THIS IS A LEGAL AGREEMENT BETWEEN YOU, THE EMPLOYEE, THE INDIVIDUAL, OR THE ENTITY IDENTIFIED AS "CUSTOMER" (AS DEFINED HEREinafter) AND WORKSMART AUTOMATION, INC. THIS AGREEMENT STATES THE TERMS and conditions UNDER WHICH CUSTOMER MAY USE THE LGH File Inspector™ for AVEVA InTouch, HEREAFTER KNOWN AS THE "software" or "THE SOFTWARE". BY clicking on the accept button, INSTALLING, HAVING THE SOFTWARE INSTALLED ON CUSTOMER'S BEHALF, COPYING, HAVING THE SOFTWARE COPIED ON CUSTOMER'S BEHALF, USING OR HAVING SOFTWARE USED ON CUSTOMER'S BEHALF, CUSTOMER INDICATES THAT CUSTOMER HAS READ AND UNDERSTANDS THIS AGREEMENT AND AGREES TO BE BOUND BY THE TERMS SET FORTH IN THIS AGREEMENT. IF THE SOFTWARE IS INSTALLED, COPIED OR USED ON BEHALF OF CUSTOMER, THE TERMS SET FORTH IN THIS AGREEMENT SHALL APPLY TO CUSTOMER AS WELL AS TO the INDIVIDUAL OR ENTITY INSTALLING, COPYING OR USING THE SOFTWARE ON BEHALF OF CUSTOMER. this agreement shall be effective as of THE earlier of the date THE Software is installed or used. THE SOFTWARE SHALL BE DEEMED ACCEPTED BY CUSTOMER TEN (10) DAYS AFTER THE DATE THE SOFTWARE IS DELIVERED TO CUSTOMER. IF CUSTOMER DOES NOT AGREE WITH THE TERMS and conditions SET FORTH IN THIS AGREEMENT, DO NOT install or USE THE SOFTWARE AND RETURN THE SOFTWARE TO WORKSMART AUTOMATION, INC. OR AUTHORIZED DISTRIBUTOR WITHIN TEN (10) DAYS OF THE DATE THE SOFTWARE IS DELIVERED TO CUSTOMER. ANY REFUNDS (IF APPLICABLE) SHALL BE SUBJECT TO WORKSMART AUTOMATION, INC. STANDARD REFUND POLICY IN EFFECT, THE TERMS OF THIS AGREEMENT, and LESS ANY RESTOCKING FEES AND OTHER APPLICABLE FEES.

SOFTWARE Licensing Agreement

This Software Licensing Agreement ("Agreement") is made as of the Date of THE SOFTWARE installation by and between WORKSMART AUTOMATION, INC., a corporation with offices located in Sacramento, CA and the individual or entity identified on the Sales Agreement as customer ("Customer"). All protections afforded WORKSMART AUTOMATION, INC. by this Agreement shall also be afforded to its Authorized Distributors ("Distributors") as allowed by law, including but not limited to Article V ("Warranty")

WITNESSETH:

WHEREAS, WORKSMART AUTOMATION, INC. owns that certain SOFTWARE application entitled LGH File Inspector™ for AVEVA InTouch; and

WHEREAS, Customer has had an opportunity to review and approve the functions and utilities of THE SOFTWARE and is familiar with the use and operation of THE SOFTWARE; and

WHEREAS, Customer has independently determined that THE SOFTWARE will meet the needs of Customer for a reporting application at the Customer's Site; and

WHEREAS, Customer desires to receive a license to use THE SOFTWARE.

NOW THEREFORE, in consideration of the mutual benefits of the covenants and restrictions herein contained, WORKSMART AUTOMATION, INC. and Customer hereby agree as follows:

ARTICLE I: RECITALS AND DEFINITIONS

Section 1.01 -- Recitals: The above recitals and identification of parties are true and correct.

Section 1.02 -- Definitions: The following definitions shall apply:

- (1) <u>Access</u>: The term "Access" and variants thereof shall mean to store data in, retrieve data from or otherwise approach or make use of (directly or indirectly) through electronic means or otherwise.
- (2) <u>Activated</u>: The term "Activated" means the process of exchanging an Activation ID generated by the THE SOFTWARE and provided to Distributor or WORKSMART AUTOMATION, INC. upon which the license holder receives a return Activation ID which the license holder enters into the THE SOFTWARE to obtain full usage of the product on the licensed Computer or Server. Once this process is completed, THE SOFTWARE is considered to have been "Activated".
- (3) <u>SOFTWARE</u>: The term "SOFTWARE" and the usage of "THE SOFTWARE" as appropriate in this Agreement shall mean the object code for that certain software application known as LGH File Inspector™ for AVEVA InTouch, including the Documentation, as provided by WORKSMART AUTOMATION, INC. to Customer hereunder, including Updates.
- (4) <u>Associate</u>: The term "Associate" shall mean an employee of WORKSMART AUTOMATION, INC. or an independent contractor hired by WORKSMART AUTOMATION, INC., or its Distributors.
- (5) <u>Authorized Person</u>: The term "Authorized Person" shall mean Customer or employees of Customer who agree in writing to maintain the confidentiality of Confidential Information and individuals or organizations who are authorized in writing by WORKSMART AUTOMATION, INC. to

receive Confidential Information and who agree in writing to maintain the confidentiality of such Confidential Information.

- (6) <u>Cancellation Notice</u>: The term "Cancellation Notice" shall mean that written notice sent by WORKSMART AUTOMATION, INC. directly or through its Distributors to Customer seeking to cancel this Agreement because of breach of this Agreement by Customer.
- (7) Computer: the term "Computer" shall refer to a single physical computer such as a laptop, workstation, or virtual machine instance, running a supported Windows desktop operating system. This term does not cover computers running Windows Server operating systems: See "Server" defined separately in this Agreement.
- (8) <u>Confidential Information</u>: The term "Confidential Information" shall mean all information concerning this Agreement, THE SOFTWARE, and the business and technical plans of WORKSMART AUTOMATION, INC., which is disclosed by WORKSMART AUTOMATION, INC. to Customer or learned by Customer directly or through WORKSMART AUTOMATION, INC's Distributors.
- (9) <u>Defects</u>: The term "Defects" shall mean programming errors which substantially impair the performance, utility and functionality of THE SOFTWARE, as represented in the Documentation.
- (10) <u>Defect Notice</u>: The term "Defect Notice" shall mean that certain written notice from Customer to WORKSMART AUTOMATION, INC. identifying Defects.
- (11) <u>Delivery Date</u>: The term "Delivery Date" shall mean the date THE SOFTWARE is delivered to Customer (as applicable).
- (12) <u>Documentation</u>: The term "Documentation" shall mean the SOFTWARE user guide (in electronic or printed format) as provided to Customer on the Delivery Date.
- (13) <u>Effective Date</u>: The term "Effective Date" shall mean the earlier of the date that the Sales Agreement is executed by WORKSMART AUTOMATION, INC. and Customer, or by Distributors and Customer, or the date THE SOFTWARE is installed or used.

- (14) Event of Bankruptcy: The term "Event of Bankruptcy" shall mean: (1) the filing of a petition under any insolvency or bankruptcy statute seeking the declaration of Customer as insolvent or bankrupt; (2) the filing of any action seeking receivership or reorganization of Customer pursuant to or under any insolvency or bankruptcy statute; or (3) the filing of any involuntary petition against Customer pursuant to any insolvency or bankruptcy statute if such petition shall remain unstayed or undismissed for a period of ten (10) days after filing.
- (15) Entity: Shall mean a single corporate entity, which may have more than one physical "Sites" as defined in this Agreement.
- (16) <u>Implement</u>: The term "Implement" and variants thereof (including, but not limited to, the terms "implementation", "implementing" and "implemented") shall mean to load.
- (17) Maintenance Services: The term "Maintenance Services" shall mean Defect resolution services concerning THE SOFTWARE (excluding the System) as provided by WORKSMART AUTOMATION, INC. to Customer for the prevailing fees and time and material rates published by WORKSMART AUTOMATION, INC. and subject to WORKSMART AUTOMATION, INC. standard maintenance terms. If Customer has purchased a Support & Maintenance Agreement ("SMA") from WORKSMART AUTOMATION, INC. directly or via its Distributors, the SMA grants rights to regularly scheduled product Updates and to certain limited amounts of Services as defined in the SMA.
- (18) <u>Price:</u> The term "Price" shall mean the total price to be paid by Customer to WORKSMART AUTOMATION, INC. or by way of purchase through a WORKSMART AUTOMATION, INC. authorized distributor for the System and for licensing THE SOFTWARE, as set forth in the Price Schedule.
- (19) Restatements: The term "Restatements" shall mean Section 757 of the Restatement of Torts, Section 39 of the Restatement (Third) of Unfair Competition, Section 1 of the Uniform Trade Secrets Act, and Section 1839 of Title 18 of the United States Code (18 U.S.C. § 1839).
- (20) Server: the term "Server" shall refer to a single physical computer server or virtual machine instance, running a supported Windows server operating system.

- (21) <u>Services</u>: The term "Services" shall mean Maintenance Services and that certain THE SOFTWARE installation, training, telephone support, development and consulting services as requested by Customer and approved by WORKSMART AUTOMATION, INC. and/or its Distributors in writing.
- (22) Site or Single Location: the term "Site" or "Single Location" refers to a physical address location of a plant, operating facility, or location of an Entity as defined in this Agreement. Any use of the term Site does NOT imply any unlimited site wide rights to use the THE SOFTWARE. All rights to use the THE SOFTWARE at a Site or Single Location are defined in Article II of this Agreement for the type of license purchased.
- (23) System: the term "System" shall mean either a Computer or Server as defined in this agreement. This term is defined as a term of convenience as a way to referring in a blanket fashion to either the Computer or Server or both as appropriate in the context of the term's use.
- (24) <u>Term:</u> The term "Term" shall mean a period of time commencing on the Effective Date and continuing until this Agreement is terminated or canceled under Article IV.
- (25) <u>Third Party Technology</u>: The term "Third Party Technology" shall mean third party software, computer, hardware, peripherals, components, devices, equipment and technology used in connection with or related to THE SOFTWARE.
- (26) <u>Unauthorized Access</u>: The term "Unauthorized Access" shall mean any access to THE SOFTWARE except for the exclusive purpose of [Primary Software Purpose], and training employees of Customer in the use of THE SOFTWARE.
- Unauthorized User: The term "Unauthorized User" shall mean any individual who accesses THE SOFTWARE except for: users who are authorized to use THE SOFTWARE for the type of license you have acquired and who are (1) employees of Customer authorized by Customer to access THE SOFTWARE and who agrees to maintain the confidentiality of Confidential Information for the exclusive purpose of performing [Primary Software Purpose], and training employees of Customer in the use of THE SOFTWARE and (2) Authorized Persons authorized in writing by WORKSMART AUTOMATION, INC. to access THE SOFTWARE.
- (28) <u>Updates:</u> The term "Updates" shall mean the object code for updates, upgrades, new versions, new releases or modifications to THE SOFTWARE as generally made available by WORKSMART AUTOMATION, INC. and its Distributors from time to time to WORKSMART

AUTOMATION, INC. and its Distributor's customers for the applicable fee or under the terms of a separate SMA. Neither WORKSMART AUTOMATION, INC. or its Distributors are obligated to provide any specific number of Updates at any specific frequency. The issuance of Updates shall be at the sole discretion of WORKSMART AUTOMATION, Inc.

(29) <u>Warranty Term:</u> The term "Warranty Term" shall mean a period of time commencing on the Delivery Date and ending on the date which is ninety (90) days thereafter.

ARTICLE II: SOFTWARE

<u>Section 2.01 -- Grant of License</u>: WORKSMART AUTOMATION, INC. hereby grants to Customer a non-exclusive and non-transferable license to use THE SOFTWARE and to use the Documentation at the Facility for the License Term, subject to the terms and provisions of this Agreement and the license types defined below.

Single Location Per-User License: grants the license owner the perpetual license right for the number of licensed users to use the THE SOFTWARE stated on your sales invoice, at a single Site. For example, if you have purchased a 2 user, Single-Location License, then you may install and activate the Software under 2 user logins, whether those logins are on a Computer or Server. If you are using a Server with applications such as Terminal Services, each user login must have its own license. If you are using a Computer as defined in this Agreement, where multiple users can login to that Computer, each user login must have its own license.

If you have purchased any discounted packages of Licenses under this Single Location Per-User License, such as a 5 user, Single Location License, they are not to be separated between different companies or physical locations of the same company, with Single Location having the meaning defined in this Agreement. If separation of a Single-Location multi-user license is detected, WORKSMART AUTOMATION, INC. or its Distributors will pursue all remedies possible, including but not limited to the purchase of new Single-Location Licenses. If you need to purchase for multiple companies, please contact WORKSMART AUTOMATION, INC. or its Distributors who can quote the purchase of multiple Single-Location licenses with the required number of users at each location.

Renewal of Support & Maintenance Agreements ("SMA)" for multiple users at a Single Location must be done for the same number of users as the original license quantity purchased.

Licenses may only be transferred through a process which will revert the software to a limited functionality trial mode on the original machine and can only be reinstated through purchase of a new license for the machine or transfer of a valid license with an active SMA back to the machine.

Unless the software is within the initial Warranty period or is covered by a valid, active SMA, you may not transfer the license. Reinstating an active SMA and/or payment of fees will be required for transfers if a license's SMA has expired.

Transfers through any self-service system provided by WORKSMART AUTOMATION, INC. are monitored and WORKSMART AUTOMATION, INC. or its Distributors reserve the right to limit the number of automated transfers and request further information and documentation regarding the reason for the transfer before allowing further transfers, or deny the transfer if the evidence suggests abuse of the transfer rights with the intent to avoid purchasing additional licenses or otherwise circumvent the terms of this Agreement.

In the event of a failed Server or Computer requiring re-installation, we reserve the right to require written attestation of the same, and we will only be able to re-issue the Single Location Per User License if the software license is covered by a valid, Active SMA, and reserve the right to charge service fees for any additional re-issuances or refuse to re-issue in the presence of evidence of attempts to use false pretenses to obtain the re-issuance.

Subscription License: grants the user non-transferrable rights to use THE SOFTWARE on a single Computer for a period of 90 days from the time of activation of the software. You may not transfer this license to a different computer, and the software will cease to function at the end of the 90 day period. You may re-enable the software through purchase of a new Subscription License. The Subscription license includes a 90 day SMA.

<u>Section 2.02 -- Delivery:</u> Customer hereby acknowledges WORKSMART AUTOMATION, INC. or its Distributor's shall deliver THE SOFTWARE on the Delivery Date.

<u>Section 2.03 -- Implementation:</u> Customer shall install THE SOFTWARE. Customer shall implement THE SOFTWARE on the System, subject to the terms and conditions of this Agreement.

<u>Section 2.04 -- Risk of Loss:</u> Customer shall assume risk of loss to THE SOFTWARE as of the Delivery Date. Customer shall keep THE SOFTWARE protected and in good working order, maintained and insured against loss for full replacement value until the date that the Price is paid in full by Customer.

Section 2.05 -- Authorized Use: Customer shall prevent Unauthorized Users from accessing THE SOFTWARE. Customer shall prevent Unauthorized Access to THE SOFTWARE. Customer shall promptly inform WORKSMART AUTOMATION, INC. of any and all Unauthorized Access (or suspected Unauthorized Access) and Unauthorized Users (or suspected Unauthorized Users) of which Customer has knowledge or suspicion. Access to THE SOFTWARE using third party products for purposes of manipulating, viewing, disclosing or using the internal structure of THE SOFTWARE or for creating a database, data dictionary or data model shall be deemed Unauthorized Access.

<u>Section 2.06 -- Site or Single-Location Restriction</u>: Customer shall use THE SOFTWARE only on the licensed Systems and only at the licensed Site or Single Location as defined in this Agreement.

<u>Section 2.07 -- End Use:</u> Customer hereby represents and warrants that THE SOFTWARE is being licensed by Customer for its own use at the Site and not for rental, leasing, resale, sublicensing, distribution, outsourcing, or offering service bureau services.

<u>Section 2.08 -- Services:</u> Customer may request Services, as approved by WORKSMART AUTOMATION, INC. All Services shall be subject to the discretion of WORKSMART AUTOMATION, INC. and shall be subject to WORKSMART AUTOMATION, INC. standard service terms and applicable time and material rates.

ARTICLE III: PAYMENT

<u>Section 3.01 -- Price:</u> Customer shall pay the full price of the software under WORKSMART AUTOMATION, INC.'s or its Distributor's standard terms and conditions of purchase.

<u>Section 3.02 -- Taxes</u>: Customer shall pay any and all taxes attributable to this Agreement, to the transactions contemplated hereunder or to the transactions performed by Customer or third parties using THE SOFTWARE, including, without limitation, any applicable sales or use taxes, import duties, or fees. Notwithstanding the foregoing, Customer shall not be responsible for paying any income taxes assessed against WORKSMART AUTOMATION, INC..

<u>Section 4.01 -- Termination Limitations</u>: This Agreement shall only be terminated or canceled as provided under this Article IV.

Section 4.02 -- Term: This Agreement shall be valid for the Term.

<u>Section 4.03 -- Termination:</u> Customer may terminate this Agreement for convenience upon providing thirty (30) days written notice of termination to WORKSMART AUTOMATION, INC., or its Distributor, subject to the terms and provisions of this Agreement.

Section 4.04 -- Cancellation for Cause: If Customer violates its obligations under this Agreement, WORKSMART AUTOMATION, INC. may cancel this Agreement by sending Cancellation Notice describing the noncompliance to Customer. Upon receiving Cancellation Notice, Customer shall have ten (10) days from the date of such notice to cure any such noncompliance. If such noncompliance is not cured within the required ten (10) day period, WORKSMART AUTOMATION, INC. shall have the right to cancel this Agreement as of the eleventh day after the date of the Cancellation Notice.

<u>Section 4.05 -- Return:</u> Upon termination or cancellation of this Agreement, Customer shall promptly remove (at Customer's expense) all customer information and data stored in THE SOFTWARE and return to WORKSMART AUTOMATION, INC. or its Distributor THE SOFTWARE Installation Disks, the Documentation and all WORKSMART AUTOMATION, INC. materials provided by WORKSMART AUTOMATION, INC. or its Distributor to Customer hereunder and shall provide WORKSMART AUTOMATION, INC. and its Distributor if applicable, with a certificate of compliance with this Section 4.05 signed by an authorized representative of Customer.

For all returns, they must be pre-approved by WORKSMART AUTOMATION, INC. or Distributor Support & Operations Management.

If THE SOFTWARE has NOT been Activated, for all license types as defined in this Agreement, then with approval, we will refund the full purchase price within 30 days of the date of invoicing. After 30 days, there may be a restocking fee, depending on the specifics of the situation, are at the sole discretion of and require WORKSMART AUTOMATION, INC and Distributor Management preapproval.

If THE SOFTWARE has been Activated, the following return policy applies:

Subscription Licenses: there are no returns after 30 days from invoicing without written approval of WORKSMART AUTOMATION, INC. and Distributor Management. Inside of 30 days, with prior approval and written certification that the customer was not able to extract the required data, you are entitled to a pro-rata refund of the purchase price calculated by taking the purchase price and subtracting an amount calculated by taking the # of days since invoicing, dividing it by 90, and multiplying that times the purchase price. For example, if 10 days after purchase, a refund is approved, your refund would be the purchase price less 10/90th's of the purchase price. WORKSMART AUTOMATION, INC. and Distributor at their sole discretion reserve the right to refuse refund requests where see evidence of attempts to obtain a refund under false pretenses, where the software has already been used to extract the required data from LGH files.

Perpetual Licenses: For the first 30 days after the invoice date, your refund shall be the purchase price less a restocking fee of an amount calculated by taking the # of days since invoicing, dividing it by 90, and multiplying that times the purchase price. After 30 days from the date of invoicing, returns are only granted in special situations, are at the sole discretion of and require WORKSMART AUTOMATION, INC and Distributor Management pre-approval, and a \$595 restocking fee shall be deducted from all refunds.

ARTICLE V: WARRANTY

<u>Section 5.01 -- Warranty</u>: WORKSMART AUTOMATION, INC. represents and warrants that THE SOFTWARE shall perform substantially as represented in the Documentation for the Warranty Term. Customer's exclusive remedy for breach of warranty shall be modification or replacement of THE SOFTWARE, as determined by WORKSMART AUTOMATION, INC.

<u>Section 5.02 -- Third Party Warranties:</u> WORKSMART AUTOMATION, INC. hereby assigns to Customer the benefit of any and all Manufacturer warranties for the Third Party Technology and may cooperate (as determined by WORKSMART AUTOMATION, INC.) with Customer in securing the benefit of any remedies available to Customer under any such Manufacturer warranty.

<u>Section 5.03 -- Service Warranty:</u> Any Services provided by WORKSMART AUTOMATION, INC. pursuant to this Agreement shall be performed on a reasonable efforts basis in a timely and professional manner and shall conform to the standards generally observed in the industry for similar Services and shall be subject to Sections 5.01, 5.04, 5.05 and 5.08.

SECTION 5.04 -- DISCLAIMER: THE WARRANTIES SET FORTH IN SECTIONS 5.01 AND 5.03 ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, AND WORKSMART AUTOMATION, INC. HEREBY DISCLAIMS AND CUSTOMER HEREBY WAIVES ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING (WITHOUT LIMITATION) ANY AND ALL IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND IMPLIED WARRANTIES OF MERCHANTABILITY.

<u>Section 5.05 -- Express Warranties</u>: Customer hereby acknowledges and agrees that WORKSMART AUTOMATION, INC. (including WORKSMART AUTOMATION, INC. officers, employees, agents, directors, independent contractors, affiliates, distributors and successors) has not made or granted any express warranties concerning the System, the Services and THE SOFTWARE except as expressly set forth in Sections 5.01 and 5.03 of this Agreement.

Section 5.06 -- Third Party Claims: If a final judgment from a court of competent jurisdiction is entered against Customer upholding claims that THE SOFTWARE violates a United States patent, copyright, trade secret or other proprietary rights of a third party in the United States, provided that Customer gives WORKSMART AUTOMATION, INC. prompt written notice upon Customer's knowledge of any such claim, permits WORKSMART AUTOMATION, INC. to answer and defend (at WORKSMART AUTOMATION, INC. option) such claim or action and provides WORKSMART AUTOMATION, INC. with information, assistance and authority to assist WORKSMART AUTOMATION, INC. shall perform one or more of the following actions (as determined by WORKSMART AUTOMATION, INC.) within one year of the date final judgment in favor of such third party's claim is rendered by a court of competent jurisdiction:

- (1) <u>Replacement</u>: Replace THE SOFTWARE with a non-infringing SOFTWARE product of substantially equivalent functional and performance capability;
- (2) <u>Modification</u>: Modify THE SOFTWARE to avoid the infringement without substantially eliminating the functional and performance capabilities of THE SOFTWARE;
- (3) <u>Obtain Agreement</u>: Obtain a license for use of THE SOFTWARE from the third party claiming infringement for use of THE SOFTWARE.

WORKSMART AUTOMATION, INC. shall have the right to participate or assume the defense (as determined by WORKSMART AUTOMATION, INC.) and Customer shall permit and authorize WORKSMART AUTOMATION, INC. to participate in or assume the defense of any such claim or action through legal counsel. The foregoing remedy does not apply and WORKSMART

AUTOMATION, INC. shall have no obligation in connection with or relating to any third party infringement claim in connection with or related to (i) Customer's modification of THE SOFTWARE; (ii) Customer's failure to use THE SOFTWARE in accordance with the Documentation in effect; (iii) Customer's failure to use the most current release or version of THE SOFTWARE; (iv) Customer's combination, interface, operation or use of THE SOFTWARE with Third Party Technology; and (v) WORKSMART AUTOMATION, INC. compliance with designs, instructions, or specifications required by Customer. The remedies set forth herein shall be the sole and exclusive remedies of Customer under this Agreement for any and all claims of indemnification relating to infringement. WORKSMART AUTOMATION, INC. obligations set forth in this Section 5.06 shall not apply to the Third Party Technology.

<u>Section 5.07 -- Remedies</u>: The exclusive remedy of Customer for any reason and for any cause of action whatsoever in connection with or relating to this Agreement, the System, THE SOFTWARE or any transaction involving THE SOFTWARE, regardless of the form of action, whether in contract or in tort, including negligence and breach of warranty, shall be limited to repair or replacement of THE SOFTWARE as determined by WORKSMART AUTOMATION, INC.

Section 5.08 -- Limitation of Damages: WORKSMART AUTOMATION, INC. shall not be liable to Customer in connection with or relating to this Agreement, the System, THE SOFTWARE and any transactions involving THE SOFTWARE for any direct, indirect, lost profits, consequential, exemplary, incidental or punitive damages, regardless of the form of action, whether in contract or in tort, including breach of warranty and negligence, regardless of whether WORKSMART AUTOMATION, INC. has been advised of the possibility of such damages in advance or whether such damages are reasonably foreseeable. Notwithstanding anything to the contrary, the liability of WORKSMART AUTOMATION, INC. for any reason and for any cause of action whatsoever in connection with or relating to this Agreement, THE SOFTWARE and any transactions involving THE SOFTWARE shall be limited to the license fee paid for THE SOFTWARE.

Section 5.09 -- Force Majeure: WORKSMART AUTOMATION, INC. shall not be liable for any failure by WORKSMART AUTOMATION, INC. to perform its obligations under this Agreement because of circumstances beyond the reasonable control of WORKSMART AUTOMATION, INC., which such circumstances shall include (without limitation) natural disaster, terrorism, riot, sabotage, labor disputes, war, any acts or omissions of any government, governmental authority or third party, declarations of governments, transportation delays, power failure, computer failure, telecommunications failure, Third Party Technology, failure of Customer to cooperate with the reasonable requests of WORKSMART AUTOMATION, INC., misuse of the System or THE SOFTWARE by Customer or third party, breach of this Agreement by Customer or a third party and any other events reasonably beyond the control of WORKSMART AUTOMATION, INC..

Section 5.10 -- Customer Indemnification: Customer shall release, defend, indemnify and hold harmless WORKSMART AUTOMATION, INC. (including its officers, directors, employees, affiliates, independent contractors, distributors, agents and successors) against any expense, loss, cost or liability (including, without limitation, interest, penalties, attorney fees and paralegal fees) arising from any and all claims, demands, damages or actions resulting from or related to (1) use of THE SOFTWARE by Customer, (including, without limitation, any claim regarding use of THE SOFTWARE by Customer in an infringing manner or any claim by third parties for breach of warranty, negligence, loss of data, libel, slander, unfair competition, trademark infringement, or invasion of privacy); (2) performance of THE SOFTWARE; (3) Customer's negligence or the acts (or any failure to act) of Customer hereunder; (4) any breach by Customer of the obligations of Customer hereunder; and (5) investigation or defense of any of the above or in asserting WORKSMART AUTOMATION, INC. rights hereunder.

<u>Section 5.11 -- Cooperation</u>: Customer shall cooperate with WORKSMART AUTOMATION, INC. by providing WORKSMART AUTOMATION, INC. with information concerning THE SOFTWARE and the System as may be requested by WORKSMART AUTOMATION, INC. from time to time and by providing WORKSMART AUTOMATION, INC. with unrestricted access to the personnel, facilities, computers, computer software, and data of Customer.

<u>Section 5.12 -- Maintenance</u>: Customer hereby acknowledges and agrees that Customer shall solely be responsible for acquiring, installing, implementing, updating, upgrading, maintaining and replacing the System and all Third Party Technology for any reason, including (without limitation) for Updates or correction of Defects, including (without limitation) all costs, fees, taxes and payments in connection therewith or related thereto.

<u>Section 5.13 -- Repossession:</u> If Customer fails to pay the balance of the Price when due (as provided in Section 3.01 of this Agreement), WORKSMART AUTOMATION, INC. and/or its Distributor shall have the right to enter the Site and to repossess the license to use THE SOFTWARE without further notice. If any Event of Bankruptcy occurs before payment of the balance of the Price when due (as provided in Section 3.01 of this Agreement), WORKSMART AUTOMATION, INC. and/or its Distributor shall be entitled to any and all remedies available to a secured creditor under the U.S. Bankruptcy Code and applicable state or federal law.

ARTICLE VI: INTELLECTUAL PROPERTY

<u>Section 6.01 -- Ownership and Title</u>: Title to THE SOFTWARE E, including all ownership rights to patents, copyrights, trademarks and trade secrets therein or in connection therewith shall be the exclusive property of WORKSMART AUTOMATION, INC. Customer hereby assigns, transfers and conveys to WORKSMART AUTOMATION, INC. any and all rights, title and interests Customer may

have or accrue in THE SOFTWARE, including (without limitation) any and all ownership rights to patents, copyrights, trademarks and trade secrets therein or in connection therewith.

Section 6.02 -- Confidential Information: THE SOFTWARE shall be deemed Confidential Information of WORKSMART AUTOMATION, INC. Customer shall maintain the Confidential Information in strict confidence. Customer shall not disclose Confidential Information except to Authorized Persons. Customer shall not access, duplicate or use the Confidential Information except as otherwise permitted under this Agreement.

<u>Section 6.03 -- Trade Secrets</u>: Customer hereby acknowledges and agrees that the Confidential Information (i) derives independent economic value (actual or potential) from not being generally known to, or readily ascertainable by, other persons who can obtain economic value from its disclosure or use; (ii) is the subject of reasonable efforts by WORKSMART AUTOMATION, INC. under the circumstances to maintain its secrecy; and (iii) is a trade secret as defined under Chapter 688 of the Florida Statutes [\$688.002(4)] and the Restatements.

<u>Section 6.04 -- Reverse Engineering</u>: Customer shall not reverse engineer THE SOFTWARE and shall not allow THE SOFTWARE to be reverse engineered.

<u>Section 6.05 -- Backup Copy</u>: Customer may create one copy of THE SOFTWARE (excluding the printed Documentation) at the Facility only for routine archival or backup purposes.

<u>Section 6.06 -- Copies</u>: Except as provided in Section 6.05, Customer shall not copy THE SOFTWARE and shall not allow THE SOFTWARE to be copied without the prior written consent of WORKSMART AUTOMATION, INC.

Section 6.07 -- Modifications: Customer shall not modify THE SOFTWARE and shall not allow THE SOFTWARE to be modified without the prior written consent of WORKSMART AUTOMATION, INC. Customer shall not use SOFTWARE or any materials incident thereto to develop computer SOFTWARE without the prior written consent of WORKSMART AUTOMATION, INC. If THE SOFTWARE is modified, such modifications shall be the sole and exclusive property of WORKSMART AUTOMATION, INC. and WORKSMART AUTOMATION, INC. shall own any and all rights, title and interests to such modifications and any resulting computer THE SOFTWARE, including (without limitation) any and all copyrights, patents and trade secrets therein or in connection therewith.

<u>Section 6.08 -- No Contest</u>: Customer shall not contest or aid in contesting the ownership or validity of the trademarks, service marks, trade secrets, or copyrights of WORKSMART AUTOMATION, INC.

<u>Section 6.09 -- Employee Pirating</u>: Customer shall not induce or solicit (directly or indirectly) any Associate to leave the employ or hire of WORKSMART AUTOMATION, INC. Customer shall not engage (directly or indirectly) the services of such Associate (as an employee, consultant, independent contractor, or otherwise) without the advance written consent of WORKSMART AUTOMATION, INC.

Section 6.10 -- U.S. Government Restricted Rights: If Customer is the U.S. Government or an agency or department thereof (collectively "Government"), THE SOFTWARE is provided with RESTRICTED RIGHTS. Use, duplication or disclosure by the Government is subject to restrictions as set forth in subparagraphs (c)(1) and (2) of the Commercial Computer Software Restricted Rights clause at 48 C.F.R. 52.227-19.

<u>Section 6.11 -- Proprietary Notices:</u> Customer shall not remove, alter or obscure any copyright notices or other proprietary legends displayed by or used by WORKSMART AUTOMATION, INC. in connection with or related to THE SOFTWARE.

Section 6.12 -- Trademarks: WORKSMART AUTOMATION, INC. trademarks, trade dress, logos, trade names or insignia ("WORKSMART AUTOMATION, INC. Marks"), including (without limitation) THE SOFTWARE, are owned exclusively by WORKSMART AUTOMATION, INC. WORKSMART AUTOMATION, INC. shall retain all rights, title and ownership interests in WORKSMART AUTOMATION, INC. Marks. No claim is made as relates to the mark "Wonderware InTouch" or "AVEVA Intouch". Customer shall not (directly or indirectly) use any trademark, trade name, trade dress, insignia or logo that is similar to or a colorable imitation of any WORKSMART AUTOMATION, INC. Marks.

<u>Section 6.13 -- Continuation</u>: The terms and conditions of this Article VI shall survive termination and cancellation of this Agreement.

ARTICLE VII: MISCELLANEOUS

<u>Section 7.01 -- Assignments</u>: All assignments of rights under this Agreement by Customer without the prior written consent of WORKSMART AUTOMATION, INC. shall be void.

<u>Section 7.02 -- Public Announcement</u>: All public announcements of the relationship of WORKSMART AUTOMATION, INC. and Customer under this Agreement shall be subject to the prior written approval of WORKSMART AUTOMATION, INC. WORKSMART AUTOMATION, INC. and its distributors shall have the right to use the name of Customer as a reference for marketing purposes in connection with THE SOFTWARE.

<u>Section 7.03 -- Entire Agreement</u>: This Agreement contains the entire understanding of the parties and supersede previous verbal and written agreements between the parties concerning the System and THE SOFTWARE. In the event of a conflict between the terms of this Agreement and any other agreement, the terms of this Agreement shall prevail.

<u>Section 7.04 -- Amendments and Modifications</u>: Alterations, modifications or amendments of a provision of this Agreement shall not be binding unless such alteration, modification or amendment is in writing and signed by WORKSMART AUTOMATION, INC. ,. Distributor if applicable to the transaction, and Customer.

<u>Section 7.05 -- Severability</u>: If a provision of this Agreement is rendered invalid, the remaining provisions shall remain in full force and effect.

<u>Section 7.06 -- Captions</u>: The headings and captions of this Agreement are inserted for convenience of reference and do not define, limit or describe the scope or intent of this Agreement or any particular section, paragraph, or provision thereof.

<u>Section 7.07 -- Counterparts</u>: This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

<u>Section 7.08 -- Governing Law</u>: This Agreement shall be governed by the laws of the State of California without regard to any rules of conflict or choice of laws which require the application of laws of another jurisdiction and venue shall be in the County of Sacramento, Sacramento California.

<u>Section 7.09 -- Notice</u>: Notices shall be in writing and shall be deemed delivered when delivered by commercial overnight delivery service, by courier, Certified or Registered Mail with Return Receipt Requested or by hand to the address set forth below for WORKSMART AUTOMATION, INC. and to

the address set forth on the Sales Agreement for Customer. Notice shall be deemed given on the date of receipt - as evidenced in the case of Certified or Registered Mail by Return Receipt.

WORKSMART AUTOMATION, INC.: Address:

3112 O Street

Suite 11

Sacramento, CA 95816

<u>Section 7.10 -- Pronouns/Gender</u>: Pronouns and nouns shall refer to the masculine, feminine, neuter, singular or plural as the context shall require.

Section 7.11 -- Bankruptcy: If WORKSMART AUTOMATION, INC. or its Distributor must institute, defend, appear or attend a bankruptcy proceeding as a result of the filing of bankruptcy by Customer, fees and expenses shall be paid by Customer. If Customer has a bankruptcy proceeding filed against it, WORKSMART AUTOMATION, INC. and/or its Distributor shall recover attorney fees, expert witness fees, and other costs incurred by WORKSMART AUTOMATION, INC. and/or its Distributor in connection with the bankruptcy proceeding, hearing or trial.

Section 7.12 -- Waiver: Any waiver of a provision of this Agreement by WORKSMART AUTOMATION, INC. shall not be binding unless such waiver is in writing and signed by WORKSMART AUTOMATION, INC.. Waiver by WORKSMART AUTOMATION, INC. of any breach of this Agreement shall not constitute waiver of any other breach. Any failure by WORKSMART AUTOMATION, INC. to enforce a provision of this Agreement shall not constitute a waiver or create an estoppel from enforcing such provision.

Section 7.13 -- Relationship of the Parties: It is agreed that the relationship of WORKSMART AUTOMATION, INC., Distributor, and Customer is primarily that of licensor and licensee or seller and customer respectively. Nothing herein shall be construed as creating a partnership, an employment relationship, or an agency relationship between the parties, or as authorizing either party to act as agent for the other. Each party shall maintain its separate identity.

<u>Section 7.14 -- Arbitration</u>: Any controversy or claim arising out of or relating to this Agreement, or breach thereof, shall be settled by arbitration in accordance with the Arbitration Rules of MyTechnologyLawyer.com in Sacramento, California. Judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction thereof. Qualified Arbitrators shall be selected by the parties in accordance with the Arbitration Rules of MyTechnologyLawyer.com. Each

party shall have the right of discovery as set forth in the Federal Rules of Civil Procedure. The Arbitration shall be administered by MyTechnologyLawyer.com.

<u>Section 7.15 -- Assurances:</u> Each party hereby represents and warrants that all representations, warranties, recitals, statements and information provided to the other under this Agreement are true, correct and accurate as of the Effective Date to the best of their knowledge.

<u>Section 7.16 -- Litigation Expense</u>: In the event of litigation or arbitration arising out of this Agreement, each party shall pay its own costs and expenses of litigation or arbitration (excluding fees and expenses of arbitrators and administrative fees and expenses of arbitration).

Section 7.17 -- Equitable Remedies: The parties hereby acknowledge that damages at law may be an inadequate remedy to WORKSMART AUTOMATION, INC. and its Distributor (as applicable). WORKSMART AUTOMATION, INC. and/or its Distributor (as applicable), shall have the right of specific performance, injunction or other equitable remedy in the event of a breach or threatened breach of this Agreement by Customer.