SOFTWARE LICENSE AGREEMENT

IMPORTANT- READ CAREFULLY:

IMAGINE THAT, INC. (IMAGINE THAT!®) IS WILLING TO LICENSE ITS EXTENDSIM SOFTWARE TO YOU ONLY ON THE CONDITION THAT YOU ACCEPT ALL OF THE TERMS IN THE SOFTWARE LICENSE AGREEMENT BELOW. PLEASE READ THE TERMS CAREFULLY. BY DOWNLOADING, INSTALLING, OR USING THE SOFTWARE YOU REPRESENT THAT YOU HAVE READ, UNDERSTOOD, AND AGREE TO BE BOUND BY THE TERMS AND CONDITIONS OF THE AGREEMENT. IF YOU DO NOT AGREE TO BE BOUND BY THESE TERMS AND CONDITIONS, DO NOT DOWNLOAD, INSTALL, OR USE THE SOFTWARE.

1. LEGAL AGREEMENT. This Software License Agreement (the "Agreement") is a legal agreement between you and Imagine That! for the evaluation and use of ExtendSim software. Any reference to the "Software" in this Agreement means the ExtendSim software, including updates, upgrades, maintenance releases, and accompanying documentation. Any reference to "you" in this Agreement means the individual or the corporation, company, entity, or organization (the "Company") that purchased or acquired a license for the Software.

2. GENERAL LICENSE GRANT. Imagine That! hereby grants to you a nonexclusive right to install and use the Software in accordance with this Agreement, in object code form only. All rights not expressly granted to you in this Agreement are retained by Imagine That! and its licensors.

3. LICENSE OPTIONS. Your license to install and use the Software shall be in accordance with one or more of the following License Options. The Software may contain a software license management tool (a "License Manager") that regulates your use of the Software. If so, all of the licensed activity described below must be subject to the control of the License Manager, and you may not install or use the Software in a manner that circumvents or interferes with the operation of the License Manager or any other technological measure that controls access to the Software.

3a. Trial License. The Trial version of the Software may be used for a maximum of 30 days as of the first time you run the Software (the "Trial Period"). Unless the Software is activated before the Trial Period ends, the Software will disable automatically at the end of the Trial Period. If the Trial version disables, your only recourse to continue using the Software under the terms of this Agreement is to obtain an ExtendSim Activation Key to activate the Software. Shared use, use by more than one individual, or use over a local-area network (LAN), a wide-area network (WAN), or the internet is prohibited under this License Option.

3b. Floating License. Subject to the control of a single License Manager, you may install the Software on an unlimited number of computers or servers for use concurrently by a number of individuals up to the number of user licenses you have purchased. The Software may be used only (i) by your employees and contractors working for you or (in the case of an Academic License) by your students, (ii) on computers that are owned or controlled by you, and (iii) for the Company's own internal business purposes. The Software is licensed to you either for use within a single specified continent (the "Continent") or for use within multiple continents. The Software may be used within multiple continents only if you purchased or acquired a Global Floating License. Otherwise the Software may be used only within the single specified Continent and use outside of the Continent is prohibited. To use the Floating License under the terms of this Agreement, you must install and activate the License Manager supplied with the Software. You may install the License Manager on any computer with a supported operating system that you designate as the host for the License Manager (the "Server"). Activation of the License Manager is tied to the Server and can be accomplished either automatically over the internet or manually.

3c. Individual License. A single identified individual (the "Authorized User") may use the Software. The Software may be used by the Authorized User only for the Company’s own internal business purposes or for your own personal use (if you are an individual), as applicable. Shared use, use by more than one individual, or use over a local-area network (LAN), a wide-area network (WAN), or the internet is prohibited under this License Option.

3d. Node-locked License. You may install the Software on one and only one computer for sequential use by any number of users. The Software may be used only (i) by your
employees and contractors working for you or (in the case of an Academic License) by your students, (ii) on a computer that is owned or controlled by you, and (iii) for the Company’s own internal business purposes. Concurrent use is not allowed under this License Option. Use over a local-area network (LAN), a wide-area network (WAN), or the internet is prohibited under this License Option.

3e. Academic License. If the Software is a Student version or was purchased or otherwise obtained at an academic or educational discount (collectively, an “Academic License”), it may only be used for Academic Purposes. Academic Purposes means in support of coursework at an accredited educational institution. Examples include a professor using the Software to teach a course, a student using the Software for a course, or a student using the Software for research toward an advanced degree. An Academic License of the Software may not be used for commercial, professional, commercial training, or other for-profit purposes, including consulting or research subsidized by a private or government enterprise. Research projects are typically considered commercial unless the simulation results are made publicly available.

4. OWNERSHIP. All right, title, and interest in and to the Software and all intellectual property rights therein or thereto, including, without limitation, all copyrights, trade secret rights, patent rights and trademark rights therein or thereto, shall at all times remain in Imagine That! or its licensors. The following are owners of their respective rights: Reprise Software (RLM), GarageGames Inc (Torque Game Engine or “TGE”), and Geer Mountain Software (Stat::Fit®). RLM, TGE, and Stat::Fit are copyright by their respective owners and are licensed to Imagine That! for distribution with ExtendSim. All other products and portions of products are copyright by Imagine That! The Software is protected by United States copyright laws and international treaty provisions. You agree not to remove or alter any copyright notice, trademark, or other marking or notice contained in the Software.

5. USE TO CREATE NEW MODELS, BLOCKS, AND LIBRARIES. The Software contains certain models, libraries and blocks (including icons, dialogs and block code) owned by or licensed to Imagine That! This license to you to use the Software includes the right to use the Software to develop your own simulation models (“New Models”), blocks of code (“New Blocks”) and collections of New Blocks (“New Libraries”). The following applies to the New Models, New Blocks, and New Libraries you create by using the Software: You own any New Model you create. You own any New Block you create that contains only original code. HOWEVER, if you create any New Block that uses or includes any portion of a block from an ExtendSim library, or if you include in your New Library any block(s) from any ExtendSim library (in whole or in part), your right to license, sell, give away, or otherwise distribute or provide your New Block or New Library is limited as follows. In that case, you may only license, sell, distribute, provide, or give away your New Block or New Library to a recipient who has a current license for the same ExtendSim product from which you have derived your New Block or New Library.

6. ACTIVATION. Some License Options require activation using an Activation Key in order to use the Software under the terms of this Agreement. If activation is required, your licensed use of the Software is bound to the computer(s) you used to complete activation. You may need to re-activate the Software if you upgrade the Software. You may need to re-activate the Software after changing your computer’s hardware configuration. You may need to contact Imagine That! to complete the activation or re-activation.

7. SUPPORT AND MAINTENANCE. The Individual, Node-Locked, and Floating license options require subscription to an annual Software Maintenance and Support Plan (the “MSP”). During the time period for which the MSP is active, Imagine That will provide Technical Support and make available electronic Updates to the Software, as detailed in the ExtendSim Software Maintenance and Support Plan. If the MSP for the Software has lapsed, Imagine That! will cease providing replacement Activation Keys, Technical Support, and Software Updates.

8. CHANGE IN AUTHORIZED USER AND TRANSFER.

8a. If you are a Company, you may designate another employee or contractor working for you as the “new” Authorized User hereunder provided all of the following four (4) conditions are met: (i) the rights of the “old” Authorized User to use the Software are permanently discontinued and the Software is deactivated from the computer(s) of the “old” Authorized User (if the “new” Authorized User uses a different computer), and (ii) the Software is installed on the computer(s) (as permitted in Section 3c) of the “new” Authorized User,
and (iii) the “new” Authorized User is identified as the “registered user” of the Software to
Imagine That! (if permitted under your security procedures); and (iv) such change in
designated Authorized User of the Software may not occur more than once in a calendar
year.

8b. You may transfer or assign this License Agreement and the rights granted herein to
another individual or Company (if you are an individual) or to another Company (if you are
a Company) provided all of the following four (4) conditions are met: (i) you transfer the
Software, together with all upgrades thereto, as one software product, and (ii) you transfer
the original of the Software and all upgrades, together with all copies thereof, and (iii) you
deactivate the Software from all computers and retain no copy of the Software that has
been transferred, and (iv) the transferee agrees in writing to be bound by the terms and
conditions of this Agreement and such writing is signed by the transferee and provided to
Imagine That!

9. OTHER RESTRICTIONS. You may not sublicense, rent, lease, lend, use for timesharing, service
bureau or application service provider (ASP) purposes or distribute the Software or otherwise grant
access to or use of the Software by a third party. You may not use the Software over the internet. You
may not alter or modify the Software nor merge the Software or any part thereof into other program
material. You may not create derivative works of the Software, except only for derivative works of
models, blocks, or libraries that are contained in the Software for such purpose, as set forth in Section 5
above. You agree that you will not, to the fullest extent permitted by applicable law, reverse engineer,
decompile, reverse assemble, list, print or display the Software or otherwise attempt to obtain the
source code of the Software or permit any third party to do so.

10. COPIES. The Software may not be copied, in whole or in part, without the prior written consent of
Imagine That! except to make a backup copy. This exception does not allow copies to be made for
others. Any copy you make must contain all copyright and other notices and legends included in the
original provided by Imagine That! All copies of the Software, whether provided by Imagine That! or
made by you, shall remain the property of Imagine That! or its licensors. BY UNAUTHORIZED
COPYING OR BY ACQUIRING AND USING UNAUTHORIZED COPIES YOU MAY BE COMMITTING
BOTH CRIMINAL AND CIVIL OFFENSES AND MAY BE LIABLE FOR FINES, DAMAGES, AND
ATTORNEYS’ FEES.

11. NO WARRANTY ON SOFTWARE. IMAGINE THAT! AND ITS LICENSORS DO NOT AND CANNOT
WARRANT THE PERFORMANCE OF THE SOFTWARE OR THE RESULTS THAT MAY BE
OBTAINED BY USING THE SOFTWARE. ACCORDINGLY, THE SOFTWARE IS PROVIDED ON AN
"AS IS" BASIS. IMAGINE THAT! AND ITS LICENSORS EACH HEREBY SPECIFICALLY EXCLUDES
AND DISCLAIMS ANY AND ALL WARRANTIES WITH RESPECT TO THE SOFTWARE, WHETHER
EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY
IMPLIED WARRANTY OF MERCHANTABILITY AND OF FITNESS FOR A PARTICULAR PURPOSE,
ANY WARRANTY OF NON-INFRINGEMENT, AND ANY WARRANTY OR GUARANTY OF ABSENCE
OF HIDDEN DEFECTS, AND ANY WARRANTY THAT MAY ARISE BY REASON OF USAGE OF
TRADE, CUSTOM OR COURSE OF DEALING. Some jurisdictions do not allow the exclusion of implied
warranties, so the above exclusion may not apply to you.

12. LIMITED WARRANTY ON MEDIA ONLY. Imagine That! warrants the media on which the Software is
recorded to be free from defects in material or workmanship under normal use for 30 days after the date
of initial delivery. During the 30-day period, you may return the media to Imagine That! and it will be
replaced, without charge, with other media containing the Software. Such replacement of the media is
your SOLE AND EXCLUSIVE REMEDY in the event of a defect. The above limited warranty gives you
specific legal rights and you may also have other rights that vary from state to state.

13. LIMITATION OF LIABILITY. UNDER NO CIRCUMSTANCES SHALL IMAGINE THAT! BE LIABLE TO
YOU OR ANY OTHER PERSON FOR ANY SPECIAL, INDIRECT, INCIDENTAL, OR
CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST PROFITS OR LOST
DATA, LOSS OF OTHER PROGRAMS, OR OTHERWISE, AND WHETHER ARISING OUT OF
BREACH OF WARRANTY, BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT
LIABILITY OR OTHERWISE, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGE OR IF
SUCH DAMAGE COULD HAVE BEEN REASONABLY FORESEEN, EXCEPT ONLY IN CASE OF
PERSONAL INJURY WHERE, AND THEN ONLY TO THE EXTENT THAT, APPLICABLE LAW
REQUIRES SUCH LIABILITY. Some states do not allow the exclusion or limitation of incidental or
consequential damages, so the above limitation or exclusion may not apply to you. IN NO CASE SHALL
THE LIABILITY OF IMAGINE THAT! EXCEED THE LIST PRICE PUBLISHED BY IMAGINE THAT! FOR A COPY OF THE SOFTWARE. The limitations in this Section shall apply even if an exclusive remedy provided in the Agreement fails of its essential purpose.

14. TERM AND TERMINATION. This Agreement shall continue until terminated. This license terminates automatically if you violate any term of this Agreement. You may terminate this Agreement at any time. Upon termination all rights granted to you hereunder cease, and you must promptly permanently delete all copies of the Software. Sections 4, 8, 13, 14, 16, and 19 shall survive termination.

15. U.S. GOVERNMENT USE. The Software is a "commercial item" as that term is defined in 48 CFR 2.101 consisting of the commercial computer software "ExtendSim" and commercial computer software documentation. If this Software is acquired by or on behalf of an agency, department, or other entity of the United States Government or by a United States Government prime contractor or subcontractor at any tier ("Government"), the use, duplication, reproduction, release, modification, disclosure, or transfer ("use") of this Software, and any related documentation of any kind, including technical data or manuals no matter how received by the Government, is restricted in accordance with Federal Acquisition Regulation 12.212 for civilian agencies and Defense Federal Acquisition Regulation Supplement 227.7202 for military agencies. Therefore, this Software and related documentation can only be used in accordance with the terms in this Agreement, or any modification hereto. All other such use is prohibited. ExtendSim is a commercially available off-the-shelf ("COTS") item, no portion of which has been developed at government expense.

16. GOVERNING LAW. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of California, excluding conflict of law rules and principles and excluding the application of the United Nations Convention on Contracts for the International Sale of Goods. No action arising under this Agreement may be brought more than one (1) year after the cause of action has accrued.

17. TRADEMARKS. Imagine That! and ExtendSim are registered trademarks and ExtendSim CP, ExtendSim DE, ExtendSim Pro, ARM, and RelySim are trademarks of Imagine That Inc. RLM is a trademark of Reprise Software. TGE and the Torque Game Engine are trademarks of GarageGames Inc. Stat::Fit is a registered trademark of Geer Mountain Software.

18. EXPORT. You agree that the Software is subject to all pertinent import and export laws of the United States, including specifically the U.S. Export Administration Regulations from time to time in effect. You agree that it will be solely your responsibility to comply with all such laws.

19. GENERAL. If any provision is held invalid or unenforceable it shall be reformed only to the extent necessary to make it enforceable. This Agreement sets forth the entire agreement between you and Imagine That! relating to the subject matter hereof. The terms and conditions of this Agreement will supersede all pre-printed terms and conditions contained in any purchase order form for the Software. This Agreement may be amended only by a writing executed by Imagine That! and agreed to by you.

To contact Imagine That! or if you have any questions about this agreement:
Imagine That Inc.
6830 Via Del Oro, Suite 230
San Jose, CA 95119 USA
Telephone 408.365.0305
Fax 408.629.1251
info@ExtendSim.com

BY CLICKING ON THE "ACCEPT" BUTTON WHEN INSTALLING THE SOFTWARE OR BY USING THE SOFTWARE YOU ACKNOWLEDGE THAT YOU HAVE READ, UNDERSTOOD, AND AGREE TO BE BOUND BY THE TERMS AND CONDITIONS OF THIS AGREEMENT.