

## ScanCart™ MAINTENANCE and SUPPORT AGREEMENT

THIS AGREEMENT, made as of \_\_\_\_\_, 2004 is by and between VersaIMAGE Software Corp. ("VSC"), a Michigan Corporation with a principal place of business at 7600 Grand River Road Ste. 230, Brighton Michigan 48114 (hereinafter, the "Company") and \_\_\_\_\_ a \_\_\_\_\_ (corporation) with a principal place of business at \_\_\_\_\_ (hereinafter, the "End User").

### WITNESSETH

WHEREAS, the End User has entered into rental agreements with the Company on even date herewith for the use of software and hardware which is identified therein; and

WHEREAS, the End User wishes to engage the Company, and the Company desires to be engaged under the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the benefits to be obtained from the mutual observance of the covenants contained herein as well as other good and valuable consideration, the parties and each of them do for themselves, their respective heirs, successors and permitted assigns hereby agree as follows:

1. *Definitions.* As used in this Agreement, the following definitions shall apply:

- a) "Errors, Malfunctions and Defects" shall mean the failure or inability of the ScanCart™ Software to perform any material functions of the Software as described in Company literature.
- b) "Service Time" shall mean Monday through Friday between the hours of 9:00 AM and 5:00 PM EST except legal holidays.
- c) "ScanCart™" shall mean the software and hardware which is identified in the Rental or Lease Agreement between the End User and the Company on even date herewith.

2. *Duties of the Company.* During the term of this Agreement, the Company shall be responsible to perform the following services:

- a) Assist the End User in diagnosing Errors, Malfunctions, and Defects when the ScanCart™ and VersaIMAGE software is used. The Company shall provide such assistance by telephone, electronic mail or direct modem connection. The Company shall have available during the Service Time a trained system analyst for consultations by telephone for the purpose of assisting with the use and operation of the Software and correcting Errors, Malfunctions and Defects identified by the End User. The Company shall attempt to respond to all such requests within one (1) hour, but in no event more than four (4) hours, of the initial contact by the End User. Such replies shall be by telephone, electronic mail or modem connection to the End User's Equipment.
- b) Provide on site service if the Company is unable to correctly diagnose Errors, Malfunctions, and Defects by telephone. If on site service is required, the Company and the End User shall agree to an on site service schedule, including the date and time at which Company's personnel shall arrive at the work site. The End User shall be responsible to only reimburse the Company for the costs incurred in traveling to and from the work site beyond a 75 mile radius from its Brighton, MI headquarters, including air fare, ground transportation, lodging, and meals. The Company shall not charge the End User for travel time.
- c) The Company shall also provide such support as the End User may require according to the rates and fees established herein, to assist End User in the use and operation of the Software. The Company shall also provide to the End User such updates and modifications of the Software when same are released so long as the End User is in compliance with the terms of this Agreement.
- d) The Company shall not be responsible for and shall have no obligation to service Equipment not sold by the Company to End User, software, other than the Software which was leased or rented by the Company to End User, or problems arising from the negligence of the End User and its employees. The Company shall not be responsible for Errors, Malfunctions or Defects which are caused by unauthorized modifications to the Hardware and Software not accomplished by the Company.

e) The Company shall offer to the End Users a weekend pager service for an additional annual fee of \$1,800. With this service the End User shall be provided with a telephone number assigned to a pager which will be answered during the hours of 8:00 AM and 6:00 PM on Saturdays, Sundays and legal holidays. Response time for such pager service shall be similar to regular business hour maintenance.

3. *Request for Service.* In addition to services set forth in Section 2 hereof, the Company may provide development services to the End User to customize the software and hardware of the ScanCart™. The End User must make all requests for such services in writing. If the work to be performed is acceptable to the Company, a Statement of Work will be provided to the End User detailing the time and activity required to complete the described task. The Company will not undertake such additional services unless and until the End User authorizes same in writing.

4. *Duties of the End User.* The End User shall provide the Company with all information, documentation, and technical assistance and such access to ScanCart™ as the Company may reasonably require in order to perform its duties hereunder. Specifically, the End User shall offer its best efforts to allow a modem or Internet connection be made available for ScanCart if required for remote diagnostic and software upgrade download purposes. The End User shall designate one of its employees as its representative to communicate with the Company. All telephone charges to access a computer system, whether incurred by the Company or the End User shall be the responsibility of the End User. The Company shall be relieved of any obligation to perform its affected duties hereunder if the End User is unable to or otherwise fails to satisfy any of its duties hereunder. If the End User elects weekend pager service and pays the appropriate fee, it shall be responsible for securing the pager telephone number from the Company.

5. *Fees and taxes.*

a) In consideration of the Company's performance of its obligations pursuant to this Agreement, the End User shall pay the Company the annual maintenance fee of \$ 1440 for each ScanCart which amount shall be due in advance. Such fee shall entitle the End Users to unlimited hours of telephone maintenance and support per year for the services identified in Section 2. This does not include software training, which is available from VSC at the rate of \$85.00 per hour.

b) The End User shall pay all taxes based on or in any way measured by this Agreement or any services related thereto, excluding taxes based on the Company's net income. If the End User challenges the applicability of any such tax, it may withhold the same, provided that the End User shall indemnify the Company and hold it harmless against such challenged taxes and any and all interest and penalties thereon.

c) The Company shall provide an invoice for software maintenance 60 days before the current maintenance plan expires to insure uninterrupted service and sufficient time for customer to process payment.

d) The annual maintenance plan fee shall be due and payable in advance within thirty days after the execution of this Agreement. Fees for additional services such as training shall be due and payable within thirty days after the End User's acceptance of the service for which such fee is charged and Company's submission of an invoice. The End User shall pay a late payment charge of 1.5 percent per month, or the maximum rate permitted by law, whichever is less, on any unpaid amount for each calendar month or fraction thereof that any payment to the Company is in arrears. All taxes shall be paid by the End User in the same manner as the fees which generated such liabilities.

6. *Proprietary rights.* The ScanCart™ hardware and Software, and all copies thereof shall remain the property of the Company, and title thereto shall remain with the Company. All applicable rights in and to patents, trademarks, copyrights, trade secrets and other proprietary rights shall remain with the Company. The End User shall not sell, transfer, publish or otherwise make available the Software or copies thereof. The End User, on behalf of its agents, employees, assigns, and contractors, agrees that it shall not, directly or indirectly i) reverse, compile or disassemble the Software or any portion thereof, ii) copy, in whole or in part, the Software, or iii) disclose the Software or any part thereof except as expressly permitted by this Agreement.

7. *Negation of Warranty.* THE COMPANY MAKES NO EXPRESS WARRANTIES REGARDING THE SERVICES PROVIDED UNDER THIS AGREEMENT, OR THAT THE SOFTWARE WILL MEET OR CONTINUE TO MEET THE SPECIFICATIONS, OR THAT ANY OR ALL ERRORS, MALFUNCTIONS, AND

DEFECTS CAN OR WILL BE CORRECTED. ALL CORRECTIONS, PROGRAMS, INFORMATION, AND SERVICES ARE PROVIDED ON AN "AS IS" BASIS, AND THERE ARE NO EXPRESS WARRANTIES MADE UNDER THIS AGREEMENT. STATE LAW MAY GRANT THE END USER CERTAIN IMPLIED WARRANTIES WHICH ARE NOT AFFECTED BY THIS PROVISION.

8. *Limitation of liability.*

a) EXCEPT FOR LIABILITY FOR PERSONAL INJURY, IF ANY, THE COMPANY SHALL BE LIABLE TO THE END USER FOR ANY DIRECT DAMAGES RESULTING FROM OR RELATED TO ANY SERVICES PERFORMED BY THE COMPANY HEREUNDER, INCLUDING, BUT NOT LIMITED TO, ANY LOSS OF DATA OR SOFTWARE, INABILITY OF THE COMPANY TO CORRECT ANY ERRORS, MALFUNCTIONS AND DEFECTS IN THE SOFTWARE OR DELAY OF THE COMPANY IN PERFORMING ANY SERVICES HEREUNDER.

b) IN NO EVENT SHALL THE COMPANY BE LIABLE TO THE END USER FOR ANY INDIRECT, SPECIAL, OR CONSEQUENTIAL DAMAGES OR LOST PROFITS ARISING OUT OF OR RELATED TO THIS MAINTENANCE AGREEMENT, EVEN IF THE COMPANY HAS BEEN ADVISED OF THE POTENTIAL LIABILITY THEREOF OR KNEW OR SHOULD HAVE KNOWN THEREOF. THE COMPANY'S LIABILITY TO THE END USER HEREUNDER, IF ANY, SHALL IN NO EVENT EXCEED THE TOTAL ANNUAL MAINTENANCE FEES PAID TO THE COMPANY HEREUNDER.

10. *Term and Termination.*

a) This Agreement is effective from \_\_\_\_\_ 200\_\_ to \_\_\_\_\_, 200\_\_. This Agreement shall automatically renew for successive *ScanCart*<sup>TM</sup> maintenance rental or lease periods unless either party hereto notifies the other in writing no less than 45 days prior to the expiration date that it does not wish to renew this Agreement, in which case the Agreement shall expire.

b) This Agreement may be terminated upon the occurrence of one or more of the following events, provided, however, that the terminating party shall have no liability to the other party for the exercise of any rights granted in this paragraph, nor shall such exercise have the effect of waiving any rights, claims or damages to which the terminating party might be entitled: i) by either party, if the other party is adjudicated bankrupt; ii) by either party if the other party is in default of any material provision hereof, provided written notice of such alleged default is given to the other party and such other party does not cure such default within 30 days after the receipt of such notice, or iii) by the Company if the End User fails to pay the maintenance fees or taxes due Company hereunder. The failure of either party hereunder to exercise its rights of termination as provided herein shall not be deemed a waiver or limitation of the rights of such party to subsequently terminate this Agreement for any other or similar default.

c) In the event that the Company desires to increase the cost to the End User of the services provided hereunder for a renewal term under this Agreement, the Company must provide the End User with no less than 90 days notice from the expiration of the initial term or renewal term for such increase to be effective. The End User shall retain the right to reject such proposed increase by delivering notice to the Company of its intention not to renew this Agreement in the manner provided in paragraph "a)" above.

11. *Force Majeure.* The Company shall not be responsible for its failure to perform due to the occurrence of any circumstance which is beyond its control, including but not limited to act of war, labor unrest, civil unrest, or weather.

12. *Governing Law.* This Agreement is being entered into and is intended to be performed in the State of Michigan. It shall be construed and enforced according to the laws of the State of Michigan by any court of competent jurisdiction therein. In addition, the parties agree to be subject to the jurisdiction of the courts of the State of Michigan.

13. *Rule of Construction.* The parties agree and acknowledge that this is a negotiated agreement and that the rule of construction that any ambiguities be construed against the drafting party shall not apply.

14. *Waiver.* No single or partial excuse of, or indulgence or any default or breach by either party or delay in the exercise of any right of either party or delay in the exercise of any right of either party hereunder shall

preclude other or further exercise of such rights under this Agreement, nor shall any waiver of any default or breach extend to any other or further event of default or breach.

15. *Notices.* All notices, requests, demands and other communications required hereunder, except as otherwise provided, shall be in writing, and shall be deemed to have been duly given if delivered or mailed certified, return receipt, postage prepaid to the party to receive such notice. Such notice shall be sent or delivered to the party to receive such notice at its registered office or at such other address as the party to receive such notice has designated in writing to the other party, prior to the time that such notice is necessary or required to be sent.

16. *Counterparts.* This Agreement may be executed simultaneously in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

17. *Amendment.* Neither this Agreement, nor any terms or provisions hereof may be changed, waived, discharged or terminated orally, or in any manner other than by an instrument in writing signed by the parties against which the enforcement of the change, waiver, discharge or termination is sought.

18. *Headings.* The headings as to the contents of the particular paragraphs or sections are inserted only for convenience and are in no way to be construed as part of this Agreement or as limitations to the scope of the particular paragraph or section to which they refer.

19. *Severability.* Any provision of this Agreement which shall be determined to be invalid or otherwise unenforceable shall not affect the rest or remainder of this Agreement, or of the section, which Agreement shall remain in full force and effect unless the removal of the invalid or unenforceable provisions would substantially defeat the basic intent, purpose and spirit of this Agreement.

20. *Assignment.* No part of this Agreement, or any of the rights and obligations hereunder may be assigned by either party without the express written consent of the other party hereto.

IN WITNESS WHEREOF we have set our hands hereto this \_\_\_\_ day of \_\_\_\_\_, 200\_\_

ScanCart™ Division  
VersaIMAGE Software Corporation

BY: Alex Brunner, CEO

End User Company Name:

\_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

City: \_\_\_\_\_

State: \_\_\_\_\_

BY: Signature \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Tel: \_\_\_\_\_

e-mail: \_\_\_\_\_