

TRANSCAN/LAN™ SOFTWARE LICENSE
AGREEMENT

THIS AGREEMENT is between the "Customer", (either an individual or entity) and ONTRAC CONSULTING, INC., a California corporation ("Ontrac"). The receipt and use of the TranScan/LAN™ and TranScan Viewer™ software by the Customer constitutes acceptance of this agreement. If customer does not agree to the terms of this agreement, return the software and documentation within 10 days to Ontrac (refer to section 5C).

R E C I T A L S

A. Ontrac has developed a protocol analysis product known as TranScan/LAN™, which consists of computer software ("Software") components as more particularly described herein.

B. "Customer" operates data communication networks or produces software, which utilize the ISO 8583 standard format, and wishes to obtain and utilize TranScan/LAN in connection with such network/software services.

NOW, THEREFORE, the parties hereto agree to the following terms and conditions:

1. Definitions

a. "Documentation" shall mean the user manuals, written guides and specifications delivered to Customer by Ontrac at the time each TranScan/LAN unit is shipped pursuant to this Agreement.

b. "Organizations" refers to the credit card, debit card and software organizations.

c. "Proprietary Formats" shall refer to all message assembly rules and formats identified as proprietary by the Organization and which are intended to be utilized only pursuant to authorization by Users as defined herein.

d. "Software" shall refer to the computer programs supplied by Ontrac for installation on a Personal Computer or Server running the Microsoft Windows Operating System.

e. "TranScan/LAN" shall refer to the data and protocol analyzer produced by Ontrac which consists of a Software product designed to run on a Personal Computer or Server running the Microsoft Windows Operating System and to view data traffic on a Local Area Networks (LAN); includes messages formatted in the ISO 8583 Standard format, the standard format for bank card originated messages flowing between financial institutions. TranScan/LAN includes components named TranScan Viewer and "TranScan/LAN add on" (also known as TranScan/LAN plugin).

f. "User" refers to Organizations and companies or to other entities intend to use the TranScan/LAN software.

g. "Effective date" shall be the date Customer received Software and Documentation from Ontrac.

2. License

a. Ontrac grants to Customer a perpetual non-exclusive license to utilize the Software and Documentation as part of TranScan/LAN effective upon receipt of the license fee.

b. The license rights granted hereby shall not authorize the Customer to install the Software on any form of computer network which permits multiple simultaneous executions, reverse engineer the Software, or copy the Software by any mechanism for any purpose other than to create an archival copy to the extent permitted by federal copyright law. Customer may, however, relocate any TranScan/LAN, Software and Documentation without further authorization from Ontrac. Customer shall notify Ontrac of any such relocation within sixty (60) days in order to facilitate service and maintenance. Customer agrees to notify Ontrac immediately of the unauthorized possession, use or knowledge of any item of, Software, Documentation or other information made available to Customer under this Agreement and of the person or entity not authorized by this Agreement to have such possession, use or knowledge.

c. Customer agrees that its rights hereunder shall not be assigned, sublicensed, leased or otherwise transferred to any third party without the prior express written consent of Ontrac.

d. Customer shall not modify or permit anyone else to modify the Software in any manner.

e. Customer acknowledges that no title in the Documentation or Software is transferred to it pursuant hereto. Ontrac retains all proprietary rights, including without limitation all copyright, patent, trademark and other intellectual property rights in the Documentation, Software and in each modification, improvement and software product resulting therefrom. These provisions shall survive any termination of this Agreement.

3. Software Installation, Maintenance and Support

Ontrac shall provide support services relating to the Software described in this subparagraph for a period of one (1) year following delivery of the TranScan/LAN without charge therefor. Such support shall consist of reasonable availability of Ontrac personnel via telephone to respond to difficulties with the Software encountered by Customer and such other services as are described in the Ontrac Software Maintenance Agreement. Ontrac shall not be responsible for performance of the Software resulting from a change of any Proprietary Format without notice to Ontrac. Upon the expiration of such one (1) year period, continued support and maintenance for the Software shall be available to Customer upon renewal of Ontrac's Standard Software Maintenance Agreement and payment of the then prevailing price for such services.

4. Software Warranty and Remedies

a. Software Warranty

Ontrac warrants that the Software will perform in accordance with the Documentation as such term is defined in Section 1 hereof. In the event the Software does not so perform, Ontrac will make whatever modification to the Software or the Documentation as is required to achieve such performance.

b. Limitation on Damages

IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY LOSS OF PROFITS, LOSS OF BUSINESS, LOSS OF USE OF DATA OR FOR DIRECT, INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND EVEN IF THE PARTY BEING CHARGED HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS. IN NO CASE SHALL ONTRAC BE LIABLE FOR ANY REPRESENTATION OF WARRANTY MADE TO ANY THIRD PARTY BY CUSTOMER REGARDING THE PERFORMANCE OF TRANSCAN/LAN. EXCEPT FOR CLAIMS OF INFRINGEMENT OF COPYRIGHT, PATENT OR OTHER PROPRIETARY RIGHTS OF ANY THIRD PARTY, IN NO EVENT SHALL ONTRAC'S LIABILITY FOR DAMAGES ARISING OR ALLEGED TO HAVE ARISEN FROM THIS AGREEMENT EXCEED THE TOTAL AMOUNT PAID TO ONTRAC BY CUSTOMER.

5. License Term and Termination

a. Term

The term of this Agreement shall commence on the Effective Date and shall continue thereafter in full force. thereafter. Unless terminated pursuant to this Section 5, the licenses granted pursuant to Section 2 hereof shall be perpetual.

b. Termination Rights

Both Ontrac and Customer reserve the right to terminate this Agreement in the event the other party breaches any provision of this Agreement in any material respect. A material breach by Customer shall include, but shall not be limited to, any modification of the Software without the prior express written consent of Ontrac, any copying or unauthorized use of the Software, any transfer of the Software or Documentation to any unauthorized person or entity, or any use of the Software or Documentation for illegal activity of any description.

c. Termination Procedure

Upon the occurrence of any event claimed to constitute breach, the party claiming a breach shall provide to the other written notice describing the circumstances of the event. Customer's license rights shall terminate in the event a breach by Customer has not been cured within thirty (30) days after the giving of such notice by Ontrac as provided in Paragraph 8. Customer agrees that it shall upon such termination return or cause to be returned to Ontrac, within ten (10) days all items of Software and all Documentation. No portion of the license fee shall be refunded in the event of a termination of this Agreement by Ontrac because of a material breach by Customer. In the event of a termination of this Agreement by Customer within twelve (12) months from the effective date hereof because of a material breach by Ontrac, Ontrac shall refund to Customer a prorata portion of the fees paid by Customer pursuant to this Agreement at the rate of one-twelfth (1/12th) of the total license fee for each month less than twelve (12) which elapses from the date TranScan/LAN is acquired.

6. Warranty of Title and Indemnification

a. Warranty of Title

Ontrac warrants to Customer that it has the right to grant licenses with respect to the Software and Documentation and that it has secured all appropriate license rights for all portions of the Software and Documentation not owned by Ontrac. Ontrac further warrants that there are no claims, liens, mortgages, security interests or other encumbrances by any person or entity with respect to the Software or Documentation and that there is no litigation or governmental investigation pending before or threatened by any court or any governmental or administrative agency with regard to the Software or the Documentation. No judgment, order, injunction or decree of any court or governmental or administrative agency regarding TranScan/LAN or the Documentation has been entered against or served upon Ontrac.

b. Indemnification

Ontrac agrees that it shall defend at its expense and shall indemnify and hold Customer harmless from any claim, loss, damage, cost or liability with respect to any claim by a third party that the Software or the Documentation infringes any copyright, patent or trade secret of any third party.

7. Notices

Any notice given in connection with this Agreement shall be in writing. Such notice may be given to Customer by serving any of its officers and to Ontrac by serving its president or secretary and shall be deemed complete upon the making of such service. Such notice may also be given by mailing the same by the United States mail, certified or registered, return receipt requested, first-class postage prepaid, or by sending the same by Federal Express or equivalent courier service, addressed as follows:

To Ontrac: 7330 Hayden Ave, Sebastopol, CA 95472. Attention: David Eichar, President.
or addressed to such other address as Ontrac may designate for itself by notice given in the manner provided in this paragraph, and shall be deemed complete on the fourth business day following the date of deposit if mailed and on the next business day following the date of sending if sent by courier service.

8. Miscellaneous

a. This Agreement is entered into between two specific entities. None of the rights created hereunder is assignable, and except as provided in Paragraph 2(d) hereunder none of the obligations imposed hereunder is delegable, by either party without the prior express written consent of the other. Any attempt at assignment or delegation in derogation of this provision shall be null and void.

b. In the event that any one or more of the terms or provisions of this Agreement shall be found to be illegal or unenforceable, then notwithstanding such finding, this Agreement shall remain in full force and effect, and such illegal or unenforceable term or provision shall be deemed stricken.

c. Neither party's right to require performance of the other party's obligations hereunder shall be affected by any previous waiver, forbearance or course of dealing.

d. No agency, partnership, joint venture or other joint relationship is created hereby, and neither party is granted any authority of any kind or in any respect whatever by the other.

e. Notwithstanding anything in this Agreement to the contrary, no default, delay or failure to perform on the part of either party shall be considered a breach of this Agreement if such default, delay or failure to perform is shown to be due entirely to causes beyond the reasonable control of the party charged with the default, including but not limited to any strike, lockout or other labor dispute, riot, civil disturbance, action or inaction of any governmental authority or supplier, epidemic, act of war, embargo, severe weather, fire, earthquake, act of God or the public enemy, nuclear disaster, or default of a common carrier.

f. This Agreement supersedes each and every proposal and communication, oral or written, between the parties relating to the subject matter hereof. The terms and conditions of this Agreement shall prevail notwithstanding any variance in any purchase order or other written instrument submitted by either party to the other whether formally rejected or not. This Agreement may be modified only by a writing signed by both parties.

g. In the event of litigation or arbitration under this Agreement, the parties agree that the prevailing party in any such dispute shall be entitled to an award of all costs of suit, including a reasonable attorney's fee, as shall be determined by the court or arbitrator.

h. In the event that any action is required in a court or before an arbitrator arising in any way from the obligations undertaken pursuant to this Agreement, the action shall lie in a court of competent jurisdiction in the County of San Francisco, State of California and shall be governed by the internal laws and not the law of conflicts of the State of California.

i. Upon expiration or termination of this Agreement, the provisions of Sections 2, 4, 6 and 8 shall survive and shall remain fully enforceable by the parties hereto.