

## SUBLICENSE RIGHTS AGREEMENT

This Sublicense Rights Agreement (this “**Agreement**”) is entered into as of \_\_\_\_\_, 2022 (the “**Effective Date**”) by and between Allied Security Trust I, a Delaware statutory trust with an address at 100 Overlook Center, 2nd Floor, Princeton, NJ 08540 (“**AST**”), and \_\_\_\_\_ a \_\_\_\_\_ corporation with an address at \_\_\_\_\_ (“**Licensor**”). The parties hereby agree as follows:

1. **Definitions.** For purposes of this Agreement, the terms defined below shall have the respective meanings as set forth below:

1.1 “**Licensed Patents**” shall have the meaning set forth in the Sublicense Agreement.

1.2 “**Member**” shall mean a company that is a member of AST, which shall mean that the company has, at the time of the date of the Sublicense Agreement, executed a signature page for the Trust Agreement that forms AST or executed a Master Subscription Agreement with AST.

1.3 “**Sublicense Agreement**” shall mean either of the form of Sublicense Agreements attached hereto as Exhibit A-1 and Exhibit A-2.

1.4 “**Sublicensing Term**” shall mean the period commencing on the Effective Date and continuing for sixty (60) days thereafter.

1.5 “**Term**” shall mean the period commencing on the Effective Date and continuing until the expiration of the last to expire of the Licensed Patents.

2. **Right to Grant Sublicenses.** During the Sublicensing Term, Licensor hereby grants to AST under the Licensed Patents the right and authorization to enter into Sublicense Agreements with Members or their Affiliates (as defined in the Sublicense Agreement). Additionally, Licensor hereby grants to AST under the Licensed Patents all rights, licenses, authorizations, releases, covenants and waivers necessary to grant the rights, licenses, authorizations, releases, covenants and waivers under the Sublicense Agreement, including without limitation the rights under Sections 2 and 3 of the Sublicense Agreement. If at any point during the Term, AST dissolves or otherwise ceases to exist as an ongoing operation, then the Sublicense Agreements shall be automatically assigned to Licensor or the then-current owner of the Licensed Patents and Licensor or the then-current owner of the Licensed Patents shall be bound by the terms and conditions of any such Sublicense Agreement as if it, itself, had signed such agreement in place of AST. Also, Licensor hereby acknowledges and agrees that (a) the Sublicense Agreements shall run with the Licensed Patents, (b) each subsequent purchaser of the Licensed Patents shall purchase the Licensed Patents subject to the Sublicense Agreements (including the licenses and releases included therein), (c) Licensor agrees not to disclose the existence or any term or condition of this agreement to any third party, however Licensor may disclose only the existence of each Sublicense Agreement and the identity of the Member to actual or prospective purchasers of the Licensed Patents, such disclosure being made subject to confidentiality agreement prohibiting the recipient from disclosing this information absent express written consent from AST, (d) Licensor shall ensure that any subsequent purchase of the Licensed Patents (and any

future purchasers thereafter) are informed of the existence of the Sublicense Agreements and the rights granted under this Agreement, and (e) AST is empowered to grant the rights, licenses, authorizations, releases, covenants and waivers set forth in the Sublicense Agreement and that such grants shall have the same binding effect upon the Licensed Patents and Licensor as if the grants had been made directly by Licensor.

3. **Sublicensing Fees.** AST shall notify Licensor in writing and pay to Licensor a fee of **XX** dollars (USD \$**XX**) for each Sublicense Agreement that AST enters into with a Member, within forty-five (45) days following the date of such Sublicense Agreement. **[LANGUAGE TO BE USED ONLY IF BROKER IS INVOLVED]** Licensor hereby instructs AST to wire each such payment in accordance with the following wire instructions:

Distribution #1: Payment to Licensor or Licensor's Designee

Amount: \_\_\_\_\_  
Name of Bank: \_\_\_\_\_  
Bank Address: \_\_\_\_\_  
ABA Check Routing Number: \_\_\_\_\_  
Account Number: \_\_\_\_\_  
Name on Account: \_\_\_\_\_  
**[IF A FOREIGN ENTITY, ADD THE BELOW]**  
SWIFT Code: \_\_\_\_\_  
IBAN Number: \_\_\_\_\_

Distribution #2: Payment to Broker

Amount: \_\_\_\_\_  
Name of Bank: \_\_\_\_\_  
Bank Address: \_\_\_\_\_  
ABA Check Routing Number: \_\_\_\_\_  
Name on Account: \_\_\_\_\_  
Account Number: \_\_\_\_\_  
**[IF A FOREIGN ENTITY, ADD THE BELOW]**  
SWIFT Code: \_\_\_\_\_  
IBAN Number: \_\_\_\_\_

4. **Mutual Representations and Warranties, and Acknowledgements.** Each party hereby represents, warrants, covenants, and acknowledges to the other party as follows:

4.1 Such party is duly organized, validly existing and in good standing under the laws of the state in which it is incorporated or formed.

4.2 Such party (a) has the power and authority and the legal right to enter into this Agreement and to perform its obligations hereunder, and (b) has taken all necessary corporate or formal action on its part to authorize the execution and delivery of this Agreement and the performance of its obligations hereunder. This Agreement has been duly executed and delivered on behalf of such party, and constitutes a legal, valid, binding obligation, enforceable against such party in accordance with its terms.

4.3 The execution and delivery of this Agreement and the performance of such party's obligations hereunder (a) do not conflict with or violate any requirement of applicable laws or regulations, and (b) do not conflict with, or constitute a default under, any contractual obligation of it.

4.4 Both parties acknowledge that a duly executed copy of this Agreement shall be provided to Members who may be interested in obtaining a license to the Licensed Patents through a Sublicense Agreement, and further acknowledge that any such Member that executes a Sublicense Agreement and pays the Sublicensing Fee shall be entitled to rely upon the existence and legal effect of the terms and conditions of this Agreement.

5. **Licensor Representations and Warranties.** Licensor hereby represents, warrants and covenants to AST as follows:

5.1 Licensor (a) is the sole owner of the Licensed Patents, (b) has all right, title and interest necessary to grant the rights, licenses, authorizations, releases, covenants and waivers to AST hereunder, and for AST to grant the rights, sublicenses, authorizations, releases, covenants and waivers under the Licensed Patents under each Sublicense Agreement, and (c) has not granted to any third party any exclusive license or exclusive right under the Licensed Patents.

5.2 Subject to the timely payment of the fees under Section 3 with respect to a Sublicense Agreement, each Sublicense Agreement shall be valid, enforceable and continue in full force and effect until the expiration of the Term.

6. **Withholding Taxes.** If any applicable law (as determined in the good faith discretion of AST), requires the deduction or withholding of any tax from any payment due Licensor under this Agreement, then AST shall be entitled to make such deduction or withholding without being required to pay any additional amounts. Upon request, Licensor shall provide AST with all forms or documentation required by any applicable law (including, but not limited to, IRS Form W-8BEN or IRS Form W-8BEN-E or any successor form). AST shall comply with its obligations under any applicable law related to such deduction or withholding of such tax and shall remit such deducted or withheld tax to the appropriate U.S. Government entity.

7. **Term and Termination.** This Agreement will commence on the Effective Date and will continue until expiration of the Term, unless AST has failed to pay Licensor the applicable fees under Section 3. Licensor may only terminate this Agreement if AST has not paid the applicable fees under Section 3, provided that any Sublicense Agreement for which AST has paid the applicable fees under Section 3 shall survive in accordance with its terms.

8. **Miscellaneous.** This Agreement is made under and will be construed in accordance with the laws of the State of Delaware, without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of Delaware to the rights and duties of the parties. This Agreement constitutes the full and entire understanding and agreement between the parties with regard to the subject matter hereof and supersedes all prior agreements and understandings among or between the parties relating to such subject matter. This Agreement may be executed in two counterparts, each of which will be an original, but both of which together will constitute one instrument. This Agreement may not

be modified except in writing, signed by both parties. This Agreement may not be assigned by either party (whether by operation of law or otherwise) without the express written consent of the other party; provided, however, that Licensor shall assign this Agreement in connection with the sale of the Licensed Patents.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed by their duly authorized representatives.

**ALLIED SECURITY TRUST I**

\_\_\_\_\_  
Signature

Name: \_\_\_\_\_

Title: \_\_\_\_\_

\_\_\_\_\_  
Signature

Name: Russell W. Binns, Jr.

Title: Chief Executive Officer

Exhibit A-1

Form of Sublicense Agreement

**PATENT SUBLICENSE AGREEMENT**

This Patent Sublicense Agreement (“**Agreement**”) is made as of \_\_\_\_\_, 2022 (the “**Effective Date**”) by and between **Allied Security Trust I**, a Delaware statutory trust (“**Sublicensor**”), and \_\_\_\_\_, a \_\_\_\_\_ corporation (“**Sublicensee**”).

**RECITALS**

**WHEREAS**, Sublicensor wishes to grant to Sublicensee, and Sublicensee wishes to obtain, a non-exclusive sublicense with respect to the patent applications and patents set forth in Schedule A, together with any and all reissues, results of reexamination, extensions, divisions, continuations and continuations in part of such patents and patent applications, and any foreign counterparts of any of the foregoing, in each case to the extent Sublicensor has an ownership interest or has otherwise acquired a right to grant a sublicense thereunder (the “**Licensed Patents**”), in accordance with the terms and conditions of this Agreement;

**WHEREAS**, Sublicensor has obtained the right to grant licenses under the Licensed Patents from \_\_\_\_\_ a \_\_\_\_\_ with an address at \_\_\_\_\_ (“**Licensor**”) pursuant to the terms of that certain agreement entitled “Sublicense Rights Agreement” and dated on or about \_\_\_\_\_ (“Sublicense Rights Agreement”);

**NOW, THEREFORE**, in consideration of the representations, covenants and other terms and conditions contained herein, and mutual consideration which is hereby acknowledged, the parties hereto agree as follows:

**AGREEMENT**

**1. DEFINITIONS AND RULE OF INTERPRETATION.**

**1.1 Affiliate** means, with respect to an Entity, any other Entity that, as of or after the Effective Date, directly or indirectly controls, is controlled by, or is under common control with such Entity, but only for the time period during which such control exists. An Entity shall be regarded as in control of another Entity if it owns, or directly or indirectly controls, fifty percent (50%) or more of the voting stock or other ownership interest of the other Entity, or if it directly or indirectly possesses the power to direct or cause the direction of the management and policies of the other Entity by any means whatsoever. In any country where the local law does not permit foreign equity participation of greater than fifty percent (50%), “Affiliate” also includes any Entity in which the Sublicensee owns or controls, directly or indirectly, the maximum percentage of voting stock or other ownership interest permitted by local law.

**1.2 Authorized Third Party** means any Entity that is implicitly or explicitly authorized by Sublicensee or its Affiliates as of or after the Effective Date, to

exercise any legal rights or to perform any activities with respect to an Acquired Item, including without limitation manufacturers, original equipment or device manufacturers, assemblers, replicators, integrators, distributors, resellers, value-added resellers, customers and users, but only for the time period during which such authorization exists.

- 1.3 Entity** means a corporation, association, partnership, business trust, joint venture, limited liability company, proprietorship, unincorporated association, individual or other entity that can exercise independent legal standing.
- 1.4 Licensed Product** means any and all product, hardware, machine, process, software, service, media or composition of matter.
- 1.5 Program** means a plurality of instructions capable of being interpreted or executed by a device, whether or not such instructions are in machine-readable form and whether or not such instructions require some processing (such as assembly or compilation) prior to interpretation or execution and whether or not such instructions are implemented in hardware or software.
- 1.6 Scope of Activities and Rights.** The terms sell, offer for sale and import, and cognate forms thereof, as used throughout this Agreement with reference to Licensed Products and Acquired Items, include without limitation, license, lease, offer for license or lease, distribute, dispose of and any other form or type of conveyance.
- 1.7 Acquired Item** means (i) an item obtained, directly or indirectly, from Sublicensee or any of its Affiliates, wherein such obtained item individually embodies one or more elements of a claim of a Licensed Patent, but is not itself a Licensed Product; (ii) plural items obtained, directly or indirectly, from Sublicensee or any of its Affiliates, wherein such obtained items, as used together, both embody one or more elements of a claim of a Licensed Patent and are not a Licensed Product; and/or (iii) a Licensed Product obtained, directly or indirectly, from Sublicensee or any of its Affiliates, whether any such Licensed Product is so obtained as a single product, or as a plurality of products that together form the Licensed Product. An item, as used herein, may be an article, component, software, specification, design, architecture, or other embodiment of one or more elements of a claim of a Licensed Patent. An Acquired Item shall also include a specification, design, architecture, technology, standard and/or interface licensed, provided, specified, distributed and/or developed, in whole or in part, by Sublicensee or its Affiliates.

## **2. LICENSE GRANT AND IMMUNITIES.**

- 2.1 Grant.** Subject to the terms and conditions of this Agreement, Sublicensor hereby grants to Sublicensee a perpetual, irrevocable, non-exclusive, non-transferable (except as set forth in Section 8.1), non-sublicensable (except as set forth in Section 2.2), fully paid-up, worldwide sublicense under the Licensed

Patents (i) to research, develop, make, have made, use, host, offer for sale, sell, distribute directly or indirectly, import and otherwise dispose of any Licensed Product, and (ii) to practice any method, service, process or procedure within the Licensed Patents.

## **2.2 Sublicenses.**

**2.2.1 Sublicenses to Affiliates.** The sublicense set forth in Section 2.1 includes the right of Sublicensee to grant further sublicenses to any of its Affiliates. Any sublicense granted by Sublicensee to its Affiliate hereunder shall not include the right of such Affiliate to grant further sublicenses to any unaffiliated third party except as set forth in Section 2.2.2.

**2.2.2 Sublicenses for Software.** The sublicense set forth in Section 2.1 and any further sublicense to Affiliates granted pursuant to Section 2.2.1 each includes the limited right by Sublicensee or its applicable Affiliates to further sublicense to (a) distributors or resellers of Sublicensee or its Affiliates through multiple tiers solely for the purpose of reproducing and distributing (optionally, under such distributor's or reseller's own license(s)) Licensed Product(s) (including bundling unmodified software component(s) of the Licensed Product(s) with other software products) developed by or for the Sublicensee or its Affiliates, and (b) end user customers of Sublicensee's or its Affiliate's Licensed Product(s) to permit such customers to use such Licensed Product(s) (including practicing any method, process or procedure applicable to such Licensed Product) and to reproduce any software component(s) of such Licensed Product(s).

**2.2.3 Sublicense Upon Sale of a Business.** Sublicensee shall have the right to further sublicense a third party under all or any portion of the rights and sublicenses granted herein in connection with the sale, transfer or other disposition to that third party of a portion of Sublicensee's or any of its Affiliates' business related to this Agreement (a "**Spin-Out**"), and any such sublicensee shall have the same right to grant further sublicenses to another third party in connection with any further sale, transfer or other disposition of a material portion of the Spin-Out. All sublicenses granted pursuant to this Subsection 2.2.3 shall be limited to Licensed Products having substantially similar specifications as those Licensed Products sold, licensed or under development by Sublicensee within the scope of the Spin-Out immediately prior to the sale, transfer or other disposition of the Spin-Out by Sublicensee, and future versions of such Licensed Products

In addition, the sublicense granted under this Section 2.2.3 is limited to the following gross revenue amounts:

(A) For the first year after the effective date of the Spin-Out, such sublicense is limited to the greater of (i) 25 million U.S. dollars gross revenue of

Licensed Product; or (ii) the prior year's gross revenue of Licensed Product increased by the Annual Growth Rate.

The Annual Growth Rate is the greater of (i) 1.5 times the growth rate for Sublicensee's gross revenue of Licensed Product for the year immediately preceding the effective date of the Spin-Out; or (ii) 1.5 times the reported growth rate in gross revenue for the entire market for the Licensed Product, as reported by IDC or by a similar provider of market intelligence, advisory services, and events, if no relevant IDC assessment exists, for the year immediately preceding the effective date of the Spin-Out. The Annual Growth Rate is calculated once and is constant thereafter; that is, the Annual Growth Rate does not change from year to year.

(B) In the second and subsequent years after the effective date of the Spin-Out, such sublicense is limited to the previous year's gross revenue limit increased each year by the Annual Growth Rate, as defined above.

- 2.2.4 Immunity for Certain Program Modifications.** Sublicensor hereby grants to all third parties (including but not limited to Sublicensee's Affiliates, customers, distributors (direct and indirect) and end users) who receive Programs from Sublicensee or any of its Affiliates that are Licensed Products a perpetual, irrevocable, non-exclusive, non-transferable, non-sublicensable, fully paid-up, worldwide sublicense under the Licensed Patents for the formation, modification, use, sale, offer for sale, importation, distribution or other transfer of any changes or modifications or any additions where such additions do not significantly change the features or functions of such Programs or significantly add to the value of the such Programs.
- 2.2.5** The sublicense set forth in Section 2.1 and any sublicense to Affiliates granted pursuant to Section 2.2.1 each includes the rights required to distribute software licensed under the GNU General Public License Version 2 (in particular, as required by Section 7) and Version 3 (in particular, as required by clause 3 of the fifth paragraph of Section 11 and Section 12).
- 2.2.6** Sublicensee and its Affiliates shall have the right to grant sublicenses, under all or any portion of the rights and licenses granted herein, to Authorized Third Parties of Sublicensee or its Affiliates to make, have made, use, sell, have sold, offer for sale, license, and import that portion of any product or method that implements, incorporates, conforms to, is derived from and/or complies with specifications, designs, architectures, technologies, standards, and/or interfaces licensed, provided, specified, distributed, and/or developed, in whole or in part, by Sublicensee or its Affiliates, provided however, that such sublicenses shall extend only to those portions of such specifications, designs, architectures, technologies, standards, and/or interfaces that are owned by or were developed by



Sublicensee or its Affiliates, or for which Sublicensee or its Affiliates has undertaken an indemnification obligation.

**2.3 Combinations.** Authorized Third Parties who obtain an Acquired Item shall be granted a non-exclusive sublicense under the Licensed Patents to:

- (a) make, use, sell, offer for sale, or import:
  - (i) a combination of Acquired Items; and/or
  - (ii) a combination of one or more Acquired Items with one or more other items;

provided and to the extent that the Acquired Item(s), so combined, give rise to the combination being a Licensed Product; and provided further that, the Authorized Third Parties are not so sublicensed under this Section 2.3(a) for making, using, selling, offering for sale or importing of the one or more other items apart from such combination; and/or

- (b) use a method or process that includes steps implemented by an Acquired Item in combination with other steps, and to sell, offer for sale, or import products resulting from such method or process.

**2.4 Rights of Third Party Manufacturer.** A product or Program which, if assembled or copied by Sublicensee or any of its Affiliates, would be a Licensed Product shall also be licensed and subject to the same rights and immunities granted herein if assembled or copied by a third party for or on behalf of Sublicensee or any of Sublicensee's Affiliates.

**2.5 Interfaces.** If Sublicensee or any of its Affiliates licenses or provides a proprietary specification to a third party, where such specification includes a definition of one or more proprietary communication interfaces or protocols that are necessary for a third party product to interoperate with a Licensed Product and such proprietary specification is not associated with any industry standards specification, such third party shall be immune from any claim or suit under any Licensed Patent for making, using, importing, selling and/or offering for sale those portions of such third party product that implement such proprietary communication interfaces or protocols to communicate with such product or portion thereof that is a Licensed Product.

### **3. RELEASE.**

**3.1** Sublicensor and Licensor hereby release, acquit and forever discharge Sublicensee, its Affiliates, Authorized Third Parties, and all of its and their respective predecessors, successors, agents, attorneys, insurers, servants, distributors, retailers, resellers (including but not limited to value-added resellers), manufacturers (including but not limited to original equipment or device manufacturers), suppliers, assemblers, replicators, integrators, employees,

officers, directors, shareholders, owners, users, and customers (collectively “**Sublicensee Released Parties**”) from all actions, causes of action, claims or demands, liabilities, losses, damages, attorneys’ fees, court costs, or any other form of claim or compensation for known and unknown acts, related to or based upon any claim of infringement of the Licensed Patents, that occurred prior to the Effective Date (“**Sublicensee Claims**”) and Sublicensor and Licensor hereby covenant not to sue or threaten to sue (or instruct, encourage, or aid a third party to sue or threaten to sue) any Sublicensee Released Party with any such Sublicensee Claims; provided that this Agreement would be a complete defense against such Sublicensee Claims had such acts occurred as of or after the Effective Date. The release granted under this Section 3.1 to each Sublicensee Released Party (other than the Sublicensee itself and any of its Affiliates) shall be only to the extent of its capacity as such of, for or on behalf of Sublicensee or any of its Affiliates.

**3.2 Acquired Company.** Effective as of the closing of the acquisition of an Entity subject to this Section 3.2, Sublicensor and Licensor hereby release, acquit and forever discharge any Entity that is acquired by Sublicensee or any of its Affiliates after the Effective Date (“**Acquired Company**”), its Affiliates, its Authorized Third Parties and all of its and their insurers, attorneys, servants, officers, employees, agents, directors, shareholders, owners, users, customers, distributors, resellers (including but not limited to value-added resellers), manufacturers (including but not limited to original equipment or device manufacturers), suppliers, assemblers, replicators, and integrators (collectively, “**Acquired Company Released Parties**”) from all actions, causes of action, claims or demands, liabilities, losses, damages, attorneys’ fees, court costs, or any other form of claim or compensation for known and unknown acts related to or based upon any claim of infringement of the Licensed Patents that occurred prior to the closing date of the acquisition of such Acquired Company (“**Acquired Company Claims**”), and Sublicensor and Licensor hereby covenant not to sue or threaten to sue (or instruct, encourage or aid a third party to sue or threaten to sue) any Acquired Company Released Party with any such Acquired Company Claims; provided that this Agreement would be a complete defense against such Acquired Company Claims had such acts occurred after the closing date of such acquisition. The release granted under this Section 3.2 to an Acquired Company Released Party (other than the Acquired Company itself and its Affiliates) shall be only to the extent of its capacity as such of, for or on behalf of such Acquired Company.

**3.3 Release of Unknown Claims.** Each release contained in this Agreement extends to claims to which Sublicensor and Licensor do not know or suspect to exist in its favor, which if known by it, would have materially affected their decision to enter into the releases contained in this Agreement. Sublicensor acknowledges that it is familiar with Section 1542 of the Civil Code of the State of California (and similar or analogous statutes and common law in other relevant jurisdictions), which is quoted as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Sublicensor and Licensor expressly waive their right under Section 1542 (and the similar or analogous statutes and common law in other relevant jurisdictions) as to any unknown claims within the scope of the releases under this Agreement.

#### **4. FEES AND PAYMENT.**

- 4.1 License Fee.** Within thirty (30) days following the Effective Date, Sublicensee shall pay to Sublicensor **XX** dollars (USD **\$XX**) as full consideration for the sublicense granted to Sublicensee hereunder. Sublicensor shall promptly remit to Licensor any amounts Sublicensor is required to pay to Licensor for the purpose of securing Sublicensee's rights to the Licensed Patents under the terms of the Sublicense Rights Agreement, and after such payment to Licensor, Sublicensor shall promptly provide to Sublicensee appropriate banking transaction paperwork (e.g., banking transaction receipts, or wire transfer receipts) confirming the fact and timing of the payment to Licensor on Sublicensee's behalf.
- 4.2 Wire Transfer.** All fees due hereunder shall be paid in U.S. Dollars by wire transfer to such financial institution and account number as Sublicensor may designate in writing to Sublicensee.
- 4.3 Taxes.** **[Optional to include when a Sublicensee is a foreign entity]** In the event any withholding taxes or other similar taxes are imposed in respect of any payment made by Sublicensee or license granted to Sublicensee hereunder, Sublicensee shall pay all such additional amounts such that the Sublicensor receives the same amount as it would have received if such taxes had not been imposed. Sublicensee shall pay any such taxes to the appropriate taxing authority and will promptly provide Sublicensor with a receipt evidencing timely payment.

#### **5. CONFIDENTIALITY.**

Except as the parties may have agreed in writing previously (which shall not be affected by reason of this Agreement), neither party shall disclose, in whole or in part, the terms and conditions set forth in this Agreement; provided, however, that (a) Sublicensee shall have the right to disclose a copy of this Agreement without the prior consent of Sublicensor (i) to any third party, under a binding obligation of confidentiality that prohibits such third party from distributing such copy in whole or in part, (ii) to the extent reasonably necessary to defend itself in any litigation proceeding regarding the Licensed Patents, and (iii) to the extent required by applicable law, regulation or court order, and (b) Sublicensor shall only have the right to disclose a copy of this Agreement (i) to Licensor, (ii) to a third party with the prior written consent of Sublicensee, or (iii) to the extent required by applicable law, regulation or court order.

**6. TERM.**

The term of this Agreement shall commence on the Effective Date and shall continue in full force and effect until the last to expire of the Licensed Patents.

**7. DISCLAIMER; LIMITATION OF LIABILITY.**

NEITHER SUBLICENSOR NOR LICENSOR MAKES ANY REPRESENTATIONS OR WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT, OR ANY WARRANTIES THAT MAY ARISE FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE. TO THE EXTENT ALLOWED BY APPLICABLE LAW, AND NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITATION OF LIABILITY OR LIMITED REMEDY, NEITHER SUBLICENSOR NOR SUBLICENSEE SHALL UNDER ANY CIRCUMSTANCES HAVE ANY LIABILITY WHATSOEVER FOR ANY INCIDENTAL, INDIRECT, CONSEQUENTIAL, PUNITIVE OR SPECIAL DAMAGES OF ANY KIND, OR ANY DAMAGES FOR LOST REVENUES, PROFITS, BUSINESS OR DATA, ARISING OUT OF OR RELATING TO THIS AGREEMENT, EVEN IF SUCH PARTY IS INFORMED IN ADVANCE OF THE POSSIBILITY OF SUCH DAMAGES.

**8. MISCELLANEOUS.**

**8.1 Assignment.** Sublicensee shall not assign or transfer any rights under this Agreement without the prior written consent of Sublicensor, except as follows:

- (a) Sublicensee shall have the right to assign this Agreement, without such written consent, to (i) one of its Affiliates, except to any of its Affiliates that resulted from a Change in Control (as defined in Section 8.1(b) below), or (ii) a Spin-Out to which Sublicensee has sold or transferred all or a portion of Sublicensee's business related to this Agreement.
- (b) Sublicensee shall have the right to assign this Agreement to the surviving entity following a Change in Control (as defined below) provided that (i) such surviving entity promptly, and in any event not later than ninety (90) days following the date of such assignment, executes a counterpart signature page reaffirming its rights and obligations hereunder and expressly agreeing in writing to be bound by the terms of this Agreement, and (ii) as of the date of the Change in Control, the licenses granted under this Agreement (and the right to grant sublicenses therefor) shall be limited in all respects to (A) the current products and services being offered by Sublicensee or its Affiliates, distributors or resellers immediately prior to the effective date of the Change in Control and (B) to any future products and services that are then being developed in good faith by Sublicensee or its Affiliate for which there is a development plan and budget in place as of the effective date of the Change in Control. As used in this Section 8.1(b), "Change in Control" means with respect to

Sublicensee (i) the acquisition of Sublicensee by one or more entities by means of a transaction or series of related transactions (including, without limitation, any reorganization, merger or consolidation or recapitalization, but excluding any merger effected primarily for the purpose of changing the domicile of Sublicensee) unless Sublicensee's shareholders of record as constituted immediately prior to such transaction or series of related transactions will, immediately after such transaction or series of related transactions, hold (by virtue of securities issued in consideration of Sublicensee's securities), a majority of the voting power of the resulting or surviving entity, (ii) the sale, transfer, license or lease (but not including a transfer or lease by pledge or mortgage to a bona fide lender) of all or substantially all of the assets of Sublicensee, whether in a single transaction or in a series of related transactions, or (iii) the closing of the transfer (whether by merger, consolidation or otherwise, but excluding any merger effected primarily for the purpose of changing the domicile of Sublicensee and any transaction or series of related transactions the sole purpose of which is to create a holding company that is owned in substantially the same proportions by the persons who held Sublicensee's securities immediately prior to such transaction or series of related transactions), pursuant to any transaction or series of related transactions, to a person or group of affiliated persons, of Sublicensee's securities if, after such closing, such person or group of affiliated persons would hold a majority of the voting power of Sublicensee. Notwithstanding the foregoing, Change in Control shall not include (x) any transaction (or series of related transactions) by which Sublicensee, the securities of Sublicensee, or all or any part of Sublicensee's assets, or any interest therein, are transferred by any means within a holding company group of which Sublicensee is a part, so long as the shareholders of record of the ultimate parent entity ("UPE") of such holding company structure, as constituted immediately prior to such transaction or series of related transactions, will immediately after such transaction or series of related transactions hold a majority of the voting power of the UPE of such holding company structure, as constituted immediately after such transaction or series of related transactions, (y) any transaction (or series of related transactions) consisting of the sale, transfer, issuance or exchange of securities of Sublicensee in connection with one or more private placements of securities, debt or other equity for financing or capital raising purposes, or (z) the sale, transfer or issuance of securities of Sublicensee in connection with one or more public offerings of the securities of Sublicensee (including without limitation any initial public offering of securities by Sublicensee).

- (c) Except as otherwise permitted herein, any purported assignment or transfer of this Agreement or the license herein by Sublicensee without the prior written consent of Sublicensor shall be null and void.

**8.2 Notice.** All notices required or permitted to be given hereunder shall be in writing and shall be hand delivered or sent by certified or registered mail, private industry express courier (with written confirmation of receipt) or facsimile (with a confirmation letter of the facsimile) to the address specified below or to such changed address as may have been previously specified in writing by the addressed party:

If to Sublicensor:

Allied Security Trust I  
100 Overlook Center, 2nd Floor  
Princeton, NJ 08540  
Telephone: 609-288-2781  
Facsimile: 215-933-6181

If to Sublicensee:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

With a copy to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

Each such notice shall be effective upon receipt.

**8.3 Governing Law.** This Agreement is to be construed in accordance with and governed by the internal laws of the State of Delaware and/or U.S. federal law, if applicable, without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of Delaware and/or U.S. federal law, if applicable, to the rights and duties of the parties.

**8.4 No Waiver.** Any failure of either party to enforce, at any time or for any period of time, any of the provisions of this Agreement shall not be construed as a waiver of such provisions or of the right of such party thereafter to enforce such provisions.

- 8.5 Severability.** If any term, clause or provision of this Agreement shall be determined to be invalid, the validity of any other term, clause or provision shall not be affected; and such invalid term, clause or provision shall be deemed deleted from this Agreement.
- 8.6 Headings.** The headings and captions used in this Agreement are for convenience only and shall not be considered in construing or interpreting this Agreement.
- 8.7 No Implied Obligations; Modifications.** Each party expressly waives any implied right or obligation concerning the subject matter hereof. This Agreement may be modified only by an instrument in writing signed by both Sublicensor and Sublicensee.
- 8.8 Counterparts.** This Agreement may be executed in counterparts, all of which taken together shall constitute one instrument binding upon the parties.

In Witness Whereof, the parties have caused this Agreement to be executed by their duly authorized representatives:

ALLIED SECURITY TRUST I

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: Russell W. Binns, Jr.

Name: \_\_\_\_\_

Title: Chief Executive Officer

Title: \_\_\_\_\_

SCHEDULE A

Licensed Patents



Exhibit A-2

Form of Sublicense Agreement

**PATENT SUBLICENSE AGREEMENT**

This Patent Sublicense Agreement (“**Agreement**”) is made as of \_\_\_\_\_, 2022 (the “**Effective Date**”) by and between **Allied Security Trust I**, a Delaware statutory trust (“**Sublicensor**”), and \_\_\_\_\_, a \_\_\_\_\_ corporation (“**Sublicensee**”).

**RECITALS**

**WHEREAS**, Sublicensor wishes to grant to Sublicensee, and Sublicensee wishes to obtain, a non-exclusive sublicense with respect to the patent applications and patents set forth in Schedule A, together with any and all reissues, results of reexamination, extensions, divisions, continuations and continuations in part of such patents and patent applications, and any foreign counterparts of any of the foregoing, in each case to the extent Sublicensor has an ownership interest or has otherwise acquired a right to grant a sublicense thereunder (the “**Licensed Patents**”), in accordance with the terms and conditions of this Agreement;

**WHEREAS**, Sublicensor has obtained the right to grant licenses under the Licensed Patents from \_\_\_\_\_ a \_\_\_\_\_ with an address at \_\_\_\_\_ (“**Licensor**”) pursuant to the terms of that certain agreement entitled “Sublicense Rights Agreement” and dated on or about \_\_\_\_\_ (“Sublicense Rights Agreement”);

**NOW, THEREFORE**, in consideration of the representations, covenants and other terms and conditions contained herein, and mutual consideration which is hereby acknowledged, the parties hereto agree as follows:

**AGREEMENT**

**1. DEFINITIONS AND RULE OF INTERPRETATION.**

**1.1 Affiliate** means, with respect to an Entity, any other Entity that, as of or after the Effective Date, directly or indirectly controls, is controlled by, or is under common control with such Entity, but only for the time period during which such control exists. An Entity shall be regarded as in control of another Entity if it owns, or directly or indirectly controls, fifty percent (50%) or more of the voting stock or other ownership interest of the other Entity, or if it directly or indirectly possesses the power to direct or cause the direction of the management and policies of the other Entity by any means whatsoever. In any country where the local law does not permit foreign equity participation of greater than fifty percent (50%), “Affiliate” also includes any Entity in which the Sublicensee owns or controls, directly or indirectly, the maximum percentage of voting stock or other ownership interest permitted by local law.

**1.2 Authorized Third Party** means any Entity that is implicitly or explicitly authorized by Sublicensee or its Affiliates as of or after the Effective Date, to

exercise any legal rights or to perform any activities with respect to an Acquired Item, including without limitation manufacturers, original equipment or device manufacturers, assemblers, replicators, integrators, distributors, resellers, value-added resellers, customers and users, but only for the time period during which such authorization exists.

- 1.3 Entity** means a corporation, association, partnership, business trust, joint venture, limited liability company, proprietorship, unincorporated association, individual or other entity that can exercise independent legal standing.
- 1.4 Licensed Product** means any and all product, hardware, machine, process, software, service, media or composition of matter.
- 1.5 Program** means a plurality of instructions capable of being interpreted or executed by a device, whether or not such instructions are in machine-readable form and whether or not such instructions require some processing (such as assembly or compilation) prior to interpretation or execution and whether or not such instructions are implemented in hardware or software.
- 1.6 Scope of Activities and Rights.** The terms sell, offer for sale and import, and cognate forms thereof, as used throughout this Agreement with reference to Licensed Products and Acquired Items, include without limitation, license, lease, offer for license or lease, distribute, dispose of and any other form or type of conveyance.
- 1.7 Acquired Item** means (i) an item obtained, directly or indirectly, from Sublicensee or any of its Affiliates, wherein such obtained item individually embodies one or more elements of a claim of a Licensed Patent, but is not itself a Licensed Product; (ii) plural items obtained, directly or indirectly, from Sublicensee or any of its Affiliates, wherein such obtained items, as used together, both embody one or more elements of a claim of a Licensed Patent and are not a Licensed Product; and/or (iii) a Licensed Product obtained, directly or indirectly, from Sublicensee or any of its Affiliates, whether any such Licensed Product is so obtained as a single product, or as a plurality of products that together form the Licensed Product. An item, as used herein, may be an article, component, software, specification, design, architecture, or other embodiment of one or more elements of a claim of a Licensed Patent. An Acquired Item shall also include a specification, design, architecture, technology, standard and/or interface licensed, provided, specified, distributed and/or developed, in whole or in part, by Sublicensee or its Affiliates.

## **2. LICENSE GRANT AND IMMUNITIES.**

- 2.1 Grant.** Subject to the terms and conditions of this Agreement, Sublicensor hereby grants to Sublicensee and its Affiliates a perpetual, irrevocable, non-exclusive, non-transferable (except as set forth in Section 8.1), non-sublicensable (except as set forth in Section 2.2), fully paid-up, worldwide sublicense under the

Licensed Patents (i) to research, develop, make, have made, use, host, offer for sale, sell, distribute directly or indirectly, import and otherwise dispose of any Licensed Product, and (ii) to practice any method, service, process or procedure within the Licensed Patents.

## **2.2 Sublicenses.**

**2.2.1 Sublicenses for Software.** The sublicenses set forth in Section 2.1 each includes the limited right by Sublicensee and its Affiliates to further sublicense to (a) distributors or resellers of Sublicensee or its Affiliates through multiple tiers solely for the purpose of reproducing and distributing (optionally, under such distributor's or reseller's own license(s)) Licensed Product(s) (including bundling unmodified software component(s) of the Licensed Product(s) with other software products) developed by or for the Sublicensee or its Affiliates, and (b) end user customers of Sublicensee's or its Affiliate's Licensed Product(s) to permit such customers to use such Licensed Product(s) (including practicing any method, process or procedure applicable to such Licensed Product) and to reproduce any software component(s) of such Licensed Product(s).

**2.2.2 Sublicense Upon Sale of a Business.** Sublicensee and its Affiliates shall have the right to further sublicense a third party under all or any portion of the rights and sublicenses granted herein in connection with the sale, transfer or other disposition to that third party of a portion of Sublicensee's or any of its Affiliates' business related to this Agreement (a "**Spin-Out**"), and any such sublicensee shall have the same right to grant further sublicenses to another third party in connection with any further sale, transfer or other disposition of a material portion of the Spin-Out. All sublicenses granted pursuant to this Subsection 2.2.2 shall be limited to Licensed Products having substantially similar specifications as those Licensed Products sold, licensed or under development by Sublicensee and its Affiliates within the scope of the Spin-Out immediately prior to the sale, transfer or other disposition of the Spin-Out, and future versions of such Licensed Products.

In addition, the sublicense granted under this Section 2.2.2 is limited to the following gross revenue amounts:

(A) For the first year after the effective date of the Spin-Out, such sublicense is limited to the greater of (i) 25 million U.S. dollars gross revenue of Licensed Product; or (ii) the prior year's gross revenue of Licensed Product increased by the Annual Growth Rate.

The Annual Growth Rate is the greater of (i) 1.5 times the growth rate for Sublicensee's gross revenue of Licensed Product for the year immediately preceding the effective date of the Spin-Out; or (ii) 1.5 times the reported growth rate in gross revenue for the entire market for the Licensed Product,

as reported by IDC or by a similar provider of market intelligence, advisory services, and events, if no relevant IDC assessment exists, for the year immediately preceding the effective date of the Spin-Out. The Annual Growth Rate is calculated once and is constant thereafter; that is, the Annual Growth Rate does not change from year to year.

(B) In the second and subsequent years after the effective date of the Spin-Out, such sublicense is limited to the previous year's gross revenue limit increased each year by the Annual Growth Rate, as defined above.

**2.2.3 Immunity for Certain Program Modifications.** Sublicensor hereby grants to all third parties (including but not limited to Sublicensee's Affiliates, customers, distributors (direct and indirect) and end users) who receive Programs from Sublicensee or any of its Affiliates that are Licensed Products a perpetual, irrevocable, non-exclusive, non-transferable, non-sublicensable, fully paid-up, worldwide sublicense under the Licensed Patents for the formation, modification, use, sale, offer for sale, importation, distribution or other transfer of any changes or modifications or any additions where such additions do not significantly change the features or functions of such Programs or significantly add to the value of the such Programs.

**2.2.4** The sublicense set forth in Section 2.1 and any sublicense granted pursuant to Section 2.2 each includes the rights required to distribute software licensed under the GNU General Public License Version 2 (in particular, as required by Section 7) and Version 3 (in particular, as required by clause 3 of the fifth paragraph of Section 11 and Section 12).

**2.2.5** Sublicensee and its Affiliates shall have the right to grant sublicenses, under all or any portion of the rights and licenses granted herein, to Authorized Third Parties of Sublicensee or its Affiliates to make, have made, use, sell, have sold, offer for sale, license, and import that portion of any product or method that implements, incorporates, conforms to, is derived from and/or complies with specifications, designs, architectures, technologies, standards, and/or interfaces licensed, provided, specified, distributed, and/or developed, in whole or in part, by Sublicensee or its Affiliates, provided however, that such sublicenses shall extend only to those portions of such specifications, designs, architectures, technologies, standards, and/or interfaces that are owned by or were developed by Sublicensee or its Affiliates, or for which Sublicensee or its Affiliates has undertaken an indemnification obligation.

**2.3 Combinations.** Authorized Third Parties who obtain an Acquired Item shall be granted a non-exclusive sublicense under the Licensed Patents to:

(a) make, use, sell, offer for sale, or import:

- (i) a combination of Acquired Items; and/or
- (ii) a combination of one or more Acquired Items with one or more other items;

provided and to the extent that the Acquired Item(s), so combined, give rise to the combination being a Licensed Product; and provided further that, the Authorized Third Parties are not so sublicensed under this Section 2.3(a) for making, using, selling, offering for sale or importing of the one or more other items apart from such combination; and/or

- (b) use a method or process that includes steps implemented by an Acquired Item in combination with other steps, and to sell, offer for sale, or import products resulting from such method or process.

**2.4 Rights of Third Party Manufacturer.** A product or Program which, if assembled or copied by Sublicensee or any of its Affiliates, would be a Licensed Product shall also be licensed and subject to the same rights and immunities granted herein if assembled or copied by a third party for or on behalf of Sublicensee or any of Sublicensee's Affiliates.

**2.5 Interfaces.** If Sublicensee or any of its Affiliates licenses or provides a proprietary specification to a third party, where such specification includes a definition of one or more proprietary communication interfaces or protocols that are necessary for a third party product to interoperate with a Licensed Product and such proprietary specification is not associated with any industry standards specification, such third party shall be immune from any claim or suit under any Licensed Patent for making, using, importing, selling and/or offering for sale those portions of such third party product that implement such proprietary communication interfaces or protocols to communicate with such product or portion thereof that is a Licensed Product.

### **3. RELEASE.**

**3.1** Sublicensor and Licensor hereby release, acquit and forever discharge Sublicensee, its Affiliates, Authorized Third Parties, and all of its and their respective predecessors, successors, agents, attorneys, insurers, servants, distributors, retailers, resellers (including but not limited to value-added resellers), manufacturers (including but not limited to original equipment or device manufacturers), suppliers, assemblers, replicators, integrators, employees, officers, directors, shareholders, owners, users, and customers (collectively "**Sublicensee Released Parties**") from all actions, causes of action, claims or demands, liabilities, losses, damages, attorneys' fees, court costs, or any other form of claim or compensation for known and unknown acts, related to or based upon any claim of infringement of the Licensed Patents, that occurred prior to the Effective Date ("**Sublicensee Claims**") and Sublicensor and Licensor hereby covenant not to sue or threaten to sue (or instruct, encourage, or aid a third party

to sue or threaten to sue) any Sublicensee Released Party with any such Sublicensee Claims; provided that this Agreement would be a complete defense against such Sublicensee Claims had such acts occurred as of or after the Effective Date. The release granted under this Section 3.1 to each Sublicensee Released Party (other than the Sublicensee itself and any of its Affiliates) shall be only to the extent of its capacity as such of, for or on behalf of Sublicensee or any of its Affiliates.

**3.2 Acquired Company.** Effective as of the closing of the acquisition of an Entity subject to this Section 3.2, Sublicensor and Licensor hereby release, acquit and forever discharge any Entity that is acquired by Sublicensee or any of its Affiliates after the Effective Date (“**Acquired Company**”), its Affiliates, its Authorized Third Parties and all of its and their insurers, attorneys, servants, officers, employees, agents, directors, shareholders, owners, users, customers, distributors, resellers (including but not limited to value-added resellers), manufacturers (including but not limited to original equipment or device manufacturers), suppliers, assemblers, replicators, and integrators (collectively, “**Acquired Company Released Parties**”) from all actions, causes of action, claims or demands, liabilities, losses, damages, attorneys’ fees, court costs, or any other form of claim or compensation for known and unknown acts related to or based upon any claim of infringement of the Licensed Patents that occurred prior to the closing date of the acquisition of such Acquired Company (“**Acquired Company Claims**”), and Sublicensor and Licensor hereby covenant not to sue or threaten to sue (or instruct, encourage or aid a third party to sue or threaten to sue) any Acquired Company Released Party with any such Acquired Company Claims; provided that this Agreement would be a complete defense against such Acquired Company Claims had such acts occurred after the closing date of such acquisition. The release granted under this Section 3.2 to an Acquired Company Released Party (other than the Acquired Company itself and its Affiliates) shall be only to the extent of its capacity as such of, for or on behalf of such Acquired Company.

**3.3 Release of Unknown Claims.** Each release contained in this Agreement extends to claims to which Sublicensor and Licensor do not know or suspect to exist in its favor, which if known by it, would have materially affected their decision to enter into the releases contained in this Agreement. Sublicensor acknowledges that it is familiar with Section 1542 of the Civil Code of the State of California (and similar or analogous statutes and common law in other relevant jurisdictions), which is quoted as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Sublicensor and Licensor expressly waive their right under Section 1542 (and the similar or analogous statutes and common law in other relevant jurisdictions) as to any unknown claims within the scope of the releases under this Agreement.

#### **4. FEES AND PAYMENT.**

- 4.1 License Fee.** Within thirty (30) days following the Effective Date, Sublicensee shall pay to Sublicensor **XX** dollars (USD \$**XX**) as full consideration for the sublicense granted to Sublicensee hereunder. Sublicensor shall promptly remit to Licensor any amounts Sublicensor is required to pay to Licensor for the purpose of securing Sublicensee's rights to the Licensed Patents under the terms of the Sublicense Rights Agreement, and after such payment to Licensor, Sublicensor shall promptly provide to Sublicensee appropriate banking transaction paperwork (e.g., banking transaction receipts, or wire transfer receipts) confirming the fact and timing of the payment to Licensor on Sublicensee's behalf.
- 4.2 Wire Transfer.** All fees due hereunder shall be paid in U.S. Dollars by wire transfer to such financial institution and account number as Sublicensor may designate in writing to Sublicensee.
- 4.3 Taxes.** **[Optional to include when a Sublicensee is a foreign entity]** In the event any withholding taxes or other similar taxes are imposed in respect of any payment made by Sublicensee or license granted to Sublicensee hereunder, Sublicensee shall pay all such additional amounts such that the Sublicensor receives the same amount as it would have received if such taxes had not been imposed. Sublicensee shall pay any such taxes to the appropriate taxing authority and will promptly provide Sublicensor with a receipt evidencing timely payment.

#### **5. CONFIDENTIALITY.**

Except as the parties may have agreed in writing previously (which shall not be affected by reason of this Agreement), neither party shall disclose, in whole or in part, the terms and conditions set forth in this Agreement; provided, however, that (a) Sublicensee and its Affiliates shall have the right to disclose a copy of this Agreement without the prior consent of Sublicensor (i) to any third party, under a binding obligation of confidentiality that prohibits such third party from distributing such copy in whole or in part, (ii) to the extent reasonably necessary to defend itself in any litigation proceeding regarding the Licensed Patents, and (iii) to the extent required by applicable law, regulation or court order, and (b) Sublicensor shall only have the right to disclose a copy of this Agreement (i) to Licensor, (ii) to a third party with the prior written consent of Sublicensee, or (iii) to the extent required by applicable law, regulation or court order.

#### **6. TERM.**

The term of this Agreement shall commence on the Effective Date and shall continue in full force and effect until the last to expire of the Licensed Patents.

**7. DISCLAIMER; LIMITATION OF LIABILITY.**

NEITHER SUBLICENSOR NOR LICENSOR MAKES ANY REPRESENTATIONS OR WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT, OR ANY WARRANTIES THAT MAY ARISE FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE. TO THE EXTENT ALLOWED BY APPLICABLE LAW, AND NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITATION OF LIABILITY OR LIMITED REMEDY, NEITHER SUBLICENSOR NOR SUBLICENSEE SHALL UNDER ANY CIRCUMSTANCES HAVE ANY LIABILITY WHATSOEVER FOR ANY INCIDENTAL, INDIRECT, CONSEQUENTIAL, PUNITIVE OR SPECIAL DAMAGES OF ANY KIND, OR ANY DAMAGES FOR LOST REVENUES, PROFITS, BUSINESS OR DATA, ARISING OUT OF OR RELATING TO THIS AGREEMENT, EVEN IF SUCH PARTY IS INFORMED IN ADVANCE OF THE POSSIBILITY OF SUCH DAMAGES.

**8. MISCELLANEOUS.**

**8.1 Assignment.** Sublicensee and its Affiliates shall not assign or transfer any rights under this Agreement without the prior written consent of Sublicensor, except as follows:

- (a) Sublicensee shall have the right to assign this Agreement, without such written consent, to (i) one of its Affiliates, except to any of its Affiliates that resulted from a Change in Control (as defined in Section 8.1(b) below), or (ii) a Spin-Out to which Sublicensee or its Affiliates has sold or transferred all or a portion of Sublicensee's business related to this Agreement.
- (b) Sublicensee shall have the right to assign this Agreement to the surviving entity following a Change in Control (as defined below) provided that (i) such surviving entity promptly, and in any event not later than ninety (90) days following the date of such assignment, executes a counterpart signature page reaffirming its rights and obligations hereunder and expressly agreeing in writing to be bound by the terms of this Agreement, and (ii) as of the date of the Change in Control, the licenses granted under this Agreement (and the right to grant sublicenses therefor) shall be limited in all respects to (A) the current products and services being offered by Sublicensee or its Affiliates, distributors or resellers immediately prior to the effective date of the Change in Control and (B) to any future products and services that are then being developed in good faith by Sublicensee or its Affiliate for which there is a development plan and budget in place as of the effective date of the Change in Control. As used in this Section 8.1(b), "Change in Control" means with respect to Sublicensee (i) the acquisition of Sublicensee by one or more entities by means of a transaction or series of related transactions (including, without limitation, any reorganization, merger or consolidation or recapitalization,



but excluding any merger effected primarily for the purpose of changing the domicile of Sublicensee) unless Sublicensee's shareholders of record as constituted immediately prior to such transaction or series of related transactions will, immediately after such transaction or series of related transactions, hold (by virtue of securities issued in consideration of Sublicensee's securities), a majority of the voting power of the resulting or surviving entity, (ii) the sale, transfer, license or lease (but not including a transfer or lease by pledge or mortgage to a bona fide lender) of all or substantially all of the assets of Sublicensee, whether in a single transaction or in a series of related transactions, or (iii) the closing of the transfer (whether by merger, consolidation or otherwise, but excluding any merger effected primarily for the purpose of changing the domicile of Sublicensee and any transaction or series of related transactions the sole purpose of which is to create a holding company that is owned in substantially the same proportions by the persons who held Sublicensee's securities immediately prior to such transaction or series of related transactions), pursuant to any transaction or series of related transactions, to a person or group of affiliated persons, of Sublicensee's securities if, after such closing, such person or group of affiliated persons would hold a majority of the voting power of Sublicensee. Notwithstanding the foregoing, Change in Control shall not include (x) any transaction (or series of related transactions) by which Sublicensee, the securities of Sublicensee, or all or any part of Sublicensee's assets, or any interest therein, are transferred by any means within a holding company group of which Sublicensee is a part, so long as the shareholders of record of the ultimate parent entity ("UPE") of such holding company structure, as constituted immediately prior to such transaction or series of related transactions, will immediately after such transaction or series of related transactions hold a majority of the voting power of the UPE of such holding company structure, as constituted immediately after such transaction or series of related transactions, (y) any transaction (or series of related transactions) consisting of the sale, transfer, issuance or exchange of securities of Sublicensee in connection with one or more private placements of securities, debt or other equity for financing or capital raising purposes, or (z) the sale, transfer or issuance of securities of Sublicensee in connection with one or more public offerings of the securities of Sublicensee (including without limitation any initial public offering of securities by Sublicensee).

- (c) Except as otherwise permitted herein, any purported assignment or transfer of this Agreement or the license herein by Sublicensee without the prior written consent of Sublicensor shall be null and void.

**8.2 Notice.** All notices required or permitted to be given hereunder shall be in writing and shall be hand delivered or sent by certified or registered mail, private industry express courier (with written confirmation of receipt) or facsimile (with a confirmation letter of the facsimile) to the address specified below or to such

changed address as may have been previously specified in writing by the addressed party:

If to Sublicensor:

Allied Security Trust I  
100 Overlook Center, 2nd Floor  
Princeton, NJ 08540  
Telephone: 609-288-2781  
Facsimile: 215-933-6181

If to Sublicensee:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

With a copy to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

Each such notice shall be effective upon receipt.

- 8.3 Governing Law.** This Agreement is to be construed in accordance with and governed by the internal laws of the State of Delaware and/or U.S. federal law, if applicable, without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of Delaware and/or U.S. federal law, if applicable, to the rights and duties of the parties.
- 8.4 No Waiver.** Any failure of either party to enforce, at any time or for any period of time, any of the provisions of this Agreement shall not be construed as a waiver of such provisions or of the right of such party thereafter to enforce such provisions.
- 8.5 Severability.** If any term, clause or provision of this Agreement shall be determined to be invalid, the validity of any other term, clause or provision shall not be affected; and such invalid term, clause or provision shall be deemed deleted from this Agreement.

- 8.6 Headings.** The headings and captions used in this Agreement are for convenience only and shall not be considered in construing or interpreting this Agreement.
- 8.7 No Implied Obligations; Modifications.** Each party expressly waives any implied right or obligation concerning the subject matter hereof. This Agreement may be modified only by an instrument in writing signed by both Sublicensor and Sublicensee.
- 8.8 Counterparts.** This Agreement may be executed in counterparts, all of which taken together shall constitute one instrument binding upon the parties.

In Witness Whereof, the parties have caused this Agreement to be executed by their duly authorized representatives:

ALLIED SECURITY TRUST I \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: Russell W. Binns, Jr.

Name: \_\_\_\_\_

Title: Chief Executive Officer

Title: \_\_\_\_\_

SCHEDULE A

Licensed Patents