

## SIDE EFFECTS SOFTWARE

### LICENSE AGREEMENT

**IMPORTANT - READ CAREFULLY:** Side Effects Software Inc. or its subsidiary (as applicable, "**SideFX**") licenses this software and all upgrades and related materials (collectively, the "**Software**"), excluding any open source software that is distributed with the Software, subject to the terms and conditions of this Agreement. BY SELECTING "ACCEPT", OR BY DOWNLOADING, INSTALLING OR USING THE SOFTWARE, ALL OF THE TERMS AND CONDITIONS CONTAINED IN THIS AGREEMENT BECOME LEGALLY BINDING ON YOU AS AN INDIVIDUAL OR ON THE ORGANIZATION THAT YOU REPRESENT.

IF YOU THE INDIVIDUAL (A) DO NOT AGREE TO THE TERMS AND CONDITIONS OF THIS AGREEMENT, OR (B) ARE NOT AUTHORIZED TO DOWNLOAD OR INSTALL THE SOFTWARE OR TO AGREE TO BE BOUND BY THIS AGREEMENT ON BEHALF OF YOUR ORGANIZATION, YOU ARE REQUIRED TO SELECT "DO NOT ACCEPT", IN WHICH CASE YOU ARE NOT PERMITTED TO DOWNLOAD, INSTALL OR USE THE SOFTWARE.

**NOTE:** The terms and conditions of this Agreement were last updated, and are effective as of, the "Last Updated Date" indicated above. Any downloading, installation or Use of the Software or an earlier version of the Software that was licensed prior to such date is governed by prior terms and conditions, which differ from those set out in this Agreement.

#### 1. GENERAL

**1.1 Formation of Legally Binding Contract.** A legally binding contract is immediately formed upon your acceptance of this Agreement. The licensee who is bound by this Agreement ("**Licensee**") is: (i) the individual accepting this Agreement, if the individual is licensing the Software for his or her personal use or use as a sole proprietor; or (ii) the corporation, institution, partnership, organization or other entity ("**Organization**") on whose behalf the individual accepting this Agreement is acting. Where a Transaction Confirmation is provided to Licensee, Licensee's name will be confirmed in the Transaction Confirmation. Where no Transaction Confirmation is provided to Licensee and Licensee obtains an Entitlement(s) or License(s) through the online process, Licensee's name will be the name provided as part of the online process or, where no name is provided, the name associated with the email address provided or used as part of the online process. The Entitlement(s) and License(s) issued to Licensee will be associated with such name. Licensee represents that the name provided to SideFX, if any, is its full and correct legal name.

**1.2 Application and Priority of Terms.** The terms and conditions of this Agreement apply regardless of, and take priority over, any terms and conditions applicable to Licensee's software or, subject to Section 3.11, any third party software which may be used in conjunction with the Software.

**1.3 Subsequent Licensing; Upgrades.** Subsequent licensing of the Software may be subject to updated terms and conditions that differ from those set out in this Agreement (an "**Updated Agreement**"). SideFX may require Licensee to accept an Updated Agreement in connection with: (i) any subsequent downloading and/or installation of Upgrades; or (ii) the issuance of subsequent Entitlements or Licenses to Use the Software (see Section 2.2); in which case any downloading, installation of Use of such Upgrade (in the case of (i)), or any Use of the Software under such Entitlements and Licenses (in the case of (ii)), will be governed by the Updated Agreement. An Updated Agreement will be indicated by a change to the "Last Updated Date" indicated at the top of this Agreement. If Licensee obtains additional Entitlements and Licenses to Use the Software without having to accept an Updated Agreement, this Agreement will continue to apply to Licensee's Use of the Software under such Entitlements and Licenses.

**1.4 Communication of Usage Data.** Licensee acknowledges that the Software may communicate to SideFX certain technical, non-personal information concerning Licensee's Licenses and Use of the Software. Licensee hereby consents to such communication.

**1.5 Information Provided by Licensee.** Licensee represents, warrants and covenants that any information provided by Licensee to SideFX concerning Licensee's identity, contact information, Authorized Users, revenue, applicable project or otherwise is, and will continuously be, true and accurate and not misleading. Licensee agrees to notify SideFX of any changes in such information.

**1.6 Defined Terms.** Section 12 sets out certain defined terms used in this Agreement.

## **2. RIGHT TO USE**

**2.1 Grant of Rights.** Subject to Licensee's payment of the applicable fees and continuous compliance with the terms and conditions of this Agreement, SideFX hereby grants to Licensee a limited, non-transferable, non-exclusive, non-sublicensable right for Authorized Users to install and Use the Software: (i) solely in object code format; (ii) solely in the applicable Territory; (iii) solely for the Usage Purpose; and (iv) subject to the terms and conditions of the applicable License Type (as set out in Section 3).

**2.2 Entitlements and Licenses.** Licensee acknowledges that Use of the Software requires: (i) the issuance by SideFX of an Entitlement(s); (ii) the redemption of such Entitlement(s) by Licensee to obtain a License(s); and (iii) the installation of such License(s) on the applicable Computer using the tools provided as part of the Software. SideFX will issue Licensee an Entitlement(s) based on the applicable License Type and permitted Use. Each License permits Use of the Software on a single Computer (in the case of a Workstation Installation) or on a single Network Server and single Client Computer (in the case of a Network Installation).

**2.3 Licensee Responsibilities.** Licensee shall: (i) take appropriate action to ensure that non-Authorized Users do not Use the Software; (ii) ensure that all Authorized Users comply with all of the terms and conditions of this Agreement, including the restrictions set out in Section 4.1; (iii) be solely responsible for any digital assets or other content that is uploaded to the Software by Authorized Users, including compliance with any restrictions imposed by the author of the content and any violations of intellectual property rights; (iv) be solely responsible for the accuracy, integrity, legality and appropriateness of all content created by Authorized Users using the Software; and (v) Use the Software in compliance with all applicable laws, rules and regulations (including those relating to export, homeland security, anti-terrorism, data protection and privacy) and any documentation included with the Software. Licensee shall be responsible for any breach of this Agreement by Authorized Users and any installation or Use of the Software by persons other than Authorized Users utilizing Licenses issued to Licensee. Licensee shall immediately notify SideFX of any unauthorized installation or Use of the Software.

## **3. LICENSE TYPES AND SCOPE OF USE**

**3.1 License Types.** The Software is provided to Licensee subject to specific terms and conditions that further define the scope of Licensee's permitted installation of Licenses and Use of the Software based on the type of license granted ("**License Type**"). The License Types, and the terms and conditions applicable to each License Type, are set out in Appendix A to this Agreement. Licensee must not, and must not attempt to, install any License(s) or Use the Software outside of the scope of the License Type that applies to the License(s) issued to Licensee. Any actual or attempted installation of Licenses or Use of the Software outside of the scope of the applicable License Type is a breach of this Agreement and an infringement of the rights of SideFX.

**3.2 Additional Limitations and Restrictions.** For greater certainty, the limitations and restrictions of the applicable License Type are in addition to all other limitations and restrictions under this Agreement, including those set out in Section 2, Section 3 and Section 4.

**3.3 Network Installation.** Certain of the License Types provide for Network Installation. **"Network Installation"** means that each of the Licenses issued to Licensee may be installed on one (1) Computer acting as a license server (the **"License Server"**) that can be accessed by other Client Computers through a local area network connection or through a VPN connection, provided that: (i) the VPN connection is secure; (ii) each Client Computer is within the Territory; and (iii) the Software may only be Used on the Client Computers accessing the License Server. The number of Client Computers accessing the Licenses on the License Server(s) and on which the Software is being Used concurrently shall not exceed the number of Licenses issued. For example, if Licensee has been issued ten (10) Local Access Licenses, each of the ten (10) Licenses may be installed on a License Server, and the Software may be Used on a maximum of ten (10) Client Computers at any given time. For certainty, each of the Licenses issued to Licensee does not have to be installed on the same License Server, but any single License cannot be installed on more than one License Server.

**3.4 Workstation Installation.** Certain of the License Types provide for Workstation Installation. **"Workstation Installation"** means that the License may be installed on one (1) dedicated Computer and the Software may only be Used on that Computer. Unless otherwise expressly provided in Appendix A, the License cannot subsequently be relocated (i.e. installed on a different Computer).

**3.5 Location.** The rights granted under this Agreement provide for Use of the Software in the applicable Territory and certain of the License Types may provide for Use of the Software only at a particular location. Authorized Users will be considered to be Using the Software in the Territory (or at a particular location) only if the individual is physically located within the Territory (or at the particular location) at the time he or she is Using the Software.

**3.6 Use of Cloud Services.** Subject to section 4.1, Appendix A, and all other restrictions in this Agreement, the Licensee may install the License Server or the Software to a Computer provided by a Cloud Service.

Notwithstanding section 4.1, the following and only the following authorized third parties are permitted to sell, lease, or rent the Software in a software-as-a-service or other similar basis: Google Zync, GridMarkets, Foundry's Athera, and Nimble Collective. The agreement for Use of the Software through the aforementioned third party services supercedes this agreement.

**3.7 Use of Third Party Rendering.** Except for Users under an Apprentice License, Users may utilize third party software (the "Third Party Rendering Software") for the purpose of rendering images created using the Software; provided that with respect to Indie Licenses: (i) the Third Party Rendering Software and its dedicated Houdini plug-in must be installed and used on the same dedicated Computer on which the Software is installed and Used; (ii) the User must not render sequences at a resolution higher than 4096x4096; and (iii) the User shall Use only the final work product produced by the Third Party Rendering Software and shall not access or Use or have any rights in or to any temporary or intermediate images or files produced by the Third Party Rendering Software and/or its dedicated Houdini plug-in. Within ten (10) days of a request by SideFX, the third party who provides the Third Party Rendering Software and its dedicated Houdini plug-in shall certify in writing to SideFX the extent to which such third party has implemented technical measures to prevent any breach of such restrictions. For certainty, Users under all License Types other than the Apprentice License and the Indie License may utilize Third Party Rendering Software for the purpose of rendering images created using the Software, without reference to the restrictions and requirements set out in this Section (but, for certainty, subject to the restrictions that otherwise apply to such License Types).

**3.8 Non-Concurrent Use.** For all License Types, only one individual may Use the Software interactively (i.e. operating the Software through its graphical user interface) on a Computer (including, for certainty, a Client Computer or a dedicated Computer) at any given time. Without limiting the foregoing in this Section, where the Software is being Used interactively on a Client Computer or a dedicated Computer by an individual, a second individual may not Use the Software on that same dedicated Computer or Client Computer indirectly through a separate Computer, terminal or monitor.

**3.9 Limits on Number of Licenses.** SideFX may limit the number of Licenses of a particular License Type available to any particular Licensee, alone or together with its related individuals and Affiliates.

**3.10 Orbolt.** Digital assets that are authored Using the Software can be uploaded to and downloaded from the website maintained by the SideFX affiliate, Orbolt Inc., at [www.orbolt.com](http://www.orbolt.com) (the "**Orbolt Website**"), pursuant to the Orbolt Inc. Terms and Conditions of Website Use. Notwithstanding the prohibitions on Commercial Use under the Non-Commercial Licenses, the Software may be Used under the Non-Commercial Licenses (as well as under the Commercial Licenses) for the purpose of authoring digital assets for upload to the Orbolt Website. Any other Commercial Use of the Software under a Non-Commercial License is strictly prohibited. Any digital asset that is downloaded from the Orbolt Website may be further developed subject to: (i) the terms of the applicable License Type under which the digital asset was downloaded; and (ii) any restrictions imposed by the author of the downloaded digital asset or by the License Type under which the digital asset was created.

**3.11 Open Source Software.** The Software may be accompanied by certain open source software (in source code and executable forms, as applicable) (the "**Open Source Software**") that works with the Software. The Open Source Software forms, and is distributed as, a separate and independent software program from the Software (and the Software is not a modification of, or a work based on, the Open Source Software), even though the Open Source Software may have been aggregated or packaged with the Software for purposes of distribution. The Open Source Software is distributed under and subject to the terms and conditions of the applicable open source licenses and notices set out at <http://www.sidefx.com/docs/houdini/licenses/> (the "**Open Source Licenses**"). Licensee hereby agrees to the terms and conditions of the Open Source Licenses as they relate to the applicable Open Source Software.

#### **4. RESTRICTIONS ON USE**

**4.1 Restrictions on Use of Software.** Subject to the terms and conditions for the applicable License Type, Licensee agrees that it will not, and will not permit any third party to, directly or indirectly: (i) copy the Software (except that Licensee may download and install the Software and make one (1) copy of the Software solely for backup purposes) or create derivative works based on the Software; (ii) assign, transfer, lease, rent, sublicense, distribute or otherwise make available the Software, any Entitlement, any License or any right granted under this Agreement, in whole or in part, to any other Person, including on a timesharing, software-as-a-service or other similar basis (except that, with certain License Types, Licensee may permit third party Authorized Users to Use the Software to create content for Licensee); (iii) permit any third party, other than an Authorized User, to redeem or un-redeem Entitlements, install Licenses or Use the Software; (iv) share any user ids or passwords with anyone other than Authorized Users; (v) Use the Software to provide any service bureau services or any services on a similar basis; (vi) except as provided under Section 3.10, Use the Software under a Non-Commercial License for Commercial purposes, or receive any form of compensation for work product created or work performed Using the Software under a Non-Commercial License; (vii) reverse engineer, decompile, disassemble, or otherwise attempt to discover the source code of any portion of the Software; (viii) disassemble, reverse engineer or use the file format of any file generated by the Software for purposes of by-passing any restrictions or requirements of the Software; (ix) attempt to tamper with, alter, disable, hinder, by-pass, override, or circumvent any security, reliability, integrity, accounting or other mechanism, restriction or requirement of the Software, including any Entitlement or License or any other mechanism that permits, monitors or limits installation of Licenses or Use of the Software to the applicable scope in accordance with this Agreement; (x) convert the file format of any file generated by the Software when licensed under a Non-Commercial License to a file format generated by the Software when licensed under a Commercial License; (xi) attempt to tamper with or alter (or with respect to Non-Commercial Licenses, hinder) the usage information conveyed by the Software to SideFX; (xii) modify or attempt to modify the Software; (xiii) install or Use the Software in any way that would subject the Software, in whole in or in part, to governmental regulation that would not have otherwise applied but for such installation or Use; (xiv) remove, obscure or alter any copyright, trade-mark, patent or proprietary notice affixed to the media or packaging of the Software or displayed by or in the Software; (xv) access or attempt to access SideFX' network,

databases, or systems (other than to download the Software); or (xvi) perform load tests, network scans, penetration tests, ethical hacks or any other security auditing procedures on the SideFX network.

**4.2 Further Restrictions on Use of Software.** Licensee agrees that it will not, and will not permit any third party to, directly or indirectly: (i) Use the Software to conduct any competitive analysis of or with the Software; (ii) access the Software in order to compete or build a competitive product or service, or impair the market for the Software or any part thereof; or (iii) copy any features, functions, graphics or other component of the Software.

**4.3 Restrictions on Open Source Software.** Licensee's use of the Open Source Software is governed by the Open Source Licenses, as applicable.

## **5. OWNERSHIP AND RESERVATION OF RIGHTS**

**5.1 Ownership of Software.** The Software is not sold; it is licensed to Licensee under the terms and conditions of this Agreement. SideFX and its licensors are the owners of the Software, including all intellectual property rights (including trade secrets rights) relating thereto. No title to the Software or such rights is transferred to Licensee by this Agreement. All rights not expressly granted pursuant to this Agreement are reserved by SideFX.

**5.2 Feedback.** SideFX shall own, and Licensee shall not have any right, title or interest in, any enhancements or other modifications to the Software created based on any suggestions, enhancement requests, recommendations or other feedback provided by or on behalf of Licensee or Authorized Users.

## **6. FEES AND PAYMENT**

**6.1 Fees.** Fees are based upon, among other things: (i) the applicable License Type; (ii) the characteristics of Licensee; and (iii) the number of authorized Licenses, whether or not the Licenses are used. All fees are payable in full, without deduction or offset, upon purchase of the Entitlements or Licenses unless otherwise agreed by the parties, unless SideFX agrees to invoice Licensee, in which case the applicable fees are payable within the period set out in the invoice (and if no period is set out in the invoice, within thirty (30) days of the date on which Licensee receives the invoice). All fees are non-cancelable and non-refundable. SideFX may suspend Use of the Software, without liability to SideFX, in the event that any amounts payable by Licensee are past due or Licensee is otherwise in breach of this Agreement. Entitlements and Licenses for certain License Types may be provided free of charge.

**6.2 Indie Licenses.** The pricing applicable to Indie Licenses is only available to those individuals or Organizations (the "**Indie User**") where: (i) such Indie User and its Affiliates and related individuals collectively have in the current calendar year, or had in the most recently completed calendar year, directly or indirectly, aggregate gross revenues from all sources less than US\$100,000; and (ii) in the case of an Indie User that is using the Software to create content for a third party that will use such content in connection with a Commercial activity, such third party and its Affiliates and related individuals collectively have in the current calendar year, or had in the most recently completed calendar year, directly or indirectly, aggregate gross revenues from all sources less than US\$100,000. If Licensee is taking advantage of the pricing applicable to Indie Licenses, Licensee represents and warrants that it satisfies the criteria set out in this Section 6.2.

**6.3 Taxes.** All fees are exclusive of any Taxes. If SideFX has a legal obligation to pay or collect Taxes, the appropriate amount shall be invoiced to and paid by Licensee, unless Licensee provides SideFX with an acceptable tax exemption certificate issued by the appropriate taxing authority.

## **7. DISCLAIMER OF WARRANTIES AND LIMITATION OF LIABILITY**

**7.1 Limited Warranty.** SideFX warrants that the Software will perform substantially in accordance with the applicable SideFX user documentation (excluding any errors in the documentation, as determined by SideFX in good faith). SideFX' entire responsibility and obligation, and Licensee's exclusive remedy, for any breach of the foregoing

warranty shall be for SideFX to use commercially reasonable efforts to cause the Software to comply with such warranty.

**7.2 Warranty Disclaimer.** EXCEPT AS PROVIDED IN SECTION 7.1, THE SOFTWARE IS PROVIDED "AS IS" WITHOUT WARRANTY OR CONDITION OF ANY KIND, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE IN LAW OR EQUITY, INCLUDING ANY IMPLIED WARRANTIES OR CONDITIONS OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR THOSE ARISING OTHERWISE FROM A COURSE OF DEALING OR USAGE OF TRADE, ALL OF WHICH ARE SPECIFICALLY DISCLAIMED TO THE MAXIMUM EXTENT PERMITTED BY LAW. WITHOUT LIMITING THE FOREGOING, SIDEFX DOES NOT WARRANT THAT: (i) THE SOFTWARE WILL MEET LICENSEE'S NEEDS OR REQUIREMENTS; (ii) THE SOFTWARE WILL RUN WITHOUT INTERRUPTION OR BE ERROR FREE; (iii) THE SOFTWARE IS IMPENETRABLE OR OTHERWISE MEETS ANY SECURITY STANDARDS; OR (iv) THE FUNCTIONS CONTAINED IN THE SOFTWARE WILL OPERATE IN ALL COMBINATIONS WHICH MAY BE SELECTED FOR USE BY LICENSEE. FOR PURPOSES OF THIS SECTION 7.2 (BUT NOT FOR PURPOSES OF SECTION 7.1), REFERENCES TO SOFTWARE INCLUDE THE OPEN SOURCE SOFTWARE. SIDEFX MAKES NO REPRESENTATIONS OR WARRANTIES, AND THERE ARE NO CONDITIONS, REGARDING THE OPEN SOURCE SOFTWARE.

**7.3 Limitation on Types of Recoverable Damages.** SIDEFX WILL ONLY BE LIABLE FOR DIRECT DAMAGES, SUBJECT TO SECTION 7.4. IN NO EVENT WILL SIDEFX BE LIABLE TO LICENSEE OR ANY OTHER PERSON FOR ANY LOST PROFITS, LOST OR DAMAGED DATA, OR ANY SPECIAL, INCIDENTAL, INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES OF ANY KIND, WHETHER BASED ON BREACH OF CONTRACT OR WARRANTY, TORT (INCLUDING NEGLIGENCE), PRODUCT LIABILITY OR OTHERWISE, EVEN IF SIDEFX IS INFORMED OR OTHERWISE HAS KNOWLEDGE OF THE POSSIBILITY OF SUCH DAMAGES AND EVEN IF SUCH DAMAGES WERE FORESEEABLE.

**7.4 Monetary Cap on Damages.** LICENSEE AGREES THAT THE MAXIMUM AGGREGATE LIABILITY OF SIDEFX AND ITS AFFILIATES, AND THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, AGENTS AND REPRESENTATIVES FOR ALL CLAIMS UNDER ANY AND ALL CIRCUMSTANCES RELATING TO THE SOFTWARE UNDER ALL THEORIES OF LIABILITY WILL BE LIMITED TO: (I) WITH RESPECT TO SIDEFX' INDEMNITY OBLIGATION UNDER SECTION 8, THE FEES PAID TO SIDEFX BY LICENSEE IN RESPECT OF THE INFRINGING SOFTWARE IN THE TWELVE (12) MONTH PERIOD PRECEDING THE CLAIM IN RESPECT OF SUCH LIABILITY; AND (II) IN ALL OTHER INSTANCES, THE FEES PAID TO SIDEFX BY LICENSEE IN RESPECT OF THE APPLICABLE SOFTWARE IN THE THREE (3) MONTH PERIOD PRECEDING THE CLAIM IN RESPECT OF SUCH LIABILITY.

**7.5 Essential Terms.** The disclaimer of warranties and the limitation of liability in this Section 7 constitute an essential part of this Agreement. A fundamental breach or breach of a fundamental term of this Agreement by SideFX shall not limit the intended effect of Section 7 or any other provision of this Agreement which is intended to limit SideFX' liability. Licensee acknowledges that, but for the disclaimer of warranties and limitation of liability, SideFX would not enter into this Agreement.

## **8. INTELLECTUAL PROPERTY INFRINGEMENT INDEMNITY**

**8.1 Indemnity.** Subject to Section 7, if any claim based upon an alleged direct infringement of a Canadian or American copyright or trade secret is asserted against Licensee by a third party (other than an Affiliate of Licensee) by virtue of its Use of the Software in accordance with this Agreement, SideFX will indemnify Licensee solely for direct damages (which, for greater certainty, excludes any accounting of profits) awarded to such third party and which the Licensee has been ordered to pay as a result of such claim, provided that SideFX: (i) receives prompt written notice of such claim; (ii) has the sole and exclusive right, if it chooses, to control and direct the investigation

and the defense or settlement of such claim; and (iii) receives the reasonable cooperation and assistance of Licensee as requested by SideFX, at SideFX' expense.

**8.2 Exclusions.** SideFX shall have no obligation or liability under Section 8.1 if the infringement relates to: (i) Use of the Software other than as expressly authorized under this Agreement; (ii) the combination, merger or interface of the Software with other software by Licensee or a third party; or (iii) compliance with any Licensee instructions or requests. SideFX shall also have no obligation or liability under Section 8.1 in connection with any software or other technology not claimed to be owned by SideFX, including without limitation, the Open Source Software and any materials related thereto.

**8.3 SideFX Options.** If the Software infringes, or in the reasonable determination of SideFX is likely to infringe, any third party's intellectual property rights, SideFX may, at its option, either: (i) procure for Licensee the right to continue Using the Software or replace or modify the Software (without loss of functionality) so that it becomes non-infringing; or (ii) terminate this Agreement and refund the license fee paid by Licensee less a reasonable amount for any value received by Licensee.

**8.4 Exclusive Remedy.** THE FOREGOING PROVISIONS OF THIS SECTION 8 STATE SIDEFX' ENTIRE LIABILITY AND OBLIGATIONS, AND THE EXCLUSIVE REMEDY OF LICENSEE, WITH RESPECT TO ANY ACTUAL OR ALLEGED INFRINGEMENT OF ANY INTELLECTUAL PROPERTY RIGHTS.

## 9. TERM AND TERMINATION

**9.1 Term.** Licensee's right to Use the Software pursuant to any given License shall terminate at the end of the term for the License Type associated with such License, as such term is set out in Appendix A to this Agreement.

**9.2 Termination by Licensee for Convenience.** Subject to Section 6.1, Licensee may terminate this Agreement at any time by providing SideFX with written notice of same and complying with Section 9.4.

**9.3 Termination by SideFX.** SideFX may terminate this Agreement, and therefore the right granted under Section 2.1, upon notice to Licensee: (i) if Licensee breaches any of the terms and conditions of this Agreement and, if curable, fails to cure such breach to the satisfaction of SideFX within fifteen (15) days of SideFX notifying Licensee of the breach; (ii) if Licensee breaches any of its payment obligations under this Agreement and fails to make full payment within ten (10) days of SideFX notifying Licensee of such breach; (iii) Licensee undergoes a Change of Control without the prior written consent of SideFX (which consent may be withheld by SideFX in its sole and absolute discretion); (iv) Licensee commits any act of bankruptcy, becomes insolvent or admits its insolvency (as defined or provided for in any applicable statute); (v) any proceeding, voluntary or involuntary, is commenced respecting Licensee pursuant to any statute relating to bankruptcy, insolvency, reorganization of debts, liquidation, winding up or dissolution, including any proceedings under the *Bankruptcy and Insolvency Act*, the *Companies' Creditors Arrangement Act* or the *Winding-Up and Restructuring Act*; (vi) Licensee passes any resolution for its liquidation, winding up or dissolution; or (vii) Licensee ceases to carry on business in the ordinary course.

**9.4 Licensee Obligations Upon Termination.** Upon receipt by Licensee of written notice of termination from SideFX, or termination by Licensee, Licensee shall immediately: (i) unredeem all Entitlements (i.e. return all Licenses) using the tools provided as part of the Software; (ii) cease Using the Software; (iii) permanently delete all installed and back-up copies of the Software; and (iv) within five (5) days after the date of such termination, provide SideFX with a written confirmation that Licensee has complied with all of the foregoing.

**9.5 Survival.** The provisions of Sections 2.3 (excluding part (v)), 3.11, 4 (without limiting the intended effect of Section 9.4), 5, 6, 7.3, 7.4, 7.5, 9.4, 9.5, 10, 11 (excluding 11.11) and 12 shall survive termination of this Agreement.

## 10. CERTIFICATION AND INSPECTION

**10.1 Certification.** Within ten (10) days of a request by SideFX, a Certification Authority of Licensee shall, after making due inquiry, certify in writing to SideFX, as applicable: (i) that Licensee (and in the case of a Global Access License, each applicable Licensee Affiliate and third party Authorized User) is, and has continuously been, in full compliance with the terms and conditions of this Agreement, including all applicable restrictions and limitations on installation and Use of the Software; or (ii) the extent to which Licensee (or in the case of a Global Access License, any applicable Licensee Affiliate or third party Authorized User) is not, or has not been, in full compliance with the terms and conditions of this Agreement, including all applicable restrictions and limitations on the installation of Licenses and Use of the Software. Licensee shall provide such supporting evidencing as SideFX may reasonably request. **"Certification Authority"** means: (a) Licensee, where Licensee is an individual; or (b) a senior officer, signing authority or other senior official of Licensee, where Licensee is an Organization. For certainty, failure to provide the certification as required by this Section is a material breach of this Agreement that entitles SideFX to terminate this Agreement and to any other remedies that may be available to SideFX at law or in equity.

**10.2 Inspection.** SideFX or its authorized representative may at any time after written notice to Licensee, electronically or otherwise, reasonably inspect Licensee's (and in the case of a Global Access License, each applicable Licensee Affiliate's and third party Authorized User's) records, systems and facilities in order to ensure compliance with this Agreement. Licensee will provide (and in the case of a Global Access License, ensure that each applicable Licensee Affiliate and third party Authorized User provides) full cooperation in connection with any such inspection, including the provision of such additional documentation and information as SideFX may reasonably request. Licensee shall ensure that the agreement between Licensee and each applicable Licensee Affiliate and third party Authorized User includes the right for SideFX to perform such inspections.

**10.3 Remediation.** If as a result of a certification pursuant to Section 10.1, or an inspection pursuant to Section 10.2, SideFX determines that Licensee's (or in the case of a Global Access License, any applicable Licensee Affiliate's or third party Authorized User's) installation of Licenses or Use of the Software is not, or has not been, in conformity with this Agreement, Licensee shall promptly: (i) obtain the applicable Entitlement(s) or License(s) from SideFX required for such installation or Use; (ii) pay the applicable fees in respect of such License(s) for prior and future Use; and (iii) pay all reasonable costs and expenses incurred by SideFX in respect of the certification or inspection, as applicable.

## 11. MISCELLANEOUS

**11.1 Relationship of Parties.** In giving effect to this Agreement, neither party will be or be deemed an agent of the other for any purpose and their relationship in law to the other will be that of independent contractors. Nothing in this Agreement will constitute a partnership in law or a joint venture between the parties. Neither party will have the right to enter into contracts, pledge the credit of or incur expenses on behalf of the other.

**11.2 No Waiver.** Any waiver of any terms or conditions of this Agreement will be effective only if in writing and signed by the party granting such waiver. Such waiver shall be effective only in the specific instance and for the specific purpose for which it has been given and shall not be deemed or constitute a waiver of any other provisions (whether or not similar) nor shall such waiver constitute a continuing waiver unless otherwise expressly provided. The failure of either party to exercise, and any delay in exercising, any of its rights hereunder, in whole or in part, shall not constitute or be deemed a waiver or forfeiture of such rights, neither in the specific instance nor on a continuing basis. No single or partial exercise of any such right shall preclude any other or further exercise of such right or the exercise of any other right.

**11.3 Severability.** If for any reason a court of competent jurisdiction finds any terms or conditions of this Agreement, or portion thereof, to be unenforceable, the remainder of this Agreement will continue in full force and effect.

**11.4 Assignment.** Licensee shall not assign or transfer this Agreement or any of its rights or obligations hereunder (whether in connection with or as a result of any consolidation, arrangement, reorganization, amalgamation,



acquisition, merger, sale, operation of law, or otherwise), in whole or in part, without the prior written consent of SideFX (which consent may be withheld by SideFX in its sole and absolute discretion).

**11.5 Entire Agreement.** This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes and replaces all prior or contemporaneous understandings or agreements, written or oral, regarding such subject matter and there are no representations, warranties, conditions or other agreements between the parties in connection with the subject matter hereof except as specifically set forth herein.

**11.6 Binding Arbitration.** Unless otherwise agreed in writing by the parties, all disputes relating to this Agreement shall not be submitted to the courts for resolution, but may be submitted to final and binding arbitration by either party pursuant to the *Arbitration Act, 1991* (Ontario) (the "**Arbitration Act**"). The arbitration shall be treated as confidential and will be held in Toronto, Canada. The arbitral tribunal shall be composed of one arbitrator (the "**Arbitrator**"). The party that wishes to initiate the arbitration (the "**Applicant**") shall deliver a notice to that effect (the "**Notice to Arbitrate**") to the other party, which notice shall nominate an individual to act as the Arbitrator. Within thirty (30) days of the date of receipt of the Notice to Arbitrate (the "**Response Date**") the other party (the "**Respondent**") shall, by notice to the Applicant, either signify its acceptance of the nominee or, in the alternative, propose an alternative individual to act as the Arbitrator (the "**Response**"). If the Respondent fails to provide a Response by the Response Date, the Respondent shall be deemed to have accepted the Applicant's nominee for Arbitrator. If the Respondent provides a Response by the Response Date suggesting an alternative individual to act as Arbitrator, the Applicant shall within thirty (30) days of the date of receipt of the Response, by notice to the Respondent, signify either its acceptance or rejection of the Respondent's nominee for Arbitrator. If the Applicant fails to provide notice by such date, the Applicant shall be deemed to have accepted the Respondent's nominee for Arbitrator. If the Applicant provides notice by such date signifying its rejection of the Respondent's nominee for Arbitrator, the parties shall use commercially reasonable efforts to cause their respective nominees to select the Arbitrator. Any costs associated with same shall be borne equally by the parties. If such selection does not occur within thirty (30) days of the date of the Applicant's rejection notice, then the Applicant may apply to the Superior Court of Justice of Ontario for the appointment of an arbitrator pursuant to the provisions of the Arbitration Act. The costs of the application shall be borne equally by the parties. The parties agree that they will act reasonably and in good faith to ensure the selection of an Arbitrator who is objective, independent and suitably qualified to deal with the dispute. Upon failure, refusal or inability of the Arbitrator to act, his or her successor shall be appointed in the same manner. The costs of the Arbitration shall be in the discretion of the Arbitrator.

**11.7 Governing Law and Jurisdiction for Resolving Claims.** Subject to Section 11.6, this Agreement shall be governed by the laws of the Province of Ontario, Canada and the federal laws of Canada applicable therein and the parties irrevocably submit to the non-exclusive jurisdiction of the Ontario courts. The parties expressly disclaim the application of the *United Nations Convention for the International Sale of Goods*.

**11.8 Headings: Sections.** The division of this Agreement into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. References herein to Sections are to sections of this Agreement.

**11.9 Interpretation of "including".** Where the word "include", "includes" or "including" is used in this Agreement, it means "include", "includes" or "including", in each case, "without limitation".

**11.10 Non-Exclusive Remedies.** All remedies provided for under this Agreement are non-exclusive and are in addition, and without prejudice, to any other rights as may be available to SideFX, whether in law or equity. By electing to pursue a remedy, SideFX does not waive its right to pursue any other available remedies.

**11.11 Export Compliance.** Each party shall comply with the export laws and regulations of Canada, the United States, and other applicable jurisdictions in its provision and, in the case of Licensee, its downloading, installation and Use of, the Software. Without limiting the foregoing: (i) each of SideFX and Licensee represents that it is not named on any

U.S. government list of person or entities prohibited from receiving exports; and (ii) Licensee shall not permit any Person to Use the Software in violation of any U.S. export embargo, prohibition, or restriction.

**11.12 Publicity.** Neither party may issue press releases relating to this Agreement without the other party's prior written consent, or use in any manner the name(s), logo(s) or trade-mark(s) of the other party without such other party's prior written consent. Each party hereby consents to the inclusion of its name and logo by the other party among at least three other companies in lists of customers or vendors in accordance with the other party's standard guidelines.

**11.13 Language.** The parties acknowledge that they have required this Agreement to be written in English. Les parties aux présentes reconnaissent qu'elles ont exigé que la présente entente soit rédigée en anglais.

**11.14 Notice.** Any notice, demand or other communication (in this Section, a "notice") required or permitted to be given or made under this Agreement will be in writing and will be sufficiently given or made if: (i) delivered in person during normal business hours of the recipient on a Business Day and left with a receptionist or other responsible employee of the recipient; (ii) except during any period of actual or imminent interruption of postal services due to strike, lockout or other cause, sent by registered mail; or (iii) sent by facsimile transmission or other electronic means which produces a written record of successful transmission, or by email if receipt is confirmed by the sender's email system. Notices to Licensee shall be sent to the most recent address, facsimile number or email address provided by Licensee to SideFX and to the attention of the contact person on file with SideFX. Notices to SideFX shall be sent to Suite 1401, 123 Front Street West, Toronto, Ontario, M5J 2M2, or (416) 504-6648 or notices@sidefx.com, to the attention of Chief Financial Officer. Each notice sent in accordance with this Section will be deemed to have been received: (iv) on the day it was delivered; (v) on the seventh (7<sup>th</sup>) Business Day after it was mailed (excluding each day on which there is any interruption of postal services due to strike, lockout or other cause); (vi) on the same day that it was sent by facsimile transmission or email provided that it was sent during normal business hours of the recipient on a Business Day, otherwise, on the first Business Day thereafter. Contact information for notice may be changed by giving notice in accordance with this Section. "**Business Day**" means any day of the week except Saturday, Sunday or any statutory or civic holiday observed in Toronto, Ontario.

## 12. DEFINITIONS

When used in this Agreement, each of the following terms has the meaning given to such term below, and grammatical variations of such terms have corresponding meanings.

**"Affiliate"** of a party means any Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by such party, or is Controlled by a Person who also Controls such party.

**"Agreement"** means this SideFX Software License Agreement, as may be amended in accordance with its terms.

**"Applicant"** has the meaning set out in Section 11.6.

**"Arbitrator"** has the meaning set out in Section 11.6.

**"Arbitration Act"** has the meaning set out in Section 11.6.

**"Authorized Subcontractors"** means third parties sub-contracted by Licensee to create content for Licensee.

**"Authorized Users"** means: (i) in the case of all License Types other than a Global Access License and a Project License, Licensee Personnel; and (ii) in the case of a Global Access License and Project License (A) Licensee Personnel, and (B) Licensee Affiliate Personnel and employees of Authorized Subcontractors, provided that Licensee has given SideFX notice of such Affiliates and Authorized Subcontractors, and provided that such Licensee Affiliate Personnel and employees of Authorized Subcontractors are Using the Software solely to create content for Licensee.

**"Certification Authority"** has the meaning set out in Section 10.1.

**"Change of Control"** of Licensee means a change of the Person or Persons that directly or indirectly Control Licensee.

**"Client Computer"** means a Computer running the Software that connects to the License Server. If the Software is being Used via a thin client, remote desktop, virtual network computing (VNC), or other graphical desktop sharing

system, the Client Computer's location is defined as the location of the User of the Software, not the location of the remote computer.

**"Cloud Service"** means a third party service that provides access to a pool of Computers for installation, hosting, processing and/or storage of software and/or data, where such Computers are outside of the direct physical control and/or ownership of the Person obtaining the service and where such Computers may or may not be shared by other Persons.

**"Commercial"** means any activity carried on with the intention of, or with a view to, generating revenue or other compensation, directly or indirectly, or that actually generates revenue or other compensation, directly or indirectly.

**"Commercial License"** means any License other than a Non-Commercial License, including a License that is any of the following License Types: Commercial Workstation License, Indie License, Local Access License, Global Access License and Project License.

**"Computer"** means: (i) an electronic device containing one or more central processing units that runs an operating system and accepts information in digital or similar form and manipulates the information for a specific result based on a sequence of instructions; or (ii) a software implementation of such a device (including virtual machines and other emulation technology); in each case that is owned, leased, rented or borrowed by Licensee or the Authorized User.

**"Control"** means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of an entity, whether through the ownership of voting securities, by contract or otherwise.

**"Entitlement"** means a string of data residing on SideFX' systems that the Licensee can redeem (i.e. trade in exchange for a License) or un-redeem, using the tools provided as part of the Software.

**"Indie User"** has the meaning set out in Section 6.2.

**"Interactive Software"** means the portions of the Software excluding Houdini Mantra, Houdini Batch, and command-line Houdini Engine. Interactive Software includes Houdini Core, Houdini FX, and the Houdini Engine plug-ins.

**"License"** means a string of data that is issued upon the redemption of an Entitlement, or issued by SideFX directly, and that, when installed on a Computer, allows the Software to be Used on that Computer.

**"License Server"** has the meaning set out in Section 3.3.

**"License Type"** has the meaning set out in Section 3.1.

**"Licensee"** has the meaning set out in Section 1.1.

**"Licensee Affiliate Personnel"** means the (i) employees (including contract employees) of the applicable Licensee Affiliate, (ii) third parties subcontracted by the applicable Licensee Affiliate to create content for Licensee, (iii) co-op and other students engaged by and otherwise working with the applicable Licensee Affiliate, and (iv) interns of the applicable Licensee Affiliate.

**"Licensee Personnel"** means: (i) if Licensee is an individual, that individual; or (ii) if Licensee is an Organization (A) Licensee's employees (including contract employees), (B) independent contractors engaged by Licensee, (C) co-op and other students engaged by and otherwise working with or for Licensee, and (D) Licensee's interns.

**"Network Installation"** has the meaning set out in Section 3.3.

**"Non-Commercial License"** means a License that is any of the following License Types: Apprentice License, Education License and Evaluation License.

**"Notice to Arbitrator"** has the meaning set forth in Section 11.6.

**"Open Source Software"** and **"Open Source Licenses"** have the respective meanings set out in Section 3.11.

**"Orbolt Website"** has the meaning set out in Section 3.10.

**"Organization"** has the meaning set out in Section 1.1.

**"Person"** includes an individual, corporation, partnership, joint venture, trust, unincorporated organization, the Crown or any agency or instrumentality of the foregoing or any other judicial entity recognized by law.

**"Related Materials"** means all materials related to the software being installed and all Upgrades, including documentation, user manuals, training videos, tutorials and files, provided directly or indirectly by SideFX, whether on-line or otherwise.

**"Response"** has the meaning set out in Section 11.6.

**"Response Date"** has the meaning set out in Section 11.6.

"**Respondent**" has the meaning set out in Section 11.6.

"**SideFX**" has the meaning set out in the preamble to this Agreement.

"**Software**" has the meaning set out in the preamble to this Agreement.

"**Taxes**" means any direct or indirect local, state, provincial, federal or foreign taxes, levies, duties or similar government charges or assessments of any nature, including sales taxes, value-added taxes and withholding taxes, exigible on the transaction contemplated by this Agreement.

"**Territory**" means: (a) the country, state, province, municipality or other jurisdiction specified in the Transaction Confirmation; (b) where no Transaction Confirmation is provided to Licensee and Licensee obtains Entitlements(s) through the online process, the Territory will be the province (in the case of Canada), state (in the case of the United States) or equivalent administrative division (in the case of some other country) that corresponds with the address confirmed as part of the online purchase verification; (c) if no country, state, province, municipality or other jurisdiction is specified in the Transaction Confirmation or the online purchase verification, the Territory shall be the province (in the case of Canada), state (in the case of the United States) or equivalent administrative division (in the case of some other country) where Licensee originally installed the License(s). In the case of a Global Access License, the Territory will be the world. With respect to non-interactive Use of the Software in the case of a Network Installation, the Territory will be the world.

"**Third Party Rendering Software**" has the meaning set out in Section 3.7.

"**Transaction Confirmation**" means an invoice issued by SideFX to Licensee in respect of Licensee's licensing of the Software or, where no invoice is issued, the email, quotation or other communication provided by SideFX to Licensee, setting out certain particulars in respect of the licensing of the Software to Licensee, which may include: (i) Licensee's name and contact information; (ii) the Software product being licensed; (iii) the applicable License Type(s); (iv) the fees payable to SideFX; (v) the applicable Territory; (vi) the number of Entitlements and/or Licenses issued or to be issued; (vii) the locations from which the Software may be Used; (viii) the applicable term(s) and/or termination date(s); and/or (ix) any additional restrictions on Use of the Software.

"**Updated Agreement**" has the meaning set out in Section 1.3.

"**Upgrades**" means all updated and/or upgraded versions of the software being installed that SideFX provides or makes available to Licensee from time to time.

"**Usage Purpose**" means: (i) where Licensee is engaged primarily in Commercial activities, the internal requirements of Licensee's business in the ordinary course of such business; and (ii) where Licensee is engaged primarily in non-Commercial activities, the internal requirements of Licensee's ordinary course activities. Notwithstanding the forgoing, the Usage Purpose shall not in either case include the Use of the Software by any Licensee Personnel of an Organization for any personal projects where it is reasonably expected that revenue may be earned.

"**Use**", "**Used**" or "**Using**" means: (i) to access, initiate, execute, run, display, view and operate the Software, including to author, modify and run digital assets; and (ii) in the case of the Related Materials only, to review and print.

"**Work Station Installation**" has the meaning set out in Section 3.4.

## APPENDIX A

### Terms and Conditions of License Types

(capitalized terms used below are defined in the Agreement)

#### **Trial License Type**

##### Permitted Use

The Software may be Used only for non-Commercial purposes. The Software may not be Used to generate any work product that will be used in any Commercial manner.

Only Licensee Personnel can Use the Software.

##### Installation

For each License issued, Licensee may install the License and Use the Software only pursuant to a Workstation Installation.

License Relocation

No relocating of the License is permitted.

Dedicated Computer / License Server Relocation

No relocations permitted.

Term

Fifteen (15) days from the License Activation Date.

**Education License Type**

Permitted Use

The Software may be Used only for: (A) purposes directly related to learning, teaching, training and research that are part of the instructional functions performed by a formal educational institution, such as a degree-granting or certificate-granting college or university, or any other dedicated learning, teaching or training facility; or (B) training and education purposes by a Licensee engaged in Commercial activities. The Software may not be Used to generate any work product that will be used in any Commercial manner.

Only Licensee Personnel can Use the Software.

Installation

Licensee may (A) for each License issued, install the License and Use the Software pursuant to a Workstation Installation, or (B) if multiple Licenses are issued for the purpose of usage on a network, install the Licenses and Use the Software pursuant to a Network Installation.

License Relocation

Licensee may relocate the License from the dedicated Computer or a License Server, as applicable, to another Computer (in which case such Computer would then be the dedicated Computer or the License Server, as applicable) only (A) within the Territory, (B) within a one hundred (100) kilometre radius of where the dedicated Computer or License Server was located when the License was originally installed, and (C) upon prior written notice to SideFX. A maximum of one (1) such relocation is permitted without paying the applicable relocation fee to SideFX. (\*)

Dedicated Computer / License Server Relocation

Licensee may relocate the dedicated Computer only (A) within the Territory, (B) to a location within a one hundred (100) kilometre radius of where the dedicated Computer was located when the License was originally installed, and (C) upon the prior written consent of SideFX (which consent may be withheld by SideFX in its sole and absolute discretion).

Term

Three hundred and sixty five (365) days from the License Activation Date.

**Evaluation License Type**

Permitted Use

The Software may be Used only for purposes of internal evaluation and demonstration of the capabilities of the Software by and to Authorized Users. The Software may not be Used to generate any work product that will be used in any Commercial manner.

Only Licensee Personnel can Use the Software, unless otherwise agreed by SideFX and set out in the Transaction Confirmation.

Installation

Licensee may (A) for each License issued, install the License and Use the Software pursuant to a Workstation Installation, or (B) if multiple Licenses are issued for the purpose of usage on a network, install the Licenses and Use the Software pursuant to a Network Installation.

License Relocation

Licensee may relocate the License from the dedicated Computer or a License Server, as applicable, to another Computer (in which case such Computer would then be the dedicated Computer or the License Server, as applicable) only (A) within the Territory, and (B) upon prior written notice to SideFX. A maximum of one (1) such relocation is permitted without paying the applicable relocation fee to SideFX. (\*)

Dedicated Computer / License Server Relocation

Licensee may relocate the dedicated Computer only (A) within the Territory, and (B) upon the prior written consent of SideFX (which consent may be withheld by SideFX in its sole and absolute discretion).

Term

Thirty (30) days from the License Activation Date.

**Commercial Workstation License Type**

Permitted Use

The Software may be Used for Commercial or non-Commercial purposes.

Only Licensee Personnel can Use the Software.

The number of Licenses available to Licensee and its Affiliates is limited to a maximum of five (5), unless otherwise agreed by SideFX.

Installation

For each License issued, Licensee may install the License and Use the Software only pursuant to a Workstation Installation.

License Relocation

Licensee may relocate the License from the dedicated Computer to another Computer (in which case such Computer would then be the dedicated Computer) only (A) within the Territory, (B) within a one hundred (100) kilometre radius of where the dedicated Computer was located when the License was originally installed, and (C) upon prior written notice to SideFX. A maximum of two (2) such relocations in any rolling seven hundred and fifty (750) day period is permitted without paying the applicable relocation fee to SideFX. (\*)

Dedicated Computer / License Server Relocation

Licensee may relocate the dedicated Computer only (A) within the Territory, (B) to a location within a one hundred (100) kilometre radius of where the dedicated Computer was located when the License was originally installed, and (C) upon the prior written consent of SideFX (which consent may be withheld by SideFX in its sole and absolute discretion).

Notwithstanding the foregoing paragraph and part (b) of Section 2.1 of the Agreement, if Licensee is an individual freelance worker who is self-employed and does not have an affiliation or long-term (i.e. longer than nine (9) months) contractual arrangement with any particular Organization, Licensee may relocate the dedicated Computer and Use the Software anywhere in the world in order to provide freelance services to third parties.

Term

Starting from the License Activation Date and ending on: (i) the termination date as set out in the Transaction Confirmation; or (ii) if there is no Transaction Confirmation, the termination date selected upon purchase of the applicable License.

### **Indie License Type**

#### Permitted Use

The Software may be Used for Commercial purposes, subject to the revenue limitations set out in Section 6.2 of the Agreement.

An Indie User and its Affiliates and related individuals, collectively, may have or Use a maximum of three (3) purchased Indie Licenses at any given time.

SideFX may elect to issue one supplementary License with each purchased Indie License in order to enable the Indie User to use The Software on a dual-boot Computer or a second Computer. The supplementary License may only be Used by the same Indie User using the corresponding purchased Indie License.

#### Installation

For each License issued, Licensee may install the License and Use the Software only pursuant to a Workstation Installation.

#### License Relocation

Licensee may relocate the License from the dedicated Computer to another Computer (in which case such Computer would then be the dedicated Computer) only (A) within the Territory, and (B) within a one hundred (100) kilometre radius of where the dedicated Computer was located when the License was originally installed. A maximum of one (1) such relocation is permitted without paying the applicable relocation fee to SideFX. (\*)

#### Dedicated Computer / License Server Relocation

Licensee may relocate the dedicated Computer only (A) within the Territory, and (B) to a location within a one hundred (100) kilometre radius of where the dedicated Computer was located when the License was originally installed.

Notwithstanding the foregoing paragraph and part (b) of Section 2.1 of the Agreement, if Licensee is an individual freelance worker who is self-employed and does not have an affiliation or long-term (i.e. longer than nine (9) months) contractual arrangement with any particular Organization, Licensee may relocate the dedicated Computer and Use the Software anywhere in the world in order to provide freelance services to third parties.

#### Term

Three hundred and sixty five (365) days or seven hundred and thirty (730) days from the License Activation Date.

### **Local Access License Type**

#### Permitted Use

The Software may be Used for Commercial or non-Commercial purposes.

Only Licensee Personnel can Use the Software.

#### Installation

Licensee may install the Licenses and Use the Software only pursuant to a Network Installation.

#### License Relocation

Licensee may relocate the Licenses from a License Server to another Computer (in which case such Computer would then be the License Server) only (A) within the Territory, (B) within a one hundred (100) kilometre radius of where the License Server was located

when the License was originally installed, and (C) upon prior written notice to SideFX. A maximum of two (2) such relocations in any rolling seven hundred and fifty (750) day period is permitted without paying the applicable relocation fee to SideFX, and is permitted solely when the License Server is being replaced or upgraded. (\*)

Dedicated Computer / License Server Relocation

No restrictions on the relocation of License Servers.

Licensee may relocate a Client Computer only within the Territory and only to a location within a one hundred (100) kilometres of all other Client Computers.

Term

Starting from the License Activation Date and ending on the termination date as set out in the Transaction Confirmation.

**Global Access License Type**

Permitted Use

The Software may be Used for Commercial or non-Commercial purposes.

The Software can be Used by (A) Licensee Personnel, and (B) Licensee Affiliate Personnel and employees of Authorized Subcontractors (subject to the additional requirements and limitations set out in the definition of Authorized Users in Section 12 of the Agreement).

Installation

Licensee may install the Licenses and Use the Software only pursuant to a Network Installation.

License Relocation

No restrictions on the relocation of Licenses.

Dedicated Computer / License Server Relocation

No restrictions on the relocation of License Servers or Client Computers.

Term

Starting from the License Activation Date and ending on the termination date as set out in the Transaction Confirmation.

**Project License Type**

Permitted Use

The Software may be Used for Commercial or non-Commercial purposes and solely for purposes of creating content for the project as described in the Transaction Confirmation (the "Project") by up to the number of Authorized Users set out in the Transaction Confirmation.

The Software can be Used by (A) Licensee Personnel, and (B) Licensee Affiliate Personnel and employees of Authorized Subcontractors (subject to the additional requirements and limitations set out in the definition of Authorized Users in Section 12 of the Agreement).

Installation

Licensee may install the Licenses and Use the Software only pursuant to a Network Installation.

License Relocation

No restrictions on the relocation of Licenses.

Dedicated Computer / License Server Relocation

No restrictions on the relocation of License Servers or Client Computers.

Term



Starting from the License Activation Date and ending on the earlier of: (A) the date that the Project is completed as evidenced by the film, game or other product being made Commercially available; and (B) the outside date set out in the Transaction Confirmation.

(\*) For greater certainty, SideFX reserves the right to decline to consent to any relocation of the License from the dedicated Computer or License Server beyond the number expressly permitted above, in its sole and absolute discretion.

(\*\*) For all License Types, interactive use of the Software is permitted only on a non-concurrent basis (as further described in Section 3.6 of the Agreement) and Use of the Software is otherwise subject to the restrictions and limitations set out in Sections 3 and 4 of the Agreement.

(\*\*\*) Note: The terms "Agreement", "Authorized Users", "Commercial", "Computer", "License(s)", "License Activation Date", "Licensee Personnel", "Software", "Territory", "Transaction Confirmation", and "Used" have the meaning set out in Section 12 of the Agreement. The terms "License Server" and "Network Installation" have the meaning set out in Section 3.3 of the Agreement. The term "Workstation Installation" has the meaning set out in Section 3.4 of the Agreement. The terms "Licensee" and "Organization" have the meaning set out in Section 1.1 of the Agreement. The term "SideFX" has the meaning set out in the preamble to the Agreement.