UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) **December 31, 2015**

Nxt-ID, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**000-54960**	**46-0678374**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

Nxt-ID, Inc.
288 Christian Street
Oxford, CT 06478
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **(203) 266-2103**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b)

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c)

Item 1.01 Entry into a Material Definitive Agreement.

Master Product Development Agreement

On December 31, 2015, the Company entered into a Master Product Development Agreement (the “Development Agreement”) with WorldVentures Holdings, LLC (“WVH”). The Development Agreement commenced on December 31, 2015, and has an initial term of two (2) years (the “Initial Term”). Thereafter, the Development Agreement will automatically renew for additional successive one (1) year terms (each a “Renewal Term”) unless and until WVH provides written notice of non-renewal at least thirty (30) days prior to the end of the Initial Term or then-current Renewal Term. Each Renewal Term will commence immediately on expiration of the Initial Term or preceding Renewal Term. The Development Agreement may also be terminated earlier pursuant to certain conditions.

Pursuant to the Development Agreement, WVH has retained the Company to design, develop and manufacture a series of Proprietary Products (as defined in the Development Agreement) for distribution through WVH’s its network of sales representatives, members, consumers, employees, contractors or affiliates. The Proprietary Products will utilize the Company’s existing Background Technology (as defined in the Development Agreement) and customized hardware designs/solutions and software tools/applications developed by the Company for WVH.

The form of Development Agreement is filed hereto as Exhibit 10.1 to this Current Report on Form 8-K. The foregoing summary of the terms of this document is subject to, and qualified in its entirety by, such document attached hereto, which is incorporated herein by reference.

Securities Purchase Agreement

In connection with the Development Agreement, on December 31, 2015 the Company entered into a securities purchase agreement (the “Securities Purchase Agreement”) with WVH providing for the issuance and sale by the Company of 10,050,000 shares (the “Shares”) of the Company’s common stock, par value $0.0001 per share, and a common stock purchase warrant (the “Warrant”) to purchase 2,512,500 shares (the “Warrant Shares”) of the Company’s common stock, par value $0.0001 per share, for an aggregate purchase price of $2,000,000. The Warrant is initially exercisable on the five (5) month anniversary of the issuance date at an exercise price equal to $0.75 per share and has a term of exercise equal to two (2) years and seven (7) months from the date on which first exercisable.

The Shares and Warrants were issued and sold without registration under the Securities Act of 1933, as amended (the “Securities Act”) in reliance on the exemptions provided by Section 4(a)(2) of the Securities Act and/or Regulation D promulgated thereunder and in reliance on similar exemptions under applicable state laws. Accordingly, WVH may exercise the Warrant and sell the Warrant Shares and the Shares only pursuant to an effective registration statement under the Securities Act covering the resale of those shares, an exemption under Rule 144 under the Securities Act or another applicable exemption under the Securities Act.

In connection with the sale of the Shares and the Warrants, the Company entered into a registration rights agreement, dated December 31, 2015, (the “Registration Rights Agreement”), with WVH, pursuant to which the Company agreed to register the Shares and the Warrant Shares on a Form S-1 or Form S-3 registration statement (the “Registration Statement”) to be filed with the Securities and Exchange Commission within ninety (90) days after the date of the issuance of the Shares and the Warrants (the “Filing Date”) and to cause the Registration Statement to be declared effective under the Securities Act within one hundred eight (180) days following the Filing Date.

The form of Securities Purchase Agreement, the form of Warrant, and the form of Registration Rights Agreement are filed hereto as Exhibits 10.2, 4.1, and 10.3, respectively, to this Current Report on Form 8-K. The foregoing summaries of the terms of these documents are subject to, and qualified in their entirety by, such documents attached hereto, which are incorporated herein by reference.

Item 3.02 Unregistered Sales of Equity Securities.

The applicable information set forth in Item 1.01 of this Current Report on Form 8-K is incorporated by reference in this Item 3.02.

The Company issued the Shares and the Warrants in reliance upon the exemption from registration contained in Section 4(a)(2) of the Securities Act and Rule 506(b).

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

Exhibit No.	Description
4.1	Form of Common Stock Purchase Warrant
10.1	Form of Master Product Development Agreement
10.2	Form of Securities Purchase Agreement
10.3	Form of Registration Rights Agreement

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: January 4, 2016

NXT-ID, INC.

By: /s/ Gino M. Pereira
Name: Gino M. Pereira
Title: Chief Executive Officer

Exhibit 4.1

EXECUTION VERSION

NEITHER THIS SECURITY NOR THE SECURITIES FOR WHICH THIS SECURITY IS EXERCISABLE HAVE BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL TO THE TRANSFEROR TO SUCH EFFECT, THE SUBSTANCE OF WHICH SHALL BE REASONABLY ACCEPTABLE TO THE COMPANY. THIS SECURITY AND THE SECURITIES ISSUABLE UPON EXERCISE OF THIS SECURITY MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN SECURED BY SUCH SECURITIES.

COMMON STOCK PURCHASE WARRANT

NXT-ID, INC.

Warrant Shares: 2,512,500

Issue Date: December 31, 2015

Initial Exercise Date: May 31, 2016

THIS COMMON STOCK PURCHASE WARRANT (the "Warrant") certifies that, for value received, WorldVentures Holdings, LLC. or its assigns (the "Holder") is entitled, upon the terms and subject to the limitations on exercise and the conditions hereinafter set forth, at any time on or after May 31, 2016 (the "Initial Exercise Date") and on or prior to the close of business on December 31, 2018 (the "Termination Date") but not thereafter, to subscribe for and purchase from NXT-ID, INC., a Delaware corporation (the "Company"), up to 2,512,500 shares (as subject to adjustment hereunder, the "Warrant Shares") of Common Stock. The purchase price of one share of Common Stock under this Warrant shall be equal to the Exercise Price, as defined in Section 2(b).

Section 1. Definitions. The following terms shall have the meanings ascribed to such terms:

"Common Stock Deemed Outstanding" means the number of shares of Common Stock issued and outstanding as of a given date shall be the sum of the number of shares of Common Stock (excluding treasury shares, if any) issued and outstanding.

"Convertible Securities" means any securities (directly or indirectly) convertible into or exchangeable for Common Stock, but excluding Options.

"Options" means any warrants or other rights or options to subscribe for or purchase Common Stock or Convertible Securities. Capitalized terms used and not otherwise defined herein shall have the meanings set forth in that certain Securities Purchase Agreement (the "Purchase Agreement"), dated December 31, 2015, among the Company and the purchasers signatory thereto.

Section 2. Exercise.

a. Exercise of Warrant. Exercise of the purchase rights represented by this Warrant may be made, in whole or in part, at any time or times on or after the Initial Exercise Date and on or before the Termination Date by delivery to the Company (or such other office or agency of the Company as the Company may designate by notice in writing to the registered Holder at the address of the Holder appearing on the books of the Company) of a duly executed facsimile copy of the Notice of Exercise in the form attached hereto as Exhibit A and within three (3) Trading Days of the date said Notice of Exercise is delivered to the Company, the Company shall have received payment of the aggregate Exercise Price of the number of Warrant Shares being purchased by the Holder as set forth in the Notice of Exercise by wire transfer or cashier's check drawn on a United States bank. No ink-original Notice of Exercise shall be required, nor shall any medallion guarantee (or other type of guarantee or notarization) of any Notice of Exercise form be required. Partial exercises of this Warrant resulting in purchases of a portion of the total number of Warrant Shares available hereunder shall have the effect of lowering the outstanding number of Warrant Shares purchasable hereunder in an amount equal to the applicable number of Warrant Shares purchased. The Holder and the Company shall maintain records showing the number of Warrant Shares purchased and the date of such purchases. The Company shall deliver any objection to any Notice of Exercise within one (1) Business Day of receipt of such notice. **The Holder and any assignee, by acceptance of this Warrant, acknowledge and agree that, by reason of the provisions of this paragraph, following the purchase of a portion of the Warrant Shares hereunder, the number of Warrant Shares available for purchase hereunder at any given time may be less than the amount stated on the face hereof.**

b. Exercise Price. The exercise price per share of the Common Stock under this Warrant shall be **$0.75**, subject to adjustment hereunder (the "Exercise Price").

c. Mechanics of Exercise.

i. Delivery of Warrant Shares Upon Exercise. Warrant Shares purchased hereunder shall be transmitted by the Transfer Agent to the Holder by crediting the account of the Holder's prime broker with The Depository Trust Company through its Deposit or Withdrawal at Custodian system ("DWAC") if the Company is then a participant in such system and either (A) there is an effective registration statement permitting the issuance of the Warrant Shares to or resale of the Warrant Shares by the Holder or (B) the shares are eligible for resale by the Holder pursuant to Rule 144, and otherwise by physical delivery of a certificate, registered in the Company's share register in the name of the Holder or its designee, for the number of Warrant Shares to which the Holder is entitled pursuant to such exercise to the address specified by the Holder in the Notice of Exercise by the date that is three (3) Trading Day after the delivery to the Company of the Notice of Exercise (such date, the "Warrant Share Delivery Date"). The Warrant Shares shall be deemed to have been issued, and Holder or any other person so designated to be named therein shall be deemed to have become a holder of record of such shares for all purposes, as of the date the Warrant has been exercised, with payment to the Company of the Exercise Price and all taxes required to be paid by the Holder, if any, pursuant to Section 2(c)(vi) prior to the issuance of such shares, having been paid. If the Company fails for any reason to deliver to the Holder the Warrant Shares subject to a Notice of Exercise by the Warrant Share Delivery Date, the Company shall pay to the Holder, in cash, as liquidated damages and not as a penalty, for each $1,000 of Warrant Shares subject to such exercise, $10 per Trading Day (increasing to $20 per Trading Day on the fifth Trading Day after such liquidated damages begin to accrue) for each Trading Day after such Warrant Share Delivery Date until such Warrant Shares are delivered or Holder rescinds such exercise.

ii. Delivery of New Warrants Upon Exercise. Notwithstanding anything herein to the contrary, the Holder shall not be required to physically surrender this Warrant to the Company until the Holder has purchased all of the Warrant Shares available hereunder and the Warrant has been exercised in full, in which case, the Holder shall surrender this Warrant to the Company for cancellation within three (3) Trading Days of the date the final Notice of Exercise is delivered to the Company.

iii. Rescission Rights. If the Company fails to cause the Transfer Agent to transmit to the Holder the Warrant Shares pursuant to Section 2(c)(i) by the Warrant Share Delivery Date, then the Holder will have the right to rescind such exercise.

iv. Compensation for Buy-In on Failure to Timely Deliver Warrant Shares Upon Exercise. In addition to any other rights available to the Holder, if the Company fails to cause the Transfer Agent to transmit to the Holder the Warrant Shares pursuant to an exercise on or before the Warrant Share Delivery Date, and if after such date the Holder is required by its broker to purchase (in an open market transaction or otherwise) or the Holder's brokerage firm otherwise purchases, shares of Common Stock to deliver in satisfaction of a sale by the Holder of the Warrant Shares which the Holder anticipated receiving upon such exercise (a "Buy-In"), then the Company shall (A) pay in cash to the Holder the amount, if any, by which (x) the Holder's total purchase price (including brokerage commissions, if any) for the shares of Common Stock so purchased exceeds (y) the amount obtained by multiplying (1) the number of Warrant Shares that the Company was required to deliver to the Holder in connection with the exercise at issue times (2) the price at which the sell order giving rise to such purchase obligation was executed, and (B) at the option of the Holder, either reinstate the portion of the Warrant and equivalent number of Warrant Shares for which such exercise was not honored (in which case such exercise shall be deemed rescinded) or deliver to the Holder the number of shares of Common Stock that would have been issued had the Company timely complied with its exercise and delivery obligations hereunder. For example, if the Holder purchases Common Stock having a total purchase price of $11,000 to cover a Buy-In with respect to an attempted exercise of shares of Common Stock with an aggregate sale price giving rise to such purchase obligation of $10,000, under clause (A) of the immediately preceding sentence the Company shall be required to pay the Holder $1,000. The Holder shall provide the Company written notice indicating the amounts payable to the Holder in respect of the Buy-In and, upon request of the Company, evidence of the amount of such loss. Nothing herein shall limit a Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver shares of Common Stock upon exercise of the Warrant as required pursuant to the terms hereof.

v. No Fractional Shares or Scrip. No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Warrant. As to any fraction of a share which the Holder would otherwise be entitled to purchase upon such exercise, the Company shall, at its election, either pay a cash adjustment in respect of such final fraction in an amount equal to such fraction multiplied by the Exercise Price or round up to the next whole share.

vi. Charges, Taxes and Expenses. Issuance of Warrant Shares shall be made without charge to the Holder for any issue or transfer tax or other incidental expense in respect of the issuance of Warrant Shares, all of which taxes and expenses shall be paid by the Company, and such Warrant Shares shall be issued in the name of the Holder or in such name or names as may be directed by the Holder; provided, however, that in the event that Warrant Shares are to be issued in a name other than the name of the Holder, the Notice of Exercise shall be accompanied by the Assignment Form attached hereto as Exhibit B duly executed by the Holder, and the Company may require, as a condition thereto, the payment of a sum sufficient to reimburse it for any transfer tax incidental thereto. The Company shall pay all Transfer Agent fees required for same-day processing of any Notice of Exercise and all fees to the Depository Trust Company (or another established clearing corporation performing similar functions) required for same-day electronic delivery of the Warrant Shares. As provided in that certain Registration Rights Agreement dated as of even date herewith, the Company shall use commercially reasonable efforts to cause the Warrant Shares, immediately upon such exercise, to be listed on any Trading Market upon which shares of Common Stock or other securities of the Company are listed at the time of such exercise.

vii. Conditional Exercise. Notwithstanding any other provision hereof, if an exercise of any portion of this Warrant is to be made in connection with a public offering or a sale of the Company (pursuant to merger, sale of stock or otherwise), such exercise may at the election of the Holder be conditioned upon the consummation of such transaction, in which case such exercise shall not be deemed to be effective until immediately prior to the consummation of such transaction.

viii. Closing of Books. The Company will not close its stockholder books or records in any manner which prevents the timely exercise of this Warrant, pursuant to the terms hereof.

Section 3. Certain Adjustments.

a. Stock Dividends and Splits. If the Company, at any time while this Warrant is outstanding: (i) pays a stock dividend or otherwise makes a distribution or distributions on shares of its Common Stock or any other equity or equity equivalent securities payable in shares of Common Stock (which, for avoidance of doubt, shall not include any shares of Common Stock issued by the Company upon exercise of this Warrant), (ii) subdivides outstanding shares of Common Stock into a larger number of shares, (iii) combines (including by way of reverse stock split) outstanding shares of Common Stock into a smaller number of shares or (iv) issues by reclassification of shares of the Common Stock any shares of capital stock of the Company, then in each case the Exercise Price shall be multiplied by a fraction of which the numerator shall be the number of shares of Common Stock (excluding treasury shares, if any) outstanding immediately before such event and of which the denominator shall be the number of shares of Common Stock outstanding immediately after such event, and the number of shares issuable upon exercise of this Warrant shall be proportionately adjusted such that the aggregate Exercise Price of this Warrant shall remain unchanged. Any adjustment made pursuant to this Section 3.a. shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision, combination or re-classification.

c. Pro Rata Distributions. During such time as this Warrant is outstanding, if the Company shall declare or make any dividend or other distribution of its assets (or rights to acquire its assets) to holders of shares of Common Stock, by way of return of capital or otherwise (including, without limitation, any distribution of cash, stock or other securities, property or options by way of a dividend, spin off, reclassification, corporate rearrangement, scheme of arrangement or other similar transaction) (a "Distribution"), at any time after the issuance of this Warrant, then, in each such case, the Holder shall be entitled to participate in such Distribution to the same extent that the Holder would have participated therein if the Holder had held the number of shares of Common Stock acquirable upon complete exercise of this Warrant (without regard to any limitations on exercise hereof, including without limitation, the Beneficial Ownership Limitation) immediately before the date of which a record is taken for such Distribution, or, if no such record is taken, the date as of which the record holders of shares of Common Stock are to be determined for the participation in such Distribution (provided, however, to the extent that the Holder's right to participate in any such Distribution would result in the Holder exceeding the Beneficial Ownership Limitation, then the Holder shall not be entitled to participate in such Distribution to such extent (or in the beneficial ownership of any shares of Common Stock as a result of such Distribution to such extent) and the portion of such Distribution shall be held in abeyance for the benefit of the Holder until such time, if ever, as its right thereto would not result in the Holder exceeding the Beneficial Ownership Limitation).

d. Fundamental Transaction. If, at any time while this Warrant is outstanding, (i) the Company, directly or indirectly, in one or more related transactions effects any merger or consolidation of the Company with or into another Person, (ii) the Company, directly or indirectly, effects any sale, lease, license, assignment, transfer, conveyance or other disposition of all or substantially all of its assets in one or a series of related transactions, (iii) any, direct or indirect, purchase offer, tender offer or exchange offer (whether by the Company or another Person) is completed pursuant to which holders of Common Stock are permitted to sell, tender or exchange their shares for other securities, cash or property and has been accepted by the holders of 50% or more of the outstanding Common Stock, (iv) the Company, directly or indirectly, in one or more related transactions effects any reclassification, reorganization or recapitalization of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property, or (v) the Company, directly or indirectly, in one or more related transactions consummates a stock or share purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off or scheme of arrangement) with another Person or group of Persons whereby such other Person or group acquires more than 50% of the outstanding shares of Common Stock (not including any shares of Common Stock held by the other Person or other Persons making or party to, or associated or affiliated with the other Persons making or party to, such stock or share purchase agreement or other business combination) (each a "Fundamental Transaction"), then, upon any subsequent exercise of this Warrant, the Holder shall have the right to receive, for each Warrant Share that would have been issuable upon such exercise immediately prior to the occurrence of such Fundamental Transaction, at the option of the Holder, the number of shares of Common Stock of the successor or acquiring corporation or of the Company, if it is the surviving corporation, and any additional consideration (the "Alternate Consideration") receivable as a result of such Fundamental Transaction by a holder of the number of shares of Common Stock for which this Warrant is exercisable immediately prior to such Fundamental Transaction. For purposes of any such exercise, the determination of the Exercise Price shall be appropriately adjusted to apply to such Alternate Consideration based on the amount of Alternate Consideration issuable in respect of one share of Common Stock in such Fundamental Transaction, and the Company shall apportion the Exercise Price among the Alternate Consideration in a reasonable manner reflecting the relative value of any different components of the Alternate Consideration. If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then the Holder shall be given the same choice as to the Alternate Consideration it receives upon any exercise of this Warrant following such Fundamental Transaction. Notwithstanding anything to the contrary, in the event of a Fundamental Transaction, the Company or any Successor Entity (as defined below) shall, at the Holder's option, exercisable at any time concurrently with, or within 30 days after, the consummation of the Fundamental Transaction, purchase this Warrant from the Holder by paying to the Holder an amount of cash equal to the Black Scholes Value of the remaining unexercised portion of this Warrant on the date of the consummation of such Fundamental Transaction. "Black Scholes Value" means the value of this Warrant based on the Black and Scholes Option Pricing Model obtained from the "OV" function on Bloomberg, L.P. ("Bloomberg") determined as of the day of consummation of the applicable Fundamental Transaction for pricing purposes and reflecting (A) a risk-free interest rate corresponding to the U.S. Treasury rate for a period equal to the time between the date of the public announcement of the applicable Fundamental Transaction and the Termination Date, (B) an expected volatility equal to the greater of 100% and the 100 day volatility obtained from the HVT function on Bloomberg as of the Trading Day immediately following the public announcement of the applicable Fundamental Transaction, (C) the underlying price per share used in such calculation shall be the sum of the price per share being offered in cash, if any, plus the value of any non-cash consideration, if any, being offered in such Fundamental Transaction and (D) a remaining option time equal to the time between the date of the public announcement of the applicable Fundamental Transaction and the Termination Date. The Company shall cause any successor entity in a Fundamental Transaction in which the Company is not the survivor (the "Successor Entity") to assume in writing all of the obligations of the Company under this Warrant and the other Transaction Documents in accordance with the provisions of this Section 3.d. pursuant to written agreements in form and substance reasonably satisfactory to the Holder and approved by the Holder (without unreasonable delay) prior to such Fundamental Transaction and shall, at the option of the Holder, deliver to the Holder in exchange for this Warrant a security of the Successor Entity evidenced by a written instrument substantially similar in form and substance to this Warrant which is exercisable for a corresponding number of shares of capital stock of such Successor Entity (or its parent entity) equivalent to the shares of Common Stock acquirable and receivable upon exercise of this Warrant (without regard to any limitations on the exercise of this Warrant) prior to such Fundamental Transaction, and with an exercise price which applies the exercise price hereunder to such shares of capital stock (but taking into account the relative value of the shares of Common Stock pursuant to such Fundamental Transaction and the value of such shares of capital stock, such number of shares of capital stock and such exercise price being for the purpose of protecting the economic value of this Warrant immediately prior to the consummation of such Fundamental Transaction), and which is reasonably satisfactory in form and substance to the Holder. Upon the occurrence of any such Fundamental Transaction, the Successor Entity shall succeed to, and be substituted for (so that from and after the date of such Fundamental Transaction, the provisions of this Warrant and the other Transaction Documents referring to the "Company" shall refer instead to the Successor Entity), and may exercise every right and power of the Company and shall assume all of the obligations of the Company under this Warrant and the other Transaction Documents with the same effect as if such Successor Entity had been named as the Company herein.

e. Calculations. All calculations under this Section 3 shall be made to the nearest cent or the nearest 1/100th of a share, as the case may be.

f. Notice to Holder.

i. Adjustment to Exercise Price. Whenever the Exercise Price is adjusted pursuant to any provision of this Section 3, the Company shall promptly mail to the Holder a notice setting forth the Exercise Price after such adjustment and any resulting adjustment to the number of Warrant Shares and setting forth a brief statement of the facts requiring such adjustment..

ii. Notice to Allow Exercise by Holder. If (A) the Company shall declare a dividend (or any other distribution in whatever form) on the Common Stock, (B) the Company shall declare a special nonrecurring cash dividend on or a redemption of the Common Stock, (C) the Company shall authorize the granting to all holders of the Common Stock rights or warrants to subscribe for or purchase any shares of capital stock of any class or of any rights, (D) the approval of any stockholders of the Company shall be required in connection with any reclassification of the Common Stock, any consolidation or merger to which the Company is a party, any sale or transfer of all or substantially all of the assets of the Company, or any compulsory share exchange whereby the Common Stock is converted into other securities, cash or property, or (E) the Company shall authorize the voluntary or involuntary dissolution, liquidation or winding up of the affairs of the Company, then, in each case, the Company shall cause to be mailed to the Holder at its last address as it shall appear upon the Warrant Register of the Company, at least 20 calendar days prior to the applicable record or effective date hereinafter specified, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution, redemption, rights or warrants, or if a record is not to be taken, the date as of which the holders of the Common Stock of record to be entitled to such dividend, distributions, redemption, rights or warrants are to be determined or (y) the date on which such reclassification, consolidation, merger, sale, transfer or share exchange is expected to become effective or close, and the date as of which it is expected that holders of the Common Stock of record shall be entitled to exchange their shares of the Common Stock for securities, cash or other property deliverable upon such reclassification, consolidation, merger, sale, transfer or share exchange; provided that the failure to mail such notice or any defect therein or in the mailing thereof shall not affect the validity of the corporate action required to be specified in such notice. To the extent that any notice provided hereunder constitutes, or contains, material, non-public information regarding the Company or any of the Subsidiaries, the Company shall simultaneously file such notice with the Commission pursuant to a Current Report on Form 8-K. The Holder shall remain entitled to exercise this Warrant during the period commencing on the date of such notice to the effective date of the event triggering such notice except as may otherwise be expressly set forth herein.

Section 4. Transfer of Warrant.

a. Transferability. Subject to compliance with any applicable securities laws and the conditions set forth in Section 4.d. hereof and to the provisions of Section 4.4 of the Purchase Agreement, this Warrant and all rights hereunder (including, without limitation, any registration rights) are transferable, in whole or in part, upon surrender of this Warrant at the principal office of the Company or its designated agent, together with a written assignment of this Warrant substantially in the form attached hereto duly executed by the Holder or its agent or attorney and funds sufficient to pay any transfer taxes payable upon the making of such transfer. Upon such surrender and, if required, such payment, the Company shall execute and deliver a new Warrant or Warrants in the name of the assignee or assignees, as applicable, and in the denomination or denominations specified in such instrument of assignment, and shall issue to the assignor a new Warrant evidencing the portion of this Warrant not so assigned, and this Warrant shall promptly be cancelled. Notwithstanding anything herein to the contrary, the Holder shall not be required to physically surrender this Warrant to the Company unless the Holder has assigned this Warrant in full, in which case, the Holder shall surrender this Warrant to the Company within three (3) Trading Days of the date the Holder delivers an assignment form to the Company assigning this Warrant full. The Warrant, if properly assigned in accordance herewith, may be exercised by a new holder for the purchase of Warrant Shares without having a new Warrant issued.

b. New Warrants. This Warrant may be divided or combined with other Warrants upon presentation hereof at the aforesaid office of the Company, together with a written notice specifying the names and denominations in which new Warrants are to be issued, signed by the Holder or its agent or attorney. Subject to compliance with Section 4(a), as to any transfer which may be involved in such division or combination, the Company shall execute and deliver a new Warrant or Warrants in exchange for the Warrant or Warrants to be divided or combined in accordance with such notice. All Warrants issued on transfers or exchanges shall be dated the Issue Date and shall be identical with this Warrant except as to the number of Warrant Shares issuable pursuant thereto.

c. Warrant Register. The Company shall register this Warrant, upon records to be maintained by the Company for that purpose (the "Warrant Register"), in the name of the record Holder hereof from time to time. The Company may deem and treat the registered Holder of this Warrant as the absolute owner hereof for the purpose of any exercise hereof or any distribution to the Holder, and for all other purposes, absent actual notice to the contrary.

d. Transfer Restrictions. If, at the time of the surrender of this Warrant in connection with any transfer of this Warrant, the transfer of this Warrant shall not be either (i) registered pursuant to an effective registration statement under the Securities Act and under applicable state securities or blue sky laws or (ii) eligible for resale pursuant to Rule 144, the Company may require, as a condition of allowing such transfer, that the Holder or transferee of this Warrant, as the case may be, comply with the provisions of Section 5.6 of the Purchase Agreement.

e. Representation by the Holder. The Holder, by the acceptance hereof, represents and warrants that it is acquiring this Warrant and, upon any exercise hereof, will acquire the Warrant Shares issuable upon such exercise, for its own account and not with a view to or for distributing or reselling such Warrant Shares or any part thereof in violation of the Securities Act or any applicable state securities law, except pursuant to sales registered or exempted under the Securities Act.

Section 5. Miscellaneous.

a. No Rights as Stockholder Until Exercise. This Warrant does not entitle the Holder to any voting rights, dividends or other rights as a stockholder of the Company prior to the exercise hereof as set forth in Section 2.c.i., except as expressly set forth in Section 3.

b. Loss, Theft, Destruction or Mutilation of Warrant. The Company covenants that upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Warrant or any stock certificate relating to the Warrant Shares, and in case of loss, theft or destruction, of indemnity or security reasonably satisfactory to it (which, in the case of the Warrant, shall not include the posting of any bond), and upon surrender and cancellation of such Warrant or stock certificate, if mutilated, the Company will make and deliver a new Warrant or stock certificate of like tenor and dated as of such cancellation, in lieu of such Warrant or stock certificate.

c. Saturdays, Sundays, Holidays, etc. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall not be a Business Day, then, such action may be taken or such right may be exercised on the next succeeding Business Day.

d. Authorized Shares.

i. The Company covenants that, during the period the Warrant is outstanding, it will reserve from its authorized and unissued Common Stock a sufficient number of shares to provide for the issuance of the Warrant Shares upon the exercise of any purchase rights under this Warrant. The Company further covenants that its issuance of this Warrant shall constitute full authority to its officers who are charged with the duty of issuing the necessary Warrant Shares upon the exercise of the purchase rights under this Warrant. The Company will take all such reasonable action as may be necessary to assure that such Warrant Shares may be issued as provided herein without violation of any applicable law or regulation, or of any requirements of the Trading Market upon which the Common Stock may be listed. The Company covenants that all Warrant Shares which may be issued upon the exercise of the purchase rights represented by this Warrant will, upon exercise of the purchase rights represented by this Warrant and payment for such Warrant Shares in accordance herewith, be duly authorized, validly issued, fully paid and nonassessable and free from all taxes, liens and charges created by the Company in respect of the issue thereof (other than taxes in respect of any transfer occurring contemporaneously with such issue).

ii. Except and to the extent as waived or consented to by the Holder, the Company shall not by any action, including, without limitation, amending its certificate of incorporation or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate to protect the rights of Holder as set forth in this Warrant against impairment. Without limiting the generality of the foregoing, the Company will (i) not increase the par value of any Warrant Shares above the amount payable therefor upon such exercise immediately prior to such increase in par value, (ii) take all such action as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable Warrant Shares upon the exercise of this Warrant and (iii) use commercially reasonable efforts to obtain all such authorizations, exemptions or consents from any public regulatory body having jurisdiction thereof, as may be, necessary to enable the Company to perform its obligations under this Warrant.

iii. Before taking any action which would result in an adjustment in the number of Warrant Shares for which this Warrant is exercisable or in the Exercise Price, the Company shall obtain all such authorizations or exemptions thereof, or consents thereto, as may be necessary from any public regulatory body or bodies having jurisdiction thereof.

e. Jurisdiction. All questions concerning the construction, validity, enforcement and interpretation of this Warrant shall be determined in accordance with the provisions of the Purchase Agreement.

f. Restrictions. The Holder acknowledges that the Warrant Shares acquired upon the exercise of this Warrant, if not registered, will have restrictions upon resale imposed by state and federal securities laws.

g. Nonwaiver and Expenses. No course of dealing or any delay or failure to exercise any right hereunder on the part of Holder shall operate as a waiver of such right or otherwise prejudice the Holder's rights, powers or remedies, notwithstanding the fact that all rights hereunder terminate on the Termination Date. If the Company willfully and knowingly fails to comply with any provision of this Warrant, which results in any material damages to the Holder, the Company shall pay to the Holder such amounts as shall be sufficient to cover any costs and expenses including, but not limited to, reasonable attorneys' fees, including those of appellate proceedings, incurred by the Holder in collecting any amounts due pursuant hereto or in otherwise enforcing any of its rights, powers or remedies hereunder.

h. Notices. Any notice, request or other document required or permitted to be given or delivered to the Holder by the Company shall be delivered in accordance with the notice provisions of the Purchase Agreement.

i. Limitation of Liability. No provision hereof, in the absence of any affirmative action by the Holder to exercise this Warrant to purchase Warrant Shares, and no enumeration herein of the rights or privileges of the Holder, shall give rise to any liability of the Holder for the purchase price of any Common Stock or as a stockholder of the Company, whether such liability is asserted by the Company or by creditors of the Company.

j. Remedies. The Holder, in addition to being entitled to exercise all rights granted by law, including recovery of damages, will be entitled to specific performance of its rights under this Warrant. The Company agrees that monetary damages would not be adequate compensation for any loss incurred by reason of a breach by it of the provisions of this Warrant and hereby agrees to waive and not to assert the defense in any action for specific performance that a remedy at law would be adequate.

k. Successors and Assigns. Subject to applicable securities laws, this Warrant and the rights and obligations evidenced hereby shall inure to the benefit of and be binding upon the successors and permitted assigns of the Company and the successors and permitted assigns of Holder. The provisions of this Warrant are intended to be for the benefit of any Holder from time to time of this Warrant and shall be enforceable by the Holder or holder of Warrant Shares.

l. Amendment. This Warrant may be modified or amended or the provisions hereof waived with the written consent of the Company and the Holder.

m. Severability. Wherever possible, each provision of this Warrant shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Warrant shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Warrant.

n. Headings. The headings used in this Warrant are for the convenience of reference only and shall not, for any purpose, be deemed a part of this Warrant.

****

(Signature Page Follows)

IN WITNESS WHEREOF, the Company has caused this Warrant to be executed by its officer thereunto duly authorized as of the date first above indicated.

NXT-ID, INC.

By: ______________________________

Name:

Title:

EXHIBIT A

NOTICE OF EXERCISE

TO: NXT-ID, INC.

(1) The undersigned hereby elects to purchase ________ Warrant Shares of the Company pursuant to the terms of the attached Warrant (only if exercised in full), and tenders herewith payment of the exercise price in full, together with all applicable transfer taxes, if any.

(2) Payment shall take the form of lawful money of the United States.

(3) Please issue said Warrant Shares in the name of the undersigned or in such other name as is specified below:

____

The Warrant Shares shall be delivered to the following DWAC Account Number:

____

____

____

(4) Accredited Investor. The undersigned is an "accredited investor" as defined in Regulation D promulgated under the Securities Act of 1933, as amended.

[SIGNATURE OF HOLDER]

Name of Investing Entity: _______________________________

Signature of Authorized Signatory of Investing Entity: _______________________________

Name of Authorized Signatory: _______________________________

Title of Authorized Signatory: _______________________________

Date: _______________________________

EXHIBIT B

ASSIGNMENT FORM

(To assign the foregoing Warrant, execute this form and supply required information. Do not use this form to purchase shares.)

FOR VALUE RECEIVED, the foregoing Warrant and all rights evidenced thereby are hereby assigned to

Name: ______________________________
(Please Print)

Address: ______________________________
(Please Print)

Dated: _______________ __, ______

Holder's Signature: ______________________________

Holder's Address: ______________________________

Master Product Development Agreement

This Master Product Development Agreement (the "**Agreement**"), dated as of December 31, 2015 (the "**Effective Date**"), is by and between **Nxt-ID, Inc.**, a Delaware corporation with offices located at 288 Christian Street, Oxford, Connecticut 06478 ("**Developer**"), and **WorldVentures Holdings, LLC**, a Nevada limited liability company with offices located at 5100 Tennyson Parkway, Plano, Texas 75024 ("**Customer**").

R E C I T A L S

WHEREAS, Developer is engaged in the business of providing biometric secure access controls and related technology to the m-commerce market, currently to secure card technology intended to hold multiple credit card, debit card, loyalty card, identification card information in a single dynamic, electronic card to replicate any of the copied cards, and in the future for biometric security solutions utilizing "dynamic pairing codes" (random numbers) to secure users, devices, accounts, locations and servers over any communication media without exposing identifiers or keys; and

WHEREAS, Developer has developed certain patented and other technologies related to the encryption and biometric identification of users for card technologies and the manufacture and production of ISO compliant cards utilizing these technologies; and

WHEREAS, Developer has created the hardware and software necessary to produce an ISO compliant secure card capable of holding information related to multiple cards; and

WHEREAS, Customer wishes to retain Developer to develop a series of proprietary products for distribution through its distribution network that includes sales representatives, members, consumers, employees, contractors or Affiliates utilizing Developer's existing Background Technology (as defined herein) and customized hardware designs/solutions and software tools/applications developed by Developer for Customer; and

WHEREAS, Developer desires to provide the hardware configuration, software development, manufacturing processes and related services and work product described herein and from time to time in separately executed statements of work to design, develop and manufacture Proprietary Products (as defined therein), and Customer desires to retain Developer to provide the same, each on the terms and conditions set forth therein.

A G R E E M E N T

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Customer and Developer agree as follows:

1. Definitions. For purposes of this Agreement, the following terms have the following meanings:

"**Acceptance**" has the meaning set forth in Section 10.5.

"**Acceptance Tests**" means such tests as may be conducted in accordance with Section 10 and the applicable Statement of Work to determine whether any Product Deliverable meets the requirements of this Agreement and the Specifications and Documentation therefor.

"**Action**" has the meaning set forth in Section 19.1.

"**Affiliate**" of a Person means any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. The term "control" (including the terms "controlled by" and "under common control with") means the direct or indirect power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

"**Agreement**" has the meaning set forth in the preamble.

"**Allegedly Infringing Materials**" has the meaning set forth in Section 19.3(a)(ii).

"**Background Technology**" means all Hardware and Software, data, know-how, ideas, methodologies, specifications and other technology, together with all enhancements, updates, improvements, fixes, extensions or other developments made to such technology from time to time, in which Developer owns such Intellectual Property Rights as are necessary for Developer to grant the rights and licenses set forth in Section 15.1, and for Customer (including its licensees, successors and assigns) to exercise such rights and licenses, without violating any right of any Third Party or any Law or incurring any payment obligation to any Third Party, and that: (a) are identified as background technology in any Statement of Work; and (b) were or are developed or otherwise acquired by Developer prior to the Effective Date, with respect to the Initial Statement of Work, or the date of Customer's request for additional Services, with respect to any other Statement of Work.

"**Business Requirements Specification**" means the initial specification setting forth Customer's business requirements regarding the features and functionality of the WorldVentures Card attached as Schedule B hereto.

"**Change**" has the meaning set forth in Section 4.4.

"**Change Agreement**" has the meaning set forth in Section 4.4(b).

"**Change Proposal**" has the meaning set forth in Section 4.4(a).

"**Change Request**" has the meaning set forth in Section 4.4.

"**Code**" has the meaning set forth in Section 22.1.

"**Confidential Information**" means any information that is treated as confidential by either party, including trade secrets, technology, information pertaining to business operations and strategies, and information pertaining to customers, pricing and marketing, in each case to the extent it is: (a) if in tangible form, marked as confidential; or (b) otherwise, identified at the time of disclosure as confidential. Without limiting the foregoing, Confidential Information of Customer includes the Customer-Owned Work Product, and the terms and existence of this Agreement. Confidential Information of Developer means the Hardware designs and Software and proprietary Source Code related thereto, product information and product operating functionality or methodology (excluding Proprietary Product), trade secrets, evaluations, pricing, technical or business specifications, research, development and know-how related to Developer products. Confidential Information does not include information that the Receiving Party can demonstrate by documentation: (w) was already known to the Receiving Party without restriction on use or disclosure prior to receipt of such information directly or indirectly from or on behalf of the Disclosing Party; (x) was or is independently developed by the Receiving Party without reference to or use of any of the Disclosing Party's Confidential Information; (y) was or becomes generally known by the public other than by breach of this Agreement by, or other wrongful act of, the Receiving Party or any of its Representatives; or (z) was received by the Receiving Party from a Third Party who was not, at the time, under any obligation to the Disclosing Party or any other Person to maintain the confidentiality of such information.

"**Controlled Technology**" means any hardware, software, documentation, technology or other technical data, or any products that include or use any of the foregoing, the export, re-export or release of which to certain jurisdictions or countries is prohibited or requires an export license or other governmental approval, under any Law, including the U.S. Export Administration Act and its associated regulations.

"**CPI**" has the meaning set forth in Section 12.2.

"**Customer**" has the meaning set forth in the preamble.

"**Customer Indemnity**" has the meaning set forth in Section 19.1.

"**Customer Materials**" means all materials and information, including documents, data, know-how, ideas, methodologies, specifications, hardware designs, software, content and technology, in any form or media, directly or indirectly provided or made available to Developer by or on behalf of Customer in connection with this Agreement, whether or not the same: (a) are owned by Customer, a Third Party or in the public domain; or (b) qualify for or are protected by any Intellectual Property Rights.

"**Customer Project Manager**" has the meaning set forth in Section 8.2(a).

"**Customer Resources**" has the meaning set forth in Section 8.1(b).

"**Customer-Owned Work Product**" means all Work Product other than materials expressly identified in a schedule to this Agreement or Statement of Work as Background Technology, Third-Party Materials or Open-Source Components.

"**Defect**" or "**Error**" means a material failure of the Hardware and Software that materially impairs the intended function of the Hardware and Software and, as a result the Proprietary Product, as provided in this Agreement or the Documentation as reasonably determined by the Customer in its sole discretion.

"**Deliverables**" means all Proprietary Products, including all embedded Background Technology, Developments, Hardware and Software, Work Product, Third-Party Materials, Open-Source Components, documentation and other materials associated with or incorporated into such Proprietary Product, that Developer provides to Customer or its designee under this Agreement and otherwise in connection with any Services, including any and all items specifically identified as Deliverables in the Initial Statement of Work and any additional Statement of Work.

"**Deposit Materials**" means all Hardware and Software layouts, designs, Specifications, Source Code, Documentation, Work Product, manufacturing processes and know-how related to the Background Technology included in a Proprietary Product and further described in Schedule A to the Escrow Agreement.

"**Developer**" has the meaning set forth in the preamble.

"**Developer Personnel**" means all employees of Developer or any Permitted Subcontractors involved in the performance of Services or providing Work Product hereunder.

"**Development Funds**" has the meaning set forth in Section 12.1(a).

"**Developments**" means all inventions, improvements, updates and Updated Versions, modifications, enhancements, conceptions, written works, know-how and other developments and information of any kind that are made or acquired on or after the Effective Date and that pertain to the performance of, or may be incorporated in, the Proprietary Product.

"**Direct Selling**" means the marketing of products and services by an independent salesperson directly to consumers away from permanent fixed retail locations, typically occurring through the party plan, one-on-one demonstrations, or other personal contact arrangements, as well as through digital/App/internet connections, referrals, and sales. For the avoidance of doubt, affiliate marketing, social media marketing, referral marketing and other similar marketing models are not contemplated as direct selling.

"**Disclosing Party**" has the meaning set forth in Section 21.1.

"**Dispute Resolution Procedure**" means the procedure for resolving disputes under this Agreement as set forth in Schedule E.

"**Documentation**" means all user manuals, operating manuals, technical manuals and any other instructions, specifications, documents and materials, in any form or media, that describe the functionality, installation, testing, operation, use, maintenance, support and technical and other components, features and requirements of any Proprietary Product, other than Documentation with respect to Background Technology which Documentation will be deposited with the Escrow Agent,.

"**Effective Date**" has the meaning set forth in the preamble.

"**End Users**" means all users of Customer products and technology. This includes sales representatives, members, consumers, employees, contractors or Affiliates who acquire a Proprietary Product for their personal use and enjoyment.

"**Escrow Agent**" has the meaning set forth in Section 16.1.

"**Escrow Agreement**" has the meaning set forth in Section 16.1.

"**Force Majeure**" has the meaning set forth in Section 22.2.

"**Functional Specification**" means, with respect to any Proprietary Product, the document setting forth Customer's requirements with respect to such Proprietary Product's features and functions, and included in the Statement of Work for such Proprietary Product.

"**GAAP**" means United States generally accepted accounting principles.

"**Hardware and Software**" means the particular hardware layouts, designs, specifications and product application Software in source or object code form, including but not limited to the Source Code, Developments, improvements, updates, enhancements, error corrections, release notes, Updated Version(s), upgrades and changes to the Hardware and Software as delivered to Customer; *provided, however*, all Work Product and any Updated Version(s) of such Work Product is specifically excluded as a component from Hardware and Software.

"**Harmful Code**" means any software, hardware or other technologies, devices or means, the purpose or effect of which is to: (a) permit unauthorized access to, or to destroy, disrupt, disable, distort, or otherwise harm or impede in any manner, any (i) computer, software, firmware, hardware, system or network, or (ii) any application or function of any of the foregoing or the integrity, use or operation of any data processed thereby; or (b) prevent Customer or any End User from accessing or using the Services or Proprietary Products as intended by this Agreement, and includes any virus, bug, trojan horse, malware, worm, backdoor or other malicious computer code or program or hardware devices, and any time bomb or drop dead device designed to disable a software program or Proprietary Product automatically with the passage of time or under the positive control of any Person, or otherwise deprive Customer of its lawful right to use such Proprietary Product.

"**Implementation Plan**" means the schedule included in each Statement of Work setting forth the sequence of events for the performance of Services under such Statement of Work, including the Milestones and Milestone Dates thereunder.

"**Initial Statement of Work**" means the Statement of Work for the initial Proprietary Product development and related Services hereunder, as developed by Developer and agreed by the parties as set forth in Section 3.2 and attached as Schedule C hereto.

"**Initial Term**" has the meaning set forth in Section 17.1.

"**Integration Testing**" has the meaning set forth in Section 10.1(c).

"**Intellectual Property Rights**" means all or any of the following, whether owned or held for use under license, whether registered or unregistered, including without limitation rights in and to: (a) trademarks, trade dress, service marks, certification marks, logos and trade names, and the goodwill associated with the foregoing (collectively, "**Marks**"); (b) patents and patent applications, and any and all divisions, continuations, continuations-in-part, reissues, continuing patent applications, reexaminations, and extensions thereof, any counterparts claiming priority therefrom, utility models, patents of importation/confirmation, certificates of invention, certificates of registration and like rights; (c) inventions, invention disclosures, discoveries and improvements, whether or not patentable; (d) writings and other works of authorship; (e) inventions (whether or not patentable), trade secrets, ideas, technical data, databases, customer lists, designs (including product and user interaction models, hardware and software, tools, methods, processes, technology, source code, product road maps, and other non-public and confidential business, technical and know-how information and rights to limit the use or disclosure thereof by any Person; (f) computer programs, including any and all software implementations of algorithms, models and methodologies, whether in source code or object code, data files, application programming interfaces, databases design documents, flow-charts, user manuals and training materials, and other software-related specifications and documentation; (g) registered domain names and uniform resource locators; (h) moral rights; and (i) claims, causes of action and defenses relating to the enforcement of any of the foregoing; in each case, including any registrations of, applications to register, and renewals and extensions of, any of the foregoing clauses (a) through (h) with or by any governmental authority in any jurisdiction throughout the world.

"**Key Personnel**" means any Developer Personnel identified as key personnel in this Agreement or, with respect to any Statement of Work, such Statement of Work.

"**Law**" means any statute, law, ordinance, regulation, rule, code, order, constitution, treaty, common law, judgment, decree, other requirement or rule of law of any federal, state, local or foreign government or political subdivision thereof, or any arbitrator, court or tribunal of competent jurisdiction.

"**Licensed Software**" has the meaning set forth in Section 15.1.

"**Losses**" has the meaning set forth in Section 19.1.

"**Maintenance and Support Services**" means the Software maintenance and support services Developer is required to or otherwise does provide under this Agreement as set forth in the Maintenance and Support Schedule to be attached hereto as Schedule D upon the finalization of the Initial Statement of Work by the parties.

"**Maintenance Release**" means new or additional code that is intended to make improvements in the performance, operation or functionality of the Hardware and Software, including, but not limited to, remedial measures to fix bugs, flaws or other minor problems.

"**Milestone**" means an event or task described in the Implementation Plan under any Statement of Work that must be completed by the corresponding Milestone Date set forth therein.

"**Milestone Date**" means the date by which a particular Milestone must be completed as set forth in the Implementation Plan under any Statement of Work.

"**Net Cost**" means the direct costs associated with the manufacture, warehousing and shipping of WorldVentures Cards, as recognized in accordance with GAAP.

"**Non-Conformity**" means any failure of any (a) Proprietary Product or Documentation to conform to the requirements of this Agreement (including any applicable Statement of Work); or (b) Hardware and Software to conform to the requirements of this Agreement or the Specifications or Documentation therefor.

"**Open-Source Components**" means any software component that is subject to any open-source copyright license agreement, including any GNU General Public License or GNU Library or Lesser Public License, or other license agreement that substantially conforms to the Open Source Definition as prescribed by the Open Source Initiative or otherwise may require disclosure or licensing to any third party of any source code with which such software component is used or compiled.

"**Open-Source License**" has the meaning set forth in Section 5.3.

"**Permitted Subcontractor**" has the meaning set forth in Section 7.3.

"**Person**" means an individual, corporation, partnership, joint venture, limited liability entity, governmental authority, unincorporated organization, trust, association or other entity.

"**Proprietary Product**" means (a) the "WorldVentures Card" as described in the Business Requirement Specifications attached hereto in Schedule B and (b) any other product Customer requests Developer to develop for and on behalf of Customer pursuant to an Additional Statement of Work mutually agreed by the parties in accordance with Section 4.3.

"**Receiving Party**" has the meaning set forth in Section 21.1.

"**Reimbursable Expenses**" has the meaning set forth in Section 12.6.

"**Release Event**" has the meaning set forth in Section 16.2.

"**Renewal Term**" has the meaning set forth in Section 17.2.

"**Representatives**" means a party's and its Affiliates' employees, officers, directors, consultants, legal advisors, Permitted Subcontractors and, with respect to Customer, its independent contractors and service providers.

"**Services**" means any of the services Developer is required to or otherwise does provide under this Agreement, any Statement of Work or any Maintenance and Support Schedule included in this Agreement or a Statement of Work.

"**Software**" means the programs, including mobile software development kits (SDK), programming tools, scripts and routines, Developer is required to or otherwise does develop or otherwise provide under this Agreement for use with respect to a Proprietary Product, including all updates, upgrades, new versions, new releases, enhancements, improvements and other modifications made or provided pursuant to the Maintenance and Support Services.

"**Source Code**" means the sequence of statements and/or declarations written in readable programming language for subsequent translation or conversion into object code of the Hardware and Software and Work Product to which it relates, together with all related flow charts and technical documentation, including a description of the procedure for generating object code, all of a level sufficient to enable a programmer reasonably fluent in such programming language to understand, operate, support, maintain and develop modifications, upgrades, updates, enhancements, improvements and new versions of the Hardware and Software and Work Product.

"**Specifications**" means, for any Proprietary Product, the specifications collectively set forth in the Business Requirements Specification, Functional Specification and Technical Specification therefor, together with any other specifications set forth in Developer's Proposal, if any, for such Proprietary Product, or elsewhere in the relevant Statement of Work, if any.

"**Statement of Work**" means any statement of work entered into by the parties and attached as a schedule to this Agreement. The Initial Statement of Work shall be attached as Schedule C, and subsequent Statements of Work shall be sequentially identified and attached as Schedules C-1, C-2, etc.

"**Support Fees**" means the fees, if any, payable by Customer for Maintenance and Support Services as set forth in the Maintenance and Support Schedule or any Statement of Work.

"**Technical Specification**" means, with respect to any Proprietary Product, the document setting forth the technical specifications for such Proprietary Product and included in the Statement of Work for such Proprietary Product.

"**Term**" has the meaning set forth in Section 17.2.

"**Testing Period**" has the meaning set forth in Section 10.1(b).

"**Third Party**" means any Person that is not an employee, officer, manager, members, director, shareholder or other Affiliate of Developer or Customer.

"**Third-Party Materials**" means any materials and information, including documents, data, know-how, ideas, methodologies, specifications, software, hardware components, content and technology, in any form or media, in which any Person other than Customer or Developer owns any Intellectual Property Right, but specifically excluding Open-Source Components.

"**Updated Version**" means the most recent updated and released version of the Hardware and Software at any given time and specifically excludes a new release which provides new, different or increased functionality, it being specifically understood by the parties that any “work for hire” (as defined in 17 U.S.C. § 101) integrated into or used with respect to any Hardware and Software does not constitute an Updated Version.

"**Warranty Period**" means, for any Software, the 12-month period commencing (a) in the case of a Proprietary Product, Customer's Acceptance thereof; and (b) in the case of any updates, upgrades, new versions, new releases, enhancements and other modifications to previously accepted Proprietary Product, including those made pursuant to the Maintenance and Support Services, Customer's receipt thereof.

"**Work Product**" means all Hardware and Software, Documentation, Specifications and other documents, work product and materials related thereto, that Developer is required to, or otherwise does, provide to Customer or its designee pursuant to the terms of this Agreement and any Statement of Work, together with all ideas, concepts, processes and methodologies developed in connection therewith whether or not embodied therein, all of which constitutes "work made for hire" as defined in 17 U.S.C. § 101.

"**WorldVentures Card**" means the ISO compliant card developed and manufactured by Developer for Customer pursuant to the terms of this Agreement and the Initial Statement of Work and any enhancements thereto developed pursuant to the terms of one or more additional Statements of Work and which is designated a "Proprietary Product."

2. Engagement of Developer; Time of the Essence.

2.1 Engagement of Developer. Customer hereby engages Developer, and Developer hereby accepts such engagement, to develop Proprietary Product and provide Services related thereto as described herein or otherwise requested by Customer from time to time and described in Statements of Work therefor, all on the terms and conditions set forth in this Agreement and such Statements of Work.

2.2 Relationship Managers. Throughout the Term of this Agreement, each party shall maintain within its organization a relationship manager to serve as such party's primary point of contact for day-to-day communications, consultation and decision making regarding this Agreement. Each party shall ensure its relationship manager has the requisite authority and skill to perform in such capacity. The parties' initial relationship managers are identified on Schedule A hereto. Each party shall use commercially reasonable efforts to maintain the same relationship manager in place throughout the Term. If either party's relationship manager ceases to be employed by such party or such party otherwise wishes to replace its relationship manager, such party shall promptly name a new relationship manager by written notice to the other party.

2.3 Time of the Essence. Developer acknowledges that time is of the essence with respect to Developer's obligations hereunder and agrees that prompt and timely performance of all such obligations in accordance with this Agreement and each Statement of Work (including the Implementation Plan and all Milestone Dates included therein) is strictly required.

3. WorldVentures Card Development.

3.1 Consulting Services. The parties acknowledge that as of the Effective Date, the initial consulting and related Services with respect to developing the WorldVentures Card are underway and the parties are working to finalize the Business Requirement Specification set forth in Schedule B hereto. Upon finalizing the Business Requirement Specifications for the WorldVentures Card, Developer will complete the consulting and related Services for purposes of creating and providing to Customer Developer's proposal for an Initial Statement of Work regarding development and production of the WorldVentures Card, including the criteria set forth in Section 4.1 below.

3.2 Demonstration and Work Product Delivery Timeline. It is the intention of the parties that the initial demonstration of the capabilities of the WorldVentures Card will be made during the United! Event to be held by Customer from January 15-17, 2016, at the Orange County Convention Center in Orlando, Florida, and the Initial Statement of Work will be finalized and a pre-production version of the WorldVentures Card (in conformance with the finalized Business Requirement Specifications) will be completed within 90 days of mutually approved Business Requirements Specifications.

3.3 Production Target. Customer is requesting and Developer is committed to providing production capacity for up to 200,000 WorldVentures Cards per month to be in place within 16 weeks of such capacity requirement notification from Customer, subject to purchase orders for production tooling, components and materials being placed no later than 12 weeks prior to such capacity delivery.

4. Statements of Work. Developer shall provide Services and Work Product pursuant to Statements of Work entered into as set forth herein. No Statement of Work shall be effective unless signed by duly authorized representatives of both parties. The term of each Statement of Work shall be as set forth therein or, if no term is specified, shall commence on the parties' full execution thereof and terminate when the parties have fully performed their obligations thereunder. Unless a Statement of Work expressly states otherwise, Customer shall have the right to terminate such Statement of Work as set forth in Section 17.3.

4.1 Statement of Work Requirements. Each Statement of Work shall include the following:

(a) names and contact information for the parties' project managers and, if relevant, Key Personnel of Developer under such Statement of Work;

(b) a detailed description of the Services to be provided thereunder;

(c) a detailed description of the Work Product to be developed or otherwise provided under such Statement of Work, including a:

(i) Functional Specification;

(ii) Technical Specification; and

(iii) description of the Documentation to be provided;

(d) an Implementation Plan, including all Milestones, the corresponding Milestone Dates and the parties' respective responsibilities therefor;

(e) The fees payable under such Statement of Work, the manner in which such Fees shall be calculated, the due dates for payment thereof including any Milestones on which any such Fees are conditioned, and such other information as the parties deem necessary;

(f) disclosure of all non-Background Technology, in each case accompanied by such related documents as may be required by this Agreement with respect thereto; and

(g) a detailed description of all Customer Resources required under such Statement of Work.

4.2 Initial Statement of Work.

(a) Commencing on the Effective Date, Developer shall commence performing the consulting and related Services necessary for developing the Initial Statement of Work for the development and manufacture of the WorldVentures Card.

(b) Developer shall prepare and deliver its proposed Initial Statement of Work to Customer on or before January 15, 2016 as set forth in Schedule C, whereupon Customer shall have seven (7) calendar days to review and, in its discretion, approve or raise objections to Developer's proposed Initial Statement of Work. If Customer raises any such objections, the parties shall negotiate in good faith to amend the proposal, provided that:

(i) to the extent the proposal does not comply with the requirements of this Agreement and the Business Requirements Specification, it shall be amended to so comply; and

(ii) either party may terminate negotiations and this Agreement if the parties fail to agree on the Initial Statement of Work by March 1, 2016.

(c) Upon the parties' agreement to the Initial Statement of Work, each party shall cause the same to be signed by its duly authorized representative. Upon its mutual execution, the Initial Statement of Work shall be attached as Schedule C and form a part of this Agreement.

4.3 Additional Statements of Work. Each additional Proprietary Product which Customer requests Developer to produce and manufacture, will be performed pursuant to an Additional Statement of Work. Promptly following receipt of Customer's request for additional Proprietary Product development or other Services, Developer shall provide Customer with a proposal substantially in the form of, and containing all information specified in, Section 4.1. Upon the parties' agreement with respect to the terms of such proposal, all such terms shall be incorporated in a Statement of Work and each party shall cause the same to be signed by its duly authorized representative. Each fully executed Statement of Work shall be attached as a schedule to, and by this reference incorporated in and made a part of, this Agreement.

4.4 Changes to Statements of Work. Customer may at any time request in writing (each, a "**Change Request**") changes to any Statement of Work, including changes to the Services, Work Product, Implementation Plan or any Specifications (each, a "**Change**"). Upon Customer's submission of a Change Request, the parties shall evaluate and implement all Changes in accordance with this Section 4.4.

(a) As soon as reasonably practicable, and in any case within seven (7) days following receipt of a Change Request, Developer shall provide Customer with a written proposal for implementing the requested Change ("**Change Proposal**"), setting forth:

(i) a written description of the proposed Changes to any Services, Work Product or Deliverables;

(ii) an amended Implementation Plan reflecting: (A) the schedule for commencing and completing any additional or modified Services, Work Product or Deliverables; and (B) the effect of such Changes, if any, on completing any other Services or Work Product under the Statement of Work;

(iii) any additional Third-Party Materials, Open-Source Components, Controlled Technology and Customer Resources Developer deems necessary to carry out such Changes; and

(iv) any increase or decrease in Fees resulting from the proposed Changes, which increase or decrease shall reflect only the increase or decrease in time and expenses Developer requires to carry out the Change.

(b) Within five (5) days following Customer's receipt of a Change Proposal, Customer shall by written notice to Developer, approve, reject or propose modifications to such Change Proposal. If Customer proposes modifications, Developer shall modify and re-deliver the Change Proposal reflecting such modifications, or notify Customer of any disagreement therewith, in which event the parties shall negotiate in good faith to resolve their disagreement. Upon Customer's approval of the Change Proposal or the parties' agreement on all proposed modifications thereto, as the case may be, the parties shall execute a written agreement to the Change Proposal ("**Change Agreement**"), which Change Agreement shall constitute an amendment to the Statement of Work to which it relates; and

(c) If the parties fail to enter into a Change Agreement within fifteen (15) days following Customer's response to a Change Proposal, Customer shall have the right, in its discretion, to:

(i) require Developer to perform the Services under the Statement of Work without the Change;

(ii) require Developer to continue to negotiate a Change Agreement;

(iii) initiate a Dispute Resolution Procedure; or

(iv) notwithstanding any provision to the contrary in such Statement of Work, terminate the Statement of Work pursuant to Section 17.3(a)(iii).

No Change will be effective until the parties have executed a Change Agreement with respect thereto. Except as Customer may request in its Change Request or otherwise in writing, Developer shall continue to perform its obligations in accordance with the Statement of Work pending negotiation and execution of a Change Agreement. Developer shall use its commercially reasonable efforts to limit any delays or Fee increases from any Change to those necessary to perform the Change in accordance with the applicable Change Agreement. Each party shall be responsible for its own costs and expenses of preparing, evaluating, negotiating and otherwise processing any Change Request, Change Proposal and Change Agreement.

5. Proprietary Product. Developer shall design, develop, manufacture, test, deliver and otherwise provide each Proprietary Product as described in each Statement of Work on a timely and professional basis in accordance with all terms, conditions and Specifications set forth in this Agreement and such Statement of Work.

5.1 Proprietary Product Specifications. Developer shall ensure that each Proprietary Product complies with the Specifications therefore. Developer shall provide to Customer all non-Background Technology included in a Proprietary Product in appropriate form for hardware and both Source Code and object code form for software (including firmware) and deposit all Deposit Materials with the Escrow Agent.

5.2 Third-Party Materials. A Proprietary Product may include or operate in conjunction with Third-Party Materials. Developer will identify to Customer all Third-Party Materials Developer includes in or that are required for use with any Proprietary Product on or prior to delivery of such Proprietary Product and provide to Customer: (a) a copy of all Documentation, Specifications and Third Party license agreements relating to such Third-Party Materials as are available to Developer; or (b) the website or other information specifying where Customer can access such documentation and third-party license agreements. All Third-Party Materials are provided pursuant to the terms and conditions of the applicable third-party license agreement.

5.3 Open-Source Components. Developer may, with Customer prior written approval, include in any Proprietary Product, and operation of a Proprietary Product in accordance with its Specifications and Documentation may require the use of, Open-Source Components. Developer will identify to Customer all Open-Source Components Developer includes in or that are required for use with any Proprietary Product on or prior to delivery of such Proprietary Product and provide to Customer: (a) copies of the relevant open-source license(s) (each, an "**Open-Source License**") available to Developer; and (b) the website or other information specifying where Customer can access such documentation and third-party license agreements. Developer shall provide Customer with a complete, machine-readable copy of the Source Code for Open-Source Components included in any Proprietary Product in accordance with the terms of the Open-Source License(s) therefore at no cost to the Customer.

5.4 Controlled Technology. Developer shall not include in any Proprietary Product any Controlled Technology, except to the extent expressly disclosed and approved in writing by Customer in the Statement of Work for such Proprietary Product.

6. Documentation. Prior to or concurrently with the delivery of any Proprietary Product hereunder, or by such earlier date as may be specified in the Implementation Plan for such Proprietary Product, Developer shall provide Customer with complete and accurate Documentation for such Proprietary Product in sufficient detail to enable Customer to replicate the Proprietary Product in the event this Agreement is terminated or Developer is in default under the provisions of this Agreement or any Statement of Work. Where the applicable Statement of Work requires or permits delivery of a Proprietary Product in two or more phases, Developer shall also provide Customer with integrated Documentation for completed Proprietary Product upon its delivery.

6.1 Adequacy of Documentation. All Documentation shall include all such information as may be reasonably necessary for the effective installation, testing, use, support and maintenance of the applicable Proprietary Product by the End User, including the effective configuration, integration, and systems administration of the Proprietary Product and performance of all other functions set forth in the Specifications.

6.2 Documentation Specifications. Developer shall provide all Documentation in both hard copy and electronic form, in such formats and media as are set forth in the relevant Statement of Work, or as Customer may otherwise reasonably request.

6.3 Third-Party Documentation. To the extent Documentation consists of or includes Third-Party Materials, Developer shall secure, at Customer's sole cost and expense, all rights, licenses, consents, approvals and authorizations specified in Section 15.3 with respect to Third-Party Materials.

7. Performance of Services. Developer shall provide all Services and Work Product hereunder in a timely, professional and workmanlike manner and in accordance with the terms, conditions and Specifications set forth in this Agreement and each Statement of Work.

7.1 Developer Personnel.

(a) Developer is solely responsible for all Developer Personnel and for the payment of their compensation, including, if applicable, withholding of income taxes, and the payment and withholding of social security and other payroll taxes, unemployment insurance, workers' compensation insurance payments and disability benefits.

(b) Prior to any Developer Personnel performing any Services hereunder, Developer shall:

(i) ensure that such Developer Personnel have the legal right to work in the United States;

(ii) require such Developer Personnel to execute written agreements, in form and substance reasonably acceptable to Customer, that bind such Developer Personnel to confidentiality provisions that are at least as protective of Customer's information (including all Confidential Information) as those contained in this Agreement and Intellectual Property Rights provisions that grant Customer rights in the Work Product consistent with the provisions of Section 14.1 and, upon Customer's request, provide Customer with a copy of each such executed agreement; and

(iii) at its sole cost and expense, conduct background checks on any new Developer Personnel retained to provide Services to Customer, which background checks shall comprise, at a minimum, a review of credit history, references and criminal record, in accordance with applicable Law.

(c) Developer shall, and shall ensure that all Developer Personnel comply with all rules, regulations and policies of Customer that are communicated to Developer in writing, including security procedures concerning systems and data and remote access thereto, building security procedures and general health and safety practices and procedures.

7.2 Developer Project Managers. Upon the execution of each Statement of Work, Developer shall appoint, and throughout the term of such Statement of Work Developer shall maintain, a Developer employee reasonably acceptable to Customer to serve as Developer's project manager (each, a "**Developer Project Manager**") under such Statement of Work.

(a) Each Developer Project Manager shall:

(i) have the requisite authority, and necessary skill, experience and qualifications, to perform in such capacity;

(ii) be responsible for overall management and supervision of Developer's performance under such Statement of Work; and

(iii) be Customer's primary point of contact for communications with respect to such Statement of Work, including with respect to giving and receiving all day-to-day approvals and consents thereunder.

(b) The Developer Project Manager shall attend all regularly scheduled meetings as set forth in the Implementation Plan and all additional meetings scheduled on at least two (2) days' prior notice, and otherwise shall be available as set forth in the Statement of Work.

(c) Developer shall maintain the same Developer Project Manager throughout the term of such Statement of Work, unless:

(i) Customer requests in writing the removal of the Developer Project Manager;

(ii) Customer consents in writing to any removal reasonably requested by Developer in writing; or

(iii) the Developer Project Manager ceases to be employed by Developer, whether by resignation, involuntary termination or otherwise.

(d) Developer shall promptly replace the Developer Project Manager under any Statement of Work on the occurrence of any event set forth in Section 7.2(c). Such replacement shall be subject to Customer's reasonable prior written approval.

7.3 Subcontractors. Developer may from time to time in its discretion engage any Third Party to perform Services (including to create any Work Product) hereunder (each a "**Permitted Subcontractor**"). Developer shall:

(a) be responsible and liable for the acts and omissions of each such Permitted Subcontractor (including such Permitted Subcontractor's employees who, to the extent providing Services or creating Work Product, shall be deemed Developer Personnel) to the same extent as if such acts or omissions were by Developer or its employees;

(b) name Customer a third party beneficiary under Developer's agreement with each Permitted Subcontractor with respect to the Services and Work Product;

(c) be responsible for all fees and expenses payable to, by or on behalf of each Permitted Subcontractor in connection with this Agreement, including, if applicable, withholding of income taxes, and the payment and withholding of social security and other payroll taxes, unemployment insurance, workers' compensation insurance payments and disability benefits; and

(d) prior to the provision of Services or creation of Work Product by any Permitted Subcontractor:

(i) obtain from such Permitted Subcontractor confidentiality, work-for-hire and intellectual property rights assignment agreements, in form and substance acceptable by Customer, giving Customer rights consistent with those set forth in Section 14.1 (Customer Ownership of Work Product) and Section 21 (Confidentiality) and, upon request, provide Customer with a fully-executed copy of each such agreement; and

(ii) with respect to all Permitted Subcontractor employees providing Services or Work Product, comply with its obligations under Section 7.1.

8. Customer Obligations.

8.1 Customer Resources and Cooperation. Customer shall be responsible, on a timely basis in accordance with each Statement of Work, including the Implementation Plan and Milestone Dates set forth therein, for:

(a) performing all obligations identified as "Customer Responsibilities" in such Statement of Work;

(b) providing the Customer Materials and such other resources as may be specified in such Statement of Work (collectively, "**Customer Resources**");

(c) providing Developer Personnel with such access to sites and operating environments as is necessary for Developer to perform its obligations on a timely basis as set forth in such Statement of Work;

(d) participating with suitably qualified and authorized personnel in all meetings scheduled in, or in accordance with, such Statement of Work and such other meetings as may be scheduled on no less than two (2) days' prior notice; and

(e) providing all consents, approvals, exception notices and other communications specified in such Statement of Work or as otherwise may be required under this Agreement.

8.2 Customer Project Managers.

(a) Upon the execution of each Statement of Work Customer shall appoint, and throughout the term of such Statement of Work Customer shall maintain, a Customer employee to serve as Customer's project manager under such Statement of Work (each, a "**Customer Project Manager**"). Each Customer Project Manager shall:

(i) have the requisite authority, and necessary skill, experience and qualifications, to perform in such capacity;

(ii) be responsible for overall management and supervision of Customer's performance under such Statement of Work; and

(iii) be Developer's primary point of contact for communications with respect to such Statement of Work, including with respect to providing and receiving all day-to-day approvals and consents thereunder.

(b) Each Customer Project Manager shall attend all regularly scheduled meetings as set forth in the Implementation Plan and additional meetings scheduled on at least two (2) days' prior notice, and otherwise shall be available as set forth in the Statement of Work.

8.3 Effect of Customer Delays. If, as a result of any failure by Customer to perform any of its obligations set forth in Section 8.1 on a timely basis under any Statement of Work, Developer is unable to timely meet all or any remaining Milestones under such Statement of Work either at all or without incurring additional costs, Developer may extend such Milestone Dates for up to the length of Customer's delay or, at Customer's option, increase the related Fees solely to recover any such additional costs in accordance with the following:

(a) Developer shall promptly notify Customer in writing, proposing a revised Implementation Plan reflecting new Milestone Dates for each affected Milestone, which Milestone Dates may be extended by no longer than the length of Customer's delay and, if Developer is able to meet the original Milestone Dates by incurring additional costs:

(i) for fixed-fee Services, its proposed Fee increase for meeting the original Milestone Dates; or

(ii) for time-and-materials Services, the estimated costs of overtime Customer would incur for Developer to meet the original Milestone Dates.

(b) Upon receipt of any notice given under Section 8.3(a), subject to Section 8.3(c), Customer shall promptly notify Developer in writing of its election. Customer's failure to notify Developer within five (5) days after such receipt shall be deemed an acceptance of the new Milestone Dates and rejection of all Fee increases.

(c) If Customer disputes Developer's right to extend Milestone Dates or increase Fees, or the extent of any proposed extension or increase, Customer shall promptly notify Developer and the parties shall comply with the Dispute Resolution Procedure.

Notwithstanding anything contained in this Section 8.3 or otherwise in this Agreement, Developer shall use its commercially reasonable efforts to meet the Milestone Dates specified in the Statement of Work without any extension or Fee increase. Customer shall not be deemed in breach of this Agreement for failure to perform its obligations on a timely basis, and the provisions of this Section 8.3 set forth Developer's sole and exclusive remedy, and Customer's sole and exclusive liability, for Customer's failure to perform its obligations under this Section 8.

9. Pre-Delivery Testing.

9.1 Testing By Developer. Before delivering any Proprietary Product, Developer shall:

(a) test such Proprietary Product to confirm that it is fully operable, meets all applicable Specifications and will function in accordance with the Specifications and Documentation;

(b) test hardware and scan software for such Proprietary Product using the most up-to-date testing equipment and scanning software and definitions to confirm it is stable, secure and free of Harmful Code;

(c) remedy any Non-Conformity or Harmful Code identified and retest and rescan the Proprietary Product; and

(d) prepare, test and, as necessary, revise the Documentation component of the Proprietary Product to confirm it is complete and accurate and conforms to all requirements of this Agreement.

9.2 Customer Participation. Customer shall have the right to be present for all pre-delivery testing. Developer shall give Customer at least seven (7) days' prior notice of all such testing.

10. Acceptance Testing; Acceptance.

10.1 Acceptance Testing.

(a) Acceptance Tests shall be conducted as set forth in this Section 10.1 to ensure the Proprietary Product, including all Hardware and Software, conforms to the requirements of this Agreement, including the applicable Specifications and, in the case of the Hardware and Software, the Documentation.

(b) All Acceptance Tests shall be conducted diligently for up to thirty (30) days, or such other period as may be set forth in the relevant Statement of Work ("**Testing Period**"). Acceptance Tests shall be conducted by the party responsible therefore as set forth in the applicable Statement of Work or, if the Statement of Work does not specify, Developer, provided that:

(i) for Acceptance Tests conducted by Customer, if requested by Customer, Developer shall make suitable Developer Personnel available to observe or participate in such Acceptance Tests; and

(ii) for Acceptance Tests conducted by Developer, Customer shall have the right to observe or participate in all or any part of such Acceptance Tests.

Developer's performance of, participation in and observation of Acceptance Testing shall be at Developer's sole cost and expense.

(c) Upon delivery of a Proprietary Product under any Statement of Work, additional Acceptance Tests shall be performed on the Proprietary Product as a whole to ensure full operability, integration and compatibility among all elements of the Proprietary Product ("**Integration Testing**"). Integration Testing shall be subject to all procedural and other terms and conditions set forth in Sections 10.1, 10.3 and 10.4. The scope of Integration Testing on any previous version of a Proprietary Product shall be limited to ensuring full operability, integration and compatibility and Customer shall not have the right to condition its acceptance thereof on Developer's correction of any nonconformity that could have reasonably been, but was not, identified by Customer during initial testing of such previous version of a Proprietary Product.

(d) Customer may suspend Acceptance Tests and the corresponding Testing Period by written notice to Developer if Customer discovers a Non-Conformity in the tested Proprietary Product or part or feature thereof. In such event, Developer shall immediately, and in any case within fifteen (15) days, correct such Non-Conformity, whereupon the Acceptance Tests and Testing Period shall resume for the balance of Testing Period.

10.2 Notices of Completion, Non-Conformities and Acceptance. Immediately upon the completion of any Acceptance Tests, including any Integration Testing, the party responsible for conducting the tests shall prepare and provide to the other party written notice of the completion of the tests. Such notice shall include a report describing in reasonable detail the tests conducted and the results thereof, including any uncorrected Non-Conformity in the tested Software Deliverable(s).

(a) If such notice is provided by either party and identifies any Non-Conformities, the parties' rights, remedies and obligations will be as set forth in Sections 10.3 and 10.4.

(b) If such notice is provided by Customer and identifies no Non-Conformities, such notice shall constitute Customer's Acceptance of such Proprietary Product.

(c) If such notice is provided by Developer and identifies no Non-Conformities, Customer shall have up to thirty (30) days to use such Proprietary Product and determine, in the exercise of its reasonable discretion, whether it is satisfied that such Proprietary Product contains no Non-Conformities, on the completion of which Customer shall, as appropriate:

(i) notify Developer in writing of Non-Conformities Customer has observed in the Proprietary Product or, in the case of Integration Testing, the modified Proprietary Product, and of Customer's non-acceptance thereof, whereupon the parties' rights, remedies and obligations will be as set forth in Sections 10.3 and 10.4; or

(ii) provide Developer with a written notice of its Acceptance of such Proprietary Product.

10.3 Failure of Acceptance Tests. If Acceptance Tests identify any Non-Conformities, Developer, at Developer's sole cost and expense, shall remedy all such Non-Conformities and re-deliver the Proprietary Product, in accordance with the applicable requirements set forth in the Statement of Work as promptly as commercially possible and, in any case, within fifteen (15) days following, as applicable, its:

(a) completion of such Acceptance Tests, in the case of Acceptance Tests conducted by Developer; or

(b) receipt of Customer's notice pursuant to Section 10.2(a) identifying any Non-Conformities, in the case of Acceptance Tests conducted by Customer.

10.4 Repeated Failure of Acceptance Tests. If Acceptance Tests identify any Non-Conformity in any Proprietary Product after a second or subsequent delivery thereof, or Developer fails to re-deliver the Proprietary Product on a timely basis, Customer may, in its sole discretion, by written notice to Developer:

(a) continue the process set forth in this Section 10;

(b) accept the Proprietary Product as a nonconforming deliverable, in which case the Fees therefor shall be reduced equitably to reflect the value of the Proprietary Product as received relative to the value of the Proprietary Product had it conformed; or

(c) deem the failure to be a non-curable material breach of this Agreement and the relevant Statement of Work and terminate this Agreement and such Statement of Work in accordance with Section 17.3(b).

10.5 Acceptance. Acceptance ("**Acceptance**") of each Proprietary Product (subject, where applicable, to Customer's right to Integration Testing) shall occur on the date that is the earliest of:

(a) Customer's delivery of a notice accepting such Proprietary Product pursuant to Section 10.2(b) or Section 10.2(c)(ii);

(b) Solely if Customer is responsible for performing such Acceptance Tests or Integration Testing, Section 10.1(c) upon the expiration of the Testing Period therefor if Customer has not notified Developer of one or more Non-Conformities prior thereto; or

(c) Solely if Developer is responsible for performing such Acceptance Tests or Integration Tests, the number of days specified in Section 10.2(c) after Customer receives Developer's Notice of Completion, if Customers fails to respond to such Notice of Completion prior to such date.

11. Training; Maintenance and Support.

11.1 Training. With respect to each Proprietary Product, Developer shall provide Customer with such training as is set forth in the applicable Statement of Work in accordance with the training specifications, including times and locations, set forth in such Statement of Work. Unless expressly provided in any Statement of Work, all training set forth in such Statement of Work shall be provided at no additional charge to Customer, it being acknowledged and agreed that the development and other Fees include full consideration therefor. Customer may request, and if so requested Developer shall provide on a timely basis, additional training at the rates specified in the Statement of Work.

11.2 Maintenance and Support. With respect to each Proprietary Product, Developer shall provide Customer with Maintenance Releases from time to time. Such Maintenance Releases shall be provided free of charge, it being acknowledged and agreed by the parties that the development and other Fees include full consideration for such Services during such period.

12. Development Funds, Pricing and Reimbursable Expenses.

12.1 Development Funds for Initial Statement of Work.

(a) Subject to all terms and conditions set forth in this Section 12 and Developer's performance of Services to Customer's reasonable satisfaction and Customer's Acceptance of the initial production version of the WorldVentures Card, Developer agrees that the sum of US$1,500,000.00 will be deposited in a restricted cash account of Developer on the Effective Date (the "**Development Funds**"). The parties agree that the Development Funds are to be used only to pay for Services rendered pursuant to the Initial Statement of Work, including the development and production of the WorldVentures Card, and such amount is a good faith estimate of such costs and expenses.

(b) On an ongoing monthly basis, commencing on February 1, 2016, Developer will provide Customer with an itemized invoice of expenses incurred in the prior month in connection with Services provided pursuant to the terms of this Agreement, and Customer shall agree to the release of the funds in an amount equal to such itemized invoice from the restricted account within seven (7) days of receipt of such invoice where Customer is in agreement with the amount charged for the Services completed.

(c) Developer covenants that (a) it will not release any funds from the restricted account without the prior written consent of Customer’s Chief Information Officer or his delegated designee (after consultation with the Customer's Chief Technology Officer), and (b) it will provide to Customer the ability to view the daily activity in the restricted account.

12.2 Development Fund Increases. With respect to any adjustment to the amount of Development Funds, Developer shall give Customer at least ninety (90) days' prior written notice of any such change; and only increase the Development Funds or Fees to reflect its actual cost increases and, in any case, not increase the Development Funds by a percentage that exceeds 80% of the percentage by which the then most-recently published Consumer Price Index, All Urban Consumers, United States, All Items (1982 - 1984 = 100), as published by the Bureau of Labor Statistics of the United States Department of Labor "**(CPI**") exceeds the CPI as of the Effective Date.

12.3 Fees for Additional Statements of Work. Fees for any Services provided under the terms of any additional Statements of Work shall be agreed by the parties and included in the terms of such additional Statements of Work.

12.4 Pricing. If Developer hits production targets and Customer issues purchase orders as set forth in Section 7.3, the parties agree that the initial price per WorldVentures Card shall not exceed Developer's Net Cost plus 30%, payable within thirty (30) days after delivery of such card. The parties agree that such initial pricing cap shall be reduced to Developer’s Net Cost plus 25% after one (1) year, and as order volume increases.

12.5 Most Favored Pricing. At all times during the Term, the Fees, Pricing and other charges hereunder shall be the lowest fees, prices and rates contemporaneously charged by Developer to any of its customers for similar volumes of goods and services of the same or comparable type and scope. If at any time Developer charges any comparable customer a lower fee, rate or price for similar volumes of such comparable goods or services than the corresponding Fees, Pricing or other prices charged hereunder, Developer shall immediately apply such lower rate or amount, as applicable, for all comparable Deliverables, Services and other Work Product provided to Customer. Such lower rates or amounts, as applicable, shall apply retroactively to the date on which Developer began charging them to such comparable customer.

12.6 Reimbursable Expenses. Customer shall reimburse Developer, in accordance with Customer's standard expense reimbursement policy in effect from time to time for direct, documented, pre-approved reasonable out-of-pocket travel and lodging expenses ("**Reimbursable Expenses**") incurred by Developer in performing its obligations under this Agreement. Notwithstanding the foregoing or anything else contained in this Agreement, in no event shall license fees, royalties or other amounts incurred by Developer to any Subcontractor or for any Third-Party Materials be a Reimbursable Expense, except to the extent expressly stated otherwise in any Statement of Work for the Services or Work Product to be provided thereunder.

13. Invoices and Payment.

13.1 Invoices. Developer shall invoice Customer for Fees and Reimbursable Expenses in accordance with the invoicing requirements set forth below. Developer shall submit each invoice in electronic format, via such delivery means and to such address as are specified by Customer in writing from time to time. If more than one Statement of Work is outstanding, Developer shall provide an aggregate invoice for all Fees being invoiced, together with separate invoices for each Statement of Work. Each separate invoice shall:

(a) clearly identify the Statement of Work to which it relates, in such manner as is required by Customer;

(b) list each Fee item and Reimbursable Expense separately;

(c) include sufficient detail for each line item to enable Customer to verify the calculation thereof;

(d) for Fees determined on a time and materials basis, report details of time taken to perform Services, and such other information as Customer requires, on a per-individual basis;

(e) be accompanied by all supporting documentation required hereunder for Reimbursable Expenses; and

(f) include such other information as may be required by Customer as set forth in the applicable Statement of Work.

Developer shall provide separate invoices for the payment of amounts owed to Developer by Customer for WorldVentures Cards in accordance with Section 12.4 above.

13.2 Payment.

(a) Customer shall pay all properly invoiced Fees and Reimbursable Expenses within thirty (30) days after the later of:

(i) Customer's receipt of the proper invoice therefor; or

(ii) the due date for such amounts as set forth in the applicable Statement of Work.

(b) Customer may withhold from payment any amount disputed by Customer in good faith, pending resolution of the dispute, provided that Customer:

(i) timely pays all amounts not subject to dispute;

(ii) notifies Developer of the dispute prior to the due date, specifying in such notice (A) the amount in dispute, and (B) the reason for the dispute set out in sufficient detail to facilitate investigation by Developer and resolution by the parties;

(iii) works with Developer in good faith to resolve the dispute promptly; and

(iv) promptly pays any amount determined to be due by resolution of the dispute.

Developer shall continue performing its obligations in accordance with this Agreement notwithstanding any such dispute or actual or alleged nonpayment that is the subject of the dispute, pending its resolution.

(c) All payments hereunder shall be in US dollars and made, at Customer's option, by check or wire transfer. Payments shall be made to the address or account as is specified by Developer in writing from time to time, provided that Developer shall give Customer at least thirty (30) days' prior notice of any account, address or other change in payment instructions. Customer will not be liable for any late or misdirected payment caused by Developer's failure to provide timely notice of any such change.

13.3 Taxes. All fees set forth herein are inclusive of taxes. Developer shall be responsible for the payment of any and all sales, use, customs, excise, ad valorem, value added, withholding or other similar taxes, assessments, duties and charges of any kind imposed by any federal, state or local governmental entity on any amounts payable by Customer hereunder.

13.4 Audit Right. During the Term and for three (3) years after, Developer shall maintain complete and accurate books and records regarding its business operations relevant to the calculation of Development Funds, Pricing, Reimbursable Expenses and any other information relevant to Developer's representations, warranties and covenants under this Agreement. During the Term and for three (3) years after, upon Customer's request, Developer shall make such books and records, and appropriate personnel, available during normal business hours for inspection or audit by Customer or its authorized representative, provided that Customer shall:

(a) provide Developer with reasonable prior notice of any audit;

(b) undertake an audit no more than once per calendar quarter; and

(c) conduct or cause to be conducted such audit in a manner designed to minimize disruption of Developer's normal business operations.

Customer may take copies and abstracts of materials audited, provided that such material shall be deemed Confidential Information of Developer. Customer will pay the cost of such audits unless an audit reveals an overbilling or over-reporting of five percent (5%) or more, in which case Developer shall reimburse Customer for the reasonable cost of the audit. Developer shall immediately upon notice from Customer pay Customer the amount of any overpayment revealed by the audit, together with any reimbursement pursuant to the preceding sentence.

14. Intellectual Property Rights.

14.1 Customer Ownership of Work Product. Except as set forth in Section 14.3, Customer is and will be the sole and exclusive owner of all right, title and interest in and to all Work Product, including all Intellectual Property Rights therein and for purposes of clarity the WorldVentures Card, in perpetuity. In furtherance of the foregoing, subject to Section 14.3:

(a) Developer shall create all Work Product as "work made for hire" as defined in Section 101 of the Copyright Act of 1976; and

(b) to the extent any Work Product or Intellectual Property Right therein does not qualify as, or otherwise fails to be, "work made for hire," Developer shall, and hereby does:

(i) assign, transfer and otherwise convey to Customer, irrevocably and in perpetuity, throughout the universe, all right, title and interest in and to such Work Product, including all Intellectual Property Rights therein; and

(ii) irrevocably waive any and all claims Developer may now or hereafter have in any jurisdiction to so-called "moral rights" or rights of *droit moral* with respect to the Work Product.

(c) For purposes of clarity, the parties to this Agreement agree that Customer shall have the right to use the Work Product, including the Intellectual Property Rights therein and for purposes of clarity the WorldVentures Card, in any manner it determines appropriate anywhere in the world with or without the involvement of Developer during the term of this Agreement or subsequent to its termination for any reason.

14.2 Further Actions. Developer shall, and shall cause Developer Personnel and Subcontractors to, take all appropriate action and execute and deliver all documents, necessary or reasonably requested by Customer to effectuate any of the provisions or purposes of Section 14.1, or otherwise as may be necessary or useful for Customer to prosecute, register, perfect, record or enforce its rights in or to any Work Product or any Intellectual Property Right therein. Developer hereby appoints Customer as Developer's attorney-in-fact with full irrevocable power and authority to take any such actions and execute any such documents if Developer refuses, or within a period deemed reasonable by Customer otherwise fails, to do so.

14.3 Background Technology, Third-Party Materials and Open-Source Components.

(a) Developer is and will remain the sole and exclusive owner of all right, title and interest in and to the Background Technology, including all Intellectual Property Rights therein, subject to the license granted in Section 15.1.

(b) Ownership of all Third-Party Materials, and all Intellectual Property Rights therein, is and will remain with the respective owners thereof, subject to any express licenses or sublicenses granted to Customer pursuant to or in accordance with this Agreement.

(c) Ownership of all Open-Source Components, and all Intellectual Property Rights therein, is and will remain with the respective owners thereof, subject to Customer's rights under the applicable Open-Source Licenses.

14.4 Customer Materials. Customer and its licensors, if any, are and will remain the sole and exclusive owners of all right, title and interest in and to the Customer Materials, including all Intellectual Property Rights therein. Developer shall have no right or license to, and shall not, use any Customer Materials except solely during the Term of the Statement of Work(s) for which they are provided to the extent necessary to perform the Services and provide the Work Product to Customer. All other rights in and to the Customer Materials are expressly reserved by Customer.

15. Licenses.

15.1 Background Technology License.

(a) Developer hereby grants to Customer such rights and licenses with respect to the Background Technology as necessary to allow Customer to use and otherwise exploit perpetually throughout the world for all or any purposes whatsoever the Work Product, to the same extent as if Customer owned the Background Technology, without incurring any fees or costs to Developer (other than the Development Funds and Reimbursable Expenses set forth herein) or any other Person in respect of the Background Technology (the "**Licensed Software**"). In furtherance of the foregoing, such rights and licenses shall:

(i) be irrevocable, perpetual, fully paid-up and royalty-free;

(ii) include the rights to (1) utilize the Hardware and Software in test, evaluate, demo or demonstrate mode and utilize the Hardware and Software as intended for the Customer and End User solely as part of, or as necessary to use and exploit, the Work Product, (2) sublicense the use of the Hardware and Software to End Users to process transactions and (3) use multiple versions or releases of the Hardware and Software and prior releases, versions, substitutions and downgrades of the Hardware and Software if available; and

(iii) grant all rights set forth in this Section 15.1 to others acting on behalf of Customer for Customer's internal use only.

(b) The license granted in this Section 15.1 to Customer shall be exclusive with respect to:

(i) Direct Selling of the Work Product to any targeted industry, anywhere in the world; and

(ii) all sales/distributions to the travel and entertainment industries anywhere in the world, for the first 12-month period after the delivery of the initial production version of the WorldVentures Card, irrespective of volume, and continue thereafter for each successive 12-month period subject to Customer purchasing a minimum of 200,000 WorldVentures Cards during such successive 12-month period.

(c) So long as this Agreement is not terminated due to an event described in Section 17.3(c), neither Developer nor Customer shall: (a) transfer, rent, commercialize, sublicense or otherwise distribute any portion or components of the Background Technology Hardware and Software to any third party; (b) modify, extract, create derivative works, disassemble, decompile or reverse engineer the design or object code of the Background Technology or Hardware and Software (except as permitted by applicable Law) nor permit any Third Party to do so; (c) use, access, export or re-export the Hardware and/or Software in violation of United States Laws in accordance with Section 22.19; or (d) acquire any license, right or interest in or to any Mark of Developer other than the rights granted in Section 15.1(a).

(d) Developer reserves all rights in the Background Technology not expressly granted to Customer herein, including but not limited to Developer's rights to (i) continue its research and development and product development to customers other than Customer (ii) enhance and extend Background Technology from time to time for use in Customer Proprietary Products and products developed by Developer for other customers that are not in conflict with the exclusivity clause set forth in Section 15.1(b) above.

(e) The license granted pursuant to this Section 15.1 to the Background Technology shall survive the termination for any reason of this Agreement and any Statement of Work.

15.2 Customer Materials. Customer hereby grants to Developer the limited, royalty-free, non-exclusive right and license to Customer Materials solely as necessary to incorporate such Customer Materials into, or otherwise use such Customer Materials in connection with creating, the Work Product. The term of such license shall commence upon Customer's delivery of the Customer Materials to Developer, and shall terminate upon Customer's acceptance or rejection of the Work Product to which the Customer Materials relate. Subject to the foregoing license, Customer reserves all rights in the Customer Materials. Customer Materials shall be deemed Customer's Confidential Information.

15.3 Third-Party Materials.

(a) Prior to the delivery date for any Deliverables under the Initial Statement of Work, Developer shall procure for Customer the grant of such license rights in the Third-Party Materials as set forth in each license agreement for such Third-Party Materials.

(b) With respect to each additional Statement of Work, prior the delivery date for any Deliverables under the additional Statement of Work, Developer shall secure for Customer, at Developer's sole cost and expense, such rights, licenses, consents and approvals as are specified in such Statement of Work.

(c) All royalties, license fees or other consideration payable in respect of such licenses are included in the Fees specified in each Statement of Work unless such Statement of Work expressly states otherwise. Any additional amounts shall be the sole responsibility of Developer.

15.4 Open-Source Components. Any use of the Open-Source Components by the Customer will be governed by, and subject to, the terms and conditions of the applicable Open-Source Licenses.

16. Source Code Escrow.

16.1 Escrow Agreement. As soon as practicable after the Effective Date, the parties shall enter into a Intellectual Property Escrow Agreement with a mutually agreed third-party escrow agent ("**Escrow Agent**"). Such Intellectual Property Escrow Agreement includes hardware specifications and designs, manufacturing/production and testing processes, Software Source Code and Documentation, and shall be on the terms and conditions, and in substantially the form, attached as Exhibit 1 ("**Escrow Agreement**"). All terms and conditions of the Escrow Agreement are a part of, and by this reference are incorporated in, this Agreement, and any breach thereof by Developer shall be a breach of this Agreement.

16.2 Release Events. Each of the following shall constitute a "**Release Event**" for purposes of this Agreement and the Escrow Agreement should they occur at any time during the Term:

(a) Developer (i) becomes insolvent or admits its inability to pay its debts generally as they become due; (ii) becomes subject, voluntarily or involuntarily, to any proceeding under any domestic or foreign bankruptcy or insolvency Law that is not fully stayed within seven (7) business days or is not dismissed or vacated within forty-five (45) business days after filing; (iii) makes a general assignment for the benefit of creditors; or (iv) has a receiver, trustee, custodian or similar agent appointed by order of any court of competent jurisdiction to take charge of or sell any material portion of its property or business;

(b) Developer becomes incapable of providing, or refuses to provide, the Proprietary Product at agreed production volumes or quality, Maintenance Releases and Maintenance Support Services, it being understood and agreed that Developer shall be deemed to be "incapable" of performing, or as having "refused" to perform, an activity or obligation if either an officer of Developer so informs Customer in writing or, as a result of any (i) employee layoffs, (ii) termination of any contract, supply of goods or services or grant of rights, licenses or privileges (other than by Customer) or (iii) sale or loss of assets, Developer for five (5) or more consecutive days fails to maintain sufficient sustaining resources to (A) provide manufactured Proprietary Product at agreed production volumes or quality, including but not limited to the WorldVentures Card and subsequent Work Product mutually agreed to in statements of work, (B) Maintenance Releases or (C) materially perform Maintenance Support Services, in the case of each of clause (A) and clause (B), in accordance with the applicable provisions of the this Agreement and, in the case of clause (C), in accordance with Schedule D;

(c) Developer action consisting of the: (i) dissolution, liquidation, discontinuance of business in the ordinary course or failure to operate as a going concern, or any corporate action taken for any of the foregoing purposes; (ii) transfer to a third party of all or substantially all of the assets or obligations relating to or affecting the delivery of Proprietary Products to Customer or Customer's use of any Deposit Materials; or (iii) discontinuance of general commercial production, maintenance or support of a Proprietary Product, provided that, in the case of each of clauses (i) through (iii), no successor or permitted assignee of Developer has assumed and given customer written assurance of its performance of (A) the ongoing and continuous production, maintenance and support of the Proprietary Product in accordance with the terms and conditions of the this Agreement and (B) the deposit and updating of the Deposit Materials in accordance with the Escrow Agreement, in the case of each of clauses (A) through (B), prior to or within five (5) days after the occurrence of any of the Release Events stated in this Section 16.2(c);

(d) Developer breaches this Agreement, any Statement of Work or any other agreement between Developer and Customer that does or threatens to adversely affect Customer's access to manufactured Proprietary Products or access to or use of any Licensed Software or Deposit Materials and is not cured within seven (7) days after Developer's receipt of Customer's written notice describing, in reasonable detail, the nature of the breach and the actions Customer believes are necessary to effect its cure;

(e) Developer's failure to perform any Services under this Agreement or any Statement of Work on a consistent, continuous and timely basis and, in any event, within seven (7) days after written notice of Customer's request for such services pursuant to this Agreement or any Statement of Work or Maintenance and Support Agreement, provided that such suspension or termination is not pursuant to the expiration or termination of this Agreement in accordance with the terms and conditions thereof; and

(f) Developer breaches any of this Agreement, a Statement of Work or the Maintenance and Support Agreement by assigning or otherwise transferring any of its rights in, to or relating to Proprietary Product development and manufacturing, the Licensed Software or Deposit Materials or delegating or otherwise transferring any of its obligations or performance under any of the aforementioned agreements without the prior written consent of Customer.

17. Term.

17.1 Term. The initial term ("**Initial Term**") of this Agreement commences as of the Effective Date and, unless this Agreement is terminated earlier pursuant to any of its express provisions, will continue in effect until two (2) years from such date.

17.2 Renewal. Following expiration of the Initial Term, Customer may renew this Agreement for additional successive one (1) year terms (each a "**Renewal Term**" and, collectively, together with the Initial Term, the "**Term**") automatically unless and until Customer provides written notice of renewal at least thirty (30) days prior to the end of the Initial Term or then-current Renewal Term. Each Renewal Term will commence immediately on expiration of the Initial Term or preceding Renewal Term and, unless this Agreement is terminated earlier pursuant to any of its express provisions, continue in effect for one (1) year from such date.

17.3 Termination.

(a) Customer may terminate, at any time without cause and without incurring any additional obligation, liability or penalty:

(i) this Agreement, by written notice to Developer;

(ii) Maintenance and Support Services for all or any Proprietary Product, by providing at least thirty (30) days' prior written notice to Developer; or

(iii) except as may be set forth in therein, any Statement of Work, by providing at least thirty (30) days' prior written notice to Developer.

(b) Either party may terminate this Agreement, the Maintenance and Support Services and any outstanding Statements of Work, effective upon written notice to the other party, if the other party materially breaches this Agreement, Maintenance and Support Services or such Statements of Work, and such breach:

(i) is incapable of cure; or

(ii) being capable of cure, remains uncured fifteen (15) days after the breaching party receives written notice thereof.

(c) Either party may terminate this Agreement, the Maintenance and Support Services and all Statements of Work by written notice to the other party if the other party:

(i) becomes insolvent or admits inability to pay its debts generally as they become due;

(ii) becomes subject, voluntarily or involuntarily, to any proceeding under any domestic or foreign bankruptcy or insolvency law, which is not fully stayed within seven (7) business days or is not dismissed or vacated within forty-five (45) business days after filing;

(iii) is dissolved or liquidated or takes any corporate action for such purpose;

(iv) makes a general assignment for the benefit of creditors; or

(v) has a receiver, trustee, custodian or similar agent appointed by order of any court of competent jurisdiction to take charge of or sell any material portion of its property or business.

17.4 Effect of Expiration or Termination.

(a) Termination of this Agreement shall not effectuate a termination of Maintenance and Support Services or any Statement of Work then in effect and not otherwise expressly terminated, and the terms and conditions set forth herein shall continue in effect with respect to any such Maintenance and Support Services and Statements of Work until their expiration or termination as set forth herein.

(b) Upon any expiration or termination of any Maintenance and Support Services or Statement of Work:

(i) Developer shall (A) with respect to termination of a Statement of Work, promptly deliver to Customer all Work Product generated by Developer under such Statement of Work (whether complete or incomplete), and Customer will continue to retain ownership of prior Work Product delivered by Developer, and any licenses to Background Technology already granted to Customer; (B) provide reasonable cooperation and assistance to Customer in transitioning the Services to an alternate service provider, and (C) with respect to any Services being provided pursuant to an additional Statement of Work and/or the Maintenance and Support Schedule included therein, amounts paid in advance for such Services that have not been provided as of the time of termination.

(ii) All licenses granted to Developer in the Customer Materials with respect to such Services or Statement of Work shall immediately and automatically also terminate, and Developer shall promptly return to Customer all Customer Materials not required by Developer for continuing Maintenance and Support Services or Statement of Work hereunder, if any.

(iii) Developer shall (A) return to Customer all documents and tangible materials (and any copies) containing, reflecting, incorporating or based on Customer's Confidential Information, (B) permanently erase Customer's Confidential Information from its computer systems and (C) certify in writing to Customer that it has complied with the requirements of this Section 17.4(b)(iii), in each case to the extent such materials are not required by Developer for continuing Maintenance and Support Services or Statement of Work hereunder, if any.

(c) If Customer terminates any Maintenance and Support Services or Additional Statement of Work pursuant to Section 17.3(b), Customer shall be relieved of any obligation to pay any future Fees thereunder, and Developer shall promptly refund to Customer all Fees previously paid in respect thereof. In such event, Customer shall not retain any rights in or to the future Deliverables thereunder (other than Customer Materials), but will continue to retain ownership of any Work Product delivered by Developer to Customer, and any and all licenses to Background Technology granted by Section 15.1 herein.

(d) Except as set forth in Section 17.4(c), if this Agreement terminates early Customer will remain obligated to pay Fees for all Services and Work Product received before the effective date of such termination.

(e) Except as set forth in Section 17.4(c), no expiration or termination of this Agreement will affect Customer's rights in any of the Deliverables.

17.5 Survival. The rights and obligations of the parties set forth in this Section 17.5 and Section 1, Section 14, Section 15.1, Section 15.3, Section 15.4, Section 16, Section 18, Section 19, Section 21 and Section 22, and any right or obligation of the parties in this Agreement which, by its express terms or nature and context is intended to survive termination or expiration of this Agreement, will survive any such termination or expiration.

18. Representations and Warranties.

18.1 Mutual Representations and Warranties. Each Party represents and warrants to the other Party that:

(a) it is duly organized, validly existing and in good standing as a corporation or other entity as represented herein under the laws and regulations of its jurisdiction of incorporation, organization or chartering;

(b) it has the full right, power and authority to enter into this Agreement, to grant the rights and licenses granted hereunder and to perform its obligations hereunder;

(c) the execution of this Agreement by its representative whose signature is set forth at the end hereof has been duly authorized by all necessary action of the party in accordance with its organizational and operating documents; and

(d) when executed and delivered by both parties, this Agreement will constitute the legal, valid and binding obligation of such party, enforceable against such party in accordance with its terms.

18.2 Additional Representations and Warranties.

(a) Developer represents and warrants to Customer that:

(i) it will perform all Services in a professional and workmanlike manner in accordance with commercially reasonable industry standards and practices for similar services, using personnel with the requisite skill, experience and qualifications, and shall devote adequate resources to meet its obligations under this Agreement;

(ii) it is in compliance with, and will perform all Services in compliance with, all applicable Law;

(iii) Customer will receive good and valid title to all Work Product, free and clear of all encumbrances and liens of any kind;

(iv) when delivered by Developer, no Proprietary Product will contain any unapproved security risk or Harmful Code;

(v) except as may be expressly approved by Customer in writing and disclosed in the Statement of Work therefor, the Proprietary Product will not contain any Controlled Technology;

(vi) all Work Product, including all updates, upgrades, new versions, new releases, enhancements, improvements and other modifications thereof, but excluding Customer Materials, Third-Party Materials and Open-Source Components, is or will be the original creation of Developer;

(vii) as delivered, specified or approved by Developer and used by Customer or any End User, in accordance with this Agreement and the Documentation, the Work Product (excluding Customer Materials) and related Documentation: (i) will not infringe, misappropriate or otherwise violate any Intellectual Property Right or other right of any Third Party; and (ii) will comply with all applicable Laws;

(viii) no expiration or loss of any patent or application for patent rights with respect to any technology included in the Work Product is pending, or, to Developer's knowledge after reasonable inquiry, threatened or reasonably foreseeable, and Developer has no reason to believe that any claims of any such patent or patent application are or will be invalid, unenforceable, fail to issue, or be materially limited or restricted beyond the current claims, except for patent rights expiring at the end of their statutory term;

(ix) Developer is the owner of the Background Technology, has the right to license the Background Technology, and the Background Technology does not infringe the Intellectual Property Rights or other rights of any Third Party, and any known existing or pending legal action to the contrary will be disclosed to Customer within seven (7) days of Developer becoming aware of the same;

(x) Developer will treat Customer and its Affiliates as a preferred customer and prioritize any development project covered by a mutually approved Additional Statement of Work in accordance with such standing; and

(xi) during the Term and for five (5) years after, neither Developer nor its Affiliates will compete with the business of Customer nor recruit or solicit, or assist any other Person to, directly or indirectly, to recruit or solicit (other than by general advertisement not directed specifically to any Person or Persons) for employment or engagement as an independent contractor any Person employed by Customer.

(b) Customer represents and warrants to Developer that it will use its commercially reasonable efforts to market the WorldVentures Card and any subsequent Work Product, at its sole expense, to all appropriate End Users.

18.3 Performance Warranty and Limited Remedy.

(a) Developer warrants that during the Warranty Period therefor:

(i) all Proprietary Product will be, and as used in accordance with the Documentation will function in all respects, in conformity with this Agreement and the Specifications and Documentation therefor; and

(ii) any media on which any Deliverable is delivered will be free of damage or defect in design, material and workmanship, and will remain so under ordinary use as contemplated by this Agreement and the Specifications and, with respect to the Software component thereof, the Documentation therefor.

(b) If Developer breaches any of the warranties set forth in Section 18.3(a), Developer shall, upon written notice from Customer and at Developer's sole cost and expense, remedy such breach by repairing or replacing any component of the Background Technology or delivering a Maintenance Release or revising and updating the Work Product. In the event Developer fails to remedy such breach on a timely basis, Customer shall be entitled to such remedies as are specified in the Maintenance and Support Schedule or as may otherwise be available under this Agreement, at law or in equity for breach of Developer's Maintenance and Support obligations. Nothing in this Section 18.3(b) shall limit Customer's right to indemnification pursuant to Section 19.

18.4 DISCLAIMER. OTHER THAN THE WARRANTIES EXPRESSLY SET FORTH IN THIS AGREEMENT, THERE ARE NO OTHER WARRANTIES OR GUARANTEES WITH RESPECT TO THE HARDWARE AND SOFTWARE, THE LICENSED SOFTWARE OR THE WORK PRODUCT, AND ALL OTHER WARRANTIES OR GUARANTEES, WHETHER EXPRESS OR IMPLIED, STATUTORY OR COMMON LAW, OF ANY KIND, TYPE OR NATURE INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ARE HEREBY DISCLAIMED. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, DEVELOPER SHALL HAVE NO LIABILITY WHATSOEVER TO ANY CLIENT OF CUSTOMER OR THIRD PARTIES UNDER THIS AGREEMENT.

19. Indemnification.

19.1 General Indemnification. Developer shall defend, indemnify and hold harmless Customer and Customer's Affiliates, and each of their respective officers, directors, employees, agents, successors and assigns (each, a "**Customer Indemnitee**") from and against all any and all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind, including reasonable attorneys' fees, fees and the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers that are incurred by a Customer Indemnitee ("**Losses**") arising out of or resulting from any third party claim, demand, suit, action or proceeding, whether civil, criminal, administrative or investigatory in nature (each, an "**Action**") that arises out of or results from:

(a) Developer's breach of any representation, warranty, covenant or obligation of Developer (including any action or failure to act by any Subcontractor that, if taken or not taken by Developer, would constitute such a breach by Developer) under this Agreement; or

(b) any action or failure to take a required action or more culpable act or omission (including recklessness or willful misconduct) in connection with the performance or activity required by or conducted in connection with this Agreement by Developer or any Subcontractor in connection with performing Services under this Agreement.

19.2 Indemnification Procedure. Customer will promptly notify Developer in writing of any Action for which it seeks to be indemnified pursuant to Section 19.1 and cooperate with Developer at Developer's sole cost and expense. Developer shall immediately take control of the defense and investigation of such Action and shall employ legal counsel and other advisors reasonably acceptable to Customer to handle and defend the same, at Developer's sole cost and expense. Developer shall not settle any Action in a manner that adversely affects the rights of Customer or any Customer Indemnitee without Customer's prior written consent. Customer's failure to perform any obligations under this Section 19.2 will not relieve Developer of its obligations under Section 19.1 except to the extent that Developer can demonstrate that it has been materially prejudiced as a result of such failure. Customer may participate in and observe the proceedings at its own cost and expense with legal counsel of its own choosing.

19.3 Infringement Remedy.

(a) If any Hardware and Software or any component thereof, other than Customer Materials, or any Work Product is found to be infringing or if any use of any Hardware and Software or any component thereof or any Work Product is enjoined, threatened to be enjoined or otherwise the subject of an infringement claim, Developer shall, at Developer's sole cost and expense:

(i) procure for Customer the right to continue to use such Hardware and Software or component thereof or the Work Product to the full extent contemplated by this Agreement; or

(ii) modify or replace the materials that infringe or are alleged to infringe ("**Allegedly Infringing Materials**") to make the Hardware and Software and all of its components and/or the Work Product non-infringing while providing fully equivalent features and functionality.

(b) If neither of the foregoing is possible, notwithstanding Developer's commercially reasonable efforts, then Developer may direct Customer to cease any use of any materials that have been enjoined or finally adjudicated as infringing, provided that Developer shall:

(i) refund to Customer all amounts paid by Customer in respect of such Allegedly Infringing Materials and any other aspects of the Proprietary Product containing the Allegedly Infringing Materials that Customer cannot reasonably use as intended under this Agreement; and

(ii) in any case, at its sole cost and expense, secure the right for Customer to continue using the Allegedly Infringing Materials for a transition period of up to six (6) months to allow Customer to replace the affected features of the Proprietary Product without disruption.

(c) If Developer directs Customer to cease using any Proprietary Product pursuant to Section 19.3(b), Customer shall have the right to terminate this Agreement and any or all then-outstanding Statements of Work for cause pursuant to Section 17.3(b)(i).

(d) THE PROVISIONS OF THIS SECTION 19.3 STATE THE EXCLUSIVE LIABILITY OF DEVELOPER AND THE EXCLUSIVE REMEDY OF CUSTOMER WITH RESPECT TO ANY CLAIM OF PATENT, COPYRIGHT OR TRADE SECRET INFRINGEMENT BY THE HARDWARE AND SOFTWARE OR WORK PRODUCT OR CLAIM THAT DEVELOPER LACKS THE RIGHT TO GRANT THE LICENSES GRANTED HEREIN, ANY PART THEREOF OR THE USE THEREOF, AND ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTY OF NON-INFRINGEMENT, AND INDEMNITIES WITH RESPECT THERETO.

20. Limitations of Liability.

20.1 EXCLUSION OF INDIRECT DAMAGES. EXCEPT AS OTHERWISE PROVIDED IN SECTION 20.2, IN NO EVENT WILL EITHER PARTY BE LIABLE UNDER THIS AGREEMENT, INCLUDING ANY STATEMENT OF WORK, FOR ANY INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES, INCLUDING (WITHOUT LIMITATION), LOSS OF PROFIT, INCOME OR SAVINGS, LOSS OF GOODWILL, BUSINESS INTERRUPTION, DATA LOSS, WHETHER SUCH DAMAGE CLAIMS ARE BASED IN CONTRACT, NEGLIGENCE, TORT, WARRANTY, STRICT LIABILITY, OR ANY OTHER LEGAL OR EQUITABLE THEORY OF LAW.

20.2 Exceptions. The exclusions and limitations in Section 20.1 shall not apply to:

(a) Losses arising out of or relating to a party's failure to comply with its obligations under Section 14 (Intellectual Property Rights; Ownership) or Section 21 (Confidentiality);

(b) a party's indemnification obligations under Section 19 (Indemnification);

(c) Losses arising out of or relating to a party's gross negligence, willful misconduct or intentional acts;

(d) Losses for death, bodily injury or damage to real or tangible personal property arising out of or relating to a party's negligent or more culpable acts or omissions;

(e) Losses to the extent covered by a party's insurance; or

(f) a party's obligation to pay attorneys' fees and court costs in accordance with Section 22.17.

21. Confidentiality.

21.1 Obligation of Confidentiality. Each party (the "**Receiving Party**") acknowledges that in connection with this Agreement such party will gain access to Confidential Information of the other party (the "**Disclosing Party**"). As a condition to being furnished with Confidential Information, the Receiving Party agrees, during the Term and for five (5) years thereafter, to:

(a) not use the Disclosing Party's Confidential Information other than as strictly necessary to exercise its rights and perform its obligations under this Agreement;

(b) not use any of the Disclosing Party's Confidential Information, directly or indirectly, in any manner to the detriment of the Disclosing Party or to obtain any competitive benefit with respect to the Disclosing Party; and

(c) maintain the Disclosing Party's Confidential Information in strict confidence and, subject to Section 21.2 below, not disclose the Disclosing Party's Confidential Information without the Disclosing Party's prior written consent, *provided, however*, that the Receiving Party may disclose the Confidential Information to its Representatives who: (i) have a "need to know" for purposes of the Receiving Party's performance, or exercise of its rights with respect to such Confidential Information, under this Agreement; (ii) have been apprised of this restriction; and (iii) are themselves bound by written nondisclosure agreements at least as restrictive as those set forth in this Section 21.1, and provided, further, that the Receiving Party shall be responsible for ensuring its Representatives' compliance with, and shall be liable for any breach by its Representatives, of this Section 21.

The Receiving Party shall use reasonable care, at least as protective as the efforts it uses with respect to its own confidential information, to safeguard the Disclosing Party's Confidential Information from use or disclosure other than as permitted hereby.

21.2 Exceptions.

(a) If the Receiving Party becomes legally compelled to disclose any Confidential Information, the Receiving Party shall:

(i) provide prompt written notice to the Disclosing Party so that the Disclosing Party may seek a protective order or other appropriate remedy or waive its rights under this Section 21; and

(ii) disclose only the portion of Confidential Information that it is legally required to furnish.

If a protective order or other remedy is not obtained, or the Disclosing Party waives compliance, the Receiving Party shall at the Disclosing Party's expense, use reasonable efforts to obtain assurance that confidential treatment will be afforded the Confidential Information.

22. Miscellaneous.

22.1 Effect of Developer Bankruptcy. All rights and licenses granted by Developer under this Agreement are and shall be deemed to be rights and licenses to "intellectual property," and all Work Product is and shall be deemed to be "embodiments" of "intellectual property", for purposes of, and as such terms are used in and interpreted under, Section 365(n) of the United States Bankruptcy Code (the "**Code**"). If Developer or its estate shall become subject to any bankruptcy or similar proceeding, Customer shall retain and have the right to fully exercise all rights, licenses, elections and protections under this Agreement, the Escrow Agreement, the Code and all other applicable bankruptcy, insolvency and similar Laws with respect to all Deposit Materials and Licensed Software. Without limiting the generality of the foregoing, Developer acknowledges and agrees that, if Developer or its estate shall become subject to any bankruptcy or similar proceeding:

(a) all rights and licenses granted to Customer hereunder shall continue subject to the terms and conditions of this Agreement and the Escrow Agreement, and shall not be affected, even by Developer’s rejection of this Agreement in a bankruptcy or similar proceeding;

(b) Customer shall be entitled to a complete duplicate of (or complete access to, as appropriate) all such intellectual property and embodiments of intellectual property comprising or relating to any Licensed Software, Documentations, Specifications, Hardware and Software or Work Product, and the same, if not already in Customer's possession, shall be promptly delivered to Customer, unless Developer elects to and does in fact continue to perform all of its obligations under this Agreement;

(c) the automatic stay under Section 362 of the Code shall not apply to any instructions from Customer to the Escrow Agent relating to the escrow deposit materials; and

(d) the Escrow Agreement is supplementary to this Agreement, and all escrow deposit materials are and shall be deemed to be intellectual property or embodiments of intellectual property, within the meaning of Section 365(n) of the Code, and Customer shall have all rights, elections and protections under the Code with respect thereto.

22.2 Force Majeure. Neither party shall be liable or responsible to the other party, nor be deemed to have defaulted under or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement, when and to the extent such failure or delay is caused by: (a) acts of God; (b) flood, fire or explosion; (c) war, terrorism, invasion, riot or other civil unrest; (d) embargoes or blockades in effect on or after the date of this Agreement; (e) national or regional emergency; or (f) national or regional shortage of adequate power or telecommunications or transportation facilities (each of the foregoing, a "**Force Majeure**"), in each case, provided that (i) such event is outside the reasonable control of the affected party; (ii) the affected party provides prompt notice to the other party, stating the period of time the occurrence is expected to continue; and (iii) the affected party uses diligent efforts to end the failure or delay and minimize the effects of such Force Majeure Event. Customer may terminate this Agreement if a Force Majeure Event affecting Developer continues substantially uninterrupted for a period of thirty (30) days or more. Unless Customer terminates this Agreement pursuant to the preceding sentence, all Milestone Dates shall automatically be extended for a period up to the duration of the Force Majeure Event.

22.3 Further Assurances. Upon a party's reasonable request, the other party shall, at such other party's sole cost and expense, promptly execute all such further documents and instruments, and take all such further actions, necessary to give full effect to this Agreement.

22.4 Relationship of the Parties. The relationship between the parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.

22.5 Public Announcements. Neither party shall issue or release any announcement, statement, press release or other publicity or marketing materials relating to this Agreement or, unless expressly permitted under this Agreement, otherwise use the other party's trademarks, services marks, trade names, logos, domain names or other indicia of source, association or sponsorship, in each case, without the prior written consent of the other party, which shall not be unreasonably withheld or delayed.

22.6 Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and addressed to the parties as follows (or as otherwise specified by a party in a notice given in accordance with this Section 22.6):

If to Developer:

E-mail:

Attention:

If to Customer:

E-mail:

Attention:

With a copy to:

Notices sent in accordance with this Section shall be deemed effectively given: (a) when received, if delivered by hand (with written confirmation of receipt); (b) when received, if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or e-mail (in each case, with confirmation of transmission), if sent during normal business hours of the recipient, and on the next business day, if sent after normal business hours of the recipient; or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid.

22.7 Interpretation. For purposes of this Agreement: (a) the words "include," "includes" and "including" are deemed to be followed by the words "without limitation"; (b) the word "or" is not exclusive; (c) the words "herein," "hereof," "hereby," "hereto" and "hereunder" refer to this Agreement as a whole; (d) words denoting the singular have a comparable meaning when used in the plural, and vice-versa; and (e) words denoting any gender include all genders. Unless the context otherwise requires, references in this Agreement: (x) to Sections, Schedules and Exhibits refer to the Sections of, and Schedules and Exhibits attached to, this Agreement; (y) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof; and (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. The parties intend this Agreement to be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The Schedules and Exhibits referred to herein are an integral part of this Agreement to the same extent as if they were set forth verbatim herein.

22.8 Headings. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

22.9 Entire Agreement. This Agreement, together with all Schedules, Exhibits and Statements of Work and any other documents incorporated herein by reference, constitutes the sole and entire agreement of the parties to this Agreement with respect to the subject matter of this Agreement and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements made in the body of this Agreement, the Schedules, Exhibits, Statements of Work and any other document, the following order of precedence governs: (a) first, this Agreement, excluding its Exhibits, Schedules and Statements of Work; (b) second, the Exhibits and Schedules to this Agreement as of the Effective Date; (c) third, any Statement of Work executed after the Effective Date; and (d) fourth, any other documents incorporated herein by reference.

22.10 Assignment. Developer shall not assign or otherwise transfer any of its rights, or delegate or otherwise transfer any of its obligations or performance, under this Agreement, in each case whether voluntarily, involuntarily, by operation of law or otherwise, without Customer's prior written consent. For purposes of the preceding sentence, and without limiting its generality, any merger, consolidation or reorganization involving Developer (regardless of whether Developer is a surviving or disappearing entity) will be deemed to be a transfer of rights, obligations or performance under this Agreement for which Customer's prior written consent is required. No delegation or other transfer will relieve Developer of any of its obligations or performance under this Agreement. Any purported assignment, delegation or transfer in violation of this Section 22.10 is void. Customer may freely assign or otherwise transfer all or any of its rights, or delegate or otherwise transfer all or any of its obligations or performance, under this Agreement without Developer's consent. This Agreement is binding upon and inure to the benefit of the parties hereto and their respective permitted successors and assigns.

22.11 No Third-Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer on any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

22.12 Amendment and Modification; Waiver. No amendment to or modification of or rescission, termination or discharge of this Agreement is effective unless it is in writing, identified as an amendment to or rescission, termination or discharge of this Agreement and signed by an authorized representative of both parties. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. Except as otherwise set forth in this Agreement, no failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

22.13 Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

22.14 Governing Law; Submission to Jurisdiction. This Agreement and all related documents, and all matters arising out of or relating to this Agreement, will be governed by and construed under the laws of the State of Delaware, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the law of any jurisdiction other than the State of Delaware. The parties hereto (1) agree that any legal suit, action or proceeding arising out of or relating to this Agreement, the other Transaction Documents or the transactions contemplated hereby or thereby will be instituted in the federal courts of the United States of America or the courts of the State of Delaware in each case located in the City of Wilmington and County of New Castle, (2) waive any objection which the parties may have now or hereafter to the venue of any such suit, action or proceeding, and (3) irrevocably consent to the jurisdiction of the federal courts of the United States or the courts of the State of Delaware in each case located in the City of Wilmington and County of New Castle in any such suit, action or proceeding, and each of the parties hereto further agrees to accept and acknowledge service of any and all process which may be served in any such suit, action or proceeding in such courts and agrees that service of process upon it mailed by certified mail to its address will be deemed in every respect effective service of process upon it, in any such suit, action or proceeding.

22.15 Waiver of Jury Trial. **THE PARTIES HERETO AGREE TO WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT OR ANY DOCUMENT OR AGREEMENT CONTEMPLATED HEREBY.**

22.16 Equitable Relief. Each party acknowledges that a breach by a party of Section 14 (Intellectual Property Rights; Ownership) or Section 21 (Confidentiality) may cause the non-breaching party immediate and irreparable harm, for which an award of damages would not be adequate compensation and agrees that, in the event of such breach or threatened breach, the non-breaching party will be entitled to equitable relief, including in the form of orders for preliminary or permanent injunction, specific performance and any other relief that may be available from any court. Such remedies shall not be deemed to be exclusive but shall be in addition to all other remedies available under this Agreement, at law or in equity, subject to any express exclusions or limitations in this Agreement to the contrary.

22.17 Attorneys' Fees. In the event that any action, suit, or other legal or administrative proceeding is instituted or commenced by either party hereto against the other party arising out of or related to this Agreement, the prevailing party shall be entitled to recover its actual attorneys' fees and court costs from the non-prevailing party.

22.18 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission (to which a signed PDF copy is attached) shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

22.19 U.S. Government Export Laws. Customer acknowledges that the Hardware and Software, and any part thereof, may be subject to U.S. Government export laws and regulations, and Customer is responsible for compliance with any and all Laws governing the importation of Proprietary Products into the destination country and for payment of any duties, taxes and fees on such goods or importation. Customer shall not export, re-export, or transfer the Hardware and Software, Documentation, or any Confidential Information received from Developer without first obtaining the appropriate government approvals, and Developer makes no representation or warranty regarding the issuance of export licenses for any of its Hardware and Software products.

[SIGNATURE PAGE FOLLOWS]

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

Nxt-ID, Inc.

By: __________________________
Name:
Title:

WorldVentures Holdings, LLC

By: __________________________
Name:
Title:

SCHEDULE A

RELATIONSHIP MANAGERS

SCHEDULE B

BUSINESS REQUIREMENTS SPECIFICATION – WORLDVENTURES CARD

SCHEDULE C

INITIAL STATEMENT OF WORK

SCHEDULE D

MAINTENANCE AND SUPPORT SCHEDULE

SCHEDULE E

DISPUTE RESOLUTION PROCEDURE

EXHIBIT 1

FORM OF INTELLECTUAL PROPERTY ESCROW AGREEMENT

Exhibit 10.2

SECURITIES PURCHASE AGREEMENT

BY AND AMONG

NXT-ID, INC.

AND

WORLDVENTURES HOLDINGS, LLC

SECURITIES PURCHASE AGREEMENT

This SECURITIES PURCHASE AGREEMENT (this "Agreement") is dated December 31, 2015, by and between Nxt-ID, Inc., a Delaware corporation (the "Company"), and WorldVentures Holdings, LLC, a Nevada limited liability company (the "Purchaser").

WHEREAS, subject to the terms and conditions set forth in this Agreement and pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended (the "Securities Act"), and Rule 506 promulgated thereunder, the Company desires to issue and sell to the Purchaser, and the Purchaser, desires to purchase from the Company, Securities of the Company as more fully described in this Agreement.

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Company and the Purchaser agree as follows:

ARTICLE I.
DEFINITIONS

1.1 Definitions. In addition to the terms defined elsewhere in this Agreement, the following terms have the meanings set forth in this Section 1.1:

"Action" shall have the meaning ascribed to such term in Section 3.1(k).

"Affiliate" means any Person that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a Person, as such terms are used in and construed under Rule 405 under the Securities Act.

"Agreement" shall have the meaning ascribed to such term in the preamble hereto.

"Authorized Share Failure" shall have the meaning ascribed to such term in Section 3.1(g).

"Board of Directors" means the board of directors of the Company.

"Business Day" means any day except any Saturday, any Sunday, any day which is a federal legal holiday in the United States or any day on which banking institutions in the State of New York are authorized or required by law or other governmental action to close.

"Closing" means a closing of the purchase and sale of the Offering Shares and the Warrants pursuant to Section 2.1.

"Closing Date" means a Trading Day on which all of the Transaction Documents have been executed and delivered by the Company and the Purchaser and all conditions precedent to (i) the Purchasers' obligations to pay the Subscription Amount and (ii) the Company's obligations to deliver the Offering Shares and the Warrants, in each case, have been satisfied or waived, but in no event later than the third Trading Day following the relevant Closing.

"Commission" means the United States Securities and Exchange Commission.

“Common Stock” means the common stock of the Company, par value $0.0001 per share, and any other class of securities into which such securities may hereafter be reclassified or changed.

“Common Stock Equivalents” means any securities of the Company or the Subsidiaries which would entitle the holder thereof to acquire at any time Common Stock, including, without limitation, any debt, preferred stock, right, option, grant, warrant or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Common Stock.

“Company” shall have the meaning ascribed to such term in the preamble hereto.

“Company Counsel” means Robinson Brog Leinwand Greene Genovese & Gluck P.C., with offices located at 875 Third Avenue, 9th Floor, New York, NY 10022, Fax: (212) 956-2164.

“Development Agreement” means that certain Master Product Development Agreement by and between the Company and WorldVentures Holdings, LLC, a Nevada limited liability company dated of even date herewith.

“Evaluation Date” shall have the meaning ascribed to such term in Section 3.1(s).

“Exchange Act” means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

“Exempt Issuance” means the issuance of (i) securities issued under the Company’s equity incentive plan existing on the date of this Agreement and any amendments thereto approved by the Board of Directors, including securities issuable upon conversion or exercise of such securities, (ii) securities issued for consideration other than cash pursuant to a strategic arrangement, joint venture, merger, consolidation, acquisition, or similar business combination approved by the Board of Directors but shall not include a transaction in which the Company is issuing securities for the purpose of raising capital or to an entity whose primary business is investing in securities and (iii) securities issued upon the exercise or exchange of or conversion of any Securities issued hereunder and/or other securities exercisable or exchangeable for or convertible into shares of Common Stock issued and outstanding on the date of this Agreement, provided that such securities have not been amended since the date of this Agreement to increase the number of such securities or to decrease the exercise price, exchange price or conversion price of such securities.

“FCPA” means the Foreign Corrupt Practices Act of 1977, as amended.

“Financial Statements” shall have the meaning ascribed to such term in Section 3.1(i).

“GAAP” shall have the meaning ascribed to such term in Section 3.1(i).

“Indebtedness” shall have the meaning ascribed to such term in Section 3.1(y).

“Intellectual Property Rights” shall have the meaning ascribed to such term in Section 3.1(p).

“Liens” means a lien, charge, pledge, security interest, encumbrance, right of first refusal, preemptive right or other restriction.

"Material Adverse Effect" means any event, occurrence, fact, condition or change that is, or could reasonably be expected to become, individually or in the aggregate, materially adverse to (i) the legality, validity or enforceability of any Transaction Document; (ii) the results of operations, assets, business, prospects or condition (financial or otherwise) of the Company and the Subsidiary, taken as a whole; or (iii) the Company's ability to perform in any material respect on a timely basis its obligations under any Transaction Document.

"Material Permits"" shall have the meaning ascribed to such term in Section 3.1(n).

"Money Laundering Laws" shall have the meaning ascribed to such term in Section 3.1(ee).

"OFAC" shall have the meaning ascribed to such term in Section 3.1(dd).

"Offering Shares" means the shares of Common Stock issued pursuant to this Agreement.

"Person" means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind.

"Price Per Offering Share" means a fifteen percent (15%) discount to the volume-weighted average price on the Nasdaq Capital Market for the five (5) Trading Days prior to the Closing Date.

"Proceeding"" means an action, claim, suit, investigation or proceeding (including, without limitation, an informal investigation or partial proceeding, such as a deposition), whether commenced or threatened.

"Purchaser" shall have the meaning ascribed to such term in the preamble hereto.

"Purchaser Party" shall have the meaning ascribed to such term in Section 4.8.

"Required Approvals" shall have the meaning ascribed to such term in Section 3.1(e).

"Rule 144" means Rule 144 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended or interpreted from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same purpose and effect as such Rule.

"SEC Reports" shall have the meaning ascribed to such term in Section 3.1(kk).

"Securities" means the Offering Shares, the Warrant (as defined below), and the Warrant Shares (as defined below).

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"Subscription Amount" means, as to the Purchaser, the aggregate amount to be paid for the Offering Shares and the Warrants purchased hereunder as specified below such Purchaser's name on the signature page of this Agreement and next to the heading "Subscription Amount".

"Subsidiary" means any subsidiary of the Company as set forth on Exhibit 21.1 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2014, and shall, where applicable, also include any direct or indirect subsidiary of the Company formed or acquired after the date hereof.

"Termination Date" shall have the meaning ascribed to such term in Section 2.1(a).

"Trading Day" means a day on which the principal Trading Market is open for trading; provided, that in the event that the Common Stock is not listed or quoted for trading on a Trading Market on the date in question, then Trading Day shall mean a Business Day.

"Trading Market" means any of the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the NYSE MKT; the Nasdaq Capital Market; the Nasdaq Global Market; the Nasdaq Global Select Market; the New York Stock Exchange; the OTC Bulletin Board; the OTC QB Marketplace or the OTC QX Marketplace (or any successors to any of the foregoing).

"Transaction Documents" means this Agreement, the Warrant, the Registration Rights Agreement, the Development Agreement, and all exhibits and schedules thereto and hereto and any other documents or agreements executed in connection with the transactions contemplated hereunder.

"Transfer Agent" means VStock Transfer, LLC, the current transfer agent for the Company's Common Stock, the Offering Shares, and the Warrant Shares, if any, whose current address is 18 Lafayette Place, Woodmere, New York 11598, and any successor transfer agent of the Company.

"Warrant" shall have the meaning ascribed to such term in Section 2.1(a).

"Warrant Shares" shall have the meaning ascribed to such term in Section 2.1(a).

ARTICLE II.
PURCHASE AND SALE

2.1 Closing.

(a) On the Closing Date, upon the terms and subject to the conditions set forth herein, substantially concurrent with the execution and delivery of this Agreement by the parties hereto, the Company agrees to sell at the Closing, and the Purchaser agrees to purchase at the Closing, an aggregate of $2,000,000, of Offering Shares, calculated based upon the Price Per Offering Share, for the Purchaser equal to the Purchaser's Subscription Amount as set forth on the signature page hereto executed by the Purchaser. Additionally, the Company shall issue to the Purchaser warrants (the "Warrant") to purchase shares of Common Stock (the "Warrant Shares") equal to twenty-five percent (25%) of the amount of Offering Shares issued to the Purchaser. The Purchaser shall deliver to the Company on the Closing Date the Purchaser's Subscription Amount by wire transfer of immediately available funds in accordance with Section 2.1(b), and the Company shall deliver to the Purchaser its respective Offering Shares and the Warrants, as determined pursuant to Section 2.2(a) and the Company shall deliver to the Purchaser its respective Offering Shares and the Warrants, as determined pursuant to Section 2.2(a), and the Company and the Purchaser shall deliver the other items set forth in Section 2.2 deliverable at the Closing. Upon satisfaction of the covenants and conditions set forth in Sections 2.2 and 2.3, a Closing shall occur at the offices of Company Counsel or such other location as the parties shall mutually agree. In lieu of a physical Closing, the Parties agree that all requisite Transaction Documents may be exchanged electronically at the Closing, and that the Transaction Documents so exchanged shall be binding for all purposes.

(b) On the Closing Date, the Purchaser shall pay the Subscription Amount by transferring immediately available funds in the following amounts to the following designated Company bank accounts:

Amount	Company Account
$ 500,000.00	
$ 1,500,000.00	

2.2 Deliveries.

(a) On or prior to the Closing Date, the Company shall deliver or cause to be delivered to the Purchaser each of the following:

(i) this Agreement duly executed by the Company;

(ii) instructions to the Transfer Agent authorizing the issuance of the Offering Shares to the designated balance account at Depositary Trust Company in the name of the Purchaser or its representative nominee;

(iii) the Warrant duly executed by the Company;

(iv) the License and Distribution Agreement and the Development Agreement, each duly executed by the Company;

(v) the Registration Rights Agreement duly executed by the Company; and

(vi) good standing certificates of the Company, dated within four (4) Trading Days of the Closing Date, from the State of Delaware and the State of Florida.

(b) On or prior to the Closing Date, the Purchaser shall deliver or cause to be delivered to the Company the following:

(i) this Agreement duly executed by the Purchaser;

(ii) the License and Distribution Agreement and the Development Agreement, each duly executed by the Purchaser; and

(iii) Purchaser's Subscription Amount by wire transfer in accordance with the provisions of Section 2.1(b).

2.3 Closing Conditions.

(a) The obligations of the Company hereunder in connection with the Closing are subject to the following conditions being met:

(i) the accuracy in all material respects on the Closing Date of the representations and warranties of the Purchasers contained herein (unless as of a specific date therein in which case they shall be accurate in all material respects as of such date);

(ii) all obligations, covenants and agreements of the Purchaser required to be performed at or prior to the Closing Date shall have been performed; and

(iii) the delivery by the Purchaser of the items set forth in Section 2.2(b) of this Agreement.

(b) The respective obligations of the Purchaser hereunder in connection with the Closing are subject to the following conditions being met:

(i) the accuracy in all material respects on the Closing Date of the representations and warranties of the Company contained herein (unless as of a specific date therein in which case they shall be accurate in all material respects as of such date);

(ii) all obligations, covenants and agreements of the Company required to be performed at or prior to the Closing Date shall have been performed;

(iii) the delivery by the Company of the items set forth in Section 2.2(a) of this Agreement;

(iv) there shall have been no Material Adverse Effect with respect to the Company since the date hereof;

(v) the Purchaser shall have received a letter from the Company confirming its right to appoint one (1) individual to the Board of Directors of the Company, subject to the satisfaction of commonly accepted standards, including the NASDAQ rules; and

(vi) from the date hereof to such Closing Date, trading in securities generally as reported by Bloomberg L.P. shall not have been suspended or limited, or minimum prices shall not have been established on securities whose trades are reported by such service, or on any Trading Market, nor shall a banking moratorium have been declared either by the United States or New York State authorities nor shall there have occurred any material outbreak or escalation of hostilities or other national or international calamity of such magnitude in its effect on, or any material adverse change in, any financial market which, in each case, in the reasonable good faith judgment of such Purchaser, makes it impracticable or inadvisable to purchase the Offering Shares and the Warrants at the Closing.

ARTICLE III.
REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Company. Except as set forth in the SEC Documents (as defined below), which shall qualify any representation made herein only to the extent of the disclosure contained in the SEC Reports, the Company hereby makes the following representations and warranties to the Purchaser:

(a) Subsidiaries. On the date of this Agreement, the Company has one Subsidiary, 3D-ID, LLC. The Company, owns directly or indirectly, all of the capital stock or other equity interests of such Subsidiary free and clear of any Liens, and all of the issued and outstanding shares of capital stock of such Subsidiary are validly issued and are fully paid, non-assessable and free of preemptive and similar rights to subscribe for or purchase securities.

(b) Organization and Qualification. Each of the Company and its Subsidiary is an entity duly incorporated or otherwise organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization, with the requisite power and authority to own and use its properties and assets and to carry on its business as currently conducted. Neither the Company nor any Subsidiary is in violation or default of any of the provisions of its respective certificate or articles of incorporation, bylaws or other organizational or charter documents. Each of the Company and its Subsidiary is duly qualified to conduct business and is in good standing as a foreign corporation or other entity in each jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary, except where the failure to be so qualified or in good standing, as the case may be, could not have or reasonably be expected to result in a Material Adverse Effect, and no Proceeding has been instituted in any such jurisdiction revoking, limiting or curtailing or seeking to revoke, limit or curtail such power and authority or qualification.

(c) Authorization; Enforcement. The Company has the requisite corporate power and authority to enter into and to consummate the transactions contemplated by this Agreement and each of the other Transaction Documents and otherwise to carry out its obligations hereunder and thereunder. The execution and delivery of this Agreement and each of the other Transaction Documents by the Company and the consummation by it of the transactions contemplated hereby and thereby have been duly authorized by all necessary action on the part of the Company and no further action is required by the Company, the Board of Directors or the Company's stockholders in connection herewith or therewith other than in connection with the Required Approvals. This Agreement and each other Transaction Document has been (or upon delivery will have been) duly executed by the Company and, when delivered in accordance with the terms hereof and thereof, will constitute the valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except: (i) as limited by general equitable principles and applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally; (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies, and (iii) insofar as indemnification and contribution provisions may be limited by applicable law.

(d) No Conflicts. The execution, delivery and performance by the Company of this Agreement and the other Transaction Documents, the issuance and sale of the Securities and the consummation by it of the transactions contemplated hereby and thereby to which it is a party do not and will not: (i) conflict with or violate any provision of the Company's or any Subsidiary's certificate or articles of incorporation, bylaws or other organizational or charter documents; (ii) conflict with, or constitute a default (or an event that with notice or lapse of time or both would become a default) under, result in the creation of any Lien upon any of the properties or assets of the Company or Subsidiary, or give to others any rights of termination, amendment, acceleration or cancellation (with or without notice, lapse of time or both) of, any agreement, credit facility, debt or other instrument (evidencing a Company or Subsidiary debt or otherwise) or other understanding to which the Company or any Subsidiary is a party or by which any property or asset of the Company or any Subsidiary is bound or affected; or (iii) subject to the Required Approvals, conflict with or result in a violation of any law, rule, regulation, order, judgment, injunction, decree or other restriction of any court or governmental authority to which the Company or a Subsidiary is subject (including federal and state securities laws and regulations), or by which any property or asset of the Company or any Subsidiary is bound or affected; except in the case of each of clauses (ii) and (iii), such as could not have or reasonably be expected to result in a Material Adverse Effect.

(e) Filings, Consents and Approvals. The Company is not required to obtain any consent, waiver, authorization or order of, give any notice to, or make any filing or registration with, any court or other federal, state, local or other governmental authority or other Person in connection with the execution, delivery and performance by the Company of the Transaction Documents, other than: (i) the notice and/or application(s) to each applicable Trading Market, if any, for the issuance and sale of the Offering Shares and the Warrants; and (ii) the filing of a Form D with the Commission and such filings as are required to be made under applicable state securities laws (collectively, the "Required Approvals");

(f) Issuance of the Securities. The Offering Shares and the Warrants are duly authorized and, when issued and paid for in accordance with the applicable Transaction Documents, will be duly and validly issued, fully paid and, if and as applicable, nonassessable, free and clear of all Liens. The Warrant Shares, when and to the extent issued and sold in exchange for payment in full to the Company of all consideration required therefor as applicable, will be validly issued, fully paid and, if and as applicable, nonassessable, free and clear of all Liens.

(g) Reservation of Authorized Shares. The Company has reserved on the date hereof from its duly authorized and unissued shares of Common Stock a number of shares of Common Stock constituting Warrant Shares. So long as the Warrant remains outstanding, the Company shall take all action necessary to reserve and keep available out of its authorized and unissued Common Stock, solely for the purpose of effecting the exercise of the Warrant, the number of shares of Common Stock specified above in this Section 3.1(g) as shall from time to time be necessary to effect the exercise of all Warrant Shares pursuant to the terms of the Warrant. If at any time while the Warrant remains outstanding the Company does not have a sufficient number of authorized and unreserved shares of Common Stock to satisfy its obligation to reserve for issuance upon exercise of the Warrant at least a number of shares of Common Stock equal to the Warrant Shares (an "Authorized Share Failure"), then the Company shall immediately take all action necessary to increase the Company's authorized shares of Common Stock to an amount sufficient to allow the Company to reserve the Warrant Shares. Without limiting the generality of the foregoing sentence, as soon as practicable after the date of the occurrence of an Authorized Share Failure, but in no event later than sixty (60) days after the occurrence of such Authorized Share Failure, the Company shall either (x) obtain the written consent of its stockholders for the approval of an increase in the number of authorized shares of Common Stock and provide each stockholder with an information statement with respect thereto or (y) hold a meeting of its stockholders for the approval of an increase in the number of authorized shares of Common Stock. In connection with such meeting, the Company shall provide each stockholder with a proxy statement and shall use its reasonable best efforts to solicit its stockholders' approval of such increase in authorized shares of Common Stock and to cause its Board of Directors to recommend to the stockholders that they approve such proposal. If, upon any exercise of the Warrant, the Company does not have sufficient authorized shares to deliver in satisfaction of such exercise, then unless the Holder elects to rescind such attempted exercise, the Holder may require the Company to pay to the Holder within three (3) Trading Days of the applicable attempted exercise, cash in an amount equal to the product of (i) the number of Warrant Shares that the Company is unable to deliver pursuant to the terms of the Warrant, and (ii) the highest trading price of the Common Stock in effect at any time during the period beginning on the applicable Exercise Date and ending on the date the Company makes the payment provided for in this sentence.

(h) Capitalization. The capitalization of the Company is as set forth on Schedule 3.1(h), which Schedule 3.1(h) shall also include the number of shares of Common Stock owned beneficially, and of record, by Affiliates of the Company as of the date hereof. Except as set forth on Schedule 3.1(h), the Company has not issued any capital stock since its most recently filed periodic report under the Exchange Act, other than pursuant to the exercise of employee stock options under the Company's stock option plans, the issuance of shares of Common Stock to employees pursuant to the Company's employee stock purchase plans and pursuant to the conversion and/or exercise of Common Stock Equivalents outstanding as of the date of the most recently filed periodic report under the Exchange Act. Other than as disclosed on Schedule 3.1(h), no Person has any right of first refusal, preemptive right, right of participation or any similar right to participate in the transactions contemplated by the Transaction Documents. Except as a result of the purchase and sale of the Securities or as disclosed in the SEC Reports, there are no outstanding options, warrants, scrip rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities, rights or obligations convertible into or exercisable or exchangeable for, or giving any Person any right to subscribe for or acquire, any shares of Common Stock, or contracts, commitments, understandings or arrangements by which the Company or any Subsidiary is or may become bound to issue additional shares of Common Stock or Common Stock Equivalents. Other than as disclosed on Schedule 3.1(h), the issuance and sale of the Securities will not obligate the Company to issue shares of Common Stock or other securities to any Person (other than the Purchaser) and will not result in a right of any holder of Company securities to adjust the exercise, conversion, exchange or reset price under any of such securities. All of the outstanding shares of capital stock and other securities of the Company are duly authorized, validly issued, fully paid and nonassessable, have been issued in material compliance with all federal and state securities laws, and none of such outstanding shares was issued in violation of any preemptive rights or similar rights to subscribe for or purchase securities. Other than the Required Approvals, no further approval or authorization of any stockholder, the Board of Directors or others is required for the issuance and sale of the Securities. Except as set forth on Schedule 3.1(h) and the Company's certificate of incorporation, there are no stockholders agreements, voting agreements or other similar agreements with respect to the Company's capital stock to which the Company is a party or, to the knowledge of the Company, between or among any of the Company's stockholders.

(i) Financial Statements. The Company's SEC Reports (as defined below) contain (1) the audited consolidated balance sheets of the Company as of December 31, 2014 and 2013, and the related consolidated statements of operations, statements of changes in stockholders' equity (deficiency), and statements of cash flows for the years then ended and (2) unaudited condensed consolidated balance sheet as of September 30, 2015 and the consolidated statements of operations and cash flows for the nine months ended September 30, 2015 and 2014 and the consolidated statements of operations for the three months ended September 30, 2015 and 2014 (collectively, the "Financial Statements"). The Company Financial Statements have been prepared in accordance with generally accepted accounting principles of the United States ("GAAP") applied on a consistent basis throughout the periods covered thereby, fairly present the financial condition, results of operations and cash flows of the Company and its Subsidiary as of the respective dates thereof and for the periods referred to therein and are consistent with the books and records of the Company and its Subsidiary, except as may be otherwise specified in such financial statements or the notes thereto and except that the Financial Statements may not contain all footnotes required by GAAP and normal year-end adjustments.

(j) Material Changes; Undisclosed Events, Liabilities or Developments. Since the date of the latest audited financial statements, (i) there has been no event, occurrence or development that has had or that could reasonably be expected to result in a Material Adverse Effect; (ii) the Company has not incurred any material liabilities (contingent or otherwise) other than (A) trade payables and accrued expenses incurred in the ordinary course of business consistent with past practice and (B) liabilities not required to be reflected in the Company's financial statements pursuant to GAAP; (iii) the Company has not altered its method of accounting; (iv) the Company has not declared or made any dividend or distribution of cash or other property to its stockholders or purchased, redeemed or made any agreements to purchase or redeem any shares of its capital stock; (v) the Company has not issued any equity securities to any officer, director or Affiliate, except pursuant to existing Company stock option plans; and (vi) except for the issuance of the Securities contemplated by this Agreement, no event, liability, fact, circumstance, occurrence or development has occurred or exists or is reasonably expected to occur or exist with respect to the Company or its Subsidiary or their respective businesses, properties, operations, assets or financial condition, that would be required to be disclosed by the Company under the Exchange Act in accordance with Section 13(a) or Section 15(d) of the Exchange Act.

(k) Litigation. There is no action, suit, inquiry, notice of violation, proceeding or investigation pending or, to the knowledge of the Company, threatened against or affecting the Company, any Subsidiary or any of their respective properties before or by any court, arbitrator, governmental or administrative agency or regulatory authority (federal, state, county, local or foreign) (collectively, an "Action") which (i) adversely affects or challenges the legality, validity or enforceability of any of the Transaction Documents or the Securities or (ii) could, if there were an unfavorable decision, have or reasonably be expected to result in a Material Adverse Effect. Neither the Company nor any Subsidiary, nor any director or officer thereof, is or has been the subject of any Action involving a claim of violation of or liability under federal or state securities laws or a claim of breach of fiduciary duty. There has not been, and to the knowledge of the Company, there is not pending or contemplated, any investigation by the Commission or any state securities administrator involving the Company or any current or former director or officer of the Company. The Company has not issued any stop order or other order suspending the effectiveness of any registration statement filed by the Company or any Subsidiary under the Exchange Act or the Securities Act.

(l) Labor Relations. No labor dispute exists or, to the knowledge of the Company, is imminent with respect to any of the employees of the Company or its Subsidiary that would reasonably be expected to result in a Material Adverse Effect. None of the Company's or its Subsidiary's employees is a member of a union that relates to such employee's relationship with the Company or such Subsidiary, and neither the Company nor its Subsidiary is a party to a collective bargaining agreement, and the Company and its Subsidiary believe that their relationships with their employees are good. To the knowledge of the Company, no employee of the Company or its Subsidiary, is, or is now expected to be, in violation of any material term of any employment contract, confidentiality, disclosure or proprietary information agreement or non-competition agreement, or any other contract or agreement or any restrictive covenant in favor of any third party, and the continued employment of each employee does not subject the Company or its Subsidiary to any liability with respect to any of the foregoing matters. The Company and its Subsidiary are in compliance with all United States federal, state, local and foreign laws and regulations relating to employment and employment practices, terms and conditions of employment and wages and hours, except where the failure to be in compliance would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(m) Compliance. Neither the Company nor any Subsidiary: (i) is in default under or in violation of (and no event has occurred that has not been waived that, with notice or lapse of time or both, would result in a default by the Company or any Subsidiary under), nor has the Company or any Subsidiary received notice of a claim that it is in default under or that it is in violation of, any indenture, loan or credit agreement or any other agreement or instrument to which it is a party or by which it or any of its properties is bound (whether or not such default or violation has been waived); (ii) is in violation of any judgment, decree or order of any court, arbitrator or other governmental authority or (iii) is or has been in violation of any statute, rule, ordinance or regulation of any governmental authority, including without limitation all foreign, federal, state and local laws relating to taxes, environmental protection, occupational health and safety, product quality and safety, and employment and labor matters, except in each case as could not have or reasonably be expected to result in a Material Adverse Effect.

(n) Regulatory Permits. The Company and the Subsidiary each possess all certificates, authorizations and permits issued by the appropriate federal, state, local or foreign regulatory authorities necessary to conduct their respective businesses as presently conducted, except where the failure to possess such permits could not reasonably be expected to result in a Material Adverse Effect ("Material Permits"), and neither the Company nor any Subsidiary has received any notice of proceedings relating to the revocation or modification of any Material Permit.

(o) Title to Assets. The Company and the Subsidiary have good and marketable title in fee simple to all real property owned by them and good and marketable title in all personal property owned by them that is material to the business of the Company and the Subsidiary, in each case free and clear of all Liens, except for (i) Liens as do not materially affect the value of such property and do not materially interfere with the use made and proposed to be made of such property by the Company and the Subsidiary and (ii) Liens for the payment of federal, state or other taxes, the payment of which is neither delinquent nor subject to penalties. Any real property and facilities held under lease by the Company and the Subsidiary are held by them under valid, subsisting and enforceable leases with which the Company and the Subsidiary are in compliance, except where the failure to be in compliance would not reasonably be expected to have a Material Adverse Effect.

(p) Intellectual Property. Except as set forth in the SEC Reports, the Company and the Subsidiary have, or have rights to use, all patents, patent applications, trademarks, trademark applications, service marks, trade names, trade secrets, inventions, copyrights, licenses, know-how, and other similar intellectual property rights that are used in and necessary for the conduct of their respective businesses as currently conducted as described in the SEC Reports and which the failure to so have would reasonably be expected to have a Material Adverse Effect (collectively, the "Intellectual Property Rights"). Neither the Company nor any Subsidiary has received notice (written or otherwise) that the conduct of its business as currently conducted as described in the SEC Reports violates or infringes upon the intellectual property rights of others, except for such conflicts or infringements that, individually or in the aggregate, are not reasonably likely to result in a Material Adverse Effect. To the knowledge of the Company, all of the Intellectual Property Rights of the Company and its Subsidiary are enforceable. The Company and its Subsidiary have taken reasonable security measures to protect the secrecy and confidentiality of all of their Intellectual Property Rights, except where failure to do so would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(q) Insurance. The Company and the Subsidiary are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the businesses in which the Company and the Subsidiary are engaged, including, but not limited to, directors and officers insurance coverage at least equal to the aggregate Subscription Amount. Neither the Company nor any Subsidiary has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business without a significant increase in cost.

(r) Transactions With Affiliates and Employees. Except as set forth in the SEC Reports, none of the officers or directors of the Company or any Subsidiary and, to the knowledge of the Company, none of the employees of the Company or any Subsidiary is presently a party to any transaction with the Company or any Subsidiary (other than for services as employees, officers and directors), including any contract, agreement or other arrangement providing for the furnishing of services to or by, providing for rental of real or personal property to or from, providing for the borrowing of money from or lending of money to or otherwise requiring payments to any officer, director or such employee or, to the knowledge of the Company, any entity in which any officer, director, or any such employee has a substantial interest or is an officer, director, trustee, stockholder, member or partner, other than for (i) payment of salary or consulting fees for services rendered in excess of $120,000 in any 12-month period, (ii) reimbursement for expenses incurred on behalf of the Company or its Subsidiary, and (iii) other employee benefits, including stock option agreements granted under any stock option plan of the Company.

(s) Sarbanes-Oxley; Internal Accounting Controls. The Company is in compliance with any and all applicable requirements of the Sarbanes-Oxley Act of 2002 that are effective as of the date hereof, and any and all applicable rules and regulations promulgated by the Commission thereunder that are effective as of the date hereof and as of the Closing Date, except where the failure to be in compliance would not have a Material Adverse Effect. The Company and the Subsidiary maintain a system of internal accounting controls sufficient to provide reasonable assurance that: (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset accountability, (iii) access to assets is permitted only in accordance with management's general or specific authorization, and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. The Company has established disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Company and designed such disclosure controls and procedures to ensure that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Commission's rules and forms. The Company's certifying officers have evaluated the effectiveness of the Company's disclosure controls and procedures as of the end of the period covered by the most recently filed periodic report under the Exchange Act (such date, the "Evaluation Date"). The Company presented in its most recently filed periodic report under the Exchange Act the conclusions of the certifying officers about the effectiveness of the disclosure controls and procedures based on their evaluations as of the Evaluation Date. Since the Evaluation Date, there have been no changes in the Company's internal control over financial reporting (as such term is defined in the Exchange Act) that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

(t) Listing and Maintenance Requirements. The Common Stock is registered pursuant to Section 12(b) or 12(g) of the Exchange Act, and the Company has taken no action designed to terminate, or that, to its knowledge, is likely to have the effect of terminating, the registration of the Common Stock under the Exchange Act, nor has the Company received any notification that the Commission is contemplating terminating such registration. Except as set forth in SEC Reports, the Company has not, in the 12 months preceding the date hereof, received notice from any Trading Market on which the Common Stock is or has been listed or quoted to the effect that the Company is not in compliance with the listing or maintenance requirements of such Trading Market. The Company is, and has no reason to believe that it will not in the foreseeable future continue to be, in compliance with all such listing and maintenance requirements.

(u) No General Solicitation. Neither the Company nor any person acting on behalf of the Company has offered or sold any of the Securities by any form of general solicitation or general advertising. The Company has offered the Securities for sale only to the Purchasers and certain other "accredited investors" within the meaning of Rule 501 under the Securities Act.

(v) Disclosure. Except with respect to the material terms and conditions of the transactions contemplated by the Transaction Documents, the Company confirms that neither it nor any other Person acting on its behalf has provided the Purchaser or its agents or counsel with any information that it believes constitutes material, non-public information that is not otherwise disclosed in the SEC Reports. The Company understands and confirms that the Purchaser will rely on the foregoing representation in effecting transactions in the Securities. The press releases disseminated by the Company during the twelve months preceding the date of this Agreement, each as of the date of its issuance, did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made and when made, not misleading. The Company acknowledges and agrees that the Purchaser does not make and has not made any representations or warranties with respect to the transactions contemplated hereby, other than those specifically set forth in Section 3.2 hereof.

(w) No Integrated Offering. Assuming the accuracy of the Purchaser's representations and warranties set forth in Section 3.2, neither the Company nor any of its Affiliates, nor any Person acting on its or their behalves, has, directly or indirectly, made any offers or sales of any security or solicited any offers to buy any security under circumstances that would cause this offering of the Securities to be integrated with prior offerings by the Company for purposes of any applicable shareholder approval provisions of any Trading Market on which any of the securities of the Company are listed or designated.

(x) Certain Fees. No brokerage, finder's fees, commissions or due diligence fees are or will be payable by the Company or any Subsidiary to any broker, financial advisor or consultant, finder, placement agent, investment banker, bank or other Person with respect to the transactions contemplated by the Transaction Documents. The Purchasers shall have no obligation with respect to any fees or with respect to any claims made by or on behalf of other Persons for fees of a type contemplated in this Section 3.1(n) that may be due in connection with the transactions contemplated by the Transaction Documents.

(y) Solvency. The Company does not intend to incur debts beyond its ability to pay such debts as they mature (taking into account the timing and amounts of cash to be payable on or in respect of its debt). The Company has no knowledge of any facts or circumstances that would lead it to believe that it will file for reorganization or liquidation under the bankruptcy or reorganization laws of any jurisdiction within one year from the Closing Date. The SEC Reports set forth, as of the date hereof, all outstanding secured and unsecured Indebtedness of the Company or any Subsidiary, or for which the Company or any Subsidiary has commitments. For the purposes of this Agreement, "Indebtedness" means (x) any liabilities for borrowed money or amounts owed in excess of $50,000 (other than trade accounts payable incurred in the ordinary course of business), (y) all guaranties, endorsements and other contingent obligations in respect of indebtedness of others, whether or not the same are or should be reflected in the Company's consolidated balance sheet (or the notes thereto), except guaranties by endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of business; and (z) the present value of any lease payments in excess of $50,000 due under leases required to be capitalized in accordance with GAAP. Neither the Company nor any Subsidiary is in default with respect to any Indebtedness.

(z) Tax Status. Except for matters that would not, individually or in the aggregate, have or reasonably be expected to result in a Material Adverse Effect, the Company and its Subsidiary each (i) has made or filed all United States federal, state and local income and all foreign income and franchise tax returns, reports and declarations required by any jurisdiction to which it is subject, (ii) has paid all taxes and other governmental assessments and charges that are material in amount shown or determined to be due on such returns, reports and declarations and (iii) has set aside on its books provision reasonably adequate for the payment of all material taxes for periods subsequent to the periods to which such returns, reports or declarations apply. There are no unpaid taxes in any material amount claimed to be due by the taxing authority of any jurisdiction, and the officers of the Company or of any Subsidiary know of no basis for any such claim.

(aa) Foreign Corrupt Practices. Neither the Company nor any Subsidiary, nor to the knowledge of the Company or any Subsidiary, any agent or other person acting on behalf of the Company or any Subsidiary, has (i) directly or indirectly, used any funds for unlawful contributions, gifts, entertainment or other unlawful expenses related to foreign or domestic political activity, (ii) made any unlawful payment to foreign or domestic government officials or employees or to any foreign or domestic political parties or campaigns from corporate funds, (iii) failed to disclose fully any contribution made by the Company or any Subsidiary (or made by any person acting on its behalf of which the Company is aware) that is in violation of law, or (iv) violated, in any material respect, any provision of FCPA.

(bb) Acknowledgement Regarding Purchaser's Trading Activity. Anything in this Agreement or elsewhere herein to the contrary notwithstanding, it is understood and acknowledged by the Company that: (i) the Purchaser has not been asked by the Company to agree, nor has the Purchaser agreed, to desist from purchasing or selling, long and/or short, securities of the Company, or "derivative" securities based on securities issued by the Company or to hold the Securities for any specified term; (ii) past or future open market or other transactions by the Purchaser, specifically including, without limitation, Short Sales or "derivative" transactions, before or after the closing of this or future private placement transactions, may negatively impact the market price of the Company's publicly-traded securities; (iii) the Purchaser, and counter-parties in "derivative" transactions to which the Purchaser is a party, directly or indirectly, presently may have a "short" position in the Common Stock, and (iv) the Purchaser shall not be deemed to have any affiliation with or control over any arm's length counter-party in any "derivative" transaction. The Company further understands and acknowledges that (y) the Purchaser may engage in hedging activities at various times during the period that the Securities are outstanding, including, without limitation, during the periods that the value of the Warrant Shares deliverable with respect to Securities are being determined, and (z) such hedging activities (if any) could reduce the value of the existing stockholders' equity interests in the Company at and after the time that the hedging activities are being conducted. The Company acknowledges that such aforementioned hedging activities do not constitute a breach of any of the Transaction Documents.

(cc) Regulation M Compliance. The Company has not, and to its knowledge no one acting on its behalf has, (i) taken, directly or indirectly, any action designed to cause or to result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of any of the Securities, (ii) sold, bid for, or purchased, or paid any compensation for soliciting purchases of, any of the Securities, or (iii) paid or agreed to pay to any Person any compensation for soliciting another Person to purchase any other securities of the Company, other than, in the case of clauses (ii) and (iii), compensation paid to the Company's placement agent in connection with the placement of the Securities.

(dd) Office of Foreign Assets Control. Neither the Company nor any Subsidiary nor, to the Company's knowledge, any director, officer, agent, employee or affiliate of the Company or any Subsidiary is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("OFAC").

(ee) Money Laundering. The operations of the Company and its Subsidiary are and have been conducted at all times in compliance with applicable financial record-keeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, applicable money laundering statutes and applicable rules and regulations thereunder (collectively, the "Money Laundering Laws"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any Subsidiary with respect to the Money Laundering Laws is pending or, to the knowledge of the Company or any Subsidiary, threatened.

(ff) Investment Company. The Company is not, and is not an Affiliate of, and immediately after receipt of payment for the Securities, will not be or be an Affiliate of, an ""investment company" within the meaning of the Investment Company Act of 1940, as amended. The Company shall conduct its business in a manner so that it will not become an "investment company" subject to registration under the Investment Company Act of 1940, as amended.

(gg) Private Placement. Assuming the accuracy of the Purchasers' representations and warranties set forth in Section 3.2, no registration under the Securities Act is required for the offer and sale of the Securities by the Company to the Purchasers as contemplated hereby.

(hh) Disclosure. Except with respect to the material terms and conditions of the transactions contemplated by the Transaction Documents, the Company confirms that neither it nor any other Person acting on its behalf has provided the Purchaser or its agents or counsel with any information that it believes constitutes or might constitute material, non-public information which will not be publicly disclosed within 210 days of the Closing Date. The Company understands and confirms that the Purchasers will rely on the foregoing representation in effecting transactions in securities of the Company. All of the disclosure furnished by or on behalf of the Company to the Purchaser regarding the Company and its Subsidiary, their respective businesses and the transactions contemplated hereby, when taken together as a whole, is true and correct and does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. The Company acknowledges and agrees that no Purchaser makes or has made any representations or warranties with respect to the transactions contemplated hereby other than those specifically set forth in Section 3.2 hereof.

(ii) No Integrated Offering. Assuming the accuracy of the Purchasers' representations and warranties set forth in Section 3.2, neither the Company, nor any of its Affiliates, nor any Person acting on its or their behalf has, directly or indirectly, made any offers or sales of any security or solicited any offers to buy any security, under circumstances that would cause this offering of the Securities to be integrated with prior offerings by the Company for purposes of the Securities Act which would require the registration of any such securities under the Securities Act.

(jj) Acknowledgment Regarding Purchasers' Purchase of Securities. The Company acknowledges and agrees that the Purchaser is acting solely in the capacity of an arm's length purchaser with respect to the Transaction Documents and the transactions contemplated thereby. The Company further acknowledges that Purchaser is not acting as a financial advisor or fiduciary of the Company (or in any similar capacity) with respect to the Transaction Documents and the transactions contemplated thereby and any advice given by the Purchaser or any of its respective representatives or agents in connection with the Transaction Documents and the transactions contemplated thereby is merely incidental to the Purchasers' purchase of the Offering Shares and the Warrants. The Company further represents to the Purchaser that the Company's decision to enter into this Agreement and the other Transaction Documents has been based solely on the independent evaluation of the transactions contemplated hereby by the Company and its representatives.

(kk) SEC Reports. The Company has filed all reports, schedules, forms, statements and other documents required to be filed by the Company under the Securities Act and the Exchange Act, including pursuant to Section 13(a) or 15(d) thereof, for the two years preceding the date hereof (or such shorter period as the Company was required by law or regulation to file such material) (the foregoing materials, including the exhibits thereto and documents incorporated by reference therein, being collectively referred to herein as the "SEC Reports") on a timely basis or has received a valid extension of such time of filing and has filed any such SEC Reports prior to the expiration of any such extension. As of their respective dates, the SEC Reports complied in all material respects with the requirements of the Securities Act and the Exchange Act, as applicable, and none of the SEC Reports, when filed, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The Company has never been an issuer subject to Rule 144(i) under the Securities Act. The financial statements of the Company included in the SEC Reports comply in all material respects with applicable accounting requirements and the rules and regulations of the Commission with respect thereto as in effect at the time of filing. Such financial statements have been prepared in accordance with GAAP applied on a consistent basis during the periods involved, except as may be otherwise specified in such financial statements or the notes thereto and except that unaudited financial statements may not contain all footnotes required by GAAP, and fairly present in all material respects the financial position of the Company and its consolidated Subsidiary as of and for the dates thereof and the results of operations and cash flows for the periods then ended, subject, in the case of unaudited statements, to normal, immaterial, year-end audit adjustments.

3.2 Representations and Warranties of the Purchaser. The Purchaser hereby represents and warrants as of the date hereof and as of the Closing Date on which the Purchaser is purchasing the Offering Shares and the Warrants hereunder to the Company as follows (unless as of a specific date therein):

(a) Organization; Authority. Such Purchaser is an entity duly incorporated or formed, validly existing and in good standing under the laws of the jurisdiction of its incorporation or formation with full right, corporate, partnership, limited liability company or similar power and authority to enter into and to consummate the transactions contemplated by the Transaction Documents and otherwise to carry out its obligations hereunder and thereunder. The execution and delivery of the Transaction Documents and performance by such Purchaser of the transactions contemplated by the Transaction Documents have been duly authorized by all necessary corporate, partnership, limited liability company or similar action, as applicable, on the part of such Purchaser. Each Transaction Document to which it is a party has been duly executed by such Purchaser, and when delivered by such Purchaser in accordance with the terms hereof, will constitute the valid and legally binding obligation of such Purchaser, enforceable against it in accordance with its terms, except: (i) as limited by general equitable principles and applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally; (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies and (iii) insofar as indemnification and contribution provisions may be limited by applicable law.

(b) Understandings or Arrangements. Such Purchaser understands that the Offering Shares and the Warrants are "restricted securities" and have not been registered under the Securities Act or any applicable state securities law and is acquiring the Offering Shares and the Warrants as principal for its own account and not with a view to or for distributing or reselling such Securities or any part thereof in violation of the Securities Act or any applicable state securities law, has no present intention of distributing any of such Offering Securities in violation of the Securities Act or any applicable state securities law and has no direct or indirect arrangements or understandings with any other persons to distribute or regarding the distribution of such Securities in violation of the Securities Act or any applicable state securities law (this representation and warranty not limiting such Purchaser's right to sell the Offering Securities in compliance with applicable federal and state securities laws). Such Purchaser is acquiring the Offering Shares and the Warrants hereunder in the ordinary course of its business.

(c) Purchaser Status. At the time such Purchaser was offered the Offering Shares and the Warrants, it was, and as of the date hereof it is, either: (i) an "accredited investor" as defined in Rule 501(a) under the Securities Act or (ii) a "qualified institutional buyer" as defined in Rule 144A(a) under the Securities Act. Such Purchaser is not required to be registered as a broker-dealer under Section 15 of the Exchange Act.

(d) Experience of Such Purchaser. Such Purchaser, either alone or together with its representatives, has such knowledge, sophistication and experience in business and financial matters so as to be capable of evaluating the merits and risks of the prospective investment in the Securities, and has so evaluated the merits and risks of such investment. Such Purchaser is able to bear the economic risk of an investment in the Offering Shares and the Warrants and, at the present time, is able to afford a complete loss of such investment.

(e) Opportunities for Additional Information. The Purchaser acknowledges that it has had the opportunity to ask questions of and receive answers from, or obtain additional information from, the executive officers of the Company concerning the financial and other affairs of the Company, and to the extent deemed necessary in light of such Purchaser's personal knowledge of the Company's affairs, such Purchaser has asked such questions and received answers to the full satisfaction of such Purchaser, and such Purchaser desires to invest in the Company. Neither such inquiries nor any other investigation conducted by or on behalf of such Purchaser or its representatives or counsel shall modify, amend or affect such Purchaser's right to rely on the truth, accuracy and completeness of the Company's representations and warranties contained in the Transaction Documents.

(f) No General Solicitation. The Purchaser acknowledges that the Offering Shares and the Warrants were not offered to such Purchaser by means of any form of general or public solicitation or general advertising, or publicly disseminated advertisements or sales literature, including (i) any advertisement, article, notice or other communication published in any newspaper, magazine, or similar media, or broadcast over television or radio or (ii) any seminar or meeting to which such Purchaser was invited by any of the foregoing means of communications.

The Company acknowledges and agrees that the representations contained in this Section 3.2 shall not modify, amend or affect such Purchaser's right to rely on the Company's representations and warranties contained in this Agreement or any representations and warranties contained in any other Transaction Document or any other document or instrument executed and/or delivered in connection with this Agreement or the consummation of the transaction contemplated hereby.

ARTICLE IV.
OTHER AGREEMENTS OF THE PARTIES

4.1 Integration. The Company shall not sell, offer for sale or solicit offers to buy or otherwise negotiate in respect of any security (as defined in Section 2 of the Securities Act) that would be integrated with the offer or sale of the Securities for purposes of the rules and regulations of any Trading Market such that it would require shareholder approval prior to the closing of such other transaction unless shareholder approval is obtained before the closing of such subsequent transaction.

4.2 Securities Laws Disclosure; Publicity. The Company shall (a) by 9:30 a.m. (New York City time) on the Trading Day immediately following the date hereof, issue a press release disclosing the material terms of the transactions contemplated hereby, and (b) file a Current Report on Form 8-K with the Commission within the time required by the Exchange Act. From and after the issuance of such press release, the Company shall have publicly disclosed all material, non-public information delivered to the Purchasers by the Company or its Subsidiary, or any of their respective officers, directors, employees or agents in connection with the transactions contemplated by the Transaction Documents.

4.3 Shareholder Rights Plan. No claim will be made or enforced by the Company or, with the consent of the Company, any other Person, that the Purchasers is an "Acquiring Person" under any control share acquisition, business combination, poison pill (including any distribution under a rights agreement) or similar anti-takeover plan or arrangement in effect or hereafter adopted by the Company, or that the Purchaser could be deemed to trigger the provisions of any such plan or arrangement, by virtue of receiving Securities under the Transaction Documents.

4.4 Transfer Restrictions.

(a) The Securities may only be disposed of in compliance with state and federal securities laws. In connection with any transfer of Securities other than pursuant to an effective registration statement or Rule 144, to the Company or to an Affiliate of the Purchaser or in connection with a pledge as contemplated in Section 4.1(b), the Company may require the transferor thereof to provide to the Company an opinion of counsel selected by the transferor and reasonably acceptable to the Company, the form and substance of which opinion shall be reasonably satisfactory to the Company, to the effect that such transfer does not require registration of such transferred Securities under the Securities Act. As a condition of transfer, any such transferee shall agree in writing to be bound by the terms of this Agreement shall have the rights and obligations of the Purchaser under this Agreement.

(b) The Purchaser agrees to the imprinting, so long as is required by this Section 4.1, of a legend on any of the Securities in the following form:

[NEITHER] THIS SECURITY [NOR THE SECURITIES FOR WHICH THIS SECURITY IS EXERCISABLE] [HAS NOT] [HAVE] BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL TO THE TRANSFEROR TO SUCH EFFECT, THE SUBSTANCE OF WHICH SHALL BE REASONABLY ACCEPTABLE TO THE COMPANY. THIS SECURITY [AND THE SECURITIES ISSUABLE UPON EXERCISE OF THIS SECURITY] MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT WITH A REGISTERED BROKER-DEALER OR OTHER LOAN WITH A FINANCIAL INSTITUTION THAT IS AN "ACCREDITED INVESTOR" AS DEFINED IN RULE 501(a) UNDER THE SECURITIES ACT OR OTHER LOAN SECURED BY SUCH SECURITIES.

(c) The Company acknowledges and agrees that the Purchaser may from time to time pledge pursuant to a bona fide margin agreement with a registered broker-dealer or grant a security interest in some or all of the Securities to a financial institution that is an "accredited investor" as defined in Rule 501(a) under the Securities Act and who agrees to be bound by the provisions of this Agreement and, if required under the terms of such arrangement, such Purchaser may transfer, pledge or secure Securities to the pledgees or secured parties. Such a pledge or transfer would not be subject to approval of the Company and no legal opinion of legal counsel of the pledgee, secured party or pledgor shall be required in connection therewith. Further, no notice shall be required of such pledge. At the Purchaser's expense, the Company will execute and deliver such reasonable documentation as a pledgee or secured party of the Securities may reasonably request in connection with a pledge or transfer of the Securities.

4.5 Reserved.

4.6 Acknowledgment of Dilution. The Company acknowledges that the issuance of the Securities may result in dilution of the outstanding shares of Common Stock, which dilution may be substantial under certain market conditions. The Company further acknowledges that its obligations under the Transaction Documents are unconditional and absolute and not subject to any right of set off, counterclaim, delay or reduction, regardless of the effect of any such dilution or any claim the Company may have against the Purchaser and regardless of the dilutive effect that such issuance may have on the ownership of the other stockholders of the Company.

4.7 Use of Proceeds. The Company shall use the proceeds from the sale of the Securities hereunder as described in the Development Agreement and shall not use such proceeds in violation of FCPA or OFAC regulations.

4.8 Indemnification of Purchaser. Subject to the provisions of this Section 4.8, the Company will indemnify and hold the Purchaser and its directors, officers, shareholders, members, partners, employees and agents (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title), each Person who controls such Purchaser (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, shareholders, agents, members, partners or employees (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title) of such controlling persons (each, a "Purchaser Party") harmless from any and all losses, liabilities, obligations, claims, contingencies, damages, costs and expenses, including all judgments, amounts paid in settlements, court costs and reasonable attorneys' fees and costs of investigation that any such Purchaser Party may suffer or incur as a result of or relating to (a) any breach of any of the representations, warranties, covenants or agreements made by the Company in this Agreement or in the other Transaction Documents or (b) any action instituted against Purchaser Parties in any capacity, or any of them or their respective Affiliates, by any stockholder of the Company who is not an Affiliate of such Purchaser Party, with respect to any of the transactions contemplated by the Transaction Documents (unless such action is based upon a breach of such Purchaser Party's representations, warranties or covenants under the Transaction Documents or any agreements or understandings such Purchaser Party may have with any such stockholder or any violations by such Purchaser Party of state or federal securities laws or any conduct by such Purchaser Party which constitutes fraud, gross negligence, willful misconduct or malfeasance). If any action shall be brought against the Purchaser Party in respect of which indemnity may be sought pursuant to this Agreement, such Purchaser Party shall promptly notify the Company in writing, and the Company shall have the right to assume the defense thereof with counsel of its own choosing reasonably acceptable to the Purchaser Party. The Purchaser Party shall have the right to employ separate counsel in any such action and participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Purchaser Party except to the extent that (i) the employment thereof has been specifically authorized by the Company in writing, (ii) the Company has failed after a reasonable period of time to assume such defense and to employ counsel or (iii) in such action there is, in the reasonable opinion of counsel, a material conflict on any material issue between the position of the Company and the position of such Purchaser Party, in which case the Company shall be responsible for the reasonable fees and expenses of no more than one such separate counsel. The Company will not be liable to the Purchaser Party under this Agreement (y) for any settlement by a Purchaser Party effected without the Company's prior written consent, which shall not be unreasonably withheld or delayed; or (z) to the extent, but only to the extent that a loss, claim, damage or liability is attributable to the Purchaser Party's breach of its representations, warranties or covenants under the Transaction Documents or any agreements or understandings such Purchaser Party may have with any such stockholder or any violations by such Purchaser Party of state or federal securities laws or any conduct by such Purchaser Party which constitutes fraud, gross negligence, willful misconduct or malfeasance. The indemnification required by this Section 4.8 shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received or are incurred. The indemnity agreements contained herein shall be in addition to any cause of action or similar right of the Purchaser Party against the Company or others and any liabilities the Company may be subject to pursuant to law.

4.9 Appointment of Director. The Company shall cause one individual named by the Purchaser to be appointed to the Board of Directors of the Company.

4.10 Form D; Blue Sky Filings. The Company agrees to timely file a Form D with respect to the Securities as required under Regulation D. The Company shall take such action as the Company shall reasonably determine is necessary in order to obtain an exemption for, or to qualify the Offering Shares and the Warrants for, sale to the Purchasers at each Closing under applicable securities or "Blue Sky" laws of the states of the United States, and shall provide evidence of such actions promptly upon request of the Purchaser.

4.11 Account Maintenance. The Company agrees to provide the Purchaser with access to view the Company bank account into which $1,500,000 of the Subscription Amount is being deposited at Closing on a daily basis and for so long as the Company provides development services pursuant to the terms of the Development Agreement.

ARTICLE V. MISCELLANEOUS

5.1 Fees and Expenses. Except as expressly set forth in the Transaction Documents to the contrary, each party shall pay the fees and expenses of its advisers, counsel, accountants and other experts, if any, and all other expenses incurred by such party incident to the negotiation, preparation, execution, delivery and performance of this Agreement. The Company shall pay all Transfer Agent fees, stamp taxes and other taxes and duties levied in connection with the delivery of any Securities to the Purchaser.

5.2 Entire Agreement. The Transaction Documents, together with the exhibits and schedules thereto, contain the entire understanding of the parties with respect to the subject matter hereof and thereof and supersede all prior agreements and understandings, oral or written, with respect to such matters, which the parties acknowledge have been merged into such documents, exhibits and schedules.

5.3 Notices. Any and all notices or other communications or deliveries required or permitted to be provided hereunder shall be in writing and shall be deemed given and effective on the earliest of: (a) the date of transmission, if such notice or communication is delivered via facsimile at the facsimile number set forth on the signature pages attached hereto at or prior to 5:30 p.m. (New York City time) on a Trading Day, (b) the next Trading Day after the date of transmission, if such notice or communication is delivered via facsimile at the facsimile number set forth on the signature pages attached hereto on a day that is not a Trading Day or later than 5:30 p.m. (New York City time) on any Trading Day, (c) the second (2nd) Trading Day following the date of mailing, if sent by U.S. nationally recognized overnight courier service or (d) upon actual receipt by the party to whom such notice is required to be given. The address for such notices and communications shall be as set forth on the signature pages attached hereto.

5.4 Amendments; Waivers. No provision of this Agreement may be waived, modified, supplemented or amended except in a written instrument signed, in the case of an amendment, by the Company and the Purchaser, or in the case of a waiver, by the party against whom enforcement of any such waived provision is sought. No waiver of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of any party to exercise any right hereunder in any manner impair the exercise of any such right.

5.5 Headings. The headings herein are for convenience only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof.

5.6 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their successors and permitted assigns. The Company may not assign this Agreement or any rights or obligations hereunder without the prior written consent of the Purchaser (other than by merger). The Purchaser may assign any or all of its rights under this Agreement to any Person to whom the Purchaser assigns or transfers any Securities, provided that such transferee agrees in writing to be bound, with respect to the transfer of the Securities, by the provisions of the Transaction Documents that apply to the “Purchaser.”

5.7 No Third-Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto and their respective successors and permitted assigns and is not for the benefit of, nor may any provision hereof be enforced by, any other Person, except as otherwise set forth in Section 4.8.

5.8 Governing Law. The Transaction Documents will be governed by and construed under the laws of the State of Delaware, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the law of any jurisdiction other than the State of Delaware. The parties hereto (1) agree that any legal suit, action or proceeding arising out of or relating to this Agreement, the other Transaction Documents or the transactions contemplated hereby or thereby will be instituted in the federal courts of the United States of America or the courts of the State of Delaware in each case located in the City of Wilmington and New Castle County of Wilmington, Delaware, (2) waive any objection which the parties may have now or hereafter to the venue of any such suit, action or proceeding, and (3) irrevocably consent to the jurisdiction of the United States District Court for the District of Delaware in any such suit, action or proceeding. Each of the parties hereto further agrees to accept and acknowledge service of any and all process which may be served in any such suit, action or proceeding in the United States District Court for the District of Delaware and agrees that service of process upon it mailed by certified mail to its address will be deemed in every respect effective service of process upon it, in any such suit, action or proceeding. If either party shall commence an action or proceeding to enforce any provisions of the Transaction Documents, then, in addition to the obligations of the Company under Section 4.8, the prevailing party in such action, suit or proceeding shall be reimbursed by the other party for its reasonable attorneys' fees and other costs and expenses incurred with the investigation, preparation and prosecution of such action or proceeding. **THE PARTIES HERETO AGREE TO WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT OR ANY DOCUMENT OR AGREEMENT CONTEMPLATED HEREBY.**

5.9 Survival. The representations and warranties contained herein shall survive the Closing and the delivery of the Securities.

5.10 Execution. This Agreement may be executed in two or more counterparts, all of which when taken together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to each other party, it being understood that the parties need not sign the same counterpart. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof.

5.11 Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their commercially reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

5.12 Rescission and Withdrawal Right. Notwithstanding anything to the contrary contained in (and without limiting any similar provisions of) any of the other Transaction Documents, whenever the Purchaser exercises a right, election, demand or option under a Transaction Document and the Company does not timely perform its related obligations within the periods therein provided, then such Purchaser may rescind or withdraw, in its sole discretion from time to time upon written notice to the Company, any relevant notice, demand or election in whole or in part without prejudice to its future actions and rights.

5.13 Replacement of Securities. If any certificate or instrument evidencing any Securities is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation thereof (in the case of mutilation), or in lieu of and substitution therefor, a new certificate or instrument, but only upon receipt of evidence reasonably satisfactory to the Company of such loss, theft or destruction. The applicant for a new certificate or instrument under such circumstances shall also pay any reasonable third-party costs (including customary indemnity) associated with the issuance of such replacement Securities.

5.14 Remedies. In addition to being entitled to exercise all rights provided herein or granted by law, including recovery of damages, the Purchaser and the Company will be entitled to specific performance under the Transaction Documents. The parties agree that monetary damages may not be adequate compensation for any loss incurred by reason of any breach of obligations contained in the Transaction Documents and hereby agree to waive and not to assert in any action for specific performance of any such obligation the defense that a remedy at law would be adequate.

5.15 Payment Set Aside. To the extent that the Company makes a payment or payments to the Purchaser pursuant to any Transaction Document or the Purchaser enforces or exercises its rights thereunder, and such payment or payments or the proceeds of such enforcement or exercise or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside, recovered from, disgorged by or are required to be refunded, repaid or otherwise restored to the Company, a trustee, receiver or any other Person under any law (including, without limitation, any bankruptcy law, state or federal law, common law or equitable cause of action), then to the extent of any such restoration the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such enforcement or setoff had not occurred.

5.16 Saturdays, Sundays, Holidays, etc. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall not be a Business Day, then such action may be taken or such right may be exercised on the next succeeding Business Day.

5.17 Construction. The parties agree that each of them and/or their respective counsel have reviewed and had an opportunity to revise the Transaction Documents and, therefore, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of the Transaction Documents or any amendments thereto. In addition, each and every reference to share prices and shares of Common Stock in any Transaction Document shall be subject to adjustment for reverse and forward stock splits, stock dividends, stock combinations and other similar transactions of the Common Stock that occur after the date of this Agreement.

(Signature Pages Follow)

IN WITNESS WHEREOF, the parties hereto have caused this SECURITIES PURCHASE AGREEMENT to be duly executed by their respective authorized signatories as of the date first indicated above.

NXT-ID, INC.

Address for Notice:

By: ______________________________

Name:

Title:

With a copy to (which shall not constitute notice):

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK
SIGNATURE PAGE FOR PURCHASER FOLLOWS]

PURCHASER SIGNATURE PAGES TO
NXT-ID, INC. SECURITIES PURCHASE AGREEMENT

IN WITNESS WHEREOF, the undersigned have caused this SECURITIES PURCHASE AGREEMENT to be duly executed by their respective authorized signatories as of the date first indicated above.

Name of Purchaser: WorldVentures Holdings, LLC

Signature of Authorized Signatory of Purchaser: __________________________________

Name of Authorized Signatory: ____

Title of Authorized Signatory: ____

Email Address of Authorized Signatory: ____

Facsimile Number of Authorized Signatory: ____

Address for Notice to Purchaser:

Address for Delivery of Securities to Purchaser (if not same as address for notice):

Subscription Amount:

Shares of Common Stock:

Warrant to Purchase Shares of Common Stock:

EIN Number:

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (this "Agreement") is made and entered into as of December 31, 2015, between Nxt-ID, Inc., a Delaware corporation (the "Company"), and WorldVentures Holdings, LLC, a Nevada limited liability company (the "Purchaser").

This Agreement is made pursuant to the Securities Purchase Agreement, dated as of the date hereof, between the Company and the Purchaser (the "Purchase Agreement").

The Company and each Purchaser hereby agrees as follows:

1. Definitions.

Capitalized terms used and not otherwise defined herein that are defined in the Purchase Agreement shall have the meanings given such terms in the Purchase Agreement.

As used in this Agreement, the following terms shall have the following meanings:

"Advice" shall have the meaning set forth in Section 6(d).

"Closing Date" shall mean that date that is three (3) calendar days following the date of this Agreement.

"Effectiveness Date" means, with respect to the Initial Registration Statement required to be filed hereunder, the 180th calendar day following the Closing Date, and with respect to any additional Registration Statements which may be required pursuant to Section 2(c) or Section 3(c), the 180th calendar day following the date on which an additional Registration Statement is required to be filed hereunder; provided, however, that in the event the Company is notified by the Commission that one or more of the above Registration Statements will not be reviewed or is no longer subject to further review and comments, the Effectiveness Date as to such Registration Statement shall be the fifth Trading Day following the date on which the Company is so notified if such date precedes the dates otherwise required above, provided, further, if such Effectiveness Date falls on a day that is not a Trading Day, then the Effectiveness Date shall be the next succeeding Trading Day.

"Effectiveness Period" shall have the meaning set forth in Section 2(a).

"Filing Date" means, with respect to the Initial Registration Statement required hereunder, the 90th calendar day after the initial Closing Date, and, with respect to any additional Registration Statements which may be required pursuant to Section 2(c) or Section 3(c), the earliest practical date on which the Company is permitted by SEC Guidance to file such additional Registration Statement related to the Registrable Securities.

"Holder" means the holder, as the case may be, from time to time of Registrable Securities.

"Indemnified Party" shall have the meaning set forth in Section 5(c).

"Indemnifying Party" shall have the meaning set forth in Section 5(c).

"Initial Registration Statement" means the initial Registration Statement filed pursuant to this Agreement.

"Losses" shall have the meaning set forth in Section 5(a).

"Prospectus" means the prospectus included in a Registration Statement (including, without limitation, a prospectus that includes any information previously omitted from a prospectus filed as part of an effective registration statement in reliance upon Rule 430A promulgated by the Commission pursuant to the Securities Act), as amended or supplemented by any prospectus supplement, with respect to the terms of the offering of any portion of the Registrable Securities covered by a Registration Statement, and all other amendments and supplements to the Prospectus, including post-effective amendments, and all material incorporated by reference or deemed to be incorporated by reference in such Prospectus.

"Registrable Securities" means, as of any date of determination, (a) all of the shares of Common Stock issued under the Purchase Agreement; (b) all of the shares of Common stock then issued and issuable upon exercise in full of the Warrants (assuming on such date the Warrants are converted in full without regard to any exercise limitations therein), and (c) any securities issued or then issuable upon any stock split, dividend or other distribution, recapitalization or similar event with respect to the foregoing; provided, however, that any such Registrable Securities shall cease to be Registrable Securities (and the Company shall not be required to maintain the effectiveness of any, or file another, Registration Statement hereunder with respect thereto) for so long as (x) a Registration Statement with respect to the sale of such Registrable Securities is declared effective by the Commission under the Securities Act and such Registrable Securities have been disposed of by the Holder in accordance with such effective Registration Statement, (y) such Registrable Securities have been previously sold in accordance with Rule 144, or (z) such securities become eligible for resale without volume or manner-of-sale restrictions and without current public information pursuant to Rule 144 as set forth in a written opinion letter to such effect, addressed, delivered and acceptable to the Transfer Agent and the Holder (assuming that such securities and any securities issuable upon exercise, conversion or exchange of which, or as a dividend upon which, such securities were issued or are issuable, were at no time held by any Affiliate of the Company), as reasonably determined by the Company, upon the advice of counsel to the Company.

"Registration Statement" means any registration statement required to be filed hereunder pursuant to Section 2(a) and any additional registration statements contemplated by Section 2(c) or Section 3(c), including (in each case) the Prospectus, amendments and supplements to any such registration statement or Prospectus, including pre- and post-effective amendments, all exhibits thereto, and all material incorporated by reference or deemed to be incorporated by reference in any such registration statement.

"Rule 415" means Rule 415 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended or interpreted from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same purpose and effect as such Rule.

"Rule 424" means Rule 424 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended or interpreted from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same purpose and effect as such Rule.

"Selling Stockholder Questionnaire" shall have the meaning set forth in Section 3(a).

"SEC Guidance" means (i) any publicly-available written or oral guidance of the Commission staff, or any comments, requirements or requests of the Commission staff and (ii) the Securities Act.

2. Registration.

(a) Not later than the Filing Date, the Company shall file with the Commission a draft Registration Statement on Form S-1 or Form S-3, or such other form available to register for resale the Registrable Securities as a secondary offering, relating to the resale by the Holder all (or such other number as the Commission will permit) of the Registrable Securities. Subject to the terms of this Agreement, the Company shall use its best efforts to cause a Registration Statement filed under this Agreement (including, without limitation, under Section 3(c)) to be declared effective under the Securities Act as promptly as possible after the filing thereof, but in any event no later than the applicable Effectiveness Date, and shall use its best efforts to keep such Registration Statement continuously effective under the Securities Act until all Registrable Securities covered by such Registration Statement (i) have been sold, thereunder or pursuant to Rule 144, or (ii) may be sold without volume or manner-of-sale restrictions pursuant to Rule 144 and without the requirement for the Company to be in compliance with the current public information requirement under Rule 144, as determined by the counsel to the Company pursuant to a written opinion letter to such effect, addressed and acceptable to the Transfer Agent and the Holder (the "Effectiveness Period").

(b) Notwithstanding the registration obligations set forth in Section 2(a), if the Commission informs the Company that all of the Registrable Securities cannot, as a result of the application of Rule 415, be registered for resale as a secondary offering on a single registration statement, the Company agrees to promptly inform the Holder thereof and use its commercially reasonable efforts to file amendments to the Initial Registration Statement as required by the Commission, covering the maximum number of Registrable Securities permitted to be registered by the Commission, on Form S-1 or Form S-3 or such other form available to register for resale the Registrable Securities as a secondary offering, subject to the provisions of Section 2(d); with respect to filing on Form S-1 or Form S-3 or other appropriate form; provided, however, that prior to filing such amendment, the Company shall be obligated to use diligent efforts to advocate with the Commission for the registration of all of the Registrable Securities in accordance with the SEC Guidance, including without limitation, Compliance and Disclosure Interpretation 612.09.

(c) Notwithstanding any other provision of this Agreement, if the Commission or any SEC Guidance sets forth a limitation on the number of Registrable Securities permitted to be registered on a particular Registration Statement as a secondary offering (and notwithstanding that the Company used diligent efforts to advocate with the Commission for the registration of all or a greater portion of Registrable Securities), unless otherwise directed in writing by a Holder as to its Registrable Securities, the number of Registrable Securities to be registered on such Registration Statement will be reduced as follows:

a. First, the Company shall reduce or eliminate any securities to be included by any Person other than a Holder;

b. Second, the Company shall reduce Registrable Securities represented by Conversion Shares (applied, in the case that some Conversion Shares may be registered, to the Holder on a pro rata basis based on the total number of unregistered Conversion Shares held by the Holder).

In the event of a cutback hereunder, the Company shall give the Holder at least five (5) Trading Days prior written notice along with the calculations as to such Holder's allotment. In the event the Company amends the Initial Registration Statement in accordance with the foregoing, the Company will use its best efforts to file with the Commission, as promptly as allowed by Commission or SEC Guidance provided to the Company or to registrants of securities in general, one or more registration statements on Form S-1 or Form S-3 or such other form available to register for resale those Registrable Securities that were not registered for resale on the Initial Registration Statement, as amended.

(d) If Form S-1 or Form S-3 is not available for the registration of the resale of Registrable Securities hereunder, the Company shall (i) register the resale of the Registrable Securities on another appropriate form and (ii) undertake to register the Registrable Securities on Form S-1 or Form S-3 as soon as such form is available, provided that the Company shall maintain the effectiveness of the Registration Statement then in effect until such time as a Registration Statement on Form S-1 or Form S-3 covering the Registrable Securities has been declared effective by the Commission.

3. Registration Procedures.

In connection with the Company's registration obligations hereunder, the Company shall:

(a) Not less than five (5) Trading Days prior to the filing of each Registration Statement and not less than one (1) Trading Day prior to the filing of any related Prospectus or any amendment or supplement thereto (including any document that would be incorporated or deemed to be incorporated therein by reference), the Company shall (i) furnish to the Holder copies of all such documents proposed to be filed, which documents (other than those incorporated or deemed to be incorporated by reference) will be subject to the review of the Holder, and (ii) cause its officers and directors, counsel and independent registered public accountants to respond to such inquiries as shall be necessary, in the reasonable opinion of counsel to the Holder, to conduct a reasonable investigation within the meaning of the Securities Act. Notwithstanding the above, the Company shall not be obligated to provide the Holder advance copies of any universal registration statement registering securities in addition to those required hereunder, or any Prospectus prepared thereto. The Company shall not file a Registration Statement or any such Prospectus or any amendments or supplements thereto to which the Holder shall reasonably object in good faith, provided that, the Company is notified of such objection in writing no later than five (5) Trading Days after the Holder has been so furnished copies of a Registration Statement or one (1) Trading Day after the Holder has been so furnished copies of any related Prospectus or amendments or supplements thereto. The Holder agrees to furnish to the Company a completed questionnaire in the form attached to this Agreement as Annex B (a "Selling Stockholder Notice and Questionnaire") on a date that is not less than two (2) Trading Days prior to the Filing Date or by the end of the fourth (4th) Trading Day following the date on which such Holder receives draft materials in accordance with this Section.

(b) (i) Prepare and file with the Commission such amendments, including post-effective amendments, to a Registration Statement and the Prospectus used in connection therewith as may be necessary to keep a Registration Statement continuously effective as to the applicable Registrable Securities for the Effectiveness Period and prepare and file with the Commission such additional Registration Statements in order to register for resale under the Securities Act all of the Registrable Securities, (ii) cause the related Prospectus to be amended or supplemented by any required Prospectus supplement (subject to the terms of this Agreement), and, as so supplemented or amended, to be filed pursuant to Rule 424, (iii) respond as promptly as reasonably possible to any comments received from the Commission with respect to a Registration Statement or any amendment thereto and provide as promptly as reasonably possible to the Holder true and complete copies of all correspondence from and to the Commission relating to a Registration Statement (provided that, the Company shall excise any information contained therein which would constitute material non-public information regarding the Company or any of its Subsidiaries), and (iv) comply in all material respects with the applicable provisions of the Securities Act and the Exchange Act with respect to the disposition of all Registrable Securities covered by a Registration Statement during the applicable period in accordance (subject to the terms of this Agreement) with the intended methods of disposition by the Holder thereof set forth in such Registration Statement as so amended or in such Prospectus as so supplemented.

(c) If during the Effectiveness Period, the number of Registrable Securities at any time exceeds 100% of the number of shares of Common Stock then registered in a Registration Statement, then the Company shall file as soon as reasonably practicable, but in any case prior to the applicable Filing Date, an additional Registration Statement covering the resale by the Holder of not less than the number of such Registrable Securities.

(d) Notify the Holder of Registrable Securities to be sold (which notice shall, pursuant to clauses (iii) through (vi) hereof, be accompanied by an instruction to suspend the use of the Prospectus until the requisite changes have been made) as promptly as reasonably possible (and, in the case of (i)(A) below, not less than one (1) Trading Day prior to such filing) and (if requested by any such Person) confirm such notice in writing no later than one (1) Trading Day following the day (i)(A) when a Prospectus or any Prospectus supplement or post-effective amendment to a Registration Statement is proposed to be filed, (B) when the Commission notifies the Company whether there will be a "review" of such Registration Statement and whenever the Commission comments in writing on such Registration Statement, and (C) with respect to a Registration Statement or any post-effective amendment, when the same has become effective, (ii) of any request by the Commission or any other federal or state governmental authority for amendments or supplements to a Registration Statement or Prospectus or for additional information, (iii) of the issuance by the Commission or any other federal or state governmental authority of any stop order suspending the effectiveness of a Registration Statement covering any or all of the Registrable Securities or the initiation of any Proceedings for that purpose, (iv) of the receipt by the Company of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Registrable Securities for sale in any jurisdiction, or the initiation or threatening of any Proceeding for such purpose, (v) of the occurrence of any event or passage of time that makes the financial statements included in a Registration Statement ineligible for inclusion therein or any statement made in a Registration Statement or Prospectus or any document incorporated or deemed to be incorporated therein by reference untrue in any material respect or that requires any revisions to a Registration Statement, Prospectus or other documents so that, in the case of a Registration Statement or the Prospectus, as the case may be, it will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and (vi) of the occurrence or existence of any pending corporate development with respect to the Company that the Company believes may be material and that, in the determination of the Company, makes it not in the best interest of the Company to allow continued availability of a Registration Statement or Prospectus, provided, however, in no event shall any such notice contain any information which would constitute material, non-public information regarding the Company or any of its Subsidiaries.

(e) Use its best efforts to avoid the issuance of, or, if issued, obtain the withdrawal of (i) any order stopping or suspending the effectiveness of a Registration Statement, or (ii) any suspension of the qualification (or exemption from qualification) of any of the Registrable Securities for sale in any jurisdiction, at the earliest practicable moment.

(f) Furnish to the Holder, without charge, at least one conformed copy of each such Registration Statement and each amendment thereto, including financial statements and schedules, all documents incorporated or deemed to be incorporated therein by reference to the extent requested by such Person, and all exhibits to the extent requested by such Person (including those previously furnished or incorporated by reference) promptly after the filing of such documents with the Commission; provided, that any such item which is available on the EDGAR system (or successor thereto) need not be furnished in physical form.

(g) Subject to the terms of this Agreement, the Company hereby consents to the use of such Prospectus and each amendment or supplement thereto by the selling Holder in connection with the offering and sale of the Registrable Securities covered by such Prospectus and any amendment or supplement thereto, except after the giving of any notice pursuant to Section 3(d).

(h) The Company shall cooperate with any broker-dealer through which a Holder proposes to resell its Registrable Securities in effecting a filing with the FINRA Corporate Financing Department pursuant to FINRA Rule 5110, as requested by any such Holder, and the Company shall pay the filing fee required by such filing within two (2) Business Days of request therefor.

(i) Prior to any resale of Registrable Securities by a Holder, use its commercially reasonable efforts to register or qualify or cooperate with the selling Holder in connection with the registration or qualification (or exemption from the Registration or qualification) of such Registrable Securities for the resale by the Holder under the securities or Blue Sky laws of such jurisdictions within the United States as any Holder reasonably requests in writing, to keep each registration or qualification (or exemption therefrom) effective during the Effectiveness Period and to do any and all other acts or things reasonably necessary to enable the disposition in such jurisdictions of the Registrable Securities covered by each Registration Statement; provided, that, the Company shall not be required to qualify generally to do business in any jurisdiction where it is not then so qualified, subject the Company to any material tax in any such jurisdiction where it is not then so subject or file a general consent to service of process in any such jurisdiction.

(j) If requested by a Holder, cooperate with such Holder to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be delivered to a transferee pursuant to a Registration Statement, which certificates shall be free, to the extent permitted by the Purchase Agreement, of all restrictive legends, and to enable such Registrable Securities to be in such denominations and registered in such names as any such Holder may request.

(k) Upon the occurrence of any event contemplated by Section 3(d), as promptly as reasonably possible under the circumstances taking into account the Company's good faith assessment of any adverse consequences to the Company and its stockholders of the premature disclosure of such event, prepare a supplement or amendment, including a post-effective amendment, to a Registration Statement or a supplement to the related Prospectus or any document incorporated or deemed to be incorporated therein by reference, and file any other required document so that, as thereafter delivered, neither a Registration Statement nor such Prospectus will contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. If the Company notifies the Holder in accordance with clauses (iii) through (vi) of Section 3(d) above to suspend the use of any Prospectus until the requisite changes to such Prospectus have been made, then the Holder shall suspend use of such Prospectus. The Company will use its best efforts to ensure that the use of the Prospectus may be resumed as promptly as is practicable. The Company shall be entitled to exercise its right under this Section 3(k) to suspend the availability of a Registration Statement and Prospectus, for a period not to exceed sixty (60) calendar days (which need not be consecutive days) in any 12-month period.

(l) Comply with all applicable rules and regulations of the Commission.

(m) The Company shall use its best efforts to maintain eligibility for use of Form S-1 (or any successor form thereto) for the registration of the resale of Registrable Securities.

(n) The Company may require each selling Holder to furnish to the Company a certified statement as to the number of shares of Common Stock beneficially owned by such Holder and, if required by the Commission, the natural persons thereof that have voting and dispositive control over the shares.

4. Registration Expenses. All fees and expenses incident to the performance of or compliance with, this Agreement by the Company shall be borne by the Company whether or not any Registrable Securities are sold pursuant to a Registration Statement. The fees and expenses referred to in the foregoing sentence shall include, without limitation, (i) all registration and filing fees (including, without limitation, fees and expenses of the Company's counsel and independent registered public accountants) (A) with respect to filings made with the Commission, (B) with respect to filings required to be made with any Trading Market on which the Common Stock is then listed for trading, (C) in compliance with applicable state securities or Blue Sky laws reasonably agreed to by the Company in writing (including, without limitation, fees and disbursements of counsel for the Company in connection with Blue Sky qualifications or exemptions of the Registrable Securities) and (D) if not previously paid by the Company in connection with an Issuer Filing, with respect to any filing that may be required to be made by any broker through which a Holder intends to make sales of Registrable Securities with FINRA pursuant to FINRA Rule 5110, so long as the broker is receiving no more than a customary brokerage commission in connection with such sale, (ii) printing expenses (including, without limitation, expenses of printing certificates for Registrable Securities), (iii) messenger, telephone and delivery expenses, (iv) fees and disbursements of counsel for the Company, (v) Securities Act liability insurance, if the Company so desires such insurance, and (vi) fees and expenses of all other Persons retained by the Company in connection with the consummation of the transactions contemplated by this Agreement. In addition, the Company shall be responsible for all of its internal expenses incurred in connection with the consummation of the transactions contemplated by this Agreement (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), the expense of any annual audit and the fees and expenses incurred in connection with the listing of the Registrable Securities on any securities exchange as required hereunder. In no event shall the Company be responsible for any broker or similar commissions of any Holder or, except to the extent provided for in the Transaction Documents, any legal fees or other costs of the Holder.

5. Indemnification.

(a) Indemnification by the Company. The Company shall, notwithstanding any termination of this Agreement, indemnify and hold harmless the Holder, the officers, directors, members, partners, agents, brokers (including brokers who offer and sell Registrable Securities as principal as a result of a pledge or any failure to perform under a margin call of Common Stock), investment advisors and employees (and any other Persons with a functionally equivalent role of a Person holding such titles, notwithstanding a lack of such title or any other title) of each of them, each Person who controls any such Holder (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) and the officers, directors, members, stockholders, partners, agents and employees (and any other Persons with a functionally equivalent role of a Person holding such titles, notwithstanding a lack of such title or any other title) of each such controlling Person, to the fullest extent permitted by applicable law, from and against any and all losses, claims, damages, liabilities, costs (including, without limitation, reasonable attorneys' fees) and expenses (collectively, "Losses"), as incurred, arising out of or relating to (1) any untrue or alleged untrue statement of a material fact contained in a Registration Statement, any Prospectus or any form of prospectus or in any amendment or supplement thereto or in any preliminary prospectus, or arising out of or relating to any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of any Prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading or (2) any violation or alleged violation by the Company of the Securities Act, the Exchange Act or any state securities law, or any rule or regulation thereunder, in connection with the performance of its obligations under this Agreement, except to the extent, but only to the extent, that (i) such untrue statements or omissions are based solely upon information regarding such Holder furnished in writing to the Company by such Holder expressly for use therein, or to the extent that such information relates to such Holder or such Holder's proposed method of distribution of Registrable Securities and was reviewed and expressly approved in writing by such Holder expressly for use in a Registration Statement, such Prospectus or in any amendment or supplement thereto (it being understood that the Holder has approved Annex A hereto for this purpose) or (ii) in the case of an occurrence of an event of the type specified in Section 3(d)(iii)-(vi), the use by such Holder of an outdated, defective or otherwise unavailable Prospectus after the Company has notified such Holder in writing that the Prospectus is outdated, defective or otherwise unavailable for use by such Holder and prior to the receipt by such Holder of the Advice contemplated in Section 6(d), but only if and to the extent that following the receipt of the Advice the misstatement or omission giving rise to such Loss would have been corrected. The Company shall notify the Holder promptly of the institution, threat or assertion of any Proceeding arising from or in connection with the transactions contemplated by this Agreement of which the Company is aware. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of such indemnified person and shall survive the transfer of any Registrable Securities by any of the Holder in accordance with Section 6(h).

(b) Indemnification by Holder. The Holder shall indemnify and hold harmless the Company, its directors, officers, agents and employees, each Person who controls the Company (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, agents or employees of such controlling Persons, to the fullest extent permitted by applicable law, from and against all Losses, as incurred, to the extent arising out of or based solely upon: (x) such Holder's failure to comply with any applicable prospectus delivery requirements of the Securities Act through no fault of the Company or (y) any untrue or alleged untrue statement of a material fact contained in any Registration Statement, any Prospectus, or in any amendment or supplement thereto or in any preliminary prospectus, or arising out of or relating to any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of any Prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading (i) to the extent, but only to the extent, that such untrue statement or omission is contained in any information so furnished in writing by such Holder to the Company expressly for inclusion in such Registration Statement or such Prospectus or (ii) to the extent, but only to the extent, that such information relates to such Holder's proposed method of distribution of Registrable Securities and was reviewed and expressly approved in writing by such Holder expressly for use in a Registration Statement (it being understood that the Holder has approved Annex A hereto for this purpose), such Prospectus or in any amendment or supplement thereto or (iii) in the case of an occurrence of an event of the type specified in Section 3(d)(iii)-(vi), to the extent, but only to the extent, related to the use by such Holder of an outdated, defective or otherwise unavailable Prospectus after the Company has notified such Holder in writing that the Prospectus is outdated, defective or otherwise unavailable for use by such Holder and prior to the receipt by such Holder of the Advice contemplated in Section 6(d), but only if and to the extent that following the receipt of the Advice the misstatement or omission giving rise to such Loss would have been corrected. In no event shall the liability of any selling Holder under this Section 5(b) be greater in amount than the dollar amount of the net proceeds received by such Holder upon the sale of the Registrable Securities giving rise to such indemnification obligation.

(c) Conduct of Indemnification Proceedings. If any Proceeding shall be brought or asserted against any Person entitled to indemnity hereunder (an "Indemnified Party"), such Indemnified Party shall promptly notify the Person from whom indemnity is sought (the "Indemnifying Party") in writing, and the Indemnifying Party shall have the right to assume the defense thereof, including the employment of counsel reasonably satisfactory to the Indemnified Party and the payment of all fees and expenses incurred in connection with defense thereof; provided, that, the failure of any Indemnified Party to give such notice shall not relieve the Indemnifying Party of its obligations or liabilities pursuant to this Agreement, except (and only) to the extent that it shall be finally determined by a court of competent jurisdiction (which determination is not subject to appeal or further review) that such failure shall have materially and adversely prejudiced the Indemnifying Party.

An Indemnified Party shall have the right to employ separate counsel in any such Proceeding and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party or Parties unless: (1) the Indemnifying Party has agreed in writing to pay such fees and expenses, (2) the Indemnifying Party shall have failed promptly to assume the defense of such Proceeding and to employ counsel reasonably satisfactory to such Indemnified Party in any such Proceeding, or (3) the named parties to any such Proceeding (including any impleaded parties) include both such Indemnified Party and the Indemnifying Party, and counsel to the Indemnified Party shall reasonably believe that a material conflict of interest is likely to exist if the same counsel were to represent such Indemnified Party and the Indemnifying Party (in which case, if such Indemnified Party notifies the Indemnifying Party in writing that it elects to employ separate counsel at the expense of the Indemnifying Party, the Indemnifying Party shall not have the right to assume the defense thereof and the reasonable fees and expenses of no more than one separate counsel shall be at the expense of the Indemnifying Party). The Indemnifying Party shall not be liable for any settlement of any such Proceeding effected without its written consent, which consent shall not be unreasonably withheld or delayed. No Indemnifying Party shall, without the prior written consent of the Indemnified Party, effect any settlement of any pending Proceeding in respect of which any Indemnified Party is a party, unless such settlement includes an unconditional release of such Indemnified Party from all liability on claims that are the subject matter of such Proceeding.

Subject to the terms of this Agreement, all reasonable fees and expenses of the Indemnified Party (including reasonable fees and expenses to the extent incurred in connection with investigating or preparing to defend such Proceeding in a manner not inconsistent with this Section) shall be paid to the Indemnified Party, as incurred, within ten Trading Days of written notice thereof to the Indemnifying Party; provided, that, the Indemnified Party shall promptly reimburse the Indemnifying Party for that portion of such fees and expenses applicable to such actions for which such Indemnified Party is finally determined by a court of competent jurisdiction (which determination is not subject to appeal or further review) not to be entitled to indemnification hereunder.

(d) Contribution. If the indemnification under Section 5(a) or 5(b) is unavailable to an Indemnified Party or insufficient to hold an Indemnified Party harmless for any Losses, then each Indemnifying Party shall contribute to the amount paid or payable by such Indemnified Party, in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party and Indemnified Party in connection with the actions, statements or omissions that resulted in such Losses as well as any other relevant equitable considerations. The relative fault of such Indemnifying Party and Indemnified Party shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission of a material fact, has been taken or made by, or relates to information supplied by, such Indemnifying Party or Indemnified Party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such action, statement or omission. The amount paid or payable by a party as a result of any Losses shall be deemed to include, subject to the limitations set forth in this Agreement, any reasonable attorneys' or other fees or expenses incurred by such party in connection with any Proceeding to the extent such party would have been indemnified for such fees or expenses if the indemnification provided for in this Section was available to such party in accordance with its terms.

The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 5(d) were determined by pro rata allocation or by any other method of allocation that does not take into account the equitable considerations referred to in the immediately preceding paragraph. Notwithstanding the provisions of this Section 5(d), no Holder shall be required to contribute pursuant to this Section 5(d), in the aggregate, any amount in excess of the amount by which the net proceeds actually received by such Holder from the sale of the Registrable Securities subject to the Proceeding exceeds the amount of any damages that such Holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission.

The indemnity and contribution agreements contained in this Section are in addition to any liability that the Indemnifying Parties may have to the Indemnified Parties.

6. Miscellaneous.

(a) Remedies. In the event of a breach by the Company or by a Holder of any of their respective obligations under this Agreement, the Holder or the Company, as the case may be, in addition to being entitled to exercise all rights granted by law and under this Agreement, including recovery of damages, shall be entitled to specific performance of its rights under this Agreement. Each of the Company and the Holder agrees that monetary damages would not provide adequate compensation for any losses incurred by reason of a breach by it of any of the provisions of this Agreement and hereby further agrees that, in the event of any action for specific performance in respect of such breach, it shall not assert or shall waive the defense that a remedy at law would be adequate.

(b) Limitations. The Company will not be required to effect more than one (1) registration at the request of the Purchaser.

(c) Compliance. The Holder covenants and agrees that it will comply with the prospectus delivery requirements of the Securities Act as applicable to it (unless an exemption therefrom is available) in connection with sales of Registrable Securities pursuant to a Registration Statement.

(d) Discontinued Disposition. By its acquisition of Registrable Securities, the Holder agrees that, upon receipt of a notice from the Company of the occurrence of any event of the kind described in Section 3(d)(iii) through (vi), such Holder will forthwith discontinue disposition of such Registrable Securities under a Registration Statement until it is advised in writing (the "Advice") by the Company that the use of the applicable Prospectus (as it may have been supplemented or amended) may be resumed. The Company will use its best efforts to ensure that the use of the Prospectus may be resumed as promptly as is practicable.

(e) Piggy-Back Registrations. If, at any time during the Effectiveness Period, there is not an effective Registration Statement covering all of the Registrable Securities and the Company shall determine to prepare and file with the Commission a registration statement relating to an offering for its own account or the account of others under the Securities Act of any of its equity securities, other than on Form S-4 or Form S-8 (each as promulgated under the Securities Act) or their then equivalents relating to equity securities to be issued solely in connection with any acquisition of any entity or business or equity securities issuable in connection with the Company's stock option or other employee benefit plans, then the Company shall deliver to the Holder a written notice of such determination and, if within fifteen (15) days after the date of the delivery of such notice, any such Holder shall so request in writing, the Company shall include in such registration statement all or any part of such Registrable Securities such Holder requests to be registered; provided, however, that the Company shall not be required to register any Registrable Securities pursuant to this Section 6(e) that are eligible for resale pursuant to Rule 144 (without volume restrictions or current public information requirements) promulgated by the Commission pursuant to the Securities Act or that are the subject of a then effective Registration Statement.

(f) Amendments and Waivers. The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given, unless the same shall be in writing and signed by the Company and the Holder of the then outstanding Registrable Securities (for purposes of clarification, this includes any Registrable Securities issuable upon exercise or conversion of any Security). If a Registration Statement does not register all of the Registrable Securities pursuant to a waiver or amendment done in compliance with the previous sentence, then the number of Registrable Securities to be registered for the Holder shall be reduced pro rata and the Holder shall have the right to designate which of its Registrable Securities shall be omitted from such Registration Statement. No consideration shall be offered or paid to any Person to amend or consent to a waiver or modification of any provision of this Agreement unless the same consideration also is offered to all of the parties to this Agreement.

(g) Notices. Any and all notices or other communications or deliveries required or permitted to be provided hereunder shall be delivered as set forth in the Purchase Agreement.

(h) Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the successors and permitted assigns of each of the parties and shall inure to the benefit of the Holder. The Company may not assign (except by merger) its rights or obligations hereunder without the prior written consent of the Holder of the then outstanding Registrable Securities. The Holder may assign its rights hereunder in the manner and to the Persons as permitted under Section 5.6 of the Purchase Agreement.

(i) No Inconsistent Agreements. Neither the Company nor any of its Subsidiaries has entered, as of the date hereof, nor shall the Company or any of its Subsidiaries, on or after the date of this Agreement, enter into any agreement with respect to its securities, that would have the effect of impairing the rights granted to the Holder in this Agreement or otherwise conflicts with the provisions hereof. Except as set forth in the SEC Reports, neither the Company nor any of its Subsidiaries has previously entered into any agreement granting any registration rights with respect to any of its securities to any Person that have not been satisfied in full.

(j) Execution and Counterparts. This Agreement may be executed in two or more counterparts, all of which when taken together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party, it being understood that both parties need not sign the same counterpart. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof.

(k) Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be determined in accordance with the provisions of the Purchase Agreement.

(l) Cumulative Remedies. The remedies provided herein are cumulative and not exclusive of any other remedies provided by law.

(m) Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their commercially reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

(n) Headings. The headings in this Agreement are for convenience only, do not constitute a part of the Agreement and shall not be deemed to limit or affect any of the provisions hereof.

****

(Signature Pages Follow)

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

NXT-ID, INC.

BY: ______________________________
Title:
Name:

[SIGNATURE PAGE OF HOLDER FOLLOWS]

[SIGNATURE PAGE OF HOLDER TO REGISTRATION RIGHTS AGREEMENT]

Name of Holder:	WorldVentures Holdings, LLC
Signature of Authorized Signatory of Holder:	______________________________
Name of Authorized Signatory:	______________________________
Title of Authorized Signatory:	______________________________

ANNEX A

[See attached]

ANNEX B

Selling Stockholder Notice and Questionnaire

The undersigned beneficial owner of common stock (the "Registrable Securities") of Nxt-ID, Inc. (the "Company"), understands that the Company has filed or intends to file with the Securities and Exchange Commission (the "Commission") a registration statement (the "Registration Statement") for the registration and resale under Rule 415 of the Securities Act of 1933, as amended (the "Securities Act"), of the Registrable Securities, in accordance with the terms of the Registration Rights Agreement (the "Registration Rights Agreement") to which this document is annexed. A copy of the Registration Rights Agreement is available from the Company upon request at the address set forth below. All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Registration Rights Agreement.

Certain legal consequences arise from being named as a selling stockholder in the Registration Statement and the related prospectus. Accordingly, holders and beneficial owners of Registrable Securities are advised to consult their own securities law counsel regarding the consequences of being named or not being named as a selling stockholder in the Registration Statement and the related prospectus.

.

NOTICE

The undersigned beneficial owner (the "Selling Stockholder") of Registrable Securities hereby elects to include the Registrable Securities owned by it in the Registration Statement.

The undersigned hereby provides the following information to the Company and represents and warrants that such information is accurate:

QUESTIONNAIRE

1. Name.

(a) Full Legal Name of Selling Stockholder

____

(b) Full Legal Name of Registered Holder (if not the same as (a) above) through which Registrable Securities are held:

____

(c) Full Legal Name of Natural Control Person (which means a natural person who directly or indirectly alone or with others has power to vote or dispose of the securities covered by this Questionnaire):

____

2. Address for Notices to Selling Stockholder:

____

____

____

Telephone: ________________________________

Fax: ________________________________

Contact Person: ________________________________

3. Broker-Dealer Status:

(a) Are you a broker-dealer?

Yes ☐ No ☐

(b) If "yes" to Section 3(a), did you receive your Registrable Securities as compensation for investment banking services to the Company?

Yes ☐ No ☐

Note: If "no" to Section 3(b), the Commission's staff has indicated that you should be identified as an underwriter in the Registration Statement.

(c) Are you an affiliate of a broker-dealer?

Yes ☐ No ☐

(d) If you are an affiliate of a broker-dealer, do you certify that you purchased the Registrable Securities in the ordinary course of business, and at the time of the purchase of the Registrable Securities to be resold, you had no agreements or understandings, directly or indirectly, with any person to distribute the Registrable Securities?

Yes ☐ No ☐

Note: If "no" to Section 3(d), the Commission's staff has indicated that you should be identified as an underwriter in the Registration Statement.

4. Beneficial Ownership of Securities of the Company Owned by the Selling Stockholder.

Except as set forth below in this Item 4, the undersigned is not the beneficial or registered owner of any securities of the Company other than the securities issuable pursuant to the Purchase Agreement.

(a) Type and Amount of other securities beneficially owned by the Selling Stockholder:

____

____

5. Relationships with the Company:

Except as set forth below, neither the undersigned nor any of its affiliates, officers, directors or principal equity holders (owners of 5% of more of the equity securities of the undersigned) has held any position or office or has had any other material relationship with the Company (or its predecessors or affiliates) during the past three years.

State any exceptions here:

____

____

The undersigned agrees to promptly notify the Company of any inaccuracies or changes in the information provided herein that may occur subsequent to the date hereof at any time while the Registration Statement remains effective.

By signing below, the undersigned consents to the disclosure of the information contained herein in its answers to Items 1 through 5 and the inclusion of such information in the Registration Statement and the related prospectus and any amendments or supplements thereto. The undersigned understands that such information will be relied upon by the Company in connection with the preparation or amendment of the Registration Statement and the related prospectus and any amendments or supplements thereto.

IN WITNESS WHEREOF the undersigned, by authority duly given, has caused this Notice and Questionnaire to be executed and delivered either in person or by its duly authorized agent.

Date: ____________________

Beneficial Owner: ____________________

By: ____________________
Name:
Title:

PLEASE FAX A COPY (OR EMAIL A .PDF COPY) OF THE COMPLETED AND EXECUTED NOTICE AND QUESTIONNAIRE, AND RETURN THE ORIGINAL BY OVERNIGHT MAIL, TO: