

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

Amendment No. 2 to

FORM 10-KSB

(Mark One)

☒ ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2005.

OR

☐ TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the transition period from _____ to _____

COMMISSION FILE NUMBER: 0-17232

SORELL, INC.

(Exact name of small business issuer in its charter)

Nevada

(State or jurisdiction of incorporation
or organization)

86-0914695

(I.R.S. Employer Identification No.)

Buk-ri 35, Nama-Myun, Yongin City,
Gyeonggi-do, Republic of Korea.

(Address of principal executive offices) (Zip Code)

Registrant's telephone number: 82-31-329-8700

Netmeasure Technology, Inc.

118 Howe Street

Victoria, B.C. V8V 4K4

(Former name, former address and former fiscal year, if changed since last report)

Securities registered under Section 12(b) of the Exchange Act: None

Securities registered under Section 12(g) of the Exchange Act:

Common Stock, \$0.001 Par Value

Check whether the issuer is not required to file reports pursuant to Section 13 or 15(d) of the Exchange Act. ☐

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-B contained in this form, and no disclosure will be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to this Form 10-KSB [].

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES [] NO [X]

State Issuer's revenues for its most recent fiscal year: \$41,619,260

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computer by reference to the price at which the common equity was sold, or the average bid price of such common equity, as of a specified date within the past 60 days (see definition of affiliate in Rule 12b-2 of the Exchange Act.)

As of March 31, 2005, the Registrant had 21,325,568 shares of common stock issued and outstanding held by non-affiliates with a value based on the bid price on April 13, 2006 of \$1.40 totaling \$51,181,363.

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: The issuer has 29,539,900 shares of common stock outstanding as of April 15, 2006.

Sorell, Inc. ("The Company") hereby amends the above referenced Form 10-KSB for the fiscal year ended December 31, 2005 by attaching the following exhibits:

- 10.2 Mutual Nondisclosure Agreement and Business Agreement dated as of September 21, 2005 between S-Cam Co., Ltd. and ANUBIS Electronic GmbH
- 10.3 Public Relations Agreement dated as of November 1, 2005 between the Company and Martin E. Janis & Company
- 10.4 Letter Agreement dated February 2, 2006 between the Company and New York Global Securities
- 10.8 License Agreement dated August 1, 2005 between S-Cam Co., Ltd and Microsoft Corporation

The Company further amends the above referenced Form 10-KSB for the fiscal year ended December 31, 2005 by deleting the following from the list of exhibits.

- 3.4 Articles of Organization of S-Cam Co., Ltd.
- 10.21 Loan Agreement with Hana Bank

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SORELL, INC
Registrant

By /s/ Bon Kwan Koo
Bon Kwan Koo, President
August 2, 2006

By: /s/ Seung Nam Yang
Seung Nam Yang, Chief Financial Officer
August 2, 2006

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated:

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Bon Kwan Koo</u> Bon Kwan Koo	Chief Executive Officer, (Principal Executive Officer), Director	August 2, 2006
<u>/s/ Seung Nam Yang</u> Seung Nam Yang	Chief Financial Officer (Principal Financial and Accounting Officer), Director	August 2, 2006
<u>/s/ Ho Yu</u> Ho Yu	Director	August 2, 2006

MUTUAL NON-DISCLOSURE AGREEMENT & BUSINESS AGREEMENT

(Contract #: SC-AN030921-01)

This Agreement is made and entered into as of September 21, 2005 between S-CAM CO., LTD duly organized and existing under the law of the Republic of Korea with its place of business at #303, Gyeonggi Venture building 1017, Inga-dong, Paldal-gu, Suwon-si, Gyeonggi-do, Korea (hereinafter referred to as "SCAM") and ANUBIS Electronic GmbH, duly organized and existing under the law of the Germany with its principal place of business at Am Langfeld 38, D-66130 Saarbrücken, Germany (hereinafter referred to as "ANUBIS") with reference to the following facts:

Whereas, SCAM (Manufacturer) wishes to appoint ANUBIS the exclusive distributor for the Products in the Territory (as hereinafter defined).

Now, therefore, in consideration of the premises and mutual covenants contained herein, the parties agree as follows:

Article 1. DEFINITIONS

In this agreement except where the context otherwise requires, the following terms and expressions shall have the following meanings:

- 1.1 "Confidential Information" means any information, whether written or oral, which ANUBIS learns about SCAM or the Products and which is not generally available to the public or which is labeled by SCAM as confidential.
- 1.2 "Products" means the item listed in the Schedule and any additional products expressly brought within the scope of this agreement by mutual written consent of the parties.
- 1.3 "Performance Levels" means the annual minimum sales of the Products for the Sales Territory as set forth in the Schedule of as may be amended by the parties in writing from time to time.
- 1.4 "Sales Price" means, for Products delivered to the ANUBIS hereunder, an amount in US Dollars, determined from SCAM's current applicable price list for such Product as published by SCAM, in effect September 21, 2005 as mutually agreed by both parties, and which shall only be changed with 30 days prior written notice.
- 1.5 "Sales Territory" means that geographic area commonly referred to as Whole Europe.
- 1.6 "Schedule" means that listing attached to this Agreement and made a part hereof which contains certain pertinent provisions of this agreement.

Article 2. GRANT OF REPRESENTATION

2.1 Extent of Representation Rights. Under the terms and conditions set forth in this agreement, SCAM hereby appoints ANUBIS, and ANUBIS accepts such appointment as the representative to sell the Products to customers in the Sales Territory. Unless specifically otherwise authorized in writing by SCAM, ANUBIS shall not directly or indirectly by any means whatsoever contact or solicit any customer or customers outside of Sales Territory or establish any branch or depot for the purpose of selling the Products outside of the Sales Territory.

2.2 All Sales by ANUBIS Covered. All Products sold by ANUBIS during the term of this agreement shall be subject to the terms of this agreement.

2.3 Other Products. This agreement shall not include, and ANUBIS does not by this agreement obtain, the right to sell any item produced or sold by SCAM except the Product.

2.4 ANUBIS not Agent. ANUBIS is and shall act as an independent contractor. ANUBIS is not an agent, franchisee or employee of SCAM, and has no power to act for, bind, or otherwise create or assume any obligation on behalf of SCAM for any purpose whatsoever. All financial obligations associated with ANUBIS's business are the sole responsibility of ANUBIS.

Article 3. TITLE, RISK OF LOSS AND WARRANTY LIMITATION

3.1 Limited Warranty. Any products purchased from SCAM which become defective will be Warranted to ANUBIS for a period of 24 months from the date of shipment to ANUBIS. Such warranted units will be repaired or replaced by SCAM.

3.2 Notification. ANUBIS will notify SCAM in writing of any claim or proceeding involving Products no later than fourteen(14) days after ANUBIS learns of such claim or proceeding. SCAM will likewise notify ANUBIS. SCAM will also report all claimed or suspected product defects to ANUBIS promptly.

Article 4. TRADEMARKS, TRADE NAMES, AND GOODWILL

4.1 Reputation. Each of parties will act and cooperate in all reasonable ways to protect the reputation and goodwill of the other.

Article 5. CONFIDENTIAL INFORMATION

5.1 Maintenance of Confidentiality. ANUBIS acknowledges that the processes used by SCAM to develop and produce the Products involve confidential information and data of substantial value to SCAM, which value would be impaired if said information and data were disclosed. ANUBIS agrees (1) to safeguard the Confidential Information disclosed pursuant to this agreement (2) not to use the Confidential Information disclosed pursuant to this agreement for any purpose other than (to the extent necessary) to further the sale of and promotion of Products and (3) to cooperate in any lawsuit involving the Confidential Information. In implementation of the foregoing, ANUBIS shall not disclose any of the Confidential Information to any person except those for whom disclosure is necessary for the effective performance of their responsibilities as employees or agents of ANUBIS, and, in each case, only to the extent required for such effective performance of responsibilities.

5.2 Obligations after Disclosure or Termination. The obligations undertaken by ANUBIS pursuant to this Article 5 shall not apply to any Confidential Information which hereafter shall become published or otherwise generally available to the public, except in consequence of a willful or negligent act or omission by ANUBIS or its employees or agents in contravention of the obligations herein above set forth in this Article 5. Except as so limited all of the obligations of this Article 5 survive expiration or termination of this agreement.

5.3 This Agreement will apply to all confidential and proprietary information disclosed by one party to the other party, including information listed in Exhibit A and other information which the disclosing party identifies in writing as confidential before or within thirty days after disclosure to the receiving party ("*Confidential Information*").

5.4 Each party agrees (i) to hold the other party's Confidential Information in strict confidence, (ii) not to disclose such Confidential Information to any third parties, and (iii) not to use any Confidential Information for

any purpose except for the Business Purpose. Each party may disclose the other party's Confidential Information to its responsible employees with a bona fide need to know, but only to the extent necessary to carry out the Business Purpose. Each party agrees to instruct all such employees not to disclose such Confidential Information to third parties, including consultants, without the prior written permission of the disclosing party.

5.5 Confidential Information will not include information which;

- (i) is now, or hereafter becomes, through no act or failure to act on the part of the receiving party, generally known or available to the public;
- (ii) was acquired by the receiving party before receiving such information from the disclosing party and without restriction as to use or disclosure;
- (iii) is hereafter rightfully furnished to the receiving party by a third party, without restriction as to use or disclosure;
- (iv) is information which the receiving party can document was independently developed by the receiving party;
- (v) is required to be disclosed pursuant to law, provided the receiving party uses reasonable efforts to give the disclosing party reasonable notice of such required disclosure; or
- (vi) is disclosed with the prior written consent of the disclosing party.

Article 6. REPRESENTATIONS AND WARRANTIES; INDEMNIFICATION

6.1 Power and Authority. SCAM represents and warrants that it has full power and authority to enter into and fulfill the terms of this agreement.

6.2 Product Quality. SCAM represents and warrants to ANUBIS that the Products will be of good quality in all respects, that the materials comprising the Products shall not be defective, and that the Products sold to ANUBIS hereunder shall operate in conformance with SCAM's specifications with respect to such Products as set forth in any literature or packaging accompanying or related to such Products.

6.3 Necessary Rights. SCAM represents and warrants to ANUBIS that SCAM has, or has applied for all necessary rights to sell and all necessary copyrights, trademarks, service marks and patents for the Products. SCAM represents and warrants, to the best of its knowledge and belief, that neither the Products nor the use thereof infringes upon or violates any right of privacy of, or constitutes a libel, slander or any unfair competition against, or infringes upon or violates any trademark, trade name, service mark, copyright, trade secret, invention, patent or any other right of any other person.

Article 7. OTHER COVENANTS OF DISTRIBUTOR

In addition to other duties set forth herein, during the term of this agreement ANUBIS also covenants and agrees:

7.1 Promotion. To diligently use its best efforts to introduce, promote the sale of, and obtain orders for, the Products in the Sales Territory.

7.2 Maintenance and Provision of Information. To maintain and to provide SCAM with forecasts in such form as is reasonable requested by SCAM, relating to expected orders for Products from the Sales Territory.

Article 8. TERM AND TERMINATION

8.1 Term. The term of this agreement shall initially be twelve months commencing as of the date and year first above written unless earlier terminated in accordance with this Article 8. After such twelve month period, the agreement shall continue on a year to year basis unless either party shall give written notice to the other within sixty(60) days from the end of such period or unless sooner terminated in accordance with the provisions of this paragraph 8.

8.2 Events of Default. The following shall constitute an Event of Default:

- (a) The breach by either party of any of the terms of this agreement or of any other ancillary agreement between the parties hereto including, but not limited to, timely payment of any sums due hereunder or thereunder, and such breach continuing for a period of thirty(30) days after notice from the non-breaching party.
- (b) Any representation or warranty under this agreement or any other agreement being materially false.
- (c) The receipt by either party of an opinion of counsel that such termination is necessary to avoid exposure to civil or criminal liability under any federal, state or foreign laws.
- (d) The failure of ANUBIS to meet under 70% of the Performance Levels in the Sales Territory, by mutual agreement; or
- (e) A substantial change in the ownership or control of ANUBIS.

8.3 Effect of Termination. Should an Event of Default occur the non-defaulting party might, so long as the Event of Default continues in effect, terminate this agreement and pursue any right which may be available by law. In the event of any termination arising as a result of a breach by ANUBIS:

- (a) SCAM shall not be relieved of any obligation to make further shipments of the Product hereunder and may not even in the event that the contract was terminated as a result of a breach by ANUBIS) cancel all ANUBIS's unshipped orders for the Product. SCAM shall have an obligation to ANUBIS in connection with of any unshipped orders pursuant to this paragraph.
- (b) ANUBIS shall immediately discontinue representation of the Product and the use of Confidential Information the Trademarks and any signs, stationary, advertising, or anything else that might make it appear that ANUBIS is still authorized to deal in the Product.
- (c) ANUBIS shall immediately return all Confidential Information to SCAM along with all literature, manual, price lists, and similar material related to the Product.

Article 9. GENERAL PROVISIONS

9.1 Complete Agreement; Modifications. This agreement and any documents referred to herein or executed contemporaneously herewith constitute the entire agreement among the parties with respect to the subject matter hereof and may not be amended, altered or modified except by a writing signed by the parties. This agreement supersedes all agreements, representations, warranties, statements, promises and understandings, whether oral or written, with respect to the subject matter hereof.

9.2 Additional Documents. Each party hereto agrees to execute any and all further documents and writings and to perform such other actions which may be or become necessary or expedient to effectuate and carry out this agreement.

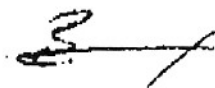
9.3 Notices. Unless otherwise specifically permitted by this agreement, all notices under this agreement shall be in writing and shall be delivered by personal service, telegram, facsimile or certified or registered mail (if such service is available, or, if not, by first class mail), postage prepaid, to such address as may be designated from time to time by the relevant party, and which shall initially be as set forth in the Schedule. Any notice sent by mail shall be deemed to have been given fourteen(14) days after the date on which it is mailed.

9.4 Assignment. The parties may not assign or transfer this agreement or any of its rights, duties or obligations hereunder and this agreement may not be involuntarily assigned by operation of law without the prior written consent of each party.

9.5 Excused Nonperformance. Neither SCAM nor ANUBIS shall be deemed to be in default or for in breach of any provision of this agreement as a result of any delay, failure in performance, or interruption of service resulting directly or indirectly from acts of God, acts of civil or military authority, civil disobedience, war, strikes or other labor disputes, fires, transportation contingencies, laws, regulations, acts or orders of any government agency or any government official, or any other occurrence beyond the reasonable control of either

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party. It is expressly understood, however, that the obligations of either party to perform under the terms of this agreement shall continue after the passing of, or normalization of, any of the eventualities described above, provided that the occurrence of any such eventuality shall in no event extend the term of this agreement. In witness whereof, the parties hereto have caused this agreement to be executed in duplicate for each party retaining one.



SCHEDULE FOR BUSINESS AGREEMENT

1. Product: NF1(2.2" Navigation)
2. Tooling Cost Payment
 - a. Total : US\$100,000.00
 - b. 30% : US\$30,000.00 will be paid with complete the contract for starting
 - c. 30% : US\$30,000.00 will be paid after ANUBIS received the Engineering sample
 - d. 40% : US\$40,000.00 will be paid when P.P sample is approved
3. Tooling Cost Despreciation
 - a. Quantity : 100,000units
 - b. Deduct Price : US\$1.00/unit up to 100,000units
4. Development Schedule
 - a. Please refer to attached file for the development schedule
 - b. The Development Schedule is subject to be changed if there are any unexpected happen
5. Sales Price for Player : US\$110.00(Included Tooling Cost Despreciation US\$1.00)
 - a. The price is only for the player without Map data, Nand Flash Memory, Map Porting Cost and accessories.
 - b. SCAM provides the giftbox design, and ANUBIS provides the cosmetic design for giftbox.
 - c. SCAM and ANUBIS double check the price for accessories.
 - d. The price will be discussed after 100,000units production
- ✓ 6. Performance Levels(Total 100,000 units from Jan 2006 to Dec 2006)
 - a. Quarter 1 (Jan. 2006 - Mar. 2006): 50,000units
 - b. Quarter 2-4(Apr. 2006 - Dec. 2006) : 50,000units
7. Sales Territory: Whole Europe
7. Shipment Terms: FOB KOREA
8. Payment: By an Irrevocable L/C at sight in favor of SCAM or T/T in advance.
9. Placing order for Quarter 1
 - a. ANUBIS shall place the order for 50,000units 6weeks prior to mass production for buying long term components.

The matters not mentioned herein in detail shall be amicably determined by/and between the parties.

September 21, 2005

For and on behalf of ANUBIS

For and on behalf of SCAM

ANUBIS DIGITAL TECHNOLOGY CO., LTD.

SCAM CO., LTD.

Signed :

Signed :

Name :

Position:

Name :

Position:

**S - CAM****PROFORMA INVOICE****S-CAM Co., Ltd.**

No.35, Buk-Ri, Namsa-Myun, Yongin City

Kyeonggi-do, Korea

Tel : 82 31 233 4664 Fax : 82 31 233-4795

Inv. No. : SFPI-TYP050921-01

Date : September 21, 2003

Ref No. :

MESSERS :

Attn : Mr. Dominique Bonk

ANUBIS Electronic GmbH

We have the pleasure of presenting the following goods in accordance with the terms and conditions given below :

H-S Code	Description	Q'ty	U.Price (US)	Amount (US)
	NF-1(2.2" LCD) Navigation + MP3			
	* Tooling Cost		\$100,000.00	
	- 30% with Starting		\$30,000.00	
	- 30% after received Engineering Sample		\$30,000.00	
	- 40% after pass P.P sample is approved		\$40,000.00	

- * Origin : Republic of Korea
- * Destination : Germany
- * Packing : Export Standard Packing
- * Payment : T/T
- * Validity of Offer : 2weeks after Issuc this Offer
- * Bank Information : Korea Exchange Bank , Samsung Electronics Br.
- Bank's Address : Maetan 3 dong 416, Paldal-gu, Suwon City, Kyunggi-do, Korea
- Account No : 148 - JSD - 100077 - 6
- SWIFT Code : KOEXKRSE
- * Beneficiary : S.CAM CO., LTD.
- 35, Buk-Ri, Namsa-Myun, Yongin-City, Kyungki-Do, Korea
- Tel: 82-31-329-3901

* Remark

Accepted By

Offered By

S - CAM CO., LTD.

B. K. Koo

BOM KWAN, PRESIDENT

S-CAM Co., Ltd.

The Digital Life With

SORELL

Kob B

November 1, 2005

Mr. Bon Kwan Koo
CEO and President
Sorell
Buk-ri 35, Nama-Myun
Yongin City, South Korea

Dear Mr. Koo:

I am delighted with the decision of Sorell to retain Martin E. Janis & Company, Inc. and wish to assure you that we shall apply our best efforts to carry out a public relations and investor relations program consistent with our conversations with Rick Langley on this subject.

The following shall outline the mutual areas of responsibility in our program:

Martin E. Janis & Company, Inc. shall begin a six-month program, commencing on January 1, 2006 to continue through June 30, 2006. At the end of the six-month period, on June 30, 2006, the program may be evaluated and may be extended for an additional six-month period.

The agency shall introduce Sorell to brokerage firms; the money and hedge fund managers and research departments of certain funds and institutions; analysts; special situation people or special situation investing groups; and other persons or entities who may have a direct interest in the stock – and the agency shall continue to maintain communications with the above described after the initial contact. Through a series of meetings in selected cities, the agency shall begin and continue to maintain contact with the aforementioned. Contact shall also be established and maintained by written correspondence, personal visits, individual telephone conversations and teleconferencing.

Further, the agency shall create and carry out a publicity program in the following areas – financial newspapers, magazines and periodicals; news, feature and financial sections of the national news magazines; wire services and feature syndicates; financial, news and feature sections of daily newspapers; on financial TV and radio programs and the appropriate trade periodicals that circulate in Sorell's areas of endeavor.

The public relations and publicity program shall be centered around general corporate activity; company personnel and executives; new contracts; the Company's product and technology; corporate history; past accomplishments and future goals; sales and earnings; expansion programs; acquisitions; management and management philosophy; and other salient subjects that will enhance the corporate image. Such publicity will result from the agency's distribution of press releases, from press presentations, and from special press interviews.

Martin E. Janis & Company, Inc. shall be compensated at the rate of five thousand dollars (\$5,000.00US) per month. The fee payment shall be sent to the Company on or shortly after the first day of each month, beginning January 1, 2006.

In addition to the above quoted retainer fee, routine out-of-pocket costs, covering such items as printing and mailing, clipping services, long distance telephones and faxes, Xeroxing, photography, media entertainment, and the like, shall be borne by Sorell. These out-of-pocket costs, however, shall not exceed \$200-300US per month, unless specific approval is given thereto by the client. All Business Wire or PR Newswire press release distributions are to be paid directly to the vendor by Sorell.

The above routine out-of-pocket costs shall be itemized with receipted vouchers and billed at the end of each month, and are payable to the agency upon receipt of invoice.

All travel and other costs relating to company financial meetings in specific financial centers throughout the country will be budgeted and presented to the client for approval, three weeks prior to incurring said expenditures. Payment of these out-of-pocket expenditures shall be made upon receipt of and approval of these submitted estimated costs by the client prior to said meetings, as these expenses (hotel, travel, food and beverage, and the like) are paid up front by the agency, at the time they are incurred. At the end of these specific travel projects, when all the actual bills are in and collated, they shall be submitted to the client and an adjustment will be made either way, equating the actual expense with the estimated advance. Meetings are not scheduled unless the expense advance has been received by the agency. Sorell, however, may elect to pay these costs directly (travel for Janis staff, cost of meetings, etc.). This option is acceptable and arrangements will be made at the outset of the program.

Both the service fee and the out-of-pocket expense remuneration shall be wire transferred to Martin E. Janis & Company, Inc. The wire transfer instructions are as follows: Swift Code: US Bank, USBKUS44IMT; Routing: 071904779; Account Number: 199223704016 (it should come up as First Star Naper - that will be correct).

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Another service rendered by this firm is the arranging of financing. Through the firm's relationship with the investment banking community, we are able to introduce your company to potential sources of financing – investment bankers – brokerage firms – venture capital groups – and individuals or special group investors. If this service is rendered, and monies are raised for Sorell then a special fee shall be paid to their firm, based on an agreed percent of the monies raised.

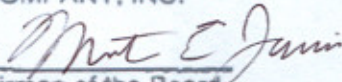
An Account Executive, an agency executive, shall be assigned to work on this account, along with other agency media, creative and executive personnel in the firm's offices. Martin E. Janis shall be involved with various agency executives and staff and Sorell executives in the overall coordination, direction and implementation of the program.

I believe this letter covers the pertinent points in our new working relationship. Will you kindly indicate your approval by signature on the attached copy, and return same to me at your early convenience.

I look forward to meeting with you soon and to a successful relationship with you and your organization over this next period.

Cordially,

MARTIN E. JANIS & COMPANY, INC.

By: /s/ Martin E. Janis 
Martin E. Janis, Chairman of the Board

APPROVED:

By: B. K. Koo
Bon Kwan Koo, CEO & President, Sorell



February 2, 2006

Mr. Bon Kwan Koo
Chief Executive Officer and President
Sorell, Inc.
Buk-ri 35, Namsa-Myun
Yongin City, South Korea

Dear Mr. Koo:

This letter agreement (the "Agreement") confirms our complete understanding with respect to the retention of New York Global Securities, Incorporated ("NYGS") as exclusive financial advisor and placement agent in connection with the placement (the "Placement") of certain securities (the "Securities") of Sorell, Inc. (the "Company").

Upon the terms and subject to the conditions set forth hereinafter, the parties hereto agree as follows:

1. **Appointment.** The Company hereby retains NYGS and NYGS hereby agrees to act as the Company's placement agent in connection with the Placement.

2. **Scope and Certain Conditions of Services.** The Company expressly acknowledges and agrees the obligations of NYGS hereunder are on a reasonable best efforts basis only and that the execution of the Agreement does not constitute a commitment by NYGS to purchase the Securities and does not ensure the successful placement of the Securities or any portion thereof, or the success of securing any other financing on behalf of the Company.

3. **Fees.** In consideration for the services rendered by NYGS in connection with the Placement, the Company agrees to pay NYGS the following fees:

- (a) A success fee (the "Success Fee") equal to 12.0% of the gross proceeds from the sale of Securities in the Placement. The Success Fee is due and payable to NYGS immediately upon the closing of the Placement and shall be disbursed directly to NYGS simultaneously with the delivery of the proceeds of the Placement to the Company.
- (b) Non-callable warrants of the Company (the "Placement Agent Warrants") issuable to NYGS, or its designee simultaneously with the closing of the Placement, to purchase 20.0% of the aggregate number of Securities sold in the Placement. The Placement Agent Warrants shall entitle the holder thereof to purchase securities of the Company at a purchase price per share equal to the price of the Securities sold in the Placement and shall be exercisable for a period of two years after the closing of the Placement. The Placement Agent Warrants shall be satisfactory in form and substance to NYGS and its counsel and shall contain provisions for, among other things, cashless exercise, and anti-dilution protection in the event of merger,

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consolidation, reclassification, reorganization and other similar events, but not in the event of subsequent sales of securities by the Company.

4. In addition to any fees that may be payable to NYGS hereunder, the Company shall reimburse NYGS for its out-of-pocket expenses incurred in connection with its engagement hereunder, including the reasonable fees and expenses of its legal counsel. If any expenses have not previously been reimbursed at the time this Agreement terminates, the Company shall promptly reimburse NYGS for any such expenses incurred or accrued prior to termination.
5. Following a Placement of a minimum of \$1.5 million, to the extent that, at any time during the term of this Agreement or the 18 month period following the Placement, the Company determines to raise debt, equity or equity-linked securities via a public offering or private placement, pursue a merger, acquisition or divestiture, or otherwise, or require other investment banking services, then NYGS shall have the first right of refusal, but not the obligation, to act as the Company's exclusive placement agent, lead manager, financial advisor or dealer-manager, as appropriate, in each case pursuant to a separate engagement letter which shall provide for, among other things, mutually acceptable terms, conditions, indemnification and compensation for such services.
6. None of the advice, either oral or written, provided to the Company by NYGS hereunder shall be publicly disclosed or made available to third parties without the prior written consent of NYGS, which consent shall not be unreasonably withheld, except the information may be disclosed (i) to the Company's counsel, accountants and other advisors having a need to know, (ii) in the course of any litigation or court proceeding involving the Company including, without limitation, the enforcement of any claim against the Company, whether inside or outside the context of a bankruptcy proceeding, (iii) as the Company reasonably believes to be otherwise required by law pursuant to legal process or any judicial, administrative, legislative, regulatory or self-regulatory body or committee having, or claiming to have, jurisdiction over the proposed Placement or the Company, or any other governmental agency or representative thereof, (iv) in the event that the Company is requested (by oral questions, deposition, interrogatories, requests for information or documents, subpoena, court order, civil investigative demand or other process) to disclose such information. If the Company is requested pursuant to clause (iv) to disclose any information, the Company will (x) give NYGS prompt notice of such request so that NYGS may seek an appropriate protective order and (y) consult with NYGS as to the advisability of taking legally available steps to resist or narrow such a request. The Company will cooperate fully with NYGS in obtaining such an order. If in the absence of a protective order the Company is nonetheless compelled to disclose information, NYGS agrees that it may make such disclosure without liability hereunder, provided that it gives NYGS written notice of the information to be disclosed as far in advance of its disclosure as is practicable and, upon NYGS' request and at its expense, uses its best efforts to obtain reasonable assurances that confidential treatment will be accorded to such information. All references to the Company in this paragraph shall be deemed to include their representatives.
7. Recognizing that transactions of the type contemplated in this engagement sometimes result in litigation and that the role of NYGS is advisory, the Company



7/2/05

agrees to indemnify and hold harmless NYGS, its affiliates and their respective officers, directors, employees, agents and controlling persons within the meaning of Section 15 of the Securities Act of 1933, as amended (the "Act") or Section 20(a) of the Securities Exchange Act of 1934, as amended (an "Indemnified Party" or collectively, the "Indemnified Parties"), from and against any and all loss, charge, claim, damage, expense and liability whatsoever, including, but not limited to, all attorneys fees and expenses (hereinafter a "Claim" or "Claims"), related to or arising in any manner out of, based upon, or in connection with (i) any untrue statement or alleged untrue statement of a material fact in any offering document provided by the Company relating to any capital raising assignment performed by NYGS on behalf of the Company or any omission or alleged omission of the Company to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or (ii) any transaction contemplated by the engagement of NYGS hereunder (items (i) and (ii) being hereinafter referred to as a "Matter" or "Matters"), and will promptly reimburse the Indemnified Parties for all expenses (including reasonable fees and expenses of legal counsel) as incurred in connection with the investigation of, preparation for or defense of any pending or threatened Claim related to or arising in any manner out of any Matter hereunder, or any action or proceeding arising therefrom (collectively, "Proceedings"), whether or not such Indemnified party is a formal party to any such Proceeding. Notwithstanding the foregoing, the Company shall not be liable in respect of any Claims that a court of competent jurisdiction has judicially determined by final judgment (in connection with which the time to appeal has expired or the last right of appeal has been denied) resulted solely from the gross negligence or willful misconduct of an Indemnified Party. The Company further agrees that it will not, without the prior written consent of NYGS settle compromise or consent to the entry of any judgment in any pending or threatened proceeding in respect of which indemnification may be sought hereunder (whether or not NYGS or any Indemnified Party is an actual or potential party to such Proceeding), unless such settlement, compromise or consent includes an unconditional release of NYGS and each other Indemnified Party hereunder from all liability arising out of such proceeding.

In order to provide for just and equitable contribution in any case in which an Indemnified Party is entitled to indemnification pursuant to this Agreement but it is judicially determined by the entry of a final judgment decree by a court of competent jurisdiction and the time to appeal has expired or the last right of appeal has been denied) that such indemnification may not be enforced in such case, the Company shall contribute to the aggregate losses, Claims, damages and/or liabilities in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand, and NYGS on the other, from the Transaction. Notwithstanding the foregoing, NYGS shall not be obligated to contribute any amount hereunder that exceeds the amount of fees received by NYGS under this Agreement.

The Company further agrees that no Indemnified Party shall have any liability (whether direct or indirect, in contract or tort or otherwise) to the Company for or in connection with NYGS' engagement hereunder except for Claims that a court of competent jurisdiction shall have determined by final judgment (in connection with which the time to appeal has expired or the last right of appeal has been denied) resulted solely from the gross negligence or willful misconduct of such Indemnified Party. The indemnity, reimbursement and contribution obligations of the Company

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set forth herein shall be in addition to any liability which the Company may otherwise have and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of the Company or an Indemnified Party.

The indemnity, reimbursement and contribution provisions set forth herein shall remain operative and in full force and effect regardless of (i) any withdrawal, termination or consummation of or failure to initiate or consummate any Matter referred to herein, (ii) any investigation made by or on behalf of any party hereto or any person controlling (within the meaning of Section 15 of the Securities act of 1933 as amended, or Section 20 of the Securities Exchange Act of 1934, as amended) any party hereto, (iii) any termination or the completion or expiration of this Agreement with NYGS and (iv) whether or not NYGS shall, or shall not be called upon to, render any formal or informal advice in the course of such engagement.

8.
 - (a) Subject to (b) and (c) below, the engagement of NYGS pursuant to this Agreement shall automatically terminate six months from the date of this Agreement or the date set forth in a termination notice delivered by either party to the other in accordance with the provisions set forth below. This Agreement may be extended if agreed to in writing by both parties.
 - (b) The Company may terminate this Agreement upon 30 days written notice to NYGS.
 - (c) NYGS may terminate this Agreement upon 30 days written notice to the Company without further liability or obligation on the part of NYGS.
9.
 - (a) This Agreement sets forth the entire understanding of the parties relating to the subject matter hereof, and supersedes and cancels any prior communications, understanding and agreements between the parties. This Agreement cannot be modified or changed, nor can any of its provisions be waived, except in writing signed by both parties.
 - (b) Any term or condition of this Agreement which is prohibited or unenforceable in any applicable jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof; and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by any applicable law, the Company hereby waives any provisions of such applicable law which render any provisions hereof prohibited or unenforceable in any respect.
10.
 - (a) This Agreement shall be governed by and construed in accordance with the laws of the State of New York, including all matters of construction, validity and performance.
 - (b) Any dispute arising out of or relating to this Agreement or its performance that the parties are unable to resolve by agreement shall be finally settled by arbitration. Such arbitration shall be effected in accordance with the Rules of

WCB

Conciliation and Arbitration of the International Chamber of Commerce and shall be conducted in New York. Judgment upon the award rendered by the Arbitrator may be entered in any court having jurisdiction thereof. The arbitrator shall have the discretion to award counsel fees and costs to the prevailing party.

NYGS is delighted to accept this engagement and looks forward to working with you on this assignment. Please confirm that the foregoing correctly sets forth our agreement by signing the enclosed duplicate of this letter in the space provided and returning it, whereupon this letter shall constitute a binding agreement as of the date first above written.

NEW YORK GLOBAL SECURITIES, INC.

By: _____

Name: _____

Title: _____

Agreed to and accepted as of the date
first above written:

SORELL, INC.

By: B. K. Koo

Name: BON KWAN KOO

Title: CEO

SIGNED
ORIGINAL

Company Name:
MS Agreement Number:
Effective Date:
Expiration Date:

S.CAM CO., LTD.
5138870179
August 1, 2005
December 31, 2017

WINDOWS MEDIA COMPONENTS FINAL PRODUCT AGREEMENT



This WINDOWS MEDIA FORMAT COMPONENTS DISTRIBUTION LICENSE ("Agreement") is entered into between Microsoft Licensing, GP ("MS") and the company identified below ("Company") as of the Effective Date.

This Agreement consists of the following:

- this Signature Page
- Product and Royalty Schedule for Final Products for Embedded Systems
- Product and Royalty Schedule for Final Products for PC Software
- Company Subsidiary Schedule
- PDDRM Restrictions Schedule
- Third Party Brand Names and Trademark Schedule
- Addresses Schedule
- General Terms and Conditions

Provided that, as of the Effective Date of this Agreement, Company has complied with all terms and conditions, including payment, under the Windows Media Format Components Distribution Agreement dated May 1, 2004 between Company and MS, MS Contract No. 5137560046 ("Prior Agreement"), then as of the Effective Date of this Agreement, (i) the Prior Agreement shall be deemed terminated; and (ii) Company shall deliver final royalty report(s) under the Prior Agreements to MS within thirty (30) days of the Effective Date.

By signing below, Company represents and warrants that the information Company provides below and on each of the attached forms is accurate, and that Company has read and understood, and will act in accordance with, all of the terms set forth in the attached documents.

MICROSOFT LICENSING, GP	S.CAM CO., LTD.
A general partnership organized under the laws of: The State of Nevada, U.S.A.	A company organized under the laws of: Korea, Rep. of
By:  (signature)	By:  (signature)
Name: BRIAN RUSSELL (printed) OEM Accounting Manager	Name: BON, KWAN, KOO (printed)
Title: (printed)	Title: CEO (printed)
Date: AUG 23 2005	Date: 16. AUG. 2005

CONFIDENTIAL & PROPRIETARY

12/20/04 Windows Media Components Final Product Agreement

LCA

Form 2.8.10
Document Tracking Number: 5138870179-2

PRODUCT AND ROYALTY SCHEDULE
Windows® Media Technology For Final Products
Embedded System Table***

Licensed Technology Component Name and Version	Royalty Per Unit for each Final Product Containing the Applicable Licensed Technology Component US\$	Annual Fee for all Final Products Containing the Applicable Licensed Technology Component US\$	Royalty Free* US\$
1. Microsoft® Windows Media™ with Embedded Audio Decode Technology**	\$0.10 (F44-00034)	\$400,000.00 (F44-00033)	\$0.00 (F44-00035)
2. Microsoft® Windows Media™ with Embedded Audio Encode Technology**	\$0.20 (F44-00037)	\$800,000.00 (F44-00036)	\$0.00 (F44-00038)
3. Microsoft® Windows Media™ with Embedded Audio Decode and Encode Technology**	\$0.25 (F44-00108)	\$1,000,000.00 (F44-00106)	\$0.00 (F44-00107)
4. Microsoft® Windows Media™ with Embedded Video Decode Technology**	\$0.10 (F44-00040)	\$400,000.00 (F44-00039)	\$0.00 (F44-00041)
5. Microsoft® Windows Media™ with Embedded Video Encode Technology**	\$0.20 (F44-00043)	\$800,000.00 (F44-00042)	\$0.00 (F44-00044)
6. Microsoft® Windows Media™ with Embedded Video Decode and Encode**	\$0.25 (F44-00111)	\$1,000,000.00 (F44-00109)	\$0.00 (F44-00110)
7. Microsoft® Windows Media™ Embedded Network Read Technology	\$0.25 (F44-00046)	\$1,000,000.00 (F44-00045)	\$0.00 (F44-00047)
8. Microsoft® Windows Media™ with Embedded HDCD® Technology	\$0.10 (F44-00030)	\$400,000.00 (F44-00057)	\$0.00 (F44-00058)
9. Microsoft® Windows Media™ Embedded ASFRead Technology	\$0.00 (F44-00096)	N/A	N/A
10. Microsoft® Windows Media™ Embedded ASFWrite Technology	\$0.00 (F44-00105)	N/A	N/A
11. Microsoft® Windows Media™ Portable Device DRM Technology for Embedded Systems	\$0.00 (F44-00112)	N/A	N/A
12. Microsoft® Windows Media™ with Embedded Pro And Lossless Audio Decode	\$0.20 (F44-00074)	\$800,000.00 (F44-00078)	\$0.00 (F44-00070)

Numbers listed above in parenthesis are Licensed Technology Product Numbers.

Localized versions of the Licensed Technology components are licensed on an "if and as available" basis.

* Company shall use the applicable "Royalty Free" Licensed Technology Product Numbers listed in the fourth column above if, and only if, one of the following is true: (a) the Final Product was created by Company using an Interim Product obtained from an Microsoft Windows Media Licensee who has executed a current and valid Microsoft Integrated Circuit OEM License Agreement for Embedded Windows Media Technology with an effective date prior to February 2, 2003 with MS and who is shipping and paying royalties for such Interim Products under such agreement; or (b) the Final Product is an "Embedded" version designed to operate on an embedded version of Microsoft's Windows operating systems. Additionally, Company shall use the "Royalty Free" Licensed Technology Product Numbers listed in the fourth column above for the Microsoft Windows Media Video Decoder and/or Encoder technology portions of any Final Product distributed by Company under this Agreement between January 1, 2004 and December 31, 2004; provided however that Company shall use the applicable royalty bearing Licensed Technology Product Numbers for any other Microsoft Windows Media Technologies contained in such Final Products.

** These Licensed Technology Product Numbers contain the ASF Reader and/or ASF Write components of the Licensed Technology and are subject to the requirements of this Agreement, including but not limited to Section 4.2.

*** References above to "Embedded" versions of the Licensed Technology mean that the applicable Licensed Technology component is used in a manner other than as PC Software as defined on the Product and Royalty Schedule for Final Products for PC Software. "Embedded" versions of the Licensed Technology include, without limitation, uses of the Licensed Technology in low power devices (such as cellular phones, handheld Internet appliances, and personal digital assistants), closed systems for which limited-to-no third party software is available, video game consoles, computer servers, digital cameras and camcorders, professional encoders, professional decoders, set top boxes, routers and other networking devices, televisions, portable digital music players, and consumer electronic devices such as audio receivers and DVD players.

PRODUCT AND ROYALTY SCHEDULE
Windows® Media Technology For Final Products
PC Software Table****

Licensed Technology Component Name and Version	Royalty Per Unit for each Final Product Containing the Applicable Licensed Technology Component US\$	Annual Fee for all Final Products Containing the Applicable Licensed Technology Component US\$	Royalty Free* US\$
1. Microsoft® Windows Media™ Audio Decode Technology For PC Software**	\$0.10 (S10-00016)	\$20,000.00 (S10-00024)	\$0.00 (S10-00008)
2. Microsoft® Windows Media™ Audio Encode Technology For PC Software**	\$0.20 (S10-00015)	\$200,000.00 (S10-00023)	\$0.00 (S10-00007)
3. Microsoft® Windows Media™ Audio Decode and Encode Technology For PC Software **	\$0.25 (S10-00014)	\$210,000.00 (S10-00022)	\$0.00 (S10-00006)
4. Microsoft® Windows Media™ Video Decode Technology For PC Software **	\$0.10 (S10-00013)	\$400,000.00 (S10-00021)	\$0.00 (S10-00005)
5. Microsoft® Windows Media™ Video Encode Technology For PC Software**	\$0.20 (S10-00012)	\$800,000.00 (S10-00020)	\$0.00 (S10-00004)
6. Microsoft® Windows Media™ Video Decode and Encode For PC Software**	\$0.25 (S10-00011)	\$1,000,000.00 (S10-00019)	\$0.00 (S10-00003)
7. Microsoft® Windows Media™ Embedded Network Read Technology For PC Software	\$0.25 (S10-00010)	\$1,000,000.00 (S10-00018)	\$0.00 (S10-00002)
8. Microsoft® Windows Media™ with Embedded HDCD® Technology For PC Software	\$0.10 (S10-00009)	\$400,000.00 (S10-00017)	\$0.00 (S10-00001)
9. Microsoft® Windows Media™ Embedded ASFRead Technology	\$0.00 (S10-00025)	N/A	N/A
10. Microsoft® Windows Media™ Embedded ASFWrite Technology	\$0.00 (S10-00026)	N/A	N/A
11. Microsoft® Windows Media™ with Embedded Pro And Lossless Audio Decode	\$0.20 (S10-00027)	\$800,000.00 (S10-00029)	\$0.00 (S10-00028)

Numbers listed above in parenthesis are Licensed Technology Product Numbers.

Localized versions of the Licensed Technology components are licensed on an "if and as available" basis.

* Company shall use the applicable "Royalty Free" Licensed Technology Product Numbers listed in the fourth column above if, and only if, one of the following is true: (a) the Final Product was created by Company using an Interim Product obtained from a Microsoft Windows Media Licensee who has executed a current and valid Microsoft Integrated Circuit OEM License Agreement for Embedded Windows Media

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Technology with an effective date prior to February 2, 2003 with MS and who is shipping and paying royalties for such Interim Products under such agreement; or (b) the Final Product is a "PC Software" version designed to run solely on a version of Microsoft's Windows operating systems. Additionally, Company shall use the "Royalty Free" Licensed Technology Product Numbers listed in the fourth column above for the Microsoft Windows Media Video Decoder and/or Encoder technology portions of any Final Product distributed by Company under this Agreement between January 1, 2004 and December 31, 2004 as set forth in Section 5.1; provided however that Company shall use the applicable royalty bearing Licensed Technology Product Numbers for any other Microsoft Windows Media Technologies contained in such Final Products.

** These Licensed Technology Product Numbers contain the ASF Reader and/or ASF Writer components of the Licensed Technology and are subject to the requirements of this Agreement, including but not limited to Section 4.2.

**** References above to "PC Software" versions of the Licensed Technology mean that the applicable Licensed Technology component is used as software for a general purpose personal computer (including laptop, tablet, or desktop), which general purpose personal computer both (i) is designed and marketed for operating a wide variety of productivity, entertainment, and/or other software applications from unrelated third party software vendors; and (ii) runs a general purpose consumer operating system such as Apple Macintosh OS X, or consumer versions of the Linux operating system, but not versions of such operating systems designed for computer servers or embedded systems, such as MontaVista Linux Consumer Electronics Edition.

COMPANY SUBSIDIARY SCHEDULE

MS and Company authorize each Affiliate of Company listed below ("Company Subsidiary") to exercise rights granted to Company under this Agreement. By completing this Schedule, Company agrees to the Additional Provisions set forth below. Additional Company Subsidiaries may be added only by amendment of this Schedule.

ADDITIONAL PROVISIONS

- (a) Company Subsidiaries added to this Agreement after the Effective Date may not exercise any rights or receive any Confidential Information from Company under this Agreement until thirty (30) days after it has delivered to MS in writing at the addresses set forth in the Addresses Schedule, a signed Company Subsidiary Agreement in the form indicated in Attachment I hereto.
- (b) Each Company Subsidiary's exercise of rights under this Agreement shall be subject to all terms and conditions set forth in the Agreement.
- (c) Company shall make consolidated royalty reports and payments on behalf of Company and each Company Subsidiary. Upon MS' request, Company shall provide royalty reports that specify information by Company and each Company Subsidiary.
- (d) MS may suspend, cancel or terminate this Agreement if Company or any Company Subsidiary fails to comply with any provision of this Agreement, or any other Windows Media agreement between Company or any Company Subsidiary and Microsoft.
- (e) Company irrevocably and unconditionally guarantees the compliance of each Company Subsidiary with this Agreement, and shall be jointly and severally liable with each Company Subsidiary for breach of this Agreement.
- (f) All remedies available to MS, including the ability to obtain injunctive relief, shall apply to Company Subsidiaries. Company shall assist MS in enforcing its rights and remedies against Company Subsidiaries.

ATTACHMENT 1 TO COMPANY SUBSIDIARY SCHEDULE

(Sample Company Subsidiary Agreement)

[To be printed on each Company Subsidiary's Letterhead]

<<INSERT DATE THIS LETTER IS EXECUTED BY COMPANY SUBSIDIARY>>

Microsoft Licensing, GP
6100 Neil Road
Reno, NV 89511
Attn: OEM Contracts

To Whom It May Concern:

For good and valuable consideration, <<INSERT COMPANY SUBSIDIARY NAME>>, a corporation of <<INSERT COMPANY SUBSIDIARY STATE OR COUNTRY OF INCORPORATION>> ("Company Subsidiary") hereby covenants and agrees with Microsoft Licensing, GP, a Nevada U.S.A. general partnership ("Microsoft") that Company Subsidiary will comply with all obligations of <<INSERT COMPANY NAME>>, a corporation of <<INSERT COMPANY INCORPORATION DATA>> ("Company ") pursuant to the Windows Media Components Final Product Agreement, dated <<INSERT AGREEMENT EFFECTIVE DATE>> between Company and Microsoft ("Agreement").

Company Subsidiary acknowledges that its agreement herein is a condition for Company Subsidiary to exercise any of the rights pursuant to the terms of the Agreement. Company Subsidiary shall be jointly and severally liable to Microsoft, Microsoft Corporation, and their suppliers for all obligations related to Company Subsidiary's exercise of license rights or receipt of Confidential Information under the Agreement.

Capitalized terms used herein and not otherwise defined shall have the same meaning as in the Agreement.

IN WITNESS WHEREOF, Company Subsidiary has executed this letter as of the date specified above. Company Subsidiary agrees to comply with all terms of the Agreement just as if Company Subsidiary had executed the Agreement directly. All signed copies of this letter shall be deemed originals.

<<INSERT COMPANY SUBSIDIARY NAME>>

<<Signature>>

<<Name and Title of Signatory (Printed or Typed)>>

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CONFIDENTIAL & PROPRIETARY

PDDRM RESTRICTIONS SCHEDULE

- (1) Capitalized Terms set forth in this PDDRM Restriction Schedule are defined in the General Terms and Conditions, except as otherwise set forth below:

1.1 "Advanced Systems Format" or "ASF" means the current version of the extensible file storage format developed by or for MS or MSCORP for authoring, editing, archiving, distributing, streaming, playing, referencing, or otherwise manipulating Content, as used by the Windows Media technologies.

1.2 "ASF Content" means Content contained within ASF and optionally protected with DRM.

1.3 "Convert" means to remove the DRM protection from a Content file in a Windows Media Format ("ASF Content") for any purpose not explicitly authorized by the DRM Flags of the license for that content, including but not limited to writing that unprotected DRM content to disk or to a network.

1.4 "DRM" means MS/MSCORP'S digital rights management system that enables creation and enforcement of business rules and license-based restrictions for Content.

1.5 "DRM Flag(s)" means the flag(s) describing license condition(s) for, and set by the creator or authorized licensor of, ASF Content protected with DRM as more fully described herein.

1.6 "Embedded System" means Company's Final Product(s).

1.7 "Material Security Problem" means a security breach in DRM, or a security breach attributable to Company or to any Embedded System that is a violation of the General Terms and Conditions of this Agreement or any of the terms of this PDDRM Restrictions Schedule, or which otherwise defeats in any way the protective settings in the DRM Flags in licenses for ASF Content.

1.8 "PDDRM" or "Portable Device Digital Rights Management" means a component of the Licensed Technology that enables, in accordance with this Schedule, an Embedded System to use the portions of the Licensed Technology that manipulate ASF Content protected by DRM.

1.9 "Protected Content" means Content contained within ASF and explicitly protected with DRM.

1.10 "Storage Media" means any standalone or removable media device or card that can store Content including but not limited to flash-card, CD (including, without limitation, CD-R or CD-RW) or DVD (including, without limitation, DVD-RAM).

1.11 "Transcription" means the transformation of Content protection from DRM to an alternate form of digital rights management. This would be accomplished by extracting Protected Content from DRM into unprotected form, then transforming this Unprotected Content into the new protected form defined for the alternate digital rights management.

1.12 "Unprotected Content" means Content contained within ASF and not protected with DRM.

- (2) If the Embedded System reads ASF Content protected with PDDRM, it must adhere to the rights provided by the associated PDDRM license as defined in the table below. Where allowed by these rights, the Embedded System may play unencrypted uncompressed Content to analog audio outputs for speakers or earphones.

Bit-based rights for PD-DRM

Bit	Right	Settings
0x2	CHECK_NONSDMI_LIC	1 Allow playback on a portable device that is not SDMI compliant.
		0 Do not allow playback on a portable device that is not SDMI compliant.
0x10	CHECK_SDMI_LIC	1 Allow playback only on SDMI compliant portable device.
		0 Do not allow playback only on SDMI compliant portable device.

- (3) Company will implement a serial number on each Embedded System. The serial number must be a minimum of 16 digits long and must be unique for each device. The Embedded System design must include this serial number in all PDDRM software interfaces which allow or require a serial number. This serial number must be implemented in such a way that it (i) reliably associates the same unique value with the same physical device, (ii) is not associated with field-replaceable hardware such that the serial number could be altered by swapping a hardware component, and (iii) cannot be altered by the end user. This serial number may be based on a unique per-device hardware identification number embedded in specific hardware on the device, such as an internal memory chip or a processor, provided that the resulting serial number meets the requirements specified above. If Company chooses to implement a serial number that is not directly embedded in hardware, the Embedded System design must generate a unique serial number for each device, persistently store the uniquely generated serial number and prevent the stored number from being altered by the end user. For the purposes of this Agreement, a serial number will be considered unique if the chance of another device sharing the same number can be shown to be less than 1 in 10,000.
- (4) The Embedded System will not allow Protected Content to be stored in unprotected form on a hard disk, long term memory, or other Storage Media.

- (5) Company may utilize digital rights management technologies other than MS/MSCORP's, provided, however, that the Embedded System will not allow Transcription of Protected Content from PDDRM into another form of digital rights management.
- (6) The Embedded System will provide no means (including but not limited to programming APIs, end-user selectable options, or purposeful or accidental placement of debugging or testing information in the Embedded Systems) for the enablement or disablement of the intended PDDRM functionality.
- (7) Failure of an Embedded System, as distributed by Company, to abide by the rights issued in the ASF Content license constitutes a material violation of this Agreement.
- (8) MS and/or MSCORP may, during the Term, enhance the DRM features of the Licensed Technology, to eliminate potential security breaches and/or enhance PDDRM features (including ease of use) with respect to PDDRM-protected ASF Content. Company acknowledges that MS and/or MSCORP will provide those users who are ASF Content providers using various Windows Media rights management applications with the ability to set the minimum revision level (or minimum security level) for compatibility of PDDRM-protected ASF Content, and that Embedded Systems created using older versions of the Licensed Technology may not be fully compatible with such future ASF Content. MS will use commercially reasonable efforts to: (i) provide Company with updates to PDDRM that correct security breaches, though such updates may require Company to agree to additional or alternative terms and conditions than that set forth in this Agreement; and (ii) notify Company of any actual security breaches in PDDRM which in MS' sole and reasonable judgment would affect the Embedded System.
- (9) Notwithstanding anything to the contrary in the General Terms and Conditions of this Agreement or this PDDRM Restrictions Schedule, if MS provides Company with updates or Supplemental Code to the Licensed Technology which correct actual or potential security breaches, Company will use commercially reasonable efforts to incorporate and/or make available to users of the Embedded Systems, through reasonable means (such as availability on a Company web site), such updates or Supplemental Code of the Licensed Technology as part of and/or as updates or Supplemental Code to such Licensed Technology. Company shall provide such updates or Supplemental Code to users within a commercially reasonable period of time (determined by the nature of such updates or Supplemental Code, but in no event more than ninety (90) days from the date Company received such updates or Supplemental Code). Such updates or Supplemental Code may require Company to agree to additional terms and conditions. If Company does not make available to users of the Embedded Systems the necessary updates released by MS, Company must immediately take reasonable efforts (such as Company website posting or registered customers mailing) to make existing users aware that new content may no longer be playable on the device operated by the Embedded System due to the Company's decision.
- (10) Notwithstanding any provision of this Agreement, if Company intentionally or negligently fails to correct any Material Security Problem(s) and MS has provided Company with two (2) business days notice of such Material Security Problem and has delivered any appropriate PDDRM updates to Company with respect to such security problem as of such notice, then MS or its authorized licensee or agent may, upon written notice at any time, terminate this Agreement.
- (11) Company will use commercially reasonable efforts to design Embedded Systems to prevent users from tampering with the Licensed Technology or PDDRM. Further, Company will not use, incorporate, or allow the execution of or enable any other software that modifies the behavior of the Embedded System in a manner which causes it to violate the conditions of this Schedule.
- (12) Upon the availability of a Windows Media DRM compliance program, Company will use commercially reasonable efforts to meet compliance requirements in ninety (90) days from the date Company received such information from MS for the shipment of all new products. At the option of Company, Company can meet compliance requirements for all existing products supporting DRM features using commercially reasonable means (such as firmware updates) during the same time period.

THIRD PARTY BRAND NAMES AND TRADEMARKS SCHEDULE

Notwithstanding anything to the contrary contained in the Agreement, Final Products distributed by Company or its Channel Entities may be marketed, licensed, or distributed by a third party under brand names and trademarks which do not include Company's name, provided that such third party brand names, trademarks and model names used for such and Final Products are listed below.

Company's royalty report shall include a separate reporting of the number of units of each Final Product distributed under each third party brand name or trademark.

<i>Licensed Technology Component Name and Version</i>	<i>Brand Names & Trademarks</i>	<i>Final Product</i>	<i>Model Name Used by Third Party</i>
1. WMA Decode v9 2. PDDRM	SORELL	SF3500, SF4000, SF3100	SF3500, SF4000, SF3100
1. WMA Decode v9 2. ASF Read Technology 3. WMV Decode v9	SORELL	SV-15	SV-15

Prior to any marketing or distribution by Company or its Channel Entities of Final Products under any third party brand name or trademark not listed on this Third Party Brand Names and Trademarks Schedule, Company shall notify its Account Manager of any third party brand name or trademark that it proposes to add to this Third Party Brand Names and Trademarks Schedule. Provided the parties reach agreement regarding the third party brand name or trademark, (1) Company and MS shall execute an amendment to add such third party brand name or trademark to this Third Party Brand Names and Trademarks Schedule; and (2) Company shall inform the owner of such third party brand that it will need to execute a separate Plays Windows Media Logo License agreement with MSCORP prior to the distribution of any Company Product. Company hereby acknowledges and agrees that MS reserves the right to reject a proposed third party name or trademark and/or to execute a direct distribution license with the owner of such proposed third party name or trademark.

**ADDRESSES SCHEDULE
SHIPPING AND BILLING**

Company "Ship To" Address	Company Billing Address
<p>COMPANY Name Seong Ju, Yoon Marketing Manager S.CAM CO., LTD. #303, Gyeonggi Venture bldg. 1017, Ingae-dong, Paldal-gu, Suwon-city, GYEONGGI-DO, 442-833 KOREA, REP. OF</p> <p>Telephone: +82-31-233-4664 Fax: +82-31-233-4795 E-mail: mktg@sorell.co.kr</p>	<p>COMPANY Name Seong Ju, Yoon Marketing Manager S.CAM CO., LTD. #303, Gyeonggi Venture bldg. 1017, Ingae-dong, Paldal-gu, Suwon-city, GYEONGGI-DO, 442-833 KOREA, REP. OF</p> <p>Telephone: +82-31-233-4664 Fax: +82-31-233-4795 E-mail: mktg@sorell.co.kr</p>

Company's technical support phone number for Embedded Systems customers and end users: +82-31-233-4664

PAYMENT AND REPORTING

Send Reports via Email to:	Send Payments via Wire Transfer Only to:
<p>Microsoft Licensing, GP OEM Accounting Services Email: WMReport@MICROSOFT.COM</p>	<p>Microsoft Licensing, GP c/o Bank of America 1401 Elm Street Dallas, TX USA ABA# 11100001-2 SWIFT Code: BOFAUS3N Account # 3750891058</p>
	Company shall include applicable MS invoice number(s) on all Payments

Or to such other address or account as MS may specify from time to time.

Company Royalty Report Submitter address

Seong Ju, Yoon
Marketing Manager
S.CAM CO., LTD.
#303, Gyeonggi Venture bldg. 1017,
Ingae-dong, Paldal-gu, Suwon-city,
GYEONGGI-DO, 442-833
KOREA, REP. OF

Telephone: +82-31-233-4664
Fax: +82-31-233-4795
E-mail: mktg@sorell.co.kr

GENERAL NOTICES

Any written notices related to this Agreement must be addressed to the contact and locations outlined below, or such other addresses as either party may hereafter specify in writing.

Company Information

Seong Ju, Yoon
Marketing Manager
S.CAM CO., LTD.
#303, Gyenggi Venture bldg. 1017,
Ingae-dong, Paldal-gu, Suwon-city,
GYEONGGI-DO, 442-833
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MS Information

Microsoft Licensing, GP
6100 Neil Road
Reno, NV 89511-1132
USA
Attention: General Manager
Phone Number: (1) 775-823-5600
Fax Number: (1) 775-826-0531

Copies of all Company GENERAL NOTICES shall be sent to:

Microsoft Corporation
One Microsoft Way
Redmond, Washington USA 98052
Attention: Law and Corporate Affairs
Re: Microsoft Licensing, GP – OEM ESG Sales

With an additional copy to:

Microsoft Corporation
One Microsoft Way
Redmond, Washington USA 98052
Attention: DMD Licensing
Re: Windows Media Technology

WINDOWS MEDIA NOTICES

Microsoft Corporation
One Microsoft Way
Redmond, Washington USA 98052-6399
Attention: DMD Licensing
Re: Windows Media Technology
<i>With an additional copy emailed to:</i>
WMLA@microsoft.com