

Amount Received: \_\_\_\_\_  
 Date Received: \_\_\_\_\_  
 Cheque #: \_\_\_\_\_  
 Serial #: \_\_\_\_\_

THIS AGREEMENT made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**BETWEEN:** N/C QUEST LTD (“NCQ”) - and - \_\_\_\_\_ (the “Licensee”)

PO Box 2410, Pincher Creek, Alberta  
 Canada T0K1W0  
 Tel: (403) 628-2106 Fax: (403) 628-2100  
 Email [gary@bioactive.com](mailto:gary@bioactive.com) or [acct@bioactive.com](mailto:acct@bioactive.com)  
**GST: 813868270**

\_\_\_\_\_ Address  
 Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
 Email: \_\_\_\_\_

**NOW THEREFORE, THIS AGREEMENT WITNESSES THAT** in consideration of the representations, mutual promises and covenants set forth herein, NCQ and the Licensee agree as follows:

1. **Definitions:** All terms defined in paragraph 16 hereof and used throughout this agreement have the meaning ascribed to them in such paragraph, and grammatical variations of such terms shall have corresponding meanings.
2. **Grant of License:** NCQ hereby grants to the Licensee during the term of this agreement, a personal, non-transferable, non-exclusive limited license, in the country in which the Licensee resides, to operate or use the Technology and the Bio-Active Emissions Systems in and for the production and growing of crops of all types and kind on the Licensee’s own farm (the “NCQ System”), and for no other use or purpose. The Licensee shall not assign, Transfer, lease, export or grant a sublicense to use the NCQ System to any other Person and any attempt to do so shall be null and void and of no effect. The Licensee shall take all precautions to prevent any other Person (other than NCQ or Persons authorized by NCQ) from using or dealing with the NCQ System in any way that would constitute a breach of this agreement. All rights in and to the Technology not expressly granted to Licensee in this agreement are reserved by NCQ. Upon the expiry or other termination of this agreement, the Licensee’s obligations, including without limitation, the obligation to discontinue using the Technology and the NCQ System including the Bio-Active Emissions Method and Bio-Active Emissions Systems are more particularly set forth in paragraph 11 hereof.
3. **Licensee’s Covenants and Acknowledgments:** The Licensee covenants to, agrees with and acknowledges to NCQ as follows:
  - (a) NCQ may, at any time, inspect and audit the Licensee’s operations and use of the NCQ System and compliance with the terms and conditions of this agreement and the Licensee shall give NCQ and Persons authorized by NCQ to perform such inspections and audits, rights of ingress and egress and access to all property and records and information required by NCQ for such purpose, and at NCQ’s request, the Licensee shall make such changes and modifications to the Licensee’s use of the NCQ System as NCQ shall reasonably require to ensure the Licensee’s compliance with the terms and conditions of this agreement from time to time.
  - (b) The Licensee shall participate in NCQ’s ongoing testing, research and development program in respect of the Technology and the NCQ System from time to time, including without limitation, in all field trials, and the Licensee shall further conduct all tests and complete all reports and provide all information required by NCQ in respect of such program and in respect of the Licensee’s use of the NCQ System, in accordance with instructions given to the Licensee by NCQ from time to time.
  - (c) The Licensee shall maintain in confidence all the Confidential Information disclosed to the Licensee under the terms of this agreement, and shall not disclose such Confidential Information to any Person other than NCQ or Persons authorized by NCQ to receive such Confidential Information, the only exception to such confidentiality obligation being in respect of any such Confidential Information becoming public information through no fault of the Licensee.
  - (d) The Licensee acknowledges NCQ’s ownership of the Confidential Information and that the Licensee shall have no right to copy, duplicate or reproduce in any fashion any such Confidential Information without NCQ’s prior written consent.
  - (e) Upon the written request of NCQ, the Licensee shall promptly return to NCQ all materials, information and documents containing Confidential Information.
  - (f) **The Licensee acknowledges that the NCQ System is experimental, utilizes new and revolutionary technology, machinery, equipment and other applicators and is presently undergoing testing, research and development and as a consequence, NCQ does not and cannot guarantee or warrant (including any implied or statutory warranties) the performance of the NCQ System in the production or growing crops of any type or kind and that NCQ’s full warranty disclaimer is contained in paragraph 8 hereof and the Licensee acknowledges, agrees, accepts and assumes all risks, including without limitation risk of loss of crop production arising from the Licensee’s use of the NCQ System.**
  - (g) The Licensee shall comply with all applicable laws in its operation and use of the NCQ System and shall further abide by all applicable NCQ rules, regulations, policies, protocols, procedures and reporting requirements which are in effect from time to time for the operation and use of the NCQ System, as communicated to the Licensee.
  - (h) The Licensee acknowledges the validity and ownership of NCQ’s Patents, Trademarks, Technology, Confidential Information, Bio-Active Emissions Method, Intellectual Property Rights, Technical Information and NCQ System and agrees that they are and shall at all times remain the property of NCQ.
  - (i) The Licensee shall not, in any way, do anything to dispute, infringe upon, harm or contest the validity or ownership of NCQ’s Confidential Information, Patents, Trademarks, Technology, Intellectual Property Rights, Technical Information or NCQ System nor counsel procure or assist any Person to do the same and without limiting the generality of the foregoing, Bio-Active Emissions Method the Licensee shall not modify or alter any of the foregoing without NCQ’s prior written approval.
  - (j) The Licensee shall obtain suitable insurance coverage in such amounts as will cover its activities under this agreement and the risks it is assuming in the operations and use of the NCQ System under this agreement.
  - (k) The Licensee assumes the responsibility for and shall require all of its employees, agents and other representatives who assist the Licensee in operating or using the NCQ System, to comply with the terms of this agreement, and without limiting the generality of the foregoing, the Licensee shall ensure that any such Persons are made aware of the restrictions on the use and the disclosure restrictions which apply to the Confidential Information, Patents, Trademarks, Bio-Active Emissions Method, Intellectual Property Rights, Technical Information, Technology and NCQ System and that such Persons acknowledge their agreement to be bound by the Licensee’s obligations in respect thereof.
  - (l) The Licensee is solely a licensee of NCQ authorized to operate and use the NCQ System in accordance with the terms of this agreement and nothing in this agreement is to be construed as implying an agency, joint venture or partnership between NCQ and Licensee.
  - (m) The Licensee shall disclose and assign to NCQ all right, title and interest that the Licensee may have in and to all inventions, works, discoveries, improvements, innovations and other intellectual property developed, conceived or created by the Licensee solely or jointly with other Persons which relate to the Patents, Technology Confidential Information, Intellectual Property Rights, Technical Information or the Bio-Active Emissions Methods together with any intellectual property rights residing therein including, without limitation, patents, trademarks, copyrights, industrial designs, know how and trade secrets as well as any applications or registrations filed or obtained thereon in Canada and all foreign countries.
  - (n) The Licensee shall execute all necessary documents and provide assistance during and subsequent to the term of this agreement to enable NCQ to perfect and maintain its title to and to obtain for itself or its nominees such intellectual property rights in Canada and all foreign countries and execute and deliver all assignments thereof, when so requested, but at the expense of NCQ; and
  - (o) The Licensee shall keep and maintain for NCQ precise and up-to-date written records of all such inventions, works, discoveries, improvements, innovations or intellectual property and not take any action, directly or indirectly which would adversely affect the value of such inventions, works, discoveries, improvements, innovations, or intellectual property or the validity or enforceability of any intellectual property rights residing therein.
  - (p) The Licensee shall in its operation and use of the NCQ System, only operate, use or purchase Bio-Active Emissions Systems manufactured, assembled and installed by Persons approved to do so by NCQ from time to time.
  - (q) The Licensee acknowledges and agrees that it will not rely upon or require NCQ to provide it with any training on the operation and use of the NCQ System and that it will make arrangements for such training with and retain an authorized distributor of NCQ for such purpose pursuant to the terms of a separate agreement with such distributor, who the Licensee acknowledges and agrees is an independent contractor of and not employee of NCQ and that NCQ will have no liability for such distributor’s non-performance, non-fulfilment or breach of its obligations to the Licensee howsoever created or for the distributor’s negligence or other tort committed by it in the performance of such obligations.
  - (r) Prior to the Licensee entering into any agreement to sell carbon credits to any Person or entering into any agreement with any Person pursuant to which such Person will aggregate the Licensee’s carbon credits with others and then sell such carbon credits for and on behalf of the Licensee, the Licensee shall give NCQ both the right of first and last refusal to do so and as long as NCQ makes an offer which is in the aggregate equal to or superior to offers made by other Persons, the Licensee shall enter into an agreement with NCQ in respect thereof on such terms and conditions as may be required by NCQ or a nominee of NCQ in respect thereof.
  - (s) The Licensee shall not remove any NCQ logo or trademark or serial no. from any Bio-Active Emissions Systems or other component of the NCQ System.

4. **NCQ Covenants:** NCQ covenants to, agrees with the Licensee as follows:
  - (a) NCQ shall arrange to have its distributors of the NCQ System, who are independent contractors and not employees of NCQ, trained in the operation and use of the NCQ System, and to cause the distributor assigned responsibility for the Licensee to be available on reasonable notice during usual business hours to provide a reasonable level of training to the Licensee, based on an objective standard, on the operation and use of the NCQ System.
  - (b) NCQ shall allow the Licensee to participate in any carbon credits marketing program established by it from time to time subject to the Licensee agreeing to be bound by all of the terms and conditions of such program and entering into such agreements with NCQ or a nominee of NCQ in respect thereof as NCQ may require.
5. **Term:** The term of this agreement, subject to the provisions for early termination as set forth in this agreement, is one year from the date of this agreement. In the event the Technology or NCQ System becomes subject to a third party claim that they or either of them infringes the intellectual property rights of such third party, NCQ may at its option terminate this agreement upon notice to the Licensee of same without liability to the Licensee. Provided the Licensee is not in default of its covenants, agreements, representations and obligations under this agreement, the Licensee shall have the right to obtain a renewal license from NCQ to operate and use the NCQ System for one year by entering into a renewal user license agreement with NCQ, such agreement to contain such terms and conditions as NCQ may require (which may differ from the terms in this agreement) except that the fee payable for such renewal license shall be \$1,500 plus applicable taxes and shall be paid by the Licensee at the time of entering into such one year renewal user license agreement. Further annual renewals of the Licensee’s license to operate and use the NCQ System beyond the one year renewal contemplated herein shall be subject to the payment of fees and other terms and conditions established by NCQ at the applicable time.

6. **Fees:** The Licensee shall pay NCQ a non refundable fee for the license to use the NCQ System during the term of this agreement of: (i) \$15,000 plus applicable taxes, where the Bio-Active Emissions Systems are installed for or by the Licensee for use by the Licensee on one applicator; plus (ii) \$5,000 plus applicable taxes for each additional applicator where the Bio-Active Emissions Systems are installed for or by the Licensee for use by the Licensee on such additional applicator, payable immediately upon execution and delivery of this agreement by the Licensee. **This licensing fee and applicable taxes shall be paid to and made payable directly to NCQ and not to any other Person including any agent, distributor or other representative of NCQ.** Notwithstanding anything to the contrary in this agreement or in any other agreement entered into between the Licensee or any other Person, until such time as the Licensee has paid NCQ in full for all amounts provided for in this paragraph, the Licensee acknowledges and agrees that NCQ will not authorize the manufacture of Bio-Active Emissions Systems purchased or to be purchased or to be used by the Licensee in order to operate and use the NCQ System nor shall the Licensee be entitled to receive delivery of such Bio-Active Emissions Systems nor shall such Bio-Active Emissions Systems, if delivered, be calibrated or serviced for the Licensee. Licensee’s obligation to pay all applicable fees and taxes payable hereunder is absolute and unconditional and is not subject to any abatement, set-off or counterclaim. The fees or other amounts payable by Licensee to NCQ hereunder, are exclusive of all applicable taxes. In addition to the amounts due under this agreement, Licensee agrees to pay any taxes related to the provision of the NCQ System, exclusive of NCQ’s taxes based on net income. In the event that Licensee is late or otherwise in default with respect to any payment due hereunder, Licensee shall pay NCQ interest at an annual percentage rate of 24% per annum on the sum overdue, from the due date of the payment, until the full payment thereof is received by NCQ.

7. The “Additional Terms and Conditions to the User License Agreement” attached hereto and numbered as paragraphs 8 to 16 inclusive are incorporated herein by reference and deemed to form part of this agreement. **IN WITNESS WHEREOF** this agreement has been executed as of the day and year first above written.

Per NCQ: \_\_\_\_\_ Licensee: \_\_\_\_\_ Witness: \_\_\_\_\_

**“Additional Terms and Conditions to the User License Agreement”**

**8. Warranty Disclaimer:** (A) NCQ EXPRESSLY DISCLAIMS IN RESPECT OF THE NCQ SYSTEM ANY WARRANTY, REPRESENTATION, PROMISE, STATEMENT OR CONDITION OF MERCHANTABILITY QUALITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY OTHER WARRANTY, REPRESENTATION, PROMISE, STATEMENT OR CONDITION, EXPRESS OR IMPLIED, ORAL OR WRITTEN, LEGAL, EQUITABLE, COLLATERAL, STATUTORY OR OTHERWISE, INCLUDING THOSE ARISING FROM A COURSE OF DEALING OR USAGE OF TRADE, OTHER THAN THOSE EXPRESSLY HEREIN CONTAINED. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, NCQ DOES NOT MAKE ANY WARRANTY, REPRESENTATION, PROMISE, STATEMENT, AND THERE IS NO CONDITION, THAT (I) THE OPERATION OR USE OF THE NCQ SYSTEM WILL BE CONTINUOUS OR ERROR FREE, OR (II) THE CROPS PRODUCED AND GROWN USING THE NCQ SYSTEM WILL BE OF GOOD OR ANY PARTICULAR QUALITY, YIELD OR CONDITION; OR (III) THE OPERATION AND USE OF THE NCQ SYSTEM WILL RESULT IN IMPROVEMENTS OR INCREASES IN SEED GERMINATION, SEED AND CROP VIGOR, CROP MATURITY OR YIELD AS COMPARED TO THOSE CROPS PRODUCED AND GROWN USING CONVENTIONAL, OR OTHER PROVEN OR OTHER METHODS OF GROWING OR PRODUCING CROPS; OR (IV) THE OPERATION AND USE OF THE NCQ SYSTEM WILL REDUCE COSTS TO PRODUCE AND GROW CROPS OR INCREASE PROFITS IN PRODUCING AND GROWING SUCH CROPS; OR (V) THE LAND, EQUIPMENT AND MACHINERY, SEED USED FOR PLANTING CROPS, AND CROPS PRODUCED AND GROWN USING THE NCQ SYSTEM CANNOT BE HARMED, INJURED, DAMAGED OR DESTROYED USING THE NCQ SYSTEM. NEITHER NCQ NOR ITS DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, DISTRIBUTORS, MANUFACTURERS AND OTHER REPRESENTATIVES ACCEPT ANY LIABILITY FOR ANY DAMAGES, LOSSES, LIABILITIES AND CLAIMS THAT MAY OCCUR OR ARISE DUE TO ANY CROP LOSS OR FAILURE OR OTHER LOSSES, DAMAGES, LIABILITIES AND CLAIMS ARISING FROM THE LICENSEE OPERATION OR USE OF THE NCQ SYSTEM; (B) NEITHER NCQ NOR ITS DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, DISTRIBUTORS, MANUFACTURERS AND OTHER REPRESENTATIVES SHALL BE LIABLE FOR ANY DEFECTS, EITHER LATENT OR PATENT, IN THE NCQ SYSTEM, NOR FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL INCIDENTAL, PUNITIVE OR AGGRAVATED DAMAGES, INCLUDING ANY DAMAGES FOR LOSS OF USE OF THE NCQ SYSTEM, LOSS OF PROFITS OR FOR ANY INTERRUPTION OR DISRUPTION IN LICENSEE'S BUSINESS, OCCASIONED BY ITS USE OR INABILITY TO USE THE NCQ SYSTEM FOR ANY REASON WHATSOEVER, OR ANY PROPERTY DAMAGE OR PERSONAL INJURY (INCLUDING DEATH), IN ANY WAY RELATED TO THE NCQ SYSTEM, WHETHER BASED IN CONTRACT (INCLUDING FUNDAMENTAL BREACH OR BREACH OF A FUNDAMENTAL TERM), TORT (INCLUDING NEGLIGENCE OR GROSS NEGLIGENCE), BREACH OF WARRANTY OR CONDITION, MISREPRESENTATION (WHETHER NEGLIGENT OR OTHERWISE) OR OTHERWISE AT LAW OR IN EQUITY, EVEN IF NCQ HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES; (C) WITHOUT INTENDING TO LIMIT THE SCOPE AND EFFECT OF PARAGRAPH 8(B) HEREOF, THE LICENSEE AGREES THAT THE MAXIMUM AGGREGATE AMOUNT OF ANY POTENTIAL LIABILITY OF NCQ AND ITS DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, DISTRIBUTORS, MANUFACTURERS AND OTHER REPRESENTATIVES ARISING FROM ANY ACTS OR OMISSIONS UNDER THIS AGREEMENT IN ANY AND ALL CIRCUMSTANCES SHALL NOT EXCEED THE AGGREGATE FEES PAID BY THE LICENSEE TO NCQ UNDER THIS AGREEMENT IN THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE DATE OF THE CLAIM IN RESPECT OF SUCH LIABILITY; (D) THE PARTIES ACKNOWLEDGE AND AGREE THAT THE FOREGOING EXCLUSIONS AND LIMITATIONS OF LIABILITY IN THIS PARAGRAPH 8 REPRESENT THE PARTIES' AGREEMENT AS TO THE ALLOCATION OF RISK BETWEEN THEM IN CONNECTION WITH THEIR RESPECTIVE OBLIGATIONS UNDER THIS AGREEMENT, AND THAT THE FEES PAYABLE TO NCQ HEREUNDER REFLECT, AND ARE SET IN RELIANCE UPON, THIS ALLOCATION OF RISK.

**9. Termination for Default:** In the event that Licensee shall be in breach of or default in the performance of any obligation specified herein, NCQ shall notify the Licensee of same in writing. For any such breach or default which cannot be remedied, NCQ shall have the right to terminate this agreement at any time upon providing the Licensee with notice of same. If, in NCQ's sole opinion, such breach or default may result in substantial property damage, damage or loss to the Trademark, Confidential Information, Bio-Active Emissions Method, Technical Information, Intellectual Property Rights, Technology, Patents or NCQ System, injury, accident or death, NCQ may, at any time, immediately suspend this agreement without penalty or damages. NCQ may, at its sole option, terminate this agreement upon prior written notice to the Licensee if the Licensee (i) ceases doing business as a going concern, (ii) makes an assignment for the benefit of creditors, (iii) files or has filed against it a petition under relevant bankruptcy legislation, (iv) consents to or has appointed for it or of all or any substantial part of its assets or properties a trustee, receiver, manager, liquidator or person with similar powers, or (v) shareholders of the other parties' common stock take any action contemplating its dissolution, winding-up or liquidation.

**10. Effects of Termination:** Expiry or termination of this agreement shall not relieve or release the Licensee from any liabilities or obligations under this agreement which by their nature are for the protection of NCQ and NCQ's Patents, Trademark, Technology, Intellectual Property Rights, Technical Information, Bio-Active Emissions Method, NCQ System and Confidential Information, all of which shall survive such termination.

**11. Obligations on Termination:** Upon expiration or termination of this agreement, in addition to the rights set out elsewhere in this agreement, or available to NCQ at law or equity, the Licensee shall: (a) immediately cease to use, directly or indirectly, in any manner whatsoever, the Technology including without limitation the NCQ System including the Bio-Active Emissions Systems and Method; (b) immediately pay to NCQ all fees, taxes, amounts and other charges as have become due hereunder; (c) immediately return to NCQ all Technology and other Confidential Information in its possession; (d) immediately cease to and thereafter not, directly or indirectly, hold itself out as a licensee of NCQ; (e) sell, transfer and assign to NCQ, the Bio-Active Emissions Systems used by the Licensee in the operation and use of the NCQ System, at NCQ's option and discretion, for a price equal to the salvage value of such Bio-Active Emissions Systems, less the cost of dismantling and removal of such Bio-Active Emissions Systems from the Licensee's machinery, equipment or other applicators, such option to be exercised by NCQ giving written notice to the Licensee.

**12. Suspension:** Licensee acknowledges and agrees that for any period during which Licensee is in breach or default of this agreement, NCQ may in addition to other rights or remedies available to it, and this agreement or in law or equity (i) suspend Licensee's right to use the NCQ System; (ii) disable the Bio-Active Emissions Systems, (iii) take possession of the Bio-Active Emissions Systems at the Licensee expense, and/or (iv) suspend the provision of any services to the Licensee.

**13. Remedies Cumulative:** No right or remedy conferred upon or reserved to NCQ hereunder shall be exclusive of any other right or remedy provided at law or in equity. All rights and remedies conferred upon NCQ hereunder or now or hereafter existing at law or in equity or by statute or otherwise, may be enforced concurrently therewith. The Licensee acknowledges and agrees that a breach of any of the provisions of this agreement related to protection of NCQ's ownership and other rights in the Patents, Technology, NCQ System, Trademarks, Bio-Active Emissions Method, Intellectual Property Rights and Confidential Information will result in immediate and irreparable damage to NCQ and that money damages would not be a sufficient remedy for any such breach and agrees that in the event of such breach, NCQ shall, in addition to any other right of relief, be entitled to equitable relief including, without limitation, relief by way of temporary or permanent injunction and to such other relief that any court of competent jurisdiction may deem just and proper;

**14. Indemnification:** Licensee shall exonerate, defend (at NCQ's option, which NCQ may exercise at its sole discretion) and indemnify NCQ or, its officers, employees, representatives, insurers, agents, distributors and other representatives and assigns against and hold them harmless from, any and all Claims from the following: (a) any death or injury to any Person whomsoever, and for any loss or damage to, or destruction of, any property whatsoever, caused by or arising out of, in connection with or resulting from the installation, use, operation, storage, maintenance, servicing, repair or use of the NCQ System by Licensee or any person on behalf of or authorized by Licensee; and (b) from a breach or default by Licensee of its obligations under this agreement; except to the extent that such Claims are caused by the gross negligence or wilful misconduct of NCQ.

**15. General Terms and Conditions:** This agreement may be executed by the parties in separate counterparts, each of which when so executed and delivered (which may include delivery by facsimile or electronic transmission and the reproduction of signatures by facsimile or electronic transmission) will be treated as binding as if originals, and which, if taken together, shall constitute one and the same instrument. This agreement shall be construed in accordance with the laws of the Province of Alberta, and each of the parties hereto irrevocably attorns to the exclusive jurisdiction of the courts of the Province of Alberta. Each party, as applicable, represents, warrants and covenants to the other party hereto that: (i) it is duly organized and validly existing under the laws of the jurisdiction of its organization or incorporation and, if relevant under such laws, in good standing; (ii) it has the power to execute this agreement and any other documentation relating to this agreement to which it is a party, to deliver this agreement and any other documentation relating to this agreement that it is required by this agreement to deliver and to perform its obligations under this agreement and any obligations it has under any document relating to this agreement to which it is a party and has taken all necessary action to authorize such execution, delivery and performance; (iii) such execution, delivery and performance do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it or any of its assets or any contractual restriction binding on or affecting it or any of its assets; (iv) all governmental and other consents that are required to have been obtained by it with respect to this agreement or any other document related to this agreement to which it is a party have been obtained and are in full force and effect and all conditions of any such consents have been complied with; (v) its obligations under this agreement and any other document related to this agreement to which it is a party constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)); and (vi) there is not pending or, to its knowledge, threatened against it or any of its affiliates any action, suit or proceeding at law or in equity or before any court, tribunal, governmental body, agency or official or any arbitrator that is likely to affect the legality, validity or enforceability against it of this agreement or any other document related to this agreement to which it is a party or its ability to perform its obligations under this agreement or such other document. Words importing the singular number only shall include the plural and vice versa and words importing gender shall include the masculine, feminine and neuter genders and words importing individuals shall include other persons and vice versa. The illegality, invalidity or unenforceability in any jurisdiction of any provision in this agreement or of any covenant herein contained on the part of any party shall not affect the legality, validity or enforceability of any other provision or covenant hereof or herein contained and such provision or covenant shall be ineffective only to the extent of such illegality, invalidity or unenforceability in such jurisdiction without affecting or impairing the legality, validity or enforceability of the remaining provisions or covenants and any such illegality, invalidity or unenforceability shall not affect or impair such provisions or covenants in any other jurisdiction. The parties hereby undertake to renegotiate in good faith, with a view to concluding arrangements as nearly as possible the same as those herein contained, any provisions hereof and covenants herein declared by a court of competent jurisdiction to be illegal, invalid or unenforceable. This agreement constitutes the entire understanding and agreement between the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings between the parties relating to the subject matter hereof. Time is of the essence hereof. Each of the parties hereby covenants and agrees to execute and deliver such further and other agreements, assurances, undertakings, acknowledgments or documents, and do and perform and cause to be done and performed any further and other acts and things as may be necessary or desirable in order to give full effect to this agreement and every part hereof. The headings and paragraph numbers appearing in this agreement or any schedule hereto are inserted for convenience of reference only and shall not in any way affect the construction or interpretation of this agreement. There shall be no assignment of this agreement by the Licensee ( and for the purposes of this agreement, any direct or indirect change of effective control of the of the Licensee shall be deemed to be an assignment) without the prior written consent of NCQ and any such assignment by the Licensee without such consent shall be null and void.

**16. Definitions:** (a) **“Claims”** means, in respect of any matter, all judgments, executions, suits, dues, accounts, bonds, covenants, contracts, claims, demands, proceedings, deficiencies, actions, causes of action, damages, losses, penalties, costs, liabilities, fines, interest and expenses (including, without limitation, legal fees on a solicitor and own client basis) arising directly or indirectly as a consequence of such matter (b) **“Confidential Information”** means any non public or confidential information of NCQ including all confidential Technology as may be modified, amended or improved from time to time, in oral, written, graphic, machine readable or physical form including, without limitation, all confidential Technological Information, Intellectual Property Rights, Patents and trademarks of NCQ. Confidential Information shall not include information which is in the public domain at the time of the recipient's receipt thereof from NCQ; (c) **“Intellectual Property Rights”** means all patents, trade-marks, copyrights, industrial designs, trade-names and other intellectual property rights whether registered or not, owned by, used or licensed to NCQ; (d) **“NCQ System”** has the meaning attributed thereto in paragraph 2 hereof; (e) **“Patents”** means all patents and inventions and applications thereof relating to the Technology and patents which may be issued from current applications (including divisions, reissues, renewals, re-examinations, continuations, continuations in part and extensions) applied for or registered in Canada or any foreign jurisdiction and owned or controlled by NCQ including, without limitation, Canadian patent applications numbers 2.504.103 and 2.509.172, and US patent application 10/533,089 and International patent application PCT/CA2006/000914; (f) **“Person”** means and includes any individual, corporation, partnership, firm, joint venture, syndicate, association, trust, governmental authority, a natural person in his or her capacity as executor, trustee, administrator or legal representative, and any other form of entity or organization; (g) **“Bio-Active Emissions Method”** means all manner of exhaust emissions recycling technology, methods, systems and applications and a fertilizer system using extraction of nitrogen compounds from combustion exhaust gases; (h) **“Bio-Active Emissions Systems”** means exhaust recycling machinery, equipment and other applicators for use in producing and growing crops of all types and kind produced from or related to or utilizing the Bio-Active Emissions Method; (i) **“Technical Information”** means all know-how and related technical information and knowledge of NCQ relating to the Bio-Active Emissions Method and Bio-Active Emissions Systems, including without limitation: (j) all trade secrets, procedures, processes, methods, practices, techniques, applications and other proprietary know-how, confidential information, public information, non-proprietary know-how and invention disclosures; (ii) any information of a scientific, technical or business nature regardless of its form; (iii) all documented research, developmental, demonstration or engineering work; (iv) all information that can be or is used to define a design or process or procure, produce, support or operate material and equipment; (v) any information that relates to methods or systems of production; (vi) all other drawings, blueprints, patterns, plans, flow charts, equipment, parts lists, software and procedures, specifications, formulas, designs, technical data, descriptions, related instructions, manuals, records and procedures; (k) **“Technology”** means any technology owned by, used or licensed to NCQ relating to the Bio-Active Emissions Method or the Bio-Active Emissions Systems including, without limitation, the Patents, Intellectual Property Rights and Technical Information; (l) **“Trademark”** means the Bio-Active trademark; and (m) **“Transfer”** means any event pursuant to which the rights or obligations of the affected party under this agreement are or are attempted to be sold, disposed of, assigned, pledged, hypothecated, charged, mortgaged, encumbered, sublicensed or transferred and includes any transfer by operation of law.