**SOFTWARE AND BRANDING**

**License Agreement**

This **Agreement** is made this \_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_, 2020 by and between **OSAAP America LLC** DBA OSAAP Technologies ("*OSAAP*"), a limited liability company organized under the laws of the Commonwealth of Massachusetts and having a principal place of business at 10 Kidder Road, Chelmsford, Massachusetts and Wetropa-MST GmbH ("Licensee"), a Corporation In Germany organized under the laws of the country of Germany and having a principal place of business at Salzstrasse 1185622 Feldkirchen b. Munich.

**Background**. OSAAP provides solutions for tool and inventory control by manufacturing and selling custom designed shadow boards and by licensing its proprietary shadow board design and manufacturing software to licensees and end users. Licensee desires to license, OSAAP’s Software to design and manufacturing shadow boards for resale. This agreement sets forth the rights and responsibilities of the parties with respect to such license.

Now, therefore, in consideration of the mutual promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **APPOINTMENT OF LICENSEE.** OSAAP hereby appoints Licensee a non-transferrable Licensee for the Software as defined in *Schedule 1.0A* (the "*Software”*") for use with in the territory listed in *Schedule 1.0B* (the "*Territory*"), upon the terms and conditions set forth herein, but only with the OSAAP “Marks” (as defined below). Licensee will not reverse engineer software or source codes and shall make no copies of software. No other use of the Software is authorized.
   1. **Prices and Costs.** The Licensee shall pay the license fees and other costs at outlined in *Schedule 2.0 (Pricing)* within the payment terms listed *Schedule 3.0 (Terms and Conditions of Sale).*
   2. **End User License Agreement.** The current end user license agreement that will be used when providing end users with access to Blue Shadow CAD software has been provided to the Licensee separately. All end users that are provided access to the Blue Shadow CAD software are required to agree to the end user license agreement before being given access to the software. The licensee is required to keep a record of all end-users that agreement to the end user license agreement and may be required from time-to-time by OSAAP to provide a copy of the records.
   3. **Use of Marks**. OSAAP hereby grants to Licensee a non-exclusive license to use the OSAAP trade names, Trademarks, websites and related uniform resource locators (the “*Marks*”) in conjunction with the sale, promotion and distribution of the shadow board products made with the Software in the Territory, including the display of the Marks on Licensee’s vehicles, stationery, packaging and other advertising and promotional materials. All use of the Marks must comply with OSAAP’s guidelines issued from time to time. All websites and all domain names related to the Products and Software, shall be approved by OSAAP prior to going live, and shall be owned by OSAAP. Licensee shall sell the shadow board products made with the Software under the Marks as notified from time to time by OSAAP. Licensee shall not use, register or apply to register in its own name any trade names or trademarks incorporating the word “OSAAP.” After the termination of this agreement, Licensee shall cease using all Marks.
   4. **Independent Contractor**. Licensee may describe itself as an authorized Licensee of OSAAP products, but shall not describe, represent or hold itself out as a partner, agent, or as holding any other relationship with OSAAP other than that of an independent Licensee of OSAAP products. The Licensee shall be an independent contractor, and shall have no power to bind OSAAP contractually or otherwise. This Agreement does not constitute the granting of a franchise or confer any franchise rights. Licensee acknowledges that it has not been required to pay nor has it paid any franchise fee in connection with the execution of this Agreement.
2. **DUTIES AND RESPONSIBILITIES of Licensee.** Licensee shall use its best efforts actively to promote and develop sales of shadow board products made with the Software in the Territory and use of the Software in the Territory; Licensee agrees to dedicate and train, at its sole expense, a sufficient number of persons for the sale of the Shadow Board Products. Licensee shall not sell or solicit sales of the Shadow Board Products (except through OSAAP’s official website), outside the Territory, and shall not establish a branch or distribution outlet for the sale of the Shadow Board Products outside the Territory.
   1. **Pricing to End Customers.** Licensee agreesto honor previously quoted shadow board projects pricing and to maintain the previously established prices until such time that OSAAP agrees the market has stabilized. This includes continuing to offer the free CAD software (Blue Shadow) and free design services that have provided OSAAP with a competitive advantage in the past.
   2. **Manufacturing Capacity.** Licensee agrees to maintain sufficient manufacturing capacity to meet the sales Targets.
   3. **Sales Performance.** Licensee is responsible for continually growing the business in the territory. No sales target will be set for the calendar year 2020. Sales target for 2021 will be set in January 2021 based on annualized sales from 2020 plus a mutually agreed upon growth rate. OSAAP will provide the Licensee with additional sales targets for each additional year of the Agreement in January of each year.
   4. **Deal as Licensee**. Licensee shall not enter into or conclude any contracts or agreements on behalf of, or in the name of, OSAAP, or make any promises or representations with respect to the Software and Products, except as expressly permitted herein. Licensee shall not incur any liability on behalf of OSAAP without the prior written consent of OSAAP.
   5. **Marketing and Advertising.** Licensee agrees to provide tradeshow booth space clearly labeled as OSAAP annually and to promote the OSAAP Software and Products and brand with search engine optimization (SEO) and advertising campaign on their website.
   6. **Compliance with Laws**. Licensee shall comply with all regulations and statutes relating to the sale and use of the Software and Products within the Territory, and shall obtain all necessary licenses and permits to sell the shadow board products made with the Software and the Products in the Territory at its own costs, including without limitation custom duties, taxes, freight and transportation costs, and insurance.
3. **PRICING AND PAYMENTS; TERMS AND CONDITIONS OF SALE.** Licensee shall pay OSAAP the Fees, as set forth on *Schedule 3.0* hereto
   1. **Terms and Conditions**. The Terms and Conditions of Sale, and the general policies of OSAAP, including without limitation pricing, ordering, shipping, inventory and stocking requirements, and return policies are set forth on *Schedule 3.1* hereto.
   2. **Exclusive Terms**. All purchases made by Licensee hereunder shall be subject to the Terms and Conditions set forth in *Schedule 3.1* hereto and on OSAAP's invoice. In the event of a conflict between the Terms and Conditions contained herein and Terms and Conditions provided by Licensee with any purchase order or similar document, the Terms and Conditions contained herein shall govern. In the event of a conflict between the terms and conditions listed on *Schedule 3.1* and any other document provided by OSAAP, then the terms and conditions contained in *Schedule 3.1* shall govern.
4. **WARRANTY**
   1. **OSAAP Warranty to Licensee**. OSAAP does not make any warranties to the Licensee, express or implied for the Software or the Products.
   2. **Licensee Warranty to Customers**. Licensee shall not provide any warranty to customers with respect to Software and Products manufactured by OSAAP other than as expressly provided above. Licensee shall provide a warranty to its customers for all products manufactured by Licensee at least as broad as the warranty provided by OSAAP above.
   3. **Limitation of Action**. Neither Licensee nor customer shall bring any action under this Agreement for any cause whatsoever more than six (6) months after the happening of the occurrence giving rise to such cause of action.
5. **RESTRICTIVE AGREEMENTS**
   1. **Non-Disclosure**. Licensee acknowledges that it has had and will have during the term hereof access to and contact with OSAAP’s confidential and proprietary information, and confidential information entrusted to OSAAP by other persons, corporations, or firms, including its customers (collectively "*Confidential Information*"). OSAAP’s confidential information includes matters not generally known outside OSAAP, such as developments relating to existing and future products and services marketed or used by OSAAP, and data relating to the general business operations of OSAAP, including without limitation, trade secrets, inventions, discoveries, developments, Software, product designs, methods, processes, data, marketing plans, forecasts, unpublished financial statements, budgets, licenses, prices, costs, sales quotas, and employee, customer and supplier lists, as well as evaluations, analyses, knowledge or experience related to employees, customers or suppliers. Licensee shall not at any time disclose any Confidential Information of OSAAP or of such other persons, corporations, or firms to others or to make use of it in any manner, whether or not such information was produced by Licensee’s own efforts. Licensee further agrees not to disclose developments, ways of business, etc. which in themselves are generally known but whose use by OSAAP is not generally known, whether or not such use is due to Licensee’s efforts. Licensee shall cause each owner, member, shareholder, partner, or other equity holder (collectively, “*Owner*”) to sign a Non-Disclosure Agreement in a form designated by OSAAP.
   2. **Intellectual Property**. Licensee acknowledges that OSAAP is the sole and exclusive owner of all right, title and interest in and to the Software, the Marks, and all goodwill associated therewith. Licensee shall not assert any claim with respect to the Software or Marks that is in any way inconsistent with the foregoing acknowledgment. All intellectual property used acquired or created by Licensee and relating in any way to the Products, Software or Marks shall be the sole and exclusive property of OSAAP. Licensee shall immediately assign all such rights to OSAAP as OSAAP's sole and absolute property.
      1. **Copyright.** Copyright of all Software and Marketing Materials is exclusively owned by OSAAP. Licensee may copy the Marketing Materials without modification for marketing and promotion purposes only.
      2. **Trade Secrets; Know How**. Neither this agreement nor Licensee's activities hereunder shall establish or imply any transfer or concession of the know how, manufacturing processes, trade secrets or goodwill relating to the Products or Software.
6. **TERM AND TERMINATION**. Term. This Agreement shall be for an initial term (the "Initial Term") of one (1) year, commencing on the Effective Date of this Agreement. At expiration of the Initial Term this Agreement shall automatically renew for an additional (1) year terms. If a party desires to not to renew this Agreement, such party shall at least ninety (90) days prior to expiration of such Initial Term or Renewal Term provide notice to the other party of such desire.
   1. **Termination By OSAAP**. This Agreement shall terminate automatically upon the occurrence or any of the following events:
      1. Licensee’s failure to make any payment to OSAAP within ten (10) days of the date due or otherwise commits a breach of any of the monetary terms of this Agreement;
      2. Licensee’s breach of any non-monetary term or condition of this Agreement that remains uncured for twenty (20) days following written notice of the breach.
      3. Licensee’s failure to maintain minimum annual sales targets.
      4. If Licensee has stopped payment of, or is unable to pay its debts or becomes bankrupt, insolvent or goes into liquidation or has a Receiver or Administrator appointed or makes a composition with its creditors or threatens to do so, or suffers the appointment of any equivalent person under the laws of its domicile or place of incorporation.
      5. If the Licensee’s owner’s equity or ownership percentage in Licensee is less than sixty percent (60%).
      6. If OSAAP’s owner’s equity or ownership percentage in OSAAP is less than sixty percent (60%).
   2. **Unexecuted Orders**. Upon termination, OSAAP may, at its sole option, fulfill any unexecuted orders placed by the Licensee before termination. Such unexecuted orders shall be delivered only against an irrevocable and confirmed letter of credit payable within thirty (30) days after delivery. Licensee shall provide all reasonable assistance and steps to enable OSAAP to fulfill directly any order for Products placed by customers with the Licensee, but OSAAP shall be under no obligation to fulfill such orders.
   3. **Rights on Termination**. Termination shall not affect the obligation of the Licensee to pay for Software and Products received, and shall be without prejudice to all rights and liabilities accrued as of the date of termination. Licensee shall have no claim to any compensation or indemnity whatsoever for surrendering the representation of the Products or for any other similar reasons, regardless of which party terminates the agreement.
7. **NOTICES** All notices, consents and other communications under this Agreement shall be in writing and shall be deemed to have been duly given (a) when delivered by hand; (b) when sent by electronically, provided that an acknowledgement of receipt is provided by recipient; (c) when received by the addressee, if sent by overnight courier (receipt requested) or by such other means as the parties may agree from time to time; or (d) Seven (7) business days after being mailed, by first class postage prepaid registered or certified mail, return receipt requested; in each case to the appropriate addressee set forth above (or to such other addresses as a party may designate as to itself by notice to the other party).

1. **FORCE MAJURE**. If, in spite of ordinary care, any of the parties hereto is unable to carry out its obligations hereunder, due in whole or in part to any reason or event beyond its reasonable control, such as acts of government or sovereignty, war (whether declared or not), riot, insurrection, civil commotion, sabotage, acts of terror or other disturbances, accident, flood, explosion, damage to plant or installations, epidemic, quarantine, restrictions, absence of usual means of communications, embargoes, unavailability of materials, or any other similar cause, circumstance or situation, then such party shall not be liable for failure to fulfill or delay in fulfilling its obligations hereunder to the extent affected by such events. At the conclusion or curtailment of such events, the obligations contained herein shall be restored to full force and effect.
2. **MISCELLANEOUS**
   1. This Agreement including the Appendixes hereto constitutes the entire agreement and understanding between the parties hereto, and supersedes all prior agreements and understandings between the parties.
   2. This Agreement may be amended or modified only by a written instrument signed by OSAAP and the Licensee. No failure or delay in exercising any right, power or privilege hereunder shall operate as a waiver thereof. No waiver of any provision of this agreement at any one time shall be deemed to be a waiver at any other time.
   3. This Agreement shall inure to the benefit of and shall be binding upon the parties and their successors and assigns. Neither party shall assign this agreement without the written consent of the other party.
   4. This Agreement shall be construed in accordance with the laws of the Commonwealth of Massachusetts

In witness whereof, the parties hereto have executed this Licensee Agreement as a sealed instrument as of the date first above written.

**OSAAP AMERICA LLC [LICENSEE]**

By: By:

James B. Chase, Manager Duly Authorized

**SCHEDULE 1.0A – SOFTWARE**

Exclusive Distribution of OSAAP product lines covered by this agreement are:

* Blue manager Software to generate NC CODE for foam and plastic shadow boards, fixtures, and inlays manufacturing.

**SCHEDULE 1.0B - TERRITORY**

The Territory covered by the Licensee shall consist of the following

Germany, Austria, Switzerland / Lichtenstein, The Netherlands, Belgium

**SCHEDULE 2.0 – PRICING**

All prices are subject to change annually upon ninety (90) days notice. In the event of a price increase, OSAAP will honor all orders for Software and Products at the pre-increase price that are received by OSAAP prior to the effective date of the price increase. All pricing and payments are in US Dollars.

Software:

1. License Fee. $0.57 per dm3 for all boards converted into NC Code. Billed the month after usage.
2. Blue Manager Fee. $7,500 billed annually (January of each year). The first year will be pro-rated from the signing date of the agreement i.e. August 1st would be $3,125.00
3. Design Support from India: $11/hour billed 10 days after the end of each month for the hours worked. Rate subject to change
4. Custom Software Improvements. Quoted on a project basis at $120/hour.
5. Light Panel Products in schedule 1.0B as quoted at time at Licensee cost.

**SCHEDULE 3.0 - TERMS AND CONDITIONS OF SALE**

**3.1** **PAYMENT TERMS** Standard payment terms for Licensees in good standing with OSAAP are net thirty (30) days. OSAAP reserves the right to withhold or withdraw credit pending a full credit review. In the event Licensee fails to maintain an appropriate credit/payment record, OSAAP reserves the right to terminate the Licensees access to the Software.

* 1. **ORDERING**
     1. **SOFTWARE**: An order for Software license fee is deemed incurred at the moment NC Code is created for manufacturing a shadow board
     2. **Delays**. OSAAP shall not be responsible for and Licensee shall have no right of cancellation for delays in OSAAP’s performance due to causes beyond the control and without the fault or negligence of OSAAP, including, but not limited to, acts of God, fire, strikes, pandemic, and failure of suppliers to deliver due to causes beyond their control and without their fault or negligence.

1. **TAXES**. Licensee is responsible for payment of any applicable sales, use, VAT, turnover or other taxes due to any, federal, state, country or local taxing authority imposing the same. If said transaction is exempt from sales and/or use tax, Buyer shall provide OSAAP with a statement of such exemption
2. **GOVERNING LAW.** This agreement shall be governed by, subject to and construed according to the laws of the Commonwealth of Massachusetts.