

Elcom Systems Limited – Subscription Service Agreement:

This Subscription Service Agreement (“Agreement”), effective as of ---- (“Effective Date”) is by and between Elcom Systems Limited, with a principal place of business at Orion House, 5 Upper St. Martin’s Lane, London WC2H 9EA United Kingdom (hereinafter referred to as “Elcom”) and [xxxxx] (hereinafter referred to as “Client”).

1. Subscription Service Agreement

1.1 Elcom hereby grants to Client and Client hereby accepts a non-exclusive, non-assignable, non-transferable term license to access and use Elcom’s remotely hosted Internet based on-line supply chain service, product information, user documentation and information resident in various databases (the “Service”) during the Term, as further described in Exhibit 1.

1.2 Elcom shall issue a confidential access URL (Uniform Resource Locator) Internet site address to Client in order to enable Client to access and use the Service (“Account ID”). Client may provide the Account ID to employees of Client as provided in Exhibit 1 (“Users”) and such Users may access and use the Service via an Elcom or Client assigned User identifier (“User ID”). Each User ID may only be used by one individual User and Client agrees that Account IDs will not be shared with or among any other employees or Users.

1.3 Elcom shall provide the Service in accordance with the Service Level Agreement attached hereto as Exhibit 2.

2. Use of Service

2.1 Client shall use the Service only for its internal business purposes, and shall not sell, distribute, assign or otherwise transfer the Service or any training materials related to the Service, to any third party.

2.2. Client shall not alter, translate, reverse engineer, decompile, disassemble or copy the Service or use the Service in violation of any applicable laws or regulations.

2.3 This Agreement shall not be construed to convey or transfer any ownership, copyright or proprietary interest in the Service. Client shall not allow any copyrighted materials to be used by any other party except for authorized consultants or subcontractors, which parties must adhere to the Confidentiality provisions in paragraph 4.

2.4 Client shall select suppliers to participate in the Service and shall be responsible for maintaining relationships with such suppliers. Elcom provides supplier enablement services to assist buyers in transacting electronically with suppliers. The supplier enablement services offered by Elcom include loading and updating certified supplier catalogues, and hosting of internal catalogues. Supplier enablement services available for additional fees, billable to the suppliers, include testing and certification of cXML punchouts or OCI round trips to supplier websites, and EDI or XML mappings.

2.5 Client agrees that use of the Service and the administration module for the Service is restricted to the current and previous version, if generally available, of Microsoft Internet Explorer web browser. **3. Term/**
3.Termination

3.1 The term of the Agreement shall commence on the Effective Date and shall continue in effect for (the “Term”) and shall renew thereafter automatically for one year periods until terminated by either party giving to the

other 90 days notice in writing prior to the end of any anniversary after the Term”.

3.2 This Agreement and the license granted herein may be terminated upon (a) the breach by either party of any of the material terms and conditions herein and the breaching party fails to remedy such breach within fifteen (15) days following written notice from the non-breaching party or (b) immediately by Elcom for failure to pay any amount due hereunder, after the notice period. The Client shall have fifteen (15) days to remedy prior to termination.

3.3 If this Agreement is terminated by Elcom for an uncured material breach caused by Client, then Client shall promptly pay Elcom the Monthly Subscription Fee, as identified in Exhibit 1, for the remainder of the Term, and any other fees outstanding as of that date.

3.4 In the event of termination of this Agreement for any reason, Elcom shall, within one (1) month and upon written request, provide Client with a file or files containing all information included in Client's transactional orders and information in Client's suppliers' databases in a form mutually agreed by the parties. Client shall pay Elcom the time and material fees estimated in a statement of work to perform such services.

4. Confidentiality

Client acknowledges that the Service, including but not limited to, all software, data, information, products, designs, know how, ideas, discoveries, procedures, programs and intelligence, whether verbal, written, graphic or in machine readable form or otherwise, is confidential and proprietary to Elcom and Elcom acknowledges that the Client's data input into the Service is confidential and proprietary to Client (collectively, the “Confidential Information”). Each party shall (i) keep confidential the Confidential Information, (ii) use Confidential Information only in connection with the use of the Service, (iii) not transfer or disclose Confidential Information without the prior written consent of the other party, to anyone other than its employees and consultants who require disclosure and who are subject to confidentiality obligations in substance at least as strict as these, and (iv) not copy Confidential Information except as required for use of the Service. Notwithstanding the foregoing, neither party shall be liable for the disclosure of Confidential Information if such party can show any of the following: (i) the Confidential Information is or becomes a part of the public domain through no fault of the receiving party; (ii) the Confidential Information was known to the receiving party prior to the disclosure; (iii) the Confidential Information is rightfully received from a third party outside and was disclosed to the receiving party without a breach of any confidentiality obligation. Upon termination of the Agreement, Client will cease all use of the Service and return all Elcom Confidential Information to Elcom.

5. Payment

The Client shall pay Elcom the fees set forth in Exhibit 1. Otherwise, Client will pay the amount stated in any invoice within (30) days of the date of invoice. Client shall pay all sales, use, personal property, value add and other taxes relating to the Service and this Agreement. If Client fails to pay, when due, any amount hereunder, Client agrees to pay, in addition to any amount past due, interest accrued thereon at the lesser of one percent (1%) per month or the maximum allowable under applicable law from due date until paid in full. Client also agrees to pay all reasonable expenses (including any legal fees) incurred by Elcom in collecting any amounts due hereunder.

6. No Warranty; Limitation of Liability; Indemnity

6.1 except as specifically provided in this agreement, each party expressly disclaims all warranties of any kind, express, implied or arising by custom or trade usage, to the fullest extent permitted by law, including but not limited to the implied warranties of merchantability, fitness for a particular purpose and noninfringement.

6.2 except for each party's liability arising out of its indemnification obligations or confidentiality obligations or wilful misconduct, liability for all claims arising out of these terms and conditions, whether in contract, tort or otherwise, shall not exceed the aggregate amount of fees paid by client to Elcom under this agreement. In no event shall either party be liable for special, incidental, exemplary or consequential damages arising out of this agreement, even if such party has been advised of the possibility of such damages.

6.3 indemnification

6.3.1 Elcom agrees to, and shall, indemnify, defend and hold harmless, Client and their successors and assigns from and against any and all claims, demands, actions, damages, losses, expenses (including reasonable attorneys' fees) and other liabilities arising from or connected with any adjudicated (by any court of competent jurisdiction) claims of any third party against Client, or their officers, directors, employees, and agents arising from or related in any way to (a) an adjudicated claim that any portion of the Services or software used in connection with the Service infringes any United States, European or U.K. patent or copyright, or (b) its wilful misconduct in the performance of the Service hereunder. If a court of competent jurisdiction adjudicates that a claim of infringement under this Section 6.3.1 has occurred, or if Elcom determines that any adjudicated process is likely to be held against Elcom, Elcom shall use reasonable efforts to either: (i) procure for Client the right or license to continue to access and use the Service or the software used in connection with the Service free of such adjudicated infringement claim, or (ii) replace or modify the Service or the software used in connection with the Service to make them non-infringing of such adjudicated infringement claim provided that such replacement does not materially interfere with the Client's use of the software or Service in full accordance with Client's rights hereunder. If after exercising reasonable efforts these remedies are not reasonably available to Elcom, Elcom may, at its option, terminate this Agreement, and pay to Client the depreciated value of the Elcom owned software used in connection with the Service. The depreciated value shall be determined by the straight-line method, for a two (2) year life, applied to the applicable software license fee and monthly subscription fee. Should the Client have to engage an alternative provider of the Service under the provisions of this paragraph, any additional costs incurred will be recovered from Elcom.

6.3.2 Client agrees to, and shall, indemnify, defend and hold harmless Elcom, and its successors and assigns from and against any and all claims, demands, actions, damages, losses, expenses (including reasonable attorneys' fees) and other liabilities arising from or connected with claims of any third party against Elcom, its officers, directors, employees, and agents arising from or related in any way to (a) Client's use of the Service which is not in compliance with this Agreement provided such liability arises directly from such non-compliance, (b) unauthorized modification of the software used in connection with the Service provided such liability arises directly from such unauthorized modification, (c) Client's

wilful misconduct.

6.3.3 The indemnified party shall (i) promptly notify the indemnifying party in writing of any claim, suit or proceeding for which indemnity is claimed, provided that failure to so notify will not remove the indemnifying party's obligation except to the extent it is prejudiced thereby, and (ii) have the right, at its own expense, to employ separate counsel and participate in the defence thereof. The indemnifying party shall have the sole right to conduct the defence of any such claim, suit or proceeding and all negotiations for its settlement or compromise; provided, however, that in no event may the indemnifying party enter into any third-party agreements which would affect the rights of the indemnified party under this Agreement, or bind the indemnified party in any manner to such third party, without the prior written consent of the indemnified party.

6.3.4 The provisions of this Section 6.3 state the sole and exclusive obligations and limitations of liability of either party for any United States, European, or U.K. patent or copyright infringement and are in lieu of any implied warranties of non-infringement, all of which are disclaimed.

7. Data Aggregation

Elcom reserves the right to aggregate Client and supplier's data in order to provide reports to clients or suppliers on procurement data or trends, provided however, that no information/data is identifiable as being from any particular client or supplier and cannot be presented or reported on in isolation, only as part of an aggregation of a minimum of five (5) or more clients' or suppliers' information/data. In the event Elcom analyses and creates a report using aggregated information/data which includes Client's information/data, for any third party, then Elcom shall make available a reasonable facsimile of that report, at no charge, to Client, whose information/data is embedded/included as part of the aggregated information/ data included in the analysis.

8. General

This Agreement may not be assigned by Client unless Client is acquired by another entity at which time the license shall only be valid for the acquired Client, not for the acquiring entity. For the acquiring entity to expand the use of the Service in a larger overall entity, this agreement would need to be amended for such use and terms renegotiated. The payment obligations provided in this Agreement and Sections 4, 5, 6, 11 and 12 shall survive any termination or expiration of this Agreement, if such termination or expiration is determined by the Client. This Agreement and all attachments annexed hereto, represents the entire agreement between the parties with respect to the subject matter hereof, and supersedes any prior oral and written agreements and understandings relating thereto. The invalidity or unenforceability of any part of this Agreement for any reason whatsoever shall not affect the validity or enforceability of the remainder. The Agreement, all intellectual property issues related thereto, and all rights and obligations thereunder shall be governed by the laws of England and Wales and Elcom and Client shall irrevocably submit to the exclusive jurisdiction of the English Courts to settle any disputes which may arise out of or in connection with this Agreement. Written notices shall be deemed given on the date delivered, if delivered by hand, electronic mail, or facsimile, and on the date of receipt via signature, if mailed. Notices shall be given to Elcom Systems Limited, Orion House, 5 Upper St Martins Lane, London WC2H 9EA, and to Client at Attention: [X].

9. Separate Obligations

The parties agree that the Software Subscription Access and the Professional Services (e.g., implementation, training, integration assistance) are separate and distinct performance obligations.

10. Subscription Access

Elcom's obligation to provide Software Subscription Access shall be deemed satisfied by providing the Client with the necessary credentials to access and use the Software as a Service platform, regardless of whether the Client has completed its internal implementation or commenced production use ('Go-Live').

11. Dispute Resolution

The parties will attempt in good faith to resolve any dispute arising out of or relating to this Agreement promptly by negotiation between high-level executives who have authority to settle such dispute. Any party may give the other party written notice of any dispute not resolved in the normal course of business. Within ten (10) days after delivery of said notice, executives of both parties will meet at a mutually acceptable time and place, to exchange relevant information and to attempt to resolve the dispute. If the matter has not been resolved within fifteen (15) days of the disputing party's notice, or if the parties fail to meet within ten (10) days, then both parties agree to initiate arbitration in London, or a place otherwise agreed to.

12. Force Majeure

If either party is prevented from performing any of its obligations under this Agreement due to any cause beyond the party's reasonable control, including, without limitation, an act of God, fire, flood, explosion, war, strike, embargo, government regulation, civil or military authority, acts or omissions of carriers, transmitters, providers, or acts of vandals, or hackers (a "force majeure event") the time for that party's performance will be extended for the period of the delay or inability to perform due to such occurrence; provided, however, that Client will not be excused from the payment of any sums of money owed by Client to Elcom for the Service provided prior to the force majeure event; and provided further, however, that if a party suffering a force majeure event is unable to cure that event within thirty (30) days, the other party may terminate this Agreement.

13. Other Matters

13.1 This Agreement (and other schedules, enclosures and exhibits hereto) may not be construed as creating or constituting a partnership, joint venture, or agency relationship between the

parties. This Agreement (and other schedules and exhibits hereto) shall be binding upon and shall inure to the benefit of the respective parties hereto, their respective successors in interest, legal representatives, heirs and assigns.

13.2 No waiver of any breach of the other party's obligations under this Agreement will represent a waiver of the rights for that or any subsequent breach.

13.3 If any provision of this agreement is held to be void or unenforceable in whole or in part, this Agreement shall continue to be valid as to the other provisions thereof and the remainder of the affected provision.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

Elcom Systems Limited

By:

Name:

Title:

By:

Name:

Title:

Exhibit 1

Order Schedule

Description of Service

["INSERT APPROPRIATE SOLUTION" remotely-hosted on one or more Elcom or other authorised computer server(s) with the following functionality:

Users:[X]

Term:[X]

Professional Services: The following Professional Services are also associated with the Service:

- Project Management – Elcom will make available a project manager, at Client's cost, who will be responsible for project preparation planning, development and refinement of the project implementation plan, telephone conferences, providing planning assistance to support supplier certifications, and biweekly status reporting during the implementation of the "Service."
- Train-the-Trainer – at Client's cost, provide training to equip Client with materials and system knowledge that can be used to introduce other employees to the Service.
- Supplier Enablement - Provide information necessary for suppliers to load their catalogues into the Service, and supplier compliance and certification testing of the electronic processes for Catalogue Loads, cXML Punch Out, Purchase Order Generation and Invoicing.
- Hot Line Support – provide access to Client's two named internal support users (the "Named Users") for the ongoing support of the Service. Support will be provided from 9.00 a.m. to 5:30 p.m. UK Time via email and telephone to Named Users. Support is on a Named User basis only, for two Named Users in an internal help desk role.
- Catalogue Loading – Elcom will provide support for loading catalogues provided to Elcom by certified suppliers. This will be limited to the physical loading of catalogue(s) and excludes data rationalization and accuracy verification. The Service includes a maximum of one hour per catalogue load or update at no additional charge. Catalogue Loading effort in excess of one hour per catalogue load or update is billable on a time and material basis.
- Software Modifications – right to access and use modifications, enhancements, variations or adaptations made within and/or to the software included in the Service from time to time which are made commercially available to Elcom's clients, except for Additional Modules. As used herein the term "Additional Modules" shall mean modules operating with the Service that are available at a separate price and are developed by Elcom or third parties.

Optional Elcom Services:

The following services may be provided by Elcom at the Client's request given an agreed to statement of work, on a time and materials basis:

- End User Training (only train the trainer is included).
- Real-time data feeds to/from suppliers e.g. EDI or cXML.
- Design, development, testing, certification and loading additional Actuate reports beyond the standard library reports into the Service.
- Integration to any Third-Party systems

* Additional Modules meaning modules operating with the Service that are available at a separate price and are developed by Elcom or third parties, including, but not limited to, the following:

- Customised Actuate Reports

Subscription Fees

The following fees will apply during this Agreement, unless varied by agreement in writing by both parties:

Description	Unit Price	Payment Details
Annual Subscription Service Fee (includes software upgrades, support for two named administrators and hosting and access and use rights for up to named users)	£ for the period to then an increase by the RPI % which is calculated as the average of the RPI % rate for the proceeding 12 months.	First payment due no later than the earlier of 3 months from the contract sign date or granting access to the relevant application(s).
Actuate Reporting for up to three (3) named users	No Charge	Not Applicable.
Additional Actuate Named User Seats (optional)	[£X]/user/month (Service dependent)	Payable by Client to Elcom quarterly in advance.
Training (onsite)	£1280 per day (excluding travel and subsistence)	Payable by Client to Elcom upon completion of the delivered sessions.
Training (delivered remotely)	£550 per ½ day	Payable by Client to Elcom upon completion of the delivered sessions..
Professional Services	£1415 per day (excluding travel and subsistence)	Payable by Client to Elcom upon completion of each agreed project milestone.

Client agrees all pricing is net of VAT. Travel and expenses for Elcom's training and professional services shall be invoiced to Client at Elcom's cost plus VAT and Client shall pay such travel and expenses within fifteen (15) days of the date of such invoices.

Exhibit 2

Service Level Agreement

Definitions

1. **Service** – The Service as such term is defined in the Subscription Service Agreement.
2. **Service Outage** – An unscheduled period in which the Service is interrupted and not usable during the Client's normal business hours due to a server or other hardware/software failure in the Elcom Data Centre(s). The Client, as defined herein, must initiate a Trouble Ticket, in order to qualify for any credits.
3. **Service Outage Period** – The period commencing on the date and time when the Client reports a Service Outage to Elcom by opening a Trouble Ticket and ending on the date and time when Elcom closes the Trouble Ticket with the Client. If the Client does not initiate a Trouble Ticket with Elcom, or does not provide details of the problem to Elcom sufficient for problem validation testing, Elcom will not be obligated to issue credits for the Service Outage.
4. **Trouble Ticket** – The official methodology as prescribed by Elcom, in its sole discretion, used by the Client to advise Elcom via telephone, email, or facsimile of a perceived Service Outage.
5. **Service Unavailability Percentage** – The percentage of time the Service is unavailable in a calendar month calculated in the following manner:
$$1 - \frac{[(\text{total number of minutes in a calendar month} - \text{total number of minutes in a Service Outage Period}) \times 100]}{\text{total number of minutes in a calendar month}}$$
6. **Maintenance Windows** - A 30-minute window for system updating or maintenance of the Service from 10:00 P.M. to 10:30 P.M. Eastern Standard Time (U.S.).

Server Availability Guarantee

Elcom's Server Availability Guarantee is to have the Client's Service available 99.0% of the time. As set forth below, Elcom will credit Client's account if the Service Unavailability Percentage is greater than 1% during any given calendar month. At Client's request, Elcom will calculate Client's "Service Outage Time" and Service Unavailability Percentage in a calendar month. This guarantee shall not apply to any Service Outage resulting from: (a) Elcom Server maintenance on any Sunday between the hours of 9 A.M. and 6 P.M. Eastern Standard Time (U.S.) or any Maintenance Window; (b) Client's applications, equipment, or facilities; (c) acts or omissions of Client or a user, or any unauthorized use of the Service; (d) reasons of force majeure (as set forth in the Subscription Service Agreement); or (e) Internet connect problems on the Client's system due to Internet or (the Client's) Local Area Network issues, or connections via the Internet to the Elcom Data Centre. For each cumulative full hour of Service Outage in any calendar month during which the Service Unavailability Percentage is greater than 1%, at Client's request, Client's account shall be credited for the pro-rated charges for one day of the Monthly Subscription Fee.

Response Time Guarantee

Elcom's Service Outage Response Time Guarantee is to notify Client within 4 hours of the opening of a Trouble Ticket of the current status of the Trouble Ticket resolution process. Elcom's standard procedure is to contact/test, via an electronic "ping," the Client's application/production server every five minutes. If Client's application server does not respond after two consecutive five-minute ping cycles (a total of ten minutes), Elcom will deem the Service unavailable and will contact Client's designated point of contact by a method specified. This Response Time Guarantee is applicable only if Client properly opens a Trouble Ticket in accordance with Elcom's established procedures and Client completes Elcom's Client Information Form in its entirety. Client is solely responsible for providing Elcom accurate and current contact information for Client's designated points of contact. Elcom will be relieved of its obligations under this Response Time Guarantee if Elcom's contact information for Client is out of date or inaccurate due to Client's action or omission or if Elcom's failure is due to reasons of force majeure (as set forth in the Subscription Service Agreement). If Elcom fails to meet this Response Time Guarantee, at Client's request, Client's account shall be credited the pro rated charges for one day of the Elcom Monthly Subscription Fee for the Service with respect to which this Guarantee has not been met; provided, that Client may obtain no more than one credit per day, irrespective of how often in that day Elcom failed to meet the Response Time Guarantee.

Service Level Agreement Conditions

The terms of this Service Level Agreement are conditional upon Client being current as to the payment of all fees for the Service.