ELITE SOFTWARE NETWORK LICENSE AND MONTHLY SUBSCRIPTION AGREEMENT  
(PER EVERY FIVE COMPUTERS)  
(Rev. 11/07)

THIS NETWORK LICENSE AND MONTHLY SUBSCRIPTION AGREEMENT (the “Agreement”) is to induce Elite Software, Inc., hereinafter referred to as ELITE, to license its network enabled property to the undersigned on a monthly subscription basis and the undersigned licensee of “Elite Salon & Spa Management™, hereinafter referred to as LICENSEE, acknowledges and agrees to the following provisions:

1. APPLICATION OF AGREEMENT. This Agreement applies to the following as of the date of this Agreement, the most recent release of, all previous releases of, and all future releases of the Elite Salon and Spa Management™ software program, without regard to the version of said software program (e.g., single operator version or unlimited operator version) and without regard to the name under which said software program is marketed (the “Software Program”), and any and all modules and components of the Software Program, including, but not limited to the network capabilities of the Software Program, and Elite Network Administrator™ (the “Components and Modules”) regardless of the release of the Components and Modules or the name under which the Components and Modules are marketed. The terms of this Agreement also apply to the physical security device that must be connected to the back of the computer in order for the Software Program to function, without regard to which version of the Software Program and which Components and Modules, if any, said physical security device is configured to enable (the “Security Device”). The Software Program, the Components and Modules, and the Security Device shall be collectively referenced herein as the “Elite Property”, unless otherwise defined.

2. TERMS OF USE. LICENSEE has the non-exclusive right to use the network enabled components of the Elite Property or five (5) network workstations per network license owned by LICENSEE. LICENSEE also has the non-exclusive right to use the documentation pertaining to the Software Program. The Software Program requires the network enabled Security Device to be connected to the back of the computer for the Software Program and its network capabilities to function. The purpose of the Security Device is to assist ELITE in controlling the sale, distribution, and use of illegal copies of the Elite Property. LICENSEE may NOT distribute copies of or documentation of the Elite Property to others. The actual network enabled Software Program, Components and Modules, and Security Device remain the property of ELITE. LICENSEE may not sell, lease, rent, or otherwise distribute the license to the Elite Property, including the manuals and documentation of same, to another person at any price. Although LICENSEE may make a backup copy of the Software Program and Components and Modules for LICENSEE’s own use, LICENSEE is not allowed to make unlimited copies. It is illegal to make copies of the Software Program, or Components and Modules, except for backups exclusively for LICENSEE’s use. The Software Program and Components and Modules are protected by the copyright laws pertaining to computer software. It is illegal to give copies of the Software Program, Components and Modules, or manuals and documentation of same to another person, or to duplicate the Software Program or Components and Modules by any other means, including electronic transmission. The Elite Property contains trade secrets and in order to protect such trade secrets LICENSEE may not decompile, reverse engineer, disassemble, or otherwise reduce the Elite Property to human-perceivable form. LICENSEE may not modify, adapt, translate, rent, lease, or create derivative works based upon the Elite Property or any part thereof.

3. DEFINITION OF NETWORKING. The license granted by this Agreement permits LICENSEE to run the network enabled Software Program on computers physically connected by a network cable and sharing ONE database. The network-ready features do not include any wide area network components. Such wide area network components, if developed by ELITE, will be subject to a separate license agreement. A wireless network configuration is not as stable as a physically wired network configuration and ELITE does not guarantee the performance of the network enabled features of the Elite Property on a wireless network.

4. QUALIFICATION FOR NETWORKING. LICENSEE must sign the “Elite Software License and Monthly Subscription Agreement,” and owe no outstanding balances, before LICENSEE can be licensed to use the network capabilities of the Software Program. This Agreement must be signed in exactly the same manner as found on the initial License and Monthly Subscription Agreement.

5. COST TO NETWORK. The Software Program is a network-ready program, and in order to enable the network-ready features, LICENSEE must pay a monthly network subscription fee of $45.00 per every five computers to be networked.

6. SECURITY DEVICE VALUE AND REPLACEMENT. The Security Device is ELITE’s property. The value of the Security Device is $300.00 plus $50.00 (the “Security Device Subscription Value”) for every network license (per every five computers) to which LICENSEE previously subscribed. If LICENSEE no longer has possession of the Security Device, ELITE will provide a replacement of the Security Device to LICENSEE at the price equal to the Security Device Subscription Value.

7. RELATIONSHIP. NOTE: THIS LICENSE TO USE THE NETWORK ENABLED FEATURES OF THE SOFTWARE PROGRAM IS ASSOCIATED WITH ONLY ONE (1) PARTICULAR LICENSE TO USE THE ELITE PROPERTY FOR THE LIFE OF THIS LICENSE. THIS LICENSE TO USE THE NETWORK ENABLED FEATURES OF THE SOFTWARE PROGRAM MAY NOT BE USED IN CONJUNCTION WITH ANY OTHER LICENSE TO USE THE ELITE PROPERTY. IF LICENSEE WISHES TO ENABLE THE NETWORK FEATURES OF A DIFFERENT LICENSE TO USE THE ELITE PROPERTY AND CANCEL THIS LICENSE, LICENSEE SHOULD CANCEL THIS LICENSE AS SET FORTH IN PARAGRAPH 17, HEREOF, AND EXECUTE A NEW NETWORK LICENSE SUBSCRIPTION AGREEMENT.
AFFILIATED WITH THE OTHER LICENSE TO USE THE ELITE PROPERTY. Additionally, the relationship between LICENSEE and ELITE will involve a series of steps:

(a) Initially, LICENSEE will provide payment towards the first month’s network subscription fee and this signed Agreement to ELITE. This Agreement can be faxed to ELITE at 352-335-4884, or mailed to 3324 W. University Avenue, #130, Gainesville FL 32607.

(b) Once this Agreement is received and approved by ELITE, ELITE will ship the software package containing the Software Program, and/or certain Components and Modules plus a Security Device to the address provided by LICENSEE in this Agreement, unless LICENSEE has already received the Security Device pursuant to the Elite Software, Inc. License and Monthly Subscription Agreement. To enable the network-ready features of the Software Program, LICENSEE must receive and install the Security Device to the Administrator computer. ELITE will then schedule an appointment, as set forth in Paragraph 23, to provide a code over the telephone to enable the networked features of the Elite Property.

(c) If LICENSEE has not received the Security Device prior to signing this Agreement, the relationship defined herein between ELITE and LICENSEE shall, in addition, be controlled by the provisions of the “Elite Software, Inc. License and Monthly Subscription Agreement”, pertaining to: i) an initial 10-day grace period, ii) the connection of the Security Device to LICENSEE’s computer, iii) the control of the Security Device through ELITE’s “authentication” process, and iv) the payment requirements as it relates to the subscription fee, including direct debit payments after five months from the date LICENSEE first signs the Elite Software, Inc. License and Monthly Subscription Agreement shall control the relationship between LICENSEE and ELITE.

8. SUSPENSION OF ACCOUNT. If LICENSEE is delinquent on any network subscription payments or other outstanding balances payable to ELITE, fails to sign the APS Agreement as outlined in the Elite Software, Inc. License and Monthly Subscription Agreement, or is in breach of this Agreement or any other agreement signed with ELITE, access to the Elite Property will be suspended until such matters are resolved. To resolve any such matters, LICENSEE shall contact the Elite Software Customer Service Department during the normal business hours set forth in Paragraph 22.

9. NO REFUNDS. ALL payments by LICENSEE to ELITE for the network subscription fee are final and non-refundable. Until LICENSEE cancels this Agreement, as specified in Paragraph 17, LICENSEE is responsible for paying the network subscription fee each month regardless of whether LICENSEE uses the Elite Property or not, or if codes to enable the network-ready features have not yet been provided by ELITE to LICENSEE.

10. PRICING AND TERMS OF PAYMENT. LICENSEE shall forward a monthly payment of $45.00 per every five computers to be networked (the “Network Subscription Fee”) by the twenty-fifth (25th) day of each month to be applied towards the following month’s network subscription fee. Regardless of the pricing and terms of payment applicable to LICENSEE, if payment is not received by the twenty-fifth (25th) day of the month, LICENSEE shall pay the Network Subscription Fee plus a late fee of $25.00, which shall be considered an additional Network Subscription Fee. Additionally, if any checks are returned unpaid from the bank, regardless of reason, LICENSEE shall pay a return fee of $35.00. ELITE reserves the right to deny any training or technical support to LICENSEE or suspend access to the Elite Property until LICENSEE fulfills any and all outstanding payment obligations to ELITE. If LICENSEE has not made a payment for an outstanding balance by the tenth (10th) day of the month following the month in which the payments were due, ELITE reserves the right to take any and all actions to remove the Elite Property and/or disable the use of the Elite Property from the hard drive of LICENSEE’s computer. If LICENSEE is still delinquent on any outstanding balances after ninety (90) days, LICENSEE authorizes ELITE to charge LICENSEE’s credit card, or directly debit LICENSEE’s bank account for any outstanding balances due. If ELITE is unsuccessful in collecting the outstanding balance via a credit card charge or direct debit, ELITE will immediately set LICENSEE’s account to inactive and refer the account to a collection agency. The collection agency will attempt to collect from LICENSEE all past due amounts in addition to $300.00 for each unreturned Security Device, plus $50.00 for every network license (per every five computers) to which LICENSEE refers the account to a collection agency. ELITE will then schedule an appointment, as set forth in Paragraph 23, to provide a code over the telephone to enable the networked features of the Elite Property.

11. DURATION OF AGREEMENT. This Agreement is a month-to-month agreement and may be cancelled by LICENSEE at any time, provided LICENSEE is current in all of LICENSEE’s obligations to ELITE, or by ELITE, at any time. ELITE may require LICENSEE to execute a new or updated Agreement at any time as a condition of LICENSEE’s continued subscription to the network enabled Elite Property. Should LICENSEE elect not to sign a new Agreement for use of the network enabled Elite Property, as required by ELITE, LICENSEE agrees LICENSEE will follow the terms of cancellation set forth herein in Paragraph 17.

12. NETWORKING USING SOFTWARE RELEASE UPGRADES. If LICENSEE should upgrade the Software Program, the network-ready features will also exist and function in all release upgrades. ELITE will require no additional charges pertaining to networking and the network-ready features of the Software Program from LICENSEE when LICENSEE upgrades to a more recent release of the Software Program.

13. PAYROLL MODULE IS NON-NETWORKABLE. The Elite Salon and Spa Payroll™ software program is NOT a network-ready program. However, payroll data can be transferred from the Elite Salon and Spa Management™ software program to the Elite Salon and Spa Payroll™ software program via external media, such as a USB flash drive. Data can also be received directly from the Elite Salon and Spa Management™ software program if the Elite Salon and Spa Payroll™ software program is run from the same computer used to store
14. AMENDMENTS TO AGREEMENT. ELITE may amend this Agreement after providing notice of the amendment to LICENSEE at least ninety (90) days prior to the effective date of the amendment and LICENSEE agrees LICENSEE’s failure to cancel this Agreement prior to the effective date of the amendment constitutes LICENSEE’s acceptance of the terms of said amendment. Notice of amendments will be provided by ELITE via at least one of the following methods: U.S. Mail, a message on ELITE’s EAVAC system, or a message provided by the Software Program at the time of a monthly “authentication date” update. ELITE has no obligation to notify the Account Holder/Third Party Payor hereunder of any amendments hereto prior to implementing such amendments.

15. OPTION TO PURCHASE. This is not a finance contract or a lease-to-own agreement. LICENSEE may elect to purchase the software license and discontinue the subscription option pursuant to the Elite Software, Inc. License and Monthly Subscription Agreement, provided LICENSEE agrees to purchase a software license for each of the licenses to which LICENSEE subscribes. In the event LICENSEE elects to purchase the unlimited operator license of the Elite Property and discontinue the subscription option pursuant to the Elite Software, Inc. License and Monthly Subscription Agreement, LICENSEE is no longer eligible to continue subscribing to the network license as it pertains to this Agreement. In such case, LICENSEE must sign the Elite Software License and Purchase Agreement regarding the unlimited operator version of the Elite Property and sign the Elite Software Network License Purchase Agreement regarding the license to use the network enabled Elite Property. Once LICENSEE purchases a license to use the Elite Property and signs the Elite Software License and Purchase Agreement AND the Elite Software Network License Purchase Agreement, the Elite Software, Inc. License and Monthly Subscription Agreement and this Agreement are no longer in effect. No previous payments made toward the network subscription fee will be applied to the purchase of the network license. LICENSEE is not permitted to discontinue the network subscription fee and purchase the network license unless LICENSEE also: i) discontinues the subscription fee as it pertains to the Elite Software, Inc. License and Monthly Subscription Agreement, and ii) purchases the license to use the Elite Property as it pertains to the Elite Software, Inc. License and Purchase Agreement.

16. ADDITIONAL LICENSES FOR USE OF ELITE PROPERTY. LICENSEE may subscribe to more than one license to use the network enabled features of the Elite Property. To subscribe to additional network licenses to use the network enabled features of the Elite Property, LICENSEE shall execute and return to ELITE an Elite Software, Inc. Network License and Monthly Subscription Agreement for each additional network license. As long as LICENSEE subscribes to a network license to use the network enabled features of the Elite Property, LICENSEE can only subscribe to, but not purchase, additional network licenses. ELITE reserves the right to limit the number of network licenses to which LICENSEE may subscribe. Pricing and terms of payment for additional network licenses to use the network enabled features of the Elite Property are set forth in Paragraph 10, hereof.

17. CANCELLATION.

a) If LICENSEE decides to cancel this Agreement AND continue LICENSEE’s subscription to ANY other software license from ELITE, LICENSEE agrees to: i) submit a completed Network License and Monthly Subscription Agreement Cancellation Request form (located in the Help screens of the Software Program) to ELITE via fax at 352-335-1300, or via U.S. Certified Mail, or other courier that provides written proof of delivery to the following address: Elite Software, Inc., 3324 W. University Avenue, #130, Gainesville, Florida, 32607, U.S.A., and ii) refrain from further use of the network enabled Elite Property. Once ELITE receives and approves the Network License and Monthly Subscription Agreement Cancellation Request, LICENSEE is responsible for contacting ELITE to have the Security Device reprogrammed from network enabled to stand-alone. Network Subscription Fees paid to ELITE pursuant to this Agreement, including Network Subscription Fees transferred from the bank account designed by LICENSEE for monthly automatic debit withdrawals pursuant to an APS Agreement to ELITE prior to the date the Security Device is reprogrammed to stand-alone by ELITE, will not be refunded to LICENSEE under any circumstances. Thus, if the Account Holder designated in said APS Agreement has agreed to ELITE debiting Account Holder's bank account for the monthly network subscription fee, then the Security Device must be reprogrammed to stand-alone by ELITE by the 25th day of a given month to avoid further debits to said bank account. Note: If LICENSEE is unable to contact ELITE for the purpose of reprogramming the Security Device to stand-alone, or LICENSEE no longer has possession of the Security Device, or ELITE is unable for whatever reason to reprogram the device to stand-alone, LICENSEE can still cancel this Agreement by signing the Network License and Monthly Subscription Agreement Cancellation Request form and submitting a payment in the form of a cashier’s check payable to “Elite Software, Inc.” that includes $300.00 plus $50.00 for every network license (per every five computers) to which LICENSEE previously subscribed, plus any outstanding balances.

b) If LICENSEE decides to cancel the network subscription license AND no longer subscribe to ANY other software license from ELITE, and LICENSEE decides to cancel this Agreement, LICENSEE agrees to: i) contact ELITE to request a return merchandise authorization (“RMA”) number, ii) complete the Network License and Monthly Subscription Agreement Cancellation Request forms (located in the Help screens of the Software Program), iii) refrain from further use of the network enabled Elite Property, iv) remove the Software Program and Components and Modules from the hard drive of the computer, v) destroy all copies of the Software Program and Components and Modules, and vi) return the Security Device in a padded and well sealed envelope and the Network License and Monthly Subscription Agreement Cancellation Request form, freight pre-paid by LICENSEE, with the RMA number clearly printed on the outside of shipping package, via U.S. Certified Mail, or other courier that provides written proof of delivery to the following address: Elite Software, Inc., 3324 W. University Avenue, #130, Gainesville, Florida, 32607, U.S.A, and insure the device with courier for the
amount of $300.00, plus $50.00 for every network license (per every five computers) to which LICENSEE previously subscribed, plus any outstanding balances payable to ELITE. ELITE will not accept any shipment not clearly displaying the RMA number on the outside of the package. **Network Subscription Fees paid by LICENSEE to ELITE, including Network Subscription Fees transferred from LICENSEE's bank account to ELITE pursuant to an APS Agreement, prior to the date the Security Device is received by ELITE from LICENSEE will not be refunded to LICENSEE under any circumstances. Thus, if Account Holder in said APS Agreement has previously given permission to allow ELITE to debit Account Holder's bank account for the monthly network subscription fee, then the Security Device must be RECEIVED by ELITE by the 25th day of a given month to avoid further debits to said bank account.** Note: If LICENSEE is unable to return the Security Device to ELITE, LICENSEE can still cancel this Agreement by signing both the License and Monthly Subscription Agreement Cancellation Request and Network License and Monthly Subscription Agreement Cancellation Request forms AND submitting a payment in the form of a cashier’s check payable to “Elite Software, Inc.” that includes $300.00 plus $50.00 for every network license (per every five computers) to which LICENSEE previously subscribed, plus any outstanding balances.

18. **EXCHANGING OR REPAIRING THE NETWORK SECURITY DEVICE.** If LICENSEE needs to return a Security Device to ELITE because it appears defective or damaged, or LICENSEE desires to exchange a parallel Security Device for a USB Security Device or a USB Security Device for a parallel Security Device, LICENSEE shall i) contact ELITE to request a return merchandise authorization (“RMA”) number, ii) complete the Subscription Customer Security Device Repair Order form (located in the Help screens of the Software Program), iii) ship the Security Device in a padded and well sealed envelope, freight pre-paid by LICENSEE, with the RMA number clearly printed on the outside of shipping package, to the following address: Elite Software, Inc., 3324 W. University Ave., #130, Gainesville, FL 32607, U.S.A., and iv) prepay $69.00 to be applied toward the “security device repair or exchange fee”. LICENSEE agrees to ship the Security Device via U.S. Certified Mail, or other reliable courier that provides written proof of delivery, insuring the Security Device with courier against loss or damage for the amount of $300.00, plus $50.00 for every network license (per every five computers) to which LICENSEE has previously subscribed. The “security device repair or exchange fee” of $69.00 may change from time to time and any changes are posted on Elite’s website -- http://www.elitesoftware.com/tech/tech.htm ELITE will not accept any shipment not clearly displaying the RMA number on the outside of the package. Once received, ELITE will verify the Security Device is the Security Device initially furnished by ELITE to LICENSEE using the unique serial number embedded in the Security Device, and verify LICENSEE has prepaid the “security device repair or exchange fee”. Upon verification, ELITE agrees to repair or exchange, and ship the Security Device back to LICENSEE free of charge, provided LICENSEE’s business is located within the 48 contiguous states of the United States. If LICENSEE’s business is in Hawaii, Alaska, Puerto Rico, the U.S. Virgin Islands, or any country outside the United States, LICENSEE agrees to pre-pay for the shipping costs incurred in shipping the Security Device from ELITE to LICENSEE.

19. **INDEMNIFICATION OF ELITE FOR SHIPPING RELATED DAMAGE AND LOSSES.** LICENSEE expressly indemnifies and holds harmless ELITE for any and all losses occurring during shipping of items to or from ELITE.

20. **LICENSE TRANSFER.** This network license is non-transferable or assignable by LICENSEE without the prior written consent of ELITE. If LICENSEE no longer desires to subscribe to this network license, LICENSEE must cancel this Agreement as set forth in Paragraph 17. If LICENSEE desires to transfer this license and the associated license to use ELITE will consider approval of the transfer of this network license in conjunction with an application to transfer the primary license for the Elite Property pursuant to the terms of transfer as set forth in the Elite Software, Inc. License and Monthly Subscription Agreement controlling LICENSEE’s use of the Elite Property. If LICENSEE’s request to transfer the software license pursuant to the Elite Software, Inc. License and Monthly Subscription Agreement is approved, transferee must sign a new Elite Software, Inc. Network License and Monthly Subscription Agreement, in addition to any other agreements required of such transfer, in order to use the network enabled features of the transferred Elite Property. If the transfer is NOT approved by ELITE, or LICENSEE does not cancel this Agreement, LICENSEE is still the responsible party under this Agreement.

21. **THIRD-PARTY CONSULTANT.** If LICENSEE employs the services of a third-party computer consultant or other technical personnel, for whatever reason, ELITE shall not be liable for any costs incurred as a result of such employment.

22. **ELITE’S HOURS OF OPERATION.** Hours of operation for the Sales and Customer Service Departments, are Monday through Friday from 10:00 a.m. to 6:00 p.m. Eastern Standard Time, excluding all holidays. Hours of operation for the Training Department are Monday through Friday from 10:00 a.m. to 6:00 p.m. Eastern Standard Time, excluding all holidays, and Saturday from 10:00 a.m. to 2:00 p.m. Eastern Standard Time, excluding all holidays. Hours of operation for the Technical Support Department are Monday from 9:00 a.m. to 6:00 p.m. Eastern Standard Time, excluding all holidays, Tuesday through Friday from 9:00 a.m. to 8:00 p.m. Eastern Standard Time, excluding all holidays, and Saturday from 10:00 a.m. to 2:00 p.m. Eastern Standard Time, excluding all holidays. ELITE’s hours of operation are subject to periodic change and these periodic changes will be posted on Elite’s website -- http://www.elitesoftware.com/tech/tech.htm.

23. **BASIC NETWORK TECHNICAL SUPPORT.** ELITE will provide free **basic network technical support** via the telephone to LICENSEE as long as LICENSEE is current on all subscription fees and other outstanding balances. **Basic network technical support** from ELITE regarding a network license is limited to: a) providing passwords enabling the network-ready features of the Software Program, b) supporting all areas within the Components and Modules, and c) assisting with the Security Device. Such support is available without additional charge to network subscription licensees. Such support is provided only during a pre-scheduled appointment made between ELITE’s technical support department and LICENSEE. Appointments may only be scheduled between the hours of 12 noon and 5:00 p.m. Eastern Standard Time, Monday through Friday, excluding holidays. The hours of operation of ELITE’s Technical Support Department are...
24. **EXTENDED NETWORK TECHNICAL SUPPORT.** If LICENSEE is unable or unwilling to find a qualified computer consultant, LICENSEE may request ELITE provide **extended network technical support**, which could involve assisting LICENSEE in mapping or sharing drives, setting up protocols, setting up Microsoft Windows users' accounts and security settings for such accounts, or handling other network-related problems. Such support is available at a fee of $150.00 per hour, limited to the hours of operation for the Technical Support Department outlined in Paragraph 22 hereof. These rates and hours of operation for extended network technical support are subject to periodic change and said changes will be posted on Elite’s web site, http://www.elitesoftware.com/tech/tech.htm. In addition to a payment to cover the fee for extended network technical support, LICENSEE agrees to pay for the cost of the long distance call at the rate provided by ELITE’s long distance telephone company plus any applicable taxes, if LICENSEE’s business is located outside the United States or Puerto Rico. Technical support refers to the guidance provided by an ELITE representative to its licensed customers over the telephone. All applicable networking protocols, shares, user permissions, security settings, and security policies must be configured by a qualified computer consultant prior to the prescheduled network appointment.

25. **ON-GOING PROBLEMS AND TECHNICAL SUPPORT.** Technical problems not directly related to the Software Program, such as the loss of network connections between computers, can only be handled by a qualified computer consultant hired by LICENSEE. If, however, LICENSEE is unable or unwilling to hire a consultant, or is not satisfied with the results provided by the consultant, LICENSEE can request **extended network technical support** from an ELITE representative. Refer to Paragraph 24 for more details.

26. **DATA CORRUPTION.** Data corruption from within the network enabled Software Program and Components and Modules could occur at any moment, and LICENSEE agrees to indemnify and hold harmless ELITE from any liability for such data corruption. To minimize problems possibly arising from such corruption, LICENSEE agrees to not use a wireless network configuration, and LICENSEE shall perform daily backups of LICENSEE's data to external media such as external hard drives or USB flash drives, and shall perform such backups using a different drive or flash drive for each day of the week LICENSEE is open for business. If LICENSEE happens to encounter data corruption and has no valid backup, LICENSEE may send or transfer corrupted data to ELITE for repair purposes under the provisions as set forth in the Elite Software, Inc. License and Monthly Subscription Agreement.

27. **LIMITATIONS.** ELITE reserves the right to limit its obligations in Paragraphs 22, 23, 24, 25, and 26, herein, to provide technical support and/or data corruption support to LICENSEE in support of a specific release of the network enabled Elite Property to a period ending no earlier than three years from the date that software release upgrade is made available by ELITE to all customers.

28. **LIMITED WARRANTY.** ELITE warrants the Security Device to be free from defects assuming normal use, for as long as LICENSEE subscribes to this network license to use the Software Program. In the event of notification within the warranty period of defects in materials and workmanship, the Security Device will be repaired as set forth in Paragraph 18, hereof, so long as LICENSEE mails, freight pre-paid by LICENSEE, the defective material to ELITE. The sole remedy for breach of this warranty is limited to the repair of the Security Device. The process for obtaining a repair to the Security Device is more particularly set forth in Paragraph 18, hereof.


THE LIABILITY OF ELITE OR ANY AGENT OF ELITE OR ANY CREATOR OF THE NETWORK ENABLED SOFTWARE PROGRAM, AND COMPONENTS AND MODULES UNDER THE LIMITED WARRANTY SET FORTH ABOVE SHALL BE LIMITED TO AND NOT EXCEED THE AMOUNT PAID BY LICENSEE FOR THE PROGRAM SOFTWARE MEDIA AND RELATED SOFTWARE AND MATERIALS. IN NO EVENT SHALL ELITE, OR ANY AGENT OF ELITE, OR ANY CREATOR OF THIS NETWORK ENABLED SOFTWARE PROGRAM, AND COMPONENTS AND MODULES, BE LIABLE FOR ANY LOSS OF PROFITS OR ANY OTHER DAMAGES INCLUDING BUT NOT LIMITED TO SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR OTHER DAMAGES. SOME STATES DO NOT ALLOW LIMITATIONS OR EXCLUSIONS OF LIABILITY OF THE ABOVE LIMITATIONS OR EXCLUSIONS MAY NOT APPLY TO LICENSEE.
29. **THIRD PARTY PAYOR.** LICENSEE shall remain the financially responsible party under this Agreement, even if LICENSEE’s financial obligations hereunder are being paid by a third party.

30. **WAIVER.** No act, delay, omission or course of dealing between LICENSEE and ELITE shall be a waiver of any of ELITE’s rights or remedies under this agreement. A waiver by ELITE of any rights or remedies under the terms of this agreement or with respect to any obligation on any occasion will not be a bar to the exercise of any right or remedy on any subsequent occasion. All rights and remedies of ELITE hereunder are cumulative and may be exercised singly or concurrently, and the exercise of any one or more of them will not be a waiver of any other.

31. **VENUE AND JURISDICTION.** Except in matters where exclusive subject matter jurisdiction is reserved in and to the federal courts, exclusive venue for any action arising from this Agreement shall lie in state court in Alachua County, Florida. If exclusive subject matter jurisdiction is reserved in and to federal courts, exclusive venue shall lie in the United States District Court Northern District of Florida, Gainesville Division. In either case, LICENSEE waives all objections to the personal jurisdiction of said courts over LICENSEE in any such actions.

32. **ENFORCEMENT OF INTELLECTUAL PROPERTY RIGHTS.** As additional consideration for ELITE agreeing to perform its obligations hereunder, LICENSEE shall and does waive any and all objections to the personal jurisdiction of the United State District Court, Northern District of Florida, Gainesville Division over LICENSEE in any action to enforce its copyright, trademark, and/or patent rights against LICENSEE pursuant to any applicable provision of the federal laws, acts, and regulations of the United States, including, but not limited to the United States Code. Gainesville, Alachua County, Florida shall be the exclusive venue for bringing any such actions.

33. **GOVERNING LAW.** This Agreement shall be governed by the laws of the State of Florida applied to contracts entered into in the State of Florida to be performed in the State of Florida by Florida residents.

34. **COSTS OF LITIGATION.** In the event of any legal action and its subsequent appeals between ELITE and LICENSEE arising from this Agreement, or otherwise, ELITE shall be entitled to recover its reasonable legal fees incurred if ELITE prevails in said legal action and its subsequent appeals. All delinquent sums due pursuant to this Agreement shall accrue interest at the rate of 1.5% per month.

35. **ASSIGNMENT.** This Agreement may be assigned by ELITE in which event ELITE shall be released from all duties and liabilities hereunder. LICENSEE shall not assign this Agreement to any other person or entity.

36. **MODIFICATION.** The terms of this Agreement may only be modified in writing signed by both parties, or by the terms of any subsequent modification by ELITE included in the printed or on-screen documentation accompanying any future releases of the Elite Property.

37. **INTERNATIONAL PROTECTION.** The intellectual property that is the subject of this license, including, but not limited to the Elite Property, is protected by US Copyright Laws and International Treaties, the violation of which may subject LICENSEE to liability for damages caused to ELITE by LICENSEE’s violations.

38. **AUTHORITY TO BIND ENTITY.** If LICENSEE is a corporation, limited liability company (LLC), limited partnership, or general partnership, then the person executing this Agreement is authorized to bind LICENSEE to the terms hereof, and this Agreement is not effective and binding until and unless Section C (Unconditional and Continuing Guaranty) is executed by a person acceptable to Elite.

39. **EFFECTIVE DATE.** The terms of this Agreement shall become effective on the date this Agreement is executed by LICENSEE and, if applicable, the Unconditional and Continuing Guaranty is executed by GUARANTOR, and both this Agreement and the Guaranty are subsequently accepted by ELITE.
FOLLOW THESE STEPS:

1.) Please initial the top of EACH page of this agreement.
2.) Fill in the blanks below and sign this agreement.
3.) Indicate whether payment is to be made with credit card, check or direct debit.
4.) Fax ALL pages of this form to 352 335-4884. If you do not have a fax machine, please mail to:
   Elite Software, Inc., 3324 W. University Avenue, #130, Gainesville, FL 32607, U.S.A.

SECTION A -- LICENSEE INFORMATION

THIS IS A LEGALLY BINDING AGREEMENT; PLEASE READ ALL PAGES. THIS AGREEMENT IS THE OBLIGATION OF
THE LICENSEE NAMED BELOW:

__________________________________________ ______________________________________________________
Signature of LICENSEE or LICENSEE’s Agent Printed Name of Person Signing (if NOT an individual or sole proprietor)

__________________________________________ ______________________________
Title of Person Signing  Date

__________________________________________ ______________________________  ____________________________  ____________________________
LICENSEE Address                                City  State  Zip Code

__________________________________________  ____________________________
Phone    Fax     E-mail address

LICENSEE listed above is a(n):  [   ] Individual/Sole Proprietorship     [   ] Limited Liability Company (LLC)
[   ] Limited Partnership     [   ] Corporation     [   ] General Partnership

*IMPORTANT, PLEASE READ FIRST: If Licensee is a corporation or an entity other than an individual, then the name of that corporation or entity MUST be printed as Licensee.
SECTION B -- PAYMENT OPTIONS FOR THE FIRST MONTH'S NETWORK SUBSCRIPTION FEE (Select One):

Select one of the payment options, below:

[ ] CREDIT CARD
I authorize Elite Software to charge my credit card in the amount of $45.00 to cover the cost of the first month’s network subscription fee for the license to use the network enabled features of the Elite Property on up to five computers, plus any applicable sales tax, and costs for shipping and handling fees. I understand and agree all sales are final and non-refundable regardless of whether LICENSEE uses the network enabled features of the Elite Property or not OR if codes to enable the network-ready features have not yet been provided by ELITE to LICENSEE. I have read and agree to the above terms and conditions of this Elite Software Network License and Monthly Subscription Agreement regarding payments and refunds.

Please charge my: __VISA      __MasterCard      __Discover      __American Express

________________________________________ __________
Credit Card Account Number     Exp. Date

________________________________________ ________________________________________  __________
Name as it appears on the card   Signature of Cardholder       Date

[ ] CHECK
My check in the amount of $45.00 is included with this order form to cover the cost of the first month’s network subscription fee for this license to use the network enabled features of the Elite Property on up to five computers, plus any applicable sales tax, and costs for shipping and handling fees. I understand and agree all sales are final and non-refundable regardless of whether LICENSEE uses the network enabled features of the Elite Property or not OR if codes to enable the network-ready features have not yet been provided by ELITE to LICENSEE. I have read and agree to the above terms and conditions of this Elite Software Network License and Monthly Subscription Agreement regarding payments and refunds.

________________________________________ __________
Signature of Account Holder    Date

[ ] DIRECT DEBIT
I have previously signed the Elite Software, Inc Automated Payment System (APS) Agreement and authorize ELITE to debit my bank account in the amount of $45.00 to cover the cost of the first month’s network subscription fee for this license to use the network enabled features of the Elite Property on up to five computers, plus any applicable sales tax, and costs for shipping and handling fees. I understand all debits made to my bank account are final and nonrefundable regardless of whether LICENSEE uses the network enabled features of the Elite Property or not OR if codes to enable the network-ready features have not yet been provided by ELITE to LICENSEE. I have read and agree to the above terms and conditions of this Elite Software Network License and Monthly Subscription Agreement regarding the payments and refunds.

________________________________________ __________
Signature of Account Holder    Date

[ ] C.O.D.
I agree to provide cash or a check in the amount of $45.00 to cover the cost of the first month’s network subscription fee, plus applicable sales tax, and costs for shipping to the courier driver once items are delivered to me. If I refuse to accept the C.O.D. delivery, I am still obligated to pay all shipping and handling fees associated with this order. I have read and agree to the above terms and conditions of this Elite Software, Inc. Network License and Monthly Subscription Agreement (per every 5 computers) regarding payments and refunds. I request Elite Software ship the software program and SCSD to the address above, under the payment term "check on delivery."

________________________________________ __________
Signature of Payor    Date
SECTION C – UNCONDITIONAL AND CONTINUING GUARANTY

The undersigned, individually, in order to induce ELITE to subscribe to the network enabled features of the Elite Property to LICENSEE hereby guarantees to ELITE the performance of the above named LICENSEE and all duties and obligations of LICENSEE including all network subscription fees, rents, monies, damages, expenses, court costs and attorneys’ fees incurred under the terms of this Network License and Monthly Subscription Agreement (“License Agreement”).

The undersigned Guarantor consents that the obligation of LICENSEE for the liabilities hereby guaranteed may be renewed, extended, modified, or released, or surrendered, all without affecting the obligations of the undersigned Guarantor. This Guaranty shall be construed as an absolute and unconditional Guaranty of payment and shall continue after the termination or cancellation of said License Agreement until all obligations and payments of LICENSEE are fully satisfied. ELITE may enforce this Guaranty without being obligated to resort first to any security or any other remedy against LICENSEE. Guarantor understands and agrees (s)he is not entitled to and shall not receive any notice on non-payment, non-performance or non-observance nor any proof, notice or demand and Guarantor expressly waives same.

This Guaranty is general and shall inure to, and may be relied upon and enforced by, any successor or assign of ELITE. The obligations of Guarantor shall be binding upon Guarantor and their successors and assigns. This Guaranty shall be governed by the laws of the State of Florida and Guarantor waives jury trial in any proceeding relating to said License Agreement or this Guaranty. Exclusive venue for any proceeding relating to said License Agreement or this Guaranty shall be in Alachua County, Florida and Guarantor waives objection to and submits to the personal jurisdiction of the state and federal courts of said location.

Guarantor executes this Guaranty in his/her individual and personal capacity and any title or corporate position or agency that may be indicated hereon is to be given no effect. Guarantor represents and warrants that the following information is true and correct, and authorizes the verification of same by reasonable means. Should any of the information provided below change during the life of this Guaranty, then Guarantor agrees to provide that updated information to ELITE in writing.

GUARANTOR NAME:___________________________________  SSN#__________________________________

PHYSICAL ADDRESS:___________________________________  DL#_______________________________

MAILING ADDRESS:___________________________________  PH#_______________________________

CITY/STATE/ZIP:_______________________________________   DOB_______________________________

____________________________________   _____________
Guarantor Signature     Date