# AMENDED AND RESTATED LICENSE AGREEMENT

THIS AGREEMENT (this "Agreement") is made as of the 9th day of December, 2011

#### BETWEEN:

2283188 ONTARIO LIMITED, a corporation existing under the laws of the Province of Ontario (the "Licensor")

-and-

STAR NAVIGATION SYSTEMS GROUP LTD., a corporation existing under the laws of the Province of Ontario (the "Licensee")

WHEREAS the Licensor is the sole owner of a system and method for transportation vehicle monitoring, feedback and control (the "Licensed Property") more particularly described by the Patents (as such term is hereinafter defined):

AND WHEREAS the Licensor is the sole owner of the Patents and the Know-How (as such term is hereinafter defined):

AND WHEREAS, except as otherwise provided for herein, the Licensee wishes to have the exclusive right to use, develop, produce, install, implement, market and sell the Licensed Property employing the Know-How in connection with the transportation industry worldwide;

AND WHEREAS Star Navigation Systems Inc. ("SNSI"), a wholly-owned subsidiary of the Licensee, and Viraf S. Kapadia ("Kapadia") and Hilary Vieira ("Vieira", and together with Kapadia, the "Original Licensors"), the original co-developers and co-owners of the Licensed Property and the Know-How, entered into a license agreement dated December 1, 2000 (the "Original License Agreement") wherein SNSI obtained from the Original Licensors an exclusive license to the Licensed Property and the Know-How;

AND WHEREAS by license agreement dated as of the 22<sup>nd</sup> day of April, 2002 (the "Current License Agreement"), SNSI and the Original Licensors amended and restated, and superseded, the Original License Agreement, and thereafter: (i) Vieira sold, assigned and transferred all of Vieira's right, title and interest in the ownership of the Licensed Property and the Know-How to Kapadia; (ii) Kapadia sold, assigned and transferred all of Kapadia's right, title and interest in the ownership of the Licensed Property and the Know-How to the Licensor, the current sole owner thereof and a corporation owned and controlled by Kapadia; and (iii) SNSI assigned and transferred all of its rights and obligations arising under the Current License Agreement to the Licensee;

AND WHEREAS the Licensee has entered into a Supply, Marketing and Sale of Airborne Data Service Agreement (the "ADS Agreement") dated June 22, 2011 among Paradigm Services Limited ("Paradigm"), the Licensee, Star Navigation Systems (UK) Limited, Kapadia and the Licensor pursuant to which Paradigm and the Licensee, using the Licensed Property and the Know-How, will jointly provide a one-stop-shop to market and sell a satellite communications data service to aviation companies;

AND WHEREAS the Licensor and the Licensee have agreed to enter into this Agreement in order to amend and restate, and supersede, the Current License Agreement in order to, among other things, ensure that the Licensor, the Licensee and Kapadia are in compliance with the ADS Agreement;

NOW THEREFORE, in consideration of the mutual promises and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged, the parties hereto agree as follows:

#### J. <u>DEFINITIONS AND INTERPRETATION</u>

- 1.1 **Definitions.** In this Agreement, unless the context otherwise requires, the terms set forth below will have the meanings set forth below:
- (a) "ADS Agreement" has the meaning ascribed thereto in the recitals to this Agreement;
- (b) "Current License Agreement" has the meaning ascribed thereto in the recitals to this Agreement;
- (c) "Effective Date" means the date hereof:
- (d) "Encumbrances" means any mortgage, charge, pledge, hypothecate, lien, encumbrance, restriction, option, right of others or security interest of any kind;
- (e) "ISMS" has the meaning ascribed thereto in Section 8.2(a);
- "Know-How" means information, know-how, technology, trade secrets, drawings, plans, specifications, blue prints, material lists, process and methods, techniques and other confidential information directly or indirectly relating to the Licensed Property or required for the sourcing, production, manufacture or marketing of the Licensed Property and all improvements, modifications, extensions or variations of the same if, as and when developed by either the Licensor or the Licensee during the currency of this Agreement and will include any patents or design patents now or hereafter obtained related to the foregoing;
- (g) "License" means the rights over the Licensed Property, Patents. Trademarks and Know-How granted by the Licensor to the Licensee in Section 2.2 hereof;
- (h) "Licensed Property" has the meaning ascribed thereto in the recitals to this Agreement;
- (i) "Original License Agreement" has the meaning ascribed thereto in the recitals to this Agreement;
- (j) "Paradigm" has the meaning ascribed thereto in the recitals to this Agreement;
- (k) "Patents" means those existing or future patents, industrial design registrations or design patent applications or letters patent which relate to the Licensed Property, or the Know-How, including but not limited to the patents set out in Schedule "A" hereto;
- (1) "Persons" means individuals, partnerships, corporations, associations and all other entities whether incorporated or not incorporated;
- (m) "Records" means, without limiting the generality thereof, all vouchers, purchaser orders, delivery vouchers, bills of lading, bills of sale, statements of account, receipts, ledgers, journals and other books of account and generally all records and data maintained by or on behalf of the Licensee relating to the production, installation, implementation, marketing, promotion and sale of the Licensed Property;
- (n) "Term" means the duration of this Agreement as set out in Section 9.1;
- (0) "Trademarks" means those existing or future trademarks, whether or not registered, and trademark applications which relate to the Licensed Property and/or the Know-Flow, including but not limited to the trademarks set out in Schedule "A" hereto:
- (p) "Transportation Applications" means all applications of the Licensed Property to vehicle monitoring, feedback and control or in connection with the transportation industry, including railroad, automobile, trucking, marine and aviation, whether private, commercial, civil or military; and
- (q) "vehicle" includes automobiles, trucks, trains, aircrafts and ships of any kind.

- 1.2 Entire Agreement. This Agreement together with the agreements and other documents to be delivered pursuant to this Agreement, constitute the entire agreement between the parties hereto pertaining to the licensing of the Licensed Property and the Know-How and supersedes all prior agreements (including the Original License Agreement and the Current License Agreement), understandings, negotiations and discussions, whether oral or written, and there are no warranties, representations and other agreements between the parties hereto in connection with the subject matter hereof except as specifically set forth in this Agreement or any other agreement or document to be delivered pursuant to this Agreement.
- 1.3 **Extended Meanings.** In this Agreement, words importing the singular number include the plural and *vice versa*; words importing the masculine gender include the feminine and neuter genders.
- 1.4 **Headings.** The division of this Agreement into articles, sections, subsections and paragraphs and the insertion of headings are for convenience of reference only and will not affect the construction or interpretation of this Agreement.
- 1.5 **References.** References to an article, section, subsection, paragraph, schedule or exhibit will be construed as references to an article, section, subsection, paragraph, schedule or exhibit to this Agreement, unless the context otherwise requires,
- 1.6 Currency. Unless otherwise specified, the word "dollar", or the symbol "\$" refers to the lawful currency of Canada.
- 1.7 **Schedules.** The following is a list of schedules attached to and incorporated into this Agreement by reference and deemed as part of this Agreement:

Schedule "A" - Patents and Trademarks

## GRANT OF LICENSE AND EXCLUSIVITY

- 2.1 As of the Effective Date, this Agreement amends and restates, and supersedes, the Current Licensing Agreement.
- 2.2 Subject to Section 11.1 and the covenants and provisions of this Agreement to be observed and performed by the Licensee, the Licensor hereby grants to the Licensee the exclusive right and license for the Term in respect of the Licensed Property, the Patents, the Trademarks and the Know-How:
- (a) to use, develop, produce, install, implement, market, promote and sell the Licensed Property worldwide solely for Transportation Applications;
- (b) to use the Know-How in using, producing, installing, implementing, marketing, promoting and selling the Licensed Property worldwide solely for Transportation Applications; and
- (c) to use and display Trademarks in connection with the use, development, production, installation, implementation, marketing, promotion and sale of the Licensed Property worldwide solely for Transportation Applications,
- 2.3 The Licensor further agrees to immediately make available to the Licensee the Know-How relating to the Transportation Applications of the Licensed Property and the Licensee acknowledges that such Know-How will at all times both during and after the currency of this Agreement remain the property of the Licensor which may be used by the Licensee only in accordance with the terms and conditions of this Agreement.
- 2.4 The Licensor further agrees to communicate to the Licensee any new development in the Know-How, Patents, Trademarks or Licensed Property occurring during the currency of this Agreement as they relate to Transportation Applications, for use by the Licensee without additional consideration subject to the terms of this Agreement. The Licensor will communicate every such new development immediately upon its occurrence or upon it becoming known to the Licensor (it is understood by the parties hereto that the Licensor is under no obligation to undertake any such development).



- 2.5 During the Term and provided that the Licensee is not in default in observance of all terms, covenants and provisions required of it herein, but subject to Articles 10 and 11, the Licensor agrees that it will not:
- (a) grant to any other Person any right or license to use, develop, produce, install, implement, market, promote and sell the Licensed Property, Patents, Trademarks or Know-How for Transportation Applications anywhere in the world;
- (b) purport to grant to others any rights inconsistent with those granted to the Licensec in Section 2.2:
- (c) itself use, develop, produce, install, implement, market, promote and sell the Licensed Property, Patents, Trademarks or Know-How for Transportation Applications anywhere in the world; and
- (d) communicate the Know-How to any other Person for use in connection with Transportation Applications anywhere in the world.
- 2.6 The Licensee undertakes not to employ, without the written consent of the Licensor, the Know-How, Patents, Trademarks or Licensed Property for any purpose other than for Transportation Applications, and further undertakes not to knowingly divulge the Know-How to any other Person except as authorized by the terms of this Agreement. The Licensor and Licensee both undertake to use their best efforts to prevent any unauthorized disclosure or use of the Know-How.
- 2.7 The Licensee will be permitted to grant to others sub-licenses of the License granted to it in Section 2.2, provided that each sub-licensee assumes in writing the obligations of the Licensee contained herein in form acceptable to the Licensor. The Licensee will forward to the Licensor a certified copy of each sub-licensing agreement, it is understood and agreed that should any sub-licensee breach its sub-licensing agreement with the Licensee, the Licensee covenants and agrees to forthwith terminate such sub-licensing agreement.

### 3. COMMUNICATION OF KNOW-HOW

- 3.1 On the Effective Date, the Licensee acknowledges being in possession of the Know-How existing as at the Effective Date. Following the Effective Date, within a reasonable time after receipt of a request therefor made by the Licensee from time to time during the Term, the Licensor will deliver to the Licensee such Know-How, if any, which comes into existence after the Effective Date as same is recorded in writing or in any other tangible form. Such delivery will be effected at such locations as the parties agree upon either by physical delivery or by other convenient means provided always that title and risk of loss of such Know-How will remain with the Licensor until delivery and then will pass to the Licensee.
- 3.2 For the purpose of acquiring such Know-How, if any, which comes into existence after the Effective Date and which Know-How is not properly the subject of physical delivery, the Licensor may send an authorized officer or technically qualified employee to the Licensee's or any sub-licensee's premises to communicate such Know-How at the expense of the Licensee.
- 3.3 In the event of a request for delivery of such Know-How, if any, which comes into existence after the Effective Date pursuant to Section 3.1, the Licensor will make available to the Licensee one of its representatives who is competent with respect to such Know-How to supervise the implementation of such Know-How, provided that the Licensee will pay for all economy travel and reasonable living expenses and the reasonable wages of such representative,

#### 4. KNOW-HOW CONFIDENTIAL

- 4.1 The Licensee hereby acknowledges that the Know-How is secret and confidential to the Licensor, that its disclosure to Licensee is for the sole purpose of enabling the Licensee to use, produce, install, implement, market, promote and sell the Licensed Property for Transportation Applications using the Know-How, and that the Licensee has no right to resell or transfer such Know-How but only to use the same as set out in Articles 2 and 11.
- 4.2 The Licensee will ensure that all Know-How is recorded in tangible form and all copies are marked as being confidential and the property of the Licensor.



- 4.3 The Licensee will use all reasonable efforts to maintain the secrecy of the Know-How, and will disclose the Know-How only to those of its officers or employees whose duties require them to know the same and only if such persons have given to the Licensee an enforceable undertaking not to disclose any part of the Know-How to any unauthorized Persons. Further, the Licensee covenants and agrees that it will not, and covenants to use its best efforts to ensure that its employees and sub-licensees will not, disclose, distribute, sell, use or otherwise make available to any other Persons, including any proposed sub-licensees of the Licensee, any of the Know-How without the Licensors' prior written consent. The Licensee will require its employees and sub-licensees to execute a non-disclosure covenant in a form approved by the Licensor. The provisions of this section will remain binding upon the parties hereto notwithstanding any assignment of this Agreement whether or not consented to by the Licensor and will survive termination or expiry of this Agreement and expiry of the Patents. The Licensee and its employees and sub-licensees, as the case may be, will be released from the obligations of this clause only with respect to such portion of the Know-How which:
- (a) is available to the public in publication or tangible form as of the date it is disclosed to the Licensee;
- (b) becomes available to the public in tangible form anywhere in the world through no cause due to the Licensee, its employees, agents or those whom they have a right to control or to whom they have disclosed information:
- (c) is already in the possession of the Licensee from sources other than the Licensor and there is documentary evidence to that effect; or
- (d) has been received from a Person who is not under an obligation of confidence to the Licensor.

## 5. QUALITY CONTROL IDENTIFICATION AND OWNERSHIP

- 5.1 The Licensee will:
- (a) use its best efforts to use, produce, install and implement the Licensed Property for Transportation Applications strictly in accordance with the Know-How and to the standards of quality normally required by the Licensor;
- (b) permit the duly authorized representatives of the Licensor to inspect the facilities and operations of the Licensee or any of its sub-licensees, agents or sub-contractors at the Licensor's expense during normal working hours:
- (c) give warranties to its customers as to the quality and fitness of the Licensed Property, used, produced, installed or implemented by the Licensee; and
- (d) adhere at all times to the quality control standards and specifications communicated in writing by the Licensor to the Licensee.
- 5.2 If the Licensee believes it can improve the quality of its use, production, installation or implementation of the Licensed Property by altering in a certain respect or in certain respects the Know-How, it will advise the Licensor of the alterations it proposes and will be permitted to make such alterations only upon receiving the written consent of the Licensor. The Licensor will not unreasonably withhold such consent. For greater certainty, if after having received the Licensee's written request for such consent pursuant to this Section 5.2, the Licensor fails to provide its consent (or to provide a notice that it refuses consent, setting out the reasons therefor) in writing within fifteen (15) days of the date of such request, the Licensor will be deemed to have consented to the proposed alterations for which consent was so sought.
- 5.3 The Licensee covenants and agrees that it will use its best efforts to market and promote the Licensed Property and will set its prices and its items of credit at levels which are commercially reasonable and competitive in order to hold and expand its share of the market for the Licensed Property. The Licensee further covenants and agrees to use its best efforts to create, extend and develop a market for the Licensed Property by intensive, consistent and continuous promotion and advertisement so as to create a public interest in the Licensed Property.

- The Licensee covenants and agrees that it will mark the Licensed Property with all applicable Trademarks in a manner and in a form agreed to by the Licensor and will also imprint thereon the markings required to identify all applicable Patents. The size and style of the markings will be such that they are readily identifiable and readable and will otherwise comply with the Licensor's standards for use of the Trademarks.
- 5.5 The Licensee covenants and agrees that all cartons, tags, labels and other printed literature, including advertising or price lists utilized by the Licensee in the use, production, installation, implementation, marketing, promotion and sale of the Licensed Property, will bear the Trademarks and the identification of Patents in a manner and in a form to be approved by the Licensor before printing and distribution and will include all such changes or amendments as the Licensor will reasonably deem necessary to protect its property rights.
- 5.6 The Licensee covenants and agrees that it will not contest, directly or indirectly, the validity of the Licensor's ownership of the Licensed Property, Patents, Trademarks and Know-How.
- 5.7 Subject to the provisions of the Section 7 below, all applications for the registration of Patents will be made and pursued by the Licensee in the name of the Licensor and at the sole expense of the Licensee. The Licensee agrees to diligently pursue the registration of all applications for the Patents, and other intellectual property rights. The Licensor and Licensee agree to provide to each other such as reasonable assistance as other may require in connection therewith. The Licensee may submit applications for Trademarks in the name of the Licensor, subject to the consent of the Licensor. In the event that such application is made and a Trademark or Trademarks are issued for any reason in the name of the Licensee, the Licensee hereby irrevocably agrees to forthwith transfer such Trademark or Trademarks to the Licensor.
- 5.8 It is agreed and understood by the parties hereto that nothing in this Agreement will confer on the Licensee a proprietary interest in the Licensed Property, Patents. Trademarks or Know-How, the Licensee hereby specifically acknowledging the Licensor's superior rights thereto.
- 5.9 The Licensee agrees to be a permitted user of the Trademarks and agrees to execute such permitted user agreements as may be required by the Licensor. All such permitted user agreements shall be prepared at the sole expense of the Licensee.

#### 6. <u>IMPROVEMENTS</u>

If, during the Term, the Licensee develops any improvements in or inventions relating to the Licensed Property, the Patents, the Trademarks or the Know-How, it will disclose and make such improvements or inventions available to the Licensor who will have the right to use the same to the extent permitted under Section 2 above. If any such improvement developed by the Licensee is eligible for protection under the patent, trademark or industrial design laws of any jurisdiction in which the Licensee is carrying on business under the License, the Licensee shall immediately notify the Licensor of such improvement and that application is being made in respect thereof. The Licensee will, at the Licensor's request, make or cause the inventor to make the necessary application for patent, trademark or other intellectual property rights for the same and will pursue each application until letters patent or other relevant registrations have been issued or conclusively denied. At the request of the Licensor, the Licensee will assign or procure the assignment of any such registration or letters patent to the Licensor in which event the Licensor will reimburse the Licensee for all legal fees, court costs, and filing fees incurred by Licensee in procurement of such registration or letters patent.

## 7 INDEMNITIES AND WARRANTIES

- 7.1 The Licensor hereby covenants and agrees to indemnify and hold harmless the Licensee and its officers, directors, servants, agents or employees from any losses or damages consequent upon any breaches of the Licensor's warranties and representations made herein or from any damages resulting from any negligent acts or omissions of the Licensor or its officers, directors, servants, agents or employees or from any misuse of the Licensed Property, Patents, Trademarks or Know-How by the Licensor or its officers, directors, servants, agents or employees.
- 7.2 Subject to the indemnity provided by the Licensor to the Licensee in Section 7.1. the Licensee hereby covenants and agrees to indemnify and hold harmless the Licensor and its officers, directors, servants, agents or employees from any and all claims which may be made against the Licensor or its officers, directors servants, agents



or employees arising out of any breaches of the Licensee's warranties and representations made herein or out of the use, failure, or misuse of the Licensed Property. Patents, Trademarks or Know-How by the Licensee or its officers, directors, servants, agents or employees, whether or not the same results from any wrongful or negligent act of the Licensee and its officers, directors, servants, agents or employees.

- 7.3 The Licensor hereby represents and warrants to the Licensee as follows and acknowledges that the Licensee is relying on these representations and warranties in entering into this Agreement and performing its obligations hereunder:
- (a) <u>Capacity and Authorization</u> The Licensor has full capacity, power, right and authority to enter into this Agreement and to perform its obligations under it;
- (b) <u>Binding Obligation</u> This Agreement has been duly executed and delivered by the Licensor and constitutes a valid and binding obligation enforceable against it in accordance with its terms subject to the rights of creditors and applicable laws;
- (c) <u>Title</u> The Licensor is the sole legal and beneficial owner of all rights in and to the Licensed Property, Patents, Trademarks and Know-How free and clear of all Encumbrances:
- Patents and Trademarks The Patents and Trademarks identified in Schedule "A" hereto have been validly obtained and/or issued under all relevant laws, are currently in good standing and list, as the sole owner thereof, the Licensor. The Licensor is not aware of any objection or challenge to the Patents and Trademarks identified in Schedule "A" hereto, and is not aware of any reason which would form the basis for any objection or challenge to the Patents and Trademarks identified in Schedule "A" hereto;
- (e) <u>No Infringement</u> The Licensed Property, Patents, Trademarks and Know-How do not infringe on any patent, copyright, trademark, or other intellectual property right owned by any other Person;
- No Conflicting Grants Subject to Article 11, the Licensor has not granted to any Person, other than the Licensee, any rights or licenses over the Licensed Property. Patents, Trademarks and Know-How which would in any way conflict with the rights of the Licensee prior to termination of the License as set forth in Article 9 hereof;
- No Claims The Licensor is not aware of any claim made by any Person disputing the Licensor's right, title and interest in and to the Licensed Property. Patents, Trademarks and Know-How and the validity or enforceability of the same, or asserting that the Licensed Property. Patents, Trademarks and Know-How infringe on a patent, copyright, trademark or other intellectual property right owned by such Person;
- Absence of Conflict The Licensor is not a party to, bound or affected by any agreement which would be violated, breached or terminated by, or which would constitute a bar or other hindrance to the transactions contemplated herein, as a consequence of the execution and delivery of this Agreement of the consummation of the transactions contemplated in this Agreement. The consummation of transactions contemplated herein do not and will not conflict with, or result in a breach of, or constitute a default under the terms or conditions of any court or administrative order or process, any agreement or instrument to which the Licensor is party or by which it is bound;
- (i) <u>No Bankruptcy</u> No proceedings have been taken, are pending or authorized by the Licensor or by any other Person in respect to the bankruptcy, insolvency, liquidation, dissolution or winding up of the Licensor;
- (j) <u>Litigation</u> There are no judgements, decrees, injunctions, ruling or orders of any court, governmental authority or arbitration, or any actions, suits, grievances or proceedings (whether or not on behalf of Licensor) pending or threatened against the Licensor which may result in the imposition of any Encumbrances on the Licensed Property, Patents, Trademarks or Know-How; and

(k) <u>Regulatory Approvals</u> – No governmental of regulatory authorization, approval, order, consent or filing is required on the part of the Licensor, in connection with the execution, delivery and performance of this Agreement and the performance of the Licensor's obligations under this Agreement.

#### 8. LICENSE FEE AND OTHER ARRANGEMENTS

- 8.1 The consideration for the original grant of this License under the Original License Agreement consisted of 2,000,000 common shares in the capital of the Licensee (and the Original Licensors have previously acknowledged and accepted having received such 2,000,000 common shares in the capital of the Licensee as full consideration of their grant of the License under the Original License Agreement and the Current License Agreement).
- 8.2 The consideration for the continued grant of this License under this Agreement, and for the Licensor agreeing to bind itself to the ADS Agreement, shall consist of royalties (the "Royalties") payable by the Licensee to the Licensor as set out in this Section 8.2 and in Section 8.3. The Royalties shall be based upon the actual amounts received by the Licensee from time to time on all sales of goods and services under the ADS Agreement during the Term as follows:
- (a) three (3%) percent of gross revenues (not including taxes) from all sales of airborne in-flight safety monitoring system (the "ISMS") units under the ADS Agreement;
- (b) ten (10%) percent of all service fees under the ADS Agreement in relation to ISMS units under the ADS Agreement; and
- (c) ten (10%) percent of all usage fees under the ADS Agreement in relation to ISMS units under the ADS Agreement.
- 8.3 The Royalties shall be payable by the Licensee to the Licensor in the same currency in which the Royalties are received by the Licensee, are exclusive of any and all taxes, if any (except Licensor's income taxes), and shall be paid on a calendar quarterly basis not later than: (a) ten (10) days following the date of each filing of the Licensee's quarterly or annual financial statements, as the case may be, with applicable securities regulators; or (b) in the event of the failure of the Licensee to so file its financial statements or ceasing to have any obligation to continue to so file its financial statements, ten (10) days following the date which is the last day on which the Licensee is permitted under applicable securities laws (or would be permitted under applicable securities laws if the Licensee continued to have an obligation to so file its financial statements) to file is quarterly or annual financial statements, as the case may be, with applicable securities regulators.

#### 9. TERM AND TERMINATION

- 9.1 This Agreement, and the rights and license hereby granted to the Licensee hereunder, will commence on the Effective Date and will continue in effect until the earlier of:
- (a) the expiry of the last of the Patents: or
- (b) the termination of this Agreement in accordance with the provisions of this Section 9.
- 9.2 The Licensor will have the right to terminate this Agreement upon the happening of any one or more of the following events:
- (a) the Licensee's failure to comply with any of the other terms and conditions contained herein by the 30<sup>th</sup> day next following the date of its receipt of notice form the Licensor of its failure to comply;
- (b) the bankruptcy or insolvency of the Licensee or the appointment of a receiver or liquidator to take charge of the affairs of the Licensee or the making of an assignment for the benefit of the Licensee's creditors generally;
- (c) the Licensee ceasing or threatening to cease to carry on business directly or indirectly through one or more subsidiaries, unless such business will be continued by a Person which has acquired all of the issued and outstanding shares of the Licensee or a Person with which the Licensee has amalgamated, where such



- Person in either instance is acceptable to Paradigm under Clauses 5,20.5, 5,20.6 and 5,20.7 of the ADS Agreement; or
- the Licensee changing its main business from the use, production, installation, implementation, marketing, promotion and sale of the Licensed Property for Transportation Applications directly or indirectly through one or more subsidiaries, unless such business will be continued by a Person which has acquired all of the issued and outstanding shares of the Licensee or a Person with which the Licensee has amalgamated, where such Person in either instance is acceptable to Paradigm under Clauses 5.20.5, 5.20.6 and 5.20.7 of the ADS Agreement.
- 9.3 Upon termination of this Agreement for any reason or cause other than the expiry of the last of the Patents:
- (a) the License granted herein will immediately cease;
- (b) the Licensee will immediately discontinue using, producing, installing, implementing, marketing, promoting or selling the Licensed Property; and
- (c) the Licensee will immediately discontinue and undertake not to use the Know-How and the Trademarks or any other similar or related trademarks or trade names which may be confused with the Trademarks in association with its products;

provided, however, that the Licensee will have an additional sixty (60) days beyond the termination date to complete any work in progress as at the date of termination.

- 9.4 Upon termination of this Agreement for any reason or cause whatsoever, the obligations of the Licensor hereunder to communicate any further Know-How will forthwith terminate. The Licensee and all sub-licensees will continue to be bound by the provisions of Section 4 hereof.
- 9.5 No failure on the part of the Licensor to exercise any right of termination hereunder will be construed to prejudice or to eliminate such right or any subsequent right of termination for the same or any other cause provided for herein.

#### 10. INFRINGEMENT

- The Licensor and the Licensee will promptly notify each other in writing of any infringement or perceived infringement of any proprietary interest either may have arising from or with respect to the subject matter of this Agreement and which comes to the attention of either of them. If any party (hereinafter referred to as the "Infringer") other than the Licensor, the Licensee or anyone else licensed or sub-licensed by the Licensor or Licensee, uses, produces, installs, implements, markets, promotes or sells any product or service that is the same as or similar to the Licensed Property, which infringes upon the Patents, or identifies same with the Trademarks or any similar or related trademark or trade name which infringes upon the Licensor's proprietary interest in the Trademarks, the Licensor will have the first right to institute proceedings against the Infringer and may add the Licensee as a party thereto whereupon the cost of the proceedings will be shared equally; provided, however, that if the Licensee wishes to withdraw from the proceedings, it may do so on thirty (30) days' notice to the Licensor and in such event, the Licensee will incur no further costs related to the proceedings and will relinquish all claims for damages recovered by the Licensor and will have no right to make any claims against the Licensor therefore. If the Licensee does not withdraw from the proceedings, any damages recovered will be shared by the Licensee and Licensor in such manner as the trier of the proceedings will determine or, in the absence of any such award, in such manner as the Licensor and Licensee may agree in writing and failing their agreement in writing in such manner as may be determined by arbitration.
- 10.2 In the event that the Licensor shall choose not to commence proceedings against the Infringer, the Licensee may do so on its own behalf in which event all costs incurred will be borne entirely by the Licensee and all damages recovered by the Licensee will accrue solely for the benefit of the Licensee.



#### 11. ADS AGREEMENT

The parties hereto acknowledge and agree to the terms of the ADS Agreement and agree that this Agreement and the License granted hereunder shall be subject, in all respects, to the terms of the ADS Agreement (but only in the circumstances, and/or pursuant to the terms, explicitly provided for in the ADS Agreement and only for so long as provided for in the ADS Agreement or the duration of the ADS Agreement, whichever is the parties?



#### 12. GENERAL

12.1 This Agreement and all rights or obligations arising hereunder may not be assigned or otherwise transferred by either party hereto, and will not enure to the benefit of any liquidator, trustee in bankruptcy, receiver or other successor in title of the assigning party whether by operation of law or otherwise, without the prior written consent of the other party hereto. Any such purported assignment or transfer without the other party's prior written consent will be null and void. For the purpose of this Section 12.1, the sub-licensing of the Licensee by the Licensee pursuant to the provisions of Section 2.7 shall not be deemed an assignment of this Agreement or any rights or obligations there under. Notwithstanding the prohibition on assignment or transfer, the Licensor may at any time or from time to time assign or transfer all or part of his interests in this Agreement to an Eligible Transferee provided that, at or prior to the time of such assignment or transfer, the Eligible Transferee agrees in writing to be bound by the terms of this Agreement as if the Eligible Transferee had entered into this Agreement in the place and stead of the Transferor and further provided that no such assignment or transfer will relieve the Licensor from any of its ongoing obligations in this Agreement. The Licensor will at all times after the assignment or transfer to the Eligible Transferee be jointly and severally liable with the Eligible Transferee for the observance and performance of the covenants and obligations of the Eligible Transferee under this Agreement and will indemnify the Licensee against any loss. damage or expense incurred as a result of the failure by the Eligible Transferee to comply with the provisions of this Agreement.



- 12.2 The Licensor and the Licensee are not and will not be considered to be joint venturers, partners or agents of each other and neither of them will have the power to bind or obligate the other except as set forth in this Agreement. The Licensee specifically covenants and agrees that it will in no way incur any contractual or other obligation in the name of the Licensor and the Licensor will have no liability for any debts incurred by or on behalf of the Licensee.
- 12.3 Should any provision or provisions of this Agreement be illegal or unenforceable, it or they will be considered separate and severable from the Agreement and its remaining provisions will remain in force and be binding upon the parties hereto as though the said illegal or unenforceable provision or provisions had never been included.
- 12.4 This Agreement will enure to the benefit of and be binding upon each of the parties hereto and upon their respective successors and permitted assigns.
- 12.5 The parties agree that they and their successors and permitted assigns will be bound to execute such further agreements, assurances, papers and documents, and to cause such by-law and resolutions to be enacted and to exercise such votes and influence and do and perform or cause to be done and performed such further another sets or

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things as may be necessary or desirable from time to time in order to act in good faith and to give full effect to this Agreement and every part thereof.

All notices, demand or other communications required to be made or given pursuant to the terms of this Agreement will be in writing and will be delivered personally, by facsimile transmission, or by courier, to the parties at their respective addresses has hereinafter set out, or such other addresses as the parties may subsequently be advised in writing. Any notice, demand or other communication delivered personally will be deemed to have been received on the actual day of delivery, if transmitted by facsimile on the day of transmission and if delivered by courier will be deemed to have been received on the first day of business next following the date as delivered by the sender to the courier. The following will be the addresses for the deliver of notices of each of the parties:

(a) for the Licensor:

4117 Mississauga Road
Mississauga, Ontario L5L 2S5
Attention: Viraf S. Kapadia
Facsimile No.: (905) 602-5000

(b) for the Licensee!

2970 Lakeshore Boulevard West, Suite 203
Toronto, Ontario M8V 1J7
Attention: Chair of the Audit Committee

Facsimile No.: (416) 252-3963

12.7 Time will in all respects be of the essence of this Agreement.

- 12.8 This Agreement will be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
- 12.9 The Licensor acknowledges having been advised to seek independent legal counsel in respect of this Agreement and the matters contemplated herein. To the extent that the Licensor declines to receive independent legal counsel in respect of this Agreement, the Licensor hereby waives the rights should a dispute later develop, to rely on its lack of independent legal counsel to avoid its obligations, to seek indulgence from the Licensee, or to otherwise attack the integrity of this Agreement and the provisions hereof, in whole or in part.
- 12.10 This Agreement may be executed by the parties in one or more counterparts by original or facsimile signature or by or through such other electronic form in which a party may place or evidence its signature hereon (including an electronic scan of same), each of which when so executed and delivered shall be an original and such counterparts shall together be deemed to be one and the same instrument, which shall be deemed to be executed as of the date first above written.

[THE REMAINDER OF THIS AGREEMENT IS INTENTIONALLY LEFT BLANK,]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

STAR NAVIGATION SYSTEMS GROUP LTD.

Per L. Authorized Signing Officer Contractive to bind the

I have authority to hind the corporation.

2283188 ONTARIO LIMITED

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Authorized Signing Officer

I have authority to bind the corporation.

# SCHEDULE "A"

# THE PATENTS

Jurisdiction	Patent Title/Abstract	Date Granted or Registered	Patent/Registration No.
USA	System and method for transportation vehicle monitoring, feedback and control	September 26, 2006	7,113,852
Canada	System and method for transportation vehicle monitoring, feedback and control	July 17, 2007	CA 2416373
United Kingdom	System and method for transportation vehicle monitoring, feedback and control	February 9, 2005	GB 2384080
India	System and method for transportation vehicle monitoring, feedback and control	September 5, 2007	209558
Australia	System and method for transportation vehicle monitoring, feedback and control	July 20, 2001	2001280020
Hong Kong	System and method for transportation vehicle monitoring, feedback and control	September 9, 2005	HK 1057733

# THE TRADEMARKS

Jurisdiction	Trademark	Date Granted/Registered	Registration No.
Canada	STAR - ISMS	September 19, 2010	TMA777438