of that certain Source Code Escrow Agreement between the parties hereto of even date herewith.

ARTICLE III: PAYMENT

Section 3.01 -- Fees: Licensee shall pay the entire license fee and sign and return the License Agreement before a permanent key is issued.

Section 3.02 -- Taxes: Licensee shall pay any and all applicable taxes.

ARTICLE IV -- TERMINATION

Section 4.01 -- Termination Limitations: This License may only be terminated as provided under this Article IV.

Section 4.02 -- Term: This License shall be valid for the License Term except as extended hereunder.

Section 4.03 -- Termination: Licensee may terminate this License for convenience with ten days written notice of termination to the other party.

Section 4.04 -- Cancellation for Cause: If a party violates its obligations under this License, the other party may cancel the License by sending Cancellation Notice describing the noncompliance to the noncomplying party. Upon receiving Cancellation Notice, the noncomplying party shall have thirty days from the date of such notice to either cure any such noncompliance or, if the noncompliance cannot be cured within such thirty day period, to begin curing such noncompliance in good faith. If such noncompliance is not cured within the required thirty day period, or, if the

noncompliance cannot be cured within such thirty day period and the noncomplying party does not make a good faith effort to begin curing such noncompliance within such thirty day period, the party providing Cancellation Notice shall have the right to cancel this License as of the thirty-first day after the date of the Cancellation Notice.

Section 4.05 -- Destruction of Software upon Termination: Upon termination or cancellation of this License, Licensee shall destroy all Software provided to Licensee by Licensor pursuant to this License and shall provide Licensor with a certificate of compliance with this Section 4.05 signed by an authorized representative of Licensee.

ARTICLE V: WARRANTY

Section 5.01 -- Representations: Licensor represents and warrants that the Software shall perform as represented in the Documentation.

Section 5.02 -- Warranty: The services to be provided by Licensor hereunder shall be performed on a best efforts basis and shall conform to the standards generally observed in the industry for similar services. Such services shall be in compliance with all applicable laws, rules, regulations or orders.

Section 5.03 -- Original Development: Licensor represents and warrants that the Software is owned exclusively by Licensor and shall not infringe upon or violate any patent, copyright, trade secret or other property right of any third party.

Section 5.04 -- WARRANTY LIMITATION: THE FOREGOING WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES EXPRESSED OR IMPLIED, INCLUDING BUT NOT LIMITED TO, IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND WARRANTIES OF MERCHANTABILITY.

Section 5.05 -- Indemnification: Licensor shall defend, indemnify and hold harmless Licensee (including employees, consultants, agents, and subcontractors of Licensee) against any liability arising from the negligence of Licensor or any claim by any third party against Licensee for claimed violations of trade secrets, proprietary information, trademark, copyright or any patent rights resulting from Licensee's use of the Licensed Software. If Licensee's quiet enjoyment and use of the Software is disrupted as a result of a third party claim, Licensor shall perform one or all of the following actions within one year of the date such third party's claim is discovered by Licensee:

- (1) Replacement: Replace the Software by implementing on the Computer a non-infringing

software product of equivalent functional and performance capability of the Software;

- (2) Modification: Modify the Software to avoid the infringement without eliminating the functional and performance capabilities of the Software as described in the Documentation;
- (3) Obtain License: Obtain a license from the third party claiming infringement for Licensee's use of the Software.

ARTICLE VI: INTELLECTUAL PROPERTY

Section 6.01 -- Ownership and Title: Title to the Software and Documentation including ownership rights to patents, copyrights, trademarks and trade secrets therein shall be the exclusive property of Licensor.

Section 6.02 -- Reverse Engineering: Licensee shall not reverse engineer the Software.

Section 6.03 -- Confidentiality: Licensee hereby acknowledges that the Software and the Documentation may contain information that may be trade secret and proprietary to Licensor. Licensee hereby agrees not to disclose such information except to persons and organizations expressly authorized by Licensor to receive such information. Licensee shall not remove or alter any copyright notices or proprietary legends affixed by Licensor to the Software.

Section 6.04 -- Copies: Licensee shall not copy the Software or Documentation and shall not allow the Software or Documentation to be copied without the prior written consent of Licensor.

Section 6.05 -- Indemnification: Except as provided in Section 5.05, Licensee shall defend, indemnify and hold harmless Licensor against any damages or liability arising from use of the Software or Documentation by Licensee.

Section 6.06 -- Limitation of Damages: Licensor shall not be liable for any lost profits, or incidental or consequential damages resulting from, or arising out of, implementation, access or use of the Software or Documentation by Licensee. Licensor shall not be liable for any failure to perform its obligations under this License because of circumstances beyond the control of Licensor, which such circumstances shall include (without limitation) natural disaster, terrorism, labor disputes, war, declarations of governments, transportation delays, failure of the Computer, telecommunications failure and misuse of the Software or Documentation by Licensee.

Section 6.07 -- Continuation: The terms and provisions of this Article VI shall survive termination of this License.

ARTICLE VII: MISCELLANEOUS

Section 7.01 -- Assignments: All assignments of rights under this License by Licensee without the prior written consent of Licensor shall be void.

Section 7.02 -- Entire License: Excepting the Software Maintenance Agreement between Licensor as Vendor and Licensee as Customer and the Source Code Escrow Agreement between the parties hereto, this License contains the entire understanding of the parties and supersedes previous verbal and written agreements between the parties concerning licensing of the Software.

Section 7.03 -- Equitable Remedies: The parties hereby acknowledge that damages at law may be an inadequate remedy. Therefore, Licensee shall have the right of specific performance, injunction or other equitable remedy in the event of a breach of this License by Licensor.

Section 7.04 -- Amendments and Modifications: Waivers, alterations, modifications or amendments of a provision of this License shall not be binding unless such waiver, alteration, modification or amendment is in writing and signed by an authorized representative of both parties.

Section 7.05 -- Severability: If a provision of this License is rendered invalid, the remaining provisions shall remain in full force and effect.

Section 7.06 -- Captions: The headings and captions of this License are inserted for reference convenience and do not define, limit or describe the scope or intent of this License or any particular section, paragraph, or provision.

Section 7.07 -- Counterparts: This License may be executed in multiple counterparts, each of which shall be an original, but which together shall constitute one and the same instrument.

Section 7.08 -- Governing Law: This License is governed by the laws of the Minnesota and venue shall be Hennepin County, Minneapolis Minnesota.

Section 7.09 -- Notice: Notices shall be in writing and shall be deemed delivered in person when delivered by courier or mailed postage prepaid by Certified or Registered Mail -- Return Receipt Requested -- to the person and address designated below. Notice shall be deemed given on the date of receipt -- as evidenced in the case of Certified or Registered Mail by Return Receipt.

<u>Licensor</u>	<u>Address</u>
Kregel Technology Inc	600 Shady Ridge Road

Hutchinson MN55350 USA

arbitration (excluding fees and expenses of arbitrators and administrative fees and expenses of arbitration).

Licensee Address

IN WITNESS WHEREOF, this License has been executed as of the date first written above.

Section 7.10 -- Pronouns/Gender: Pronouns shall refer to the masculine, feminine, neuter, singular or plural as the context shall require.

WITNESS:

LICENSOR:
Krengel Technology Inc
BY: _____
 Quentin Krengel, President

Section 7.11 -- Bankruptcy: If either party must institute, defend, appear or attend a bankruptcy proceeding as a result of the filing of bankruptcy by the other party, fees and expenses shall be borne by the filing party. If either party has a bankruptcy proceeding filed against it, the other party shall recover attorney fees, expert witness fees, and other costs incurred by such other party in connection with the bankruptcy proceeding, hearing or trial.

As to Licensor

Date: _____

LICENSEE:

Section 7.12 -- Waiver: Waiver of breach of this License shall not constitute waiver of another breach. Failing to enforce a provision of this License shall not constitute a waiver or create an estoppel from enforcing such provision.

BY: _____

Print name/title _____

Section 7.13 -- Relationship of the Parties: It is agreed that the relationship of the parties is primarily that of Licensee and Licensor. Nothing herein shall be construed as creating partnership, employment relationship, or agency relationship between the parties, or as authorizing either party to act as agent for the other. Each party maintains its separate identity.

As to Licensee

Date: _____

Section 7.14 -- Arbitration: Any controversy or claim arising out of or relating to this Agreement, or breach thereof, shall be settled by arbitration in accordance with Arbitration Rules of the American Arbitration Association in St. Paul, Minnesota. Judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction thereof. Three qualified Arbitrators shall be selected by the parties in accordance with the Arbitration Rules of the American Arbitration Association. Each party shall have the right of discovery as set forth in the Federal Rules of Civil Procedure. The Arbitration shall be administered by the American Arbitration Association in St. Paul, Minnesota.

Section 7.15 -- Assurances: Each party hereby represents and warrants that all representations, warranties, recitals, statements and information provided to each other under this License are true, correct and accurate as of the date of this License to the best of their knowledge.

Section 7.16 -- Litigation Expense: In the event of litigation or arbitration arising out of this Agreement, each party shall pay its own costs and expenses of litigation and

EXHIBIT C

COMPUTER HARDWARE DESCRIPTION

COMPUTER HARDWARE DESCRIPTION

LICENSOR: Krengel Technology Inc
600 Shady Ridge Road, Hutchinson, Minnesota, USA

Date: _____

LICENSEE: _____

COMPUTER SYSTEM DESCRIPTION

The Term "Computer" shall mean the following Computer Hardware:

IBM iSeries Computer with serial number as designated by licensor.

Krengel Technology Inc

By: _____
Quentin Krengel President

By: _____

Print name/title _____

Address: 600 Shady Ridge Road, Hutchinson, Minnesota, USA

Address: _____

FRM138