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Date: APRIL 23, 2004

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✓

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City/State/Zip: _____

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AGREEMENT #2004.095

(Title of Document)

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ATTACHMENT DD

LICENSE AGREEMENT

BETWEEN

SEQUOIA VOTING SYSTEMS, INC.

AND

<u>   Douglas   </u> County

a political subdivision of the State of Nevada

362852-1

THIS AGREEMENT is made on the ___1st___ day of ___April_____ 2004

BETWEEN

SEQUOIA VOTING SYSTEMS INC.,
located at
7677 Oakport Street, Suite 800, Oakland, California 94621 (the "Licensor")

AND

_____Douglas_____ County, ("the Licensee")
a political subdivision of the State of Nevada, located at

__1594 Esmeralda Ave., Minden, NV 89423____

WHEREAS

The Licensee wishes the Licensor to grant to it a license to use the Software in relation to the Equipment (both as hereinafter defined) and the Licensor is agreeable to granting such a license subject to the following terms and conditions:-

NOW IT IS HEREBY AGREED AS FOLLOWS:

1. **DEFINITIONS**

1.1 In this Agreement the following terms shall bear the following meanings:

"Documentation"   the manuals, procedures and materials accompanying the Software as specified in the Purchase Contract.

"Hardware"   the equipment as specified in the Purchase Contract.

"Software"   the software to be provided by Licensor pursuant to the Purchase Contract.

"License Fee"   the license fee payable by the Licensee to the Licensor for the license of the Software as herein specified.

"Purchase Contract"   that certain Contract For Services of Independent Contractor Between the State of Nevada, Acting By and Through Its Secretary of State and Licensor date _____, 2004.

"Specifications"   the specifications for the Software set forth in the Documentation (as defined in the Purchase Contract).

1.2 Words used in the singular shall include the plural and vice versa.

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2.   GRANT OF LICENSE

2.1   The Licensor grants to the Licensee a personal, non-transferable and non-exclusive license to use the Software solely for the Licensee's own internal business purposes and solely in conjunction with the Hardware. The license shall take effect from the date of signature of this Agreement. This Agreement may not be assigned or transferred by the Licensee, voluntarily or by operation of law to any party without the Licensor's express prior written permission in each instance. The Licensee shall have no power to grant sub-licenses, prepare derivative works or modify the Software. Any use of all or any portion of the Software not expressly permitted by the terms of this Agreement is strictly prohibited.

2.2   Licensor shall retain ownership of and all copyright and other proprietary rights in the Software and any modifications or translations thereof. Licensee shall acquire only the limited license to the Software granted under the express terms of Section 2.1 above.

2.3   No right is granted to Licensee by this Agreement to use any identifying mark (such as, but not limited to, trade names, trademarks, trade devices, service marks or symbols, and abbreviations, contractions or simulations thereof) owned by, or used to identify any product or service of, Licensor or a corporate affiliate of Licensor. Licensee agrees that it will not, without the prior written permission of Licensor, use any such identifying mark in any other manner.

3.   DELIVERY

3.1   The Software shall be supplied in executable form together with one back-up copy and one copy of the Documentation.

3.2   Delivery of the Software shall take place at the Licensee's address set forth above on the dates agreed between the parties.

4.   PRICE

In consideration of the License herein granted, Licensor shall be paid the annual License Fee as set forth in the Purchase Contract. The License Fee for the period through December 31, 2006 shall be paid by the State of Nevada pursuant to the Purchase Contract. For the period of January 1, 2007 through December 31, 2009, Licensee shall pay the annual License Fee set forth in the Purchase Contract. If Licensee elects to continue the license beyond December 31, 2009, Licensee shall pay Licensor's then current annual License Fee which shall not be increased by more than ten percent (10%) per year in accordance with the Purchase Contract.

5.   PROHIBITED ACTS

5.1   The Licensee shall not (and shall not permit any other party to), without the prior written permission of the Licensor in each instance:

5.1.1   Transfer or copy onto any other disk or hardware or otherwise copy the Software in whole or in part except for purposes of system backup;

5.1.2   Reverse engineer, disassemble, decompile, decipher or analyze the Software in whole or in part;

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5.1.3   Alter or modify the Software in any way or prepare any derivative works of the Software or any part of parts of the Software;

5.1.4   Alter, remove or obstruct any copyright or proprietary notices from the Software, or fail to reproduce the same on any lawful copies of the Software; or

5.1.5   Use the Software other than on the Hardware.

5.1.6   Export, directly or indirectly, any Software to any country outside of the United States, or make disclosure of the Software to any foreign national where such disclosure would require an export license or other governmental permit.

6.   CONFIDENTIALITY

The Licensee acknowledges that the Software is the sole and exclusive property of the Licensor or its licensors, contains confidential information of the Licensor or its licensors and embodies certain valuable proprietary information and trade secrets of the Licensor or its licensors. The Licensee shall not give or make available the Software, or any part thereof, or otherwise disclose confidential information contained in, supplied with or relating to the Software to any third party except to such of its employees as are required to have access to the Software in the normal course of use of the Software for the purpose permitted under Section 2 and under like conditions of confidentiality as contained in this Section 6. The provisions of this Section 6 shall survive the termination or expiration of this Agreement.

7.   TERMINATION

7.1   Without prejudice to any other remedy which may be available, at law, equity or otherwise, Licensor may terminate this Agreement immediately upon written notice to the Licensee;

7.1.1   If the Licensee breaches any of the terms of this Agreement which, in the case of breach capable of being remedied, is not remedied within ten (10) days written notice from the Licensor, or

7.1.2   If the Licensee uses the Software for any purpose not expressly permitted hereunder.

7.2   Either party may terminate this Agreement if the other party ceases to trade, fails to pay its debts in the normal course, makes or offers to make any voluntary arrangement or composition with its creditors, commences to be wound up otherwise than voluntarily for the purposes of solvent amalgamation or reconstruction, becomes bankrupt, insolvent or if a receiver, administrator, trustee or like officer is appointed over the whole or part of its business.

8.   RETURN OF SOFTWARE

Upon termination or expiration of this Agreement, the Licensee shall (i) forthwith return to the Licensor all Software in its possession or control, or, if so requested by the Licensor, destroy all such Software and (ii) purge all Software from any electronic media, and certify in writing to the Licensor that it has been destroyed and purged.

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9. WARRANTY

9.1 The Licensor warrants that the Software, for the period set forth in the Purchase Contract, will function substantially in accordance with the Specifications. The Licensor shall use reasonable efforts to correct any material failure of the Software to function substantially in accordance with the Specifications provided the Licensee has given the Licensor written notice of the defect within the warranty period and provided that the Licensee can reproduce the defect to the Licensor. If the Licensor establishes that a reported defect is not covered by the foregoing warranty or is not covered by the Software maintenance fee payable by the Licensee to the Licensor, pursuant to the terms of a separate Software maintenance agreement entered between the parties (if any), the Licensee shall be responsible for the costs of the Licensor's investigative and remedial work at the Licensor's then current rates. The foregoing warranty shall be void in the event of the Software (i) having been modified by any party other than the Licensor or its licensors or (ii) having been used by the Licensee for purposes other than those for which the Software was designed by Licensor.

9.2 The warranty set forth in Section 9.1 is in lieu of all other warranties, express or implied, statutory or otherwise, including but not limited to any warranty of fitness for a particular purpose, warranty of merchantability, satisfactory quality, usefulness or timeliness. The remedies set forth in Section 9.1 shall be the sole and exclusive remedies available to the Licensee for breach of the warranty set forth in Section 9.1.

9.3 Licensee acknowledges that the Software may contain materials prepared by other developers. Licensor makes no warranty or representation whatsoever as to those materials not prepared by Licensor contained in the Software.

10. LIMITATION OF LIABILITY

10.1 Licensor's total liability for any loss, damage, costs or expenses under or in connection with this Agreement and the Purchase Contract, in the aggregate, is limited as set forth in the Purchase Contract.

10.2 The Licensor shall not be liable for any loss of profits, loss of business, loss of data, loss of use or any other indirect, incidental special or consequential loss or damage whatsoever, howsoever arising, incurred by Licensee or any third party, whether in an action in contract, negligence or other tort, even if the parties or their representatives have been advised of the possibility of such damages.

11. ENTIRE AGREEMENT

This Agreement and the Purchase Contract embody the entire agreement between the parties regarding its subject matter and supercedes of any previous communications, agreements or understandings. Both parties acknowledge that neither has placed any reliance on any previous communications or understandings other than those expressly incorporated in this Agreement. This Agreement may be amended only by agreement in writing signed by authorized representatives of each party.

12. SEVERABILITY

The provisions of this Agreement are declared to be severable. If any provision is held to be

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void, contrary to law or enforceable by a court of competent jurisdiction the validity and enforceability of the remainder of this Agreement shall not be affected.

13. **WAIVER**

Any failure or delay by either party to exercise or enforce any right or any time or indulgence given shall not affect that party's right to exercise or enforce that right against the other party nor shall any waiver of any breach of any provision be taken as a waiver of any subsequent breach or of the provision itself. To be effective any waiver must be in writing, signed by an authorized representative of the waiving party and delivered to the other party.

14. **FORCE MAJEURE**

Neither party shall be liable for any delay or failure to meet its obligations under this Agreement due to any cause outside its reasonable control including (without limitation), inclement weather, Acts of God, war, riot, terrorism, malicious acts of damage, civil commotion, strike, holocaust, industrial dispute, refusal of license, power failure or fire or the lack of availability of materials. If performance of this Agreement is substantially prevented for a continuous period of six months by virtue of any of the aforesaid events then either party may terminate this Agreement by written notice to the other. This Section 14 shall not be applicable to a failure to pay any money owing by Licensee under this Agreement

15. **NOTICES**

Notices shall be given as set forth in the Purchase Contract.

16. **ASSIGNMENT**

This Agreement may be assigned by Licensor to any person or entity. Licensee shall not assign this Agreement without the written consent of the Licensor in each instance.

17. **GOVERNING LAW**

This Agreement shall be governed by and interpreted in accordance with the laws of the State of Nevada as stated in the Purchase Contract.

18. **VERIFICATION**

Licensor shall, from time to time but no more than once in each calendar year, have access to Licensee's facilities on at least fifteen (15) business days prior notice, during regular business hours of Licensee, without interference with Licensee's business or employees, to verify compliance by Licensee with the terms and conditions of this Agreement and to run the Software for the purpose of auditing its use.

IN WITNESS WHEREOF the parties or their duly authorized representatives have set their hands and seals the day and year first above written.

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SIGNED for and on behalf of
SEQUOIA VOTING SYSTEMS, INC.

Name _____

Title_____ PRESIDENT _____

SIGNED for and on behalf of
_____**Douglas**_____County,
a political subdivision of the State of Nevada

Name _____
Kelly Kite, Chairman

Title:_Board of County Commissioners

SEAL

CERTIFIED COPY
The document to which this certificate is attached is a
full, true and correct copy of the original on file and on
record in my office.

DATE:_____April 23, 2004_____

B. Reed Clerk of the _9th_ Judicial District Court
of the State of Nevada, in and for the County of Douglas.

By _____ Deputy

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