

4. Delivery.

4.1 The Licensor will deliver 200 Hotels Etc annual memberships and 10 lifetime membership cards to the Licensee.

4.2 The Licensor will provide reasonable instructions to enable the Licensee to reap the full benefit of the Hotels Etc. member benefits.

4.3 The Licensor will supply new versions of the Hotels Etc. as they become available, on the stated media, to each of the Locations, provided only that the Licensee is up to date with the Update payments as defined in the Payment Schedule.

5. Confidentiality

Both parties agree that, unless they have the prior written consent of the other, they will not use or disclose to any third party (other than for the purpose of performing this Agreement) the terms and conditions of this Agreement or any information which is confidential to the other party. The obligations of clause 5 shall survive termination or cancellation of this Agreement.

6. Documentation

The Licensor will provide the Licensee with Documentation. Amendments to the Documentation will be provided with each Update to the Hotels Etc. directory.

7. Warranties. The Licensor warrants that:

7.1.1 It has the right and authority to grant a license for the Hotels Etc. supplied to the Licensee;

7.2 Notwithstanding the foregoing, the Licensor shall have no obligation to insure that partners honor said discounts. Discount partners are subject to change at any time. Hotels Etc. does guarantee it has received a signed agreement from each partner or management company representing each business

7.3 The above warranties are in lieu of, and the Licensor disclaims, all other warranties, express or implied, which may be lawfully excluded, including, but not limited to warranties of description, design, merchantability or fitness for a particular purpose.

8. Ownership

8.1 All intellectual property rights which may subsist in the Hotels Etc. and associated Documentation shall remain with the owner of such Hotels Etc. but the Licensee shall be granted a license to use the name Hotels Etc. of Africa upon the terms and conditions of this Agreement.

8.2 The parties shall execute all documents and do all acts and things reasonably required for the purpose of giving effect to clause 8.1.

9. Intellectual Property Rights Indemnity

9.1 The Licensor will indemnify the Licensee against and will at its cost defend or settle any claim, suit, action or proceeding (collectively called "Action") brought against the Licensee to the extent that the Action is based on a claim that the Licensee's use of deliverables supplied by the Licensor constitutes a breach of any patent, copyright, trade secret or other proprietary right provided that:

9.1 the Licensee fully co-operates with the Licensor in defending or settling the Action and makes its employees available to give statements, advice and evidence as the Licensor may reasonably request;

9.1.2 the Licensor is notified promptly in writing of any Action and is given complete authority and information required for the conduct of the defence or settlement of the Action;

9.1.3 the Licensor shall have the sole control of the conduct of any Action and all negotiations for its settlement or compromise. **9.2** In order to fulfill its obligations under clause 9.1 the Licensor shall forthwith at its own expense either:

9.2.1 obtain for the Licensee the legal right to continue using the Hotels Etc. or part of the Hotels Etc., which is the subject of the action; or

9.2.2 replace the Hotels Etc. (or the infringing parts of the Hotels Etc.) with reasonably equivalent Hotels Etc. product.

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