

SHIPFLOW

Standard Software License Agreement

Version: 24 October 2012

between

FLOWTECH International AB
(hereinafter referred to as FLOWTECH),

and

the person and/or company that installs, copies or otherwise uses the software
(hereinafter referred to as LICENSEE and/or PURCHASER)

1. Licence Grant

- 1.2. FLOWTECH grants to LICENSEE and LICENSEE accepts a non-exclusive, non-transferable licence to use the PROGRAM along with its documentation as specified in paragraph 7.
- 1.3. In connection with the license granted herein, FLOWTECH shall license to the LICENSEE a PROGRAM authorization key (hereinafter referred to as KEY) that shall be used to run the PROGRAM.
- 1.4. LICENSEE shall not sublease, give or otherwise provide the PROGRAM or any portion or derivative thereof to any other person, firm, organization or government agency or use the PROGRAM except as provided in these terms.
- 1.5. LICENSEE shall not modify or change, de-compile, disassemble or otherwise reverse engineer the PROGRAM.
- 1.6. The LICENSEE is granted license(s) either:
 - a) As specified in a signed agreement, or
 - b) A TRIAL license according to the KEY provided by FLOWTECH.
- 1.7. LICENSEE may only use the programs contained in the PROGRAM (i) for which LICENSEE has paid a license fee (or in the case of a Trial License, those programs LICENSEE is authorized by FLOWTECH to evaluate) and (ii) for which LICENSEE has received a KEY.

2. Terms of Agreement

- 2.2. This agreement is in effect upon installation of the PROGRAM or the signing of an agreement referring hereto.
- 2.3. Any deviations from this agreement must specified in a signed agreement between the LICENSEE and FLOWTECH.

3. Deliveries

- 3.2. FLOWTECH shall make an executable copy of the PROGRAM along with its documentation available to LICENSEE. The LICENSEE shall only use the PROGRAM on computers specified in signed agreements or for which a KEY has been granted.
- 3.3. The installation of the PROGRAM will be performed by LICENSEE. A temporary KEY shall be e-mailed within one working week after the LICENSEE has (i) provided the necessary technical information to FLOWTECH, and (ii) in the case of a Trial License the LICENSEE has been authorized by FLOWTECH.
- 3.4. The KEY for the PROGRAM is delivered when the full payment for the Licence Fee is received by FLOWTECH, providing that the necessary technical information is available to FLOWTECH.
- 3.5. LICENSEE shall arrange installation, testing and maintenance of adequate hardware. LICENSEE shall be solely responsible for hardware maintenance, including periodic inspections, adjustments, and repair.

4. Maintenance

- 4.2. Being part of the MAINTENANCE program gives the LICENSEE of a PERPETUAL license the right to Program Services and Technical Support as described below.
The MAINTENANCE period is specified in the signed agreement and can be extended upon expiry. Extending the MAINTENANCE period requires payment of an annual MAINTENANCE fee of 15% of the price for a perpetual license at that time. If the subscription is interrupted for one or more months it may be resumed by payment of 25% p.a. of the price for a perpetual license at that time.
In the case of an ANNUAL or SHORT TERM license, MAINTENANCE Services are included for the licensing period. A trial license does not give the LICENSEE any rights to MAINTENANCE services.
- 4.3. Program Service shall include:
 - a) SHIPFLOW problem diagnosis via telephone, fax or e-mail assistance.
 - b) Reasonable efforts to correct errors in the PROGRAM.
 - c) New releases of the PROGRAM as licensed by LICENSEE, for which FLOWTECH does not charge a separate leasing fee up until the end of the MAINTENANCE period as stated in the signed agreement.
 - d) In the event the designated SYSTEM shall become inoperable, LICENSEE may transfer the PROGRAM to a similar computer after proving to FLOWTECH that the designated system is inoperable.
- 4.4. Technical Support shall include
 - a) FLOWTECH will provide LICENSEE free technical support until then end of the MAINTENANCE period. Technical support on the use of the program, via telephone, fax or e-mail are free of charge within reasonable limits during this period.

5. Terms of Payment

- 5.2. For the PROGRAM and MAINTENANCE advance payment applies.
- 5.3. Taxes in Sweden caused by this agreement shall be paid by FLOWTECH, while taxes outside of Sweden shall be paid by PURCHASER.

6. Definitions – Licences

- 6.2. Node-Locked License: FLOWTECH grants to the LICENSEE a non-exclusive and non-transferable license to use the PROGRAM in a single computer for which the LICENSEE has received a KEY from FLOWTECH. The number of concurrent users shall not exceed the number of users licensed to the LICENSEE.

- 6.3. Floating License: FLOWTECH grants to the LICENSEE a non-exclusive and non-transferable license to use the PROGRAM on a single local area network. The number of concurrent users (clients) shall not exceed the number of users licensed to the LICENSEE. The licenses for the clients are managed by a Node-Locked license server for which the LICENSEE has received a KEY from FLOWTECH.
- 6.4. PERPETUAL license is unlimited in time for the use on the system specified in the KEY received from FLOWTECH. A maintenance prescription from FLOWTECH is required for PROGRAM Service and Technical Support.
- 6.5. ANNUAL license is limited in time to twelve month.
- 6.6. SHORT TERM license is limited to the time period stated in the signed agreement.
- 6.7. Trial license is limited in time and may only be used to evaluate the software. The license expires one month after issuing the KEY unless prolonged by FLOWTECH.
- 6.8. Educational License is available to Universities and strictly linked to non-profit use by the LICENSEE for the following purposes:
- a) Student instruction and projects in teaching
 - b) Demonstration
 - c) Non-funded research
 - d) The Educational License includes one classroom license for up to a maximum of 10 computer during the period of Maintenance. For an Educational Perpetual License in the case the Maintenance period expires without renewal, the classroom license will be withdrawn.

7. Definition – SHIPFLOW Packages:

- 7.2. The PROGRAM shall be considered as any set of program modules delivered by FLOWTECH.
- 7.3. FLOWTECH reserve the right to change the content of any package described here as a part of the development of the PROGRAM.
- 7.4. SHIPFLOW Design Package is a suite of computer programs to be used by ship designers for the flow analysis of ships and appendages. The package includes SHIPFLOW Advanced or SHIPFLOW Basic for CFD analysis and a graphical user interface, SHIPFLOW Design.
- 7.5. SHIPFLOW Advanced contains the following modules:
- a) XMESH: A module for generating surface mesh for potential flow solver (XPAN)
 - b) XPAN: A model for computing non-linear free surface potential flow
 - c) XBOUND: A module for computing thin boundary layer
 - d) XGRID: A module for generating volume grid for RANS solver (XCHAP)
 - e) XCHAP: A RANS solver module.
- 7.6. SHIPFLOW Basic is a subset of SHIPFLOW Advanced containing the following modules:
- a) XMESH: A module for generating surface mesh for potential flow solver (XPAN)
 - b) XPAN: A model for computing non-linear free surface potential flow
 - c) XBOUND: A module for computing thin boundary layer
- 7.7. Parallel capabilities: The LICENSEE is permitted to run XPAN with up to six threads and XCHAP with up to six threads or processes, or for (i) the number of threads and processes which LICENSEE has paid a license fee for in the case of a Trial

License, those programs LICENSEE is authorized by FLOWTECH to evaluate) and (ii) for which LICENSEE has received a KEY.

8. The PROGRAM is available for

- a) Windows XP/VISTA/7
- b) LINUX

9. Confidential Information

- 9.2. LICENSEE acknowledges that the PROGRAM includes confidential information. All such information is deemed as confidential unless specifically identified by FLOWTECH as non confidential. During the term of this agreement, LICENSEE shall utilize its best efforts to prevent disclosure of such information and maintain the confidential nature of such information to the same extent that it protects its own confidential information.
- 9.3. The obligations of this section shall not extend to any item which:
- a) is already known to the receiving party or independently developed by the receiving party;
 - b) is publicly available or becomes publicly available without a breach of agreement by the receiving party;
 - c) is rightfully received by the receiving party from third parties.
- 9.4. The obligation of this section shall survive any termination of this agreement.

10. Ownership

- 10.2. The PROGRAM is leased, and all parts contained herein shall be deemed as the property of FLOWTECH. No parts convey any title or ownership in the PROGRAM to the LICENSEE or PURCHASER.
- 10.3. FLOWTECH owns all respective copyright, trade secret, patent, trademark and other proprietary rights in and to the PROGRAM, including all modifications thereto.

11. Warranties

- 11.2. FLOWTECH warrants that the PROGRAM will perform as specified in the current SHIPFLOW Documentation. In the event that the PROGRAM fails to perform as specified, FLOWTECH at its option may either:
- a) modify the PROGRAM to conform with the documentation;
 - b) or if the documentation is in error, modify the documentation to correctly reflect the PROGRAM's operation.
- 11.3. FLOWTECH specifically disclaim any liability for any special, consequential or incidental damages arising from the manufacture, sale or use of the PROGRAM. In no event shall FLOWTECH's liability exceed the fees paid by PURCHASER for the PROGRAM.
- 11.4. FLOWTECH disclaim all liability arising from the validity, accuracy, or applicability of the results obtained from the use of the PROGRAM. FLOWTECH's warranties are limited to those set forth in Paragraph 11.2. above, and FLOWTECH specifically disclaim any implied warranty of merchantability or of fitness for a particular purpose in regard to the PROGRAM.
- 11.5. Warranties and Liabilities of this clause are strictly confined to the PROGRAM as specified in paragraph 7. and delivered by FLOWTECH.
- 11.6. No action or claim relating to this agreement or the software may be instituted more than one year after the event giving rise to such action or claim.

12. Applicable Law

- 12.2. This agreement shall be construed and interpreted in accordance with the laws of Sweden.

13. General Provisions

- 13.2. Assignability – This agreement and all rights and obligations hereunder shall not be assignable by LICENSEE except with the prior written consent of FLOWTECH. A change in control shall be deemed an assignment subject to this subsection. This agreement shall be binding upon each party's permitted successors and assigns.
- 13.3. Indemnification – FLOWTECH shall indemnify and hold LICENSEE harmless from and against any claim of infringement of any patent or copyright based upon the software, provided LICENSEE gives FLOWTECH prompt notice of and the opportunity to defend any such claim. FLOWTECH shall have the right to settle such claim or, at FLOWTECH's option, (i) provide LICENSEE a paid-up license; (ii) substitute functionally equivalent software; or (iii) give a refund of a pro rata portion of the license fee paid for the software based on a deemed license term of five years.
- 13.4. Entire agreement and amendment – This agreement with its exhibits is the complete and exclusive agreement of the parties and supersedes all other communications, oral or written, between the parties relating to the agreement's subject matter. Any change to this agreement shall not be valid unless it is in writing and signed by both parties.
- 13.5. Disputes – All disputes arising from and connected with this agreement shall be settled by negotiations between FLOWTECH and LICENSEE and if these parties are unable to resolve them amicably, such disputes shall be finally settled under the Rules of the International Chamber of Commerce, by three arbitrators appointed in accordance with the said Rules, and such arbitration shall take place in Sweden.
- 13.6. Default and termination – In the event of any default or breach in the performance of any obligations under this agreement by either party, written notice must be given to the other party without delay, specifying the nature of such default or breach. The violating party is obliged to clear off or commence to clear of the default or breach within 15 days upon notice given, otherwise the other party may terminate this agreement by giving written notice of such termination on a date specified therein, which shall not be less than 15 days from the date when said notice is given. If this agreement is terminated, all outstanding fees will immediately become due and payable and LICENSEE shall return all copies of the software to FLOWTECH and erase any copies residing in any machine.
- 13.7. Force majeure – Neither FLOWTECH nor LICENSEE shall be held responsible or liable to the other for any delay in carrying out their respective obligations hereunder in so far as such delay arises directly or indirectly at any time hereafter on account of force majeure whatever not within the control of either party.
- 13.8. Waiver – Neither the failure nor any delay to exercise a right, remedy or privilege under this agreement shall operate as a waiver thereof, nor shall any single or partial exercise of a right, remedy or privilege preclude any further exercise of the same.
- 13.9. Language and communication – English is the official language of this agreement and of all further communication between FLOWTECH and LICENSEE. All notices, notifications and other communications required under this agreement shall be in writing and shall be deemed to have been received when personally delivered or when deposited in the mail, sent registered mail, postage prepaid. The parties undertake to inform each other of any change of address.
- 13.10. Severability clause – A determination on that any provision of this agreement is invalid, illegal or unenforceable shall not affect the enforceability of any other provision. A provision similar or close to the original meaning to that which is found to be invalid, illegal or unenforceable shall be utilized as a replacement.