

DATED this day of 2002

BETWEEN THE

**AUSTRALIAN INSTITUTE FOR HUMAN DYNAMICS PTY LTD
ACN 065983959**

AND

ACN

PTY LTD

**"Back to the Future" Licence/Distribution Agreement
"END USER LICENCE"**

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logos, and other symbols that from time to time identify the Back to the Future program and Back to the Future Services provided by the End User.

- 2.1.3 "Back to the Future Materials" being the Technical and User Materials and other materials developed by or for the Developer from time to time with respect to the Back to the Future program and includes any items for in house use by the End User.
- 2.1.4 "Back to the Future" Training Services, being the training services prescribed by the Australian Institute for Human Dynamics from time to time or such other services or products that may be prescribed by the Developer as part of the Back to the Future program.
- 2.2 "The Developer Business" means the business carried on in exploiting the Back to the Future program by the Developer, together with the End User and others licensed from time to time by the Developer in Australia.
- 2.3 "Participant/handout Fee" means the fees paid or payable by the End User to the Developer in relation to the supply of the Back to the Future handout materials as stipulated in this agreement.
- 2.4 "The End User" includes its successors, permitted assigns, executors and administrators as the context permits;
- 2.5 "nominated person" means the person or persons specified in item 3 of the reference schedule.
- 2.6 "Back to the Future End-User License" means a Back to the Future license sold to an End User to train their employees and use the Back to the Future program and it's materials.
- 2.7 "Back to the Future End User-Licence" means a person who purchases a Back to the Future End User licence for use with their own employees and use the Back to the Future program and it's materials.
- 2.8 Words denoting the singular number shall include the plural and vice versa as the context permits.
- 2.9 All references to a party, corporation, firm or other entity includes its successors in title and permitted assigns.
- 2.10 The headlines in this agreement are for ease of reference only and shall not be taken into account in the construction or interpretation of any provision to which they refer.

3 The End User Licence

3.1 Grant of Licence to The end User

Subject to all the terms and conditions of this agreement, the Developer grants to the End User and the End User accepts, a licence and right to use the Back to the Future program. For End-user Licensees who are able to promote and sell the Back to the Future program.

3.2 Term

3.2.1 The appointment of the End User shall commence on the date specified in Item 2 of the Reference Schedule, "the Effective Date" and shall expire upon the expiry of one (1) year from the Effective Date unless renewed in accordance with the provisions of Clause 3.2.2 hereof or sooner terminated pursuant to the provisions of this agreement.

3.2.2 Subject to the provisions of this clause the End User shall have an option (exercisable only by written notice delivered by the end User to the Developer) not more than 3 months but not less than 1 month prior to the end of the term to renew the licence for a further one (1) year period, and at the end of that 1 year period for successive periods of 1 year, provided that:

The End User is not, upon the service of the notice of exercise of option and at the expiry of the term, in material breach of the terms of this agreement and all other contracts between the Developer and the End User.

3.3 Back to the Future Training Manuals and Desktop cards.

3.3.1 The rights granted by the Developer to the End User under this agreement do not extend to the right to produce manuals or desktop cards; to do so would be in breach of the terms and conditions set out in this Agreement.

3.3.2 The Developer may from time to time review and revise the terms and conditions of handout fees payable by the End User to the Developer.

4 Purchase of Back to the Future Materials.

4.1 The price of the Back to the Future Materials will be disclosed in the standard price schedule published by the Developer from time to time.

- 4.2 Prices may also be determined by the Developer due to special offers the End User may propose, and as agreed by the Developer.
- 4.3 The Developer agrees to notify the End User of any changes in the standard price schedule and the effective date of such increase or decrease.

5 License and Training Fees and Prospects of the License.

- 5.1 The End User has paid all Licence Fees relating to this Agreement.
- 5.2 The End User agrees to send those employees, agents, consultants or others involved with the delivery of Back to the Future programs to Australian Institute for Human Dynamics Training Course conducted by the Developer and pay the fees applicable for such training as may be determined by the Developer. The initial Training Fee has been offered by the Developer to the End User for a Fee that is included in the End User Licence agreement. (See attached Investment schedule.

6 BTTF Manuals

6.1 General

The Developer has developed BTTF Manuals that contain the confidential and specialised procedures developed by the Developer, which must be used at all times for the support of Back to the Future License and Services.

6.2 The End User suggestions

The End User may suggest to the Developer modifications, amendments and variations to the contents of the BTTF Manuals from time to time, but not itself have the right to modify, amend or vary the BTTF manuals without the prior written consent of the Developer and provided no such addition or modification or variation shall alter the fundamental status and rights of the Developer or the End User under this agreement.

6.3 Owned by the Developer

The End User acknowledges that all intellectual property in the BTTF Manuals is owned by the Developer and the End User agrees to keep the BTTF Manuals confidential at all times.

6.4 Modifications and Alterations

The Developer may add to, modify, vary or substitute the specifications, standards, operations, procedures and instructions contained in the BTTF Manuals from time to time.

6.5 Vesting of Copyrights

The End User agrees that any copyright or other intellectual property arising from or related to any modification, alteration, improvement and change suggested and proposed by the End User to any BTTF material shall be vested in the Developer in consideration of the Developer entering into this Agreement.

7 The Developer Covenants

7.1 The Developer will use its best endeavours to carry on and conduct its business in a proper and efficient manner and to assist the End User in the operations of the BTTF licence and the provision of services pursuant to the terms of this agreement the Developer will use its best endeavours to further develop the BTTF training and materials.

7.2 The Developer shall furnish to the End User such advice and assistance in connection with the End User's operation as may from time to time be reasonably required, including advice with respect to new customer's applications; upgrades, AIHD services and marketing procedures.

7.3 The Developer shall develop, maintain and upgrade in a timely manner the manuals and make such updated material available to the End User in a timely manner.

7.4 The Developer shall maintain a sufficient supply of BTTF Materials to enable it to service the needs of the end User.

7.5 The Developer shall during and after the term of this agreement indemnify the End User and hold it harmless from and against all damages loss claims expenses and costs for which it is held liable or which it incurs in the defence of any litigation commenced against it as a direct result of:

- I False representations or comments made by The Developer
- II The negligent acts or omissions of the Developer.
- III The End User's use of the BTTF marks.

7.6 The Developer shall during the term of this agreement provide Technical support to the End User. Technical support queries shall be faxed or emailed to the Developer and will be answered in a timely manner.

7.7 The Developer warrants that it has the rights and authority to licence the End User in the terms and conditions of this End user Agreement.

8 The End User obligations

8.1 Manual

The End User shall follow the specialised guidelines, procedures and instructions contained in the BTTF Manuals.

8.2 Provision of Information

The end User shall prepare and make available to the Developer such verbal or written information, as the Developer reasonably requires with respect to all matters directly relating to the use of the BTTF material and the provision of AIHD services.

8.3 Independent contractors

The parties hereto are independent contractors and no training or supervision given by or assistance from the Developer to the End User shall be deemed to negate such independence. Nothing in this agreement shall be construed to constitute the End User as an agent, employee, partner, subsidiary or joint venturer with the Developer. The End User acknowledges that it is an independent business and that the success of its business in relation to the exploitation of the Back to the Future training is dependent upon its own efforts.

8.4 Best endeavours

The End User shall actively and diligently promote the BTTF training and exercise its best endeavours in the conduct of the licence to promote the mutual best interests of the Developer and the End User.

8.5 Indemnity

The End User shall, during the term and any renewal term and after the termination or expiration of the licence, indemnify the Developer and hold it harmless from and against all damages, losses, claims, actions, liabilities, expenses and costs for which it is held liable, or which it reasonably incurs (including its solicitor and client costs, travel, investigation and living expenses of its employees and witness fees) in any litigation or proceedings as a result of or arising out of a breach of this agreement, or any other agreement between the parties resulting from any wilful or negligent act by the End User, its employees or agents

9 Training and Customer Support

9.1 It is an essential term of this agreement that the End user shall nominate one or more persons, the “Nominated Person” referred to in Item 3 of the Reference Schedule, who shall, once trained to do so, co-ordinate, conduct Back to the Future training and be responsible for support for employees of the End User.

- 9.2 The nominated person or persons trained by the Developer must be able to demonstrate abilities to deliver BTTF training at a continuous standard acceptable to the Developer.
- 9.3 The end User will ensure the nominated person or persons have a detailed understanding of the objectives, implementation strategy and process relating to BTTF delivery to user clients; so as to provide appropriate advice when responding to clients requiring training and other support.

10 Protection of the BTTF training materials.

The Distributor acknowledges that the Developer is the owner of the BTTF marks and the End User's right to use them is derived solely from this Agreement. The right to use the BTTF trademarks is limited to the operation of the licence in accordance with this agreement and all mandatory standards, specifications and operating procedures prescribed from time to time by the Developer. Prescribed additional mandatory requirements shall be in the spirit and original intent of this Agreement.

11 Non exclusive licence

- 11.1 Subject to the provisions of this agreement, the Developer gives to the End User for the duration of this agreement a non-exclusive licence to use the BTTF marks and trademarks as authorised by this agreement within it's own organisation solely within Australia.
- 11.2 This licence is granted only for the purposes stipulated in this Licence Agreement and the Developer reserves the right to terminate the licence at any time if the End user allows the use of the BTTF trademark for any non-permitted purpose or is in breach of any of the provisions of this agreement provided that the Developer has first given the End User thirty (30) days written notice to rectify the breach and the breach has not been rectified by the end of that period.

12 Conditions of licence

12.1 General

This licence is conditional on the End User observing the following terms and conditions in relation to the BTTF marks:

The End User must use reasonable endeavours to preserve the value and validity of the BTTF marks and in particular to create, promote and retain the goodwill of the BTTF marks in its promotion and performance, supply and sale of BTTF training and services.

12.2 Goodwill

The End User agrees that its usage of the BTTF trademarks and any goodwill established thereby in relation to those trademarks, and all industrial and intellectual property rights in any materials derived from or incorporating any of the BTTF trademarks or any part of the BTTF system is the sole property of the Developer.

Subject to the preceding paragraph, it is agreed that the end User is conducting a business in its own right. Any goodwill associated with the conduct of that business is the sole property of the end User.

12.3 Infringement

If the End User becomes aware that any unauthorised person is using the BTTF trademark or has challenged the use by the End User, the End User must promptly advise the Developer in writing. The End User shall consult with the Developer and provide the Developer with such information and assistance as it is able and shall not communicate with any person other than the Developer and its legal counsel in connection with any such infringements, challenge or claim. The Developer shall have the right to take such action as it deems appropriate or to control any litigation or administrative proceedings arising out of any infringement of or challenge or claim to the BTTF trademark or BTTF and the AIHD services it may authorise the End User to carry out.

12.4 Alteration of Trademarks

12.4.1 If the Developer considers it desirable at any time to modify or discontinue the use of any of the BTTF trademarks or to use more or one additional or substitute marks the End User shall promptly upon written notification thereof comply with such notification. The Developer shall reimburse the End User for its reasonable out of pocket expenses in complying with this obligation.

12.5 Confidentiality

The End User acknowledges that its knowledge of the operation of BTTF and the AIHD services is proprietary, confidential and a trade secret of the Developer.

13 Transfer of Licence

13.1 Assignable by the Developer

This agreement is assignable by the Developer in whole or in part if the Developer wishes to assign the agreement in whole or in part provided that such assignee shall agree to be bound by the terms of this agreement and that the Developer shall, subsequent to any such assignment, remain liable for any non-performance of its obligations contained in this agreement and incurred to the date of the assignment.

The End User shall execute any assignment agreement requested by the Developer or its assignee where the assignee covenants with the End User to be bound to perform the covenants and conditions of this agreement, which the Developer covenants to perform, limited as the case may be where there is an assignment of part only of this agreement. Within two weeks after receipt of a request therefore, the End User shall execute and return a declaration (if and to the extent that it is true):

- ❖ Ratifying this agreement and all other agreements between the parties;
- ❖ Stating the last day of the term of this agreement and all other agreements between the parties;
- ❖ Certifying that this agreement and all other agreements between the parties are in full force and effect and have not been modified, amended or assigned;
- ❖ Certify that all obligations to be performed by the Developer to date have been performed; and
- ❖ Certifying that no defences or set-offs exist against the enforcement of this agreement or any other agreement between the parties by the Developer.

The costs, duties or other expenses incurred in respect of the assignment by the Developer shall be paid by the Developer or its assignee and the Developer does indemnify the End User against all such costs and expenses and any other reasonable expenses incurred by the end User as a consequence of its compliance with this clause.

13.2 The End User not to encumber Licence

The End User shall not mortgage, charge or grant a lien over the End User's Licence Agreement under any circumstances

The Developer may terminate this agreement with immediate effect by delivery of a written notice of termination to the End User if the End User commits or permits any one or more or all of the following acts:

- 14.1 Has a receiver or official manager appointed over all or a substantial portion of its assets, a resolution or order is made winding up the End User or,
- 14.2 Defaults in the performance or observance of all or any of the obligations or covenants on the part of the end User contained or implied in this agreement and such default (if capable of remedy) continues for a period of 30 days after the service of a written notice by the Developer requiring the default to be remedied, or
- 14.3 Transfers or attempts to transfer or assign any interests in this agreement or,
- 14.4 Makes or authorises any false or misleading statement or representation concerning the Developer or BTTF or the AIHD services to any third party, or
- 14.5 Allows any consultant, agent or employee of the end User to make any material misrepresentation or material non-disclosure when dealing with clients or other organisations concerning the Developer or BTTF or AIHD Services and fails within 30 days to rectify such misrepresentation when given notice of the details of such occurrence by the Developer, or
- 14.6 Fails to provide adequate and competent BTTF service and support to its employees after the Developer has notified the end User of specific instances thereof, and the End User has not taken reasonable actions to rectify such failure within 30 days of receiving written notice thereof, or
- 14.7 So conducts its business as to damage the goodwill of the Developer, or
- 14.8 Breaches all or any of the obligations or covenants on the part of the End User contained in any other licence which it may enter into with the Developer and such breach (if capable of remedy) continues for a period in excess of thirty (30) days after the service of a notice by the Developer on the End User requiring the breach to be remedied, or
- 14.9 Fails to comply with any of the reasonable specifications, standards, operating procedures or instruction of the provision of the BTTF Manuals and does not correct such breach within thirty (30) days after written notice of such failure to comply (which shall describe the action that the End User must take) is delivered by the Developer for the End User.

15 Entire agreement and variation

This agreement supersedes any arrangements, understandings, promises of agreements made or existing between the parties prior to this agreement and

constitutes the entire understanding between the parties, except as otherwise provided in this agreement no addition, amendment to or modification of this agreement shall be effective unless it is in writing and signed by or on behalf of both parties.

16 Severability

In the event that any part of the terms, conditions or provisions contained in this agreement shall be determined invalid, unlawful or unenforceable, such part of the term, condition or provision shall be severed from the remaining terms, conditions and provisions, which shall continue to be valid and enforceable to the fullest extent permitted by the law.

17 Governing law

This deed shall be governed by and controlled in accordance with the laws for the time being in force in New South Wales, Australia and the parties submit to the jurisdiction of the courts of that state.

18 Costs and stamp duty

The End User shall pay and bear all its own costs incurred in the preparation, execution and registration of this agreement and all its own costs incurred in executing or enforcing its rights hereunder including those arising from default by the End User.

19 Dispute Resolution

In the event of any dispute, controversy or claim arising out of or relating to this Agreement, the party claiming that a dispute has arisen shall give notice to the other party specifying the nature of the dispute. The parties shall, within ten business days of receipt of the notice, seek to resolve the dispute. Failing resolution of the dispute within seven business days or such longer period as the parties may in writing agree, the dispute, controversy or claim will be referred to the Australian Disputes Centre Limited ('ACDC') or such similar organisation if the ACDC has ceased operations. Any such dispute, controversy or claim shall first be the subject of conciliation, administered by the ACDC conducted and held in accordance with the Conciliation Rules of the ACDC in force at the date of this agreement. In the event that the dispute, controversy or claim has not been resolved within twenty-eight (28) days of the notification to the ACDC (or such period as agreed to in writing between the parties hereof) the dispute, controversy or claim shall be submitted to arbitration, administered by the ACDC. The arbitrator shall be agreed between the parties from a panel suggested by ACDC or failing agreement, an arbitrator appointed by the Secretary General of the ACDC. Subject to this clause, the arbitration shall be conducted and held in accordance with and subject to the laws of the state within which the End User is located. Any conciliation or arbitration meetings and proceedings shall be held in the capital city of the state within which the End User is located. All costs charged by the ACDC and the conciliator or arbitrator or both of them, incurred by the parties in relation to or arising out of this clause shall be borne equally between the

parties. If the Developer is required to incur travel and accommodation costs in order to attend the conciliation or the arbitration then the End User agrees to bear the Developer' reasonable travel and accommodation costs incurred.

The determination of the expert will be final and binding on both parties.

20 Appointment of Liquidator

20.1 In the event that a Liquidator is appointed to the Developer, or an assignee under 14.1, the End User shall have the rights to continue using all copyright software, materials and other intellectual property relating to this Agreement.

20.2 In consideration of the granting of this right, the End User agrees to pay to the Liquidator any Bureau Service fees unpaid, and any fees accrued as at the date of the appointment of the Liquidator.

21 Termination of Licence by The End User

The End User may terminate this Agreement by giving The Developer 30 days notice in writing

On or before the date of termination by either party, The end User shall return to the Developer any Manuals, Leader Kit, materials or other documents having any the Developer marks or logos thereon.

22 Use of Back to the Future outside Australia

22.1 The End User acknowledges that the rights under this Agreement restrict the End User from using Back to the Future out side of their designated territory within Aistralia.

22.2 Notwithstanding clause 22.1, The Developer may grant the End User approval to use the BTTF training outside it's territory on terms and conditions that may differ from the terms and conditions contained in this End User Agreement.

LICENSED INVESTMENT SCHEDULE AND RETAIL INVESTMENT

TRAINING FEE:	\$8,450.00
ACCREDITATION	\$4,500.00
RENEWABLE ANNUALLY @	\$1,000.

INCLUDES INITIAL FACILITATOR TRAINING OF THE NOMINATED PERSONS, PLUS ASSISTANT FACILITATOR TRAINING FOR 2 PERSONS.

ALL SUBSEQUENT FACILITATOR TRAINING @ \$2,900.PP.

ESTABLISHMENT START UP KIT \$ 4,500. COMPRISING OF:-

- MARKING PENS.
- PEOPLE CARDS.
- ADVERTISING & MARKETING SETS.
- SATELLITE INFORMATION SETS.
- BULK CURRENCY.
- ENTHUSIASM CHIPS.
- CREATIVITY CHIPS.
- ONE SENIOR FACIL. UNIFORM.
- TWO ASS. FLIGHT SUIT UNIFORMS.
- THREE FACILITATORS CAPS.
- THREE SHADED GLASSES.
- 1 SET OF OVERHEAD TRANSPARENCIES FOR ECONOMIC CONTROL.
- 1 SET OF OVERHEAD TRANSPARENCIES FOR RULES OF ENGAGEMENT.
- 1 SET OF LEADERS GUIDE OVERHEAD TRANSPARENCIES.

RETAIL INVESTMENT LIST:

ALL PARTICIPANT HANDOUTS COMPRISING OF WORKBOOKS AND REINFORCEMENT DESKTOP KITS.

MINIMUM QUANTITY PER ORDER 100 UNITS.

SUPPLIED WHOLESALE @ \$55.00.PP.

SELLS RETAIL @ \$110.00.PP.

ALL TEAM/TABLE CONSUMERABLES COMPRISING OF TEAM CAPS & MAPS; THE WINNING TEAM'S QUALITY SHIRTS; TABLE MAPS; YEAR SHEETS; DATA RECORDS SHEETS; ECONOMIC RECORD SHEETS.

MINIMUM QUANTITY PER ORDER 100 UNITS. @ \$5.00.PP.

