

SOFTWARE LICENSE AGREEMENT

This Software License Agreement (together with its annexes, the “**Agreement**”) is made and entered into on this day of [redacted], 2022 (“**Effective Date**”), by and Valerann Ltd., a company incorporated in Israel, with registered company number 515027282, having its principal offices at 32 Shoken Street Tel Aviv, Israel (“**Licensor**”), and [redacted] (“**Licensee**”).

WHEREAS, Licensor is a data analysis and software company that provides traffic management solutions to road operators;

WHEREAS, Licensor has developed Lanternn by Valerann™, a data platform that provides traffic management and incident monitoring services through its proprietary Software (as defined below) as will be described in this Agreement;

WHEREAS, Licensee provides services [redacted]

WHEREAS, Licensee desires to obtain a license from Licensor to use the Software; and

WHEREAS, Licensor is willing to grant such rights and licenses on the terms and conditions set forth herein;

NOW, THEREFORE, the parties hereby agree as follows:

1. **Definitions.** For purposes of this Agreement, the following capitalized terms shall have the following meaning:
 - 1.1. “**Documentation**” means the user guides and/or technical manuals delivered by Licensor to Licensee.
 - 1.2. “**Intellectual Property Rights**” means all intangible legal rights, titles and interests evidenced by or embodied in all: (i) inventions (regardless of patentability and whether or not reduced to practice), improvements thereto, patents, patent applications, patent disclosures, together with all reissuances, continuations, continuations in part, revisions, extensions and reexaminations thereof; (ii) trademarks, service marks, trade dress, logos, trade names, corporate names, together with translations, adaptations, derivations and combinations thereof, including goodwill associated therewith, and applications, registrations, and renewals in connection therewith; (iii) any work of authorship, regardless of copyrightable, copyrightable works, copyrights (including droit morale), and applications, registrations and renewals in connection therewith; (iv) mask works and applications, registrations and renewals in connection therewith; (v) trade secrets and Confidential Information; and (vi) other proprietary rights and any other similar rights, in each case on a worldwide basis, and copies and tangible embodiments thereof, in whatever form or medium.
 - 1.3. “**Software**” means Licensor’s proprietary software, Lanternn by Valerann™, which is an artificial intelligence based platform providing traffic management and detection and incident monitoring services, and any related Documentation, user manuals, and updates, and all other written and or electronic materials relating thereto, if provided by Licensor to Licensee in connection therewith.
2. **License Grant.** Subject to the terms and conditions of this Agreement and upon receipt of payment in full by Licensor of the applicable License Fees, Licensor grants to Licensee and Licensee accepts from Licensor, during the term of this Agreement, a revocable, non-exclusive,

non-transferable, non-sublicensable, license to use the Software, during the Term, for internal use purposes only in accordance with this Agreement and any applicable order form or statement of work as set forth in **Exhibit A** (“**Order Form**”), which constitutes an integral part of this Agreement.

3. **Reservation of Rights; Use Restrictions.** Other than the rights explicitly granted in this Agreement, Licensee shall have no other rights, express or implied, in the Software. Without limiting the generality of the foregoing, Licensee agrees and undertakes not to: (i) sell, lease, sublicense or distribute the Software, or any part thereof, or otherwise transfer the Software or allow any third party to use the Software in any manner; (ii) reverse engineer, decompile, disassemble or otherwise reduce to human-perceivable form the Software’s source code; (iii) modify, revise, enhance or alter the Software; (iv) copy or allow copies of the Software or any part thereof to be made; (v) use any backup or archival copies of the Software, or any part thereof, or allow any third party to use such copies, for any purpose other than to replace an original copy in the event of the destruction of the Software components, if the Software becomes defective; (vi) use the Software other than with Licensee’s own computers or for any use other than internal use; and (vii) represent that it possesses any proprietary interest in the Software.
4. **Licensee Obligation.**
 - 4.1. Licensee shall comply with the obligations set forth in an Order Form (the “**Licensee Obligations**”). For clarity, noncompliance with such Licensee Obligations is deemed a material breach of this Agreement.
 - 4.2. Access to Licensee's Interface. The Licensee shall allow Licensor, and Licensor's local representative (when applicable), to access the Software and any related data, in order to detect any potential errors, offer a preventive solution, provide and/or improve the services.
5. **Maintenance Services.** Maintenance Services are available to Licensee on an optional basis for monthly periods for the fee basis as set forth in the Order Form (“**Maintenance Fee**”).
6. **Third Party Software.** Licensee acknowledges and agrees that any third party software that may be provided with the Software is provided under the terms of the license attached/linked thereto or, if no such license is attached, such third party software is provided “AS IS”. Licensor is not liable for any losses or damages which may occur resulting from the use of any third party software. Nothing in this Agreement will be deemed to be a representation or warranty of any kind or type by Licensor with respect to any third party software.
7. **Third Party Related Features.** The Software may contain features, functions or interfaces that enable interoperation with or access to third party products, data, services or content. The Licensee acknowledges and agrees that such third party products, services or content (i) are not part of the Licensor Software; (ii) are subject to such third party’s license obligations; (iii) are not warranted, maintained or supported by Licensor; and (iv) Licensor cannot guarantee the continuity of any third party data, services or content.
8. **Title & Ownership.** LICENSOR DOES NOT SELL OR TRANSFER TITLE IN THE SOFTWARE, OR ANY PART THEREOF, TO LICENSEE. The Software, and/or any copies thereof, including without limitation any derivative works made (regardless of whether such derivative works were made and/or developed pursuant to the request and/or specifications of Licensee, and irrespective of any support and/or assistance Licensor may, will or had received

from Licensee, or any third party on its behalf, with respect thereto), as well as any updates thereto, if provided to Licensee pursuant to this Agreement, shall remain Licensor's sole and exclusive property. All Intellectual Property Rights evidenced by or embodied in and/or attached/connected/related to the Software, or part thereof, are and shall be owned solely and exclusively by Licensor. Nothing in this Agreement shall constitute a waiver of Licensor's Intellectual Property Rights under any law, or be in any way construed or interpreted as such. It is further agreed that to the extent Licensee provides Licensor suggestions, comments or feedback (whether orally or in writing) with respect to the Software (the "**Feedback**"), Licensee acknowledges that any and all rights, including Intellectual Property Rights in such Feedback shall belong exclusively to Licensor and that such shall be considered Licensor's Confidential Information. It is further understood that use of Feedback, if any, may be made by Licensor at its sole discretion, and that Licensor in no way shall be obliged to make use of any kind of the Feedback or part thereof.

9. **Fees & Payment.**

9.1. License Fees. Licensee shall pay the license fees as set forth in the Order Form ("**License Fees**").

9.2. Payment Terms. All payments are due thirty (30) days following receipt of the invoice. Without derogating from any other remedy available to Licensor, any payment or part of a payment that is not paid by Licensee to Licensor when due shall bear interest at the rate of 1.5% per month or any part thereof (but in no event more than the maximum rate allowed by applicable law), and shall constitute sufficient cause for Licensor to immediately suspend its performance hereunder and terminate this Agreement and the License. All payments shall be made in U.S. Dollars by wire transfer to an account designated by Licensor, and are non-refundable.

9.3. Taxes. Licensee is solely responsible for payment of any taxes (including, without limitation, sales or use taxes, Value Added Taxes, employee-related taxes, intangible taxes, and property taxes, and only excluding taxes related to Licensor's income) resulting from the acceptance of the License, from the possession and use of the Software or the receipt of the Support and Maintenance Services. To the extent that Licensor shall be required to pay any such taxes then such taxes shall be billed to and paid by Licensee. If any taxes are required to be withheld, Licensee shall pay an amount to Licensor such that the net amount payable to Licensor after withholding of taxes shall equal the amount that would have been otherwise payable under this Agreement. Licensee agrees to indemnify and hold harmless Licensor from all claims and liabilities arising from Licensee's failure to report or pay any such taxes.

10. **Warranties.**

10.1. Licensor warrants that, to the best of its knowledge, it has the right to grant Licensee the License. LICENSOR REPRESENTS AND WARRANTS THAT THE SOFTWARE WILL PERFORM SUBSTANTIALLY IN ACCORDANCE WITH DOCUMENTATION FOR A PERIOD OF NINTEY (90) DAYS FROM THE DATE OF DELIVERY (THE "**WARRANTY PERIOD**"). LICENSOR DOES NOT WARRANT, HOWEVER, THAT LICENSEE'S USE OF THE SOFTWARE WILL BE UNINTERRUPTED OR THAT THE OPERATION OF THE SOFTWARE WILL BE ERROR-FREE. Licensor's sole liability for any breach of this warranty shall be, at

Licensor's sole discretion: (i) to replace or repair the Software or the applicable portion thereof; or (ii) to refund the price paid for the Software. The foregoing warranties are contingent upon Licensee's proper use of the Software, and shall not apply to damage caused by abuse, misuse, alteration, neglect or unauthorized repair or installation, or by the use or attempted use of software other than that supplied and supported by Licensor. The foregoing constitutes Licensee's sole and exclusive remedy for breach by Licensor of any warranties made under this Agreement.

- 10.2. THE WARRANTY SET FORTH ABOVE IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, WITH RESPECT TO THE SOFTWARE, MAINTENANCE SERVICES OR ANY OTHER ITEMS PROVIDED HEREUNDER.

11. **Limitation of Liability.**

- 11.1. IN NO EVENT WILL LICENSOR BE LIABLE FOR LOST OF PROFITS, LOSS OF USE, LOSS OF DATA, COST OF PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES, OR TO ANY SPECIAL, INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES, HOWEVER CAUSED, AND ON ANY THEORY OF LIABILITY, WHETHER FOR BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY) OR OTHERWISE, WHETHER OR NOT LICENSOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT SHALL LICENSOR'S LIABILITY UNDER, ARISING OUT OF OR RELATING TO THIS AGREEMENT, EXCEED THE AMOUNT PAID BY LICENSEE TO LICENSOR HEREUNDER DURING THE TWELVE (12) MONTHS PRECEDING THE EVENT.
- 11.2. NOTWITHSTANDING THE ABOVE, LICENSEE ACKNOWLEDGES AND AGREES THAT LICENSOR SHALL HAVE NO LIABILITY WHATSOEVER UNDER THIS AGREEMENT, AND LICENSEE SHALL HOLD LICENSOR HARMLESS, FROM ANY TYPE OF DAMAGES WHICH MAY ARISE, HOWEVER CAUSED, AND ON ANY THEORY OF LIABILITY, WHETHER FOR BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY)), (I) IN THE EVENT THAT LICENSEE CONTINUED TO USE A SPECIFIC VERSION OF THE SOFTWARE FOLLOWING A NOTICE BY LICENSOR TO LICENSEE TO UPGRADE THIS SPECIFIC VERSION OF THE SOFTWARE DUE TO A PROBLEM WITH SUCH SPECIFIC VERSION OF THE SOFTWARE; OR (II) FOR ANY USE OF THE LICENSEE BEYOND WHAT IS STATED IN THE ORDER FORM.

12. **Confidentiality.**

- 12.1. Confidential Information. Each party ("**Disclosing Party**") may from time to time during the term of this Agreement disclose to the other party ("**Receiving Party**") certain information that (A) is designated as confidential or proprietary by the at the time of disclosure; or (B) would reasonably be understood to be confidential given the nature of the information or material, or the circumstances surrounding its disclosure ("**Confidential Information**"). Confidential Information includes, without limitation: (a) any information related to the Disclosing Party's business, such as cost

data, pricing methodologies, price lists, business plans and opportunities, marketing plans, financial and accounting information, forecasts and valuations, market share data, sales volumes, discounts, and budgets; (b) information relating to actual or potential customers, suppliers, products and services; and (c) technical data, computer programs and software code (including firmware and source code), ideas, inventions, algorithms, know-how, analyses, lab notebooks, specifications, processes, techniques, formulas, engineering designs and drawings, architectures, circuit schematics and circuit layouts, models, samples, hardware configuration information, and other technology and intellectual property. Confidential Information may be that of the Disclosing Party or of third parties to whom the Disclosing Party has an obligation to treat the disclosed information or material as confidential. For the avoidance of doubt, this Agreement and any disclosures regarding this Agreement by, to, or between the parties' respective affiliates, shall be governed by and subject to this Agreement.

- 12.2. Protection of Confidential Information. The Receiving Party will not use any Confidential Information of the Disclosing Party for any purpose not expressly permitted by this Agreement, and will disclose the Confidential Information of the Disclosing Party only to the employees or contractors of the Receiving Party who have a need to know such Confidential Information for purposes of this Agreement and who are under a duty of confidentiality no less restrictive than the Receiving Party's duty hereunder. The Receiving Party will protect the Disclosing Party's Confidential Information from unauthorized use, access or disclosure in the same manner as the Receiving Party protects its own confidential or proprietary information of a similar nature and with no less than reasonable care.
- 12.3. Exceptions. The Receiving Party's obligations under this Section, with respect to any Confidential Information of the Disclosing Party, shall not apply to and/or shall terminate if and when the Receiving Party can document that such information: (a) was already lawfully known to the Receiving Party at the time of disclosure by the Disclosing Party; (b) was disclosed to the Receiving Party by a third party who had the right to make such disclosure without any confidentiality restrictions; (c) is, or through no fault of the Receiving Party has become, generally available to the public; or (d) was independently developed by the Receiving Party without access to, or use of, the Disclosing Party's Confidential Information. In addition, the Receiving Party will be allowed to disclose Confidential Information of the Disclosing Party to the extent that such disclosure is: (i) approved in writing by the Disclosing Party; (ii) necessary for the Receiving Party to enforce its rights under this Agreement in connection with a legal proceeding; or (iii) required by law or by the order or a court of similar judicial or administrative body, provided that the Receiving Party notifies the Disclosing Party of such required disclosure promptly and in writing and cooperates with the Disclosing Party, at the Disclosing Party's reasonable request and expense, in any lawful action to contest or limit the scope of such required disclosure.

13. Term and Termination.

- 13.1. Initial Periods. Subject to the payment of the applicable fees set forth in the Order Form, Licensor will initiate the periods ("**Initial Periods**") specified in the applicable Order Form.

- 13.2. Term. Unless terminated earlier in accordance with the terms of this Agreement, following the Initial Periods, this Agreement shall automatically be renewed in accordance with one of the renewal options specified in the Order Form (each a “**Renewal Term**”, and together with the Initial Periods, the “**Term**”).
- 13.3. Termination for Breach. Either party may terminate this Agreement at any time by giving written notice to the other party if the other party is in breach or default of any material provision of this Agreement, and the breaching party fails to cure the breach or default, within fifteen (15) days after being given written notice, specifying details of the breach or default and requiring the same to be remedied.
- 13.4. Termination by Licensor. Licensor may, at its option, at any stage to immediately terminate all or any part of this Agreement, at any time and for any reason, by giving written notice to Licensee.
- 13.5. Termination by Licensee. Licensee may terminate all of this Agreement, at any time for any reason by giving written notice to Licensor in accordance with terms set forth in the Order Form.
- 13.6. Termination for Insolvency. Either party may terminate this Agreement immediately, in the event the other party: (i) is judged bankrupt or insolvent; (ii) makes a general assignment for the benefit of its creditors; (iii) a trustee or receiver is appointed for such party or for any of its property; or (iv) any petition by or on behalf of such party is filed under any bankruptcy or similar laws.
- 13.7. Consequences. Upon expiration or termination of this Agreement, Licensee will: (i) immediately cease use of the Software; (ii) return the Software and all copies thereof, as well as the Documentation to Licensor; (iii) erase or otherwise destroy all copies of the Software in its possession, which is fixed or resident in the memory or hard disks of its and/or its Subsidiaries’ computers; (iv) return to Licensor any and all Confidential Information then in its possession; and (v) certify in writing to Licensor that all copies and partial copies of the Software and related Documentation have been either returned to Licensor or otherwise erased or destroyed and deleted from any computer libraries or storage devices and are no longer in use by Licensee.
- 13.8. Survival. The provisions of Sections 3, 6, 8, 9, 10.2, 11, 12, 13.7, 13.8 and 14 shall survive the termination, expiration or other ending of this Agreement. Additionally, any terms or conditions of this Agreement which by their nature require performance by either party after the termination or expiration of this Agreement shall survive.

14. General Terms.

- 14.1. Export Compliance. Licensee shall not transfer, export or re-export any Software or part thereof, except in full compliance with applicable export controls and use restrictions.
- 14.2. Governing Law & Jurisdiction. This agreement shall be governed by and construed in accordance with the laws of the State of Israel, without giving effect to the principles of conflict of laws. Both parties hereby consent to the exclusive jurisdiction of, and venue in, the state courts in Tel Aviv-Yafo, Israel in connection with any dispute related to this Agreement.
- 14.3. Independent Contractor. Licensor undertakes the furnishing of the License and performance of its obligations under this Agreement as an independent contractor. There

shall be no employer-employee relationship between Licensor's employees and Licensee, and Licensee's employees and Licensor.

- 14.4. Waiver. No waiver of rights arising under this Agreement shall be effective unless in writing and signed by the party against whom such waiver is sought to be enforced. No failure or delay by either party in exercising any right, power or remedy under this Agreement shall operate as a waiver of any such right, power or remedy and/or prejudice any rights of such party.
- 14.5. Notices. Legal notices given by the parties to one another in connection with this Agreement shall be provided by writing, prepaid mail, receipted courier service, or hand delivery to the party to be notified, at the address stated at the outset of this Agreement.
- 14.6. No Third-Party Beneficiaries. This Agreement is intended solely for the benefit of the parties. In no event will any third party have any rights in relation to this Agreement or any right to enforce the terms hereof.
- 14.7. Force Majeure. Licensor is excused for any delays, losses or damages due to causes beyond its control, including without limitation, fire, explosion, power irregularities or surges, acts of God, earthquakes, rains, floods, lightning, labor unrest, strikes, strife or any other cause that was not reasonably foreseeable on the date of signing of this Agreement.
- 14.8. Subcontracting and Assignment. Licensee shall not assign and/or subcontract any of its rights and obligations under this Agreement, except with Licensor's prior written consent. Licensor may assign any of its rights and/or obligations hereunder at Licensor's sole discretion.
- 14.9. Severability. If any provision under this Agreement is determined by a court to be unenforceable, that provision will be deemed to be modified to the extent necessary to allow it to be enforced to the extent permitted by law, or if it cannot be modified, the provision will be severed and deleted, and the remainder of the Agreement will continue in effect.
- 14.10. Entire Agreement. The parties have read this Agreement, and agree to be bound by its terms, and further agree that it constitutes the complete and entire agreement of the parties and supersedes all previous communications between them, oral or written, relating to the subject matter hereof. No representations or statements of any kind made by either party that are not expressly stated herein shall be binding on such party.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective authorized representatives as of the Effective Date.

Valerann Ltd.

[please complete entity name]:

By & Title:

By & Title:

Date:

Date:

EXHIBIT A
Order Form

This Order Form ("**Order**") is executed as of _____, 2022 (the "**Order Date**") by and between

Valerann. Ltd., a company incorporated in Israel, with registered company number 515027282, having its principal offices at 32 Shoken Street Tel Aviv, Israel ("**Licensor**")

and

[CUSTOMER ENTITY], a _____ entity located at _____ ("**Licensee**").

This Order is governed by, and subject to the terms of the *Software license Agreement* (the "**Terms**"), as may be supplemented or amended by the *Special Terms* below. The Terms are incorporated herein by reference.

Capitalized terms not otherwise defined in this Order, will have the meanings given to them in the Terms. The individual signing this Order on behalf of the Customer represents that he/she is authorized to sign this Order on behalf of Customer, and has read and agreed to this Order and the Terms.

CUSTOMER INFORMATION			
Contact Person		Email	
Phone		Billing Email	
Billing Contact Person		Billing Address	

License	
Initial Periods	
Renewal Term	
Termination by Licensee	
License Fees	
Setup Fee	
Trial Fee	
Renewal Term License Fees	
Maintenance Fee	
Late Payment Penalty	In addition to the sums mentioned above, if any payment is not made on time by the due date (which is 30 days after the invoice was generated), a late payment penalty will be charged. The penalty will be equal to three percent (3%) of the payment due for each day after the due date until the date it is paid. If the Buyer's payment remains unpaid for a period of thirty (30) days following the due date, the Seller may declare all remaining unpaid sums due and proceed to foreclose on all collateral securing the Purchaser's obligations as described herein
Miscellaneous	
Licensee Obligations	
Publicity	

INVOICING AND PAYMENT TERMS	
Payment Method	
Miscellaneous	

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

Valerann LTD.

[CUSTOMER ENTITY]

By: _____

By: _____

Name: _____

Name _____

Title: _____

Title _____

Date: _____

Date: _____

Schedule 1 – The proposal sent on _____

Sent to you via email