

PATENT ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	LICENSE
CONVEYING PARTY DATA	
Name	Execution Date
EVERMEDIA CO., LTD.	08/08/2006
RECEIVING PARTY DATA	
Name:	EVERMEDIA CAPITAL, LLC.
Street Address:	225 FRANKLIN STREET
Internal Address:	26TH FLOOR
City:	BOSTON
State/Country:	MASSACHUSETTS
Postal Code:	02110
PROPERTY NUMBERS Total: 2	
Property Type	Number
Application Number:	10656921
Application Number:	10656885
CORRESPONDENCE DATA	
Fax Number:	(949)760-9502
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	(949)760-0404
Email:	christine.kim@kmob.com
Correspondent Name:	Knobbe Martens Olson & Bear LLP
Address Line 1:	2040 Main Street
Address Line 2:	14th Floor
Address Line 4:	Irvine, CALIFORNIA 92614
ATTORNEY DOCKET NUMBER:	EVRMD.001C1/002C1
NAME OF SUBMITTER:	Mincheol Kim

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Total Attachments: 25
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LICENSE AND DEVELOPMENT AGREEMENT

This License and Development Agreement ("Agreement"), is made and entered into this 8th day of August, 2006, ("Effective Date"), by and between Evermedia Co. Ltd., a Korean corporation with its principal offices located at 501, HanHeung B/D, 140-1 Kongdok-dong, Mapo-gu, Seoul, Korea, ("Evermedia Korea"), and Evermedia Capital, LLC, a Delaware corporation with its principal offices at 225 Franklin Street, 26th Floor, Boston, MA 02110 ("Evermedia Capital, LLC").

RECITALS

WHEREAS, Evermedia Korea is the owner of certain patents and other intellectual property rights related to iris scanning;

WHEREAS, Evermedia Capital, LLC desires to obtain exclusive licenses to such patents and intellectual property for the purpose of further developing, manufacturing and commercializing iris scanning throughout North America and Europe;

WHEREAS, Evermedia Korea is willing to grant such license rights to Evermedia Capital, LLC in accordance with the terms of this Agreement; and

WHEREAS, Evermedia Korea is willing to provide Evermedia Capital, LLC with services related to the further development and commercialization of iris scanning, in accordance with the terms of this Agreement;

NOW, THEREFORE, in exchange for mutual consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. DEFINITIONS

As used in this Agreement, capitalized terms have the meanings set forth in Schedule A.

2. GRANT OF RIGHTS

2.1 License Grant.

2.1.1 Immediate Grant. Subject to the terms of this Agreement, Evermedia Korea hereby grants to Evermedia Capital, LLC, during the Term, an exclusive license in the Territory and a nonexclusive, worldwide license (a) under the Patent Rights to develop, make, have made, use, sell, offer to sell, lease, and import Licensed Products, and (b) to reproduce, prepare derivative works of, distribute, display, perform, use and modify the Licensed Software in connection with the Licensed Products. In order to establish an exclusive period for Evermedia Capital, LLC, Evermedia Korea agrees that it shall not grant any of the license rights set forth in this Section to any third party, nor shall it exercise any of such rights itself, except as necessary to perform its obligations under this Agreement.

2.1.1 Future Grant. Upon the occurrence of the Triggering Event, Evermedia Korea hereby agrees to grant Evermedia Capital, LLC during the Term, an exclusive, worldwide license (a) under the Patent Rights to develop, make, have made, use, sell, offer to sell, lease, and import Licensed Products, and (b) to reproduce, prepare derivative works of, distribute, display, perform, use and modify the Licensed Software in connection with the Licensed Products. In order to establish an exclusive period for Evermedia Capital, LLC, Evermedia Korea agrees that it shall not grant any of the license rights set forth in this Section to any third party, nor shall it exercise any of such rights itself, except as necessary to perform its obligations under this Agreement. The "Triggering Event" shall mean the payment by Evermedia Capital, LLC to Evermedia Korea of 400,000 USD (payable in installments and for uses approved by Evermedia Capital, LLC). Evermedia Capital, LLC may, but is not be obligated, to effectuate the Triggering Event.

2.2 Trademark License Grant. Subject to the terms of this Agreement, Evermedia Korea grants Evermedia Capital, LLC a royalty-free right and license to reproduce and display the Evermedia Marks solely for the purpose of its corporate name and the name of any affiliates and for carrying out the activities contemplated under this Agreement.

2.3 Right to Sublicense and Transfer. The licenses granted in Section 2.1 and Section 2.2 include the right to grant sublicenses consistent with the terms of this Agreement and to appoint distributors of the Licensed Products. The license grants are fully assignable and transferable to any affiliate of Evermedia Capital, LLC and any successor in interest to Evermedia Capital, LLC.

2.4 Right to Acquire Intellectual Property Rights.

2.4.1 Option. At any time during the period of five (5) years following the Effective Date, (the "Option Period"), Evermedia Capital, LLC shall have the exclusive option to purchase the Patent Rights and all other intellectual property rights, including but not limited to such rights relating to the Licensed Products and Licensed Software, for a purchase price of 2,500,000.00 USD (the "Purchase Price"). At the election of Evermedia Capital, the Purchase Price shall be payable with cash, capital stock of Evermedia Biometrics Corporation or any publicly traded company to which Evermedia Capital, LLC has ownership rights (with the value of such stock to be determined by multiplying the bid price on a given day by the number of shares of capital stock offered by Evermedia Capital and with such stock to be subject to any restrictions in place at such time of payment), or any combination thereof. Evermedia Capital, LLC may exercise this exclusive option at any point during the Option Period by providing written notice to Evermedia Korea.

2.4.2 Asset Purchase Agreement. The parties shall use commercially reasonable efforts to negotiate and execute a definitive Asset Purchase Agreement within ninety (90) days of Evermedia Capital, LLC's written notice of the events described in Section 2.4.1. Each party shall bear its own expenses with respect to such negotiations. The parties agree that the Purchase Price set forth in this Section 2.4 may be subject to adjustment for any liens against any of the assets to be purchased.

3. SERVICES

3.1 Product Development. During the Term, Evermedia Korea shall continue to further develop the Licensed Products to enhance and improve their functionality and capabilities under the specifications to be approved by Evermedia Capital, LLC. Evermedia Korea shall maintain such research and development facilities as exist on the Effective Date of this Agreement, and shall maintain during the Term, at a minimum, the same level of effort (in terms of personnel and hours) with respect to research and development as it maintained as of the Effective Date. Such efforts shall include improvements to the Licensed Products generally and improvements to the iris scanning camera specifically. From time to time, Evermedia Capital, LLC may request that Evermedia Korea engage in specific development projects, to be specified in a written statement of work to be signed by the parties. The development efforts under this Section 3.1 shall be provided at no additional charge, unless otherwise stated in a statement of work signed by the parties.

3.2 Invention Disclosures. Evermedia Korea shall promptly disclose to Evermedia Capital, LLC any and all inventions made in the course of its development efforts under Section 3.1, and all such inventions shall be deemed to be licensed to Evermedia Capital, LLC as part of the Patent Rights licensed herein. In addition, Evermedia Korea shall provide Evermedia Capital, LLC with progress reports and development status updates, as requested from time to time. Evermedia Capital, LLC shall have the right to review all development efforts and related documentation upon request. This shall include, but not be limited to, the right to review lab notebooks, designs, materials, software, test results and the like.

3.3 Biometrics Development. Nothing in this Agreement shall prohibit Evermedia Capital, LLC and/or its affiliates from engaging in their own development efforts with respect to the Licensed Products. Any intellectual property resulting from such efforts by Evermedia Capital, LLC shall be owned by Evermedia Capital, LLC, and no licenses are granted back to Evermedia Korea unless otherwise agreed in a writing signed by each party.

3.4 Other Support. In addition to the development services described in Section 3.1, Evermedia Korea shall also provide Evermedia Capital, LLC with sales, marketing, assembly, installation and support services as requested from time to time, at no additional charge. Such services may include international travel and on-site visits to the customer locations of Evermedia Capital, LLC or its affiliates.

3.5 Key Personnel. The following people shall be considered Evermedia Korea's key personnel and are material to Evermedia Korea's performance of this Agreement ("Key Personnel").

<u>Name</u>	<u>Title</u>
Hyeong Keun Park	CEO

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If Evermedia Korea needs to replace any Key Personnel, it shall provide Evermedia Capital, LLC with thirty (30) days prior notice, to the extent possible. Evermedia Korea shall promptly replace any such Key Personnel with an alternative person and shall use its best efforts to do so within thirty (30) days of the departure of the original person. Evermedia Capital, LLC shall have the right to interview and to approve or reject the hiring of any replacement for Key Personnel.

3.6 Manufacturing.

3.6.1 By Evermedia Capital, LLC. Evermedia Capital, LLC shall have the right to manufacture or have the Licensed Products manufactured by a third party of its choice at any time, notwithstanding the delivery of any units that Evermedia Capital, LLC may purchase from Evermedia Korea at any time during the Term. Evermedia Korea will cooperate and assist Evermedia Capital, LLC, as requested from time to time, in establishing a manufacturing supply. Such assistance shall include, but is not limited to, providing contact information for and facilitating introductions to third party manufacturers and providing manufacturing specifications. Such assistance shall be provided at no additional charge.

3.6.2 By Evermedia Korea. In the event Evermedia Capital, LLC decides to order the manufacture of Licensed Products from Evermedia Korea, Evermedia Korea agrees that it shall manufacture or have manufactured the Licensed Product for delivery to Evermedia Capital, LLC. The terms and conditions of the manufacture, such as the schedule for the production and delivery of the Licensed Products, shall be as mutually agreed by the parties in writing. Evermedia Capital, LLC shall have the right to resell such Licensed Products without restriction.

3.6.3 Product Warranty. For all of the Licensed Products provided to Evermedia Capital, LLC under Section 3.6.2 or any subsequent agreement of the parties, Evermedia Korea warrants that for a period of two (2) years following the date of delivery, all Licensed Products furnished hereunder shall conform to the applicable specifications and shall be free from defects in workmanship and materials. Evermedia Korea further warrants that Evermedia Capital, LLC, or its designees, will receive good and marketable title to all Licensed Products purchased hereunder, free and clear of all liens and encumbrances whatsoever. If any Licensed Products fail to conform to this warranty, Evermedia Korea shall promptly replace or otherwise correct at its sole expense any such Licensed Products and shall promptly initiate a problem resolution process to formulate and implement appropriate corrective action plans to prevent further failures.

3.6.4 Third Party Warranty. For all Licensed Products that are sold hereunder, but are not manufactured by Evermedia Korea or an affiliate, Evermedia Korea acknowledges that Evermedia Capital, LLC is intended to be the beneficiary of, has herein bargained for, and must receive all applicable warranties of the manufacturer, and the benefits thereof. Evermedia Korea hereby assigns all applicable manufacturers' warranties to Evermedia Capital, LLC for the Licensed Products purchased hereunder, to the fullest extent assignable, and Evermedia Korea shall provide Evermedia Capital, LLC with all necessary assistance in pursuing and enforcing Evermedia Capital, LLC's rights and remedies thereunder, as and when requested by Evermedia

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Capital, LLC at no additional charge. In all events, Licensed Products that are the subject of warranty claims will be returned to Evermedia Korea at no charge to Evermedia Capital, LLC.

4. NON-COMPETITION

4.1 Non-Competition. During the Term and for a period of five (5) years following termination of this Agreement, Evermedia Korea, together with its individual principals, agrees that it may not, without the prior written consent of Evermedia Capital, LLC, in any capacity, perform any work for, or conduct any business with, any entity or person which is engaged in the research, development, production, manufacture or marketing of equipment or processes in direct competition with Evermedia Capital, LLC's Patent Rights, nor shall Evermedia Korea compete directly with Evermedia Capital, LLC with respect to the development, distribution or commercialization of the Licensed Products. The parties agree that, given the specific and global nature of Evermedia Capital, LLC's business, any geographical limitations on this non-competition agreement are inappropriate. Evermedia Korea agrees to enter into, and provide copies to Evermedia Capital, LLC, separate non-competition agreements with all of its employees to effectuate its obligations under this Section, unless such agreements have already been entered into with the employees in a form that is accepted by Evermedia Capital, LLC.

4.2 Provisions Necessary and Reasonable. Evermedia Korea agrees that (i) the provisions of Section 4.1 of this Agreement are necessary and reasonable to protect Evermedia Capital, LLC's Confidential Information, Patent Rights and goodwill; (ii) any and all specific temporal, geographic and substantive provisions set forth in Section 4.1 of this Agreement are reasonable and necessary to protect Evermedia Capital, LLC's business interests; and (iii) in the event of any breach of any of the covenants set forth herein, Evermedia Capital, LLC would suffer substantial irreparable harm and would not have an adequate remedy at law for such breach. In recognition of the foregoing, Evermedia Korea agrees that in the event of a breach or threatened breach of any of these covenants, in addition to such other remedies as Evermedia Capital, LLC may have at law, without posting any bond or security, Evermedia Capital, LLC shall be entitled to seek and obtain equitable relief, in the form of specific performance, and/or temporary, preliminary or permanent injunctive relief, or any other equitable remedy which then may be available. The seeking of such injunction or order shall not affect Evermedia Capital, LLC's right to seek and obtain damages or other equitable relief on account of any such actual or threatened breach.

4.3 Invalidity; Enforceability. If any of the covenants contained in Section 4.1 hereof, or any part thereof, are hereafter construed to be invalid or unenforceable, the same shall not affect the remainder of the covenant or covenants, which shall be given full effect without regard to the invalid portions. If any of the covenants contained in Section 4.1 hereof, or any part thereof, are held to be unenforceable by a court of competent jurisdiction because of the temporal or geographic scope of such provision or the area covered thereby, the parties agree that the court making such determination shall have the power to reduce the duration and/or geographic area of such provision and, in its reduced form, such provision shall be enforceable.

5. CONSIDERATION

5.1 License Fee. In exchange for the licenses granted by Evermedia Korea to Evermedia Capital, LLC hereunder, Evermedia Capital, LLC agrees to assign Evermedia Korea 100,000 shares of common stock, par value \$0.001 per share (the "Shares"), of Evermedia Biometrics Corporation, a Delaware corporation and affiliate of Evermedia Capital, LLC, which is currently held in the name of Evermedia Capital, LLC, or its sole member, (the "License Fee"). The Shares will be subject to restrictions on the transfer of Shares imposed by relevant U.S. federal and state securities laws. During the Option Period, in the event that this Agreement, or the licenses granted hereunder, are terminated due to a breach caused by Evermedia Korea, the Shares shall be forfeited and assigned back to Evermedia Capital, LLC, or its designee, in an amount that is proportionate to the portion of the Term remaining as of the date of such breach. To effectuate the obligations hereunder, Evermedia Korea agrees that it shall not offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any the Shares to any third party.

5.2 Royalties. Unless otherwise agreed to in writing by the parties, and subject to Section 2.4, upon the direct or indirect sale by Evermedia Capital, LLC of any Licensed Products, Evermedia Capital, LLC shall pay Evermedia Korea a running royalty in the amount of 10% of the Net Sales for each additional Licensed Product sold.

6. PATENT PROSECUTION

6.1 Patent Prosecution. Evermedia Korea shall use its best efforts to prepare, file, prosecute, and maintain all of the Patent Rights and to exercise prudence and diligence in the prosecution and maintenance of the Patent Rights. Evermedia Capital, LLC shall be entitled to advise Evermedia Korea and shall cooperate with Evermedia Korea in such filing, prosecution and maintenance. Evermedia Korea shall use its best efforts to provide Evermedia Capital, LLC with an opportunity to review and provide input to decisions relating to the patent prosecution and maintenance, including the scope and content and when, where and whether to file the said patent applications. Evermedia Korea shall use its best efforts to furnish to Evermedia Capital, LLC copies of all documents relevant to any such prosecution and maintenance in advance of any applicable filing date in order to provide Evermedia Capital, LLC with a meaningful opportunity to comment thereon and to participate in all decision making regarding the prosecution and maintenance of the Patent Rights. Evermedia Korea agrees not to finally abandon any claims of the Patent Rights without the advance written consent of Evermedia Capital, LLC, such consent not to be unreasonably withheld, conditioned or delayed. With respect to the Patent Rights, if Evermedia Korea fails to meet its obligations under this Section 6.1, or if Evermedia Capital, LLC believes that Evermedia Korea's actions or inactions will jeopardize the Patent Rights in any manner, Evermedia Capital, LLC may exercise the right to prepare, file, prosecute and maintain such rights as Evermedia Korea's attorney in fact.

6.2 Payment of Expenses. Payment of all fees and costs, including attorneys fees, relating to the filing, prosecution and maintenance of the Patent Rights shall be the responsibility of Evermedia Korea, whether such amounts were incurred before or after the Effective Date and regardless of which party actually incurs such fees and costs.

7. INFRINGEMENT

7.1 Notification of Infringement. Each party agrees to provide written notice to the other party promptly after becoming aware of any infringement of the Patent Rights.

7.2 Cooperation. Each party agrees to cooperate in any action under this Section which is controlled by the other party, provided that the controlling party reimburses the cooperating party promptly for any costs and expenses incurred by the cooperating party in connection with providing such assistance.

7.3 Evermedia Capital, LLC's Right to Prosecute. So long as Evermedia Capital, LLC remains the exclusive licensee of the Patent Rights, Evermedia Capital, LLC, to the extent permitted by law, shall have the right, under its own control and at its own expense, to prosecute any third party infringement of the Patent Rights, subject to this Section 7. If required by law, Evermedia Korea shall permit any action under this Section to be brought in its name, including being joined as a party-plaintiff, provided that Evermedia Capital, LLC shall hold Evermedia Korea harmless from, and indemnify Evermedia Korea against, any costs, expenses, or liability that Evermedia Korea incurs in connection with such action. Prior to commencing any such action, Evermedia Capital, LLC shall consult with Evermedia Korea and shall consider the views of Evermedia Korea regarding the advisability of the proposed action. Evermedia Capital, LLC shall not enter into any settlement, consent judgment, or other voluntary final disposition of any infringement action under this Section without the prior written consent of Evermedia Korea, not to be unreasonably withheld, conditioned or delayed. Evermedia Capital, LLC may offset any expenses incurred under this Section against any payments due to Evermedia Korea under this Agreement or any other agreements the parties may enter into.

7.4 Evermedia Korea's Right to Prosecute. In the event that Evermedia Capital, LLC is unsuccessful in persuading the alleged infringer to desist or fails to have initiated an infringement action within a reasonable time after Evermedia Capital, LLC first becomes aware of the basis for such action, Evermedia Korea shall have the right, at its sole discretion, to prosecute such infringement under its sole control and at its sole expense, and any recovery obtained shall belong to Evermedia Korea. Under these circumstances, Evermedia Korea shall reimburse any reasonable expenses incurred in the action by Evermedia Capital, LLC at Evermedia Capital, LLC's request. No settlement shall be entered into by Evermedia Korea without Evermedia Capital, LLC's consent, which shall not be unreasonably withheld, conditioned or delayed. Evermedia Korea agrees to provide written notice to Evermedia Capital, LLC prior to commencing any action relating to third party infringement of the Patent Rights.

7.5 Recovery. Any recovery obtained in an action brought by Evermedia Capital, LLC, whether by settlement or by judgment, shall be the property of Evermedia Capital, LLC, provided that Evermedia Korea is reimbursed for any expenses incurred in the action.

7.6 Declaratory Judgment Actions. In the event that a declaratory judgment action is brought against Evermedia Korea or Evermedia Capital, LLC by a third party alleging invalidity, unenforceability, or non-infringement of the Patent Rights, Evermedia Capital, LLC shall have the sole right to defend such action, provided that Evermedia Korea may participate in the defense with counsel of its own choosing and at its own expense. No settlement shall be entered

into by Evermedia Capital, LLC without Evermedia Korea's consent, which shall not be unreasonably withheld, conditioned or delayed. If Evermedia Capital, LLC does not exercise this right, Evermedia Korea may take over the sole defense of the action and Evermedia Korea shall be responsible for all fees, costs and expenses (including attorneys' fees) incurred in the course of such action.

8. INDEMNIFICATION

Evermedia Korea shall indemnify, defend and hold harmless Evermedia Capital, LLC and its officer, directors, members, employees, agents and affiliates from all third party claims, damages, losses, costs and expenses (including reasonable attorneys' fees) which Evermedia Capital, LLC may incur to the extent that such claims arise out of or result from (i) Evermedia Korea's breach of any of its representations or warranties under this Agreement, (ii) any failure by Evermedia Korea to perform any of its covenants or obligations contained in this Agreement, and (iii) any claim that the Patent Rights licensed under this Agreement and the exercise thereof infringes any third party patent, industrial or other intellectual property rights.

9. CONFIDENTIALITY

9.1 Confidential Information Defined. All technology and information transferred by either party to the other party pursuant to or in connection with this Agreement, including technical information that is not the subject of issued patents, information on a party's sales, and any other confidential business, technical or other information about a party or its business or lines of research and development provided by such party to the other shall be treated as confidential information ("Confidential Information") of the party disclosing it (the "Disclosing Party") to the other party (the "Receiving Party"), subject to the exceptions set forth below.

9.2 Marking Confidential Information. A Disclosing Party that wishes its Confidential Information protected under this Section shall mark any document containing its Confidential Information with a suitable legend before giving such document to the Receiving Party. The Disclosing Party shall appropriately advise the Receiving Party when the Disclosing Party is disclosing Confidential Information orally and follow up such oral disclosure in writing to the Receiving Party advising the Receiving Party what information the Disclosing Party wishes to be treated as Confidential Information.

9.3 Permitted Disclosures. A Receiving Party shall not disclose the Confidential Information received from the Disclosing Party without the prior written consent of the Disclosing Party, except that a Receiving Party may disclose such Confidential Information to its employees, agents, consultants, and contractors, but only when and as necessary for the purpose of effectuating the rights and responsibilities of the parties under this Agreement and any licenses granted pursuant to this Agreement, and only if such Receiving Party takes reasonable steps to prevent unauthorized use, copying or disclosure of the Confidential Information.

9.4 Exceptions. Disclosure of information acquired by a party pursuant to the terms of this Agreement shall be allowed, and information shall no longer be deemed to be Confidential Information where such information:

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- a) is or becomes generally known or readily ascertainable through no fault of the Receiving Party;
- b) is, prior to submission by the Disclosing Party, in the Receiving Party's possession free of any obligation of confidentiality to the Disclosing Party;
- c) is independently developed by the Receiving Party; or
- d) is or becomes available to the Receiving Party from a third party free of any duty of confidentiality to the Disclosing Party.

Further, disclosure shall be allowed where Confidential Information is disclosed pursuant to any law, rule or regulation or pursuant to an order or judgment of any court or government body, provided that the Receiving Party notifies the Disclosing Party prior to making such disclosure and takes all reasonable measures to obtain confidential treatment. The burden of proving the availability of any exception to confidentiality shall be on the party claiming the exception.

9.5 Use of Confidential Information. Neither party shall use the Disclosing Party's Confidential Information for purposes that are inconsistent with this Agreement. This Article 9 shall survive any termination of this Agreement.

10. REPRESENTATIONS AND WARRANTIES

Evermedia Korea represents and warrants the following:

- a) Evermedia Korea: (i) owns all right, title and interest in and to, free and clear of all encumbrances; or (ii) licenses or otherwise possesses legally valid and enforceable rights to use, each of the Patent Rights and the Licensed Software, and, in each case of clause (i) and (ii), Evermedia Korea may transfer such rights as contemplated by this Agreement. Evermedia Korea has made all filings and recordations which are commercially reasonable to protect and maintain its interest in the Patent Rights. The Patent Rights listed on Schedule B include all the Patent Rights owned or licensed by Evermedia Korea and used in the ordinary course of its business and necessary for Evermedia Capital, LLC to (i) make, use and sell the Licensed Products consistent with past practice; and (ii) deliver existing products and services to customers, free of encumbrances.
- b) Schedule B hereto contains a true, correct and complete list of all issued patents and patent applications relating to the Patent Rights. All such issued patents and patent applications are valid and subsisting and all maintenance fees, annuities and the like have been paid and none of such patents or patent applications is infringed or has been challenged or threatened in any way by any person or entity. Evermedia Korea has not engaged in any conduct, or omitted to perform any necessary act, the result of which could invalidate the Patent Rights or adversely affect their enforceability or value.
- c) Schedule C hereto contains a true, correct and complete list of all contracts, agreements or understandings relating to the Patent Rights to which Evermedia Korea is a party or by which Evermedia Korea is bound. Each license of Patent Rights listed is valid, subsisting, and enforceable, and shall continue in effect on its current terms upon consummation of the transactions contemplated by this Agreement.

d) Except as set forth on Schedule D hereto, Evermedia Korea has taken commercially reasonable precautions to protect the confidentiality and value of its trade secrets. Except as described on Schedule D hereto, the trade secrets have not been used, divulged or appropriated either for the benefit of any person (other than Evermedia Korea) or to the detriment of Evermedia Korea. None of the trade secrets is subject to any material adverse claim or has been challenged or threatened in any way.

e) None of the products or technology used, sold, offered for sale or licensed or proposed for use, sale, offer for sale or license by Evermedia Korea infringes any proprietary rights owned, possessed or used by any person nor is any claim pending or threatened alleging such infringement. Evermedia Capital, LLC's exercise of the Patent Rights will not infringe any third party patent, industrial or other intellectual property rights.

f) No Patent Right is subject to any outstanding court order, proceeding (other than pending applications for patent, trademark registration or copyright registration) or stipulation restricting in any manner the licensing thereof by Evermedia Korea. Except as set forth on Schedule E, Evermedia Korea has not entered into any agreement to indemnify any other person against any charge of infringement of any Patent Rights.

g) Except as set forth on Schedule F hereto, all employees, contractors, agents and consultants of Evermedia Korea have executed a nondisclosure and assignment of inventions agreement to protect the confidentiality and to vest in Evermedia Korea exclusive ownership of such Patent Rights. Copies of all such executed agreements shall be provided by Evermedia Korea to Evermedia Capital, LLC within a reasonable period after the Effective Date. Except as set forth on Schedule F no employee, former employee, contractor, agent or consultant of Evermedia Korea has used any trade secrets or other confidential information of any other person in the course of their work for Evermedia Korea. Evermedia Korea has no written or oral agreements with employees, contractors, agents or consultants with respect to the ownership of the Patent Rights created by them as a result of which any such employee, contractor, agent or consultant may have exclusive or nonexclusive rights to the portions of the Patent Rights so created by such individual.

h) No officer, employee, contractor, agent or consultant of Evermedia Korea is, or is now expected to be, in violation of any term of any employment contract, patent disclosure agreement, proprietary information agreement, noncompetition agreement, nonsolicitation agreement, confidentiality agreement, or any other similar contract or agreement or any restrictive covenant relating to the right of any such officer, employee, contractor, agent or consultant to be employed or engaged by Evermedia Korea because of the nature of the business conducted or to be conducted by Evermedia Korea or relating to the use of trade secrets or proprietary information of others, and the continued employment or retention of its officers, employees, contractors, agents or consultants does not subject Evermedia Korea to any liability with respect to any of the foregoing matters in connection with Evermedia Korea's business as currently conducted or proposed to be conducted.

i) Except as set forth on Schedule G, Evermedia Korea has not deposited, or is obligated to deposit, any source code regarding its products into any source code escrows or similar arrangements and Evermedia Korea is not under any contractual or other obligation to

disclose the source code or any other material proprietary information included in or relating to its products.

j) The execution, delivery and performance by Evermedia Korea of this Agreement (i) is within Evermedia Korea's corporate powers; (ii) has been duly authorized by all necessary corporate action under its organizational documents; (iii) requires no action by or in respect of, or filing, registration, qualification, designation, declaration with, or consent, approval or authorization from, any governmental body, agency or official other than those filings which, if not made, would not have a material adverse effect on Evermedia Korea's ability to perform its obligations under this Agreement; and (iv) does not contravene, or constitute a default under, any provision of applicable law or regulation or of the organizational documents of Evermedia Korea or of any agreement, judgment, injunction, order, decree or other instrument binding upon Evermedia Korea. Evermedia Korea agrees to inform Evermedia Capital, LLC promptly if any statement set forth in this Section ceases to be true and correct as of any date after the date hereof.

k) There are no actions, suits, or proceedings, pending or threatened, which may have a material adverse effect on Evermedia Korea's ability to fulfill its obligations under this Agreement. Evermedia Korea further covenants that it will promptly notify Evermedia Capital, LLC if, during the term of this Agreement, Evermedia Korea becomes aware of any action, suit or proceeding, pending or threatened, which may reasonably be expected to have a material adverse effect on Evermedia Korea's ability to fulfill its obligations under this Agreement.

l) There are no conditions which would adversely affect in any material respect Evermedia Capital, LLC's interests under this Agreement or the ability of Evermedia Korea to meet its obligations hereunder.

m) This Agreement has been duly executed and delivered by Evermedia Korea and constitutes the legal and binding obligation of Evermedia Korea, enforceable against Evermedia Korea in accordance with its terms.

11. LIMITATION OF LIABILITY

11.1 Amount of Damages. IN NO EVENT SHALL EVERMEDIA CAPITAL, LLC BE LIABLE TO EVERMEDIA KOREA OR ANY THIRD PARTY FOR ANY DIRECT DAMAGES IN EXCESS OF THE LESSER OF (I) ACTUAL DAMAGES AND (II) THE LICENSE FEES PAID TO EVERMEDIA KOREA UNDER SECTION 5.1 OF THIS AGREEMENT.

11.2 Type of Damages. IN NO EVENT SHALL EVERMEDIA CAPITAL, LLC, ITS TRUSTEES, DIRECTORS, OFFICERS, EMPLOYEES AND AFFILIATES BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL, EXEMPLARY, OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING ECONOMIC DAMAGES OR INJURY TO PROPERTY AND LOST PROFITS, WHETHER BASED UPON A CLAIM OR ACTION OF CONTRACT, WARRANTY, NEGLIGENCE, STRICT LIABILITY OR OTHER TORT OR OTHERWISE, ARISING OUT OF THIS AGREEMENT, AND REGARDLESS OF WHETHER EVERMEDIA CAPITAL, LLC SHALL BE ADVISED, SHALL HAVE OTHER

REASON TO KNOW, OR IN FACT SHALL KNOW OF THE POSSIBILITY OF THE FOREGOING.

12. TERM AND TERMINATION

12.1 Term. The term of this Agreement shall commence on the Effective Date and remain in effect until the expiration or abandonment of all issued patents and filed patent applications within the Patent Rights, unless earlier terminated in accordance with the provisions of this Agreement (the "Term").

12.2 Voluntary Termination by Evermedia Capital, LLC. Evermedia Capital, LLC shall have the right to terminate this Agreement for convenience upon at least thirty (30) days prior written notice to Evermedia Korea.

12.3 Termination for Default. If either party commits a material breach of its obligations under this Agreement and fails to cure that breach within thirty (30) days after receiving written notice thereof, the non-breaching party may terminate this Agreement immediately upon written notice.

12.4 Effect of Termination.

12.4.1 Survival. The provisions of Sections 4, 8, 9, 11, 12.4 and 13 shall survive the expiration or termination of this Agreement for any reason.

12.4.2 Inventory. Upon termination of this Agreement, Evermedia Capital, LLC may complete and sell any work-in-progress and inventory of Licensed Products that exist as of the effective date of termination.

12.4.3 Return of Information. Upon termination of this Agreement, each party shall return to the other any Confidential Information received from the other party or, at the Disclosing Party's option, shall destroy all such Confidential Information and certify such destruction in writing.

13. MISCELLANEOUS

13.1 Notices. Any notices, requests, demands and other communications provided for by this Agreement shall be in writing and shall be effective when delivered by courier or overnight delivery service, certified mail or confirmed facsimile, as follows (or to such other address as either party shall designate by notice in writing to the other in accordance with this Section):

If to Evermedia Capital, LLC:

Evermedia Capital, LLC
ATTN: Jonathan H. Sym, Member
225 Franklin Street, 26th Floor
Boston, MA 02110

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Facsimile: (617) 217-2001

With a copy to:

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.
ATTN: Agnes Lee Sym, Esq.
One Financial Center
Boston, MA 02111
Facsimile: (617) 542-2241

If to Evermedia Korea:

Evermedia Co. Ltd.
ATTN: Hyeong Keun Park, CEO
501, Hanfeung B/D
140-1 Kongdok-dong, Mapo-gu
Seoul, Korea
Facsimile: (31) 941-8295

With a copy to:

ATTN: _____

Facsimile: _____

13.2 Governing Law. This Agreement and all disputes arising out of or related to this Agreement, or the performance, enforcement, breach or termination hereof, and any remedies relating thereto, shall be construed, governed, interpreted and applied in accordance with the laws of The Commonwealth of Massachusetts, U.S.A., without regard to conflict of laws principles, except that questions affecting the construction and effect of any patent shall be determined by the law of the country in which the patent shall have been granted.

13.3 Venue. Any legal action or proceeding arising under this Agreement will be brought exclusively in any state or federal court having jurisdiction in The Commonwealth of Massachusetts. Each party hereby submits to such exclusive jurisdiction.

13.4 Force Majeure. Neither party will be responsible for delays resulting from causes beyond the reasonable control of such party, including, without limitation, fire, explosion, flood, war, strike, or riot, provided that the nonperforming party uses commercially reasonable efforts to avoid or remove such causes of nonperformance and continues performance under this Agreement with reasonable dispatch whenever such causes are removed.

13.5 Amendment and Waiver. This Agreement may be amended, supplemented, or otherwise modified only by means of a written instrument signed by both parties. Any waiver of any rights or failure to act in a specific instance shall relate only to such instance and shall not be

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construed as an agreement to waive any rights or fail to act in any other instance, whether or not similar.

13.6 Severability. If any provision of this Agreement should, for any reason, be held invalid or unenforceable in any respect by a court of competent jurisdiction, then the remainder of this Agreement, and the application of such provision in circumstances other than those as to which it is so declared invalid or unenforceable, shall not be affected thereby, and each such provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

13.7 Assignment/Binding Effect. Evermedia Korea shall not assign this Agreement, by operation of law or otherwise, including a change in control or sale of all or substantially all of its assets or equity securities, without the express written consent of Evermedia Capital, LLC. Evermedia Capital, LLC may assign its rights under this Agreement to any third party if the assignee shall assume Evermedia Capital, LLC's obligations hereunder and agree to be bound by the terms of this Agreement. This Agreement shall be binding upon and inure to the benefit of the parties and their respective permitted successors and assigns.

13.8 Headings. All headings are for convenience only and shall not affect the meaning of any provision of this Agreement.

13.9 Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to its subject matter and supersedes all prior agreements or understandings between the parties relating to its subject matter.

13.10 Independent Contractors. The parties agree that they are independent contractors and that this Agreement and the relations between the parties hereby established does not constitute a partnership, joint venture, agency or contract of employment between them, or any other similar relationship.

13.11 Counterparts. This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement shall become effective when each party shall have received counterparts signed by the other party.

13.12 Neutral Construction. The parties hereto acknowledge and agree that they have participated jointly in the negotiation and drafting of this Agreement, have each been represented by counsel in such negotiation and drafting, and that in the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

13.13 Remedies Cumulative. Unless otherwise expressly stated herein, all remedies in this Agreement shall be cumulative, including the right to seek equitable or injunctive relieve and specific performance, where applicable.

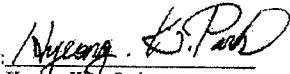
13.14 English Language Governs. This Agreement was prepared in English. The English version shall be used in interpreting this Agreement and shall take precedence over any translation of this Agreement which may be prepared by either party.

[SIGNATURE PAGE FOLLOWS]

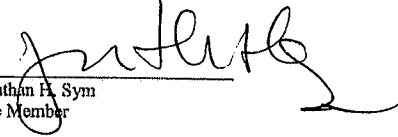
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IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives.

EVERMEDIA CO. LTD.

By: 
Hyeon Kwon Park
Chief Executive Officer

EVERMEDIA CAPITAL, LLC

By: 
Jonathan H. Sym
Sole Member

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SCHEDULE A

DEFINITIONS

1. "Agreement" is defined in the preamble.
2. "Confidential Information" is defined in Section 9.1.
3. "Disclosing Party" is defined in Section 9.1.
4. "Effective Date" is defined in the preamble.
5. "Evermedia Capital, LLC" is defined in the preamble.
6. "Evermedia Korea" is defined in the preamble.
7. "Evermedia Marks" shall mean all trademarks, service marks, logos and design used to identify Evermedia Korea and any of the Licensed Products, including the name "Evermedia."
8. "Key Personnel" is defined in Section 3.5.
9. "License Fee" is defined in Section 5.1.
10. "Licensed Know-How" shall mean all technology, inventions, technical information, Confidential Information and trade secrets, whether patentable or not, which are:
 - a) related to any patent application or patent included in the Patent Rights that were discovered, invented or developed by Evermedia Korea prior to the Effective Date of this Agreement or thereafter; and
 - b) necessary or useful in connection with the manufacture, use or sale of any Licensed Product.
11. "Licensed Product" shall mean (i) Evermedia Korea's EC-1400 iris recognition system and any all improvements thereto, together with the accompanying software, and (ii) any product or part thereof that, absent the licenses granted hereunder, would infringe one or more claims of the Patent Rights.
12. "Licensed Software" shall mean the object code and source code for any and all software packaged with, embedded in or otherwise necessary to use the Licensed Products.
13. "Net Sales" shall mean the portion of profits received by Evermedia Capital, LLC attributable to the direct or indirect sale of the Licensed Products, after deducting from all gross proceeds from such sales the applicable commission(s) and expenses payable to any third party distributors or sales agents of Evermedia Capital, LLC.

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14. "Option Period" is defined in Section 2.4.
15. "Patent Rights" shall mean:
- a) the foreign patents listed on Schedule B;
 - b) the United States and foreign patent applications listed on Schedule B and the resulting patents;
 - c) any existing and future divisionals, continuations, continuation-in-part applications, and continued prosecution applications of the patent applications listed on Schedule B and of such patent applications that result from the provisional applications listed on Schedule B, to the extent the claims are directed to subject matter specifically described in the patent applications listed on Schedule B, and the resulting patents;
 - d) any patents resulting from reissues, reexaminations, or extensions of the patents described in (a), (b), and (c) above;
 - e) any invention disclosures made by Evermedia Korea during the Term;
 - f) the Licensed Know-How; and
 - g) any future patents, patent applications, improvements and know-how related to any of the above developed by Evermedia Korea after the Effective Date.
16. "Purchase Price" is defined in Section 2.4.
17. "Receiving Party" is defined in Section 9.1.
18. "Shares" is defined in Section 5.1.
19. "Term" is defined in Section 12.1.
20. "Territory" shall mean North America and Europe.
21. "Triggering Event" is defined in Section 2.1.

SCHEDULE B

PATENTS AND PATENT APPLICATIONS

[Schedules are to be finalized by the parties as soon as practicably as possible after execution of this Agreement]

1. [Method of Recognizing Human Iris using Daubechies Wavelet Transform
2. Non-contact Type Human Iris Recognition Method by Correction of Rotated Iris Image]
3. Method of Recognizing Human Iris using Harr Wavelet Transform and LVQ (Korean Patent Application No. 2000-55657) (Registered)
4. Non-contact Type Human Iris Recognition Method by Correction of Rotated Iris Image (Korean Patent Application No. 2001-11441) (Registered)
5. Method of Recognizing Human Iris using Wavelet Transform (Registered)
6. [Digital Image Sensing System Having Pattern Recognition Capability (Korean Patent Application No. 2001-22122) (Abandoned)
7. Human Iris Recognition System using Movement Sensing System (Korean Patent Application No. 2001-22403) (Abandoned)
8. Method of Improving Fingerprint Recognition Performance through Adaptive (Abandoned)
9. Binary System and Feature Point Correction (Korean Patent Application No. 2001-0040371) (Abandoned)]
10. Non-contact type human iris recognition method by correction of rotated iris image (US Patent Application No. 10/656,921) (Under procedure)
11. Method of recognizing human iris using Daubechies transform (US Patent Application No. 10/656,885) (Under procedure)
12. Non-contact type human iris recognition method by correction of rotated iris image (Europe Patent Application No. 01953360.3) (Registered and awaiting substantive examination)
13. Method of recognizing human iris using Daubechies transform (Europe Patent Application No. 01953361.1) (Registered and awaiting substantive examination)
14. Non-contact type human iris recognition method by correction of rotated iris image (China Patent Application No. 01822993.X) (Registered)

Schedule - 1

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15. Method of recognizing human iris using Daubechies transform (China Patent Application No. 018222992.1) (Registered)
16. Non-contact type human iris recognition method by correction of rotated iris image (Japan Patent Application No. 2002-570165) (Under procedure; request for substantive examination to be filed by July 31, 2008)
17. Method of recognizing human iris using Daubechies transform (Japanese Patent Application No. 2002-570166) (Under procedure; request for substantive examination to be filed by July 31, 2008)

[all patents and applications are in the name of Evermedia Co. Ltd]

Schedule - 2

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SCHEDULE C

CONTRACTS

None.

Schedule - 3

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SCHEDULE D
TRADE SECRET DISCLOSURES

None.

Schedule - 4

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SCHEDULE E
INDEMNIFICATION AGREEMENTS

None.

Schedule - 5

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SCHEDULE F
EMPLOYMENT AGREEMENTS

None.

Schedule - 6

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SCHEDULE G
SOURCE CODE DESPOSITS

None.

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Schedule - 7

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