

# SOFTWARE LICENSE AGREEMENT

## 1. INTRODUCTION

- 1.1 This agreement is made as of [~ date ~] by Hy-Tek Intralogistics, LLC ("Hy-Tek"), a Delaware limited liability company, having its principal office at 2222 Rickenbacker Parkway W, Columbus, OH 43217, and \_\_\_\_\_ ("Customer"), a \_\_\_\_\_ corporation, having its principal office at \_\_\_\_\_ . Hy-Tek and Customer, intending to be legally bound, agree to the terms and conditions set forth in this agreement.

## 2. DEFINITIONS

- 2.1 "Agreement" means this Software License Agreement and all present and future incorporated schedules, attachments, appendices, addenda, and written amendments.
- 2.2 "Anniversary Date" means the anniversary of the date on which Maintenance Services commence as determined in accordance with Paragraph 5.1 below. All items licensed or otherwise acquired under this Agreement by Customer shall be covered by the same Anniversary Date regardless of when such items were actually licensed or otherwise acquired by Customer. Applicable fees will be prorated based on the Anniversary Date.
- 2.3 "Confidential Information" means, whether communicated orally or in writing or obtained through observation or examination of a party's facilities, procedures, or activities, (i) as to HY-TEK information, all competitively sensitive, secret, or otherwise confidential business, financial, marketing, or technical information, and other confidential information belonging to HY-TEK or its suppliers, including, but not limited to, the Software (including any source code, development level documentation, and similar technical information pertaining to the Software), the Documentation, and the terms of this Agreement; and (ii) as to Customer information, any competitively sensitive, secret, or otherwise confidential business, financial, marketing, or technical information, and other confidential information belonging to Customer. Notwithstanding the foregoing, Confidential Information does not include information (a) rightfully known by the recipient at the time of its initial disclosure; (b) rightfully disclosed to the recipient without obligation of confidentiality by a third party; (c) in the public domain or that enters the public domain other than by the unauthorized acts of any person; or (d) independently developed by the recipient without use of the discloser's Confidential Information.
- 2.4 "Customer Contacts" means the Customer personnel who have been designated by Customer, pursuant to Paragraph 6.2 below, as the persons authorized to communicate with HY-TEK to obtain the Maintenance Services from HY-TEK on a day-to-day basis.
- 2.5 "Documentation" means the user documentation for the Software.
- 2.6 "Effective Date" means the date stated in Section 1 above.
- 2.7 "Enhancement" means any modification or addition that, when made or added to the Software, materially changes its utility, efficiency, functional capability, or application, but does not constitute solely an Error Correction. Enhancements may be designated by HY-TEK as a minor or major, depending on HY-TEK's assessment of their value and of the functionality added to the Software.
- 2.8 "Error" means any failure of the Software to conform in all material respects to HY-TEK's or its licensor's, as applicable, most current published functional specifications for the Software. However, any non-conformity resulting from (a) a modification not approved by HY-TEK, (b) Customer's misuse of or damage to the Software, (c) third-party-supplied software or equipment that has not been certified by HY-TEK as compatible with the rest of the System, (d) upgrades or updates to third-party-supplied software or equipment, or (e) Customer's failure to meet its obligations under Section 6 below shall not be deemed to be an Error.

- 2.9 "Error Correction" means either (a) a modification or addition that, when made or added to the Software, brings the Software into material conformity with the most current published functional specifications, or (b) a procedure or routine that, when observed in the regular operation of the Software, avoids the practical adverse effect of such non-conformity. The Error Correction, when completed, may be provided in the form of a "temporary fix" consisting of sufficient programming and operating instructions to implement the Error Correction.
- 2.10 "Maintenance Services" means the maintenance and support services provided to Customer by HY-TEK as described in this Agreement, including Error Correction, Telephone and E-mail Support, and certain Releases. Maintenance Services do not include: daily administration, performance monitoring, backups, media management, equipment cleaning, network support and troubleshooting, data conversion or recovery, or disaster recovery.
- 2.11 "Normal Working Hours" means the hours between 8:30 a.m. and 5:30 p.m. Eastern Time, Monday through Friday, excluding regularly scheduled holidays of HY-TEK.
- 2.12 "Professional Services" means the services provided to Customer by HY-TEK under this Agreement and listed in Schedule A as Professional Services. Professional Services may include, but are not limited to, services for implementation, installation, training, project management, custom software development, certification, integration, and any on-site work, including any related travel time. Professional Services do not include Maintenance Services.
- 2.13 "Release" means a new version of the Software, which may include either Error Corrections, Enhancements, or both.
- 2.14 "Schedule A" means the one or more schedules so named and executed as a part of this Agreement that specify the Software, Maintenance Services plan, Professional Services, fees, and other applicable items.
- 2.15 "Software" means the computer software programs provided to Customer by HY-TEK under this Agreement and listed in Schedule A as Software, including Enhancements, Error Corrections, and Releases.
- 2.16 "System" means the computer software programs and equipment, including, but not limited to, each item of the Software, that together function as the warehouse and transportation management system used by Customer.
- 2.17 "Telephone and E-mail Support" means the Maintenance Services provided via the telephone or e-mail during Normal Working Hours or, if Customer has elected to obtain extended hours Maintenance Services, during the hours covered by the extended hours plan selected, (a) allowing Customer, through Customer Contacts, to speak directly with HY-TEK personnel to report Errors or other issues and seek assistance in the use of the Software and (b) allowing HY-TEK to perform Error troubleshooting, diagnosis, and resolution by remote access to the System.

### **3. SOFTWARE**

- 3.1 **License.** Subject to Customer's compliance with the terms of this Agreement, and in consideration of Customer's payment of the license fees, HY-TEK hereby grants Customer a personal, non-exclusive, non-transferable license to use the Documentation and to install, use, and execute the Software on equipment owned or leased by Customer in support of the internal business activities of Customer, subject to any use, user, and quantity limitations specified in the applicable Schedule A (the "License"). If Customer exceeds the quantity limitations set forth, they shall be charged an additional license fee calculated as a combination of an administrative fee and an excess license fee, each determined at HY-TEK's then-current retail rates. If the applicable Schedule A indicates that software is being licensed with a License Type of "Perpetual," then the License applied to that software shall be perpetual and shall survive termination of this Agreement; if the applicable Schedule A indicates that particular software is being licensed with a License Type of "Term," then

the License shall last only for the indicated amount of time; and if no License Type is indicated, then the License shall last only for the Term of this Agreement.

- 3.2 *Copying.* Customer may make one copy of the Software for archival and backup purposes, provided HY-TEK and its licensors' proprietary notices are included in such copy.
- 3.3 *Testing.* Customer may install the Software on a designated test server for purposes of internal testing and training provided such instances of the Software are not used for processing production transactions.
- 3.4 *Rights Retained.* Subject only to the licenses expressly granted under this Agreement, all right, title, and interest in and to the Software and Documentation, including all associated intellectual property rights, are and shall remain with HY-TEK and HY-TEK's licensors.
- 3.5 *Restrictions.* HY-TEK's grant to Customer does not include any right to grant sublicenses or otherwise transfer any granted right, except to the extent this entire Agreement may be transferred pursuant to Paragraph 13.3 below. Customer shall not directly or indirectly use the Software to process the work of any third party or for any personal uses. Customer shall not take or refrain from taking, directly or indirectly, any action that may in any way lead to the unauthorized dissemination, reproduction, access, or use of the Software. Customer shall not export the Software or the Documentation, or any direct product thereof, directly or indirectly, in violation of the export laws and regulations of the United States of America. The obligations under the foregoing export restriction shall survive termination of this Agreement.
- 3.6 *Delivery.* HY-TEK will deliver the Software to Customer in object code and will deliver one set of the Documentation in printed or electronic format. Additional copies of the Documentation are available for a charge.

#### **4. PROFESSIONAL SERVICES**

- 4.1 *Commitment.* HY-TEK shall provide the Professional Services to Customer and Customer shall pay HY-TEK for the Professional Services as provided in this Agreement or in any design specifications, implementation plans, project schedules, project parameters, or other written document signed by the parties. HY-TEK may provide the Professional Services with the assistance of its licensors, suppliers, and subcontractors.
- 4.2 *Specifications.* To the extent required by any of the Professional Services, HY-TEK and Customer will, within 60 days of the effective date of the applicable Schedule A, agree upon any necessary design specifications, implementation plans, project schedules, and project parameters. Such specifications, plans, schedules, and parameters shall be in writing and signed by authorized representatives of the parties. The parties acknowledge that changes in design specifications, implementation plans, project schedules, and project parameters may be desirable in light of actual experience gained in the course of providing the Professional Services or as Customer redefines its needs. Accordingly, either party may propose changes to any such specifications, plans, schedules, or parameters by written notice to the other. Each party shall consider such proposed changes in good faith. If a proposed change is accepted, it shall be reduced to a written amendment to the applicable document setting forth the specification, plan, schedule, or parameters and signed by authorized representatives of the parties. If such change results in a change to any fees or pricing, the applicable Schedule A shall also be amended in writing and signed by authorized representatives of the parties.

#### **5. MAINTENANCE SERVICES**

- 5.1 *Commitment.* In consideration of Customer's payment of the Maintenance Services fees specified in an applicable Schedule A, HY-TEK will provide the Maintenance Services for the Software as provided in this Agreement. Maintenance Services will commence on (a) the fifth business day of continuous use of any part of the Software by Customer, or (b) 90 days after the Effective Date, whichever is earlier. HY-TEK may provide the Maintenance Services with the assistance of its

licensors, suppliers, and subcontractors. Maintenance Services provided outside of Normal Working Hours or, if applicable, outside of the hours covered by the extended hours plan selected by Customer shall be on a time and expenses basis at HY-TEK's then-current standard rates. In addition, if Customer terminates its annual commitment for Maintenance Services pursuant to Paragraph 12.2 below and subsequently requests Maintenance Services, HY-TEK may, at its option, provide such Maintenance Services on a time and expenses basis at HY-TEK's then-current standard rates applicable to its customers who do not have an annual commitment for prepaid Maintenance Services.

- 5.2 *Error Correction.* HY-TEK shall use reasonable diligence, commensurate with the nature of the Error, to correct any verifiable and reproducible Errors when reported to HY-TEK in accordance with its standard reporting procedures. HY-TEK will respond to the initial report of an Error within two hours during Normal Working Hours. HY-TEK will provide Telephone and E-mail Support as necessary to correct Errors. By a HY-TEK assigned case number, HY-TEK will log and track all Errors and other issues reported by Customer and will provide weekly case status reports to Customer Contacts. HY-TEK is not responsible for correcting Errors in any version of the Software other than the two most recent Releases. Customer shall pay HY-TEK on a time and expenses basis at HY-TEK's then-current standard rates for all HY-TEK work spent investigating or correcting an error or malfunction, including a reported error or malfunction, that is not an Error.
- 5.3 *New Releases.* HY-TEK may, from time to time, issue Releases containing Error Corrections or minor Enhancements to its customers generally, at no charge. Without additional charge, HY-TEK shall provide Customer with such Releases for the Software being maintained under this Agreement. Customer shall promptly install any such Releases. Because Releases are cumulative, each Release is useful only if Customer has obtained and installed all prior applicable Releases. Customer shall be fully responsible for any losses or degradation in service due to any Error that has been corrected or mitigated in any Release. HY-TEK may, from time to time, offer Releases containing major Enhancements to its customers for an additional charge.

## **6. CUSTOMER RESPONSIBILITIES**

- 6.1 *Operations.* Customer is responsible, at its own expense, for (a) procuring, installing, and maintaining all components of the System, except to the extent that HY-TEK has agreed, pursuant to this Agreement, to procure, install, or maintain any such components; (b) determining whether the Software will achieve the results desired by Customer; (c) procuring, installing, and maintaining all components of the database server software Microsoft SQL Server; and (d) monitoring the performance of the System and adopting reasonable measures to limit Customer's exposure with respect to potential losses and damages arising from use, non-use, errors, or omissions of or in Software, or the results thereof, including, without limitation, examining and confirming data prior to use and providing for the identification and correction of errors and omissions. Customer shall select a sufficient number of operators who are qualified to operate the System and are familiar with the data that serves as input and output of the System. Customer is responsible for periodic cleaning and maintenance activities for all components of the System as recommended by HY-TEK, other licensors, and manufacturers, as applicable. Customer is responsible for system continuity, data integrity, and any necessary conversion of its data to the format required by the System. Customer is responsible for maintaining the compatibility of third-party supplied software and equipment with the Software.
- 6.2 *Customer Contacts.* Customer shall designate in writing to HY-TEK at least one, but no more than three, Customer Contacts. The Customer Contacts shall be qualified to facilitate all necessary implementation, maintenance, and support for the System. Customer, through the Customer Contacts, shall notify HY-TEK promptly following the discovery of any Error. Further, upon discovery of an Error, Customer shall, if requested by HY-TEK, submit to HY-TEK a listing of output and any other data that HY-TEK may reasonably require in order to reproduce the Error and the operating conditions under which the Error occurred or was discovered.

- 6.3 *Cooperation.* Customer shall provide HY-TEK with such time and attention of Customer personnel and such access to Customer's facilities and the System and shall take such site preparation steps as may be necessary or appropriate to enable HY-TEK to provide the Software, the Professional Services, and the Maintenance Services to Customer. In addition, Customer shall provide HY-TEK adequate test data, by a date to be mutually agreed upon, for testing of the Software. Customer shall make available qualified Customer personnel to facilitate HY-TEK's performance of its obligations under this Agreement.
- 6.4 *Delays.* The timely completion by HY-TEK of its obligations under this Agreement is dependent on the timely fulfillment by Customer of its responsibilities. If HY-TEK is prevented from performing any work or is required to perform additional work as a result of (a) the unavailability of Customer personnel, (b) the unavailability of, or the incomplete or improper installation, configuration, or operation of Customer's facilities or equipment, (c) Customer failing to timely provide HY-TEK with any necessary assistance, instructions, or information, or (d) Customer otherwise failing to meet its responsibilities as set forth in this Section 6, Customer shall pay HY-TEK on a time and expenses basis at HY-TEK's then-current standard rates for any work time lost or additional work performed. The date on which HY-TEK's obligations are required to be fulfilled will be extended for a period of time equal to the time lost by reason of the delay or additional work.

## **7. FEES AND PAYMENT**

- 7.1 *Fees.* Customer shall pay HY-TEK the Software license fees, the Maintenance Services fees, and the Professional Services fees set forth on Schedule A or otherwise agreed to by the parties in writing. The Software license fees and first year's Maintenance Services fees are due upon execution of Schedule A. The fees for Professional Services are due, on a per-line-item basis, as the Professional Services are rendered, or at mutually agreed milestones or dates, as applicable. The Maintenance Services fees for subsequent years are due annually in advance of each Anniversary Date. After the first year of this Agreement, HY-TEK may increase the Maintenance Services fees and the fees for Professional Services upon 60 days' prior written notice to Customer.
- 7.2 *Expenses.* Customer shall pay all reasonable out-of-pocket expenses incurred by HY-TEK on Customer's behalf. These expenses are limited to media and other materials costs; shipping and handling costs; reasonable and customary travel, lodging, and meal expenses; and any special or unusual expenses incurred at Customer's request. Expenses are due as incurred.
- 7.3 *Taxes.* Customer shall pay when due or, if necessary, reimburse HY-TEK for, all sales, use, property, excise, value-added, and other similar taxes, including penalties and interest arising from Customer's failure to pay such taxes timely, resulting from the use of the Software or from any activities under this Agreement, exclusive of taxes based on HY-TEK's net income or corporate franchise. If Customer has tax-exempt status, it shall supply HY-TEK with its tax-exempt certificate or number as necessary. Taxes are due as assessed.
- 7.4 *Invoices and Payment.* Customer shall pay all amounts due, except those disputed in good faith, under this Agreement upon receipt of the invoice to the address designated on the invoice. Customer shall pay a monthly service charge of 1½% or the maximum amount permitted by law, whichever is less, on all such amounts not paid within 30 days of the invoice date. If Customer fails to pay any amounts that are specified as being due upon execution of this Agreement or upon execution of Schedule A, as applicable, when due, HY-TEK has no obligation to deliver the Software or provide Maintenance Services or Professional Services until such amounts are paid by Customer. If Customer fails to pay any amounts due for 60 days, HY-TEK shall have the right to terminate the license for the Software and suspend the Professional Services and Maintenance Services as provided in Paragraph 12.5 below. Customer shall reimburse HY-TEK for all reasonable costs of collection or past due amounts, including, but not limited to, reasonable attorney fees and collection agency charges.

## 8. INSPECTION

HY-TEK's authorized representatives shall have access to Customer's premises and to Customer's officers, employees, and managers during normal business hours upon reasonable notice for the purpose of inspecting Customer's equipment, premises, and records. In addition, Customer shall allow HY-TEK to have remote access to the System's audit logs. All such access is granted only to enable HY-TEK to verify Customer's compliance with the restrictions and obligations set forth in this Agreement.

## 9. WARRANTIES

9.1 *Right.* HY-TEK warrants that it has the right to grant the license granted to Customer under this Agreement for the Software.

9.2 *Performance.* HY-TEK warrants that, for 90 days from the date of delivery of the Software, the Software, when properly installed, operated by qualified personnel with an equipment configuration and operating environment specified by HY-TEK, and used in accordance with the Documentation, will perform without Errors. Notwithstanding the foregoing, any replacement Software provided pursuant to Paragraph 9.3 below is warranted for 90 days from the date of delivery. However, due to the nature of computer software programs, HY-TEK does not warrant that the operation of the Software will be entirely error free. In addition, HY-TEK warrants that the Maintenance Services and the Professional Services will be of professional quality conforming to the applicable generally accepted industry standards.

9.3 *Remedy.* As HY-TEK's sole obligation and Customer's exclusive remedy in the event of any breach of the foregoing warranties, HY-TEK shall make reasonable efforts to repair or replace the Software or re-perform the Maintenance Services or the Professional Services, as applicable, so that it or they, as applicable, conform as warranted; or, if unable to do that, HY-TEK shall replace the Software so long as the replaced copy of the Software is returned to HY-TEK on the original distribution media. Customer shall pay HY-TEK on a time and expenses basis at HY-TEK's then-current standard rates for any warranty services provided when the warranty does not apply.

9.4 *Disclaimer.* EXCEPT AS EXPRESSLY STATED IN THIS AGREEMENT, HY-TEK MAKES NO WARRANTY, EXPRESS OR IMPLIED, REGARDING ANY MATTER WHATSOEVER. HY-TEK SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES OF TITLE, NON-INFRINGEMENT, ACCURACY OF DATA, MERCHANTABILITY, AND FITNESS FOR A PARTICULAR PURPOSE, AND ANY IMPLIED WARRANTY ARISING FROM A COURSE OF DEALING OR PERFORMANCE OR FROM USAGE OF TRADE.

## 10. INDEMNITIES AND LIABILITIES

10.1 *Indemnification by Customer.* Customer shall indemnify and hold HY-TEK, its licensors, suppliers, and subcontractors harmless from and against all claims, liabilities, damages, and expenses, including court costs and reasonable attorney fees, arising out of or in any manner connected with Customer's operation of its business, the safety of its workplace, or the quality and condition of any output of the System, and, as to this Agreement, any breach of Customer's obligations under Section 11 below.

10.2 *Indemnification by HY-TEK.* HY-TEK shall indemnify and hold Customer harmless from and against all claims, liabilities, damages, and expenses, including court costs and reasonable attorney fees, arising out of or in any manner connected with HY-TEK's operation of its business or the safety of its workplace and, as to this Agreement, any breach of HY-TEK's obligations under Section 11 below.

10.3 *Infringement Indemnification.* If Customer receives a claim that the use of the Software infringes a United States of America patent, copyright, trade secret, or other intellectual property right, Customer will promptly notify HY-TEK in writing, and will give HY-TEK all necessary information and assistance and the exclusive authority to evaluate, defend, and settle such claim. Provided

such timely notice, assistance, and authority have been given by Customer, HY-TEK (or its licensors) will defend, at its own expense, such claim, and will indemnify and hold Customer harmless from all damages and expenses, including court costs and reasonable attorney fees, incurred or awarded as a result of the claim. If, as a result of the infringement claim, Customer is enjoined from using the Software, HY-TEK (or its licensors) will, at its option, (a) procure for Customer the right to use the Software, (b) replace or modify the Software to perform the same or substantially the same functions in a manner so as to avoid infringement, or (c) remove the infringing Software and refund the license fees paid by Customer for such Software less a reasonable amount for amortization or depreciation. If the removed Software constitutes all of the Software under this Agreement, this Agreement shall then automatically terminate. The foregoing indemnity will not apply to infringement claims based on programming made to the specification or design of Customer, Customer's modification of the Software, Customer's use of the Software in combination with anything not furnished by HY-TEK to the extent caused by such combination, or if the infringement claim would have been avoided but for Customer's use of other than the latest Release made available to Customer by HY-TEK. The limitation set forth in Paragraph 10.4 below shall not apply to infringement claims under this Paragraph 10.3. This Paragraph 10.3 states HY-TEK's entire obligation and liability with respect to any infringement claim.

- 10.4 *Limitation of Liability.* The total liability of HY-TEK and its licensors, suppliers, and subcontractors for all claims, whether in contract, tort, or otherwise, arising out of, connected with, or resulting from the Software, the Professional Services, or the Maintenance Services, as applicable, shall not exceed the amounts paid by Customer to HY-TEK under this Agreement during the 12 months immediately preceding the event upon which the claim is based.
- 10.5 *Exclusion of Liability.* IN NO EVENT SHALL HY-TEK, ITS LICENSORS, SUPPLIERS, OR SUBCONTRACTORS BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES, INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOST PROFITS, LOST REVENUE, OR LOST SAVINGS, OR CLAIMS OF CUSTOMER'S CLIENTS, INCURRED BY CUSTOMER OR ANY THIRD PARTY, EVEN IF HY-TEK HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
- 10.6 *Survival.* The indemnification obligations and the limitations and exclusions of liability under this Agreement shall survive the termination of this Agreement.

## **11. PROPRIETARY RIGHTS AND CONFIDENTIALITY**

- 11.1 *Copyright Protection.* Customer acknowledges that the Software, and associated report formats, screen displays, and menu features, and the Documentation, and all derivative works, constitute copyrighted works protected by federal and international copyright laws and are owned by HY-TEK or its licensors. Customer shall not permit any personnel to remove any proprietary or restrictive notices contained or included in the Software or any other materials provided by HY-TEK, and Customer shall not permit any personnel to copy, modify, or create any derivatives of the Software or other materials except as specifically authorized by this Agreement.
- 11.2 *Confidential Information Protection.* HY-TEK and Customer shall each preserve in strictest confidence all of the other's Confidential Information and shall at all times protect the other's Confidential Information through the highest commercially reasonable standard of care. Neither HY-TEK nor Customer shall use or disclose to any person the other's Confidential Information, except upon the other's written authorization, and except for internal purposes in accordance with this Agreement. Any disclosure of the other's Confidential Information to Customer's agents, employees, or subcontractors by Customer or to HY-TEK's agents, employees, or subcontractors by HY-TEK shall be made only in the normal course of business, on a need-to-know basis within the scope and purpose of this Agreement, and under written agreements requiring such agents, employees, and subcontractors to treat all Confidential Information as strictly confidential as required by this Agreement. Neither HY-TEK nor Customer shall make copies of any materials containing the other's Confidential Information, except as authorized by this Agreement or otherwise in writing by the other. Either party may disclose the other party's Confidential Information when such party is

required by law to do so, provided such party takes all reasonable steps to limit the disclosure of the Confidential Information to the maximum level allowed, and further provided the other party is given a reasonable opportunity to contest the disclosure and obtain a protective order.

- 11.3 *Further Restrictions.* Customer shall not decompile or otherwise reverse engineer or decode the Software. Customer shall not disclose the results of any benchmark tests run on the Software, without the prior written approval of HY-TEK.
- 11.4 *Ownership.* The Software and Documentation and all copies, versions, and derivative works of the Software and Documentation made by or on behalf of Customer are and shall remain the sole property of HY-TEK or its licensors. Customer shall include the Software's or Documentation's, as applicable, proprietary and restrictive notices on all copies, in whole or in part and in any form, made by Customer. Any modifications to the Software, including all associated intellectual property rights, made or provided by HY-TEK pursuant to this Agreement, whether alone or with any contribution from Customer, shall be owned exclusively by HY-TEK or its licensors. To the extent that Customer may acquire any right or interest in the modifications by operation of law, Customer irrevocably assigns all such right and interest exclusively to HY-TEK. Customer shall take any action and execute any documents reasonably necessary and sufficient to give effect to the provisions of this Paragraph 11.4.
- 11.5 *Injunctive Relief.* Each party acknowledges that a breach of its obligations under this Section 11 may cause irreparable harm to the other party or its licensors for which monetary damages would be inadequate. Each party or its licensors will be entitled to injunctive relief for any such breaches, threatened or actual, in addition to any other remedies that may be available at law or in equity.
- 11.6 *Survival.* The obligations under this Section 11 shall survive termination of this Agreement, except, with respect to non-trade secret confidential information, to the extent that applicable law mandates survivability for a limited duration, in which case the obligations shall survive for three years following termination of this Agreement.

## **12. TERM AND TERMINATION**

- 12.1 *Term.* This Agreement shall commence on the Effective Date and shall continue for one year or, if longer, the time period set forth in Schedule A (the "Initial Term") unless earlier terminated in accordance with this Section 12. The Initial Term together with any Renewal Terms, as defined below, shortened by any earlier termination pursuant to this Section 12, is the "Term." This Agreement shall automatically renew for one or more additional terms of equal length to the Initial Term (each a "Renewal Term") unless (a) terminated earlier pursuant to this Section 12, or (b) at least 60 days prior to the end of the then-current Initial Term or Renewal Term either Party provides notice to the other Party of its intent not to renew. The terms and conditions of this Agreement during any Renewal Term shall be the same as those in effect at the time of renewal, except that all fees that apply to Renewal Terms beyond periods specified in an applicable Schedule A shall be at HY-TEK's then-current rates and payment terms.
- 12.2 *Termination for Convenience.* Customer may terminate the license for any Software or may terminate the Maintenance Services as of the then-next Anniversary Date with at least 45 days' prior written notice to HY-TEK. If Customer terminates the license for all of the Software, this Agreement shall automatically terminate without notice, unless the parties otherwise agree in writing.
- 12.3 *Termination for Adverse Status.* Either party may terminate this Agreement upon 30 days' prior written notice to the other party if the other party ceases to carry on operations as contemplated by this Agreement, makes an assignment for the benefit of creditors, is adjudged bankrupt or insolvent, has a receiver appointed over its assets, or becomes subject to any similar action in consequence of debt.
- 12.4 *Termination for Default.* Failure by either party to comply with any material term or condition of this Agreement shall constitute default. The non-defaulting party shall be entitled to give written notice



to the defaulting party requiring it to cure the default. The notice shall include a detailed description of the act or omission that constitutes default. If (a) the defaulting party has not cured the default within 30 days after receipt of the notice, or (b) if the default is not reasonably curable within such 30 days, the defaulting party has not taken reasonable steps within such 30 days to cure the default and fails to work diligently thereafter to cure the default, the non-defaulting party may terminate this Agreement by giving written notice to take effect upon receipt. If the default, by its nature, cannot be effectively cured (e.g., a breach of the obligations of Section 11 above), the non-defaulting party may terminate this Agreement immediately upon written notice to the defaulting party. The right to terminate this Agreement is in addition to any other rights and remedies provided under this Agreement or otherwise under law.

- 12.5 *Additional Right.* In addition to the rights set forth in Paragraph 12.4 above, if Customer fails to pay any fees or charges due under this Agreement, except those disputed in good faith, for 60 days, or fails to carry out any other material obligation under this Agreement, HY-TEK may, at its option, temporarily terminate the license for the Software and suspend the Professional Services and the Maintenance Services upon ten days' prior written notice. Unless this Agreement is terminated pursuant to Paragraph 12.4 above, upon Customer curing the default, HY-TEK shall reinstate any temporarily terminated license and resume any suspended Professional Services and Maintenance Services.
- 12.6 *Effect of Termination.* Upon termination of this Agreement, Customer shall cease all use of the Software and Documentation. No termination of this Agreement shall release Customer from any obligation to pay HY-TEK any amount that has accrued or become payable at or prior to the date of termination. Neither the temporary termination of the Software licenses nor suspension of Professional Services or Maintenance Services pursuant to Paragraph 12.5 above shall release Customer from any obligation to pay HY-TEK the fees for the Software, Professional Services, and Maintenance Services. Customer shall not be entitled to any refund of any amounts paid to HY-TEK as a result of a termination based on Customer's adverse status or default. Within ten days after the effective date of any termination, Customer shall return or destroy the Software, the Documentation, and all materials or media containing any other HY-TEK Confidential Information, including any information, records, and materials developed on the basis of any HY-TEK Confidential Information. Customer shall promptly certify in writing to HY-TEK that Customer has complied with the foregoing obligation and has discontinued all use of the Software and Documentation. Within ten days after the effective date of any termination, HY-TEK shall return or destroy all materials or media containing any Customer Confidential Information, including any information, records, and materials developed on the basis of any Customer Confidential Information. HY-TEK shall promptly certify in writing to Customer that HY-TEK has complied with the foregoing obligation.

### **13. MISCELLANEOUS**

- 13.1 *Customer Reference.* HY-TEK may list Customer's name in HY-TEK's public customer list, corporate videos, company website and general marketing collateral. HY-TEK may issue a general press release announcing Customer as a new client. Upon successful implementation of Software, HY-TEK may produce a case study highlighting the installation and its use provided such case study has been presented to client for any reasonable modification request by the Customer. Any other use of Customer's name must be approved by Customer in writing.
- 13.2 *Non-solicitation.* Each party shall refrain from soliciting for employment or employing, directly or indirectly, without the consent of the other party, any employee, consultant, or subcontractor of the other until 12 months have elapsed following termination of this Agreement, or until 12 months have elapsed following termination of the employment of the employee, consultant, or subcontractor, whichever occurs first.
- 13.3 *Assignment.* Neither party may assign or otherwise transfer this Agreement or any rights or obligations under this Agreement to any third party without the prior written consent of the other party, except that this Agreement may be transferred without consent to a successor to all or

substantially all of the assets and business of the transferring party that relate to the business segment of which this Agreement is a part. Consent shall not be unreasonably withheld. Subject to the restriction on transfer set forth in this Paragraph 13.3, this Agreement shall be binding upon and shall inure to the benefit of the parties' successors and assigns.

- 13.4 *Excused Performance.* Neither party shall be liable for any delay in or failure of performance (excluding failure to make payments required by this Agreement) resulting from any cause or condition beyond its reasonable control, whether foreseeable or not.
- 13.5 *Waiver.* The failure of either party to act upon any right, remedy, or breach of this Agreement shall not constitute a waiver of that or any other right, remedy, or breach. No waiver shall be effective unless made in writing and signed by an authorized representative of the waiving party.
- 13.6 *Notices.* Unless provided otherwise in this Agreement, any notice required or permitted under this Agreement shall be in writing and personally delivered, or sent by telefax, e-mail, courier, express or overnight delivery service, or by certified mail, postage prepaid, return receipt requested, to the address set forth in Section 1 above, or to such other address as shall be advised by any party to the other in writing. Notices shall be effective as of the date of receipt.
- 13.7 *Third-Party Beneficiaries.* HY-TEK's licensors, suppliers, and subcontractors shall be third-party beneficiaries under this Agreement for the limited purpose of protecting and enforcing their intellectual property rights to the extent that HY-TEK fails to do so.
- 13.8 *Dispute Resolution.* Any claim or controversy arising out of or relating to this Agreement, including any anticipatory breach or disagreement as to interpretation of this Agreement, that is not resolved by the parties themselves or through mediation shall be settled by binding arbitration in the Cincinnati, Ohio area, administered in accordance with the American Arbitration Association's Commercial Arbitration Rules, including its Optional Rules for Emergency Measures of Protection. The arbitrator(s) shall decide all discovery issues. Judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereover. Neither party nor the arbitrator(s) may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of both parties, except to the extent necessary in connection with a court action to enforce an arbitration award. All fees and expenses of the arbitration shall be borne by the parties equally. However, each party shall bear the expense of its own counsel, experts, witnesses, and preparation and presentation of proofs, except that the prevailing party shall be entitled to an award of reasonable attorney's fees.
- 13.9 *Governing Law.* This Agreement and any claim arising out of this Agreement shall be governed by and construed in accordance with the substantive and procedural laws of the State of Ohio, excluding its conflict of laws principles.
- 13.10 *Provisions Severable.* The provisions of this Agreement are severable. If any provision is held to be invalid, unenforceable, or void, the remaining provisions shall not as a result be invalidated.
- 13.11 *Entire Agreement.* This Agreement constitutes the entire agreement and understanding between the parties relating to the object and scope of this Agreement. Any representation, statement, or warranty not expressly contained in this Agreement shall not be enforceable by the parties. This Agreement may not be amended except by a writing that specifically references this Agreement and is signed by an authorized representative of each party. No non-officer representative of HY-TEK shall be authorized to act or make any commitment for HY-TEK except pursuant to written instructions made and signed by an officer of HY-TEK.

*Signatures follow*

**HY-TEK INTRALOGISTICS, Inc.**

\_\_\_\_\_  
By: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Name Typed or Printed)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

By: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Name Typed or Printed)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)