

PROTECTION OF CONFIDENTIAL INFORMATION STATEMENTS

This CLIENT-LICENSE Statement ("Agreement") between Dynatron Software Inc, with its principal office located at 5580 Peterson Lane, Suite 120, Dallas, TX 75240 (hereinafter "DYNATRON") and customer (herein after "Client/Licensee").

WITNESSETH:

WHEREAS, DYNATRON is in the business of developing and implementing certain Systems, services and processes, including custom software programs, software programming and support for use by automotive dealerships and similar businesses in connection with the operation, performance and efficiency of their service departments; and

WHEREAS, DYNATRON has developed a group of website-based software Systems for use, among other things, by automotive Dealers and similar businesses in their service departments, which includes, but is not limited to, DYNATRON software, programming, processes, materials, technical data, know how, techniques, manuals, methods and other items, all constituting the proprietary property and confidential information of DYNATRON (hereinafter referred to as the "Systems"); and

WHEREAS, the Systems is the type of product that would be helpful to the above-referenced Client/Licensee and DYNATRON and Client/Licensee wish to enter into an agreement under which DYNATRON shall provide and license its Systems to the Client/Licensee: and

WHEREAS, in connection with the aforementioned arrangement, the parties wish to further provide for the continuing protection of their confidential information and trade secrets which will be exchanged, loaded on the Systems or otherwise disclosed between or among the parties during the course of use, operation and support of the Systems by Client/Licensee:

NOW, THEREFORE, in consideration of the premises and terms and conditions herein and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. <u>Grant of License</u>. DYNATRON hereby grants to Client/Licensee a non-assignable, non-exclusive, non-transferable license to use the Systems, subject to the terms and conditions of this Agreement.

All modifications, enhancements, and updates to the Systems provided by DYNATRON shall become part of the Systems and be subject to the terms and conditions of this Agreement.

2. Payment and Fees. In connection with installation, licensing, training, maintenance and use of the Systems by Client/Licensee, the Client/Licensee shall pay to DYNATRON the

amounts set forth on Sales Order, attached hereto and incorporated herein by reference.

- 3. <u>Term.</u> The initial Term of this Agreement shall be for the specified time designated in Sales Order. The Termination of this Agreement will not occur; except on thirty (30) days' written notice by DYNATRON or Client/Licensee to the other party after the completion of the Initial Term.
- 4. <u>Delivery, Installation and Training.</u>
 Upon execution of this Agreement and payment by Client/Licensee of the required fees as set forth in Sales Order, DYNATRON shall prepare and build all required technology for the Client/Licensee's designated service department, install and establish electronic communications (downloads) between the Systems and the Client/Licensee's computer Systems, i.e., the Client/Licensee's DMS.

Client/Licensee agrees to promptly provide such access, assistance, support and communication to DYNATRON and its allied vendors, including access to Client/Licensee's DMS.

and its modifications and amendments are provided "as is," and to the maximum extent permitted by applicable law, DYNATRON disclaims all other representations and warranties, either express or implied, including, but not limited to, implied warranties of merchantability and fitness for a particular purpose, with regard to the Systems and any accompanying written materials. DYNATRON does not warrant that the Systems is or will be free from bugs, errors or other programming limitations or operating issues.

DYNATRON' entire liability and Client/Licensee's exclusive remedy with respect to the Systems and a failure of the same shall be, at the option of DYNATRON, either (i) resumption of repair order processing through corrections to the Systems by personnel of DYNATRON, or (ii) repair of the Systems that does not meet DYNATRON' standards. In the event of failure of the Systems due to Client/Licensee's accident, mistake, abuse, misuse or misapplication, then Client/Licensee shall be responsible for all costs incurred by DYNATRON in correcting such failure.

6. <u>Maintenance</u>. Subject to payment of the fees and costs set forth in Sales Order, DYNATRON shall provide maintenance for the operation of the Systems. DYNATRON, in its sole



discretion and subject to the terms set forth below, may provide periodic releases or updates of the Systems or its software which may include enhancements, corrections, or any other changes DYNATRON determines it should or may make to the Systems.

During the continuous and uninterrupted term of this Agreement, DYNATRON shall provide Client/Licensee with all upgrades, updates or new versions of the core Systems software for no additional cost and without changing any of the other terms or conditions of this Agreement. Subsequent to the first twelve (12) months of this Agreement, all upgrades, updates or new versions, except bug or error fixes, may be made available to Client/Licensee for an additional charge.

7. Responsibility of Client/Licensee. Client/Licensee shall provide DYNATRON access to the DMS via support modem, such access to allow DYNATRON, from time to time, to conduct maintenance and software support or software testing from remote locations. Client/Licensee shall take reasonable steps to ensure that no virus is loaded on to the Systems.

Client/Licensee may not:

- (a) modify, adopt, translate, loan, rent, lease, sublease, distribute, sell, assign or in any way transfer any or all of the Systems, in whole or in part, or any of the rights granted under this Agreement, to any person, firm, organization or entity, except on the prior written consent of DYNATRON, which consent may be withheld in DYNATRON' sole, exclusive and absolute discretion;
- (b) share any Systems log-on information or passwords with anyone who is not an employee of the licensed dealership in a need-to-know position with respect to the Systems, or without written consent of DYNATRON;
- (c) share any hardcopy (originals or photocopies) of any reports generated by the Systems, without the prior written consent of DYNATRON:
- (d) use the Systems for any purpose inconsistent with this Agreement.

Nothing herein shall prevent DYNATRON from developing and marketing Systems separate from the current Systems and marketing such Systems under a name and/or title different from the current Systems, even if such separate product(s) may operate in conjunction with the current Systems.

8. <u>Confidentiality.</u> (a) <u>Protection of DYNATRON' Confidential Information.</u> The parties acknowledge that the website, information, manuals, software and data furnished by DYNATRON pursuant to this Agreement constitutes the proprietary and confidential information of DYNATRON.

Such confidential information includes, without limitation, knowledge and information comprising or relating to any technical or non-technical data, algorithms, formulae, patterns, compilations, programs, devises, methods. know-how, techniques, processes, procedures, improvements, models, manuals, marketing and promotional material, financial data and other information and data incorporated in or used in Systems connection with the (collectively, "DYNATRON Confidential Information").

Client/Licensee (including its affiliated personnel) shall not, directly or indirectly: (i) divulge, disclose, copy, reverse-engineer, communicate or otherwise misuse the DYNATRON Confidential Information, or utilize the DYNATRON Confidential Information for its own personal benefit, or for any purpose other than one pertaining to this Agreement.

Without limiting the generality of the foregoing, Client/Licensee (including its affiliated personnel) agrees that it will not use or disclose to any third-party any DYNATRON Confidential Information received or to which it may have or obtain access to pursuant to this Agreement. In addition, in performing its obligations under this Agreement, Client/Licensee (including its affiliated personnel) agrees to implement and maintain physical, electronic, and procedural safeguards as may be agreed to by the parties from time to time, to guard all DYNATRON Confidential Information that the parties may exchange, receive or have access to pursuant to this Agreement.

(b) Protection of Client/Licensee Confidential Information. The parties acknowledge that, in connection with the delivery of the Systems services covered by this Agreement, Client/Licensee or its affiliated dealership service department shall supply and provide certain information to be entered or downloaded on the Systems or otherwise provided to accomplish the purposes of this Agreement. Such Confidential Information of Client/Licensee includes, without limitation, such Dealer service department's content, customer data, information, customer information and other materials provided by the licensed dealership or similar business service department pursuant to this Agreement, whether entered on the Systems or not, and to which the parties may have access pursuant to this Agreement (collectively, "Client/Licensee Confidential Information"). Dealership acknowledges that information which does NOT identify individual dealership/shop, employee, or customer data is not considered Confidential Information and may be used by DYNATRON in the Systems, products, and services that it provides.

The parties acknowledge that the Client/Licensee Confidential Information constitutes a valuable proprietary asset of Client/Licensee (or its affiliated dealership service department) and should



remain confidential and protected. Accordingly, DYNATRON shall not, directly or indirectly; (i) divulge, disclose, copy, reverse-engineer, communicate or otherwise use or misuse Client/Licensee Confidential Information for any purpose other than one pertaining to this Agreement.

Without limiting the generality of the foregoing, DYNATRON agrees that it will not use or disclose to any third party any Client/Licensee Confidential Information, including any non-public personal information of any customers or prospective customers of Client/Licensee, received or which the party may have obtained pursuant to this Agreement. In addition, in performing its obligations under this Agreement, the DYNATRON agrees to implement and maintain physical, electronic, and procedural safeguards as may be agreed to by the parties from time to time, to guard all Client/Licensee Confidential Information. includina non-public personal information relating to the customers or prospective customers of Client/Licensee and its affiliates that the parties may exchange, receive or have access to pursuant to this Agreement.

(c) In connection with the DYNATRON Confidential Information and Client/Licensee Confidential Information referenced above, the parties further agree to keep and treat all DYNATRON Confidential Information Client/Licensee Confidential Information as confidential or proprietary information to be held in strict confidence and not disclosed, in whole or in part, to any person or entity other than those of their employees, agents or representatives who have a need to know such confidential information or as otherwise required by law.

parties The will inform those employees, agents and representatives to whom such confidential information is made available, of the confidential nature of the DYNATRON Confidential Information and/or the Client/Licensee Confidential Information and each party shall ensure that any of its employees, agents or representatives who receive Confidential DYNATRON Information Client/Licensee Confidential Information are bound by the terms of this Agreement as if they were a party hereto.

(d) The parties acknowledge and agree that irreparable harm may be suffered by DYNATRON or Client/Licensee (or its designated licensed dealership) in the event of breach or threatened breach of this obligation of confidentiality and that monetary damages may be inadequate or difficult to ascertain in the event of improper disclosure or threatened disclosure of the confidential information addressed herein. Accordingly, in the event of breach or threatened breach of the obligations of confidentiality set forth herein, the non-breaching party shall be entitled to injunctive or other appropriate equitable relief restraining any such breach or threatened breach. Any injunctive or

equitable relief sought or granted pursuant to this paragraph shall be without prejudice to any right, remedy, claim for damages, punitive damages or any other right or remedy to which such party may be entitled to, at law or in equity, or otherwise.

(e) DYNATRON and the Client/Licensee agree that the provisions of this paragraph shall survive termination or expiration of this Agreement.

Intellectual **Property** Indemnification. In the event that Client/Licensee's use of the Systems provided in accordance with the provisions of this Agreement infringes on the rights of any third parties, claiming prior rights or copyrights to the Systems or any of its software, then DYNATRON shall indemnify and hold Client/Licensee harmless from and against any and all liabilities, costs and expenses incurred by Client/Licensee as a result of such infringement, provided that (i) Client/Licensee promptly notifies DYNATRON of any such claim of infringement; (ii) DYNATRON shall have the right and opportunity to defend against any such claim of infringement; (iii) Client/Licensee has used the Systems as contemplated by this Agreement and in accordance with all applicable instructions; and (iv) has not modified the Systems in any manner unless such modification is otherwise specifically authorized by DYNATRON in writing.

10. General Provisions. This Agreement sets forth DYNATRON and its representative's entire liability and Client/Licensees and/or its licensed dealership's exclusive remedy with respect to the The parties Systems and this Agreement. acknowledge that this Agreement is a complete statement of the agreement between the parties and that there are no other prior or contemporaneous understandings, promises, representations descriptions regarding the Systems. This Agreement may be assigned by DYNATRON, but not by Client/Licensee without the prior written consent of DYNATRON, which written consent shall not be unreasonably withheld. This Agreement does not limit any rights that DYNATRON may have under trade secret, copyright, patent, or other laws. Nothing in this Agreement shall limit or prohibit DYNATRON from granting a license or licenses to use the Systems to any other party, including but not limited to, other automotive or other Dealers whatsoever. representatives of DYNATRON are not authorized to make modifications to this Agreement, or to make any additional representations, comments, or warranties binding on DYNATRON, other than in writing signed by an officer of DYNATRON. Accordingly, such additional statements are not binding on DYNATRON and Client/Licensee should not rely upon such statements. Any waiver of or amendment to any provision of this Agreement must be in writing signed by the parties. No waiver of any provision of this



Agreement will constitute a waiver of any other provision hereof (whether or not similar) or a continuing waiver of any provision hereof. performance by any of the parties hereto of any act not required of it under the terms and conditions of this Agreement shall not prevent such party from asserting such limitation as to any further or future performance of the item not required. If one or more provisions of this Agreement are deemed or held to be invalid, illegal or unenforceable, this Agreement shall be construed as if such provision was deleted and the remaining provisions shall not be affected thereby. The parties expressly agree that any and all actions concerning any dispute arising under this Agreement shall be filed and maintained only in a state or federal court sitting in the State of North Carolina and each party hereby consents and submits to the jurisdiction of such state or federal The validity and performance of this Agreement shall be governed by North Carolina law (without reference to choice of law principles), except as to copyright and trademark matters, which are covered by federal laws. This Agreement is deemed entered into at Raleigh, North Carolina. Further, the parties expressly agree that this Agreement shall be construed as to its fair meaning and not strictly for or against either party.

DYNATRON agrees to comply with governmental and dealerships/shop policies from the Gramm-Leach-Billey (GLB) Financial Modernization Act of 1999 which protects the privacy of consumer

information held by "financial institutions." While GLB does allow consumers and customers to have the right to opt out of - or say not to having their information shared with certain third parties, the GLB Act does not give consumers the right to opt out when the financial institution shares other information with its affiliates. The GLB Act provides no opt-out right in several situations: For example, an individual cannot opt out if a financial institution shares information with outside companies that provide essential services like data processing or servicing accounts. The GLB Act puts some limits on how a lender that discloses customer information to a service provider responsible for mailing account statements, where the consumer has no right or opt out: The service provider may use the information for limited purposes - that is, for mailing account statements. It may not sell the information to other organizations or use it for marketing. Similar to the above example DYNATRON is an outside Customer that performs similar data processing services. **DYNATRON** understands that as a service provider it may use the information for limited purposes - that is, for processing data for DYNATRON sole use with it's software Systems, products and services. DYNATRON may not sell the information to other organization or use it for marketing. DYNATRON agrees to never distribute or provide to any party any Confidential Information or data unless authorized in writing by the Client/Licensee and furthermore agrees to take reasonable efforts to secure all Customer information.