



DISTRIBUTOR / RESELLER LICENCE AGREEMENT WITH DPS WORLD-WIDE LIMITED

1. This is a legally binding agreement between the party (the 'Distributor'), whether a person or a legal entity, that makes use of DPS SOLUTIONS services and software, and DPS WORLDWIDE LIMITED ('DPS').
2. The terms and conditions of this agreement are set out below, and the Distributor binds itself to these terms and conditions by consenting to them when registering as a Distributor with DPS.
3. **Definitions.**

The term 'Dynamic Password System' shall mean DPS Services for constraining the use of Titles, and protecting against unauthorized access to or use of Titles, as well as enabling the purchase of licenses to use such Titles through the DPS services. The term 'Title' shall mean the digitally encoded music of a Distributor that is to be distributed using the DPS software and services, and which is registered with DPS as the music of a Distributor. The term 'wrap' shall mean the attachment of the usage constraints and purchasing facilities in the DPS software to a Title, and 'wrapped' and 'wrapping' shall have corresponding meanings. The 'DPS services' shall mean the purchasing facility provided through the DPS Company, including the administration, banking and support elements of the facility.
4. **Terms and conditions of License.**

The Distributor may, on a non-exclusive basis, download and use the DPS products to freely distribute to prospective resellers or end customers. The distribution may only take place if the prospective purchasers or end customers are enabled to use the DPS services as directed in the DPS solution. . In the event of the Distributor delivering DPS software on a CD-ROM, or by downloading them from a DPS site or selling DPS tokens, then unless informed otherwise by the Distributor in writing, DPS shall be entitled to distribute the similar DPS products through various distribution channels available. The Distributor may only be registered once with DPS. This license may not be transferred or assigned by the Distributor. The Distributor shall not permit or cause the DPS products to be reverse engineered, decompiled, or disassembled under any conditions.
5. **Liability.**

DPS shall not be liable for any claims or damages arising from its inability to fulfill, in whole or part, any of the DPS Solution or from any failure of or defect in the DPS software or hardware, and the Distributor indemnifies and holds DPS harmless against any such claim or damage from any party whatsoever. All implied warranties relating to DPS, including without limitation any warranty of fitness for purpose or of merchantability, are expressly excluded. Notwithstanding this clause, should any liability be found against DPS, the amount of any claim or damages for such liability shall be limited to \$100.00 (one hundred United States dollars).
6. **Warranty of Title and Use.**

The Distributor warrants that it (and anybody authorized by it) has the right to distribute license and sell the DPS solution, that such distribution licensing and sale is lawful, and will not infringe the intellectual property rights, or any rights, of any party, and further that no fraudulent or unlawful use of the DPS products and services will be caused or permitted by the Distributor. The Distributor indemnifies and holds DPS harmless against any claim or damage from any party whatsoever arising from a breach of these warranties.
7. **Software Changes.**

DPS reserves the right to change, add to, improve and issue new versions of the DPS software and hardware, without the obligation of notifying the Distributor, and the Distributor shall make every endeavor to use the latest version of the DPS solution as soon as is possible.
8. **Intellectual Property.**

All Intellectual Property rights in the DPS products and services are and shall remain the property of DPS, and the Distributor shall not remove any markings, trade names or logos from any product of DPS.
9. **Duration.**

This agreement shall continue subject to termination by DPS on notice of one calendar month to the Distributor. Any monies collected by the DPS services on behalf of a Distributor after termination shall continue to be paid out by DPS, subject to these terms and conditions, but DPS shall have no duty to process any transaction for the Distributor, nor any liability for so doing or omitting to do.
10. **Payments.**

Should DPS reasonably believe that the DPS products or services are being fraudulently used, DPS has the right to withhold payments to the Distributor pending further investigation by the company. If in the sole discretion of DPS it is considered that fraud has occurred, such payments shall be returned, where possible, to the relevant source thereof, without liability to the Distributor by DPS. DPS will process total sales (inclusive of any applicable Value Added Tax, Sales Tax or the like) made up to the middle of a calendar month on a monthly basis, and this total less DPS standard charges as published from time to time on its website, will be distributed to the Distributor by the last business day of the following month. DPS shall be entitled to recover from the Distributor or to set off against future amounts owing, at DPS's discretion, payments that are charged back or disputed by the purchaser of DPS products and DPS shall not be liable if end user continues to make use of the Title.
11. **Distributor's Sale Price.**

The Distributor's sale price shall be set by the Distributor and hardcoded in the DPS product packages details. At all times it shall be the Distributor's responsibility to ensure that any applicable taxes, duties, imposts, sales taxes, value added taxes or the like are included in the Distributor's sale price. The Distributor's or its authorized seller, but not DPS, is the seller of DPS products and the Distributor or its authorized reseller, shall bear sole responsibility for the collection and/or payment of all taxes, duties, imposts, sales taxes, value added taxes or the like.
12. **Distributor's End User License.**

It shall be the Distributor's responsibility to provide an end user license, and such license shall not contain any terms or conditions that are contradictory to those in this agreement. The Distributor shall make the end user aware that the DPS products can only be installed once on the end users' computer, and that hard drive failure will render the software licence unusable. In such an event, the end user must phone the DPS support hotline and show proof of purchase via a transaction number to report the case. This can only be done once, and thereafter the DPS products must be re-purchased.



13. Notice of Errors and Infringements.

The Distributor shall notify DPS immediately it becomes aware of any errors in the DPS products or services, and of any infringement of any of DPS's intellectual property rights.

14. Service Of Notices.

Any notice to be given hereunder shall be sufficiently given if forwarded by e-mail with receipt, registered post, telefax, or hand or courier delivery, to the last known corresponding address or number of the receiving party.

15. Arbitration.

All disputes between the parties arising from this agreement, including disputes as to the validity or existence of this agreement shall be referred to and finally determined by arbitration of a single arbitrator, conducted in the English language in London, and in accordance with the Expedited Arbitration Rules of the World Intellectual Property Organisation ('WIPO'). The proceedings shall be secret and the award shall be final and binding on the parties, and each party consents to the award being made an order of any court of competent jurisdiction.

16. No Partnership or Agency.

Nothing in this agreement shall constitute or be deemed to constitute, a partnership between the parties, or to constitute either party as an agent of the other. The Distributor shall have no authority or power to bind DPS or to contract in the name of DPS or to create a liability against DPS in any way or for any purpose.

17. Severability.

Should any part of this agreement be declared to be void or invalid by the final decision of any court of competent jurisdiction, the remainder of this agreement shall continue to be in force between the parties, as if the portion which has been declared invalid or void was excluded from the Agreement at commencement thereof.

18. Force Majeure.

Neither party will be liable for any delay in or failure of performance if such delay or failure arises from any event beyond its reasonable control including any Act of God, civil commotion, fire, explosion, lightning, storm, flood, earthquake, accident, rebellion, insurrection, riot, industrial dispute or lock-out, or act of government. If such an event prevents or delays one party from performing any of its obligations under this agreement, it must notify the other party as soon as reasonably practicable, and must recover from such position as soon as possible.

19. Law.

This agreement shall be governed in all respects by Law.

20. General.

No representation, term, condition, guarantee, or warranty, not contained in this agreement, nor any amendment of, addition to, or consensual cancellation of, this agreement, nor any indulgence of one party by the other, or waiver of either party's rights provided in terms of this agreement, shall be binding on the parties unless reduced to writing and signed by or on behalf of both parties.