

## **ZYGOTE MEDIA GROUP, INC. LIMITED USE LICENSE AGREEMENT**

- 1. ANIMATION LICENSE.** ZYGOTE grants to User and User hereby accepts, subject to the limitations and obligations of this Agreement, a personal non-exclusive, non-transferable Limited Use License to use the Animation(s) only for the “permitted uses” written and specified herein, together with all accompanying written materials (collectively referred to as “Animation(s)”).
- 2. TITLE AND OWNERSHIP.** Notice is hereby given that the Animation(s) contains copyrighted and/or proprietary information protected by the laws of the United States. ZYGOTE retains all rights in, title to, and ownership of the Animation(s). User shall take all steps reasonably necessary to protect ZYGOTE’S ownership rights.
- 3. LICENSE FEES.** User agrees to pay ZYGOTE prior to or concurrent with delivery of the Animation(s) the full purchase price for the Animation(s). Any payment not made when due shall accrue interest at the rate of one and one-half percent (1 1/2%) per month. In addition, User agrees to pay ZYGOTE any and all applicable tax that is levied in conjunction with the purchase of this License for the Animation(s) whenever ZYGOTE must collect and/or pay such taxes from or on behalf of User according to the applicable statutes and ordinances, as interpreted by the departmental authority of the taxing unit. Furthermore, User agrees to pay ZYGOTE all costs, expenses, and attorney’s fees expended by ZYGOTE in the collection of the purchase price.
- 4. PERMITTED USES.** ZYGOTE hereby grants User a perpetual, non-exclusive, non-transferable, non-sublicensable, world-wide right to reproduce and use the Animation(s) for the following permitted uses:

  - 4.1 Electronic Marketing and Advertising materials;
  - 4.2. Broadcast and Film media;
  - 4.3. Software development;
  - 4.4. Publication of Software
  - 4.5. Crop and resize Animation(s) to suit other “permitted uses”, and to use Animation(s) as an element in creating a composite of animations for other “permitted uses”;
  - 4.6. Other uses with specific, prior written consent from ZYGOTE.
- 5. RESTRICTIONS.** Notwithstanding any uses granted in 4.1-7 above, User may not:

  - 5.1. Sublicense, transfer, assign, or sell Animation(s) or derivatives thereof, individually, or as part of a collection of animations or graphical content, wither in physical, printed, electronic, digital, or other form;
  - 5.2. User may not reverse engineer, decompile, disassemble, or create derivative works from the Animation(s);
  - 5.3. User may not sell, license, sub-license, assign, post or distribute Animation(s) or derivative works thereof in a manner in which others may extract Animation(s) or download such as stand-alone file(s);
  - 5.4. Animation(s) may not be incorporated into trademarks, logos, or service marks;
  - 5.5. User may not represent, or cause others to believe, that the Animation(s) are original works of User; or that ZYGOTE endorses or is affiliated with an entity, product or service;
  - 5.6. User may not use Animation(s) to create merchandise, such as coffee cups or tee shirts.
- 6. COPYING RESTRICTIONS.** The Animation(s) may be copied in whole or in part only for User’s exclusive use according to the “permitted uses” defined herein. Unauthorized copying of the Animation(s) is expressly forbidden. User expressly agrees to display ZYGOTE’S (and third parties, if any) copyright notice(s) and proprietary interest(s) with all of the Animation(s), in whole or in part, in any form, including data form, made by User in accordance with this Agreement. The Animation(s) is provided for User’s exclusive use. User does not have the right to provide the Animation(s) to others in any form or on any media.

**7. OTHER RESTRICTIONS.** This Agreement is your proof of License to exercise the rights granted herein and must be retained by you. User shall not give, sell, rent, lease, sublicense, or otherwise transfer or dispose of the Animation(s) on a temporary or permanent basis without the prior written consent of ZYGOTE. ZYGOTE'S Animation(s) and/or contracts are non-transferrable and shall only be used by the Licensed User.

**8. PROTECTION AND SECURITY.** Except as permitted in "permitted uses" above, User agrees not to disclose, publish, release, transfer, or otherwise make available the Animation(s), or any portion thereof, in any form, to any person, other than User's employees, without prior written consent from ZYGOTE. User agrees that the Animation(s) is the property of and proprietary to ZYGOTE, and further agrees to protect the Animation(s) and all parts thereof from unauthorized disclosure and use by its agents, employees, or customers. User shall be exclusively responsible for the selection, supervision, management, control, and use of the Animation(s). User agrees to utilize its best efforts to see that its employees or any other user of the Animation(s) complies with the terms and conditions of this Agreement and refrains from taking any steps, such as reverse assembly or reverse compilation, to derive a source code equivalent of the Animation(s).

**9. EXPORT RESTRICTIONS.** The Animation(s) may be subject to the export controls of the United States Departments of State and Commerce and User agrees to fully comply with all applicable United States export regulations governing export, destination, ultimate end user, and other restrictions relating to the Animation(s).

**10. UNITED STATES GOVERNMENT RESTRICTED RIGHTS.** If you are acquiring the Animation(s) on behalf of any unit or agency of the United States Government, the following provision applies--It is acknowledged that the Animation(s) and the documentation were developed at private expense and that no part is in the public domain and that the Animation(s) and documentation are provided with restricted rights. Use, duplication, or disclosure by the Government is subject to restrictions as set forth in Subparagraph (c)(1)(ii) of the Rights in Technical Data and Computer Software clause at DFARS 252.227-7013, or Subparagraphs (c)(1) and (2) of the Commercial Computer Software--Restricted Rights at 48 CFR 52.227-19, as applicable. Contractor/Manufacturer is ZYGOTE MEDIA GROUP, INC., 350 S. 400 W London, Utah, 84042.

**11. PATENT, COPYRIGHT, AND TRADE SECRET INDEMNITY.** User agrees to indemnify and hold harmless ZYGOTE against all liability resulting from or related to any claim of patent or copyright infringement, misappropriation, or misuse of trade secrets or other proprietary rights based upon the use by User of the Animation(s), or any portion thereof, in whatever form, or the exercise by User of any rights granted under this Agreement.

**12. LIMITED WARRANTY.** ZYGOTE warrants that the Animation(s) will perform substantially in accordance with the accompanying written materials for a period of seven (7) days from the date of receipt. Upon the return of the defective media and a copy of the invoice, ZYGOTE has the option to replace the media or refund the purchase price. In the event ZYGOTE elects to refund the purchase price, User's License is revoked and User warrants and agrees to return the Animation(s) to ZYGOTE and to destroy any and all copies made therefrom. In no event shall ZYGOTE'S liability exceed the purchase price of the License of the Animation(s). If the media was damaged by accident, abuse, or misapplication, ZYGOTE shall have no obligation to replace the media or refund the purchase price. All replacement media will be warranted for a like period of seven (7) days. There is no warranty after the expiration of the warranty period.

**13. NO OTHER WARRANTIES.** ZYGOTE DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR ARISING FROM USAGE OF TRADE OR COURSE OF DEALING OR PERFORMANCE, WITH RESPECT TO THE Animation(s), AND THE ACCOMPANYING WRITTEN MATERIALS. IN NO EVENT SHALL ZYGOTE OR ITS DEALERS, DISTRIBUTORS, OFFICERS, AGENTS, EMPLOYEES, OR SUPPLIERS BE LIABLE FOR ANY DAMAGES WHATSOEVER, WHETHER BASED ON CONTRACT, TORT, WARRANTY, OR OTHER LEGAL OR EQUITABLE GROUNDS, INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF BUSINESS PROFITS, BUSINESS INTERRUPTION, LOSS OF BUSINESS INFORMATION, OR OTHER PECUNIARY LOSS, ARISING OUT OF THE USE OF OR INABILITY TO USE THE Animation(s), EVEN IF ZYGOTE HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. BECAUSE SOME STATES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF LIABILITY FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES, THE ABOVE LIMITATION MAY NOT APPLY TO YOU.

**14. NO LIABILITY FOR HARDWARE.** User assumes complete responsibility for all hardware used in conjunction with the Animation(s). ZYGOTE shall not be responsible in any way for the non-performance or malfunction of any hardware used in conjunction with the Animation(s), nor for any damages whatsoever arising out of the use of any hardware.

**15. INDEMNIFICATION.** User shall defend, indemnify, and hold ZYGOTE harmless from any actions, claims, or proceedings with respect to the Animation(s) or other provisions of this Agreement.

**16. REMEDIES.** The remedies provided herein shall not be deemed exclusive, but shall be cumulative and shall be in addition to all other remedies provided by law and equity. No delay or omission in the exercise of any remedy herein provided or otherwise available to ZYGOTE shall impair or effect ZYGOTE'S right to exercise the same. An extension of indulgence or forbearance (which must be in writing) shall not otherwise alter or effect ZYGOTE'S rights or obligations nor be deemed to be a waiver thereof. The parties hereto agree that breach of any provisions of non-disclosure, secrecy, confidentiality, copying, use, protection, and security in this Agreement by User will cause immediate and irreparable damage and injury to ZYGOTE. Each of the parties confirms that damages at law may be an inadequate remedy for breach or threatened breach of any such provisions. The parties agree that in such event ZYGOTE shall be entitled by right to an Injunction restraining the User from violating any of said provisions. User hereby acknowledges that ZYGOTE has disclosed or will disclose to User valuable proprietary data set products, which are new and unique and give ZYGOTE a competitive advantage in the marketplace; that ZYGOTE intends to use such information to expand its business throughout the world; and that a violation of any of the provisions of this Agreement is material and important and ZYGOTE shall, in addition to all other rights and remedies available hereunder, at law or otherwise, be entitled to a Temporary Restraining Order and an Injunction to be issued by any court of competent jurisdiction enjoining and restraining User from committing any violation of said provisions, and User shall consent to the issuance of such Injunction. User acknowledges that the remedies provided for in this Agreement are not injurious to nor violative of any public interest or policy, and will not create a hardship greater than is necessary to protect the interest of ZYGOTE.

**17. GENERAL PROVISIONS.**

**a. Costs and Expenses of Enforcement.** In the event of the failure of either party hereto to comply with any provisions of this Agreement, the defaulting party shall pay any and all costs and expenses, including reasonable attorneys' fees arising out of or resulting from such default (including any incurred in connection with any appeal), incurred by the injured party in enforcing its rights and remedies, whether such right or remedy is pursued by filing a lawsuit or otherwise.

**b. Governing Law, Jurisdiction, and Venue.** This Agreement is governed by the laws of the State of Utah. Jurisdiction and venue for the enforcement of this Agreement shall be found exclusively in the courts within Utah County, State of Utah.

**c. Further Information.** Should you have any questions concerning any of the provisions of this Agreement, or if you desire to contact ZYGOTE, please write: ZYGOTE MEDIA GROUP, INC., 350 S. 400 W. #101, Provo, Utah 84042 If you need technical support for a ZYGOTE product, please call (801) 765-4141. Our technical support hours are 9:00 a.m. to 5:00 p.m. M.S.T.

**d. Trademark and Copyright.** All ZYGOTE products are trademarks or registered trademarks of ZYGOTE MEDIA GROUP, INC. All other brand and product names are trademark or registered trademark of their respective holders.