

1 Outline Terms of Licence

1.1 The Agreement shall provide for SnowVolution to grant to the Licensee a non-exclusive, non-transferable, royalty bearing licence to use SnowVolution's proprietary intellectual property rights (which shall include without being limited to the registered intellectual property rights set out in the Schedule of these Heads together with any ancillary engineering and architectural drawings, operational processes, themes, brands, copyright, expertise, and know how (the "SnowVolution IPR")) for the Term (as defined below)

1.2 The Licence to be granted to the SnowVolution IPR in respect of the Agreement shall initially be restricted to one geographical site in a designated country (the "Site"). †The Site shall be agreed between the parties and detailed in the Agreement.

1.3 †The investor/developer shall also be obliged to promote and use the name of SnowVolution in relation to the Centre in a form to be agreed by the parties.

2. †Annual Licence Fee

2.1 †In return for the licence to be granted in terms above the licensee shall pay to SnowVolution the following. †An annual licence fee to be agreed by the parties together with an agreed percentage of gross turnover for all revenue generated from the site including ancillary sales outlets, activities merchandising media rights.

3. Ownership of Intellectual Property Rights (IPR)

The licence is offered on the understanding that the SnowVolution IPR and any Consultancy IPR shall at all times remain the sole property of SnowVolution Ltd.

The licence agreement will contain certain standard protections in respect of the SnowVolution IPR and Consultancy IPR.

4. The Centre

The Licensee agrees and undertakes that they shall:

- a) meet the full cost of the construction of the machine and SnowVolution Centre
- b) Provide standard warranties and indemnities to SnowVolution Ltd in respect of the construction and use of the Centre and any third party claim made in relation thereto.
- c) Procure and maintain appropriate insurances in respect of the centre as agreed with SnowVolution.

5. Duration

The initial term of the agreement shall be 10 years from the date of

commissioning the machine (the Term). †After the expiry of the Term the licensee will have the option to have the SnowVolution IPR refurbished, redeveloped and upgraded, the costs of which will be borne by the licensee.

If the option is taken up SnowVolution will become entitled from the date the upgrade is completed to an additional percentage of the operating revenues generated by the Ski Disk together with a proportional uplift in the agreed percentage of the gross turnover of all revenues generated by the Centre.

6. Engineering Design

SnowVolution will provide the licensee with an engineering design for the machine together with the architectural and engineering criteria to provide the building envelope in which to house and operate the machine whether it is constructed on a greenfield site or on a hillside.