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

SCHEDULE 13D

Under the Securities Exchange Act of 1934

DOCUMENT CAPTURE TECHNOLOGIES, INC.
(Name of issuer)

Common Stock, par value $0.001 per share
(Title of class of securities)

25614C 10 8
(CUSIP number)

Jennifer M. Daniels
General Counsel
NCR Corporation
3097 Satellite Blvd.
Duluth, GA 30096
(Name, address and telephone number of person authorized to receive notices and communications)

August 5, 2010
(Date of event which requires filing of this statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), Rule 13d-1(f) or Rule 13d-1(g), check the following box. ☐

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7(b) for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

1	Names of reporting persons NCR Corporation	
2	Check the appropriate box if a member of a group (see instructions) (a) ☐ (b) ☐	
3	SEC use only	
4	Source of funds (see instructions) WC	
5	Check if disclosure of legal proceedings is required pursuant to Item 2(d) or 2(e) ☐	
6	Citizenship or place of organization Maryland	
Number of shares beneficially owned by each reporting person with	7	Sole voting power 7,722,008(1)
	8	Shared voting power
	9	Sole dispositive power 7,722,008(1)
	10	Shared dispositive power
11	Aggregate amount beneficially owned by each reporting person 7,722,008(1)	
12	Check if the aggregate amount in Row (11) excludes certain shares (see instructions) ☐	
13	Percent of class represented by amount in Row (11) 28.46%(2)	
14	Type of reporting person (see instructions) CO	

(1) Includes 3,861,004 shares of common stock subject to a two-year option that is currently exercisable.

(2) Such percentage reflects the ratio that the number of shares of Common Stock that the Reporting Person may be deemed to beneficially own bears to the 23,267,274 shares of the Issuer's common stock outstanding at August 11, 2010 (as reported in the Issuer's Quarterly Report on Form 10-Q for the quarter ended June 30, 2010) plus the 3,861,004 shares subject to the currently exercisable option granted to the Reporting Person in connection with the transactions described in this Schedule 13D.

Item 1. Security and Issuer.

This statement of beneficial ownership on Schedule 13D (this "Statement") relates to the common stock, par value $0.001 per share (the "Common Stock") of Document Capture Technologies, Inc., a Delaware corporation (the "Issuer"). The principal executive offices of the Issuer are located at 1798 Technology Drive, Suite 178, San Jose, California 95110.

Item 2. Identity and Background.

This Statement is being filed by NCR Corporation, a Maryland corporation ("NCR"). NCR's principal business office is located at 3097 Satellite Blvd., Duluth, Georgia 30096. NCR provides technology and services that are designed specifically to enable its customers to connect, interact and transact with their customers. NCR provides solutions for a range of industries including financial services, retail and hospitality, travel and gaming, healthcare, and entertainment. NCR's solutions are built on a foundation of long-established industry knowledge and consulting expertise, value-added software and hardware technology, global customer support services, and a complete line of business consumables and specialty media products.

During the last five years, NCR has not been (i) convicted in any criminal proceeding (excluding traffic violations or similar misdemeanors), or (ii) a party to a civil proceeding of a judicial or administrative body of competent jurisdiction, as a result of which NCR was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

Item 3. Source and Amount of Funds or Other Consideration.

NCR acquired 3,861,004 shares of Common Stock (the "Shares") pursuant to a Share Purchase Agreement, dated August 5, 2010, between NCR and the Issuer (the "Purchase Agreement"). The Shares were purchased by NCR using working capital, and no borrowed funds were used to purchase such Shares. The aggregate purchase price for the Shares was $4,000,000.

Under a related Investor Rights Agreement, dated August 5, 2010, between NCR and the Issuer (the "IR Agreement"), NCR was, for no additional consideration, granted an option (the "Option), which is exercisable in its discretion, to purchase up to an additional 3,861,004 shares of Common Stock (the "Option Shares"). The option is exercisable at a price per share equal to $1.036, subject to adjustment. NCR expects that, if it elects to exercise the Option, it would satisfy the related exercise price thereof using working capital, and that no borrowed funds would be used in connection therewith.

Item 4. Purpose of Transaction.

Share Purchase Agreement

Pursuant to the terms of the Purchase Agreement, on August 5, 2010, NCR acquired the Shares for an aggregate purchase price of $4,000,000. NCR believes that a strategic equity investment in the Issuer gives the Issuer access to capital to fund its operations while NCR continues to work with the Issuer to grow NCR's remote deposit capture and other related solutions businesses.

Under the Purchase Agreement, the Issuer agreed to, among other things, use the net proceeds from the sale of the Shares to support its operations and the marketing and promotion of its products, for product tooling and engineering, research and development and strategic investments and transactions, and to otherwise fund working capital for its operations, and not to use the net proceeds for any other purposes. The Issuer also agreed that, subject to certain exceptions, it would not, as long as NCR holds at least 5% of the Shares, without the prior written consent of NCR:

- enter into any agreement or arrangement with any affiliate of the Issuer, any director or executive officer of the Issuer, or that would otherwise be required to be reported by the Issuer under Item 404 of Regulation S-K; or
- during the twelve month period beginning on the date of the Purchase Agreement:
  - materially amend or modify the terms, covenants or provisions of its existing loan agreement with Bridge Bank (as amended in connection with the Purchase Agreement);
  - increase, or cause to be increased, the total principal amount available to the Company under its loan agreement with Bridge Bank to an amount greater than $2,000,000; or
  - issue, grant or sell any shares of capital stock, or any warrants, options or other rights to purchase or acquire shares of capital stock, or any securities convertible into shares of capital stock.

The Issuer also agreed under the Purchase Agreement to indemnify NCR for losses arising out of or resulting from breaches of representations, warranties, agreements and covenants made by the Issuer in the Purchase Agreement or the other agreements entered into in connection therewith.

Investor Rights Agreement

The Issuer and NCR also entered into the IR Agreement, pursuant to which the Issuer granted NCR certain rights, including those set forth below.

- NCR received anti-dilution protection, effective during the eighteen months following the date of the IR Agreement, in respect of the Shares. Under the anti-dilution provisions, unless waived by NCR, issuances or deemed issuances of Common Stock with an effective price that is less than $1.036 (as adjusted), would result in the issuance of additional shares of Common Stock, determined on a full ratchet basis, to NCR.
- NCR also received, subject to certain limitations, demand registration rights and unlimited piggy-back registration rights with respect to the Shares and any Option Shares. The registration rights terminate when all of the Shares and any Option Shares may be sold pursuant to Rule 144 without restriction or limitation, or, if earlier, on the fifth anniversary of the date of the IR Agreement.
- The Issuer granted NCR the Option, pursuant to which NCR has the right to purchase, at its discretion, up to an additional $4,000,000 of Common Stock at an exercise price of $1.036 per share. The Option may be exercised at any time or from time to time by NCR commencing on August 5, 2010 and ending at 5:00 p.m. (Eastern Time) on the second anniversary of such date. The exercise price of the Option is subject to adjustment for stock splits or combinations; dividends or distributions payable in shares of Common Stock; reclassifications, exchanges or substitutions; and reorganizations, mergers, consolidations or sales of assets. The exercise price of the Option is also subject to adjustment, on a full ratchet basis, for issuances or deemed issuances of Common Stock with an effective price that is less than the Option exercise price then in effect.
- NCR also has the right to receive certain financial information of the Issuer and notice of the receipt by the Issuer of bona fide takeover proposals involving the Issuer, and the right to make periodic inspections of the Issuer’s books and facilities.

Voting Agreement

NCR also entered into a Voting Agreement (the “Voting Agreement”), with the Issuer and certain of the Issuer’s stockholders. Under the Voting Agreement, NCR was granted the right to appoint a board observer to attend meetings of the Issuer’s Board of Directors in a nonvoting observer capacity. NCR also was granted the right, at its discretion, to designate a member of the Issuer’s Board of Directors, and the stockholders who are party to the Voting Agreement agreed, in the event of any such designation, to vote their shares of Company stock to elect NCR’s designee. Such stockholders also agreed that, at NCR’s request, they would not sell their shares of the

Issuer's stock for up to 180 days following the effective date of a final prospectus covering the resale of Issuer stock by NCR. The Voting Agreement will terminate on the earlier to occur of (i) a change in control of the Issuer, (ii) NCR owning less than 1% of the fully-diluted outstanding shares of the Common Stock, and (iii) the approval by NCR and at least 50% of the stockholders that are party thereto.

Except as otherwise set forth in this Item 4, NCR currently has no plans or proposals of the type that would be required to be disclosed pursuant to this Item 4, although NCR may from time to time consider pursuing or proposing any or all of the transactions described in subparagraphs (a) through (j) of Item 4 of Schedule 13D.

Item 5. Interest in Securities of the Issuer.

(a) – (b) The Shares and the Option Shares together represent 28.46% of the Issuer's outstanding shares of Common Stock. Such percentage reflects the ratio that (i) the Shares and the Option Shares bear to (ii) the 23,267,274 shares of Common Stock outstanding at August 11, 2010 (as reported in the Issuer's Quarterly Report on Form 10-Q for the quarter ended June 30, 2010) plus the Option Shares. NCR has sole power to vote and dispose of the Shares. NCR beneficially owns the Option Shares, and would have the sole power to vote and dispose of the Option Shares upon the exercise of the Option.

(c) The information set forth in Item 6 of this Statement is incorporated into this Item 5(c) by reference. Except for the transactions described herein, no transactions in shares of Common Stock of the Issuer were effected by NCR during the past sixty days.

(d) No person other than NCR is known by NCR to have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, the Shares or the Option Shares.

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings and Relationships With Respect to Securities of the Issuer.

The information set forth under Items 4 and 5 and the agreements set forth as Exhibits 1, 2 and 3 attached hereto are incorporated in this Item 6 by reference. Other than the Purchase Agreement, the IR Agreement and the Voting Agreement described in Item 4, there are no contracts, arrangements, understandings or relationships (legal or otherwise) between NCR, on the one hand, and any other person, on the other hand, with respect to the securities of the Issuer, including, but not limited to, transfer or voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, division of profits or loss, or the giving or withholding of proxies.

Item 7. Material to be Filed as Exhibits.

Exhibit 1 Share Purchase Agreement, dated August 5, 2010, by and between NCR Corporation and Document Capture Technologies, Inc.

Exhibit 2 Investor Rights Agreement, dated August 5, 2010, by and between NCR Corporation and Document Capture Technologies, Inc.

Exhibit 3 Voting Agreement, dated August 5, 2010, by and among NCR Corporation, Document Capture Technologies, Inc., and the stockholders of Document Capture Technologies whose names are set forth on the signature pages thereto

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: August 13, 2010

NCR CORPORATION

By: /s/ Jennifer M. Daniels
Name: Jennifer M. Daniels
Title: Senior Vice President and General Counsel

EXHIBIT 1

SHARE PURCHASE AGREEMENT

THIS SHARE PURCHASE AGREEMENT (this "Agreement") is made and entered into as of the 5th day of August, 2010 (the "Effective Date"), by and between DOCUMENT CAPTURE TECHNOLOGIES, INC., a Delaware corporation ("Company"), and NCR CORPORATION, a Maryland corporation ("Investor").

W I T N E S S E T H:

WHEREAS, Company proposes to issue and sell to Investor, and Investor proposes to acquire from Company, 3,861,004 shares of Company's common stock, par value $0.001 per share (the "Shares"), at a price per Share of $1.036, for a total purchase price of $4,000,000 (the "Purchase Price");

NOW, THEREFORE, for and in consideration of the mutual covenants, agreements and warranties herein contained, the parties hereby agree as follows:

ARTICLE 1

DEFINITIONS AND INTERPRETATION

1.1 Certain Definitions. For purposes of this Agreement, the following terms shall have the meanings specified in this Section 1.1:

"Affiliate" means, as to any Person, (a) any Subsidiary of such Person, and (b) any other Person which, directly or indirectly, controls, is controlled by, or is under common control with, such Person and includes, in the case of a Person other than an individual, each officer, director, general partner or member of such Person, and each Person who is the beneficial owner of 5% or more of such Person's outstanding stock having ordinary voting power of such Person. For the purposes of this definition, "control" means the possession of the power to direct or cause the direction of management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"Business" means the business of Company and its Subsidiaries, including the design, development, manufacture and sale of compact page-fed scanners and other document capture technology products and solutions to governmental agencies, corporations and other enterprises (including original equipment manufacturers, private label brands, value added resellers and small office-home office), professional practices and other consumers, for, among other things, bank note and check verification (remote capture deposit), document and information management, identification card scanners, passport security scanners, business card readers, barcode scanning and optical mark readers used in lottery terminals.

"Business Day" means any day other than a weekend day or any other day on which commercial banks in the State of New York are authorized or required to close.

"Code" means the Internal Revenue Code of 1986, as amended, and the rules and regulations adopted thereunder.

"Common Stock" means the common stock, par value $0.001 per share, of Company.

"Company Benefit Plan" means each "employee benefit plan" within the meaning of Section 3(3) of ERISA, including each "multiemployer plan" within the meaning of Section 3(37) of ERISA and each other stock purchase, stock option, restricted stock, severance, retention, employment, consulting, change-of-control, bonus, incentive (equity-based or otherwise), deferred compensation, welfare benefit, fringe benefit and other benefit plan, agreement, program, policy, commitment or other arrangement, whether or not subject to ERISA, in each case sponsored, maintained or contributed to, or required to be sponsored, maintained or contributed to, by Company or any of its Subsidiaries or with respect to which Company or any of its Subsidiaries has any liability.

"Company Necessary Intellectual Property" means licenses, information, materials, processes, technology, and Intellectual Property and proprietary rights necessary to conduct the Business as conducted as of the Effective Date and as proposed to be conducted as of the Effective Date.

"Company Owned Intellectual Property" means all Intellectual Property owned by Company as of the Effective Date.

"Company Option Plans" means, collectively, the Company's 2002 Amended and Restated Stock Option Plan, 2006 Stock Option Plan, 2009 Stock Option Plan and 2010 Stock Option Plan.

"Contract" means any contract, agreement, license, note, bond, mortgage, indenture, commitment, lease or other instrument or obligation, whether written or oral.

"ERISA" means the Employment Retirement Income Security Act of 1974, as amended.

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

"GAAP" means accounting principles generally accepted in the United States of America.

"Governmental Authority" means any federal, state, local or foreign government or governmental regulatory body of any nature (including, without limitation, the SEC and any self-regulatory authority, such as Nasdaq or the New York Stock Exchange) and any of their respective subdivisions, agencies, instrumentalities, authorities, courts or tribunals, and the officials and representatives of any of them.

"Intellectual Property" means patents, patent applications, trade names, trademarks, service marks, trademark and service mark applications, domain names, copyrights, trade secrets, mask works, and any other intellectual property.

"Investor Rights Agreement" means that certain Investor Rights Agreement, of even date herewith, between Company and Investor, the form of which is attached hereto as Exhibit A.

"Law" means any federal, state, local or foreign law, ordinance, order, rule, regulation, bulletin, ruling, guideline, enforcement policy, license or permit, including both statutory and judge-made (common) law, and any order, writ, judgment, award, injunction, or decree of any court or arbitrator or any Governmental Authority of the United States of America, any state or political subdivision thereof or any foreign Governmental Authority.

"Material Adverse Effect" means a material adverse effect on the business, financial condition, operations or prospects of the business of Company and its Subsidiaries taken as a whole or on the ability of Company to timely consummate the transactions contemplated hereby, except to the extent that any such material adverse effect results or arises directly from one or more of the following: (a) changes in

general United States or world economic or business conditions that do not disproportionately affect Company as compared to Company's competitors; (b) the announcement of this Agreement or the pendency of the transactions contemplated hereby; (c) acts of terrorism, war or other military conflict, earthquake, fire, storm, flood or other acts of God; (d) any fees or expenses incurred in connection with the transactions contemplated by this Agreement; and (e) changes in applicable Laws or GAAP.

"Material Contract" means any Contract of Company or any of its Subsidiaries: (a) that is a "material contract" (as such term is defined in Item 601(b)(10) of Regulation S-K promulgated under the Securities Act) to be performed in full or in part after the date of this Agreement; (b) that constitutes a contract or commitment relating to material indebtedness of Company or its Subsidiaries for borrowed money; (c) with any customer of Company or any of its Subsidiaries (including OEM, distribution and reseller agreements) under which Company and its Subsidiaries received gross revenues in excess of $150,000 for goods and services sold during fiscal year 2009, or under which Company reasonably expects to receive gross revenues in excess of $500,000 for goods and services sold by Company or its Subsidiaries during fiscal year 2010; (d) under which Company reasonably expects to pay, or be obligated to pay, in excess of $25,000 in licensing, royalty or similar fees during fiscal year 2010; (e) with vendors and suppliers to the Business (including suppliers of parts used or incorporated in the products of Company and its Subsidiaries) under which Company and its Subsidiaries paid in excess of $100,000 during fiscal year 2009, or under which Company and its Subsidiaries reasonably expect to pay in excess of $100,000 during fiscal year 2010; (f) with Syscan Imaging Limited or any of its Affiliates (including Shenzen Syscan Tech), including any Contracts relating to the manufacture of products marketed or sold by Company and its Subsidiaries; or (g) that contains any provision that would prohibit or materially restrict the ability of Company or any of its Subsidiaries to operate in any geographical area or compete or operate in any line of business.

"Material Permits" means those Permits that are necessary to the continued conduct of the Business in all material respects.

"Option" means the option to purchase up to an additional $4,000,000 of Common Stock granted by Company to Investor under Article 4 of the Investor Rights Agreement.

"Option Shares" means the shares of Common Stock issuable upon exercise, in whole or in part, of the Option.

"Permits" means any licenses, permits, certificates, approvals, exemptions, franchises, registrations, variances, accreditations or authorizations issued by any Governmental Authority.

"Person" means any individual, corporation, partnership, joint venture, association, limited liability company, joint stock company, trust, or unincorporated association, or any Governmental Authority, officer, department, commission, board, bureau or instrumentality thereof.

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

"Securities" means, collectively, the Shares, the Option and the Option Shares.

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

"Subsidiary" means any Person of which (a) a majority of the outstanding share capital, voting securities or other equity interests are owned, directly or indirectly, by Company or (b) Company is

entitled, directly or indirectly, to appoint a majority of the board of directors, board of managers or comparable body of such Person.

"Syscan" means Syscan, Inc., a California corporation and wholly-owned subsidiary of Company.

"Tax" means any foreign, federal, state, local or other income, profits, margin gross receipts, franchise, sales, use, goods and services, occupation, employment, unemployment (whether denominated an unemployment tax, compensation or insurance) property (real, personal, or intangible), business license, privilege, excise or other tax, assessment, fee or governmental charge, including amounts relating to abandoned, dormant or escheated property (and including all interest, penalties, collection fees and similar charges in relation to any of the foregoing).

1.2 Interpretation.

(a) In this Agreement, unless a clear contrary intention appears, the singular number includes the plural number and vice versa; reference to any gender includes each other gender; reference to any agreement, document or instrument means such agreement, document or instrument as amended or modified and in effect from time to time in accordance with the terms thereof; "hereunder," "hereof," "hereto," and words of similar import shall be deemed references to this Agreement as a whole and not to any particular Article, Section or other provision hereof; "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term; "or" is used in the inclusive sense of "and/or"; with respect to the determination of any period of time, "from" means "from and including" and "to" means "to but excluding"; and references to documents, instruments or agreements shall be deemed to refer as well to all addenda, exhibits, schedules or amendments thereto.

(b) The parties hereto have participated jointly in the negotiation and drafting of this Agreement and, in the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as jointly drafted by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provision of this Agreement.

ARTICLE 2

PURCHASE AND SALE OF SHARES

2.1 Purchase and Sale. Upon the basis of the representations and warranties and subject to the other terms and conditions set forth herein, on the Effective Date, Company shall issue and sell to Investor, and Investor shall accept and purchase from Company, the Shares.

2.2 Closing, Payment and Delivery. The closing of the purchase and sale of the Shares (the "Closing") will take place on the Effective Date at the offices of Womble Carlyle Sandridge & Rice, PLLC, 271 17th Street, NW, Suite 2400 Atlanta, GA 30363-1017, upon confirmation that the conditions to Company's and Investor's obligations to effect the Closing have been satisfied or waived. At the Closing, payment of the Purchase Price for the Shares shall be made to the Company by Federal Funds wire transfer against delivery to Investor of a certificate representing the Shares.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES OF COMPANY

Except as set forth in the disclosure letter delivered by Company to Investor prior to the execution of this Agreement (the "Company Disclosure Letter"), Company hereby represents and warrants to Investor as follows:

3.1 Organization. Company and each of its Subsidiaries is duly organized, validly existing and in good standing under the Laws of the jurisdiction of its incorporation, and has the necessary corporate power and authority to own its properties and conduct its business as currently conducted. Company and each of its Subsidiaries is duly qualified to do business and in good standing as a foreign corporation in each state or other jurisdiction in which it conducts business. Company has provided Investor with a complete list of each state or other jurisdiction where Company and each of its Subsidiaries is qualified to do business, which constitute all of the states and jurisdictions in which the ownership of property or the conduct of business by Company and/or its Subsidiaries requires such qualification. The operations now being conducted by Company and its Subsidiaries are not now and have never been conducted by Company or any of its Subsidiaries under any other name.

3.2 Authority. Company has all requisite power and authority to enter into, and to perform its obligations and consummate the transactions contemplated under, this Agreement and any and all agreements, documents and instruments contemplated hereby or thereby (collectively, the "Transaction Documents"). On or prior to the Effective Date, the execution and delivery of, and the performance of the transactions contemplated by, this Agreement and the other Transaction Documents have been duly authorized by all necessary corporate action on the part of the Company (including, if necessary, by a majority of the non-interested members of Company's board of directors), and no other corporate action, proceeding or approval, including, without limitation, the vote of any holders of any outstanding class or series of capital stock of Company, is required on the part of Company to authorize, or to consummate the transactions contemplated by, this Agreement or any of the other Transaction Documents.

3.3 Enforceability. This Agreement and each other Transaction Document has been validly executed and delivered by Company and, assuming the due authorization, execution and delivery by the other parties hereto and thereto, will constitute a valid and binding obligation of Company enforceable in accordance with its terms, subject to the effect, if any, of (a) applicable bankruptcy and other similar Laws affecting the rights of creditors generally and (b) rules of Law governing specific performance, injunctive relief and other equitable remedies.

3.4 Capitalization.

(a) As of the Effective Date, the authorized capital stock of Company consists of (i) 50,000,000 shares of authorized Common Stock, of which 19,406,270 shares are issued and outstanding, and (ii) 2,000,000 shares of preferred stock, par value $0.001 per share, which includes 60,000 shares designated as Series A Preferred Stock, of which no shares are issued and outstanding, and 30,000 shares designated as Series B Preferred Stock, of which no shares are issued and outstanding. Except as set forth in the immediately preceding sentence, no shares of capital stock or other securities of Company are issued, reserved for issuance (except as set forth in Section 3.4(b) below) or outstanding. Company has provided Investor with a true, correct and complete list of the holders of record (including each such holder's address of record and number of shares held of record) dated as of the most recent practicable date prior to the Effective Date. All outstanding shares of Common Stock are duly authorized, validly issued, fully paid and non-assessable and not subject to preemptive rights created by statute, the certificate of incorporation or the bylaws of Company or any agreement to which Company is a party or

by which it is bound. All outstanding shares of Common Stock have been issued in compliance with the Securities Act, other applicable Laws, including state Blue Sky laws, and any preemptive right or right of first refusal.

(b) Company has reserved 17,075,000 shares of Common Stock for issuance pursuant to the Company Option Plans, of which, on the Effective Date, 13,894,498 shares are subject to outstanding, unexercised options, 1,421,667 shares remain available for future grant and 1,758,835 shares have been issued pursuant to the exercise of options issued under the Company Option Plans (1,750,000 shares issued and 8,835 cancelled as a result of cashless exercises). Company has provided Investor with a true, complete and correct list of each outstanding option to acquire Common Stock under the Company Option Plans, and each outstanding warrant to acquire Common Stock, which list sets forth, for each such outstanding option or warrant, the name of the Company Option Plan under which it was issued (if applicable), the name of the holder thereof, the number of shares of Common Stock subject thereto, the exercise price of such option or warrant, the vesting schedule for such option or warrant, the date of expiration of such option or warrant, and whether the exercisability of such option or warrant will be accelerated by reason of the transactions contemplated by the Transaction Documents. Except for the options and warrants set forth on such list, there are no options, warrants, calls, rights, commitments or agreements of any character, written or oral, to which Company is a party or by which it is bound obligating Company to issue, deliver, sell, repurchase or redeem, or cause to be issued, delivered, sold, repurchased or redeemed, any shares of the capital stock of Company or obligating Company to grant, extend, accelerate the vesting of, change the price of, otherwise amend or enter into any such option, warrant, call, right, commitment or agreement. There are no outstanding or authorized stock appreciation, phantom stock, profit participation, or other equity-based compensation awards or similar rights (whether payable in cash or otherwise) with respect to Company, nor is there a commitment to issue any such award or right. Except as contemplated hereby, there are no voting trusts, proxies, or other agreements or understandings with respect to the voting stock of Company.

(c) Company has provided Investor with true, correct and complete capitalization tables as of the time immediately prior to the Closing and as of the time immediately following the Closing and purchase of the Shares by Investor, in each case, on both a then-outstanding and on a fully-diluted, as-converted basis.

3.5 No Registration Required; Valid Issuance.

(a) Assuming the accuracy of the representations and warranties of Investor contained in Article 4 hereof and its compliance with its agreements set forth therein, it is not necessary in connection with the offer, sale and delivery of the Shares to Investor pursuant to this Agreement or the transactions contemplated by this Agreement or any of the other Transaction Documents to register any of the Securities under the Securities Act. Neither Company nor any Affiliate of Company has directly, or through any agent, sold, offered for sale, solicited offers to buy or otherwise negotiated in respect of, any "security" (as defined in the Securities Act), which sale, offer, solicitation or negotiation is or will be integrated with the offer and sale of the Shares in a manner that would require the registration under the Securities Act of the Shares.

(b) The Shares, when issued, sold and delivered in accordance with the terms of this Agreement for the consideration provided for herein, will be duly and validly issued, fully paid and nonassessable, and will be issued free of any preemptive or similar rights.

(c) The Option Shares have been duly authorized and validly reserved for issuance upon exercise of the Option, and, upon exercise of the Option in accordance with the terms of the Investor Rights Agreement, will be issued free of any preemptive or similar rights. Company has reserved a

sufficient number of shares of Common Stock to permit the exercise, in full, of the Option (assuming all conditions to such exercise have been satisfied). The Option Shares, when issued upon exercise of the Option in accordance with the terms of the Investor Rights Agreement, will be duly and validly issued and fully paid and nonassessable.

3.6 Subsidiaries. Other than Syscan, Company does not have and has never had any subsidiaries or affiliated companies, and does not otherwise own and has never otherwise owned any shares of capital stock or any interest in, or control, directly or indirectly, any other corporation, partnership, association, joint venture or other business entity or have any ongoing obligation to purchase any shares of capital stock or make any investment or capital contribution with respect thereto; nor is Company responsible in any way for any similar obligation with respect to any other entity. The authorized capital stock of Syscan consists of 10,000 shares of common stock, no par value per share, all issued and outstanding shares of which are owned, beneficially and of record, by Company. All outstanding shares of the capital stock of Syscan are duly authorized, validly issued, fully paid and non-assessable and not subject to preemptive rights created by statute, their respective charter documents or any agreement of which Company or Syscan is a party or by which it is bound. All outstanding shares of capital stock of Syscan have been issued in compliance with the Securities Act, other applicable Laws, including state Blue Sky laws, and any preemptive right or right of first refusal. There are no options, warrants, rights, commitments or agreements of any character, written or oral, to which any Subsidiary is a party or by which any Subsidiary is bound obligating such Subsidiary to issue, deliver, sell, or cause to be issued, delivered, sold, any shares of the capital stock of such Subsidiary.

3.7 SEC Filings and Certain Securities Matters.

(a) Company has timely filed or furnished all forms, statements, certifications, reports and documents required to be filed with, or furnished to, the SEC pursuant to the Exchange Act since December 31, 2008 (the forms, statements, reports and documents filed or furnished with the SEC since December 31, 2008, including any exhibits and amendments thereto, the "Company SEC Documents"). Each of the Company SEC Documents, at the time of its filing or furnishing (except as and to the extent such Company SEC Document has been modified or superseded in any subsequent Company SEC Document filed with, or furnished to, the SEC prior to the date of this Agreement), complied with the applicable requirements of each of the Exchange Act and the Securities Act. As of their respective dates, except as and to the extent modified or superseded in any subsequent Company SEC Document filed or furnished with the SEC prior to the date of this Agreement, the Company SEC Documents did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances in which they were made, not misleading. To Company's knowledge, as of the date of this Agreement, none of the Company SEC Documents is the subject of ongoing SEC review, outstanding SEC investigation or outstanding SEC comment.

(b) Company and each of its Subsidiaries maintain disclosure controls and procedures as required by Rule 13a-15 under the Exchange Act. These disclosure controls and procedures were designed to ensure that (i) material information required to be disclosed by Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC and (ii) all such information is accumulated and communicated to Company's management as appropriate to allow timely decisions regarding disclosure and to make the certifications of the principal executive officer and principal financial officer of Company required under the Exchange Act with respect to such reports.

(c) Company and each of its Subsidiaries 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 authorization; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP; (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 existing assets at reasonable intervals and appropriate action is taken with respect to any differences. Since December 31, 2008, there has been (x) no material weakness in Company's internal control over financial reporting (whether or not remediated) and (y) no change in Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, Company's internal control over financial reporting.

(d) There is and has been no failure on the part of Company or any of Company's directors or officers, in their capacities as such, to comply with any provision of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated in connection therewith applicable to Company or any of its directors or officers, including Section 402 related to loans and Sections 302 and 906 related to certifications.

(e) Company is not, and is not an Affiliate of, an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

(f) Company has not received notice from the OTC, any stock exchange, market or trading facility on which the Common Stock is or has been listed (or on which it has been quoted) to the effect that Company is not in compliance with the listing or maintenance requirements of such exchange, market or trading facility. 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.

(g) There are no contracts, agreements or understandings between Company and any Person granting such Person the right to require Company to file a registration statement under the Securities Act with respect to any securities of Company.

3.8 Financial Reports.

(a) Each of the consolidated balance sheets, statements of income, changes in stockholders' equity and cash flows of Company and its Subsidiaries included in or incorporated by reference into the Company SEC Documents (including any related notes and schedules) (collectively, the "Financial Statements") (i) fairly presents the consolidated financial position of Company and its Subsidiaries as of the date of each such balance sheet, and the results of operations and cash flows of Company and its Subsidiaries, as the case may be, for the periods set forth in each such consolidated statement of income, changes in stockholders' equity and cash flows (subject, in the case of unaudited statements, to the absence of notes and normal year-end audit adjustments), and (ii) has in each case been prepared (A) in accordance with GAAP consistently applied during the periods involved, except as may be noted therein or in the notes thereto, and (B) in accordance with the requirements of Regulation S-X, as promulgated by the SEC.

(b) Hein & Associates LLP, whose report on the consolidated financial statements of Company and its Subsidiaries is included in Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2009, are independent registered public accountants as required by the Exchange Act and by the rules of the Public Company Accounting Oversight Board.

3.9 No Undisclosed Liabilities. Other than liabilities or obligations incurred (a) in the conduct of the Business since March 31, 2010 in the ordinary course and consistent with past practice, or (b) in connection with the execution of this Agreement and the performance of the transactions contemplated hereby, Company and its Subsidiaries do not have any liability, indebtedness, obligation,

expense, claim, deficiency, guaranty or endorsement of any type, whether accrued, absolute, contingent, matured, unmatured or other (whether or not required to be reflected in financial statements in accordance with GAAP) which is not provided for in the amounts reflected on, or reserved against, in Company's consolidated balance sheet as of March 31, 2010 (or the notes thereto) included in the Financial Statements. Neither Company nor any of its Subsidiaries are directly or indirectly liable upon or with respect to (by discount, repurchase agreements or otherwise), or obliged in any other way to provide funds in respect of, or to guarantee or assume, any debt, obligation or dividend of any Person, except endorsements in the ordinary course of business consistent with past practice in connection with the deposit, in banks or other financial institutions, of items for collection.

3.10 Books and Records.

(a) Company has delivered to Investor (i) true, correct and complete copies of the certificates of incorporation and bylaws or comparable organizational documents of Company and each of its Subsidiaries, in each case as amended and in effect on the Effective Date, including all amendments thereto, and (ii) a true, correct and complete list of the current directors and officers of the Company and each of its Subsidiaries.

(b) The minute books of Company and each of its Subsidiaries previously made available to Investor contain true, correct and complete records of all meetings and accurately reflect all other corporate action of the stockholders and board of directors (including committees thereof) of Company and its Subsidiaries. The stock certificate books and stock transfer ledgers of Company and its Subsidiaries previously made available to Investor are true, correct and complete.

(c) The books of account and other financial records of Company and its Subsidiaries fairly and accurately provide the basis for the financial position and results of operations set forth in the Financial Statements.

3.11 No Material Adverse Effect. Since March 31, 2010, there has not occurred a Material Adverse Effect and Company and its Subsidiaries have operated their business only in the ordinary course of business consistent with past practice.

3.12 No Conflict or Default. None of the execution, delivery and performance of this Agreement and each other Transaction Document, the compliance with its and their respective provisions by Company, the issuance and sale of the Shares to Investor, the grant of the Option to Investor, or the issuance of the Option Shares will: (a) result in any violation, or the breach of, constitute a default, give rise to any right of modification, termination, cancellation or acceleration under, or result in the creation or imposition of a lien or encumbrance under any agreement, indenture, mortgage, or other instrument to which Company or any of its Subsidiaries or any of their properties or assets (whether tangible or intangible) is a party or, as the case may be, subject; (b) contravene or conflict with, or result in any violation or breach of, any Permit of Company or any of its Subsidiaries; (c) violate any applicable Laws; or (d) conflict with, or result in, the breach of any of the terms of the certificate of incorporation, bylaws, or other charter documents of Company or any of its Subsidiaries. The consummation of the transactions contemplated by this Agreement and each other Transaction Document will not require the consent of any Person with respect to the rights, licenses, franchises, leases, contracts or agreements of Company.

3.13 Required Filings and Approvals. No action, consent, approval, order, notice to, or authorization of, or registration, declaration or filing with, any Governmental Authority or other third party is required to be obtained or made by Company in connection with the execution, delivery, and performance of this Agreement or any other Transaction Document, or the consummation by Company of

the transactions contemplated hereby and thereby, and the fulfillment of and compliance with the terms and conditions hereof and thereof.

3.14 Compliance with Laws and Permits.

(a) The Business has been and is being conducted in compliance in all material respects with all Laws, and Company has not received from any Governmental Authority any written or oral notice of any violation or alleged violation of any Law.

(b) The Material Permits constitute all of the licenses, permits, provider numbers, certificates, approvals, exemptions, franchises, registrations, variances, accreditations or authorizations of any Governmental Authority used or required for the operation of the Business in all material respects. The Material Permits are valid and in full force and effect and there are no pending or, to Company's knowledge, threatened proceedings which could reasonably be expected to result in the termination, revocation, limitation or impairment of any of such Permits. No violations have been recorded in respect of any of the Material Permits. True, correct and complete copies of all Material Permits have been provided to Investor.

3.15 Legal Proceedings. There is no claim, litigation, suit, action, arbitration, proceeding, or investigation, nor has Company received notice of any claim or investigation pending or, to Company's knowledge, threatened against, relating to, or involving Company, any of its Subsidiaries, the Business, or their assets before any Governmental Authority. To Company's knowledge, there does not exist any reasonable ground or basis for any claim, litigation, suit, action, arbitration, proceeding, or investigation by any third party against, relating to, or involving Company, any of its Subsidiaries, the Business, or their assets before any Governmental Authority. None of Company, any of its Subsidiaries, the Business, or their assets is subject to any judgment, decree, injunction, rule, or order of any Governmental Authority or arbitration panel.

3.16 Tax Matters.

(a) Company has timely filed and delivered all Tax returns, certificates, forms, estimates and reports (collectively "Returns") required to be filed by it and all such Returns are true, complete and correct in all material respects or necessary to sustain the tax position adopted by Company therein.

(b) Company has paid all Taxes imposed upon, or claimed to be owed by, Company or any of its Subsidiaries, or in respect of the Business or their assets, which are in any case due and payable or claimed by any taxing authority to be due and payable, except such Taxes, if any, which are being contested in good faith, through periods ending on or before the Effective Date, and there are no Tax liens on Company, any of its Subsidiaries or any of their assets. Company and its Subsidiaries have provided for any Taxes that are not yet due and payable for all taxable periods on the most recent financial statements contained in the Company SEC Documents to the extent required by GAAP or in the case of foreign entities, in accordance with generally applicable accounting principles in the relevant jurisdiction.

(c) Company has not contacted, and has not been contacted by, a Governmental Authority relating to, and has no knowledge of, any alleged Tax deficiency, audit, assessment, examination, investigation, possible assertion of nexus, voluntary disclosure, offer in compromise or similar Tax inquiry, in each case relating to Company or any of its Subsidiaries, or to the Business or their assets, which has not been fully and finally resolved prior to the Effective Date.

(d) Company has not engaged in any "reportable transaction" or similar tax shelter or income shifting measure under the Tax Laws.

(e) Neither Company nor any of its Subsidiaries is a party to any Tax sharing or similar Tax agreement (other than an agreement exclusively between or among Company and its Subsidiaries) pursuant to which it will have any obligation to make any payments on account of Taxes after the Effective Date. Neither Company nor any of its Subsidiaries has any liability as a result of being or having been, before the Effective Date, a member of an affiliated, consolidated, combined or unitary group, or as a result of a Tax sharing, Tax indemnity or Tax allocation agreement.

3.17 Intellectual Property.

(a) Company has furnished Investor with a true, correct, and complete list of all Company Owned Intellectual Property, but in the case of copyrights, only registered copyrights, and in the case of trade secrets, only material trade secrets. Company has, through ownership, license or other agreement sufficient legal rights to all Company Necessary Intellectual Property, including to conduct the Business as conducted as of the Effective Date and as proposed to be conducted as of the Effective Date without any conflict with, or infringement of, the rights of any other Person. The Company Owned Intellectual Property is owned by Company free and clear of all liens, encumbrances, or payments of any kind. Company has taken reasonably appropriate measures to protect the Company Owned Intellectual Property, any Company Necessary Intellectual Property which it is required to protect, and the confidential and proprietary nature of the same. Company has not breached any agreement or license associated with any Company Necessary Intellectual Property, and no such breach has been claimed by any Person.

(b) No product or service made, marketed, provided, or sold (or proposed to be made, marketed, provided, or sold) by Company (including, without limitation, products that include or services that relate to Company's "G5" or "Gen 5" controller, as well as such controller itself) violates or will violate any license, or infringes or will infringe, any Intellectual Property rights of any other Person, other than any such violations or infringements that are both unknown to Company and have not had and could not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. Company has not received any communications (whether written or oral) alleging that Company has violated or, by conducting the Business, would violate any Intellectual Property rights of any other Person.

(c) Other than commercially available non-exclusive end-user object code software license agreements, there are no outstanding options, licenses, agreements, claims, encumbrances, or shared ownership interests of any kind relating to the Company Owned Intellectual Property, nor is Company bound by or a party to any options, licenses, or agreements of any kind with respect to any Intellectual Property of any other Person.

(d) Company has obtained and possesses valid licenses to use all of the software programs present on the computers and other software-enabled electronic devices that it owns or leases or that it has otherwise provided to its employees for their use in connection with the Business. Company has not embedded any open source, copyleft, or community source code in any of its products generally available or in development, including, but not limited, to any libraries or code licensed under any General Public License, Lesser General Public License, or similar license arrangement.

(e) Each employee and consultant of Company has assigned to Company all inventions and intellectual property rights he or she may have had or owned that resulted from activities engaged in by him or her while employed by Company and related to the Business or his or her activities

associated with the Business, including those related to the Business as conducted as of the Effective Date and as proposed to be conducted as of the Effective Date, and Company does not use, nor will it be necessary for Company to use, any inventions of any of Company's employees or consultants (or Persons it currently intends to hire) made prior to their employment by Company.

3.18 Material Contracts. Company has provided to Investor a true, correct and complete copy of each Material Contract, as well as each other Contract of Company or any of its Subsidiaries that is otherwise material to Company and its Subsidiaries, taken as a whole. Each Material Contract is valid and binding on Company and each of its Subsidiaries that is a party thereto, as applicable, and in full force and effect. Company and each of its Subsidiaries has performed all obligations required to be performed by it to date under each Material Contract, except where such noncompliance would not be material to the Company and its Subsidiaries, taken as a whole. Neither Company nor any of its Subsidiaries knows of, or has received written notice of, the existence of any event or condition which constitutes, or, after notice or lapse of time or both, will constitute, a default on the part of Company or any of its Subsidiaries under any such Material Contract.

3.19 Employees; Employee Benefits.

(a) Company has provided or made available to Investor true, complete and correct copies of each material Company Benefit Plan. Each Company Benefit Plan has been maintained and administered at all times in material compliance with its terms and all applicable Laws. All contributions required by applicable Law to have been made by Company or its Subsidiaries as of the Effective Date with respect to each Company Benefit Plan in respect of current or prior plan years have been made or such contributions have been accrued in accordance with GAAP.

(b) Neither the execution and delivery by Company of this Agreement or any other Transaction Document, nor the consummation by Company of the transactions contemplated hereby and thereby (alone or in combination with any other event) would: (i) result in any payment becoming due, or increase the amount of any compensation or benefits due, to any current or former employee of Company or its Subsidiaries or with respect to any Company Benefit Plan; (ii) increase any benefits otherwise payable under any Company Benefit Plan; (iii) result in the acceleration of the time of payment or vesting of any such compensation or benefits; (iv) trigger the funding of any compensation or benefits due to any current or former employee of Company or its Subsidiaries; (v) result in any "excess parachute payment" within the meaning of Section 280G of the Code pursuant to any Company Benefit Plan or other plan or agreement as in effect on the date of this Agreement; or (vi) trigger the ability of any employee of Company to terminate his or her employment for "good reason" in connection therewith.

(c) There are no complaints, charges or claims against Company or any of its Subsidiaries pending or, to knowledge of Company, threatened that are reasonably likely to be brought or filed, with any Governmental Authority based on, arising out of, in connection with or otherwise relating to the employment or services, termination of employment of services, or failure to employ or retain any individual. Each of Company and its Subsidiaries is in compliance in all material respects with all applicable Laws relating to the employment of labor.

(d) Neither Company nor any of its Subsidiaries is a party to or bound by any union contract or collective bargaining agreement, or has experienced any strike, grievance or any arbitration proceeding, claim of unfair labor practices filed or threatened to be filed or any other material labor difficulty.

3.20 Title to Assets and Real Property. Company and its Subsidiaries have good and marketable title to all personal property owned by them that is material to the Business, in each case free

and clear of all liens and encumbrances, except for such liens and encumbrances and as do not materially affect the value of such property and do not interfere with the use made and proposed to be made of such property by Company and its Subsidiaries. Neither Company nor its Subsidiaries own, nor have they in the past owned, any real property. Any real property and facilities held under lease by Company and its Subsidiaries are held by them under valid, subsisting and enforceable leases of which Company and its Subsidiaries are in compliance and do not interfere with the use made and proposed to be made of such property and buildings by Company and its Subsidiaries. Company's use of such property and buildings is in compliance with all applicable Laws concerning health and human safety and all zoning regulations.

3.21 Environmental, Health & Safety Compliance. Neither the conduct nor operation of the Business violates any Law or common law concerning public health and safety, environmental, worker health and safety, product safety and electronic waste takeback, and pollution or protection of the environment ("Environmental, Health, and Safety Requirements"), except for any such violation of law that has not had and could not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. Company has not received any notice stating that the operation or condition of any real property presently leased or operated by Company or its Subsidiaries in connection with their business is in violation of any Environmental, Health, and Safety Requirements.

3.22 Reserves for Warranty and Service Obligations. Adequate reserves consistent with the claims experience of Company for expenses to be incurred by Company or its Subsidiaries (a) as a result of any express warranty or guaranty as to goods sold, leased or licensed or services provided by Company or any of its Subsidiaries prior to the Closing, or (b) for any service agreement entered into or future services sold by Company or any of its Subsidiaries prior to the Closing, are reflected on the Financial Statements.

3.23 Interested Party Transactions. Except for employment Contracts entered into in the ordinary course of business consistent with past practice or filed or incorporated by reference as an exhibit to a Company SEC Document, Company is not party to any agreement or arrangement under which it has any existing or future liabilities required to be reported by Company pursuant to Item 404 of Regulation S-K promulgated by the SEC.

3.24 Solvency. After giving effect to the consummation of the transactions contemplated by this Agreement, Company will be solvent, able to pay its indebtedness as it matures and will have capital sufficient to carry on its business and any other business in which it is about to engage. This Agreement is being executed and delivered by Company to Investor in good faith and in exchange for fair, equivalent consideration. Company does not intend to nor does management believe Company will incur debts beyond its ability to pay them as they mature. Company does not contemplate filing a petition in bankruptcy or for an arrangement or reorganization under the bankruptcy laws or any similar law of any jurisdiction now or hereafter in effect relating to Company nor does Company have any knowledge of any threatened bankruptcy or insolvency proceedings against Company.

3.25 No Shell Company. Company is not, nor at any time during the 12 months preceding the Effective Date has Company been, a "shell company," as such term is defined in paragraph (i)(1)(i) of Rule 144 of the Securities Act or Rule 12b-2 of the Exchange Act, the effect of which would prevent Investor from selling the Securities without restriction pursuant to Rule 144.

3.26 No Disagreements with Accountants and Lawyers. There are no disagreements of any kind presently existing, or reasonably anticipated by Company to arise, between Company and the accountants and lawyers formerly or presently engaged by Company, and Company is current with respect to any fees owed to its accountants and lawyers which could affect Company's ability to perform any of its obligations under any of the Transaction Documents.

3.27 Takeover Statutes; No Rights Agreement; No Appraisal Rights.

(a) Company and its board of directors have taken all necessary action, if any, in order to render inapplicable any control share acquisition, business combination or other similar anti-takeover provision under Company's certificate of incorporation or the laws of Delaware or any other jurisdiction that is, or is reasonably likely to become, applicable to Company as a result of the transactions contemplated by this Agreement.

(b) Company has not adopted a stockholder rights plan or similar arrangement relating to accumulations of beneficial ownership of Common Stock upon a change in control of Company.

(c) No stockholder of Company will, as a result of the execution and delivery by Company of this Agreement or any other Transaction Document, or the consummation by Company of the transactions contemplated hereby and thereby (alone or in combination with any other event), become entitled to exercise or assert dissenters' rights, appraisal rights or similar rights under the Laws of any jurisdiction, including, without limitation, the Laws of the State of Delaware.

3.28 Insurance Coverage. Company maintains policies of fire, liability and other forms of insurance covering the Business and the real property, leasehold property and assets of Company and its Subsidiaries, in amounts and against such losses and risks as are, to Company's knowledge, generally maintained for comparable businesses. Company has provided Investor with copies of certificates of insurance evidencing all such policies.

3.29 No Brokers' Fees. Neither Company nor any Subsidiary of Company has any liability or obligation to pay any fees or commissions to any broker, finder or agent with respect to the transactions contemplated by this Agreement.

3.30 Accuracy of Representations and Warranties. Company has made available to Investor all of the materials reasonably available to Company that Investor has requested for deciding whether to acquire the Shares. None of these materials, and none of the representations and warranties of Company made in this Agreement or in any of the other Transaction Documents, contains any untrue statement of a material fact, and none of the representations and warranties of Company made in this Agreement or any of the other Transaction Documents omits a material fact necessary in order to make the statements of fact made herein or therein not misleading.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES OF INVESTOR

Except as set forth in the disclosure letter delivered by Investor to Company prior to the execution of this Agreement (the "Investor Disclosure Letter"), Investor hereby represents and warrants to Company as follows:

4.1 Organization. Investor is duly organized, validly existing and in good standing under the Laws of the State of Maryland, and has the necessary corporate power and authority to own its properties and conduct its business as currently conducted.

4.2 Authority. Investor has all requisite power and authority to enter into, and to perform its obligations and consummate the transactions contemplated under, this Agreement and the other Transaction Documents. On or prior to the Effective Date, the execution and delivery of, and the performance of the transactions contemplated by, this Agreement and the other Transaction Documents

have been duly authorized by all necessary corporate action on the part of Investor, and no other corporate action, proceeding or approval is required on the part of Investor to authorize, or to consummate the transactions contemplated by, this Agreement or any of the other Transaction Documents.

4.3 Enforceability. This Agreement and each other Transaction Document has been validly executed and delivered by Investor and, assuming the due authorization, execution and delivery by the other parties hereto and thereto, will constitute a valid and binding obligation of Investor enforceable in accordance with its terms, subject to the effect, if any, of (a) applicable bankruptcy and other similar Laws affecting the rights of creditors generally and (b) rules of Law governing specific performance, injunctive relief and other equitable remedies.

4.4 Investment Intent. Investor is acquiring the Shares as principal for its own account for investment purposes only and not with a view to or for distributing or reselling the Shares; provided, however, that nothing contained herein shall be deemed a representation or warranty by Investor to hold the Shares for any period of time. Investor is acquiring the Shares hereunder in the ordinary course of its business. Investor does not have any agreement or understanding, directly or indirectly, with any Person to sell the Shares.

4.5 Accredited Investor Status. Investor is an "accredited investor" as defined in Rule 501(a) under the Securities Act.

4.6 Investment Experience. Investor 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 Shares, and has so evaluated the merits and risks of such investment.

4.7 Ability to Bear Risk of Investment. Investor is able to bear the economic risk of an investment in the Shares and, at the present time, is able to afford a complete loss of such investment.

4.8 Access to Information. Investor acknowledges that it has been afforded: (a) the opportunity to ask such questions as it has deemed necessary of, and to receive answers from, representatives of Company concerning the terms and conditions of the offer and sale of the Shares and the merits and risks of investing in the Shares; (b) access to information about Company and its financial condition, results of operations, business, properties, management and prospects sufficient to enable it to evaluate its investment; and (c) the opportunity to obtain such additional information which Company possesses or can acquire without unreasonable effort or expense that is necessary to make an informed investment decision with respect to the investment. Neither such inquiries nor any other investigation conducted by or on behalf of Investor or its representatives or counsel shall modify, amend or affect Investor's right to rely on the truth, accuracy and completeness of Company's representations and warranties contained in the Transaction Documents.

4.9 No General Solicitation. Investor is not purchasing the Shares as a result of or subsequent to any advertisement, article, notice or other communication regarding the Shares published in any newspaper, magazine or similar media or broadcast over television or radio or presented at any seminar or any other general solicitation or general advertisement.

4.10 Reliance. Investor understands and acknowledges that (a) the Shares are being offered and sold to it without registration under the Securities Act in a private placement that is exempt from the registration provisions of the Securities Act and (b) the availability of such exemption depends in part on, and Company will rely upon the accuracy and truthfulness of, the foregoing representations and Investor hereby consents to such reliance.

4.11 No Brokers' Fees. Investor has no liability or obligation to pay any fees or commissions to any broker, finder or agent with respect to the transactions contemplated by this Agreement.

4.12 No Other Representations or Warranties. Company acknowledges and agrees that Investor makes no representations or warranties with respect to the transactions contemplated hereby other than those specifically set forth in this Article 4.

ARTICLE 5

OTHER AGREEMENTS OF THE PARTIES

5.1 Transfer Restrictions. The Shares may only be disposed of pursuant to an effective registration statement under the Securities Act, to an Affiliate, to Company or pursuant to an available exemption from or in a transaction not subject to the registration requirements of the Securities Act, and in compliance with any applicable federal and state securities Laws. Until such time as the Shares can be freely transferred in a public sale without registration under the Securities Act, in connection with any transfer of any such securities, other than pursuant to an effective registration statement, to an Affiliate or to Company, an opinion of counsel will be required to the effect that such transfer does not require registration of such transferred securities under the Securities Act. Any such transferee shall agree in writing to be bound by the terms of this Agreement and shall have the rights of Investor under this Agreement and the other Transaction Documents.

5.2 Reservation of Shares. Company shall at all times maintain a reserve of shares of Common Stock sufficient to permit the exercise, in full, of the Option. If on any date Company would be, if a notice of exercise were to be delivered on such date in connection with the Option, precluded from issuing the number of Option Shares, as applicable, as would then be issuable upon the exercise in full of the Option (the "Current Required Minimum"), due to the unavailability of a sufficient number of authorized but unissued or reserved shares of Common Stock, then the board of directors of Company shall promptly prepare and mail to the stockholders of Company proxy materials requesting authorization to amend Company's certificate of incorporation to increase the number of shares of Common Stock which Company is authorized to issue to at least such number of shares as reasonably requested by Investor in order to provide for such number of authorized and unissued shares of Common Stock to enable Company to comply with its issuance and reservation of shares obligations as set forth in this Agreement and the Investor Rights Agreement (it being understood that the sum of (a) the number of shares of Common Stock then outstanding plus all shares of Common Stock issuable upon exercise of all outstanding options, warrants and convertible instruments, and (b) the Current Required Minimum, shall be a reasonable number for these purposes). In connection therewith, the board of directors of Company shall (x) adopt proper resolutions authorizing such increase, (y) recommend to and otherwise use its best efforts to promptly and duly obtain stockholder approval to carry out such resolutions (and hold a special meeting of the stockholders no later than the earlier to occur of the 60th day after delivery of the proxy materials relating to such meeting and the 90th day after request by Investor to issue the number of Option Shares, as applicable, in accordance with the terms hereof) and (z) within five Business Days of obtaining such stockholder authorization, file an appropriate amendment to Company's certificate of incorporation to evidence such increase.

5.3 Exercise Procedures. The form of Notice of Exercise included in the Investor Rights Agreement sets forth the totality of the procedures required of Investor in order to exercise the Option (assuming, as applicable, that the conditions for exercise of the Option, as set forth in the Investor Rights Agreement, have been satisfied). No additional legal opinion, other information or instructions shall be required of Investor to exercise the Option. Company shall honor the exercise of the Option, and shall deliver the Option Shares, in accordance with the terms, conditions and time periods set forth in the Transaction Documents.

5.4 Certain Securities Law Disclosures; Publicity.

(a) Company shall file with the SEC a Current Report on Form 8-K disclosing the transactions contemplated hereby within four Business Days after the Closing Date, and timely file with the SEC a Form D promulgated under the Securities Act. Company shall, no less than two Business Days prior to the filing of any such disclosure, provide a copy thereof to Investor for its review and comment.

(b) Company and Investor shall consult with each other in issuing any press releases or otherwise making public statements with respect to the transactions contemplated hereby and neither party shall issue any such press release or otherwise make any such public statement without the prior written consent of the other, except if such disclosure is required by Law or stock market or trading facility regulation, in which such case the disclosing party shall promptly provide the other party with prior notice of such public statement and an opportunity to review and comment thereon.

5.5 Use of Proceeds. Company may use the net proceeds from the sale of the Shares hereunder to support the Company's operations and the marketing and promotion of its products, for product tooling and engineering, research and development and strategic investments and transactions, and to otherwise fund working capital for the Company's operations, and shall not be used for any other purposes.

5.6 No Integration. Company shall not, and shall use its best efforts to ensure that, no Affiliate of Company shall, 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 Shares in a manner that would require the registration under the Securities Act of the sale of the Shares to Investor.

5.7 Shareholder Rights Plan. No claim will be made or enforced by Company or any other Person that Investor is an "acquiring person" under any shareholders rights plan or similar plan or arrangement hereafter adopted by Company, or that Investor could be deemed to trigger the provisions of any such plan or arrangement, by virtue of receiving any of the Securities under the Transaction Documents.

5.8 Board Membership. As of the Closing, Company shall increase the size of its board of directors to enable it to appoint one additional member of such board of directors in accordance with the terms of the Voting Agreement.

5.9 Amendment to Strategic Supplier Master Procurement Agreement. Company and Investor shall negotiate in good faith to cause their existing Strategic Supplier Master Procurement Agreement to be amended, which amendment shall be in form reasonably satisfactory to each of Company and Investor (the "Amendment").

5.10 Affiliate and Related Party Transactions. Until such date as Investor no longer holds at least 5% of the Shares acquired by Investor on the date hereof, except for (a) employment Contracts, (b) grants or issuances of shares of Common Stock or options, warrants or rights therefor to employees, officers or directors pursuant to incentive agreements, stock purchase or stock option plans, stock bonuses or stock awards that are approved by the Company board of directors, and (c) Contracts with Shenzhen Syscan Technology (or its successor) for the development, production, manufacture and shipment of products, in each case entered into in the ordinary course of business consistent with past practice, Company shall not, without the prior written consent of Investor, enter into any agreement or arrangement with any Affiliate of Company, any director or executive officer of Company, or that would otherwise be required to be reported by Company pursuant to Item 404 of Regulation S-K promulgated by the SEC.

5.11 Expenses. Except as otherwise set forth in this Agreement or the other Transaction Documents, the parties hereto shall pay all of their own expenses relating to the transactions contemplated by this Agreement, including, the fees and expenses of their own agents, representatives, financial consultants, accountants and counsel.

5.12 Further Assurances. Company and Investor agree to cooperate reasonably with each other and with their respective authorized representatives in connection with any steps required to be taken as part of their respective obligations under this Agreement and the other Transaction Documents, and shall: (a) furnish upon request to each other such further information; (b) execute and deliver to each other such other documents; and (c) do such other acts and things, all as the other party may reasonably request for the purpose of carrying out the intent of this Agreement and the other Transaction Documents, and the transactions contemplated hereby and thereby.

5.13 Additional Debt; Share Issuances. Company hereby agrees that, during the twelve month period beginning on the Effective Date, it shall not, as long as Investor holds at least 5% of the Shares acquired by Investor on the Effective Date:

(a) amend, modify or otherwise change any of the terms, covenants or other provisions of that certain Loan and Security Agreement, dated as of September 2, 2009, by and between Bridge Bank and Company, as amended as of March 10, 2010 (as further amended and restated the "Loan Agreement") in such a manner as would cause such terms, covenants or other provisions to be materially different from those set forth in the Loan Agreement as of the Effective Date;

(b) increase, or cause to be increased, the total principal amount available to Company under the Loan Agreement (as such may be renewed, extended, refinanced, amended, restated, supplemented or modified) to an amount greater than $2,000,000; or

(c) issue, grant or sell any shares of capital stock, or any warrants, options or other rights to purchase or acquire shares of capital stock, or any securities convertible into shares of capital stock, other than: (i) shares of Common Stock (or options, warrants or rights therefor) granted or issued hereafter to employees, officers, directors, contractors, consultants or advisers to, Company or any subsidiary pursuant to incentive agreements, stock purchase or stock option plans, stock bonuses or awards, warrants, contracts or other arrangements that are approved by the Company board of directors; (ii) shares of Common Stock (or options, warrants or rights therefor) issued or issuable to parties that are providing Company with equipment leases, real property leases, loans, credit lines or similar transactions, under arrangements, in each case, approved by the Company board of directors; (iii) shares of capital stock issued pursuant to the acquisition of another corporation or entity by Company pursuant to a consolidation, merger, purchase of all or substantially all of the assets, or other reorganization in which Company acquires, in a single transaction or series of related transactions, all or substantially all of the assets of such other corporation or entity or more than 50% of the voting power of such other corporation or entity or more than 50% of the equity ownership of such other entity; provided that such transaction or series of transactions has been approved by the Company board of directors; and provided, further, that such other corporation or entity is not an Affiliate of Company or "controlled" (as such term is used in the definition of "Affiliate" herein) directly or indirectly by one or more officers, directors or employees of Company; (iv) shares of Common Stock issuable upon exercise of any options, warrants or rights to purchase any securities of Company outstanding as of the date hereof; or (v) shares of capital stock (or options, warrants or rights therefor) issued by reason of a stock split or subdivision or capital reorganization.

ARTICLE 6

CONDITIONS TO CLOSING

6.1 Conditions of Investor's Obligations. The obligations of Investor hereunder, including the obligation to effect payment of the Purchase Price for the Shares, are subject to the satisfaction or waiver in writing (where permissible) of the following conditions:

(a) The representations and warranties of Company set forth in this Agreement shall be true and correct as of the Effective Date of this Agreement and Company shall have performed all obligations required to be performed by it under this Agreement prior to the Closing.

(b) Investor shall have received an executed certificate of the Secretary of Company as to (i) the approval of the execution and delivery of this Agreement, the other Transaction Documents and the consummation of the transactions contemplated hereby and thereby, (ii) the corporate status of Company, and (iii) the incumbency and true signatures of the officers of Company who executed this Agreement or will execute any other Transaction Document contemplated hereby on behalf of Company.

(c) Investor shall have received (i) a copy, certified by the Secretary of State of the State of Delaware on the Effective Date, of the Certificate of Incorporation of Company and all amendments thereto, and (ii) a certificate, dated the Effective Date, of the Secretary of State of the State of Delaware regarding Company's corporate status.

(d) All registrations, filings, applications, notices, transfers, consents, approvals, orders, qualifications and waivers necessary in order for Company to consummate the transactions contemplated by this Agreement and the other Transaction Documents, including the consent and approval of Bridge Bank, National Association, shall have been made or obtained by Company, in form and substance reasonably satisfactory to Investor and its counsel, and delivered to Investor.

(e) Investor shall have received the Investor Rights Agreement, duly executed by Company, in the form attached hereto as Exhibit A.

(f) Investor shall have received the Voting Agreement, duly executed by Company and the stockholders of Company whose names are set forth on the signature pages thereto, in the form attached hereto as Exhibit B.

(g) Investor shall have received the Amendment, duly executed by Company.

(h) Investor shall have received an opinion of Richardson & Patel, LLP, counsel for Company, addressed to Investor, and dated the Effective Date, in form and substance satisfactory to Investor.

(i) Investor shall have received written waivers, in a form reasonably satisfactory to Investor, from each officer, director or other employee of Company who is party to an agreement or other arrangement under which the transactions contemplated hereby would be deemed to constitute a "change-in-control" or would otherwise result in the acceleration or vesting of any option, warrant or other right, or the obligation of Company to make any change-in-control or related payment.

(j) Company shall have obtained all necessary permits and qualifications, if any, or secured an exemption therefrom, required by any state or country prior to the offer and sale of the Shares.

(k) On the Effective Date, the sale and issuance of the Shares, the Option and the Option Shares issuable upon exercise of the Option, shall be legally permitted by all laws and regulations to which Investor and Company are subject.

(l) Investor shall have received all other documents, instruments and certificates in connection with the transactions contemplated by this Agreement and the other Transaction Documents as Investor may reasonably request in form and substance reasonably satisfactory to Investor and its counsel.

6.2 Conditions of Company's Obligations. The obligations of Company hereunder, including the obligation to execute and deliver the Shares, are subject to the satisfaction or waiver in writing (where permissible) of the following conditions:

(a) The representations and warranties of Investor set forth in this Agreement shall be true and correct as of the Effective Date of this Agreement and Investor shall have performed all obligations required to be performed by it under this Agreement prior to the Closing.

(b) Company shall have received the Investor Rights Agreement, duly executed by Investor, in the form attached hereto as Exhibit A.

(c) Company shall have received the Voting Agreement, duly executed by Investor, in the form attached hereto as Exhibit B.

(d) Company shall have received the Amendment, duly executed by Investor.

ARTICLE 7

INDEMNIFICATION

7.1 Indemnification. Investor (including its officers, directors, employees, affiliates, agents, successors and assigns (each, an "Indemnified Party")) shall be indemnified, defended and held harmless by Company and its Subsidiaries for any and all liabilities, losses, damages, claims, costs and expenses, interest, awards, judgments and penalties (including, without limitation, reasonable attorneys' fees and expenses) suffered or incurred by them (hereinafter a "Loss"), arising out of or resulting from the breach of any representation, warranty, agreement or covenant made by Company contained in this Agreement or any of the other Transaction Documents.

7.2 Indemnification Procedure. The obligations and liabilities of Company under this Article 7 with respect to Losses arising from claims of any third party which are subject to the indemnification provided for in this Article 7 ("Third Party Claims") shall be governed by and contingent upon the following additional terms and conditions: if an Indemnified Party shall receive notice of any Third Party Claim, the Indemnified Party shall give Company notice of such Third Party Claim promptly after the receipt by the Indemnified Party of such notice (which notice shall include the amount of the Loss, if known, and method of computation thereof, and containing a reference to the provisions of this Agreement in respect of which such right of indemnification is claimed or arises); provided, however, that the failure to provide such notice shall not release Company from any of its obligations under this Article 7 except to the extent Company is materially prejudiced by such failure and shall not relieve Company from any other obligation or liability that it may have to any Indemnified Party otherwise than under this Article 7. Upon written notice to the Indemnified Party within five days of the receipt of such notice, Company shall be entitled to assume and control the defense of such Third Party Claim at its expense and through counsel of its choice; provided, however, that, if there exists or is reasonably likely to exist a conflict of interest that would make it inappropriate in the reasonable judgment of such counsel for the same counsel to represent both the Indemnified Party and Company, then the Indemnified Party

shall be entitled to retain its or his own counsel in each jurisdiction for which the Indemnified Party reasonably determines counsel is required, at the reasonable expense of Company. In the event Company exercises the right to undertake any such defense against any such Third Party Claim as provided above, the Indemnified Party shall cooperate with Company in such defense and make available to Company, at Company's expense, all witnesses, pertinent records, materials and information in the Indemnified Party's possession or under the Indemnified Party's control relating thereto as is reasonably required by Company. Similarly, in the event the Indemnified Party is, directly or indirectly, conducting the defense against any such Third Party Claim, Company shall cooperate with the Indemnified Party in such defense and make available to the Indemnified Party, at Company's expense, all such witnesses, records, materials and information in Company's possession or under Company's control relating thereto as is reasonably required by the Indemnified Party. No such Third Party Claim may be settled by Company on behalf of the Indemnified Party without the prior written consent of the Indemnified Party (which consent shall not be unreasonably withheld); provided, however, in the event that the Indemnified Party does not consent to any such settlement that would provide it with a full release from indemnified Losses and would not require it to take, or refrain from taking, any action, Company's liability for indemnification shall not exceed the amount of such proposed settlement. The Indemnified Party will refrain from any act or omission that is inconsistent with the position taken by Company in the defense of a Third Party Claim unless the Indemnified Party determines that such act or omission is reasonably necessary to protect its own interest.

ARTICLE 8

DISPUTE RESOLUTION

8.1 Arbitration. In the event of a dispute arising out of or relating to this Agreement, the relationships created by it, or the transactions occurring under it, the parties shall attempt in good faith to resolve such disputes promptly by negotiation. A party may give the other party or party written notice that a dispute exists (a "Notice of Dispute"). The Notice of Dispute shall include a brief statement of such party's position. Within 20 calendar days of the delivery of the Notice of Dispute, the parties shall meet at a mutually acceptable time and place, and thereafter if they so elect, to attempt to resolve the dispute. Key documents and other information or data on which a party relies concerning the dispute shall be furnished or made available on reasonable terms to the other party at or before the first meeting of the parties as provided by this Section 8.1. If the dispute has not been resolved by negotiation within 45 calendar days of the delivery of a Notice of Dispute, or if the parties to the dispute have failed to meet within 20 calendar days of the Notice of Dispute, then such dispute shall be resolved by arbitration in accordance with the following provisions.

8.2 Forum and Jurisdiction. The forum for the arbitration shall be the Borough of Manhattan in New York, or if the parties to the dispute so agree any other location in the federal Southern District of New York. Claims relating to Intellectual Property and claims for injunctive relief shall be brought in the state or federal courts sitting in New York, New York (*i.e.*, Supreme Court, New York County, and the United States District Court for the Southern District of New York (the "Courts"). The parties submit to the jurisdiction of the Courts with respect to special claims and waive all claims of forum non conveniens or similar doctrines.

8.3 Governing Law. The governing law for the arbitration and matters before the Courts shall be, with respect to matters of arbitrability, the federal Law of the United States of America and with respect to matters of substantive law, the Laws of the State of New York, without reference to its conflicts of laws provisions.

8.4 Administration. The arbitration shall be administered by the American Arbitration Association ("AAA"), pursuant to its then-current Commercial Arbitration Rules (the "AAA Rules"), as

modified by any other provisions that the parties may jointly agree upon in writing. There shall be a single arbitrator, mutually selected by the parties to the dispute, and if such parties are unable to agree upon an arbitrator, the AAA shall designate an arbitrator (the "Arbitrator"). The Arbitrator shall be a licensed attorney with at least 15 years of experience in corporate law matters. If a party brings a claim in a court that is required by this Article 8 to be brought in arbitration, and the other party successfully moves for an order or petition compelling arbitration, the non-prevailing party shall be obligated to pay the prevailing party's costs and attorney fees in connection with securing such order or petition.

8.5 Decision. The decision of the Arbitrator on the merits, whether wholly or partially dispositive, shall be in writing, and shall describe in reasonable detail the legal basis for the decision and shall specify any findings of fact necessary thereto. The Arbitrator shall hear and determine, in advance of the hearing on the merits, any dispositive or partially dispositive motions for summary adjudication or for dismissal, and shall determine a date by which such motions must be filed. The Arbitrator's decision shall be final and binding on the parties and may be entered in any court of competent jurisdiction.

8.6 Discovery. For the Arbitration, discovery by each party shall be limited to reasonable requests for production of documents up to four depositions; provided, that parties shall not be aggregated to increase the number of depositions if the parties' interests are substantially similar. No additional discovery (e.g., interrogatories or requests for admissions) shall be permitted except by mutual written consent or as ordered by the Arbitrator upon good cause shown.

8.7 Expenses. Except as may be expressly set forth herein, each party shall bear its own costs and attorney fees occurred in connection with any dispute. In the event of arbitration, the fees and expenses of the Arbitrator shall be borne as determined by the Arbitrator, and in the absence of a determination shall be shared equally between the parties.

8.8 Remedies; Award. The Arbitrator shall be without authority to award treble, multiple, exemplary, consequential or punitive damages of any type, or other damages excluded in or in excess of limitations expressed in this Agreement, under any circumstances.

8.9 Waiver of Jury Trial. THE PARTIES HEREBY WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT, ANY OF THE CONTEMPLATED TRANSACTIONS OR RELATIONSHIPS CREATED UNDER OR BY THIS AGREEMENT OR ANY OF THE OTHER TRANSACTION DOCUMENTS, WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE. THE PARTIES AGREE THAT ANY OF THEM MAY FILE A COPY OF THIS SECTION OF THIS AGREEMENT WITH ANY COURT OR OTHER TRIBUNAL AS WRITTEN EVIDENCE OF THE KNOWING, VOLUNTARY AND BARGAINED-FOR AGREEMENT AMONG THE PARTIES IRREVOCABLY TO WAIVE TRIAL BY JURY AND THAT ANY PROCEEDING WHATSOEVER BETWEEN THEM RELATING TO THIS AGREEMENT OR ANY OF THE CONTEMPLATED TRANSACTIONS OR RELATIONSHIPS SHALL INSTEAD BE RESOLVED BY ARBITRATION.

ARTICLE 9

MISCELLANEOUS

9.1 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 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.

9.2 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 telephone number specified in this Section at or prior to 5:00 p.m. (Eastern Time) on a Business Day, (b) the Business Day after the date of transmission, if such notice or communication is delivered via facsimile at the facsimile telephone number specified in this Agreement later than 5:00 p.m. (Eastern Time) on any date and earlier than 11:59 p.m. (Eastern Time) on such date, (c) the Business Day following the date of mailing, if sent by 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 follows:

If to Investor, to:
NCR Corporation
3097 Satellite Boulevard
Duluth, GA 30096
Attn: General Counsel
Fax: (404) 487-8949

If to Company, to:
Document Capture Technologies, Inc.
1798 Technology Drive
Suite 178
San Jose, California 95110
Attn: Chief Executive Officer
Fax: (408) 436-9888

or such other address as may be designated in writing hereafter, in the same manner, by such Person.

9.3 Amendments; Waivers. No provision of this Agreement may be waived or amended except in a written instrument signed, in the case of an amendment, by Company and Investor or, in the case of a waiver, by the party against whom enforcement of any such waiver 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 other provision, condition or requirement hereof, nor shall any delay or omission of either party to exercise any right hereunder in any manner impair the exercise of any such right accruing to it thereafter.

9.4 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.

9.5 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their successors and permitted assigns. Company may not assign this Agreement or any rights or obligations hereunder without the prior written consent of Investor. Except in connection with a transfer of any of the Shares in accordance with the terms of the Transaction Documents, Investor may not assign this Agreement or any of the rights or obligations hereunder without the consent of Company.

9.6 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.

9.7 Governing Law. This Agreement shall be governed in all respects including its validity, construction, interpretation, breach, performance and termination by the Laws of the State of New York and any applicable federal Laws of the United States of America, without regard to conflict of laws provisions.

9.8 Survival. The representations, warranties, agreements and covenants of the Company contained herein shall survive the Closing and any investigation heretofore or hereafter conducted by or on behalf of Investor, and shall not expire.

9.9 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 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, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) the same with the same force and effect as if such facsimile signature page were an original thereof.

9.10 Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement, and any such prohibition or unenforceability in any jurisdiction will not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by Law, each party hereby waives any provision of Law that renders any such provision prohibited or unenforceable in any respect.

9.11 Specific Performance. In addition to being entitled to exercise all rights provided herein or granted by law, including recovery of damages, Investor and Company will be entitled to specific performance of each other's obligations 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 described in the foregoing sentence and hereby agree to waive in any action for specific performance of any such obligation the defense that a remedy at law would be adequate.

9.12 Remedies Cumulative. No right, remedy, or election given by any term of this Agreement shall be deemed exclusive, but each shall be cumulative with all other rights, remedies, and elections available at law or in equity.

9.13 No Impairment. Company will not, by amendment of its certificate of incorporation or bylaws, or through reorganization, consolidation, merger, dissolution, issue or sale of securities, sale of assets or any other voluntary action, willfully avoid or seek to avoid the observance or performance of any of the terms of this Agreement or any other Transaction Document, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such action as may be necessary or appropriate in order to protect the rights of Investor under this Agreement and the other Transaction Documents against wrongful impairment. Without limiting the generality of the foregoing, Company will take all such action as may be necessary or appropriate in order that Company may duly and validly issue fully paid and nonassessable Option Shares upon the exercise of the Option.

9.14 Disclosure Letters. No exceptions to any representations or warranties disclosed in one Section of the Company Disclosure Letter or Investor Disclosure Letter, as applicable, shall constitute an exception to any other representations or warranties made in this Agreement unless: (a) the exception is disclosed in each such other applicable Section of the Disclosure Letter; (b) the exception is cross referenced in each such other applicable Section of the Disclosure Letter; or (c) the description of the fact or item disclosed in the first Section of the Disclosure Letter makes the nature and relationship of the fact or item to the other Section of the Disclosure Letter reasonably apparent. Except as provided in the first sentence of this Section 9.14, nothing in any Section of the Company Disclosure Letter or the Investor Disclosure Letter, as applicable, shall be adequate to disclose an exception to a representation or warranty made in this Agreement unless such Section of such Disclosure Letter identifies the exception with particularity and describes the relevant facts in reasonable detail. Without limiting the generality of the

foregoing, the mere listing (or inclusion of a copy) of a document or other item shall not be adequate to disclose an exception to a representation or warranty made in this Agreement, unless the representation or warranty has to do with the existence of the document or other item itself. Any fact or item disclosed in any Section of the Company Disclosure Letter or Investor Disclosure Letter, or in any Exhibit to this Agreement, shall not by reason only of such disclosure be deemed material and shall not be employed as a point of reference in determining any standard of materiality under this Agreement.

IN WITNESS WHEREOF, the parties have executed and caused this Agreement to be executed and delivered on the date first above written.

NCR Corporation

By: /s/ Quinn J. Coburn
Name: Quinn J. Coburn
Title: Treasurer

Document Capture Technologies, Inc.

By: /s/ David P. Clark
Name: David P. Clark
Title: Chief Executive Officer

INVESTOR RIGHTS AGREEMENT

THIS INVESTOR RIGHTS AGREEMENT (this "IR Agreement") is made and entered into as of the 5th day of August, 2010, by and between NCR CORPORATION, a Maryland corporation ("Investor"), and DOCUMENT CAPTURE TECHNOLOGIES, INC., a Delaware corporation ("Company").

W I T N E S S E T H:

WHEREAS, Company and Investor are parties to that certain Share Purchase Agreement, of even date herewith (the "Purchase Agreement"), which provides for, among other things, the issuance and sale by Company to Investor of 3,861,004 shares of Company's common stock, par value $0.001 per share (the "Shares") for an aggregate purchase price of $4,000,000; and

WHEREAS, in order to induce Company to enter into the Purchase Agreement and to induce Investor to invest funds in Company pursuant to the Purchase Agreement, Company has agreed to provide Investor with, among other things, certain rights to register the Shares and other shares of common stock of Company issuable to Investor, to receive certain information from Company, and to acquire up to an additional $4,000,000 of common stock of Company under certain circumstances;

NOW, THEREFORE, for and in consideration of the mutual covenants, agreements and warranties herein contained, the parties hereby agree as follows:

ARTICLE 1

CERTAIN DEFINITIONS

For purposes of this IR Agreement, the following terms shall have the meanings specified below:

"Additional Shares of Common Stock" means all shares of Common Stock issued by Company, or deemed issued as provided in Section 4.5(f) and Section 4.7(b), whether or not subsequently reacquired or retired by Company, other than: (a) any shares of Common Stock (or options, warrants or rights therefor) granted or issued hereafter to employees, officers, directors, contractors, consultants or advisers to, Company or any subsidiary pursuant to incentive agreements, stock purchase or stock option plans, stock bonuses or awards, warrants, contracts or other arrangements that are approved by the Company board of directors; (b) any shares of Common Stock (or options, warrants or rights therefor) issued or issuable to parties that are providing Company with equipment leases, real property leases, loans, credit lines or similar transactions, under arrangements, in each case, approved by the Company board of directors; (c) shares of Common Stock issued pursuant to the acquisition of another corporation or entity by Company pursuant to a consolidation, merger, purchase of all or substantially all of the assets, or other reorganization in which Company acquires, in a single transaction or series of related transactions, all or substantially all of the assets of such other corporation or entity or more than 50% of the voting power of such other corporation or entity or more than 50% of the equity ownership of such other entity; provided that such transaction or series of transactions has been approved by the Company board of directors; and provided, further, that such other corporation or entity is not an Affiliate of Company or "controlled" (as such term is used in the definition of "Affiliate" herein) directly or indirectly by one or more officers, directors or employees of Company; (d) shares of Common Stock issuable upon exercise of any options, warrants or rights to purchase any securities of Company outstanding as of the date hereof; or (e) shares of Common Stock (or options, warrants or rights therefor) issued by reason of a dividend, stock split,

split-up or other distribution on shares of Common Stock that is covered by subsections (a) through (d) of Section 4.5.

"Affiliate" means, as to any Person, (a) any subsidiary of such Person, and (b) any other Person which, directly or indirectly, controls, is controlled by, or is under common control with, such Person and includes, in the case of a Person other than an individual, each officer, director, general partner or member of such Person, and each Person who is the beneficial owner of 5% or more of such Person's outstanding stock having ordinary voting power of such Person. For the purposes of this definition, "control" means the possession of the power to direct or cause the direction of management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"Aggregate Consideration Received" by Company for any issue or sale (or deemed issue or sale) of securities shall: (a) to the extent it consists of cash, be computed at the gross amount of cash received by Company before deduction of any underwriting or similar commissions, compensation or concessions paid or allowed by Company in connection with such issue or sale and without deduction of any expenses payable by Company; (b) to the extent it consists of property other than cash, be computed at the fair value of that property as determined in good faith by the Company board of directors; and (c) if Additional Shares of Common Stock, Convertible Securities (as defined herein) or Rights or Options (as defined herein) to purchase either Additional Shares of Common Stock or Convertible Securities are issued or sold together with other stock or securities or other assets of Company for a consideration which covers both, be computed as the portion of the consideration so received that may be reasonably determined in good faith by the Company board of directors to be allocable to such Additional Shares of Common Stock, Convertible Securities or Rights or Options.

"Business Day" means any day other than a weekend day or any other day on which commercial banks in the State of New York are authorized or required to close.

"Change in Control" means: (a) the acquisition (other than from Company) by any Person of beneficial ownership of 50% or more of the combined voting power of Company's then-outstanding securities; (b) a merger or consolidation involving Company if the stockholders of Company, immediately before such merger or consolidation do not, as a result of such merger or consolidation, own, directly or indirectly, more than 50% of the combined voting power of the then-outstanding voting securities of the corporation resulting from such merger or consolidation in substantially the same proportion as their ownership of the combined voting power of the voting securities of Company outstanding immediately before such merger or consolidation; or (c) a complete liquidation or dissolution of Company or the sale or other disposition of all or substantially all of the assets of Company.

"Common Stock" means the common stock, par value $0.001 per share, of Company.

"Convertible Securities" shall mean stock, instruments of indebtedness, or other securities convertible into or exchangeable for shares of Common Stock.

"Damages" means any loss, damage, or liability (joint or several) to which a party hereto may become subject under the Securities Act, the Exchange Act, or other federal or state law, insofar as such loss, damage, or liability (or any action in respect thereof) arises out of or is based upon: (a) any untrue statement or alleged untrue statement of a material fact contained in any registration statement of Company, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, other than a statement that arises out of or is based upon written information furnished by or on behalf of Investor; (b) an omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading; or (c) any violation or alleged violation by the indemnifying party (or any of its agents or Affiliates) of the

Securities Act, the Exchange Act, any state securities law, or any rule or regulation promulgated under the Securities Act, the Exchange Act, or any state securities law.

"Effective Price" of Additional Shares of Common Stock shall mean the quotient determined by dividing the total number of Additional Shares of Common Stock issued or sold, or deemed to have been issued or sold, by Company in connection with such issuance, into the Aggregate Consideration Received, or deemed to have been received, by Company as provided herein, for the issue of such Additional Shares of Common Stock.

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

"Excluded Registration" means a registration relating to: (a) the sale of securities to employees of Company or a subsidiary of Company pursuant to a stock option, stock purchase, or similar plan; or (b) an SEC Rule 145 transaction.

"Form S-1" means such form under the Securities Act as in effect on the date hereof or any successor registration form under the Securities Act subsequently adopted by the SEC.

"Form S-3" means such form under the Securities Act as in effect on the date hereof or any registration form under the Securities Act subsequently adopted by the SEC that permits incorporation of substantial information by reference to other documents filed by the Company with the SEC.

"Investor Designee" means the member of Company's board of directors designated by Investor pursuant to the terms of the Voting Agreement.

"Person" means any individual, corporation, partnership, joint venture, association, limited liability company, joint stock company, trust, or unincorporated association, or any governmental authority, officer, department, commission, board, bureau or instrumentality thereof.

"Registrable Securities" means (a) the Shares and (b) the Common Stock issuable or issued upon exercise of the Option; excluding in all cases, however, any Registrable Securities sold by a Person in a transaction in which the applicable rights under this IR Agreement are not assigned pursuant to Section 6.1, and excluding for purposes of Article 2 any shares for which registration rights have terminated pursuant to Section 2.8 of this IR Agreement.

"Rights or Options" means warrants, options or other rights to purchase or acquire shares of Common Stock or Convertible Securities, other than: (a) warrants, options or other rights granted or issued hereafter to employees, officers, directors, contractors, consultants or advisers to, Company or any Company subsidiary pursuant to incentive agreements, stock purchase or stock option plans, contracts or other arrangements that are approved by the Company board of directors; or (b) warrants, options or other rights issued or issuable to parties that are providing Company with equipment leases, real property leases, loans, credit lines or similar transactions, under arrangements, in each case, approved by the Company board of directors.

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

"SEC Rule 144" means Rule 144 promulgated by the SEC under the Securities Act.

"SEC Rule 145" means Rule 145 promulgated by the SEC under the Securities Act.

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

"Selling Expenses" means all underwriting discounts, selling commissions, and stock transfer taxes applicable to the sale of Registrable Securities, and fees and disbursements of counsel for Investor.

"Trading Day" means any day on which the Common Sock is traded for any period on Nasdaq, or on the principal securities exchange or other securities market on which the Common Stock is then being traded.

"Transaction Documents" means the Purchase Agreement, this IR Agreement and any and all agreements, documents and instruments contemplated hereby or thereby.

ARTICLE 2

REGISTRATION RIGHTS

2.1 Demand Registration.

(a) If at any time after the date of this IR Agreement Company receives a request from Investor that Company file a Form S-1 registration statement with respect to at least 500,000 shares of the Registrable Securities (subject to adjustment for any stock split, stock dividend, recapitalization, reorganization, or the like), then the Company shall, as soon as practicable, and in any event within 60 days after the date such request is given by Investor, file a Form S-1 registration statement under the Securities Act covering all Registrable Securities that Investor requested to be registered, subject to the limitations of Section 2.1(c) and Section 2.1(d).

(b) If at any time when it is eligible to use a Form S-3 registration statement, Company receives a request from Investor that Company file a Form S-3 registration statement with respect to outstanding Registrable Securities of Investor, then Company shall, as soon as practicable, and in any event within 30 days after the date such request is given by Investor, file a Form S-3 registration statement under the Securities Act covering all Registrable Securities requested to be included in such registration by Investor, subject to the limitations of Section 2.1(c) and Section 2.1(d).

(c) If, pursuant to Section 2.1(a) or Section 2.1(b), Investor intends to distribute the Registrable Securities covered by its request by means of an underwriting, it shall so advise Company as a part of its request for registration. The underwriter(s) will be selected by Investor, subject only to the reasonable approval of Company. Investor shall, together with Company as provided in Section 2.3(e), enter into an underwriting agreement in customary form with the underwriter(s) selected for such underwriting. Notwithstanding any other provision of this Section 2.1(c), if the managing underwriter(s) advise(s) Investor in writing that marketing factors require a limitation on the number of shares to be underwritten, then the number of Registrable Securities that may be included in the underwriting shall be so reduced; provided, however, that the number of Registrable Securities held by Investor to be included in such underwriting shall not be reduced unless all other securities are first entirely excluded from the underwriting.

(d) Notwithstanding the obligations set forth in Section 2.1(a) and Section 2.1(b), if Company furnishes to Investor a certificate signed by Company's chief executive officer stating that in the good faith judgment of Company's board of directors it would be materially detrimental to Company and its stockholders for such registration statement to either become effective or remain effective for as long as such registration statement otherwise would be required to remain effective, because such action would (i) materially interfere with a significant acquisition, corporate reorganization, or other similar

transaction involving Company, (ii) require premature disclosure of material information that Company has a bona fide business purpose for preserving as confidential, or (iii) render Company unable to comply with requirements under the Securities Act or Exchange Act, then Company shall have the right to defer taking action with respect to such filing for a period of not more than 90 days after the request of Investor is given; provided, however, that Company may not invoke this right more than once in any 12-month period; and, provided further, that Company shall not register any securities for its own account or that of any other stockholder during such 90-day period other than pursuant to an Excluded Registration.

2.2 Company Registration.

(a) If Company proposes to register (including, for this purpose, a registration effected by Company for stockholders other than Investor) any of its securities under the Securities Act in connection with the public offering of such securities solely for cash (other than in an Excluded Registration), Company shall, at such time, promptly give Investor notice of such registration. Upon the request of Investor given within 20 days after such notice is given by Company, Company shall, subject to the provisions of Section 2.2(b), cause to be registered all of the Registrable Securities that Investor has requested to be included in such registration. Company shall have the right to terminate or withdraw any registration initiated by it under this Section 2.2(a) before the effective date of such registration, whether or not Investor has elected to include Registrable Securities in such registration. The expenses (other than Selling Expenses) of such withdrawn registration shall be borne by Company in accordance with Section 2.5.

(b) In connection with any offering involving an underwriting of shares of the Company's capital stock pursuant to Section 2.2(a), Company shall not be required to include any of Investor's Registrable Securities in such underwriting unless Investor accepts the terms of the underwriting as agreed upon between Company and its underwriters, and then only in such quantity as the underwriters in their sole discretion determine will not jeopardize the success of the offering by Company. If the total number of Registrable Securities to be included in such offering exceeds the number of securities to be sold (other than by Company) that the underwriters in their reasonable discretion determine is compatible with the success of the offering, then Company shall be required to include in the offering only that number of Registrable Securities which the underwriters and Company in their sole discretion determine will not jeopardize the success of the offering; provided, however, that in no event shall the number of Registrable Securities included in the offering be reduced unless all other securities (other than securities to be sold by Company) are first entirely excluded from the offering.

2.3 Obligations of Company. Whenever required under this Article 2 to effect the registration of any Registrable Securities, Company shall, as expeditiously as reasonably possible:

(a) prepare and file with the SEC a registration statement with respect to such Registrable Securities and use its commercially reasonable efforts to cause such registration statement to become effective and, upon the request of Investor, keep such registration statement effective for a period of up to 120 days or, if earlier, until the distribution contemplated in the registration statement has been completed; provided, however, that (i) such 120-day period shall be extended for a period of time equal to the period Investor refrains, at the request of an underwriter of Common Stock (or other securities) of Company, from selling any securities included in such registration, and (ii) in the case of any registration of Registrable Securities on Form S-3 that are intended to be offered on a continuous or delayed basis, subject to compliance with applicable SEC rules, such 120-day period shall be extended for up to an additional 60 days, if necessary, to keep the registration statement effective until all such Registrable Securities are sold;

(b) prepare and file with the SEC such amendments and supplements to such registration statement, and the prospectus used in connection with such registration statement, as may be necessary to comply with the Securities Act in order to enable the disposition of all securities covered by such registration statement;

(c) furnish to Investor such numbers of copies of a prospectus, including a preliminary prospectus, as required by the Securities Act, and such other documents as Investor may reasonably request in order to facilitate its disposition of its Registrable Securities;

(d) use its commercially reasonable efforts to register and qualify the securities covered by such registration statement under such other securities or Blue-Sky laws of such jurisdictions as shall be reasonably requested by Investor; provided that Company shall not be required to qualify to do business or to file a general consent to service of process in any such states or jurisdictions unless Company is already subject to service in such jurisdiction and except as may be required by the Securities Act;

(e) in the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the underwriter(s) of such offering;

(f) use its commercially reasonable efforts to cause all Registrable Securities covered by such registration statement to be listed on a national securities exchange or trading system and each securities exchange and trading system (if any) on which similar securities issued by Company are then listed;

(g) provide a transfer agent and registrar for all Registrable Securities registered pursuant to this IR Agreement and provide a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration;

(h) promptly make available for inspection by Investor, any underwriter(s) participating in any disposition pursuant to such registration statement, and any attorney or accountant or other agent retained by any such underwriter or selected by Investor, all financial and other records, pertinent corporate documents, and properties of Company, and cause Company's officers, directors, employees, and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant, or agent, in each case, as necessary or advisable to verify the accuracy of the information in such registration statement and to conduct appropriate due diligence in connection therewith;

(i) notify Investor, promptly after Company receives notice thereof, of the time when such registration statement has been declared effective or a supplement to any prospectus forming a part of such registration statement has been filed; and

(j) after such registration statement becomes effective, notify Investor of any request by the SEC that Company amend or supplement, or any determination or decision by Company to amend or supplement, such registration statement or prospectus.

2.4 Agreement to Furnish Information. It shall be a condition precedent to the obligations of Company to take any action pursuant to this Article 2 with respect to the Registrable Securities of Investor that Investor shall furnish to Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as is reasonably required to effect the registration of such Registrable Securities.

2.5 Expenses of Registration.

(a) All expenses (other than Selling Expenses) incurred in connection with registrations, filings, or qualifications pursuant to Article 2, including all registration, filing, and qualification fees, all printers' and accounting fees, all fees and disbursements of counsel for Company, and the reasonable fees and disbursements of one counsel for Investor (such fees and disbursements of counsel for Investor being limited to $20,000 in respect of any one registration), shall be borne and paid by Company; provided, however, that Company shall not be required to pay for any expenses of any registration proceeding begun pursuant to Section 2.1(a) or Section 2.1(b) if the registration request is subsequently withdrawn at the request of Investor (in which case Investor shall bear such expenses); provided further that if, at the time of such withdrawal, Investor shall have learned of a material adverse change in the condition, business, or prospects of Company from that known to Investor at the time of its request and has withdrawn the request with reasonable promptness after learning of such information then Investor shall not be required to pay any of such expenses.

(b) All Selling Expenses relating to Registrable Securities registered pursuant to this Article 2 shall be borne and paid by Investor.

2.6 Indemnification and Contribution. If any of Investor's Registrable Securities are included in a registration statement under this Article 2:

(a) To the extent permitted by law, Company will indemnify and hold harmless Investor, the officers, directors, and shareholders of Investor, legal counsel and accountants for Investor, any underwriter (as defined in the Securities Act) for Investor, and each Person, if any, who controls Investor or such underwriter within the meaning of the Securities Act or the Exchange Act, against any Damages, and Company will pay to Investor and each such underwriter, controlling Person, or other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; provided, however, that the indemnity agreement contained in this Section 2.6(a) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of Company, which consent shall not be unreasonably withheld, nor shall Company be liable for any Damages to the extent that they arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of Investor or any such underwriter, controlling Person, or other aforementioned Person expressly for use in connection with such registration.

(b) To the extent permitted by law, Investor will indemnify and hold harmless Company, and each of its directors, each of its officers who has signed the registration statement, each Person (if any), who controls Company within the meaning of the Securities Act, legal counsel and accountants for Company, any underwriter (as defined in the Securities Act), any other shareholder of Company selling securities in such registration statement, and any controlling Person of any such underwriter or other shareholder, against any Damages, in each case only to the extent that such Damages arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of Investor expressly for use in connection with such registration; and Investor will pay to Company and each other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; provided, however, that the indemnity agreement contained in this Section 2.6(b) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of Investor, which consent shall not be unreasonably withheld; and provided, further, that in no event shall the aggregate amounts payable by

Investor by way of indemnity or contribution under Section 2.6(b) and Section 2.6(d) exceed the proceeds from the offering received by Investor (net of any Selling Expenses paid by Investor).

(c) Promptly after receipt by an indemnified party under this Section 2.6 of notice of the commencement of any action (including any governmental action) for which a party may be entitled to indemnification hereunder, such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Section 2.6, give the indemnifying party notice of the commencement thereof; provided, however, that the failure to so notify the indemnifying party shall not relieve the indemnifying party from any of its obligations under this Section 2.6 except to the extent the indemnifying party is materially prejudiced by such failure. The indemnifying party shall have the right to participate in such action and, to the extent the indemnifying party so desires, participate jointly with any other indemnifying party to which notice has been given, and to assume the defense thereof with counsel mutually satisfactory to the parties; provided, however, that an indemnified party (together with all other indemnified parties that may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the reasonable fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such action.

(d) To provide for just and equitable contribution to joint liability under the Securities Act in any case in which either (i) any party otherwise entitled to indemnification hereunder makes a claim for indemnification pursuant to this Section 2.6 but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case, notwithstanding the fact that this Section 2.6 provides for indemnification in such case, or (ii) contribution under the Securities Act may be required on the part of any party hereto for which indemnification is provided under this Section 2.6, then, and in each such case, such parties will contribute to the aggregate losses, claims, damages, liabilities, or expenses to which they may be subject (after contribution from others) in such proportion as is appropriate to reflect the relative fault of each of the indemnifying party and the indemnified party in connection with the statements, omissions, or other actions that resulted in such loss, claim, damage, liability, or expense, as well as to reflect any other relevant equitable considerations. In no event shall Investor's liability pursuant to this Section 2.6(d), when combined with the amounts paid or payable by Investor pursuant to Section 2.6(b), exceed the proceeds from the offering received by Investor (net of any Selling Expenses paid by Investor).

(e) Unless otherwise superseded by an underwriting agreement entered into in connection with the underwritten public offering, the obligations of Company and Investor under this Section 2.6 shall survive the completion of any offering of Registrable Securities in a registration under this Section 2.6, and otherwise shall survive the termination of this IR Agreement.

2.7 Limitations on Subsequent Registration Rights. From and after the date of this IR Agreement, Company shall not, without the prior written consent of Investor, enter into any agreement with any holder or prospective holder of any securities of Company that would (a) allow such holder or prospective holder to include such securities in any registration unless, under the terms of such agreement, such holder or prospective holder may include such securities in any such registration only to the extent that the inclusion of such securities will not reduce the number of the Registrable Securities of Investor that are included, or (b) allow such holder or prospective holder to initiate a demand for registration of any securities held by such holder or prospective holder.

2.8 Termination of Registration Rights. The right of Investor to request registration or inclusion of Registrable Securities in any registration pursuant to Section 2.1 or Section 2.2 shall terminate upon the earliest to occur of:

(a) the time when all of Investor's Registrable Securities could be sold under SEC Rule 144 without the requirement for Company to be in compliance with the current public information required under SEC Rule 144 as to such Registrable Securities and without volume or manner-of-sale restrictions; and

(b) the fifth anniversary of the date of this IR Agreement.

ARTICLE 3

INFORMATION RIGHTS

3.1 Delivery of Financial Information. Company shall deliver the following financial information to Investor:

(a) as soon as practicable, but in any event within 90 days after the end of each fiscal year of Company, (i) a balance sheet as of the end of such year, (ii) statements of income and of cash flows for such year, and (iii) a statement of stockholders' equity as of the end of such year, all such financial statements audited and certified by independent public accountants selected by Company;

(b) as soon as practicable, but in any event within 45 days after the end of each of the first three quarters of each fiscal year of Company, unaudited statements of income and of cash flows for such fiscal quarter, and an unaudited balance sheet and a statement of stockholders' equity as of the end of such fiscal quarter, all prepared in accordance with GAAP (except that such financial statements may (i) be subject to normal year-end audit adjustments and (ii) not contain all notes thereto that may be required in accordance with GAAP);

(c) if requested by Investor, as soon as practicable, but in any event within 30 days of the end of each month, an unaudited income statement and statement of cash flows for such month, and an unaudited balance sheet and statement of stockholders' equity as of the end of such month, all prepared in accordance with GAAP (except that such financial statements may (i) be subject to normal year-end audit adjustments and (ii) not contain all notes thereto that may be required in accordance with GAAP);

(d) if requested by Investor, as soon as practicable, but in any event 30 days before the end of each fiscal year, an operating budget for the next fiscal year (the "Budget"), approved by Company's board of directors and prepared on a monthly basis, including a forecast of revenues, expenses and cash position on a month-to-month basis for the next fiscal year; and

(e) such other information relating to the financial condition of Company as shall be determined by the board in its reasonable discretion.

The financial information delivered pursuant to this Section 3.1 shall be the consolidated and consolidating financial statements of Company and all of its consolidated subsidiaries. Company will be deemed to have satisfied its obligations under clauses (a) and (b) above if such financial information is included in a report that Company is required to file with the SEC pursuant to Section 13 or 15(d) of the Exchange Act in respect of the applicable period, and Company files such report with the SEC through

the SEC's EDGAR database no later than the time such report is required to be filed with the SEC pursuant to the Exchange Act (taking into account any applicable grace periods provided thereunder).

Notwithstanding anything else in this Section 3.1 to the contrary, Company may cease providing the information set forth in this Section 3.1 during the period starting with the date 30 days before Company's good-faith estimate of the date of filing of a registration statement if it reasonably concludes it must do so to comply with SEC rules applicable to such registration statement and related offering; provided that Company's covenants under this Section 3.1 shall be reinstated at such time as Company is no longer actively employing its commercially reasonable efforts to cause such registration statement to become effective.

3.2 Notice of Certain Transactions. Subject to the fiduciary duties of Company's board of directors, Company shall promptly (but in any event, within 72 hours) notify Investor in writing in the event that Company receives any proposal or offer from any Person or group of Persons that, in the good faith judgment of the Company's board of directors is "bona fide," and that provides for, directly or indirectly, in a single transaction or a series of related transactions, (a) a transaction contemplated by subpart (b) or (c) of the definition of "Change in Control," or (b) the acquisition of beneficial ownership of 25% or more of (i) the combined voting power of Company's then-outstanding securities or (ii) the value (as determined by Company's board of directors) of the consolidated assets of Company and its Subsidiaries. Company's notification to Investor shall include the identity of such Person or group of Persons and the material details of the proposed transaction. Company shall thereafter keep Investor reasonably informed (orally and in writing) of the status of any such proposed transaction, including the material terms and conditions thereof and of any material modification thereto.

3.3 Right of Inspection. Company shall permit Investor, at Investor's expense and on no fewer than five days' prior written notice to Company, to visit and inspect Company's properties, examine its books of account and records, and discuss Company's affairs, finances, and accounts with its officers, during normal business hours of Company as may be reasonably requested by Investor; provided, however, that Company shall not be obligated pursuant to this Section 3.3 to provide access to any information that it reasonably and in good faith considers to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in form acceptable to Company) or the disclosure of which would adversely affect the attorney-client privilege between Company and its counsel; and provided, further, that Company may conduct any such visitation, inspection, examination and discussion no more than once per calendar quarter.

3.4 Termination of Information Rights. The covenants set forth in Section 3.1, Section 3.2, and Section 3.3 shall terminate and be of no further force or effect upon the earlier to occur of: (a) the closing of a Change in Control of Company; and (b) the date that Investor no longer holds at least 5% of the Shares acquired by Investor on the date hereof.

ARTICLE 4

OPTION TO PURCHASE ADDITIONAL SHARES

4.1 Grant of Option; Option Period. Subject to the terms and conditions set forth in this Article 4 and elsewhere in the Transaction Documents, Investor is hereby granted by Company the irrevocable option (the "Option"), exercisable during the Option Period (as defined below), to purchase, in the sole discretion of Investor, up to an additional $4,000,000 of Common Stock (the "Aggregate Option Amount"), at the then-current Exercise Price (as defined below). The Option may be exercised at any time or from time to time by Investor during the period that begins on the date hereof and ends at 5:00 p.m. (Eastern Time) on the second anniversary of such date (such period, the "Option Period").

4.2 Manner of Exercise. During the Option Period, the Option may be exercised, in full or in part, upon surrender of the Notice of Exercise attached hereto as Exhibit A (the "Notice of Exercise"), duly completed and executed, together with the full Exercise Price for each share of Common Stock as to which the Option is exercised (in accordance with Section 4.3 below), at the office of Company (Document Capture Technologies, Inc., 1798 Technology Drive, Suite 178, San Jose, California 95110; Fax: (408) 436-9888), or at such other office or agency as Company may designate in writing, by overnight mail. The "Date of Exercise" of the Option shall be defined as the date that the Notice of Exercise attached hereto as Exhibit A, completed and executed, is sent by facsimile to Company, provided that the original Notice of Exercise is received by Company and the Exercise Price is satisfied, each as soon as practicable and in any event within three Business Days thereafter. Alternatively, the Date of Exercise shall be defined as the date that both the original Notice of Exercise and the full Exercise Price for the shares of Common Stock being acquired in connection with such exercise are received by Company, if Investor has not sent advance notice by facsimile. Upon delivery of the duly completed and executed Notice of Exercise to Company by facsimile or otherwise, and receipt by Company of the full Exercise Price for the shares of Common Stock being acquired in connection with such exercise, Investor shall be deemed for all corporate purposes to have become the holder of record of the shares of Common Stock with respect to which the Option has been exercised, irrespective of the date such shares of Common Stock are credited to Investor's Depository Trust Company account or the date of delivery of the certificates evidencing such shares, as the case may be.

4.3 Payment of Exercise Price. Payment of the Exercise Price may be made by Holder in cash, by bank or cashier's check or by wire transfer.

4.4 Delivery of Common Stock Upon Exercise. Within three Business Days after any Date of Exercise (the "Delivery Period"), Company shall issue and deliver (or cause its transfer agent so to issue and deliver) in accordance with the terms hereof to or upon the order of Investor that number of shares of Common Stock ("Exercise Shares") for the portion of this Option that has been exercised thereby. Upon the exercise of this Option or any part thereof, Company shall, at its own cost and expense, take all necessary action, including obtaining and delivering an opinion of counsel to ensure that the transfer agent shall issue stock certificates in the name of Investor or such other persons as designated by Investor and in such denominations as are specified in the Notice of Exercise representing the number of shares of Common Stock issuable upon such exercise.

4.5 Adjustments to Exercise Price. The price per share of Common Stock for which this Option may be exercised (the "Exercise Price") is $1.036, subject to adjustment as follows:

(a) If Company shall, at any time or from time to time after the date hereof, effect a subdivision of the outstanding Common Stock, the Exercise Price in effect immediately before that subdivision shall be proportionately decreased. Conversely, if Company shall, at any time or from time to time after the date hereof, combine the outstanding shares of Common Stock into a smaller number of shares, the Exercise Price in effect immediately before that combination shall be proportionately increased. Any adjustment pursuant to this clause (a) shall become effective at the close of business on the date the subdivision or combination becomes effective.

(b) If Company, at any time or from time to time after the date hereof, makes, or fixes a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable in additional shares of Common Stock, in each such event the Exercise Price that is then in effect shall be decreased as of the time of such issuance or, in the event such record date is fixed, as of the close of business on such record date, by multiplying the Exercise Price then in effect by a fraction (i) the numerator of which is the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date, and (ii) the

denominator of which is the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date plus the number of shares of Common Stock issuable in payment of such dividend or distribution; provided, however, that if such record date is fixed and such dividend is not fully paid or if such distribution is not fully made on the date fixed therefor, the Exercise Price shall be recomputed accordingly as of the close of business on such record date and thereafter the Exercise Price shall be adjusted pursuant to this clause (b) to reflect the actual payment of such dividend or distribution.

(c) If at any time or from time to time after the date hereof, the Common Stock issuable upon the exercise of the Option is changed into the same or a different number of shares of any class or classes of stock, whether by recapitalization, reclassification or otherwise (other than a subdivision or combination of shares or stock dividend or a reorganization, merger, consolidation or sale of assets provided for elsewhere in this Section 4.5), in any such event Investor shall have the right thereafter to exercise the Option into the kind and amount of stock and other securities and property receivable upon such recapitalization, reclassification or other change by holders of the maximum number of shares of Common Stock for which the Option could have been exercised immediately prior to such recapitalization, reclassification or change, all subject to further adjustment as provided herein or with respect to such other securities or property by the terms thereof.

(d) If at any time or from time to time after the date hereof, there is a capital reorganization of the Common Stock (other than a recapitalization, subdivision, combination, reclassification, exchange, or substitution of shares provided for elsewhere in this Section 4.5), as a part of such capital reorganization, provision shall be made so that Investor shall thereafter be entitled to receive upon exercise of the Option the number of shares of stock or other securities or property of Company to which a holder of the number of shares of Common Stock deliverable upon exercise would have been entitled on such capital reorganization, subject to adjustment in respect of such stock or securities by the terms thereof. In any such case, appropriate adjustment shall be made in the application of the provisions of this Section 4.5 with respect to the rights of Investor after the capital reorganization to the end that the provisions of this Section 4.5 shall be applicable after that event and be as nearly equivalent as practicable.

(e) If at any time or from time to time after the date hereof Company issues or sells, or is deemed by the provisions of this clause (f) to have issued or sold, Additional Shares of Common Stock, otherwise than in connection with a stock split or combination as provided in clause (a) above, a dividend or distribution as provided in clause (b) above, a reclassification, exchange or substitution as provided in clause (c) above, or a reorganization, merger, consolidation or sale of assets as provided in clause (d) above, for an Effective Price that is less than the Exercise Price in effect immediately prior to such issue or sale (or deemed issue or sale), then, and in each such case, the then-existing Exercise Price shall be reduced as of the close of business on the date of such issue or sale to a price equal to the consideration per share received by Company for such Additional Shares of Common Stock so issued.

(f) For the purpose of making any adjustment to the Exercise Price required under this Section 4.5, if Company issues or sells any Rights or Options or Convertible Securities and if the Effective Price of the shares of Common Stock issuable upon exercise of such Rights or Options and/or the conversion or exchange of Convertible Securities (computed without reference to any additional or similar protective or antidilution clauses) is less than the Exercise Price then in effect, then Company shall be deemed to have issued, at the time of the issuance of such Rights, Options or Convertible Securities, that number of Additional Shares of Common Stock that is equal to the maximum number of shares of Common Stock issuable upon exercise or conversion of such Rights, Options or Convertible Securities upon their issuance and to have received, as the Aggregate Consideration Received for the issuance of such shares, an amount equal to the total amount of the consideration, if any, received by

Company for the issuance of such Rights or Options or Convertible Securities, plus, in the case of such Rights or Options, the minimum amounts of consideration, if any, payable to Company upon the exercise in full of such Rights or Options, plus, in the case of Convertible Securities, the minimum amounts of consideration, if any, payable to Company (other than by cancellation of liabilities or obligations evidenced by such Convertible Securities) upon the conversion or exchange thereof; provided that:

(i) if the minimum amounts of such consideration cannot be ascertained, but are a function of antidilution or similar protective clauses, then Company shall be deemed to have received the minimum amounts of consideration without reference to such clauses;

(ii) if the minimum amount of consideration payable to Company upon the exercise of Rights or Options or the conversion or exchange of Convertible Securities is reduced over time or upon the occurrence or non-occurrence of specified events other than by reason of antidilution or similar protective adjustments, then the Effective Price shall be recalculated using the figure to which such minimum amount of consideration is reduced; and

(iii) if the minimum amount of consideration payable to Company upon the exercise of such Rights or Options or the conversion or exchange of Convertible Securities is subsequently increased, then the Effective Price shall again be recalculated using the increased minimum amount of consideration payable to Company upon the exercise of such Rights or Options or the conversion or exchange of such Convertible Securities.

(g) No further adjustment of the Exercise Price shall be made as a result of the actual issuance of shares of Common Stock on the exercise of any such Rights or Options or the conversion or exchange of any such Convertible Securities. If any such Rights or Options or the conversion rights represented by any such Convertible Securities shall expire without having been fully exercised, then the Exercise Price as adjusted upon the issuance of such Rights or Options or Convertible Securities shall be readjusted to the Exercise Price which would have been in effect had an adjustment been made on the basis that the only shares of Common Stock so issued were the shares of Common Stock, if any, that were actually issued or sold on the exercise of such Rights or Options or rights of conversion or exchange of such Convertible Securities, and such shares of Common Stock, if any, were issued or sold for the consideration actually received by Company upon such exercise, plus the consideration, if any, actually received by Company for the granting of all such Rights or Options, whether or not exercised, plus the consideration received for issuing or selling all such Convertible Securities actually converted or exchanged, plus the consideration, if any, actually received by Company (other than by cancellation of liabilities or obligations evidenced by such Convertible Securities) on the conversion or exchange of such Convertible Securities.

(h) No adjustment in the Exercise Price shall be made in respect of the issuance of Additional Shares of Common Stock unless the consideration per share for an Additional Share of Common stock issued or deemed to be issued by Company is less than the Exercise Price in effect immediately prior to such issue.

(i) All calculations under this Section 4.5 shall be made to the nearest $^{1}/_{100^{th}}$ of a share, as the case may be.

4.6 No Fractional Shares. No fractional shares or scrip representing fractional shares shall be issuable upon the exercise of the Option, but on exercise of the Option, Investor may purchase only a whole number of shares of Common Stock. If, on exercise of the Option, Investor would be entitled to a fractional share of Common Stock or a right to acquire a fractional share of Common Stock, such

fractional share shall be disregarded and the number of shares of Common Stock issuable upon exercise shall be the next higher whole number of shares.

4.7 Anti-Dilution Protection.

(a) If at any time or from time to time after the date hereof and prior to the eighteen (18) month anniversary of the date hereof (such period, the "Common Stock Anti-Dilution Period"), Company issues or sells, or is deemed to have issued or sold pursuant to Section 4.7(b), Additional Shares of Common Stock for an Effective Price that is less than $1.036 per share, as adjusted for any stock splits, stock dividends, stock combinations, mergers, reorganizations or other actions occurring after the date hereof which generally affect the number of shares of stock of the Company outstanding, (the "Purchase Price"), then, and in each such case, the Company shall issue additional shares of Common Stock to the Investor without further consideration, in an amount equal to the difference between (x) the number of Shares held, as of the time immediately prior to such issuance or sale, or deemed issuance or sale, as the case may be, by Investor (which, in the case of more than one issuance of shares pursuant to this Section 4.7, may include shares of Common Stock previously received by Investor pursuant to this Section 4.7) (the "Existing Shares"), and (y) the number of shares of Common Stock determined in accordance with the following formula:

Number of Shares = (A * B) ÷ C.

For purposes of the foregoing formula, the following definitions shall apply:

(i) "A" shall mean the Existing Shares as defined above;

(iv) "B" shall mean the Purchase Price as defined above; and

(v) "C" shall mean the Effective Price as defined above.

(b) For purposes of this Section 4.7, if during the Common Stock Anti-Dilution Period, Company issues or sells any Rights or Options or Convertible Securities and if the Effective Price of the shares of Common Stock issuable upon exercise of such Rights or Options and/or the conversion or exchange of Convertible Securities (computed without reference to any additional or similar protective or antidilution clauses) is less than the Purchase Price, then Company shall be deemed to have issued, at the time of the issuance of such Rights, Options or Convertible Securities, that number of Additional Shares of Common Stock that is equal to the maximum number of shares of Common Stock issuable upon exercise or conversion of such Rights, Options or Convertible Securities upon their issuance and to have received, as the Aggregate Consideration Received for the issuance of such shares, an amount equal to the total amount of the consideration, if any, received by Company for the issuance of such Rights or Options or Convertible Securities, plus, in the case of such Rights or Options, the minimum amounts of consideration, if any, payable to Company upon the exercise in full of such Rights or Options, plus, in the case of Convertible Securities, the minimum amounts of consideration, if any, payable to Company (other than by cancellation of liabilities or obligations evidenced by such Convertible Securities) upon the conversion or exchange thereof; provided that:

(i) if the minimum amounts of such consideration cannot be ascertained, but are a function of antidilution or similar protective clauses, then Company shall be deemed to have received the minimum amounts of consideration without reference to such clauses;

(ii) if the minimum amount of consideration payable to Company upon the exercise of Rights or Options or the conversion or exchange of Convertible Securities is reduced over

time or upon the occurrence or non-occurrence of specified events other than by reason of antidilution or similar protective adjustments, then the Effective Price shall be recalculated using the figure to which such minimum amount of consideration is reduced; and

(iii) if the minimum amount of consideration payable to Company upon the exercise of such Rights or Options or the conversion or exchange of Convertible Securities is subsequently increased, then the Effective Price shall again be recalculated using the increased minimum amount of consideration payable to Company upon the exercise of such Rights or Options or the conversion or exchange of such Convertible Securities.

(c) No additional shares of Common Stock shall be issued pursuant to this Section 4.7 as a result of the actual issuance of shares of Common Stock on the exercise of any such Rights or Options or the conversion or exchange of any such Convertible Securities.

(d) Investor shall have the right to waive the receipt or issuance of additional shares of Common Stock which would otherwise be issuable to it pursuant to this Section 4.7.

4.8 No Rights as Stockholder. Nothing in this Article 4 shall be construed as conferring upon Investor any rights as a stockholder of Company.

ARTICLE 5

OTHER COVENANTS

5.1 Restrictions on Transfer.

(a) The Registrable Securities may only be disposed of pursuant to an effective registration statement under the Securities Act, to Company, to an Affiliate, or pursuant to an available exemption from or in a transaction not subject to the registration requirements of the Securities Act, and in compliance with any applicable federal and state securities laws. Until such time as the Registrable Securities can be freely transferred in a public sale without registration under the Securities Act, in connection with any transfer of any such securities, other than pursuant to an effective registration statement, to an Affiliate or to Company, an opinion of counsel will be required to the effect that such transfer does not require registration of such transferred securities under the Securities Act. Any such transferee shall agree in writing to be bound by the terms of this IR Agreement and shall have the obligations of Investor hereunder.

(b) Investor agrees to the imprinting, so long as is required by this Section 5.1, of the following legend on any certificates representing Registrable Securities:

> THESE SECURITIES HAVE NOT 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"). THESE SECURITIES ARE "RESTRICTED" AND MAY NOT BE OFFERED OR SOLD UNLESS THE SECURITIES ARE REGISTERED UNDER THE ACT, OR ELIGIBLE TO BE OFFERED OR SOLD PURSUANT TO AVAILABLE EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE ACT, AND, EXCEPT WITH RESPECT TO A TRANSFER TO AN AFFILIATE OF HOLDER OR TO COMPANY, COMPANY WILL BE PROVIDED WITH OPINION OF COUNSEL OR OTHER SUCH INFORMATION AS IT MAY REASONABLY REQUIRE TO CONFIRM THAT SUCH EXEMPTIONS ARE AVAILABLE.

(c) Certificates representing Registrable Securities shall not be required to contain any restrictive legend: (i) while a registration statement covering the resale of such securities is effective under the Securities Act; (ii) following any sale of such securities pursuant to SEC Rule 144 under the Securities Act; (iii) if such securities are eligible for sale under SEC Rule 144 without the requirement for Company to be in compliance with the current public information required under SEC Rule 144 as to such Registrable Securities and without volume or manner-of-sale restrictions; or (iv) if such legend is not required under applicable law, or, in the opinion of the Company's counsel, in accordance with the requirements of the Securities Act, or other interpretations and pronouncements of the SEC. Upon request of Investor, Company shall cause its counsel to issue a legal opinion to Company's transfer agent promptly to effect the removal of such legend pursuant to the foregoing sentence. If the Option is exercised at a time when (x) there is an effective registration statement covering the resale under the Securities Act of the Registrable Securities issued in connection therewith, (y) such Registrable Securities may be sold under SEC Rule 144 without the requirement for Company to be in compliance with the current public information required under SEC Rule 144 as to such Registrable Securities and without volume or manner-of-sale restriction, or (z) such legend is not otherwise required under applicable law, then the certificate(s) evidencing such Registrable Securities shall be issued free of all restrictive legends. Company agrees that at such time as such restrictive legend is not required as provided in this Section 5.1(c), it will, as soon as practicable following the delivery by Investor to Company's transfer agent of certificates representing the Registrable Securities, as the case may be, deliver or cause to be delivered to Investor replacement certificates free from all restrictive legends. Unless otherwise required by law or judicial order, Company shall not make any notation on its records or give any instructions to its transfer agent that enlarge the restrictions on transfer set forth in this IR Agreement.

5.2 Listing of Registrable Securities. If, after the date hereof, Company shall list its Common Stock on any of the New York Stock Exchange, NYSE AMEX, or the NASDAQ Stock Market (each, a "Subsequent Market"), then Company shall include in such listing for the benefit of Investor all Registrable Securities. If the number of Registrable Securities issuable upon exercise in full of the Option exceed the number of Registrable Securities previously listed on account thereof with a Subsequent Market, then Company shall take the necessary actions to immediately list a number of Registrable Securities equal to such difference.

5.3 Reports. With a view to making available to Investor the benefits of SEC Rule 144 and any other rule or regulation of the SEC that may at any time permit Investor to sell securities of the Company to the public without registration or pursuant to a registration on Form S-3, Company shall:

(a) make and keep available adequate current public information, as those terms are understood and defined in SEC Rule 144, at all times after the date hereof;

(b) timely file (or obtain extensions in respect thereof and file within the applicable grace period) with the SEC all reports and other documents required of Company under the Securities Act and the Exchange Act (including Section 13(a) and 15(d) thereof); and

(c) furnish to Investor, so long as Investor owns any Registrable Securities, forthwith upon request: (i) to the extent accurate, a written statement by Company that it has complied with the reporting requirements of SEC Rule 144, the Securities Act, and the Exchange Act, or that it qualifies as a registrant whose securities may be resold pursuant to Form S-3 (at any time after the Company so qualifies); (ii) a copy of the most recent annual or quarterly report of Company and such other reports and documents so filed by Company; and (iii) such other information as may be reasonably requested in availing Investor of any rule or regulation of the SEC that permits the selling of any such securities without registration (including causing its attorneys to render and deliver any legal opinion required in order to permit Investor to receive Registrable Securities free of all restrictive legends and to

subsequently sell Registrable Securities under SEC Rule 144 upon receipt of a notice of an intention to sell or other form of notice having a similar effect) or pursuant to Form S-3 (at any time after Company so qualifies to use such form).

Without limiting the generality of clause (a) above, if at any time Company is not required to file reports pursuant to Section 13(a) or 15(d) the Exchange Act, it will, at its expense, prepare and furnish to Investor and make publicly available in accordance with SEC Rule 144 such information as is required for Investor to sell Registrable Securities under SEC Rule 144.

5.4 Directors' Liability; Indemnification; Insurance.

(a) Company's certificate of incorporation and bylaws shall provide (i) for elimination of the liability of directors to the maximum extent permitted by law and (ii) for indemnification of directors for acts on behalf of Company to the maximum extent permitted by law. In addition, Company shall enter into and use its best efforts to at all times maintain indemnification agreements with each of its directors to indemnify such directors to the maximum extent permissible under applicable law.

(b) If Company or any of its successors or assignees consolidates with or merges into any other Person and is not the continuing or surviving corporation or entity of such consolidation or merger, then to the extent necessary, proper provision shall be made so that the successors and assignees of Company assume the obligations of Company with respect to indemnification of members of the board of directors as in effect immediately before such transaction, whether such obligations are contained in Company's bylaws, its certificate of incorporation, or elsewhere, as the case may be.

(c) Company has, from financially sound and reputable insurers, Directors and Officers liability insurance in an amount and on terms and conditions satisfactory to the board of directors with total limits of $5 million of "Side A" and "Side B" coverage, and will use reasonable best efforts to cause such insurance policy to be maintained at all times during the term of that certain Voting Agreement, of even date herewith, among Company, Investor and the stockholders of Company whose names are set forth on the signature pages thereto (the "Voting Agreement"). In addition, the policy shall not be cancelable by Company without prior approval by the board of directors, including the Investor Designee.

5.5 Termination of Covenants. The covenants set forth in this Article 5, except for Section 5.1 and Section 5.4(b), shall terminate and be of no further force or effect upon the earlier to occur of: (a) the closing of a Change in Control of Company; and (b) the date that Investor no longer owns, beneficially or of record, any Registrable Securities.

5.6 Confidential Treatment. In the event that Company is required by law or stock market or trading facility regulation to file with the SEC as an exhibit to any filing under the Exchange Act or the Securities Act all or any portion of that certain Strategic Supplier Master Procurement Agreement between Company and Investor (including, without limitation, any portion of the amendment thereto of even date herewith), or any other commercial agreement between Company and Investor, Company shall use its best efforts to seek confidential treatment under applicable securities laws of such portions of such agreement(s) as may reasonably be available, and shall consult with Investor in connection therewith.

ARTICLE 6

MISCELLANEOUS

6.1 Successors and Assigns. The rights under this IR Agreement may be assigned (but only with all related obligations) by Investor to a transferee in connection with a transfer of the Registrable Securities that is permissible under the terms of the Transaction Documents; provided, however, that (a) Company is, within a reasonable time after such transfer, furnished with written notice of the name and address of such transferee and, if applicable, the Registrable Securities with respect to which such rights are being transferred; and (b) such transferee agrees in a written instrument delivered to Company to be bound by and subject to the terms and conditions of this IR Agreement. The terms and conditions of this IR Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. Nothing in this IR Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this IR Agreement, except as expressly provided in this IR Agreement.

6.2 Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this IR Agreement shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof.

6.3 Execution. This IR 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 all parties need not sign the same counterpart. In the event that any signature is delivered by facsimile transmission, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) the same with the same force and effect as if such facsimile signature page were an original thereof.

6.4 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 telephone number specified in this Section at or prior to 5:00 p.m. (Eastern Time) on a Business Day, (b) the Business Day after the date of transmission, if such notice or communication is delivered via facsimile at the facsimile telephone number specified in this IR Agreement later than 5:00 p.m. (Eastern Time) on any date and earlier than 11:59 p.m. (Eastern Time) on such date, (c) the Business Day following the date of mailing, if sent by 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 follows:

If to Investor, to:

NCR Corporation
3097 Satellite Boulevard
Duluth, GA 30096
Attn: General Counsel
Fax: (404) 487-8949

with a copy (if such notice is being provided pursuant to Section 3.2 hereof) to:

NCR Corporation
7 World Trade Center
250 Greenwich Street
New York, NY 10007
Attn: Chief Financial Officer
Fax: (513) 719-6990

If to Company, to:

Document Capture Technologies, Inc.
1798 Technology Drive
Suite 178
San Jose, California 95110
Attn: Chief Executive Officer
Fax: (408) 436-9888

or such other address as may be designated in writing hereafter, in the same manner, by such Person.

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

6.6 Delays or Omissions. No delay or omission to exercise any right, power or remedy accruing to any party under this IR Agreement, upon any breach or default of any other party under this IR Agreement, shall impair any such right, power or remedy of such non-breaching or non-defaulting party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring.

6.7 Severability. Any provision of this IR Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this IR Agreement, and any such prohibition or unenforceability in any jurisdiction will not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by law, each party hereto hereby waives any provision of law that renders any such provision prohibited or unenforceable in any respect.

6.8 Entire Agreement. This IR Agreement and the other Transaction Documents, together with the Exhibits and Schedules thereto, contain the entire understanding of the parties with respect to the subject matter hereof 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.

6.9 Specific Performance. In addition to being entitled to exercise all rights provided herein or granted by law, including recovery of damages, Investor and Company will be entitled to specific performance of each other's obligations under this IR Agreement. The parties agree that monetary damages may not be adequate compensation for any loss incurred by reason of any breach of obligations

described in the foregoing sentence and hereby agree to waive in any action for specific performance of any such obligation the defense that a remedy at law would be adequate.

6.10 Remedies Cumulative. No right, remedy, or election given by any term of this IR Agreement shall be deemed exclusive, but each shall be cumulative with all other rights, remedies, and elections available at law or in equity.

6.11 Further Assurances. At any time or from time to time after the date hereof, the parties agree to cooperate with each other, and at the request of any other party, to execute and deliver any further instruments or documents and to take all such further action as the other party may reasonably request in order to evidence or effectuate the consummation of the transactions contemplated hereby and to otherwise carry out the intent of the parties hereunder.

6.12 Costs of Enforcement. If any party to this IR Agreement seeks to enforce its rights under this IR Agreement by legal proceedings, the non-prevailing party shall pay all costs and expenses incurred by the prevailing party, including, without limitation, all reasonable attorneys' fees.

[signatures on following page]

IN WITNESS WHEREOF, the parties have executed and caused this IR Agreement to be executed and delivered on the date first above written.

NCR Corporation

By: /s/ Quinn J. Coburn
Name: Quinn J. Coburn
Title: Treasurer

Document Capture Technologies, Inc.

By: /s/ David P. Clark
Name: David P. Clark
Title: Chief Executive Officer

EXHIBIT A

NOTICE OF EXERCISE

TO: DOCUMENT CAPTURE TECHNOLOGIES, INC.

The undersigned hereby irrevocably exercises the right to purchase _____ of the shares of Common Stock (the "Common Stock") of DOCUMENT CAPTURE TECHNOLOGIES, INC., a Delaware corporation ("Company"), evidenced by the option granted to the undersigned by Company under Article 4 of that certain Investor Rights Agreement, dated _____, 2010, between Company and NCR Corporation, a Maryland corporation (the "IR Agreement"), to which this Notice of Exercise is attached (the "Option"), and herewith makes payment of the Exercise Price with respect to such shares in full, all in accordance with the conditions and provisions of said Option.

The undersigned agrees not to offer, sell, transfer or otherwise dispose of any of the Common Stock obtained on exercise of the Option, except in accordance with the provisions of the Transaction Documents (as such term is defined in the IR Agreement).

The undersigned requests that any stock certificates for such shares be issued free of any restrictive legend, if permitted by the terms of the IR Agreement.

Please issue a certificate or certificates representing the shares of Common Stock acquired hereby in the name of the undersigned or in such other name as is specified below:

_____

The shares of Common Stock acquired hereby shall be delivered to the following DWAC Account Number or by physical delivery of a certificate to:

_____

_____

_____

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

[NAME OF ENTITY]

By: _____

Name: _____

Title: _____

Date: _____

VOTING AGREEMENT

THIS VOTING AGREEMENT (this "Voting Agreement") is made and entered into as of the 5 th day of August, 2010, by and among NCR CORPORATION, a Maryland corporation ("Investor"), DOCUMENT CAPTURE TECHNOLOGIES, INC., a Delaware corporation ("Company"), and those stockholders of Company whose names are set forth on the signature pages hereto (together with any transferees who become parties hereto pursuant to Section 6.1 below, the "Stockholders").

W I T N E S S E T H:

WHEREAS, Company and Investor are parties to that certain Share Purchase Agreement, of even date herewith (the "Purchase Agreement"), which provides for, among other things, the issuance and sale by Company to Investor of 3,861,004 shares of Company's common stock, par value $0.001 per share (the "Shares") for an aggregate purchase price of $4,000,000; and

WHEREAS, under the Purchase Agreement, Company has agreed to provide Investor with the right to designate the election of one member of the board of directors of Company (the "Board") in accordance with the terms of this Voting Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants, agreements and warranties herein contained, the parties hereby agree as follows:

ARTICLE 1

CERTAIN DEFINITIONS

For purposes of this Voting Agreement, the following terms shall have the meanings specified below:

"Affiliate" means, as to any Person, (a) any subsidiary of such Person, and (b) any other Person which, directly or indirectly, controls, is controlled by, or is under common control with, such Person and includes, in the case of a Person other than an individual, each officer, director, general partner or member of such Person, and each Person who is the beneficial owner of five percent (5%) or more of such Person's outstanding stock having ordinary voting power of such Person. For the purposes of this definition, "control" means the possession of the power to direct or cause the direction of management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"Business Day" means any day other than a weekend day or any other day on which commercial banks in the State of New York are authorized or required to close.

"Common Stock" means the common stock, par value $0.001 per share, of Company.

"Person" means any individual, corporation, partnership, joint venture, association, limited liability company, joint stock company, trust, or unincorporated association, or any governmental authority, officer, department, commission, board, bureau or instrumentality thereof.

"Shares" means, as to any Stockholder that is a party to this Voting Agreement, any securities of Company the holders of which are entitled to vote for members of the Board, including without limitation, all shares of Common Stock and all shares of any class or series of preferred stock, par value

$0.001 per share, of Company, by whatever name called, now owned or subsequently acquired by such Stockholder, however acquired, whether through stock splits, stock dividends, reclassifications, recapitalizations, similar events or otherwise.

ARTICLE 2

VOTING PROVISIONS

2.1 Size and Composition of the Board. Each Stockholder hereby agrees to vote, or cause to be voted, if and as requested by Investor, all Shares owned by such Stockholder, or over which such Stockholder has voting control, from time to time and at all times, in whatever manner as shall be necessary to ensure that:

(a) the size of the Board shall be set and remain at six (6) directors;

(b) at each annual or special meeting of stockholders at which an election of directors is held or pursuant to any written consent of the stockholders, one person designated by Investor (the "Investor Designee"), if so designated, is elected to the Board;

(c) any Investor Designee serving on the Board is not removed from office unless (i) such removal is directed or approved in advance by Investor, or (ii) Investor is no longer so entitled to designate or approve such director;

(d) any vacancies created by the resignation, removal or death of an Investor Designee serving on the Board shall be filled pursuant to the provisions of this Article 2; and

(e) upon the request of Investor to remove an Investor Designee serving on the Board, such director shall be removed.

To the extent that clause (b) above shall not be applicable for any reason, the member of the Board who would otherwise have been designated by Investor in accordance with the terms thereof shall instead be voted upon by all the stockholders of Company entitled to vote thereon in accordance with, and pursuant to, Company's certificate of incorporation.

2.2 Failure to Designate a Board Member. In the absence of any designation from Investor, the director previously designated by Investor and then-serving shall be reelected if still eligible to serve as provided herein.

2.3 No Revocation. The voting agreements contained herein are coupled with an interest and may not be revoked during the term of the Voting Agreement.

2.4 No Liability for Election of Investor Designee. Neither Investor nor any Affiliate of Investor shall have any liability as a result of designating a Person for election as the Investor Designee, for any act or omission by the Investor Designee in his or her capacity as a director of Company.

2.5 Waiver of Voting Provisions. During the term of this Voting Agreement, Investor may waive, for any reason or for no reason, any or all of its rights under this Article 2 for such duration as it may determine in its sole discretion (it being understood that at the end of the term of waiver specified by Investor, Investor shall again be entitled to such rights as were previously waived hereunder). If, as a result of any such waiver, Investor does not have an Investor Designee serving on the Board, Investor shall be entitled, in addition to such other rights as are set forth in this Voting Agreement which have not been so waived by Investor, to the rights set forth under Section 4.4 hereof.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES

Each Stockholder hereby represents and warrants, severally and not jointly, to Investor as follows:

3.1 Organization; Authorization; Validity of Agreement; Necessary Action. Stockholder has full power and authority to execute and deliver this Voting Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby. This Voting Agreement has been duly executed and delivered by Stockholder and, assuming this Voting Agreement constitutes a valid and binding obligation of the other parties hereto, constitutes a legal, valid and binding obligation of Stockholder, enforceable against Stockholder in accordance with its terms, subject to the effect, if any, of applicable bankruptcy and other similar laws affecting the rights of creditors generally and rules of law governing specific performance, injunctive relief and other equitable remedies.

3.2 Ownership. Stockholder has good and marketable title to Stockholder's Shares, free and clear of any liens or encumbrances, and Stockholder is not party to any agreement or commitment of any character, whether written or oral, obligating Stockholder to sell, assign or otherwise transfer any of Stockholder's Shares. As of the date hereof, Stockholder's Shares constitute all of the shares of Common Stock beneficially owned or owned of record by Stockholder. Except for the rights granted to Investor hereby, Stockholder has sole voting power (including the right to control such vote as contemplated herein) with respect to the matters set forth in Section 2.1 hereof, sole power of disposition, sole power to issue instructions with respect to the matters set forth in Section 2.1 hereof, and sole power to agree to all of the matters set forth in this Voting Agreement, in each case, with respect to all of Stockholder's Shares.

3.3 No Violation. The execution, delivery and performance of this Voting Agreement by Stockholder does not and will not (whether with or without notice or lapse of time, or both) (a) violate, conflict with or result in the breach of any of the terms or conditions of, result in any (or the right to make any) modification of or the cancellation or loss of a benefit under, require any notice, consent or action under, or otherwise give any Person the right to terminate, accelerate obligations under or receive payment or additional rights under, or constitute a default under, any contract or agreement to which Stockholder is a party or by which it is bound or (b) violate any law applicable to Stockholder or by which any of Stockholder's assets or properties is bound, except for any of the foregoing as would not, either individually or in the aggregate, impair the ability of Stockholder to perform its obligations hereunder or to consummate the transactions contemplated hereby on a timely basis.

ARTICLE 4

REMEDIES

4.1 Covenants of Company.

(a) Company agrees to use its best efforts, within the requirements of applicable law, to ensure that the rights granted under this Voting Agreement are effective and that the parties enjoy the benefits of this Voting Agreement. Company shall not, by any voluntary action or omission, avoid or seek to avoid the observance or performance of any of the terms it is to perform hereunder, but shall at all times in good faith assist in the carrying out of all the provisions of this Voting Agreement and in the taking of all such actions as may be necessary or appropriate in order to protect Investor's rights hereunder against impairment.

(b) Without limiting the generality of the foregoing Section 4.1(a), Company agrees that it shall: (i) subject to applicable law, nominate the Investor Designee to serve on the Board at each annual or special meeting of stockholders at which an election of directors is held, or pursuant to any written consent of the stockholders, during the term of this Voting Agreement; (ii) use its best efforts to have the Investor Designee elected as a director of Company by the stockholders of Company; (iii) solicit proxies for the Investor Designee to the same extent as it does for any of its other nominees to the Board; (iv) cause each Person who becomes an executive officer or member of the Board following the date hereof (other than the Investor Designee), to agree in writing to be subject to each of the terms of this Voting Agreement, and each such executive officer and director shall be deemed to be a Stockholder hereunder; (v) notify the Investor Designee or the Observer, as the case may be, of all regular meetings and special meetings of the Board and of all regular and special meetings of any committee thereof concurrently with and in the same manner as notice is provided to other members of the Board; and (vi) provide the Investor Designee or the Observer, as the case may be, with copies of all notices, minutes, consents and other material that it provides to all other members of the Board concurrently as such materials are provided to the other members.

4.2 Irrevocable Proxy. Each Stockholder hereby revokes, or has previously revoked, all prior proxies, voting agreements or powers-of-attorney given or entered into with respect to any of its Shares, and hereby constitutes and appoints Company's Chief Executive Officer (or his successor) with full power of substitution, as the proxy of such party with respect to the election of the Investor Designee to the Board in accordance with Article 2 hereof, and hereby authorizes Company's Chief Executive Officer (or his successor) to represent and to vote, if and only if the party (a) fails to vote or (b) attempts to vote (whether by proxy, in person or by written consent), in a manner which is inconsistent with the terms of this Voting Agreement, all of such party's Shares in favor of the election of Investor Designee as a member of the Board determined pursuant to and in accordance with the terms and provisions of this Voting Agreement. The proxy granted pursuant to the immediately preceding sentence is given in consideration of the agreements and covenants of Company and the parties in connection with the transactions contemplated by this Voting Agreement and, as such, is coupled with an interest and shall be irrevocable unless and until this Voting Agreement terminates or expires pursuant to Article 5 hereof. Each Stockholder shall not hereafter, unless and until this Voting Agreement terminates or expires pursuant to Section 5 hereof, purport to grant any other proxy or power of attorney with respect to any of such holder's Shares, deposit any of such holder's Shares into a voting trust or enter into any agreement (other than this Voting Agreement), arrangement or understanding with any Person, directly or indirectly, to vote, grant any proxy or give instructions with respect to the voting of any of such holder's Shares, in each case, with respect to any of the matters set forth herein. Company's Chief Executive Officer shall use his or her best efforts, within the requirements of applicable law, to vote such Shares for which he is the proxy pursuant to this Section 4.2 in accordance with the provisions of Section 2.1 and the other provisions hereof, and to otherwise ensure that the rights granted to Investor under this Voting Agreement are effective and that Investor enjoys the benefits of this Voting Agreement.

4.3 Specific Enforcement. Each Stockholder acknowledges and agrees that Investor will be irreparably damaged in the event any of the provisions of this Voting Agreement are not performed by such Stockholder in accordance with their specific terms or are otherwise breached. Accordingly, it is agreed that each of Company and Investor shall be entitled to an injunction to prevent breaches of this Voting Agreement, and to specific enforcement of this Voting Agreement and its terms and provisions in any action instituted in any court of the United States or any state having subject matter jurisdiction.

4.4 Board Observer Rights. Company hereby agrees that, from and after the date hereof, for so long as Investor does not have an Investor Designee serving on the Board (including, without limitation, by reason of a waiver by Investor of its rights under Section 2.5 hereof), Company shall allow a Person designated by Investor (the "Observer") to attend all meetings of the Board (including any

meetings of committees thereof) in a nonvoting observer capacity. The Observer shall be provided with (a) reasonable opportunity to consult with and discuss the business and affairs of Company with Company's senior managers, directors, officers and senior employees, visit and inspect any of the offices or other properties of Company or any of its subsidiaries and inspect the books of account of Company or any of its subsidiaries, in each case upon reasonable advance notice during normal business hours and (b) reasonable opportunity to make recommendations with respect to the business and affairs of Company, recognizing that the ultimate discretion with respect to all such matters shall be retained by Company.

4.5 Remedies Cumulative. All remedies, either under this Voting Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

ARTICLE 5

TERM

5.1 Term. This Agreement shall be effective as of the date hereof and shall continue in effect until and shall terminate upon the earliest to occur of: (a) the consummation of a Change in Control (as defined herein) of Company; (b) such time as Investor no longer holds (on an as-converted, fully-diluted basis, and as adjusted for any stock splits, stock dividends, recapitalizations or the like), at least 1% of the outstanding shares of Common Stock; or (c) termination of this Agreement in accordance with Section 6.6 below.

5.2 Change in Control. For purposes of this Article 5, the term "Change in Control" shall mean: (a) the acquisition (other than from Company) by any Person of beneficial ownership of 50% or more of the combined voting power of Company's then-outstanding securities; (b) a merger or consolidation involving Company if the stockholders of Company, immediately before such merger or consolidation do not, as a result of such merger or consolidation, own, directly or indirectly, more than 50% of the combined voting power of the then-outstanding voting securities of the corporation resulting from such merger or consolidation in substantially the same proportion as their ownership of the combined voting power of the voting securities of Company outstanding immediately before such merger or consolidation; or (c) a complete liquidation or dissolution of Company or the sale or other disposition of all or substantially all of the assets of Company.

ARTICLE 6

MISCELLANEOUS

6.1 Transfers. Each transferee or assignee of any Shares that are subject to this Voting Agreement shall continue to be subject to the terms hereof, and, as a condition precedent to Company's recognizing such transfer, each transferee or assignee shall agree in writing to be subject to each of the terms of this Voting Agreement in respect of such Shares, and shall, following such agreement, be deemed to be a party hereto as if such transferee were the transferor and such transferee's signature appeared on the signature pages of this Voting Agreement and shall be deemed to be a Stockholder; provided, however, that the foregoing shall not apply in respect of any Shares acquired by a transferee by means of ordinary transactions made in the over-the-counter market, or, if Company's Common Stock is then listed or traded on the New York Stock Exchange, NYSE AMEX or Nasdaq Stock Market, on such exchange or trading market. Company shall not permit, and shall cause its transfer agent not to permit, the transfer of any Shares subject to this Voting Agreement on its books or issue a new certificate representing any such Shares unless and until such transferee shall have complied with the terms of this Section 6.1. Each certificate representing Shares subject to this Voting Agreement if issued on or after the date of this Agreement shall be endorsed by Company with the legend set forth in Section 6.10, and

Company shall take such action as is necessary to cause its transfer agent to note on Company's stock register in respect of each Stockholder's Shares, and in respect of any uncertificated Shares subject to this Voting Agreement, the legend set forth in Section 6.10.

6.2 Successors and Assigns. The terms and conditions of this Voting Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. Nothing in this Voting Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Voting Agreement, except as expressly provided in this Voting Agreement.

6.3 Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this Voting Agreement shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof.

6.4 Execution. This Voting 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 all parties need not sign the same counterpart. In the event that any signature is delivered by facsimile transmission, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) the same with the same force and effect as if such facsimile signature page were an original thereof.

6.5 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 telephone number specified in this Section at or prior to 5:00 p.m. (Eastern Time) on a Business Day, (b) the Business Day after the date of transmission, if such notice or communication is delivered via facsimile at the facsimile telephone number specified in this Agreement later than 5:00 p.m. (Eastern Time) on any date and earlier than 11:59 p.m. (Eastern Time) on such date, (c) the Business Day following the date of mailing, if sent by nationally recognized overnight courier service, or (d) upon actual receipt by the party to whom such notice is required to be given. A party's address for such notices and communications shall be as set forth below such party's signature on the signature pages hereto, or to such facsimile number or address as subsequently modified by written notice given in accordance with this Section 6.5.

6.6 Amendment; Waiver; Termination. Except as specifically set forth herein (including, without limitation, in Section 2.5 hereof), this Voting Agreement may be amended or terminated and the observance of any term hereof may be waived (either generally or in a particular instance and either retroactively or prospectively) only by a written instrument executed by Investor, Company, and the Stockholders holding greater than 50% of the Shares then held by the Stockholders. Company shall give prompt written notice of any amendment, termination or waiver hereunder to any Stockholder that did not consent in writing thereto. Any amendment, termination or waiver effected in accordance with this Section 6.6 shall be binding on each party and all of such party's successors and permitted assigns, whether or not any such party, successor or assignee entered into or approved such amendment, termination or waiver.

6.7 Delays or Omissions. No delay or omission to exercise any right, power or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Voting Agreement, shall impair any such right, power or remedy of such non-breaching or non-defaulting party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or

of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default previously or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any party of any breach or default under this Voting Agreement, or any waiver on the part of any party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Voting Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

6.8 Severability. Any provision of this Voting Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Voting Agreement, and any such prohibition or unenforceability in any jurisdiction will not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by aw, each party hereto hereby waives any provision of law that renders any such provision prohibited or unenforceable in any respect.

6.9 Entire Agreement. This Voting Agreement and the other Transaction Documents (as defined in the Purchase Agreement), together with the Exhibits and Schedules thereto contain the entire understanding of the parties with respect to the subject matter hereof 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.

6.10 Legend on Share Certificates.

(a) Each certificate representing any Shares issued after the date hereof shall be endorsed by Company with a legend reading substantially as follows:

> "THE SHARES EVIDENCED HEREBY ARE SUBJECT TO A VOTING AGREEMENT, AS MAY BE AMENDED FROM TIME TO TIME, (A COPY OF WHICH MAY BE OBTAINED UPON WRITTEN REQUEST FROM THE COMPANY), AND BY ACCEPTING ANY INTEREST IN SUCH SHARES THE PERSON ACCEPTING SUCH INTEREST SHALL BE DEEMED TO AGREE TO AND SHALL BECOME BOUND BY ALL THE PROVISIONS OF THAT VOTING AGREEMENT, INCLUDING CERTAIN RESTRICTIONS ON TRANSFER AND OWNERSHIP SET FORTH THEREIN."

(b) Company, by its execution of this Voting Agreement, agrees that it shall (i) cause the certificates evidencing the Shares issued after the date hereof to bear the legend required by this Section 6.10, and it shall supply, free of charge, a copy of this Voting Agreement to any holder of a certificate evidencing Shares upon written request from such holder to Company at its principal office, and (ii) take such action as is necessary to cause its transfer agent to note on Company's stock register in respect of each Stockholder's Shares, and in respect of any uncertificated Shares subject to this Voting Agreement, the legend set forth in clause (a) above. The parties to this Voting Agreement do hereby agree that the failure to cause the certificates evidencing the Shares to bear the legend required by this Section 6.10 herein and/or the failure of Company to supply, free of charge, a copy of this Voting Agreement as provided hereunder shall not affect the validity or enforcement of this Voting Agreement.

6.11 Stock Splits, Stock Dividends, etc. In the event of any issuance of shares of Company's voting securities hereafter to any of the Stockholders (including, without limitation, in connection with any stock split, stock dividend, recapitalization, reorganization, or the like), such Shares shall become subject to this Voting Agreement and shall be endorsed with the legend set forth in Section 6.10.

6.12 Manner of Voting. The voting of Shares pursuant to this Voting Agreement may be effected in person, by proxy, by written consent or in any other manner permitted by applicable law.

6.13 Further Assurances. At any time or from time to time after the date hereof, the parties agree to cooperate with each other, and at the request of any other party, to execute and deliver any further instruments or documents and to take all such further action as the other party may reasonably request in order to evidence or effectuate the consummation of the transactions contemplated hereby and to otherwise carry out the intent of the parties hereunder.

6.14 Costs of Enforcement. If any party to this Voting Agreement seeks to enforce its rights under this Voting Agreement by legal proceedings, the non-prevailing party shall pay all costs and expenses incurred by the prevailing party, including, without limitation, all reasonable attorneys' fees.

6.15 Competition and Corporate Opportunities. Except as otherwise specifically set forth in any other Transaction Document (as defined in the Purchase Agreement), Investor will have the right to, and will have no duty not to: (a) engage in the same or similar business activities or lines of business as Company; (b) compete against Company; and (c) do business with any potential or actual competitor, customer or supplier of Company. Investor will not be liable to Company or its stockholders, regardless of the impact any activities may have on Company, for breach of any fiduciary duty as a stockholder of Company by reason of any activities of Investor, and Company will have no interest or expectancy that Investor will not engage in any of the foregoing activities, any interest or expectancy being hereby renounced by Company. With respect to any potential transaction or matter that may be a corporate opportunity or otherwise of interest to Investor or Company, Investor will not have a duty to communicate or present the corporate opportunity to Company, Company will have no interest or expectancy in any such transaction or matter, and Investor may take action with respect to such transaction or matter in its discretion.

6.16 Agreements and Transactions with Investor. No contract, agreement, arrangement or transaction (or any amendment, modification or termination thereof) between Company and Investor shall be void or voidable or be considered to be unfair to Company solely for the reason that Investor is a party thereto, or because any representatives of Investor are present at or participate in any meeting of the Board or any committee thereof which authorizes the contract, agreement, arrangement, or transaction (or the amendment, modification or termination thereof).

6.17 "Market Stand-Off" Agreement. Each Stockholder hereby agrees that it shall, at the request of Investor in connection with any registration of shares of capital stock of Company effected pursuant to Section 2.1(a) or Section 2.1(b) of that certain Investor Rights Agreement, of even date herewith, between Investor and Company, enter into a "market stand-off" or "lock-up" agreement, on customary terms, whereby such Stockholder agrees that he or she will not, without the prior written consent of Investor, during the period commencing on the date of the final prospectus relating to such registration and ending on the date specified by Investor (such period not to exceed 180 days): (a) lend; offer; pledge; sell; contract to sell; sell any option or contract to purchase; purchase any option or contract to sell; grant any option, right, or warrant to purchase; or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Common Stock (whether such shares or any such securities are then owned by Stockholder or are thereafter acquired); or (b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such securities, whether any such transaction described in clause (a) or (b) above is to be settled by delivery of Common Stock or other securities, in cash, or otherwise. Each Stockholder further agrees to execute such agreements as may be reasonably requested by the underwriters, if any, in connection with such registration that are consistent with this Section 6.17 or that are necessary to give further effect thereto.

IN WITNESS WHEREOF, the parties have executed and delivered this Voting Agreement as of the day and year first above written.

INVESTOR:

NCR Corporation

By: /s/ Quinn J. Coburn
Name: Quinn J. Coburn
Title: Treasurer

3097 Satellite Boulevard
Duluth, Georgia 30096
Attn: General Counsel
Facsimile: (404) 487-8949

COMPANY:

Document Capture Technologies, Inc.

By: /s/ David P. Clark
Name: David P. Clark
Title: Chief Executive Officer

1798 Technology Drive
Suite 178
San Jose, California 95110
Attn: Chief Executive Officer
Facsimile: (408) 436-9888

[signatures continued on following page]

STOCKHOLDERS:

/s/ Richard Dietl

Richard Dietl

Facsimile:

Syscan Imaging Limited

By: /s/ Frank Cheung

Name: Frank Cheung

Title: Director of the Board

Facsimile:

/s/ Edward M. Straw

Edward M. Straw

Facsimile:

/s/ William Hawkins

William Hawkins

Facsimile:

/s/ David P. Clark

David Clark

Facsimile:

/s/ M. Carolyn Ellis

M. Carolyn Ellis

Facsimile:

/s/ Darwin Hu

Darwin Hu

Facsimile:

/s/ Jody R. Samuels

Jody R. Samuels

Facsimile:

/s/ Roseann Larson

Roseann Larson

Facsimile: