

**STANDARD RESELLER TERMS AND
CONDITIONS**

These Standard Reseller Terms and Conditions shall apply to any Reseller Agreement (as defined below) between Kregel Technology, Inc. (“Kregeltech”) and Reseller.

ARTICLE I: RECITALS AND DEFINITIONS

Section 1.01 – Recitals: The above recitals and identification of parties are true and correct. The Reseller Agreement is hereby incorporated by this reference and made a part hereof.

Section 1.02 – Definitions: The following definitions shall apply:

- (1) Advertisement Date: The term “Advertisement Date” shall mean the date for an Advertisement on which such Advertisement is first used to promote or advertise the Product.
- (2) Advertisements: The term “Advertisements” shall mean all materials which are reasonably calculated to promote or advertise the Product and which are developed by or on behalf of Reseller, including (without limitation) packaging for the Product, news releases, brochures, pamphlets, videos, web pages and manuals.
- (3) Associates: The term “Associates” shall mean employees of Kregeltech, independent contractors hired by Kregeltech, and any resellers other than Reseller who have been authorized by Kregeltech.
- (4) Authorized Persons: The term “Authorized Persons” shall mean employees of Reseller with a need to know Confidential Information and who agree to maintain the confidentiality of such Confidential Information and individuals or organizations who are authorized in writing by Kregeltech to receive Confidential Information and who agree to maintain the confidentiality of such Confidential Information.
- (5) Cancellation Notice: The term “Cancellation Notice” shall mean that written notice sent by Kregeltech to

Reseller seeking to cancel this Agreement because of breach by Reseller

- (6) Confidential Information: The term “Confidential Information” shall mean all information concerning this Agreement or the Product which is disclosed by Kregeltech to Reseller or learned by Reseller and which is not: (i) already known to Reseller without restriction as to confidentiality or use; (ii) in the public domain; (iii) rightfully conveyed to Reseller by a third party without restriction; (iv) released by Kregeltech without restriction; (v) independently developed by Reseller without reference to any Proprietary Information; and (vi) required by court order to be released by Reseller.
- (7) Deliverables: The term “Deliverables” shall mean deliverables provided to Customer in connection with Services or as defined in a Work Order.
- (8) Kregeltech Marks: The term “Kregeltech Marks” shall mean trademarks, service marks, trade names and trade dress of Kregeltech and parent companies, subsidiaries or affiliates of Kregeltech, including any spellings, formatives, phonetic variations and stylized designs of such trademarks, service marks and trade names including (without limitation) the mark “Kregeltech”.
- (9) Kregeltech Technology: The term “Kregeltech Technology” shall mean all Technology conceived or developed by or on behalf of Kregeltech, whether solely or jointly with Reseller or third parties, regardless of the source of funding.
- (10) Kregeltech Web Site: The term “Kregeltech Web Site” shall mean the Web Site regarding the Product as defined in the Reseller Agreement.
- (11) Customers: The term “Customers” shall mean Targets who license the Product using a Registration Key provided to Customer by Reseller under this Agreement.

- (12) Effective Date: The term “Effective Date” shall mean the Effective Date as defined in the Reseller Agreement.
- (13) Internet: The term “Internet” shall mean that certain global network of computers commonly referred to as the internet, including (without limitation) the World Wide Web.
- (14) License Fee: The term “License Fee” shall mean the amount of money paid by Customer for Product License.
- (15) Marketing Materials: The term “Marketing Materials” shall mean all materials, excluding Advertisements, which are reasonably calculated to promote or advertise the Product, developed by or on behalf of Kregeltech, and provided to Reseller.
- (16) Product: The term “Product” shall mean that certain software solutions as defined in the Reseller Agreement.
- (17) Proprietary Information: The term “Proprietary Information” shall mean Products, Kregeltech Technology, Marketing Materials and Confidential Information.
- (18) Purchase Order: The term “Purchase Order” shall mean an online request for a Registration Key by Reseller via the Reseller Portal.
- (19) Registration Key: The term “Registration Key” shall mean a code issued to Reseller for a Customer upon submission of a Purchase Order for such Customer.
- (20) Reseller: The term “Reseller” shall mean the party defined as Reseller in the Reseller Agreement.
- (21) Reseller Agreement: The term "Reseller Agreement" shall mean that certain, On-Line Reseller Registration Statement as accepted by and between Kregeltech and Reseller.
- (22) Reseller Fee: The term “Reseller Fee” shall mean the amount of money charged by Kregeltech for a Registration Key.
- (23) Reseller Portal: The term “Reseller Portal” shall mean the Web Site page as defined in the Reseller Agreement.
- (24) Restatements: The term “Restatements” shall mean Section 757 of the Restatement of Torts, Section 39 of the Restatement (Third) of Unfair Competition, Section 1 of the Uniform Trade Secrets Act and 18 U.S.C. §1839.
- (25) Services: The term “Services” shall mean those certain technical advice, consultations, project management, system design, software development, marketing strategy, and ad-hoc services provided by Kregeltech to Reseller as provided in a Work Order.
- (26) Service Fees: The term “Service Fees” shall mean the fee for Services set forth in a Work Order.
- (27) Targets: The term “Targets” shall mean prospective Customers in the Territory as selected by Reseller.
- (28) Technology: The term “Technology” shall mean (i) evaluation, technical, scientific, engineering, marketing, financial and business reports, plans, studies, diagrams, or flow charts; (ii) all forms and types of scientific, technical, economic, or engineering information; (iii) patterns, plans, compilations, program devices, formulas, designs, prototypes, methodologies, techniques, ideas, solutions, concepts, processes, procedures, programs, codes, scripts, fields, records, adaptations, derivative works, computers, hardware, peripherals, components, networks, products, machines, compositions of matter, articles of manufacture, works of authorship, computer software, software libraries, documentation, data, databases, database designs, data models, screen displays, images, graphics, audiovisual works and sound recordings, whether tangible or intangible, and whether stored, compiled, or memorialized (without limitation) physically, electronically, graphically, photographically, or in writing; and (vi) product lists, supplier lists and customer lists.

- (29) Term: The term “Term” shall mean a period of time as defined in the Reseller Agreement.
- (30) Territory: The term “Territory” shall mean the geographical region as defined in the Reseller Agreement.
- (31) User Fee: The term “User Fee” shall mean an amount of money charged by Reseller to Customer for a Registration Key and the corresponding right to license the Product.
- (32) Web Site: The term “Web Site” shall mean that certain multimedia interactive product which is a compilation of data, information, computer software, graphics, audiovisual, components and coding formatted for use on the world-wide-web of the Internet and commonly referred to as a web site.
- (33) Work Order: The term “Work Order” shall mean those certain Work Orders (the form of which is attached hereto as Exhibit A and by this reference incorporated herein) as signed by Kregeltech and Reseller.

ARTICLE II: MARKETING AND PROMOTION

Section 2.01 – Authorization: Kregeltech hereby grants Reseller a non-transferable, non-exclusive license to promote and market the Product to Targets in the Territory during the Term, subject to the terms of this Agreement. Kregeltech expressly reserves the right to appoint other resellers within and without the Territory and to make direct sales to Targets and other entities within or without the Territory.

Section 2.02 – Promotional Efforts: Reseller shall advertise, promote and market the Product to Targets in the Territory during the Term on a best efforts basis, in a professional manner, using qualified personnel, and in accordance with the terms of this Agreement.

Section 2.03 – Advertising: Reseller shall deliver copies of Advertisements to Kregeltech prior to the Advertising Dates for such Advertisements. All Advertisements shall be subject to the prior written approval of Kregeltech, which approval may be withheld in the exclusive discretion of Kregeltech.

Section 2.04 – Displays: Reseller shall represent, display and demonstrate the Product fairly at all times and shall refrain from making any false or misleading statements, claims or representations or

material omissions with respect to Kregeltech, the Product or any Associates.

Section 2.05 – Restrictions: Reseller shall not promote, advertise or market the Product except to Targets in the Territory during the Term. Reseller shall not contact a Target which has received advertising, promotional or marketing materials for the Product from any source other than Reseller in the sixty (60) days next preceding the then current date. Reseller shall not alter or modify the Product, without Kregeltech’s prior written consent, which consent may be withheld in the exclusive discretion of Kregeltech. Reseller shall not allow the unauthorized use, distribution, production sublicense or sale of the Product.

Section 2.06 – Promotion Costs: Reseller shall pay all costs incurred by Reseller in promoting, advertising, marketing the Product, including (without limitation) the cost for Advertisements and Marketing Materials. Kregeltech may, in its sole discretion, provide Marketing Materials to Reseller at no cost to Reseller

Section 2.07 – Internet Promotion: Reseller may advertise the Product on a Web Site on the Internet, provided (a) Registration Keys are only provided to Targets within the Territory; (b) the Web Site and domain name of the Web Site conform with the terms of this Agreement; (c) the Web Site contains a conspicuously-placed link to the Kregeltech Web Site; and (d) the Web Site contains a legend identifying Kregeltech as the owner of the Product.

Section 2.08 – Cooperation: Reseller hereby acknowledges that successful performance of the obligations of Kregeltech under the Agreement shall require Reseller to cooperate with Kregeltech in good faith and provide information as may be requested by Kregeltech from time to time. Reseller hereby agrees to provide such good faith cooperation and information.

Section 2.09 – Marketing Materials: Kregeltech hereby grants Reseller a non-transferable, non-exclusive license to use and distribute Marketing Materials in the Territory during the Term for purposes of promoting, marketing and advertising the Product to Targets, subject to the terms of this Agreement. Reseller shall not alter, modify or reproduce the Marketing Materials without the prior written consent of Kregeltech, which such consent may be withheld in the exclusive discretion of Kregeltech.

Section 2.10 – Kregeltech: Kregeltech hereby grants Reseller a non-transferable, non-exclusive license to use the Kregeltech Mark in connection with promoting, marketing and advertising the Product to Targets in the Territory during the Term, subject to the terms of this Agreement. Reseller shall not use any Kregeltech Mark, except the trademark, in connection with promoting, marketing and advertising the Product, or any other goods or services without the prior written approval of Kregeltech, which approval may be withheld in the exclusive discretion of Kregeltech. Reseller shall not use the Kregeltech Mark, or any other Kregeltech Mark which Kregeltech provides approval for Reseller to use, in any manner inconsistent with this Agreement, including (without limitation) Article III of this Agreement.

Section 2.11 – Nonexclusivity: Kregeltech shall retain the right to advertise, promote, and market the Products and distribute Marketing Materials to Targets during and after the Term and the right to authorize third parties to do the same.

ARTICLE III: ORDERS AND PRICING

Section 3.01 – Licensing: Reseller shall place orders for Product license grants to Customers by submitting Purchase Order to Kregeltech. Reseller shall pay the corresponding Reseller Fee using the on-line payment facilities for Purchase Orders at the Reseller Portal within twenty days after submitting the corresponding Purchase Order.

Section 3.02 – Keys: Upon approval of a Purchase Order and receipt of the corresponding Reseller Fee by Kregeltech, Kregeltech shall issue a Registration Key to Reseller. Reseller shall have the sole and exclusive right to re-issue such Registration Key to Customer upon payment of the User Fee to Reseller by such Customer.

Section 3.03 – Fee Amounts: The Reseller Fee for a Product License for a Customer shall not be greater than seventy percent of the standard published end-user license fee for such Product License. Reseller shall use standard retail pricing provided by Kregeltech to establish User Fee. Reseller Fees are not subject to refund under any circumstances.

Section 3.04 – Registration: Upon receipt of Registration Key from Reseller, Customer shall register the request for a Product license using such Registration Key at the facilities provided on the Kregeltech Website. Upon such Registration and Customer agreement with standard Kregeltech

licensing and maintenance terms, Customer shall receive a license to use the Product.

Section 3.05 – Support: Reseller shall provide consultations, ad-hoc services and support to Customers as determined by Reseller and Customer.

Section 3.06 – Work Orders: Reseller may request Kregeltech to provide Services to Reseller as provided in each Work Order. Kregeltech shall provide Reseller with Services as provided in each Work Order.

ARTICLE IV: PAYMENT

Section 4.01 – Reseller Fee: Reseller shall pay the Reseller Fee within twenty days after submitting the corresponding Purchase Order. If Reseller fails to pay the Reseller Fee as set forth herein, Kregeltech shall have the right to cancel the corresponding registration and Reseller shall indemnify and hold harmless Kregeltech from any and all claims and damages resulting therefrom. If Reseller fails to pay the Reseller Fee as set forth herein, Kregeltech shall have the right to cancel the License Fee directly from Customer. Kregeltech shall pay Reseller the amount by which such License Fee exceeds the Reseller Fee.

Section 4.02 – License Amount: The License Fee shall be established by Reseller in accordance with the terms of this Agreement and subject to the approval of Kregeltech. The License Fee shall exceed the Reseller Fee.

Section 4.03 – Service Fee: Reseller shall pay the Service Fee as set forth in the applicable Work Order. Payment of Service Fees shall not be subject to refund under any circumstances.

Section 4.04 – Costs: Reseller shall pay Kregeltech all direct costs, including (without limitation) postage, shipping, travel, lodging, per diem, telephone, telecommunications, material and reproduction expenses incurred by Kregeltech in performing Services under this Agreement. Reseller shall pay any and all applicable taxes (excluding income taxes assessed against Kregeltech).

Section 4.05 – Invoicing: Kregeltech shall invoice Reseller monthly for fees and expenses in connection with Services under this Agreement. Reseller shall pay any such invoice in full on the due date thereof or within twenty days of receiving such invoice, whichever is earlier. Any amount of money which is not paid by Reseller when due shall be increased by a

late fee equal to 1-1/2 % for each month or portion thereof in which such amount is due and not paid.

ARTICLE V: INTELLECTUAL PROPERTY

Section 5.01 – Ownership: Title to Proprietary Information, including (without limitation) all ownership rights to patents, copyrights, trademarks, service marks and trade secrets in connection therewith, shall be the exclusive property of Kregeltech. Reseller hereby assigns, transfers and conveys to Kregeltech any and all rights, title and interests Reseller may have or accrue in the Proprietary Information including (without limitation) any and all ownership rights to patents, trademarks, copyrights and trade secrets in connection therewith. Reseller shall not alter or modify the Proprietary Information without the prior written consent of Kregeltech, which consent may be withheld in the exclusive discretion of Kregeltech.

Section 5.02 – Confidential Information: Reseller shall maintain Confidential Information in strict confidence. Reseller shall not disclose Confidential Information except to Authorized Persons. Reseller shall not duplicate or use Confidential Information except as otherwise permitted under this Agreement. The Proprietary Information shall be deemed Confidential Information of Kregeltech.

Section 5.03 – Trade Secrets: Reseller hereby acknowledges and agrees that Confidential Information derives independent economic value (actual or potential) from not being generally known to other persons who can obtain economic value from its disclosure or use and from not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use; is the subject of reasonable efforts by Kregeltech under the circumstances to maintain its secrecy; and is a trade secret as defined under Minnesota Law and the Restatements.

Section 5.04 – Proprietary Notices: Reseller shall not remove, conceal or alter any proprietary legends, including (without limitation) patent, copyright, trademark, service mark, confidentiality or trade secret notices, displayed in connection with the Proprietary Information. Use of any proprietary legend by Kregeltech in connection with any Proprietary Information shall not be deemed an admission that Kregeltech has disclosed the Proprietary Information publicly or without restriction.

Section 5.05 – Kregeltech Marks: Reseller hereby acknowledges that the Kregeltech Marks are owned exclusively by Kregeltech. Kregeltech shall retain all rights, title and ownership interests in the Kregeltech Marks. Any use of the Kregeltech Marks by Reseller and any goodwill developed therefrom shall inure to the exclusive benefit of, and be on behalf of, Kregeltech. Reseller hereby assigns, transfers and conveys to Kregeltech any and all rights, title and interests Reseller may have or accrue in connection with the Kregeltech Marks and the goodwill associated therewith.

Section 5.06 – Cooperation: Reseller shall cooperate with Kregeltech and assist Kregeltech in protecting, securing, maintaining and enforcing any and all rights, title and interests Kregeltech may have or accrue in the Proprietary Information and Kregeltech Marks.

Section 5.07 – No Contest: Reseller shall not contest or aid in contesting (i) Kregeltech ownership, or the validity, of the Kregeltech Marks, (ii) Kregeltech ownership of the WWW.kregeltech.com domain name registration, or (iii) Kregeltech ownership, or the validity, of any copyrights, trademarks, service marks and trade secrets in connection with the Proprietary Information.

ARTICLE VI: WARRANTY

Section 6.01 – Reseller Performance: Reseller represents and warrants that Reseller shall promote, market, advertise and provide Registration Keys for the Product on a best efforts basis, in accordance with highest industry standards, in a timely, professional and lawful manner, using qualified personnel who are familiar with the Product, and in accordance with the terms of this Agreement. Reseller also represents and warrants that performance of the obligations of Reseller under this Agreement shall not violate any contract, statute, rule, regulation, bylaws or other obligation under which Reseller is bound.

SECTION 6.02 – WARRANTY LIMITATION: THE PRODUCTS ARE PROVIDED “AS IS” WITHOUT WARRANTY OF ANY KIND. KRENGELTECH HEREBY DISCLAIMS AND RESELLER HEREBY WAIVES ALL WARRANTIES BY KRENGELTECH, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ALL IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND WARRANTIES OF NON-INFRINGEMENT OF THIRD PARTY RIGHTS IN CONNECTION WITH THE PRODUCTS AND PROPRIETARY

INFORMATION. KRENGELTECH DOES NOT MAKE ANY WARRANTY AND HEREBY WAIVES ANY AND ALL WARRANTIES AS TO THE RESULTS OBTAINED FROM USE OF THE PRODUCTS OR AS TO THE RELIABILITY OF THE PRODUCTS. RESELLER HEREBY ACKNOWLEDGES AND AGREES THAT USE OF THE PRODUCTS SHALL BE AT THE SOLE AND EXCLUSIVE RISK OF THE CUSTOMER.

Section 6.03 – Express Warranties: Reseller hereby acknowledges and agrees that Kregeltech (including officers, employees, agents and directors of Kregeltech) has not made or granted to Reseller any express warranties concerning the Product, Proprietary Information or this Agreement.

Section 6.04 – Limitation of Damages: Kregeltech shall not be liable to Reseller for any lost profits or any incidental, punitive, exemplary or consequential damages, including (without limitation) lost profits and damages in connection with or relating to (i) this Agreement, (ii) the Products, (iii) unauthorized use, distribution or production of the Product, (iv) unauthorized use, distribution or reproduction of the Proprietary Information or Kregeltech Marks, (v) breach of this Agreement by Reseller, (vi) violation of any law, rule, regulation, statute or ordinance by Reseller or its officers, directors, employees and agents, and (vii) any tortious or unlawful act by Reseller or its officers, directors, employees and agents, regardless of the form or action, whether in contract or in tort, including negligence, regardless of whether Kregeltech has been advised of the possibility of such damages in advance or whether such damages are reasonably foreseeable.

Section 6.05 – Limitation of Liability: The liability of Kregeltech for any reason and for any cause of action whatsoever in connection with the Product, Proprietary Information and this Agreement, regardless of the form of action, whether in contract or tort, including negligence, shall be limited to, in Kregeltech's sole and exclusive discretion, either (a) credit to Reseller's account for the Reseller Fee paid by Reseller for the Products creating the cause of action, or (b) replacement of the Products.

Section 6.06 – Limitation of Time: Reseller shall not bring any action or institute any legal proceedings against Kregeltech, including arbitration under this Agreement, more than two (2) years after the earlier of (i) the date the cause of such action arose or (ii) the date this Agreement is terminated or cancelled.

Section 6.07 – Force Majeure: Kregeltech shall not be liable for any failure to perform its obligations under this Agreement because of circumstances beyond the control of Kregeltech, which such circumstances shall include (without limitation) natural disaster, terrorism, war, declaration of governments, labor disputes, transportation delays, any acts or omissions of any government or governmental authority, declarations of governments, court orders, power failure, computer failure, media defects, misuse of the Proprietary Information or Kregeltech Marks by Reseller, failure of Reseller to cooperate with the reasonable requests of Kregeltech, breach of this Agreement by Reseller, tortious or unlawful acts by Reseller and any events reasonably beyond the control of Kregeltech.

Section 6.08 – Reseller Indemnification: Reseller shall release, indemnify, defend and hold harmless Kregeltech and its officers, directors, employees and agents from and against any and all claims, liabilities, damages, losses, suits, obligations, demands, costs, expenses and reasonable attorney and paralegal fees on account thereof resulting from or relating to (i) this Agreement, (ii) the Products, (iii) unauthorized use, distribution or production of the Product, (iv) unauthorized use, distribution or reproduction of the Proprietary Information or Kregeltech Marks, (v) breach of this Agreement by Reseller, (vi) violation of any law, rule, regulation, statute or ordinance by Reseller or its officers, directors, employees and agents, and (vii) any tortious or unlawful act by Reseller or its officers, directors, employees and agents.

Section 6.09 – Employee Pirating: Reseller shall not induce or solicit, directly or indirectly, any Associate to leave the employ or hire of Kregeltech without the prior written consent of Kregeltech, which consent may be withheld in Kregeltech's exclusive discretion. Reseller shall not engage, directly or indirectly, the services of any Associate, as an employee, consultant, independent contractor or otherwise, without the prior written consent of Kregeltech, which consent may be withheld in Kregeltech's exclusive discretion.

Section 6.10 – Insurance: Reseller shall maintain, at its own expense, all necessary insurance, including (without limitation) workers compensation, disability, unemployment insurance, public liability, product liability, property liability, property damage and automobile liability insurance against all losses, claims, demands, proceedings, damages, costs, charges and expenses for injuries or damage to any person or property arising out of or in connection

with this Agreement or the Product, which are the result of the fault or negligence of Reseller

Section 6.11 – Sophistication: Reseller represents and warrants that Reseller has such knowledge and experience in financial and business matters that Reseller is independently capable of evaluating the merits and risks of the relationship with Kregeltech under this Agreement.

Section 6.12 – Service Warranty: The Services shall be performed on a reasonable efforts basis by qualified personnel in accordance with standard industry practices for similar services.

ARTICLE VII: TERMINATION

Section 7.01 – Termination Limitations: This Agreement shall only be terminated or cancelled as provided hereunder.

Section 7.02 – Term: This Agreement shall be valid for the Term.

Section 7.03 – Termination: Each party may terminate this Agreement for convenience upon providing One Hundred Eighty (180) days written notice of termination to the other.

Section 7.04 – Cancellation by Kregeltech: If Reseller violates any obligation under this Agreement including (without limitation) Reseller failure to pay an invoice when due and Reseller failure to comply with Article III of this Agreement, Kregeltech may, in the exclusive discretion of Kregeltech, cancel this Agreement by sending Cancellation Notice describing the violation to Reseller Upon receiving Cancellation Notice, Reseller shall have ten (10) days from the date of such notice to cure any such violation. If such violation is not cured within the required ten (10) day period, Kregeltech shall have the right to cancel this Agreement as of the eleventh (11th) day after the date of the Cancellation Notice.

Section 7.05 – Effect of Termination: Termination or cancellation of this Agreement shall terminate or cancel (as the case may be) this Agreement. Upon termination or cancellation of this Agreement, Reseller shall immediately (i) cease and desist any and all efforts to promote, advertise, market, distribute and ISSUE Registration Keys for the Product, (ii) cease and desist any and all use of the Kregeltech Marks, Proprietary Information and Advertisements, (iii) destroy all copies of Advertisements in the possession or control of Reseller, (iv) return all Marketing Materials and

Products in the possession or control of Reseller to Kregeltech, insured and shipped prepaid, and (v) provide Kregeltech with a certificate of compliance with this Section 7.05 signed by an authorized representative of Reseller

Section 7.06 – Invoices: Upon termination or cancellation of this Agreement, Kregeltech shall invoice Reseller for any amounts owed under this Agreement. Reseller shall pay any and all such invoiced amounts in full within thirty (30) days of the date of such invoice.

ARTICLE VIII: MISCELLANEOUS

Section 8.01 – Assignments: All assignments of rights under this Agreement by Reseller without the prior written consent of Kregeltech, which may be withheld in Kregeltech's exclusive discretion, shall be void.

Section 8.02 – Entire Agreement: This Agreement contains the entire understanding of the parties and supersedes previous verbal and written agreements between the parties concerning the subject matter of this Agreement.

Section 8.03 – Equitable Remedies: The parties hereby acknowledge that damages at law may be an inadequate remedy. In addition to all other remedies which may be available at law or equity, each party shall have the right of specific performance, injunction or other equitable remedy in the event of a breach of this Agreement.

Section 8.04 – Amendments and Modifications: Alterations, modifications or amendments of a provision of this Agreement shall not be binding unless such alterations, modifications or amendments are in writing and signed by an authorized representative of both Kregeltech and Reseller.

Section 8.05 – Severability: If a provision of this Agreement is rendered invalid, void, unlawful or unenforceable, the remaining provisions shall remain in full force and effect.

Section 8.06 – Continuation: The terms and provisions of Sections 7.05 and 7.06 and Articles I, III, V, VI, and VIII of this Agreement shall survive termination and cancellation of this Agreement.

Section 8.07 – Counterparts: This Agreement may be executed in multiple counterparts, each of which shall be an original, but which together shall constitute one and the same instrument.

Section 8.08 – Governing Law: This Agreement is governed by the laws of the State of Minnesota, without regard to any rules of conflict or choice of laws which require the application of laws of another jurisdiction, and venue shall be Hennepin County, Minneapolis Minnesota, United States of America.

Section 8.09 – Notice: Notices shall be in writing and shall be deemed delivered in person when delivered by courier, commercial express delivery service or mailed postage prepaid by Certified or Registered Mail – Return Receipt Requested – to the person and address designated on the signature page of this Agreement for Krengeltech and to the person and address designated on the signature page of this Agreement for Reseller. Notices shall be deemed given on the date of receipt - as evidenced in the case of Certified or Registered Mail by Return Receipt or in the case of commercial express delivery by written or electronic delivery confirmation.

Section 8.10 – Captions: The headings and captions of this Agreement are inserted for reference convenience and do not define, limit or describe the scope or intent of this Agreement or any particular section, paragraph, or provision.

Section 8.11 – Pronouns/Gender: Pronouns and nouns shall refer to the masculine, feminine, neuter, singular or plural as the context shall require.

Section 8.12 – Waiver: Waiver of breach of this Agreement shall not constitute waiver of another breach. Failing to enforce a provision of this Agreement shall not constitute a waiver or create an estoppel from enforcing such provision. Any waiver of a provision of this Agreement shall not be binding unless such waiver is in writing and signed by the waiving party.

Section 8.13 – Relationship of the Parties: Nothing herein shall be construed as creating a partnership or an employment relationship between the parties. Each party maintains its separate Corporation.

Section 8.14 -- Arbitration: Any controversy or claim arising out of or relating to this Agreement, or breach thereof, shall be settled by arbitration in accordance with Arbitration Rules of the American Arbitration Association in St. Paul, Minnesota. Judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction thereof. Three qualified Arbitrators shall be selected by the parties in accordance with the Arbitration Rules of the American Arbitration Association. Each party shall have the right of discovery as set forth in the Federal

Rules of Civil Procedure. The Arbitration shall be administered by the American Arbitration Association in St. Paul, Minnesota.

Section 8.15 – Litigation Expense: In the event of litigation or arbitration arising out of this Agreement, each party shall pay its own costs and expenses of litigation or arbitration (excluding fees and expenses of arbitrators and administrative fees and expenses of arbitration).

Section 8.16 – Assurances: Each party hereby represents and warrants that all representations, warranties, recitals, statements and information provided to each other in connection with this Agreement are true, correct and accurate as of the Effective Date to the best of their knowledge.

