

SOFTWARE LICENSING AGREEMENT

THIS AGREEMENT ("Agreement") is hereby entered into between Collin County ("Licensee"), whose offices are located at 200 South McDonald, Suite 230, McKinney, Texas 75069, and Spindlemedia, Inc, ("Licensor") a Texas corporation, whose offices are located at 1005 Long Prairie Rd Suite 200 Flower Mound, Texas 75022 on the following terms and conditions:

1. Definitions

(a) "Licensor" "Owner" means Spindlemedia, Inc., a Texas corporation with a principal place of business at 1005 Long Prairie Rd Suite 200 Flower Mound, Texas 75022.

(b) "Licensee" means Collin County whose address is 200 South McDonald, Suite 230, McKinney, Texas 75069.

(c) "Effective Date" is the last date of signature of a party as set forth below.

(d) "Software" means a set of instructions consisting of symbolic languages, processes and logic routines in machine executable form used in the operation of computer equipment applied to the performance of specific tasks.

(d) "Licensed Software" means the Software, including any Updates or part(s) thereof, listed on any exhibit or attachment to this Agreement, and which is commonly called Tax Office2004.

(e) "Use" means copying of all or any portion of the Licensed Software from storage units or media into a computer or using any software in the course of computer operation.

(f) "In-house" means used only for administrative purposes by the Collin County Tax Office, which purposes shall include use in any entity-owned, leased, or other specifically designated entity facilities of the Collin County Tax Office.

(g) "Trade Secret" or "Confidential Information" means any business, technical or other information disclosed by a party which, at the time of disclosure, (a) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (b) is the subject of efforts that are reasonable under the circumstances to maintain secrecy.

(h) "DP Professional" shall mean any individual or business, which supplies others with computer equipment, software or professional advice regarding such. Computer manufacturers, dealers, distributors, retail stores, original equipment manufacturers ("OEMs"), independent sales organizations ("ISOs"), system integrators, software houses, and data processing consultants are examples of DP Professionals.

(i) "Documentation" means all printed or electronic documentation, which Licensor customarily provides or makes available with the Licensed Software

(j) "Update" means (a) any published revision or correction to the Documentation; and (b) any correction, enhancement, replacement, evolution or new release (including beta versions) of the Licensed Software, except for those reasonably designated as new products for which Licensor charges separately.

(k) "Software Services" or "Software Maintenance Services" means the services which Licensor provides to Licensee pursuant to the terms and conditions set forth in that certain Software Maintenance Agreement of even date, entered into between the parties a copy of which is attached hereto as Exhibit "A" and incorporated herein by reference (the "Software Maintenance Agreement").

(l) *"Warranty Period" means the one (1) month period beginning on the date that the Licensed Software is first used operationally by the Licensee.*

2. Software License. Licensor hereby grants to Licensee during the term of this Agreement a non-exclusive license (the "License") to use the Tax Office2004 software (the "Licensed Software") solely for Licensee's in-house use upon payment of the license fee set forth in this agreement. Payment of the license fee is solely for the right to use the Licensed Software pursuant to the terms and conditions of this Agreement and does not constitute the purchase of the Licensed Software or of any right or title therein.

3. Limitations. Use of the Licensed Software is restricted to Licensee. Licensee shall not copy the Licensed Software onto any other computer hardware of Licensee without Licensor's consent, nor shall Licensee permit a third party to copy the Licensed Software. Licensee shall not have the right to further sub-license the Licensed Software or any part thereof. Licensee shall not assign or otherwise transfer, or cause to be transferred, the Licensed Software or any part thereof, by operation of law or otherwise, directly or indirectly, including but not limited to, through any joint venture or in combination with any other person or entity. Licensee shall not modify or cause to be modified by any third party the Licensed Software or any part thereof.

4. Proprietary Rights.

Covered Software. Licensee acknowledges and agrees that the Licensed Software, including the original and all copies thereof, in whole or in part, including all copyright, patent, trade secret and all other intellectual and proprietary rights therein, are and remain the sole and exclusive property of the Licensor. Licensee shall take all necessary and reasonable steps to keep the Licensed Software under adequate security to insure that no unauthorized copies or uses are made thereof and to protect the confidentiality of the Licensed Software. Licensee agrees to notify Licensor immediately of the existence of any circumstances surrounding any unauthorized knowledge, possession or use of the Licensed Software or any part thereof by any person or entity. Licensee understands and agrees that all aspects of the Licensed Software are the trade secrets of Licensor,

including but not limited to the following: systems design, modular program structure, system logic flow, file content, video and report formats, coding techniques and routines, file handling, and report and/or forms generation. Notwithstanding the above, it is expressly agreed and understood that Licensee maintains the right to extract and convert its data, or to hire third parties to do so on its behalf, to interface with other applications and to generate reports, and the parties contract and agree that such activities shall not, by themselves, constitute an actionable tort or breach of contract with respect to Licensor's claimed trade secrets.

(b) License to Custom Work Product. Licensor shall own all right, title and interest in and to all improvements, enhancements and all customized work product independently created by Licensor, independently or on behalf of Licensee pursuant to this Agreement (hereinafter the "Custom Work Product"). Licensee is granted a paid-up, perpetual, non-exclusive license to use the Custom Work Product in object code form.

(c) Source Code. Licensor will provide Licensee the latest version of the application source code to be stored in a designated safety deposit box. Licensee shall have full access and rights to the source code in the event that Licensor should materially default in its obligations to Licensee, or terminate this Agreement other than as permitted in accordance with the language herein, excluding a good faith dispute regarding an uncured and material breach or default of this Agreement by Licensee. The Source Code shall be used for continued use and maintenance of the software only. All intellectual and proprietary rights shall continue to remain in Licensor subsequent to the release of the source code or termination of this Agreement.

5. Fees and Payments.

License Fee. In consideration for the License granted hereunder, Licensee agrees to pay to Licensor the license fee and the first year of maintenance in the amount of **\$498,322.50** (the "License Fee") which will be invoiced according to the following schedule: 10% of the license fee is due upon completion of kick off meeting; 30% is due upon completion of the data conversion; 30% is due upon the completion of the installation and training; and 30% is due upon final acceptance by the Licensee. All costs including Software, Equipment, Maintenance and Support Fees are outlined in the attached Proposal dated 12-11-08, and this Proposal is incorporated and is included as part of this agreement.

(b) Taxes. The License Fee is exclusive of and the Licensee is responsible as may be required by law for all taxes on the sale, license, or use of the License. The Licensee will provide proof that it is exempt from sales and use taxes.

(c) Payment. Payments will be made in accordance with V.T.C.A., Government Code, Title 10, Subtitle F, Chapter 2251.

6. Term and Termination.

(a) The term of this Agreement and the duration of the License granted hereunder

shall be perpetual, subject to the payment of the Licensee set forth in Section 5 hereof and subject to termination as provided below.

(b) In the event of a material breach or default by the Licensee or Licensor in the performance of this Agreement, the aggrieved party shall give written notice to the other party specifying the nature and extent of the breach. The party in breach or default shall have thirty (30) days thereafter to cure any such curable breach or default. If such breach or default is not cured within said thirty (30) day period, the termination of this Agreement shall become effective on the forty fifth (45) day following said written notice, at the option of the non-defaulting party.

(c) The parties specifically agree that Licensor will be deemed to be in breach of its Obligations to Licensee, and Licensee may terminate this Agreement by written notice to Licensor, if:

(i) Licensor is unable, at any time during the Warranty Period specified in this Agreement, to correct any material malfunction, defect or nonconformity in the Licensed Software which prevents the Licensed Software from functioning in accordance with the Functional Requirements and this Agreement, within thirty (30) days after Licensee's notification to Licensor specifying in reasonable detail in what respects the Licensed Software fails to conform; or

(ii) Licensor becomes insolvent, makes a general assignment for the benefit of creditors, files a voluntary petition of bankruptcy, suffers or permits the appointment of a receiver for its business or assets, becomes subject to any proceeding under any bankruptcy or insolvency law, whether domestic or foreign, or has wound up or liquidated its business voluntarily or otherwise

(d) If the Agreement is terminated during the Warranty Period by Licensee due to a default by Licensor, then in addition to any other remedies at law or in equity available to Licensee, Licensee may elect (i) for Licensor to return all payments it received for the Licensed Software in which case Licensee agrees to return the Licensed Software to Licensor; or (ii) to obtain the release of the Escrow Items in which case Licensee agrees not to receive a return of payments Licensor has received and Licensee agrees to make payment in full for the Price. If the Agreement is terminated during the Warranty Period by Licensee due to a default by Licensor under provision 6(c)(ii) of this Agreement (i.e., Licensor's default due to insolvency), then, in addition to any other remedies at law or in equity available to Licensee, Licensee may elect for Licensor to return payments it received for the Licensed Software and Software Services or to obtain the release of the source code as provided in Subsection 4(c), or both.

(e) In the event of a termination of this Agreement, each party shall forthwith return to the other party all papers, materials, and other properties of the other party then in its possession.

(f) The provisions contained in Sections 1 (Definitions), 6 (Termination), 7 (Confidential Information) and 11 (Independent Contractor Relationship) of this Agreement shall specifically survive termination.

(g) Licensee may terminate this agreement at any time upon (30) days written notice to licensor either with or without cause.

7. Confidential Information.

(a) Acknowledgment of Confidentiality. Each party hereby acknowledges that it may be exposed to confidential and proprietary information of the other party including, without limitation, technical information (including functional and technical specifications, designs, drawings, analysis, research, processes, computer programs, methods, ideas, "know how" and the like), business information (sales and marketing research, materials, plans, accounting and financial information, personnel records and the like) and other information designated as confidential expressly or by the circumstances in which it is provided ("Confidential Information"). Confidential Information does not include (i) information already known or independently developed by the recipient; (ii) information in the public domain prior to its disclosure or becomes publicly available other than through a breach of this Agreement; (iii) is disclosed when such disclosure is compelled pursuant to legal, judicial, or administrative proceedings, or otherwise required by law, subject to the use of reasonable efforts by a party to notify the other party to allow it to seek protective or other court orders; or (iv) information received by the recipient from a third party who, at the time of disclosure, was under no legal duty not to disclose such information.

(b) Covenant Not to Disclose. Subject to the requirements of the Texas Public Information Act, any Confidential Information received by a party shall be retained in confidence and shall be used, disclosed, and copied solely for the purpose of, and in accordance with this Agreement. With respect to each party's Confidential Information, the recipient of such information hereby agrees that during the term of this Agreement and at all times thereafter it shall take reasonable steps to keep the other's Confidential Information under adequate security to ensure against unauthorized access, copies, or use thereof, and each party agrees to notify the other party immediately of the existence of circumstances surrounding any unauthorized knowledge, possession, or use of the other's Confidential Information known to that party. Neither party nor any recipient may alter or remove from any software or associated documentation owned or provided by the other party any proprietary, copyright, trademark or trade secret legend. Each party shall use at least the same degree of care in safeguarding the other party's Confidential Information as it uses in safeguarding its own Confidential Information.

(c) Exception. Notwithstanding any other provision of this Agreement, it is expressly agreed and understood that Licensee may write, or allow third party programmers, DP Professionals or software vendors to write, application software interfaces (APIs), routines or code for Licensee's use, to allow Licensee to share data between the Licensed Software and any other software application, and it is expressly

agreed and understood by the parties that such action, by itself, shall not constitute a breach of any duty of confidentiality or non-disclosure.

9. Warranties and Indemnifications.

(a) Limited Warranty. Licensor represents and warrants that during the Warranty Period and/or as long as this License remains in effect, Licensor shall make all reasonable efforts to ensure that the Licensed Software operates substantially in accordance with the written specifications. Licensor further warrants that the Licensed Software contains no computer viruses, or other code or instructions, that modify, damage, disable or compromise the security of Licensee's computer systems or networks.

(b) Licensor represents and warrants that it has the authority to enter into this Agreement and has obtained all rights and waivers necessary to grant the rights granted hereunder. Licensor represents and warrants that the exercise of the rights granted in this Agreement does not infringe any third-party patent, copyright, trademark, trade secret, or other intellectual property right.

(c) Licensor shall, defend and indemnify Licensee against any and all claims brought against Licensee, and shall hold Licensee harmless from all corresponding damages, liabilities, settlements, costs and expenses (including attorney's fees for independent counsel of Licensee's choosing), arising out of any claim that the exercise of any of the rights granted in this Agreement infringes any third-party patent, copyright, trademark, trade secret or other intellectual property right. Licensee shall give Licensor prompt notice of, and authority to defend or settle, any such claim and shall give, at Licensor's expense, reasonable information and assistance.

(d) When notified of an action or motion that seeks to restrict the exercise of any of the rights granted herein, Licensor may, (and in the case of a judgment, order or injunction that restricts the exercise of any of the rights granted herein, shall), at its option and expense, (i) obtain the right for Licensee to exercise its rights in accordance with this Agreement, (ii) substitute other non-infringing software with equivalent functional capabilities, or, (iii) modify the Licensed Software, while retaining equivalent functional capabilities, so that it no longer infringes.

(e) Licensor shall have no liability to Licensee under this Section in the event infringement of any third-party patent, copyright, trademark, trade secret or other intellectual property right arises solely from (i) components of a Licensee product or system not derived from Licensed Software, (ii) compliance with Licensee's specific designs, specifications or written instructions, other than those specified in Functional Requirements, (iii) modification by Licensee of Licensed Software, or (iv) the combination of Licensed Software with equipment or software not authorized or provided by Licensor or otherwise approved by Licensor other than Licensed Software designed by Licensor to work with certain commercial hardware or other commercially available software.

(f) Licensor agrees to indemnify, defend and hold Licensee, its officers, employees and agents, harmless from and against any and all claims, suits, causes of action, liability, damages, judgments or expenses, including, but not limited to, reasonable attorney's fees and litigation costs for personal injuries (including, but not limited to, death) or property damage which arise out of the negligent or tortuous act or omission of Licensor including, but not limited to, the negligent design, manufacture, installation, or servicing of any part of the Licensed Software. Litigation costs include, but are not limited to the hiring of independent counsel of Licensee's choice.

(g) Except for the indemnification provisions of this Section, claims arising from either party's breach of its confidentiality obligations, and claims for bodily injury or tangible property damage caused by the fault of either party, Licensor's and Licensee's liability for damages under this Agreement, whether arising in contract, tort, or otherwise, even if the breaching party has been advised of the possibility of such damages, shall not exceed the amount paid by Licensee to Licensor herein. IN NO EVENT SHALL ANY PARTY BE LIABLE FOR ANY INDIRECT, SPECIAL, OR CONSEQUENTIAL DAMAGES EVEN IF THE BREACHING PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

(h) Licensor further represents and warrants that the Licensed Software shall process dates prior to and after January 1, 2000, with no adverse impact on the functionality of the Licensed Software or the accuracy of any reports. This date processing shall include, without limitation, internal date formats that have century recognition, calculations that accommodate same-century and multi-century formulas and date values, date interface values that reflect the century and calculations that accommodate the occurrence of leap years. Date calculations will work correctly. All date related calculations will recognize that dates containing years equal to or greater than 2000 are later than dates in the 1900s. Licensor does not represent that the Licensed Software will be compatible with non-Licensor defined formats or interfaces or that other third party software will contain similar year 2000 capabilities, other than that software and hardware that is specified in this Agreement.

(i) Warranty Disclaimer. EXCEPT AS STATED IN THIS SECTION (Warranties and Indemnifications), LICENSOR DISCLAIMS WITH RESPECT TO ALL SERVICES, CUSTOM WORK PRODUCT, FIXES, ENHANCEMENTS OR OTHER DELIVERABLES HEREUNDER, ALL EXPRESS AND IMPLIED WARRANTIES, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, TITLE OR FITNESS FOR A PARTICULAR PURPOSE.

10. Insurance.

Licensor shall, for the duration of its obligations under this Agreement, Software Maintenance Agreement and any other software maintenance agreement between the parties, maintain the minimum insurance requirements. Licensor shall cause the policies to name Licensee and its employees as additional insured with respect to operations to which this Agreement is applicable. These policies shall expressly provide primary

coverage to all insured, and shall contain a cross-liability or a severability of interests clause that provides that the insurance applies separately to each insured and that the policy covers claims or suits by one insured against the other.

Licensors shall also cause the policies to contain an endorsement requiring that the issuer of such policy give notice via certified mail to Licensee thirty (30) days prior to cancellation or non-renewal of the coverage or upon any material change in coverage.

Licensors shall produce copies of all endorsements and certificates of insurance required under this section to Licensee within ten (10) days of notification by Licensee of award of Agreement and prior to the commencement of any work or obligation under the Agreement.

11. Independent Contractor Relationship

(a) Licensors shall act in the capacity of an independent contractor with respect to Licensee. Licensors shall not act as, nor represent itself as being, an agent of Licensee, and shall not act as, nor represent itself as being authorized to commit Licensee to any obligation.

(b) As an independent contractor, Licensors shall take direction from Licensee related to the results to be achieved by Licensors during the term of this Agreement. All such direction shall be consistent with the scope of services to be provided under this Agreement.

(c) As an independent contractor, neither Licensors nor its employees, agents, or contractors shall have the status of employees of Licensee or its subsidiaries. Neither Licensors nor its employees shall be eligible to participate in any employee benefit, group insurance, or executive compensation plans or bonus programs offered to employees of Licensee. Licensee shall not provide social security, unemployment compensation insurance, worker's compensation insurance, disability insurance, or similar coverage, nor any other statutory benefits of employment to Licensors.

12. General Provisions.

(a) Notices. Legal notices sent to either party shall be effective when delivered in person or transmitted by telecopy machine, one (1) day after being sent by overnight courier, or two (2) days after being sent by first class mail postage prepaid to the address set forth above, or at such other address as the parties may from time to time give notice. This Agreement may be executed in one or more counterparts, each of which when taken together shall constitute an original document.

(b) Disputes, Choice of Law. The laws of the State of Texas will govern this Agreement. Exclusive venue shall be in the State courts of Collin County, Texas. If either party is required to engage in any proceedings, legal or otherwise to enforce its rights under this Agreement, the prevailing party shall be entitled to recover from the other, in addition to any other sums due, the reasonable attorneys fees, costs and necessary disbursements involved in said proceedings.

(c) Security, No Conflicts. Each party agrees to inform the other of any information made available to the other that is classified or restricted data, agrees to comply with the security requirements imposed by any state or local government, or by the United States Government, and shall return all such material upon request. Each party warrants that its participation in this Agreement does not create any conflict of interest prohibited by the United States government or any other domestic or foreign government and shall promptly notify the other party if any such conflict arises during the term hereof.

(d). Legal Authority. Each party hereto represents and warrants that it has full legal power and authority to execute this Agreement and to perform the duties and obligations of such party contained herein. The individual executing this Agreement on behalf of Licensee has received all requisite authority to execute this Agreement on behalf of Licensee.

(e) Approval by Licensee shall not constitute, nor be deemed a release of the responsibility and liability of Licensor, its employees, associates, agents, subcontractors, and sub-consultants for the accuracy and competency of their designs or other work; nor shall such approval be deemed to be an assumption of such responsibility by Licensee for any defect in the design or other work prepared by Licensor, its employees, subcontractors, agents, and consultants.

(f) If any term(s), provisions(s), or condition(s) of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall remain in full force and effect and in no way be affected, impaired or invalidated.

(g) This Agreement, the Software Maintenance Agreement between the parties to be executed contemporaneous herewith, and the accompanying Exhibits to such agreements constitute the entire agreement between the parties with respect to the subject matter hereof and supersede all other communications, whether written or oral. This Agreement may be modified or amended only by a writing signed by the party against whom enforcement is sought. Except as specifically permitted herein, neither this Agreement nor any rights or obligations hereunder may be transferred or assigned without the other party's prior written consent and any attempt to the contrary shall be void. Neither party shall be liable for delays caused by events beyond its reasonable control. Waiver of any provision hereof in one instance shall not preclude enforcement thereof on future occasions.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date indicated by their signatures below.

LICENSEE:
COLLIN COUNTY, TEXAS

LICENSOR:
SPINDLEMEDIA INC.

By: Franklin Ybarbo
Frank Ybarbo
Purchasing Agent

By: SD John
Steven D. Johnson
President

Date: 3/30/09

Date: 3/31/09

2009-166-03-12