

LICENSE AGREEMENT

Effective as of the date this Agreement is executed on behalf of Xerox Corporation (the "Effective Date"), Xerox Corporation, a New York corporation having a place of business at 800 Long Ridge Road, Stamford, Connecticut 06904-1600 USA ("Xerox") and _____ having a place of business at _____ ("Licensee"), hereby agree as follows:

I. Recitals

- 1.01 Xerox issued Intellectual Property Rights ("IPR") statements in connection with the ISO/IEC 15444-6 standard (referred to as the "Standard")
- 1.02 In keeping with the commitments Xerox made in the aforementioned IPRs, Xerox is prepared to grant a royalty-free, non-exclusive license on the following terms and conditions to specified claims of U.S. Patent No. Re35,657, owned by Xerox Corporation and U.S. Patent No. 5,778,092 owned by Scansoft Inc. Xerox has rights to sublicense U.S. Patent No. 5,778,092 for these purposes. Excluded from this license is the image segmentation technology described in the specification and claims numbered 2, 3, 4, 7, 8, 12, 13 and 14, of U.S. Patent No. 5,778,092, and no right or license is granted to such claims or technology. Further, Xerox is willing to license certain foreign counterparts if and to the extent such counterparts exist, for the limited purpose of facilitating Licensee's compliance with the Standard.
- 1.03 Licensee wants to take advantage of the license that is available as described in 1.02 of this Agreement and any foreign counterparts that exist for the limited purpose of complying with the Standard.

II. Definitions

- 2.01 "Party" means Xerox or Licensee.
- 2.02 "Parties" means Xerox and Licensee.
- 2.03 "Subsidiary" means any corporation, firm, partnership, individual, or other form of business organization at least fifty percent (50%) owned or controlled, directly or indirectly, by a Party to this Agreement. In any event, Fuji Xerox Co. Ltd. a Japanese corporation having an office in Tokyo, Japan shall be deemed to be a Xerox Subsidiary. "Subsidiaries" is the plural form of Subsidiary
- 2.04 "Licensed Patents" means U.S. Patent No. Re35,657 and U.S. Patent No. 5,778,092, with the exception of claims 2, 3, 4, 7, 8, 12, 13 and 14 in U.S. Patent No. 5,778,092.

III. License Grant and Grantback Commitment

- 3.01 Grant. Xerox grants Licensee and its Subsidiaries a nonexclusive, nontransferable, royalty-free license under the Licensed Patents or certain claims therein, to make, import, export, use, sell, offer for sale, lease, or otherwise dispose of products and processes conforming to the Standard. Non-U.S. counterparts of Licensed Patents shall be subject to the foregoing license, but only to the extent that such foreign counterparts confer exclusionary rights that are equivalent in scope to the exclusionary rights that are conferred in the United States by licensed claims of the Licensed Patents. No licenses are granted under any claims of the Xerox Licensed Patents set forth in 2.04 of this Agreement except as set forth in 2.04 or related to the image segmentation technology, and no licenses are granted under any of the foreign counterparts except as expressly set forth in this paragraph 3.01.

- 3.02 Field of Use Limitation. All licenses granted herein under any patent are being granted solely to promote compliance with the Standard. Products that do not conform to or operate in accordance with the Standard shall be deemed to be unlicensed products that are outside the scope of this Agreement.
- 3.03 Grantback Commitment. Licensee agrees to grant to Xerox and its Subsidiaries, within thirty (30) calendar days following Xerox's written request therefor, a non-exclusive, fully paid-up, royalty-free license under all patents which Licensee or any of its Subsidiaries has a right to license at any time; provided, however that licenses granted to Xerox and its Subsidiaries shall: (i) be limited to inventions utilized by Xerox or a Xerox Subsidiary in implementation of one or more of the Standards; (ii) include the right to make, have made, use, sell, offer for sale, lease, import, export and otherwise dispose of products; (iii) be of the broadest scope Licensee has a right to grant any time while such license is in effect, subject only to an optional field of use limitation that is no more restrictive than Paragraph 3.02 of this Agreement; (iv) be on terms at least as favorable as those provided to Licensee herein, including any amendment hereto; and (v) be granted for the full remaining term of each patent licensed pursuant to this grantback commitment.

IV. Representations and Warranties

- 4.01 Limited Warranty and General Disclaimer. The Parties each represent and warrant that they have the right and power to grant the licenses granted hereby and to make the commitments made herein. XEROX MAKES NO OTHER REPRESENTATIONS AND EXTENDS NO OTHER WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, WHETHER STYLED AS A WARRANTY OF MERCHANTABILITY, A WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE. XEROX ASSUMES NO RESPONSIBILITY WHATEVER WITH RESPECT TO THE MANUFACTURE, USE, SALE, LEASE OR OTHER DISPOSITION BY OR FOR LICENSEE OR ITS VENDORS OR TRANSFEREES, OR THE COMMERCIAL SUCCESS OF ITEMS INCORPORATING OR MADE BY THE USE OF LICENSED PATENTS. FOR EXAMPLE, BUT NOT BY WAY OF LIMITATION, XEROX SHALL HAVE NO LIABILITY WITH RESPECT TO ANY INFRINGEMENT OF PATENTS OR OTHER RIGHTS OF THIRD PARTIES THAT MAY ARISE FROM LICENSEE'S OPERATION UNDER THIS LICENSE.
- 4.02 Supplemental Disclaimers. Nothing in this Agreement shall be construed as:
- a. a warranty or representation by Xerox as to the validity or scope of any patent; or
 - b. a warranty or representation that anything made or used under any license granted herein is or will be free from infringement of other patents of Xerox or of third persons; or
 - c. a requirement that Xerox shall file or maintain any patent application, secure any patent, or maintain any patent in force; or
 - d. an obligation on Xerox to bring or prosecute actions or suits against third parties for infringement of any patent; or
 - e. conferring a right to use in advertising, publicity, promotion or otherwise any trademark or trade name of Xerox or Scansoft; or
 - f. granting by implication, estoppel, or otherwise, any licenses or rights under patents other than those expressly licensed by this Agreement.
- 4.03 Hold Harmless. Xerox and its licensor shall not be responsible for any liability as a result of any claim or suit arising out of the manufacture, use, sale, lease or other disposition of products by or for Licensee or its customers pursuant to the licenses granted herein. Licensee shall indemnify and hold Xerox (and its Subsidiaries, as well as its agents,

officers and directors) and its licensors harmless from and against all such liability, claims, and suits, including all necessary and reasonable expenses that Xerox incurs in defending against such claims and suits.

4.04 Limitation of Liability. XEROX SHALL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL, CONSEQUENTIAL, PUNITIVE OR OTHER DAMAGES WHATSOEVER, WHETHER GROUNDED IN TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, CONTRACT OR OTHERWISE.

V. Term of Agreement

5.01 Term. The term of this Agreement shall run from the Effective Date until the expiration date of the last to expire of the patent claims that are licensed herein or any patents that are licensed in accordance with the grantback commitment made herein.

VI. Notices

6.01 Address. Except as either Party may hereafter notify the other in writing with respect to itself, the addresses of the Parties for purposes of this Agreement shall be:

(a) If to Xerox:

XEROX CORPORATION
Vice President and General Manager
Xerox Intellectual Property Operations
1350 Jefferson Road, MS 0801-61C
Rochester, New York 14623

with a copy to:

XEROX CORPORATION
Office of General Counsel
Associate General Counsel
Licensing and Litigation
100 Clinton Avenue South, MS XRX2-20A
Rochester, New York 14644

(b) If to Licensee:

6.02 Delivery. All written notices and other communications pursuant hereto are to be delivered to the intended receiving Party by hand or by certified mail, postage prepaid, return receipt requested to the address provided in this Paragraph 6.01 of this Agreement, and shall be deemed delivered when received or acknowledged.

VII. General

- 7.01 Governing Law. The validity, construction, and performance of this Agreement and any dispute between the Parties relating thereto shall be governed by and interpreted and determined in accordance with the laws of New York State (excluding its conflicts of laws provisions).
- 7.02 Complete Agreement. This Agreement embodies the total and entire understanding between the Parties as to the subject matter of this Agreement and supersedes all previous discussions and documents respecting such subject matter.
- 7.03 Amendments. Except for changes of address under Article VI Notices, no amendment or modification to this Agreement shall be effective or binding on any Party unless the same has been reduced to writing and signed by authorized representatives of the Parties.
- 7.04 Severability. This Agreement is intended to be valid and effective throughout the world and, to the extent permissible under applicable law, shall be construed in a manner to avoid violation of or invalidity under any applicable law. Should any provision hereof nevertheless be or become invalid, illegal or unenforceable under any applicable law, the other provisions hereof shall not be affected, and to the extent permissible under applicable law, any such invalid, illegal or unenforceable provision shall be deemed amended lawfully to conform to the original intent of the Parties, otherwise any such invalid, illegal or unenforceable provision shall automatically be deleted.
- 7.05 Publicity. Subject to any disclosure required by law, each Party agrees not to use or refer to this Agreement or any provision of or rights granted under this Agreement in any publicity, advertising, or promotional activity without the express written approval of the other Party.
- 7.06 No Waiver. Failure or delay of or by either Party to exercise any right or remedy under this Agreement or to require strict performance by the other Party of any provision of this Agreement shall not be construed to be a waiver of any such right or remedy or any other right or remedy hereunder. All of the rights of each Party under this Agreement shall be cumulative and may be exercised separately or concurrently.
- 7.07 Assignment. Xerox shall have the right to assign this Agreement to a successor to Xerox's interest in the Licensed Patents. Otherwise neither Party shall assign this Agreement without the express written consent of the other Party, which consent shall not be unreasonably withheld.
- 7.08 Dispute Resolution. The Parties agree to negotiate in good faith to resolve any dispute between them regarding this Agreement. If the negotiations do not resolve the dispute to the reasonable satisfaction of the Parties, then each Party shall nominate one officer authorized to settle the dispute as its representative. These representatives shall, within fourteen (14) days of a written request by any Party to call such a meeting, meet alone (except for one assistant for each Party) either in person or via telephone, videoconference or similar means and shall attempt in good faith to resolve the dispute. If the dispute cannot be resolved by such representatives in such meeting, each Party agrees that they shall, if requested in writing by the other Party, meet within fourteen (14) days after such written notification for one (1) day with an impartial mediator and consider dispute resolution alternatives other than litigation in New York State pursuant to 7.01 of this Agreement. If an alternative method of dispute resolution is not agreed upon within fourteen (14) days after the one (1) day mediation, any Party may begin litigation proceedings. All times may be extended for each particular dispute, but only by written mutual consent of the Parties. This procedure shall be a prerequisite before taking any additional action hereunder.

7.09 Headings. The Article and Paragraph headings used herein are provided solely for convenience and are not to be used for interpreting this Agreement.

7.10 Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same Agreement.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed in duplicate originals by its duly authorized representatives and to be made as of the Effective Date.

XEROX CORPORATION

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____