

LEGTRICITY DISTIBUTOR AGREEMENT

THIS AGREEMENT, by and between Legtricity Corporation (hereinafter "Legtricity" or "Licensor") located at: 1723 SE 47th Terrace, Cape Coral FL 33904, and:

_____. Located at:
_____, hereinafter
("Distributor.")

WHEREAS, Licensor is the owner of all right, title, and interest in a computer software System known as "Legtricity", hereinafter ("System"); and

WHEREAS, Distributor is desirous of obtaining a month-to-month license to participate in Legtricity's Application Service Provider ("ASP") program, and distribute Legtricity's products and services to End Users;

NOW, THEREFORE, in consideration of the mutual obligations assumed by Licensor and Distributor, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is hereby agreed as follows:

DEFINITIONS

Application Service Provider (ASP): This is a service whereby Legtricity licenses access to hardware, software and Internet bandwidth to Distributors. Distributor's Administrator, its End Users and Pre-enrollees gain month-to-month access to the Legtricity ASP System, exclusively via the Internet. For the duration of this agreement Legtricity owns all hardware, software and

Internet bandwidth. In short, Legtricity rents use of its System, hardware, labor and bandwidth on a monthly basis to Distributor's and End Users.

Distributor(s): Are multi-level marketing (MLM) businesses or entities registered with Legtricity to sell / Distribute Legtricity's products and services to End Users. Distributors bring Pre-enrollees to Legtricity in an effort to get those Pre-enrollees to potentially upgrade to End Users.

Pre-enrollee(s): Are individual(s) or entities interested in the Distributor's company and considering becoming paid End Users of Legtricity.

End User(s): The Legtricity Site shall include such notices, disclaimers or other messages required by Legtricity to notify any End Users of the warranties and limitations of warranties applicable to Legtricity and the related processes and software. The Legtricity Site also shall provide an End User license agreement acceptance of which is required by the End User for use of the Legtricity product

INTRODUCTION

Legtricity is a provider of an online, Instant Notification (IN) System ("Legtricity"), a system which may be used over the Internet by End User/Customers ("End User"). Distributor wishes to sell access to Legtricity to End Users on the terms set forth in this Agreement.

The Legtricity Instant Notification System (IN) may include plug-ins and other executable files designed to be downloaded by the End User. An End User purchases access to Legtricity from Distributor. The term Legtricity

includes the software processes and technology used in accessing the IN System.

1. PROVISION OF PRODUCT

Legtricity hereby agrees to make the Legtricity IN technology available to Distributor and Distributor's End User's through a web site provided by Legtricity (the "Site") and linkable to a web site of Distributor. Legtricity shall from time to time publish updated Distributor prices for access to Legtricity, possibly including volume prices and special offers. The current Prices are shown in "Exhibit A" attached hereto. This Exhibit A may be modified from time to time by Legtricity, and prices may change. Legtricity shall provide a "Buy" button on the Legtricity Site, allowing credit card processing by Distributor's credit card service provider. Distributor hereby is licensed to allow access to the Legtricity Site, and for End Users and potential End Users of Distributor to access the site and the processes thereon for the term of this Agreement. As between Legtricity and Distributor, the Legtricity Site and all software, source and object code, processes and informational content thereof, including all copyrights thereto, but excluding trademarks, text and artwork provided by Distributor, shall be and are the property of Legtricity, or property licensed by Legtricity from others, and this Agreement confers no ownership rights in Distributor with respect to same. Distributor shall not copy, sub-license, sell, or otherwise transfer the software or technology to any End User or to any other entity for use of that entity's End Users, affiliates, employees, or representatives, except as set forth in this Agreement. Distributor shall have no exclusive right to market the technology or sell Legtricity to End Users, and Legtricity is free to license the technology and product for use and sale by others, on such terms as Legtricity may negotiate with them. Legtricity also may develop customized versions of the software and technology for use or resale by others, including

private-label versions of Legtricity, and may develop new versions of the software and technology.

2. END USERS DEFINED

It is acknowledged and understood that Distributor not only shall sell to individual persons as End Users, but also may contract with certain other business entities, for their salesmen, representatives, affiliates, employees, or other persons affiliated with them to acquire use of Legtricity. Each person who acquires use of Legtricity is an End User for purposes of this Agreement, whether Distributor bills or collects from one entity on behalf of others (as might be the case when Distributor bills a corporation for Legtricity use by its individual salesmen), or whether Distributor bills or collects from each End User separately. Unless specifically agreed otherwise in writing, however, all Legtricity access by End Users shall be ordered through the Legtricity Site, and paid through the merchant credit card account and transaction gateway of Distributor (merchant account).

3. OTHER PRODUCTS

The Legtricity Site may be used for End Users to purchase other Legtricity products, and such sales shall be governed by separate written agreements between Legtricity and Distributor. The Legtricity Site also may contain banner advertising for products offered by Legtricity pursuant to a separate Agreement which shall be executed by the parties.

4. MAINTENANCE AND TECHNICAL ASSISTANCE

The Legtricity software and technology shall be maintained upon, hosted upon, and used by Distributor and its End Users solely from Legtricity servers, whether owned by Legtricity or by other entities that have contracted with Legtricity, and the software shall not be installed on servers

owned or operated by any of Distributor's, End Users or by the Distributor itself. Legtricity shall provide and be solely responsible for the provision of all software and software licenses required to allow End Users access to use the Legtricity Site and Legtricity as set forth in this Agreement. Legtricity shall have no obligation to provide support services to Distributor's End Users. Legtricity may at its option provide a "feedback" and or a Frequently Asked Questions ("FAQ") mechanism to End Users.

Distributor acknowledges that it has considerable expertise in computer technology, or is willing to acquire such expertise, and does not anticipate the need for technical assistance with the operation of its Internet site for the sale of the Legtricity access. Distributor shall be solely responsible for the building of their own personal web site, and for implementation of any additional or necessary record-keeping, billing, and collection procedures, although Legtricity shall provide necessary information concerning implementation of the links required to allow contemplated sales of Legtricity access and reports concerning sales through the Legtricity Site.

Should Distributor desire customization of the Legtricity Site, technical assistance and customization shall be billed by Legtricity to Distributor at the then current hourly programming rate. In no event shall Distributor be billed for incremental modifications made generally to the product.

5. DISTRIBUTOR SITE AND LINKS

Distributor, as part of its marketing of Legtricity, shall maintain an Internet site for access by its End Users. This site shall be linked to the Legtricity Site, where Legtricity software is accessed. Distributor shall be solely responsible for its own site, including any software and licenses required for

maintaining Distributor's site, sales, and operations, including network software running on the Distributor site. Distributor shall also be solely responsible for billing, credit card, and database software used in sales to End Users, and any software required to provide Legtricity with accurate information used to calculate fees and payments due Legtricity; provided, however, that Legtricity shall provide Distributor with information and reports concerning activities and sales made through the Legtricity Site.

6. EXTENSION OF CREDIT

For both credit card and non-credit card sales, Legtricity may, from time to time and in its sole option, impose credit limits, require the giving of security or impose other conditions of sale based on the operating and credit history and financial condition of Distributor, the risks and potential loss exposure perceived by Legtricity in extending credit, and other factors commonly used in commercial transactions.

7. PRICES TO END USERS

Legtricity has sole discretion in determining the final price for Legtricity access provided to End Users pursuant to this Agreement, and shall furnish a schedule of prices, including any applicable taxes, to be followed in processing orders.

8. ACCESS TO LEGTRICITY

Whether this Agreement is in effect or has been terminated, each End User shall have access to Legtricity for a period of twelve months from the date access was acquired.

9. UPGRADES

If, from time to time, Legtricity should make incremental improvements or changes to the Legtricity software and methodology or to the Legtricity Site, all such upgrades shall be made available to Distributor, without additional charge, during the term of this Agreement. The term "upgrades" shall include additional features developed for general use with the software through the Legtricity Site, but shall not include either customization of the product for other resellers or purchasers of Legtricity technology, nor templates or features developed for specialized use. (For example, templates which show logos or brand names of others for private-label purposes or otherwise, or which are built at the specific request of others to show scenes specified by them, shall not be considered general upgrades to the product). The adoption of incremental upgrades may cause additional costs to Distributor, including changes to its marketing programs or its Internet site, and these costs shall be the expense of Distributor. Legtricity shall give 60 days advance notice to Distributor for upgrades that are likely to cause additional cost to Distributor, and shall give reasonable advance notice of all upgrades that will materially affect the look and feel of the Legtricity Site.

10. CO-BRANDING AND USE OF MARKS

Distributor shall have the right to use and advertise the Legtricity mark and name in its sales endeavors and may co-brand the product (for example, "Legtricity Distributor"). Distributor shall include the designation Legtricity™ next to all public uses of the mark "Legtricity" or any other mark of Legtricity. Legtricity may subsequently require Distributor to substitute the designation "®" for the designation "™" on its website and in subsequently produced printed materials. Distributor may not otherwise use the mark "Legtricity" without written consent. The Legtricity Site shall always bear the term "powered by Legtricity" or similar terms and both the

Distributor site(s), the product and all sales materials and advertising of Distributor shall bear such copyright and other notices as are reasonably required by Legtricity to protect its interests in product names or marks, whether or not subject to copyright or patent.

11. NO INFRINGEMENT

Legtricity represents and warrants that the marks, logos, processes, software and technology furnished by Legtricity and comprising Legtricity do not infringe upon patents, copyrights or other proprietary rights of any third parties. Distributor shall immediately notify Legtricity of any claim of infringement. If an infringement claim is made, Legtricity shall defend or settle the claim, at its sole expense, and at its option: (1) modify or change the mark, logo, process, software or other property so that it becomes non-infringing; (2) replace any process or software with functionally equivalent non-infringing software; or (3) obtain a license with respect to any third-party property rights. If the foregoing alternatives are not, in Legtricity's sole discretion, reasonably available to Legtricity, then Legtricity may terminate this Agreement and refund to Distributor the one-time fee paid by Distributor pursuant to Exhibit A.

12. POSITIVE PRESENTATION

Distributor shall actively promote the sale of Legtricity and all advertising materials and promotional activities of Distributor related to the product shall depict the product in a positive light. If Legtricity is mentioned, Legtricity shall be depicted in a neutral or positive light.

13. TERM

Licensor hereby grants Distributor a non-exclusive license to use the System for as long as Distributor's account remains in good standing. Distributor

does not become the owner of the System, nor does Distributor acquire the right to copy or alter the software or printed materials relating to the System. Distributor agrees to be legally accountable for any violation of this License Agreement by Distributor.

The System may not be transferred or sold by Distributor, this is a month-to-month license and Distributor may terminate at any time by providing Licensor thirty (30) days prior written notice and by destroying or returning all proprietary documentation and information to Legtricity.

14. SOURCE CODE PURCHASE

At any time Distributor may exercise the option to purchase the full System Source Code at a pre-agreed price of US \$350,000 for Distributor's internal *(not for resale or distribution in any fashion; useable exclusively by Distributor)* use only. Payments made during the term of the License shall not apply toward the purchase of source code.

15. FEES

(a) One-Time Distributor Activation Fee. At the time of execution of this Agreement, Distributor shall pay Legtricity the non-refundable one-time fee set forth on Exhibit A. This fee includes set-up of the Legtricity Site for co-branded use.

(b) Legtricity Sales. For each End User sale of access to Legtricity, Distributor shall pay Legtricity a fee as set forth on Exhibit A, earned at the time the access is ordered or paid for by or on behalf of the End User, or in the case of non-credit card transaction, from the time that access is authorized. Other fees to Legtricity shall be due and paid on or before the 10th day of each month for fees earned the previous month.

Any additional custom services will be billed at Legtricity's standard hourly programming rate. Licensor's billing facility will automatically suspend any system that carries an outstanding balance beyond (5) calendar days.

Distributor acknowledges and agrees that Licensor has the right to make reasonable adjustments to its prices and fees at any time, in its sole discretion, provided Licensor provides Distributor with at least three (3) months prior notice of such changes and provided that such changes are in keeping with industry standards.

16. SERVICES TO BE PROVIDED BY LEGTRICITY

A. Access and use

Licensor hosts the System on its own hardware. Distributor and End Users will be granted access to use of the software via the Internet.

B. Backup of data

Licensor will backup the Distributor's data on a daily basis and deliver a copy of the backup to Distributor electronically via a VPN (Virtual Private Network) as requested. It is the Distributor's responsibility to retrieve and archive these backups. If requested in writing by Distributor, Legtricity will prepare additional hard copy backups for which Distributor shall be billed US\$200.00 per backup.

C. Modifications to system

Licensor may modify, improve, adapt and/or replace any components of the System at any time, providing that, within reason, such modification, improvement, adaptation or replacement does not materially degrade the performance or functionality of the System.

17. DELIVERY OF SYSTEM

Licensor agrees to deliver an activated version of Legtricity to the Distributor upon receipt of the following: accepted License Agreement and cleared funds.

18. TERMS OF SERVICE

By using the System provided by Licensor, Distributor agrees to these Terms of Service ("TOS") on its behalf and on behalf of Distributor's employees, agents, distributors, affiliates and any other permitted third party users.

A. Internet Access

In order to use the System, Distributor is solely responsible for the cost of its own local connection(s) to the World Wide Web. Recommended browser for use with the system is Microsoft Internet Explorer, Version 6 or higher.

B. Registration and Other Information

Distributor agrees to: (a) provide true, accurate, current and complete information that is reasonably required by Licensor to carry out the terms of this Agreement as requested by Licensor, and (b) provide additional information to Licensor as reasonably required by Licensor, to enable it to adequately provide access to the System under this Agreement.

C. Access Rights

During use of the System, Distributor will have a limited, revocable, non-transferable and non-exclusive license to use the System consistent with these TOS. These access rights apply solely to Distributor, its administrators, distributors and pre-enrollees. Licensor will provide Distributor a login/password to gain access to the System. Distributor shall: (a) be responsible for the security and/or use of the login/password System; (b) not

disclose the login/password methods to any person or entity that is not an administrator, distributor or pre-enrollee of Distributor; (c) not permit any other person or entity to use the login/password System except as provided herein; and (d) use the System consistent with these TOS.

D. Suspension or Revocation

Subject to notifying Distributor and cure rights set forth herein, Licensor reserves the right to deny, suspend or revoke access to the System, in whole or in part, if Licensor believes, in good faith, that Distributor is in breach of, or using the System in a manner inconsistent with this license and these TOS. Subject to notifying Distributor and cure rights set forth herein, Licensor reserves the right to disable and/or remove from Licensor's hardware Distributor's data or other materials that are, in Licensor's reasonable discretion, disruptive to the operation of the System. Subject to Distributor's notice and cure rights, in the event that an account is disabled or deleted, the disabling or deletion of the account will occur immediately and the Distributor will be notified immediately.

E. Security

Unless otherwise notified pursuant to the terms of this license, Distributor is responsible for all electronic communications, including account registration and other information of Distributor such as e-mail, files and other data ("Electronic Communications") entered through the System. Licensor will assume that all Electronic Communications it receives were authorized and sent by Distributor and, where appropriate, will act in full reliance thereon. Distributor agrees to notify Licensor immediately if it becomes aware of any unauthorized use of the Systems.

The security of Electronic Communications shall be maintained through the use of passwords and other methods which Licensor may employ, or which Licensor may suggest or reasonably require that Distributor employ.

Distributor acknowledges and agrees however, that Licensor cannot guarantee that the System and/or Electronic Communications will be protected against third party interference, interception, or other actions.

(i) Licensor complies with the Payment Card Industry (PCI) financial security standards. These standards are industry accepted practices for maintaining the security of credit card and ACH data within the Licensor's network. If Distributor chooses to host with Licensor a website that has been designed by the Distributor or a third party agent working on behalf of Distributor, that website must meet the PCI security standards. Websites placed for hosting with Licensor will be scanned for vulnerabilities within 24 hours of hosting setup. If vulnerabilities are discovered with the website, Distributor will have 48 hours to address them before the site is suspended.

Each website hosted with Licensor will be scanned for security vulnerabilities once every 24 hours. Vulnerabilities introduced to a site by Distributor, whether originally designed by Licensor, Distributor or another party, must be remedied by Distributor within 48 hours. Vulnerabilities not remedied within 48 hours will result in suspension of the site until the vulnerabilities have been eliminated by Distributor.

F. Electronic Communications

Licensor and Distributor may communicate in an electronic manner.

Distributor acknowledges and agrees to the following with respect to use of Electronic Communications:

(i) Licensor shall be entitled, but is not obligated, to review or retain Electronic Communications to confirm compliance with the License Agreement and these TOS, and to maintain the security of the System. Licensor may also review or retain Electronic Communications related to usage of the Systems by Distributor and End Users.

(ii) Provided that Licensor complies with the confidentiality and disclosure provisions of this Agreement, Licensor may disclose Electronic Communications if so required by law or in the good faith belief that such disclosure is reasonably necessary to: (a) comply with legal, judicial or other governmental process; (b) enforce this Agreement and/or these TOS; (c) respond to claims that any Electronic Communication violates the rights of third parties; or (d) protect the rights, property, or personal security of Licensor, its End Users, or others.

(iii) Licensor shall from time to time provide notices, statements and other communications to Distributor through e-mail, posting on the Systems, or through other electronic transmissions. Distributor agrees to comply with, and be bound by, all such notices and communications upon receipt of the same, unless such notices, statements or other communications modify the terms and conditions of this Agreement and provided that such notices, statements or other communications do not materially alter Distributor's rights to use the System.

(iv) Distributor and Licensor agrees to provide e-mail address(es), and promptly to provide any changes to e-mail address(es) and accept Electronic Communications at the e-mail address(es) specified.

G. General Practices and Additional Guidelines

Distributor acknowledges that Licensor may establish and post general practices concerning use of the System subsequent to the signing of this Agreement. Distributor further acknowledges and agrees that Licensor has the right to change these general practices at any time, in its sole discretion, provided that such changes are reasonable and do not unreasonably alter Distributor's rights to use the System, or are required by law or court order. In addition, when using specific components of the System, Distributor agrees to comply with, and be bound by, any reasonable guidelines or reasonable rules applicable to such components of the System which Licensor may communicate to Distributor. Continued use of the System after receipt of notice of such changes, constitutes Distributor's acceptance of said terms and conditions and its Agreement to be bound thereby.

H. Modifications

Licensor reserves the right to reasonably modify or update these TOS upon 10 days prior written notice to Distributor in the manner provided by the terms of this License Agreement.

I. Prohibited Activities

Neither Distributor, its agents, employees, End Users, distributors, pre-enrollees nor other authorized third party users, may engage in any of the following:

(i) Upload, post, E-mail, transmit or otherwise make available any content that is unlawful, harmful, threatening, abusive, harassing, tortuous, defamatory, vulgar, obscene, libelous, invasive of another's privacy, hateful, or racially, ethnically or otherwise objectionable;

(ii) Upload, post, E-mail, transmit or otherwise make available any content that is, or may reasonably be considered to be harmful to minors (defined as individuals under the age of eighteen (18));

(iii) Impersonate any person or entity, including, but not limited to, a Legtricity official, forum leader, guide or host, or falsely state or otherwise misrepresent Distributor's affiliation with a person or entity;

(iv) Forge or falsify headers or otherwise manipulate identifiers in order to disguise the origin of any content transmitted through the System;

(v) Upload, post, E-mail, transmit or otherwise make available any content that Distributor does not have a right to make available under any law or under contractual or fiduciary relationship (such as inside information, proprietary and confidential information learned or disclosed as part of employment relationships or under non-disclosure Agreements);

(vi) Upload, post, E-mail, transmit or otherwise make available any content that infringes any patent, trademark, trade secret, copyright or other proprietary rights of any party whether identified in this document or otherwise;

(vii) Upload, post, E-mail, transmit or otherwise make available any unsolicited or unauthorized advertising, promotional materials, "junk mail," "spam," "chain letters," "pyramid schemes," or any other form of solicitation, except in those areas, such as shopping carts, that are designated for such purpose;

(viii) Knowingly upload, post, E-mail, transmit or otherwise make available any material that contains software viruses or any other computer code, files or programs designed to interrupt, destroy or limit the functionality of any computer software or hardware or telecommunications equipment; upload, introduce or transmit in, to or through the Systems any viruses, worms, trap door, back doors, timers, clocks, counters or other limiting harmful or destructive routines, instructions, files or designs;

(ix) Conduct operations in a manner that negatively affects other users' ability to engage in real time exchanges;

(x) Interfere with or disrupt Services or servers or networks connected to the Services, or disobey any requirements, procedures, policies or regulations of networks connected to the System;

(xi) Violate any local, state, national or international law, including, but not limited to, regulations promulgated by the U.S. Securities and Exchange Commission, any rules of any national or other securities exchange, including, without limitation, the New York Stock Exchange, the American Stock Exchange or the NASDAQ, and any regulations having the force of law;

(xii) "Stalk" or otherwise harass other users;

(xiii) Use, collect or store personal data on users for negative or harmful purposes; or

(xiv) Intentionally, directly or indirectly, provide, disclose, divulge, make available to, or permit the use of Licensor's Services by any person other

than Distributor's administrators and End Users without Licensor's prior written consent.

19. WARRANTIES

A. LICENSOR'S LIMITED WARRANTIES

Licensor understands that from time to time programming errors, "bugs", can be discovered in any commercial software package. Licensor stands behind its product and will correct any discovered bugs for the life of the license at no additional charge to the Distributor.

B. LICENSOR'S DISCLAIMER OF WARRANTIES

EXCEPT AS OTHERWISE PROVIDED HEREIN, THE SYSTEM IS PROVIDED "AS IS" WITHOUT WARRANTY OR GUARANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED. TO THE MAXIMUM EXTENT PERMITTED BY LAW. ANY AND ALL EXPRESS AND IMPLIED WARRANTIES OF ANY KIND WHATSOEVER, INCLUDING, BUT NOT LIMITED TO, THOSE OF MERCHANTABILITY, OR THAT THE SYSTEM WILL BE FIT FOR A PARTICULAR PURPOSE. LICENSOR FURTHER DISCLAIMS ALL WARRANTIES OF NON-INFRINGEMENT AND TITLE. LICENSOR DOES NOT WARRANT AND EXPRESSLY DISCLAIMS THAT (i) THE SYSTEM WILL MEET ANY REQUIREMENTS THAT ARE NOT EXPLICITLY OUTLINED IN THIS AGREEMENT, (ii) THE SYSTEM WILL BE UNINTERRUPTED, TIMELY, SECURE OR ERROR-FREE, (iii) THE RESULTS THAT MAY BE OBTAINED FROM THE USE OF THE SYSTEM WILL BE ACCURATE OR RELIABLE, OR (iv) ANY ERRORS IN THE SYSTEM WILL BE IMMEDIATELY CORRECTED.

DISTRIBUTOR ASSUMES ALL RESPONSIBILITY FOR THE SELECTION OF THE SYSTEM IN ATTEMPTING TO ACHIEVE ITS INTENDED RESULTS. EXAMPLES OF RESULTS CONTAINED WITHIN THE SYSTEM, DOCUMENTATION, AND/OR

MARKETING MATERIALS, ARE SOLELY FOR THE PROMOTION OF LICENSOR'S SYSTEM. UNLESS SPECIFICALLY DETAILED IN ADDENDUM I, LICENSOR DOES NOT WARRANT THAT THE FUNCTIONS CONTAINED IN THE SYSTEM WILL: a) FIT DISTRIBUTOR'S MARKETING MODEL; b) MEET DISTRIBUTOR'S EXACT REQUIREMENTS; OR c) OPERATE PROPERLY IN CONJUNCTION WITH ANY OTHER SOFTWARE OWNED, USED OR LICENSED BY DISTRIBUTOR.

THERE ARE NO OTHER WARRANTIES EXPRESS OR IMPLIED GIVEN BY LICENSOR WITH RESPECT TO THE SYSTEM OTHER THAN EXPRESSLY SET FORTH HEREIN. NO ADVICE OR INFORMATION, WHETHER ORAL OR WRITTEN, OBTAINED BY DISTRIBUTOR FROM LICENSOR OR THROUGH THE USE OF THE SYSTEM SHALL CREATE ANY WARRANTY NOT EXPRESSLY STATED IN THIS AGREEMENT.

C. DISTRIBUTOR'S WARRANTIES & ACKNOWLEDGMENTS

Distributor warrants that it has independently determined the merchantability and fitness of the software for its particular purpose, prior to the purchase of the System from Licensor. Distributor further warrants that any specifications furnished by Distributor to Licensor for incorporation into the System are delivered free of the rightful claim of any third person or entity by way of infringement or the like, and Distributor expressly agrees to indemnify and hold harmless Licensor to the extent any such claim that arises out of Licensor's compliance with the specifications.

Distributor acknowledges that Licensor has not advised Distributor as to the legality and/or feasibility of its business and/or marketing methods.

Distributor further acknowledges that Licensor has provided no accounting, financial, legal or tax advice to Distributor relating to the software or other services to be provided by Licensor.

Distributor also acknowledges and agrees that any content downloaded or otherwise obtained through the use of the System is done at Distributor's own discretion and risk and that Distributor will be solely responsible for any damages to its computer System or for lost data that result from the download of such content. Distributor assumes the entire cost of all necessary servicing, repair and correction resulting there from.

Distributor further acknowledges and agrees that Distributor has reviewed a demonstration of the System prior to Distributor making a final purchase decision.

20. LIMITATIONS OF LIABILITY

EXCLUSION OF INCIDENTAL AND CONSEQUENTIAL DAMAGES
TO THE EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, OR DAMAGES FOR LOSS OF REVENUE, PROFITS, DATA OR USE, INCURRED BY EITHER PARTY OR ANY THIRD PARTY, WHETHER IN AN ACTION IN CONTRACT OR TORT, EVEN IF THE OTHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

WITHOUT LIMITATION BY THE FOREGOING, LICENSOR SHALL NOT BE LIABLE FOR ANY LOSS RESULTING FROM A CAUSE OVER WHICH LICENSOR DOES NOT HAVE SOLE AND DIRECT CONTROL, INCLUDING, BUT NOT LIMITED TO, FAILURE OF ELECTRONIC OR MECHANICAL EQUIPMENT OR COMMUNICATION LINES; TELEPHONE OR OTHER INTERCONNECTION PROBLEMS; BUGS, ERRORS, CONFIGURATION PROBLEMS OR INCOMPATIBILITY OF COMPUTER HARDWARE OR SOFTWARE; FAILURE OR UNAVAILABILITY OF INTERNET ACCESS; PROBLEMS WITH INTERNET

SERVICE PROVIDERS OR OTHER EQUIPMENT OR SERVICES RELATING TO DISTRIBUTOR'S COMPUTERS; PROBLEMS WITH INTERMEDIATE COMPUTER OR COMMUNICATIONS NETWORKS OR FACILITIES; PROBLEMS WITH DATA TRANSMISSION FACILITIES OR DISTRIBUTOR'S TELEPHONE OR TELEPHONE SERVICES; OR UNAUTHORIZED ACCESS, THEFT, OPERATOR ERRORS, SEVERE WEATHER, EARTHQUAKES, OTHER ACTS OF GOD OR LABOR DISPUTES.

21. ASSUMPTION OF RISK

EXCEPT AS OTHERWISE PROVIDED HEREIN, DISTRIBUTOR HEREBY EXPRESSLY ASSUMES THE ENTIRE RISK OF USING THE SYSTEM.

22. EXCLUSIVE REMEDY, RETURNS AND WARRANTY

AT THE SOLE OPTION OF LICENSOR, THE MAXIMUM LIABILITY OF THE LICENSOR WILL BE LIMITED EXCLUSIVELY TO EITHER: REPAIR, REPLACEMENT OR MODIFICATION OF THE NON-CONFORMING COMPONENTS OF THE SYSTEM.

In the event that an End User or Distributor is unable to access Legtricity for a term greater than three business days, Legtricity shall, at its option, either credit the full time for the period the System was inaccessible, plus 50% additional time as a penalty, or refund the unused portion of annual payment that was prepaid by the End User and then close the End User's account.

23. INDEMNIFICATION & HOLD HARMLESS

Distributor agrees to indemnify and hold harmless Licensor/Legtricity and its subsidiaries, affiliates, officers, directors, managers, agents, co-branders, vendors, sub-contractors or other partners and employees from all and for any claim or demand, costs, losses and damages (including reasonable

attorneys' fees and costs, even if incident to appellate, post-judgment or bankruptcy proceedings), arising out of, or in any way incidental to or in connection with Distributor's breach of this Agreement or Distributor's negligence, gross negligence or willful misconduct. This indemnity obligation continues in full force and effect notwithstanding the expiration or termination of this Agreement.

Licensor shall defend, indemnify and hold harmless Distributor from and against any and all actions, claims, costs (including without limitation, costs of investigation, litigation, and court costs), damages, demands, fines, interest, judgments, liabilities, losses, penalties, proceedings, suits (including appeal), and expenses (including, without limitation, reasonable attorneys' fees) (collectively, "Claims") brought by or on behalf of any person or entity arising out of or in connection with any allegation, in whole or in part, that the Distributor's use of the System infringes, misappropriates, dilutes, or violates the copyright, trade secret, trademark, trade dress, service mark, patent or any other proprietary right of any person or entity. This indemnity obligation continues in full force and effect notwithstanding the expiration or termination of this Agreement.

24. BASIS OF THE BARGAIN

Distributor acknowledges that Licensor has set its fees and entered into this License Agreement in reliance upon the limitations of liability and the disclaimers of warranties and damages set forth herein, and that such limitations are an essential basis of the bargain between the parties.

25. OBLIGATIONS OF DISTRIBUTOR PRIOR TO FIRST USE

Distributor is required to receive a demonstration of the System prior to entering into this agreement. The purpose of this evaluation is for Distributor to determine if the System will meet Distributor's needs.

Distributor understands and acknowledges that due to the nature of custom programming Legtricity does not provide refunds. Distributor acknowledges that he/she/it received a demonstration of System for compatibility with Distributor's needs and computer Systems, prior to purchasing a license of the System.

Distributor also acknowledges and understands that proper data processing procedure requires that any program be thoroughly tested with non-critical data before relying on it. Distributor acknowledges that he/she/it will do so and has assumed the entire risk of using the program, except as provided otherwise herein. Distributor also warrants that it has BACKED-UP all of its existing data programs on their own computer before installing or using the System.

26. DEFAULT

a) Subject to the cure provisions provided below, either party may terminate this Agreement upon the other party's failure to comply with any term or condition of this Agreement with 30 days written notice.

b) In the event either party is in breach of this Agreement for any reason other than non-payment of fees, the non-breaching party shall provide breaching party with written notice of the act or acts of default, in the manner provided hereunder. Should the breaching party fail to cure any such default within thirty (30) days after receipt of such written notice of default, the non-breaching party may terminate this Agreement.

c) Upon an act of default by Distributor, Licensor shall automatically restrict access to the System until all outstanding fees or charges have been paid in full, or until all other defaults have been cured as provided in this section.

d) Should access to the System be restricted or terminated due to a default under this section, as a further condition to reinstate access after the cure of any such default, Licensor may require, at its sole discretion, that Distributor pay to Legtricity a reinstatement charge in an amount equal to the highest two (2) months monthly fees incurred by Distributor prior to such default.

e) Should Distributor become insolvent, file for federal bankruptcy protection, or cease business operations for any reason, Distributor shall be deemed to be in default of this Agreement. Upon Distributor's default under this subsection, Licensor may immediately restrict access to the System without notice.

27. TERMINATION

a) For cause and subject to the cure provisions of Section 11, either party may terminate this Agreement with thirty (30) calendar day's written notice to the other party. In the event that Distributor terminates this Agreement, all unpaid outstanding balances as detailed in Addendum I shall become payable to Licensor.

b) During the thirty (30) day calendar period pending termination, the parties shall continue to be bound by, and responsible to comply with, all of the terms and conditions of this Agreement, including the payment of all fees required pursuant to all addendums to this Agreement.

c) Upon termination of this Agreement: (i) all obligations and rights hereunder relating to the System shall terminate; and (ii) any and all payment obligations relating to Services provided prior to the date of termination shall immediately become due and payable by Distributor, unless Distributor terminates this Agreement pursuant to Sections 11(a) and (b) above.

d) Licensor's billing facility will automatically suspend any System that has an open billing amount 5 days past due. In conjunction with this, Licensor may, at its sole discretion, terminate this Agreement in the event that any billing amount equals or exceeds 10 days past due.

28. LEGTRICITY'S PROPRIETARY RIGHTS

The System and its software, source and object code, processes and informational content thereof, including all copyrights thereto, text and artwork is owned by, and at all times shall remain the property of Legtricity/Licensor. This Agreement creates no ownership rights of any nature, form, or description for Distributor, its agents or employees. Legtricity remains the sole owner of all source code, methodology, templates, design, technology, trademarks and service marks, and other intellectual property rights associated with the System and related software and products, whether or not subject to formal registered patent, copyright or other legal protection. Distributor acknowledges such ownership rights of Legtricity and agrees that no use of the System by Distributor is permissible except under the terms of this Agreement, and only while this Agreement is in effect.

Distributor acknowledges and agrees that the System contains proprietary and confidential information that is protected by applicable intellectual

property and other laws. Except as expressly authorized by Legtricity, Distributor agrees not to modify, copy, rent, lease, loan, sell, distribute or create derivative works based on the System, in whole or in part. Distributor further acknowledges and agrees that the System is of a confidential nature, and therefore agrees that Distributor shall exercise due and reasonable care not to sell, grant, convey, make available, or in any other manner disclose to a third party the System licensed herein or any portion thereof. It is hereby specifically agreed that any impermissible or voluntary negligent disclosure of the System to a third party is a material breach of this license Agreement. The terms and conditions of the Mutual Confidentiality Agreement executed by the parties prior to the execution of this Agreement are incorporated herein by reference as if said terms and conditions were expressly re-stated herein.

Licensor grants Distributor a non-transferable and non-exclusive right and license to use the System; provided that Distributor does not copy, modify, create a derivative work, reverse engineer, reverse assemble, or otherwise attempt to discover any source code, sell, assign, sub-license, grant a security interest in or otherwise transfer any right in the System or software related thereto. Distributor agrees not to modify the System or software related thereto in any manner or form, or to use modified versions of the System for any purpose.

29. THIRD PARTY VENDORS

Distributor acknowledges that the use by Distributor of certain third party software applications (i.e., shipping tables and other applications) or other services provided as part of the System may be subject to additional terms and conditions imposed by third party vendors. Distributor agrees to abide by all such additional terms and conditions, provided Distributor is given a copy

of all such additional terms and conditions prior to Distributor's use of such third party applications.

30. NON-SOLICITATION OF LEGTRICITY EMPLOYEES

In further consideration for the providing of technical support by Legtricity, Distributor agrees that except with the prior written consent of Legtricity, during the term of this Agreement and for a period of two (2) years thereafter, Distributor will not solicit for employment with Distributor or have any discussion with any current or former employee(s) of Legtricity concerning employment of any nature, and Distributor shall not induce or attempt to influence any employee of Legtricity to terminate his or her employment with Legtricity. An individual is considered to be a former employee of Legtricity if employed by Legtricity within the two years prior to execution or termination of this Agreement, whichever should later occur.

31. USE OF CUSTOMER LISTS

During the term of this Agreement, Legtricity shall not use Distributor's customer information or customer lists obtained through sales and use of the Legtricity Site for any purpose not set forth in a written agreement between Legtricity and Distributor. Upon termination of this Agreement, Legtricity may use customer information previously obtained through Legtricity use, including information from the Legtricity Site, for the purpose of soliciting renewals of Legtricity use, but for no other purpose unless allowed by another written agreement between Legtricity and Distributor; provided, however, that if Distributor should cease doing business, Legtricity may use such information for any purpose. This restriction shall not apply to non-confidential information concerning Distributor's End Users and sales representatives, including information generally made available to

Distributor's End Users and potential End Users, including sales representatives.

32. GOVERNING LAW

This Agreement shall be governed by, and interpreted under, the laws of the State of Florida, USA. The parties acknowledge that a substantial portion of the negotiations, performance and signing of this Agreement occurred or will occur in Lee County, Florida, USA, and therefore, each of the parties irrevocably and unconditionally: (a) agrees that any suit, action or legal proceeding arising out of or relating to this Agreement shall be brought in the circuit or county courts of the State of Florida, which state Courts shall have exclusive subject matter and personal jurisdiction over the parties, with exclusive venue in Lee County, Florida, USA; (b) consents to the jurisdiction of each court in any suit, action or proceeding; (c) waives any objection that it may have to personal jurisdiction or the laying of venue of any suit, action or proceeding in any of these courts; and (d) agrees that service of any court paper may be effected on that party by mail at the last known address, as provided in this Agreement, or in any other manner as may be provided under Florida law.

In the event of a breach or anticipatory breach of this agreement by Distributor, Licensor may apply for and receive a temporary restraining order, without prior notice or bond, restraining such breach or anticipatory breach, as a part of any legal action against Distributor for injunctive or protective relief. This provision shall not apply to non-payment of contract amounts owed or to be paid by Distributor to Licensor under this agreement.

33. TAXES

Distributor is solely responsible for payment of his/her/its own income and all other taxes of whatever nature imposed upon Distributor, including those of its employees or agents, due and owing to any country, state, county, province, territory, municipal authority, or other duly authorized governmental body, and agrees to pay directly to the appropriate governmental agency all such taxes which accrue due to the granting, and/or arising out of the use of, this license. Legtricity Corporation shall not be responsible for payment of any such taxes which are the responsibility of Distributor hereunder.

34. NOTICES

Routine communications and notices required under this Agreement may be given by regular mail and by e-mail. Each party shall designate an e-mail address or addresses for these communications. Sensitive or confidential notices shall be sent via certified mail to addresses and addressees designated in writing, or if no instructions are given, shall be addressed to the signer of this contract at the principal business office of the party. Certified mail notices shall be deemed given upon tender of delivery or notice of availability from the postal service.

35. SEVERABILITY

If any provision of this Agreement or any other Agreement entered into pursuant to this Agreement is contrary to, prohibited by or deemed invalid under applicable law or regulation, that provision is inapplicable and deemed omitted to the extent so contrary, prohibited or invalid, but the remainder of this Agreement will not be invalidated thereby and will be given full force and effect so far as possible. If any provision of this Agreement may be construed in two or more ways, one of which would render the provision invalid or otherwise voidable or unenforceable and another of which would render the

provision valid and enforceable, that provision has the meaning that renders it valid and enforceable.

36. SURVIVAL

All obligations of Legtricity and Distributor that expressly or by their nature survive the expiration or termination of this Agreement will continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied or by their nature expire.

37. SUCCESSORS AND ASSIGNS BOUND

This Agreement shall be binding on Licensor and Distributor, their agents, successors and assigns. It supersedes any prior version of this Agreement executed by the parties.

38. WAIVER

The failure or delay of any party at any time to require performance by another party of any provision of this Agreement, even if known, will not affect the right of that party to require performance of that provision or to exercise any right, power or remedy under this Agreement. Any waiver by any party of any breach of any provision of this Agreement should not be construed as a waiver of any continuing or succeeding breach of that provision, a waiver of the provision itself, or a waiver of any right, power or remedy under this Agreement. No notice to or demand on any party in any case will, of itself, entitle that party to any other or further notice or demand in similar or other circumstances.

39. FORCE MAJEURE

The parties acknowledge and agree that all Internet sites periodically are inoperative because of network difficulties, because of hardware failures,

because of interference by third parties because of Internet outages or site overloads, and because of required maintenance. Legtricity shall have no liability to Distributor for outages or downtime for these or for any reasons beyond the control of Legtricity, including without limitations labor shortages or natural disasters, provided that Legtricity takes reasonable steps to restore service at the sites it maintains or hosts. The parties shall not be liable for failure or delay in its performance under this Agreement due to any cause beyond its reasonable control, including, but not limited to: acts of God; failure or disruptions in third party-controlled or operated communications facilities; and/or worms, viruses and other disabling and/or disruptive software, communications and/or files.

40. SECTION HEADINGS

The section titles are for convenience only and have no legal or contractual effect.

41. CONSTRUCTION

Whenever used in this Agreement words referring to the singular shall include the plural and vice versa, and words referring to the male gender shall include the female gender and vice versa. All references to third parties shall mean and include individuals, corporations, partnerships, joint ventures, trusts and any other form of entity or organization whether or not incorporated.

42. ENTIRE AGREEMENT

This License Agreement, its Addendums and all other written Agreements expressly referenced in, or related to this Agreement, including, but not limited to, a Mutual Confidentiality Agreement, represent the entire understanding and Agreement between the parties with respect to the

subject matter of this Agreement and supersede all other negotiations, understandings and representations, if any, made by and between the parties.

No representations, inducements, promises or Agreements, oral or otherwise, if not embodied in this Agreement, its Exhibits or in other written Agreements related to this Agreement and expressly referenced in this Agreement will be of any force or effect. The terms and conditions of this Agreement cannot be altered or varied except by a written Agreement executed by the duly authorized representatives of the parties on a date subsequent to the execution of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date written above.

BY DISTRIBUTOR: (_____ Corporation)

Signature of Authorized Representative

Date: _____

BY LICENSOR: Legtricity Corporation

Peter Spary - Legtricity CEO

Date: _____

Exhibit A – Prices

Distributor agrees that a demonstration of the Legtricity System was reviewed prior to purchasing a license for the System. In consideration for the grant of the license, Distributor shall pay Legtricity the following fees:

Distributor is required to pay a one time, non-refundable US\$3,500 Base Fee for setup and Activation of the system.

Beyond the base fee, there is also a per month charge for each End User present in the system as follows:

Pre-Paid Card Price Schedule

- ▶ 1 End User Card \$149 each per year (SRP)
- ▶ 50 End User wholesale cards \$79 each per year
- ▶ 100 End User wholesale cards \$69 each per year
- ▶ 500 End User wholesale cards \$59 each per year
- ▶ 1000 End User wholesale cards \$49 each per year

Optional, full Custom system = US\$50,000. Distributor understands that no modifications or customizations are included as part of this Agreement. All modifications and customizations shall be detailed in separate specifications sheet by Licensor and signed as accepted by both Licensor and Distributor.

Data Input:

All data must be entered into the System through a point controlled by Legtricity's business rules. E.g., Legtricity web page, import facility, etc. Distributor will have no direct "write" access to Licensor's databases.

Legtricity Corporation

1723 SE 47th Terrace

Cape Coral, Florida 33904

Tel: (239) 945-6433 - Fax (239) 945-6230

E-Mail: sales@Legtricity.com

Bank Wire Transfer Information

**Legtricity Corporation
1723 SE 47th Terrace
Cape Coral, FL 33904**

Bank: Riverside Bank of the Gulf Coast

Bank Phone: (239) 573-9000

Address: 506 SE Cape Coral Parkway
Cape Coral, FL 33904

Account# 614009314

ABA# 067014343