

EXHIBIT 10

February 1, 1992

Sent by telefacsimile to: 011 613 663 8139

Mr. Marco Marcou
Ms. Elizabeth Parsons
Parsons Galloway Pty. Ltd.
4th Floor
19-25 Little Bourke Street
Melbourne, Victoria 3000, Australia

Re: Relationship between Explore Technology, Inc. ("ETI")
and Parsons Galloway Pty. Ltd. ("PG")

Dear Marcou and Elizabeth:

Thank you for your proposal of November 15, 1991, it demonstrated careful analysis and a significant amount of work. As a result of the subsequent discussions between Richard Lang, Marco Marcou, and myself, we believe that we have reached agreement defining the relationship between ETI and PG during an interim period of investigation and strategic planning lasting six months. As we understand this relationship, ETI and PG agree as follows:

1. Purpose of the Relationship. The relationship between ETI and PG is for the purpose of jointly investigating the markets and feasibility of introducing ETI's Instant Video™ technology and products into the countries listed on Exhibit "A" attached to this agreement (the "Region"). It is the intent of the parties that PG engage in an extensive investigation of the Region during the term of this agreement and prepare a regional business strategy in the form of a comprehensive business plan setting forth distinct market strategies for each market.

2. No License. ETI agrees that prior to the termination of this agreement or July 31, 1992, whichever should first occur, ETI shall not grant a master license falling within the scope of this agreement to any third party in the Region, with the sole exception of a New Zealand company known as Passat, to whom ETI may grant a license for New Zealand only. PG understands and agrees that no license to PG from ETI is granted or implied by this agreement and that any such license may only be granted or arise as the result of further negotiations between ETI and PG which are reduced to a further written agreement. Unless this agreement is breached or terminated earlier by either ETI or PG, ETI and PG agree to discuss on or about July 31, 1992 whether ETI desires to grant to PG, and PG desires to enter into, a master license agreement for countries within the Region and, if so, to negotiate the terms of such master license.

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3. **PG's Obligations.** PG will develop and implement a research strategy (the "Research") for determining the best means to introduce and implement Instant Video™ technology and products in the Region. The Research will include in-person visits with key players in each country for the Region. On or before July 15, 1992, the implementation of the Research will be completed and its results compiled in the form of a final business plan, to be provided to ETI on that date, describing the best means to introduce and implement Instant Video™ technology and products in the Region. The business plan will be discussed at a round table of ETI and PG directors in San Francisco, U.S.A. on or before July 31, 1992. Implementation of the Research will include the development of an information kit to be distributed during the field research phase, as well as the development of a strategy for ETI product demonstrations. PG agrees to pay the costs associated with the development, translation, and distribution of the information kit. ETI will cooperate in the development of the information kit and PG agrees that it will coordinate with ETI the development of such information kit and all other public relations, technical, and/or marketing materials relating to ETI or its technology. PG will not release any such material without prior review and written approval by ETI.

4. **Exchanges of Information.** ETI and PG will engage in regular exchanges of information regarding the progress of their respective activities as they relate to this agreement. Specifically, ETI will inform PG of technological factors which ETI believes will have an impact on the development of Instant Video™ systems and PG will keep ETI informed of the results of its market research, including the parties whom it has contacted and the results to date. These exchanges of information will take place no less than monthly and may take place in writing or telephonically. Because of the confidential nature of ETI's research and development work in the area of its technology, PG understands and agrees that ETI may limit the scope of the information provided to PG at any time without notice and in its sole and absolute discretion. Despite the right of ETI to restrict the information provided to PG, PG understands that certain of the information provided to PG, including without limitation information relating to ETI's product developments and business strategy, will be confidential or restricted in nature. Accordingly, PG agrees not to release any information obtained from ETI except in accordance with the terms of this agreement, or with the written approval of ETI.

5. **Non-competition.** In recognition of the fact that ETI currently intends to introduce its technology worldwide and will be providing PG with certain proprietary information regarding ETI's technology, product plans, and business strategy, Parson's agrees that during the term of this agreement and for a period of four years following the termination of this agreement, PG will not directly or indirectly render any services of an advisory nature or otherwise to, or become employed by, or participate or engage in any business related to Instant Video™ competitive with the business of ETI anywhere in the world without the written consent of ETI, which ETI may grant or withhold in its sole and absolute discretion. PG agrees that its employees and subcontractors shall enter into agreements of a like nature for the benefit of ETI. PG further agrees not to challenge the validity of ETI's patents, trademarks, copyrights or the protected nature of its technology, whether now granted, pending, or granted in the future. PG understands that the scope of the geographic and time limitations of this clause are broad and agrees that given the nature and uniqueness of ETI's technology and the worldwide scope of its application, the scope of the restrictions on PG's activities set forth in this agreement are reasonable in nature.

6. Outside Technical Support. In the event that PG requires technical support that necessitates the utilization of ETI's independent contractors, as opposed to ETI employees, PG agrees to reimburse ETI for its actual costs associated with such support, with such costs to be agreed upon in writing prior to the time such support is provided.

7. ETI Product Demonstrations. It is anticipated by the parties that demonstrations of ETI's technology may take place during the latter stages of the exploratory period envisioned by this agreement. PG may arrange for sponsorship of these demonstrations by various governments. To the extent that additional funding is required, PG and ETI may share in the expenses of such demonstrations, contingent upon their ability to agree in advance on the necessity of the demonstration and the amounts to be contributed by each.

8. Time Commitments. In fulfilling its duties, PG will expend approximately the following amounts of time on its tasks:

Research exchange	25 person days
Information and literature development	20 person days
Product demonstration development	10 person days
Field research of markets & key persons	120 person days
Tour of region	30 person days

9. Term. The term of the relationship between ETI and PG outlined in this agreement, unless terminated earlier in accordance with the provisions of this agreement, shall extend from the date of this agreement first set forth above until July 31, 1992, at which time PG and ETI shall have no further obligations to each other under this agreement, except as otherwise specifically set forth in this agreement. At any time that either party is dissatisfied, in their sole and absolute discretion, with the performance of the other party under this agreement, the dissatisfied party shall have the right terminate this agreement immediately upon written notice. The covenants of PG contained in this agreement regarding confidentiality, non-competition and the legitimacy of ETI's intellectual property rights shall survive the termination of this agreement.

10. Severability. If any of the terms or provisions of this agreement are determined to be invalid or unenforceable, such term or provision shall be modified in keeping with the intent of such term or provision to the minimum extent necessary to make such term or provision valid or enforceable, and in the event such term or provision cannot be modified such that it is valid or enforceable, it shall not affect or impair the remainder of this agreement, and the remainder of this agreement shall continue in full force and effect to the same extent as though the invalid term or provision were not contained in this agreement.

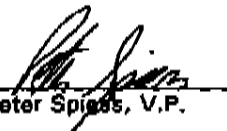
11. Interpretation: Governing law. This agreement having been fully negotiated between the parties, any ambiguity is not to be construed against a party simply because of their role in drafting this document. The section headings used in this agreement are for the purpose of convenience only and should not be used in interpreting the meaning of any such section. The terms and provisions of this agreement and the rights and obligations of the parties under this agreement shall be governed by and interpreted in accordance with the laws of the State of Arizona, U.S.A., and in the event any legal proceedings are brought under or arising out of the provisions of this agreement, such proceedings shall be brought and maintained in a court

of competent jurisdiction in such state.

12. Entire Agreement. ETI and PG agree that any prior or contemporaneous representations or agreements made by and between themselves or their agents relating to the subject of this agreement and not expressly set set forth in this agreement are hereby revoked. This agreement constitutes the entire agreement between PG and ETI and may not be amended except in a writing executed by the party against whom such amended is sought to be enforced.

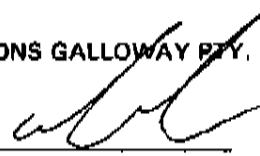
In the event that the terms set forth above constitute the agreement between ETI and PG, please have an authorized individual execute this letter agreement in the space indicated below and return it to our offices.

EXPLORE TECHNOLOGY, INC.
an Arizona corporation

By: 
G. Peter Spiess, V.P.

The foregoing terms and provisions are approved and agreed to this first day of February, 1992 by Parsons Galloway Pty. Ltd.

PARSONS GALLOWAY PTY. LTD.

By: 
Its: Director



2. Intellectual Property Rights

a. It is acknowledged and agreed to that this Agreement follows and supersedes the Development Agreement between the parties dated August 29, 1990 (the "Prior Agreement") and includes the next development stage (the "Current Project") of the project begun under such Prior Agreement (the "Prior Project").

b. Anything in the Prior Agreement to the contrary notwithstanding, it is understood and agreed that ETI is the exclusive owner of and shall continue to own such patents and copyrights, including patentable inventions and copyrightable programs and materials, developed as part of the Current Project and/or the Prior Project (the "Technology").

c. Finisar shall, during and subsequent to the term of this Agreement, communicate to ETI all patentable inventions and copyrightable material made, conceived, or produced by individuals working on behalf of Finisar in connection with any project or work assignment performed under this Agreement or the Prior Agreement; and without further consideration assign, or cause to be assigned, all right, title, and interest in such patentable inventions and copyrightable material to ETI and assist ETI and its nominees in every proper way to obtain, secure, maintain, and defend for ETI's own benefit patents for such inventions and copyrights, and any extensions and renewals thereof on any and all such copyrightable materials, including translations thereof, in any and all countries, such inventions and copyrightable materials to be and to remain the property of ETI or its nominees, whether or not patented or copyrighted, and this Agreement shall constitute an irrevocable grant, conveyance, assignment and transfer by Finisar to ETI of any and all such rights, title, and interest.

d. Finisar shall, upon ETI's request, cause to be executed and delivered to ETI transfers of ownership of copyright, together with any extensions or renewals thereof, and of patents in the Technology, and any other documents as ETI may deem necessary or appropriate to vest in ETI the rights granted to ETI in this Agreement, and Finisar hereby irrevocably appoints ETI Finisar's limited attorney-in-fact for the sole purpose of executing those transfers of ownership and other documents in Finisar's name, if Finisar shall fail to execute same within ten (10) days after ETI's request.

e. With respect to patents or copyrights created by Finisar prior to Finisar commencing work on the Prior Project that may be, or have been, modified, enhanced or further developed by Finisar as part of the Prior Project or the Current Project, ETI shall grant to Finisar a non-exclusive license at no additional cost to utilize such enhancement in fields other than delivery of stored video

and/or audio material and related areas utilizing the Technology. No license of any ETI patents, know-how or proprietary information to Finisar, their affiliates or any third party is expressed, implied or intended by this Agreement, except as set forth in the prior sentence.

f. With respect to all subject matter including ideas, processes, designs and methods which Finisar discloses or uses in the performance of this Agreement or the Prior Agreement: (i) Finisar warrants that it has the right to make disclosure and use thereof without liability to others; (ii) to the extent that Finisar has patent applications, patents or other rights in the subject matter, it hereby grants ETI an irrevocable, world-wide, nonexclusive license, at no additional cost, to make, have made, sell, use and disclose such subject matter, excluding only the subject matter which is set forth in writing attached hereto and which is agreed to specifically by ETI as excluded from the grant; and, (iii) Finisar agrees to hold ETI harmless for use of the subject matter which Finisar knows or reasonably should know others have rights in except, however, for subject matter and the identity of others having rights in it that Finisar discloses in writing to ETI before ETI uses the subject matter.

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November 11, 1992

Sent via Airborne Express

Mr. Marco Marcou
Ms. Elizabeth Parsons
Parsons Galloway Pty. Ltd.
4th Floor
19-25 Little Bourke Street
Melbourne, Victoria 3000, Australia

Re: Relationship between Instant Video Technologies, Inc. ("IVT"),
and Parsons Galloway Pty. Ltd. ("PG")

Dear Marcou and Elizabeth:

Pursuant to the prior agreement between IVT's wholly owned subsidiary, Explore Technology, Inc. ("ETI"), and PG dated February 1, 1992 (the "Prior Agreement"), PG has been engaged in extensive market research relating to the existence of markets for Instant Video™ in the geographic area outlined in the Prior Agreement. As the result of subsequent discussions between Marco Marcou and myself, it has become clear that for PG to successfully complete market research in this area, it would be beneficial for PG to obtain a new technology assistance and use license (the "License") which provides for an enhanced ability on the part of PG to discuss, demonstrate, and market Instant Video™ technology. (Z)

Therefore, based upon my prior conversations with Marco Marcou, IVT proposes the following terms, covenants and conditions for defining a new relationship between IVT and PG during a new interim period of investigation and strategic planning. Throughout this agreement IVT may be referred to in the alternative as "Licensor" and PG may be referred to in the alternative as "Licensee". If the terms set forth below are acceptable, please have an authorized individual execute this agreement in the space indicated below and return it to our offices.

1. Purpose of the Relationship. The relationship between Licensor and Licensee is for the purpose of jointly investigating the markets and feasibility of introducing Licensor's Instant Video™ technology into the countries listed on Exhibit "A" attached to this agreement (the "Region"). It is the intent of the parties that Licensee engage in an extensive investigation of the Region during the term of this agreement and prepare a regional business strategy in the form of a comprehensive business plan setting forth distinct market strategies for each market in the countries listed as Class One of Exhibit A to this agreement, together with broad business strategies for the markets in the countries listed as Class Two of Exhibit A. In order to assist Licensee in this investigation, Licensor hereby grants to Licensee a license, subject to the terms, covenants, and conditions set forth herein, to use and demonstrate the prototypes described below, and to market such prototypes during the term of this License. ←

2. **Definitions:** For purposes of this License, and in addition to terms defined elsewhere in this License, the following terms are used with the following meanings:

(a) "Patents" shall mean the issued United States Patents, Nos. 4,963,995 and 5,057,932, together with Australian Patent No. 627841.

(b) "Applications" shall mean and include any and all filings of patent applications by Licensor which have not yet issued together with applications for continuations, continuations-in-part, amendments, divisions, or extensions of the Patents, and any and all patents resulting therefrom, and/or any methods involved in the improvement and modification of the Patents and Applications for which patent protection could be sought.

(c) "Licensed Technology" shall include all devices incorporating, employing, or otherwise making use of any of the inventions claimed in the Patents or Applications, or any proprietary concepts, technical information, or know-how made available by Licensor to Licensee.

(d) "Instant Video" shall mean any system whereby compressed video information is transmitted from one means of storage to a second means of storage in less time than the time normally associated with viewing the transmitted video information.

(e) "Affiliate" shall mean any firm, partnership, joint venture, corporation, mercantile association, or other organization or entity, or any person (i) in which Licensee has, at the time, directly or indirectly, a majority ownership interest, or (ii) with which Licensee has, at the time, directly or indirectly, management or other relations sufficient to enable it to influence the other's business policies or activities.

(f) "term of this License" shall have the meaning set forth in section 14 of this License.

3. **Scope of License.** Subject to the terms, covenants and conditions contained in this License, Licensor hereby grants to Licensee for the term of this License the non-exclusive, non-transferable right to use, demonstrate and market (on a limited scale) the Licensed Technology in evaluating the technical and economic utility of developing markets in the Region. Notwithstanding the provisions of subsections 6 and 8 below, Licensee shall not have the right under this License to grant sublicenses to others to make, reproduce, use, lease, sell, or otherwise utilize the Licensed Technology or to grant any rights under the Applications or the Patents to others. Licensee understands and agrees that nothing in this License nor in the disclosure of information to Licensee shall be deemed by implication or otherwise to convey to Licensee, or to any person in privity with Licensee, or to any other entity, ownership of or title to any trade secrets, patent rights, trademarks, trade names, information, assistance, or other proprietary rights of Licensor. Licensee agrees that it will not use the phrase "Instant Video" in its name or in the name of any of its Affiliates and Licensee will not associate itself with Instant Video™, Explore Technology, Inc., or Instant Video Technologies, Inc. except in the manner and for the express and limited purposes set forth in this License. Licensee agrees that it will not release or otherwise allow the distribution of any information kit or any other public relations, technical, and/or marketing materials relating to Licensor or the Licensed Technology without the prior review and written approval of such materials by Licensor. In

the event any such materials are prepared in a language other than english, Licensee agrees to provide Licensor, at Licensee's expense, with an accurate english translation of such materials for the purposes of such review.

4. Licensor's Obligation to Supply a Demonstration Video and Hardware.

(a) Licensor shall provide a videotaped demonstration of the Licensed Technology (the "Videotape") to Licensee by January 11, 1993, for use by Licensee in demonstrating Instant Video™ within the Region. The Videotape shall be a one inch (1") master dub which shall depict a live demonstration of Instant Video™ technology as well as discussing some of the issues surrounding the use of Instant Video™ technology in various applications. Licensee shall have the right to make a reasonable number of copies of the Videotape and may provide for audio dubbed accurate translations of the Videotape in such copies.

(b) On or before March 15, 1993, Licensor shall deliver to Licensee at 3515 Edison Way, Menlo Park, California, U.S.A. 94025 two prototypes (the "Prototypes") meeting the description set forth in Exhibit "B" attached hereto. At the time of delivery, Licensor shall provide personnel designated by Licensee with training in the proper operation of the Prototypes. On or before August 31, 1993, Licensee shall, at its sole expense and risk, return the Prototypes undamaged to Licensor, at 3515 Edison Way, Menlo Park, California, U.S.A. 94025.

5. Repair of Prototypes. In the event the Prototypes malfunction as the result of a defect in materials or manufacture during the term of this License, Licensor shall repair such Prototype at its facilities at 3515 Edison Way, Menlo Park, California, U.S.A. 94025, at Licensor's expense. Licensee shall bear all expenses and risk associated with shipping such Prototype to Licensor's facilities and returning the repaired Prototype to Licensee. In the event such repairs are not completed within fifteen (15) days after Licensor has received the Prototypes, the term of this License shall be extended by that number of days required to complete repairs in excess of such fifteen (15) day period. At its election, Licensee may undertake repair of the Prototypes at Licensee's sole cost and risk. In the event Licensee elects to undertake such repair, Licensor will provide Licensee with information to assist in such repair, as long as such information is not of a highly confidential nature.

6. Incidental Sales, Manufacturing and Servicing. This License, by its terms, is intended to be a license for the use and demonstration of the Licensed Technology for the purpose of investigating various potential markets in the Region. However, the parties acknowledge that Licensee's demonstrations of the Prototypes during the term of this License may result in requests by third parties that Licensee sell them product similar to the Prototypes. Licensor agrees that Licensee may conduct such limited sales, conditioned upon Licensee first obtaining the written approval from Licensor for such sale and its terms, which approval Licensor will not unreasonably withhold. Before any such sales may actually take place, Licensor and Licensee shall first negotiate a separate agreement on mutually acceptable terms, in the sole and absolute discretion of each of them, dealing with the manner in which such products will be manufactured and thereafter serviced.

7. Standstill Agreement, Further Negotiations. Licensor agrees that prior to the termination of this License or August 31, 1993, whichever should first occur, Licensor shall not grant a master license for any country within the Region. As used in this agreement, the term "master license" shall mean an exclusive license for the general unlimited distribution or sale of products utilizing Instant Video™ technology. Unless this agreement is breached or terminated earlier by either Licensor or Licensee, Licensor and Licensee agree to discuss, on or about August 31, 1993, whether the parties wish to enter into a further licensing agreement for the manufacture, marketing, and/or sale of the Licensed Technology in specific markets and/or countries within the Region and, if so, to negotiate the terms of such license.

8. Licensing Fees.

(a) Licensee agrees to pay to Licensor the following licensing fees at the times indicated:

- (1) \$20,000 U.S. upon the execution of this License by both parties.
- (2) \$30,000 U.S. upon the receipt and acceptance of the Prototypes by Licensee.
- (3) Fifty percent (50%) of any royalties together with fifty percent (50%) of the gross margin for any products sold by Licensee which utilize the Licensed Technology. For purposes of this subsection, "gross margin" shall mean total sales revenues less direct manufacturing costs (but not including manufacturing overhead), as defined by the Financial Accounting Standards Board as designated by the Council of the American Institute of Certified Public Accountants. Such amounts shall accrue to the benefit of Licensor when the products are sold and shall be paid to Licensor either directly or within five (5) days of their receipt by Licensee.

(b) All amounts payable by Licensee to Licensor under this License shall, if possible, be paid in United States Dollars. If conversion of any local currency cannot then be made by Licensee, Licensee shall deposit the amounts due in local currency in the name of Licensor in a depository to be designated by Licensor. Any conversions of currency under this License shall be made at the rate of exchange quoted by the main branch of Bank America, San Francisco, California, U.S.A., as of the date on which the amounts shall be payable. All such sums shall be paid by Licensee to Licensor net of any and all taxes, excise fees, registration and/or filing fees, penalties, surcharges, and/or other amounts, all of which amounts shall be paid by Licensee, with the sole exception of any income taxes imposed by the governments of the United States or its political subdivisions upon the revenues of Licensor, which taxes shall be paid by Licensor.

(c) Licensee, at its expense, will make all necessary and appropriate applications to such governmental authorities as may be required for the transmittal and payment of funds (whether in US Dollars or otherwise) due to Licensor under this License in a timely manner.

(d) In the event Licensor and Licensee are unable to agree to the terms of a further license agreement, as anticipated by section 7 above, then Licensor agrees that, for a period of twelve months following the termination of this License, Licensor shall pay to Licensee fifty

percent (50%) of the net revenues received during such period by Licensor or its Affiliates from third parties within the Region with whom Licensee has previously conducted substantive negotiations as evidenced by correspondence or other written documentation between Licensee and such third parties demonstrating negotiations designed to lead to the consummation of an agreement between Licensee and such third parties and as evidenced by Licensee's monthly reports timely provided to Licensor pursuant to section 13 below.

9. Obligation to Pay Taxes. In the event that any government in the Region requires the payment of any taxes, charges or duties levied on this License by reason of the execution or the performance of this License, it shall be the responsibility of Licensee to pay all such taxes when due.

10. Costs of Technical Support. In the event that Licensee requires technical support that necessitates the utilization of Licensor's employees or independent contractors, Licensee agrees to reimburse Licensor for its actual costs associated with such support, with such costs to be agreed upon in writing prior to the time such support is provided.

11. Licensor Product Demonstrations. It is anticipated by the parties that demonstrations in the Region by Licensee of the Licensed Technology may take place during the term of this License. These demonstrations will be conducted by Licensee at its expense, unless otherwise agreed to by the parties in writing prior to such demonstrations.

12. Rights of Licensor With Respect to Certain Inventions, New Developments, and Improvements. If, at any time subsequent to the date of this License and prior to the expiration or termination of this License for any reason, any invention, new development, improvement or modification (including, without limitation, know-how) relating to the Licensed Technology, or the Application or Patents shall become available to Licensee or any of its Affiliates, and as often as the same shall occur, Licensee shall promptly disclose such invention, new development, improvement or modification to Licensor (whether patentable or unpatentable) and furnish Licensor with all relevant information pertaining to such invention, new development, or modification. Licensee further agrees that, in each such event, Licensee will, and hereby does, grant to Licensor a nonexclusive, royalty-free right and license to forever make, use, and/or sell such invention, new development, improvement or modification outside of the Region, and Licensee will do all acts that may be or become necessary to effect such right and license, including, without limitation, the execution, delivery, and acknowledgment of such instruments as may be necessary to effect such right and license. Any such invention, new development, improvement or modification shall otherwise be and remain the sole and exclusive property of Licensee.

13. Exchanges of Information. Licensor and Licensee will engage in regular exchanges of information regarding the progress of their respective activities as they relate to this License. Specifically, Licensor will inform Licensee of technological factors which Licensor believes will have an impact on the development of Instant Video™ systems and Licensee will provide Licensor with written reports of the results of its market research, including the parties with whom it has had contact and the results to date. These exchanges of information will take place no less than monthly. Because of the confidential nature of Licensor's research and development work in the area of its technology, Licensee understands and agrees that Licensor may limit the scope of the information provided to Licensee at any time without

notice and in Licensor's sole and absolute discretion. Despite the right of Licensor to restrict the information provided to Licensee, Licensee understands that certain of the information provided to Licensee, including, without limitation, information relating to Licensor's product developments and business strategy, will be confidential or restricted in nature. Accordingly, Licensee agrees not to release any information obtained from Licensor except in accordance with the terms of this License, or with the prior written approval of Licensor.

14. Term of this License. This License, unless extended in accordance with a subsequent written agreement of the parties or unless sooner terminated in accordance with the provisions of subsection (a) of this section, shall continue from the date of its execution by both parties until August 31, 1993, upon which date it shall automatically terminate and be of no further force or effect.

(a) Notwithstanding anything to the contrary in this License, Licensor shall have the right to terminate this License at any time upon the occurrence of any of the following:

(1) In the case of any default by Licensee under this License, by giving Licensee notice of such default at least twenty (20) days prior to such termination; provided however that, if Licensee, within such twenty (20) day period, shall remedy such default, then this License shall continue in full force and effect; or,

(2) By giving notice of such termination to Licensee following the insolvency or bankruptcy of Licensee, any action to dissolve Licensee, or upon any attempt by Licensee to grant a sublicense of this License, or to assign, pledge, or otherwise encumber or dispose of this License, whether voluntarily, by operation of law, or otherwise, except as otherwise expressly provided for in this License.

(b) The termination of this License for any reason shall be without prejudice to the right of Licensor to recover from Licensee any and all damages to which Licensor may be entitled, or any other rights of Licensor, and all such rights of Licensor shall survive such termination.

(c) In the event of the termination of this License, Licensor shall not be liable to Licensee for any compensation, reimbursement, expenditure, or statutory or other indemnities, or for any investments, leases, or other commitments, or for any damages on account of the loss, damage, expense, or other matter arising out of such termination, except that in the event this License is terminated due to the material default of Licensor in failing to provide Licensee with the Prototypes, then Licensee shall be entitled to the return of any fees previously paid to Licensor.

(d) Upon the termination of this License, Licensee agrees to cooperate fully with Licensor, and as promptly as possible following Licensor's request, in recording, registering, or otherwise providing notification of the termination of this License in whatever manner is reasonably requested by Licensor.

15. Proprietary Rights on Termination. All patents, patent applications, inventions, designs, manufacturing processes, software programs, engineering and other proprietary information licensed or communicated to Licensee by Licensor, shall be and remain the legal property of Licensor. Upon termination of this License, Licensee will cease to use any and all such patents, patent applications, inventions, designs, manufacturing processes, and engineering and other proprietary information, and will promptly return to Licensor any and all drawings, specifications, and all other information and data furnished to Licensee.

16. Patent Notification. Licensee shall attach proper notices of the pending nature of the Applications whenever appropriate and at such times as patents issue on behalf of the Licensor, Licensee shall attach proper notices of such patents whenever appropriate or when requested by Licensor to provide such notice.

17. Registration of License. In the event the law of any of the countries within the Region, or of any of their political subdivisions, shall require the registration or notification of this License and/or the obtaining of the permission or consent of such governmental body for this License, then Licensee shall promptly make such registration or notification and/or obtain such permission or consent as is required, and this License shall become effective only if, and on the date when, such registration or notification shall have been effected or such permission or consent obtained, as applicable. The expenses and taxes in connection with any such registration, notification, and/or securing such permission or consent shall be borne by Licensee. Licensor shall cooperate with Licensee in providing any signatures, documentation, and/or information reasonably required in order to effect such registration or notification or to obtain such permission or consent.

18. Technology Subject to Government Regulation. Licensee agrees that with respect to that part of the Licensed Technology that may be the subject of regulations by any department or agency of the government of the United States of America (the "Regulated Technology"), by reason of military significance, export license requirements or restrictions, or otherwise, Licensor shall be under no obligation to initially furnish information on such Regulated Technology, or to continue to furnish such information, or to provide technical assistance or parts or components for the Regulated Technology, or machinery for the manufacture of the Regulated Technology, until the consent of the regulatory body concerned is obtained.

19. Validity of Patents. Unless specifically prevented by the laws of the Region, Licensee, during the term of this License and following the termination of this License for any reason, will not, directly or indirectly, contest or aid others in contesting, or do or fail to do anything impairing the validity or enforceability of any patent now or hereafter obtained by the Licensor in the Region or elsewhere arising out of the Patents, the Applications or the Licensed Technology, nor will Licensee, directly or indirectly, contest or aid others in contesting, the validity of Licensor's ownership thereof. Licensee further agrees not to challenge the validity of Licensor's trademarks, copyrights, or trade names, whether now granted, pending, or granted in the future.

20. Infringement. Licensee will promptly notify Licensor of any infringement, counterfeiting, imitation, or passing off in the Region of any of the Patents, or of any Licensed Technology, and of any unfair competition in the Region regarding the Patents or any Licensed Technology, but Licensee will not take any action, legal or otherwise, with respect to such infringement, counterfeiting, imitation, passing off, application, or unfair competition, without the prior written consent of Licensor (which consent Licensor covenants not to unreasonably withhold), unless such action shall be required to prevent the expiration of a legal term or right. Licensor, either in its name or in Licensee's name, or in the names of both, may take any reasonable action, legal or otherwise, to protect any of the Patents or Licensed Technology. In any such action instituted by Licensor, Licensee will cooperate with Licensor in all respects, will on reasonable notice have any of its employees, officers, directors, agents, and other representatives testify when requested by Licensor and, on reasonable notice, will make available to Licensor all relevant records, papers, information, samples, specimens, and the like. Any and all expenses incurred by Licensor in the protection of any of the Patents or Licensed Technology in the Region (including, without limitation, reasonable attorney's fees) shall be borne by Licensor and Licensor shall be entitled to any and all money recovered in connection therewith, unless the parties agree in advance in writing to share the expenses and recovery in connection therewith.

21. Non-competition. In recognition of the fact that Licensor currently intends to introduce its technology worldwide and will be providing Licensee with certain proprietary information regarding Licensor's technology, product plans, and business strategy, Licensee agrees that during the term of this License and for a period of four years thereafter, Licensee will not directly or indirectly render any services of an advisory nature or otherwise to, or become employed by, or participate or engage in any business related to Instant Video™ competitive with the business of Licensor anywhere in the world without the written consent of Licensor, which Licensor may grant or withhold in its sole and absolute discretion. Licensee agrees that its officers, directors, employees, agents and subcontractors shall enter into agreements of a like nature for the benefit of Licensor. Licensee understands that the scope of the geographic and time limitations of this clause are broad and agrees that given the nature and uniqueness of Licensor's technology and the worldwide scope of its application, the scope of the restrictions on Licensee's activities set forth in this agreement are reasonable in nature.

22. Severability. If any of the provisions of this License are in conflict with any applicable statute or rule of law, or would result in the invalidation or modification of any of the Patents or Applications or the protection represented thereby, then such provisions shall be deemed inoperative to the extent that they may conflict with such statute or rule of law, or to the extent they would result in the invalidation or modification of any of the Patents or Applications or the protection represented thereby, and shall be deemed to be modified to the minimum extent necessary to conform with such statute or rule of law or to avoid such invalidation or modification, unless the Licensor, in its sole and absolute discretion, decides that such goes to the heart of this License, in which event this License shall automatically and immediately terminate.

23. Non-Waiver. The failure of either party to insist upon a strict performance of any of the terms or provisions of this License shall not be deemed a waiver of any further or future breach of or default in any of those or any other terms or provisions of this License. Nor shall the acceptance by Licensor of any money paid under this License after any breach or default by Licensee of any one or more of the terms or provisions of this License, whether before or after notice or knowledge of such breach or default to or by Licensor, constitute a waiver by Licensor of such breach or default.

24. Notices. Any notice, request, consent, acceptance or other communication given or made, or required to be given or made under this License, shall be in writing and shall be given or made by mailing the same by certified or registered mail (or the equivalent in Australia), overnight or air mail, postage prepaid, addressed as follows:

If to Licensor:

Mr. Wayne Van Dyck
Instant Video Technologies, Inc.
7950 East Acoma Drive, Suite 211
Scottsdale, Arizona 85260

If to Licensee:

Mr. Marco Marcou
Parsons Galloway Pty. Ltd.
4th Floor, 19-25 Little Bourke Street
Melbourne, Victoria 3000 Australia

or to such other address or addresses as either party may hereafter designate by a notice given in the manner indicated above. Any such notice, request, consent, acceptance or other communication shall be deemed given or made when deposited in the mails in the manner indicated above, except for notices of change of address, which shall be deemed given when received.

25. No Joint Venture or Agency Relationship. Nothing contained in this License shall be construed to make the parties partners or joint venturers, or to render either party liable for any of the debts or obligations of the other party. This License is not intended to establish an agency relationship between Licensor and Licensee, and Licensee shall in no way be considered as being an agent or representative of Licensor in any dealings which Licensee may have with any third party, and Licensee may neither act for, nor bind, Licensor in any such dealings.

26. Headings, Interpretation, Governing Law and Forum. The headings of the particular paragraphs are inserted only for convenience and are in no way to be construed as a part of the License or as limitation on the scope of any of the terms or provisions of this License. This License shall be construed in accordance with the laws of the 9th Circuit Federal District of the United States and, to the extent such circuit would apply the laws of a state within such circuit, the laws of the State of Arizona. The parties hereby expressly submit themselves to the jurisdiction of the federal courts for the district of Arizona for the determination of any controversy whatsoever arising under or in connection with this License, and the parties hereby waive personal service of any summons, complaint, or other process in any action brought in such courts and agree that all service of summons, complaint, or process may be made by registered mail, return receipt requested, to the party to be so served. This agreement has been fully negotiated between the parties, and no ambiguity shall be construed against a party by virtue of the fact that they drafted such provision.

27. Entire Agreement. This License contains all of the oral and written agreements, representations, and understandings between the parties, and supersedes and replaces any agreements, representations, or understandings, if any, the parties to this License may have previously made. This License may not be modified except by a written document executed by the party claimed to have agreed to such modification.

28. Non-Disclosure of Terms. The parties shall be permitted to disclose the existence of this License and its general nature as a technical assistance and use license. However, Licensee agrees that it will not disclose the specific terms and provisions of this License to any person or entity, except in the event of legal proceedings to enforce its rights, and then only to the extent necessary to enforce such rights and only after giving Licensor prior notice of such disclosure and an adequate opportunity to object to such disclosure.

29. Survival of Terms. The covenants of Licensee contained in this agreement regarding confidentiality, non-competition and the legitimacy of Licensor's intellectual property rights shall survive the termination of this License.

"LICENSOR"

INSTANT VIDEO TECHNOLOGIES, INC.

By: *[Signature]*
Its: Vice President

"LICENSEE"

PARSONS GALLOWAY PTY., LTD.

By: *[Signature]*
Its: Director



EXHIBIT "A"

DESCRIPTION OF THE REGION

Class One

Australia
China
Hong Kong
Indonesia
Malaysia
New Zealand
Singapore
South Korea
Taiwan
Thailand

Class Two

Myanmar
Cambodia
India
Korea
Laos
North Korea
Pakistan
Papau New Guinea
Philippines
Vietnam

EXHIBIT "B"

SUMMARY OF PROTOTYPE FEATURES

General Features

- Sixteen inch (16") color touch screen for video entry and command entry
- Professional quality VCR with support for VHS and Super-VHS

Send FAX Features

- Read into digital memory directly from video tape
- Review video stored in memory
- Send video over various digital networks in less than real time

Receive FAX Features

- Receive video over various digital networks in less than real time
- Review video captured in memory
- Copy video stored in digital memory onto video tape

Video Editing Features

- Cut
- Paste
- Copy

Network Interface Options

- Satellite
- Cable MODEMS
- The network protocols are currently undetermined

Digital Video Storage

- Approximately twenty (20) minutes of real time video