

SOFTWARE MAINTENANCE AGREEMENT (SMA)

This Software Maintenance Agreement (“SMA”) is by and between Component Control.com, Inc. hereinafter, referred to as “Component Control”, and _____, hereinafter, referred to as the “Subscriber”.

Recitals

Whereas, the Subscriber wishes to use and obtain a license for the use of certain Component Control software; and

Whereas, the Subscriber wishes to receive software maintenance and customer support, software updates and upgrades provided by Component Control, all as specified below.

NOW, THEREFORE, in consideration of the mutual provisions contained herein, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

Article 1. Description of SMA Services Offered

1.01 **License:** Subscriber hereby agrees to all terms and conditions of the license agreement entered into between Component Control and the Subscriber (the “License Agreement”), which is fully incorporated herein. Subscriber agrees that all use of the Component Control software that it contracts and pays the appropriate license fee for shall be solely pursuant to the License Agreement. For purposes of this SMA, the term “Covered Software” means only the licensed modules specifically set forth on a Software Proposal entered into by Subscriber and Component Control which are subject to the License Agreement. For the avoidance of doubt, Covered Software only includes the licensed software package itself and does not include any Internet portals, EDI protocols, APIs or other interfaces required to interoperate the Covered Software with third party software or hardware and SMA Services expressly do not include any analysis, programming and testing of such Internet portals, EDI protocols, APIs or other interfaces. Any support for the foregoing and any other items that are not Covered Software shall be subject to Services Proposals as may be entered between the parties pursuant to the Basic Ordering Agreement between the Parties. All provisions of this Section 1.01 shall survive any termination or expiration of this SMA.

1.02 **SMA Services:** Provided the then-current SMA Subscription Fee (as defined below) is paid, Subscriber shall receive for the succeeding twelve (12) months (each such twelve (12) month period a “Maintenance Period”): (1) Customer Support Services as described and to the extent outlined in Article 2 below with respect to Covered Software; and (2) Covered Software upgrades and updates as discussed in Article 3 below (collectively “SMA Services”). The following exceptions apply to Component Control’s obligations to provide SMA Services during a Maintenance Period: (a) SMA Services to be provided under this SMA shall not cover the maintenance of any machines, computer hardware or equipment; (b) if Subscriber fails to follow all of Component Control’s installation, operation and maintenance instructions or comply with any of its obligations in this SMA or the License Agreement, then Component Control’s obligation to provide the SMA Services may be suspended until Subscriber complies with all such obligations to the satisfaction of Component Control.

1.03 **Subscriber’s Technical Representative:** Upon execution of this Agreement and for the benefit of both parties, Subscriber shall use commercially reasonable efforts to designate one (1) of its personnel as its technical representative who will be primarily responsible for directing and overseeing Subscriber’s activities pursuant to this SMA and for transmitting and receiving all material communications regarding this SMA on behalf of Subscriber. Subscriber’s technical representative shall possess the requisite skills and training as required to direct and oversee Subscriber’s activities pursuant

to this SMA. If the Covered Software includes Component Control's accounting module, then the Subscriber's technical representative or Customer's accounting personnel, as the case may be, shall additionally possess accounting training as required to set up and maintain the Covered Software general ledger and manage double entry accounting entries for Subscriber's business. Subscriber's technical representative shall direct all inquiries and questions regarding SMA Services and/or this SMA to Component Control's Customer Support department. Subscriber may change its designated technical representative at any time effective upon providing written notice to Component Control.

Article 2. Definition of Customer Support Services

2.01 **Purpose:** By entering into this SMA, Subscriber will receive during the Maintenance Period the SMA Services as more fully set forth herein, as well as integration set forth in Section 3.02. Subscription under this SMA also provides support in the event of a disaster as outlined in Section 3.03.

2.02 **Customer Support:** To the extent Subscriber is covered under this SMA, it may submit its Component Control Covered Software support questions via phone during normal Component Control business hours or via e-mail or directly from the "Support" section of Component Control's website or within the Quantum application. The preferred method for registering Customer Support calls is via Component Control's website that is available 24 hours a day and where Subscriber trouble calls can be documented to facilitate assignment to the proper resource. Customer support means generally answering questions about the operation of the Covered Software and providing error corrections to the Covered Software for any failure by the Covered Software to materially comply with its published specifications. Customer support expressly excludes any other services, such as custom programming, training, implementation services, interface development and testing, data services, data validation, and other professional services or activities. Customer support also excludes requests to balance or reconcile subscriber's General and Subsidiary ledgers and requests to correct or reverse data corruption or other ancillary data errors regardless of cause. Requests or questions relating to general accounting principles are considered Training and Implementation requirements and as such can be addressed under the Additional Services provision. Subscriber Customer Support requests will be answered as promptly as possible with a commitment that an initial response will be provided within six (6) hours after the request is properly submitted. Customer Support response time is based on Component Control standard Customer Support period, which begins each week Monday morning at 12:01AM and continues through 6:00PM Friday Pacific Standard Time, exclusive of holidays in the United States. Customer support will only be provided for Covered Software.

2.03 Additional Services:

2.03.1 **Professional Services:** Should a Subscriber issue be determined to require professional services, then Customer Support personnel will assign the issue to Component Control's Professional Services helpdesk which will be responsible to facilitate a services proposal from the appropriate resource (data services, network services, custom programming, training and consulting). Professional Services will be provided on a time and materials basis as more fully set forth in the services proposals.

2.03.2 **On-Site Professional Services:** In instances where Component Control determines that on-site Professional Services are needed, Component Control will provide a services proposal for such work. An on-site visit can be arranged to examine unresolved issues pursuant to such proposal upon Subscriber's approval. The cost of such a visit is not included within the terms of this SMA.

2.03.3 **After Hours Support:** After hours support is provided outside of the standard Customer Support period or on holidays in the United States by calling Component Control's on-call

Customer Support Representative at (619) 696-5400. This support outside of the standard Customer Support period or on holidays in the United States is available on a time and materials basis at a rate of \$175 per hour or issue with a minimum charge of one hour per support call.

2.04 **Subscriber's Cooperation:** Subscriber agrees to cooperate with Component Control in accepting technical recommendations and in adhering to Component Control Covered Software requirements relating to network design, hardware specifications and system configurations as may be published by Component Control in Covered Software documentation or on Component Control's website, or otherwise provided to Subscriber by Component Control.

Article 3. Software Updates and Upgrades

3.01 **Entitlement to Software Updates and Upgrades:** As long as the SMA Maintenance Fee is paid and this SMA is in effect, Subscriber shall be entitled to Updates (as defined below) and Upgrades (as defined below) for the Covered Software during the Maintenance Period. Updates shall be provided in the form of periodic minor modifications or maintenance releases designed to transmit Covered Software corrections or other modifications to correct errors, provide patches or bug fixes or minor enhancements ("Updates"). Upgrades shall be provided in the form of periodic major revisions or modifications which change the software utility or efficiency and/or which add features or functions ("Upgrades"). Upgrades shall include versions of the same database platform only as then-licensed by Subscriber, unless the Subscriber has paid for an additional license to use a different database platform. Under this SMA, the Subscriber shall receive during the Maintenance Period Updates and Upgrades from Component Control in the form of Covered Software releases are provided each 3-6 months during each Maintenance Period, to the extent possible, but at a minimum, annually during each Maintenance Period. Upgrades are available for download from the Component Control ftp site.

3.02 **Integration Activation:** Upon subscription under this SMA for SMA Services relating to the StockMarket, PartSearch App, EDI Services, Customer Portal, CAMP Integration, ILS Integration, QuickBooks Accounting Bridge, Avref and Government Procurement Integration and/or other similar services ("Third Party Services"), the integration of the Covered Software with these Third Party Services will remain during the Maintenance Period for so long as (a) such Third Party Services are available to Component Control for integration to the Covered Software, (b) the SMA agreement is in effect and (c) Subscriber separately obtains a license from and pays all fees to the corresponding Third Party Service provider as may be required to utilize such Third Party Services.

3.03 **Emergency Software Replacement/Disaster Recovery:** Provided the then-current SMA Subscription Fee is paid, and in the event that the Covered Software is lost due to hardware failure or other disaster, Subscriber shall receive a replacement copy of the then-current production release of the Covered Software, free of charge. Installation services are available for a fee in the event of hardware failure or other disaster.

Article 4. Payment of Fees

4.01 **Cost Basis - SMA Subscription Fee:** The Subscriber shall be entitled to the SMA Services only during a Maintenance Period and only upon commencement of payment of the SMA Subscription Fee. The "SMA Subscription Fee" for the initial Maintenance Period shall be equal to the "SMA Subscription Percentage" established at initial software purchase multiplied by the then-current list price for the Covered Software licensed from Component Control pursuant to the License Agreement, unless otherwise stated on the applicable Software Proposal. The cost of the SMA Services shall be proportionately increased if the Subscriber purchases additional software from Component Control, as provided below in Section 5.01, which additional software by this reference shall be added to "Covered

Software” upon payment of the additional SMA Subscription Fee covering such additional software. Based on the foregoing, the initial SMA Subscription Fee payable by the Subscriber shall be set forth in the Software Proposal or Maintenance Proposal, as the case may be, provided to Subscriber and may be adjusted as provided herein.

4.02 Payments: The SMA Subscription Fee is due and payable in 12 monthly installments beginning upon the first business day of the first full calendar month during the Maintenance Period and continuing each month thereafter on the same day (or if such day is not a business day, on the subsequent business day). Subscriber must provide a credit card or electronic automated debit account to Component Control for charging the monthly amount due under the SMA Subscription Fee hereunder. Subscriber shall provide Component Control with notice of any changes to its credit card or electronic automated debit account information as soon as practicable but in all events prior to the date of the next monthly installment of the SMA Subscription Fee hereunder.

4.03 Credit Card Authorization/Automatic Renewals: Subscriber hereby warrants that all SMA Subscription Fee charges incurred hereunder will be honored by the applicable credit card company or bank, as applicable. Subscriber hereby authorizes Component Control to charge the SMA Subscription Fee, as may be adjusted pursuant to this SMA, on a monthly basis to the credit card or electronic automated debit account on file with Component Control and to automatically renew the Maintenance Period until Subscriber terminates this SMA in writing by sending Component Control a written notice of termination at least thirty (30) days before the then current Maintenance Period.

4.04 Maintenance Period: For Covered Software licenses arising from Software Proposals that are entirely SMA-Required, the initial Maintenance Period begins upon the date of this Agreement. For all other Covered Software, the initial Maintenance Period begins upon Go-Live or 90 days from contract signing, whichever comes first or if specified differently in the SMA Services Proposal. “Go-Live” means the first use of the Covered Software in a production environment.

4.05 Renewals: Maintenance Periods are subject to automatic renewal unless Subscriber terminates this SMA in writing by sending Component Control a written notice of termination at least thirty (30) days before the then current Maintenance Period or unless earlier terminated in accordance with the terms of this SMA. Subscriber may extend the Maintenance Period for the Covered Software an unlimited number of times during the term of this SMA, subject to its terms and conditions. In the event Subscriber fails to make continued payment towards the SMA Subscription Fee for a new Maintenance Period prior to the expiration of any Maintenance Period, Subscriber may, upon Licensor’s consent, reinstate SMA Services by paying 150% of the SMA Subscription Fee for the Covered Software that is in arrears as well as the SMA Subscription Fee at the then current rate, for the then-current Maintenance Period. Failure to renew the Maintenance Period shall terminate the license to use certain Covered Software under the License Agreement (as more fully set forth therein), until reinstated as provided above. Upon reinstatement of a Maintenance Period, the license to the affected Covered Software (as more fully set forth in the License Agreement) shall resume in full force and effect under its terms.

4.06 Taxes: Subscriber shall be responsible for all sales, use and other taxes and all applicable duties, levies and export fees and similar charges imposed by any federal, state or local government entity on the SMA Services provided and fees paid under this SMA, excluding taxes based solely upon Component Control’s income.

Article 5. Adjustments to SMA Subscription Fee

5.01 Change in Subscription Level: If the Subscriber adds to its current Component Control Software License by purchasing additional users and/or modules, the additional SMA Subscription Fee will be calculated based to the SMA Subscription Percentage multiplied by the then-current list price of

the add-on modules and/or users, unless otherwise stated on the applicable Software Proposal. This additional SMA Subscription Fee will then be pro-rated for the months remaining on the current Maintenance Period. Upon the next renewal of Maintenance Period, the additional SMA Subscription Fee for all add-on modules and/or users purchased during the previous Maintenance Period will be added to the SMA Subscription Fee of the renewal Maintenance Period.

5.02 Annual Percentage Increase: Notwithstanding anything contained in the SMA to the contrary, to offset inflation and other increases in the cost of doing business, Component Control has the right to increase the SMA Subscription Fee (for the same Covered Software) by no more than 5% per annual Maintenance Period.

Article 6. System Requirements for SMA Services

6.01 System Requirements: To enable Component Control to remotely view and properly assess Subscriber's Customer Support problems and to allow file transfer of software updates and upgrades provided under this SMA, Subscriber must have a high speed Internet connection prior to receiving SMA Services and must enable remote access of its Covered Software installation to Component Control.

6.02 Exceptions: Component Control's obligations to provide the SMA Services hereunder shall not apply (i) if the Covered Software has been modified, changed or altered by anyone other than Component Control, unless authorized by Component Control in writing; (ii) if Subscriber is not operating or using the then-current version of the Covered Software that has been provided or made available by Component Control, or the immediate prior version of Covered Software (provided that the prior version of the Covered Software is not exhibiting known Bugs); (iii) if the computer hardware used in the operation of the Covered Software is not in good operating order or is not installed in a suitable operating environment; (iv) if the computer hardware and hardware configuration used in the operation of the Covered Software does not meet Component Control's recommended specifications, including, but not limited, the requirement to install and execute the Covered Software on a dedicated server, or if Subscriber does not otherwise adhere to Component Control's published Covered Software requirements relating to network design and system configurations; (v) if the Covered Software has been improperly installed or operated, and/or used in any way other than as contemplated by the License Agreement; (vi) if the Covered Software has been used, integrated or merged with any other software, peripheral device or other materials not supplied or approved by Component Control; and/or (vii) if the database is determined to be corrupt due to events that are not under Component Control's direct supervision. If any claims fall within any of the above exceptions, then, in addition to any SMA Subscription Fee paid by Subscriber hereunder, Subscriber shall also pay Component Control's costs of investigating and identifying the problem, and Component Control's expenses to repair or correct the problem, based on Component Control's then-current charges.

6.03 Access to Covered Software Installation: Subscriber hereby grants Component Control the right to access Customer's Covered Software installation as required by Component Control to provide SMA Services hereunder, to provide all integration with StockMarket sourcing community or other applicable Third Party Services and otherwise remotely administer the Covered Software, including, but not limited to, using the Stock Market Agent to collect inventory updates and update the StockMarket, and collecting transaction data for the purpose of aggregating and publishing statistical aggregate non-identifiable transaction data on the StockMarket. In addition, Subscriber hereby grants Component Control the right to access Customer's Covered Software installation to retrieve statistical information regarding Subscriber's use of the Covered Software to better assist Component Control in providing SMA Services hereunder.

Article 7. Default or Termination

7.01 **Default:** No SMA Services shall be rendered by Component Control to the Subscriber if any payment due to Component Control is not received in full by the Invoice due date. Furthermore, Component Control shall have the right to terminate this SMA, in part or in whole, upon the occurrence of any of the following: (i) immediately without notice upon the expiration of the Maintenance Period or of any renewal thereof; (ii) immediately upon the breach by the Subscriber of any of the terms contained herein, which, if curable, is not cured within ten (10) days after notice, by the Subscriber or (iii) immediately without notice upon termination of the License Agreement.

7.02 **Termination:** Failure to renew this SMA by continued payment of the SMA Subscription Fee, as provided above, will result in the termination of all services provided hereunder. Reinstatement of Subscriber support benefits will be made only as provided in Section 4.05 and the payment of the applicable SMA Subscription Fee, or upon the execution of a new SMA and the payment of the applicable SMA Subscription Fee. This SMA may also be terminated as provided in Section 9.11. Notwithstanding anything to the contrary herein, to the extent any Third Party Services available through any Covered Software (x) is terminated or otherwise no longer available to Component Control for integration or connectivity to the Covered Software or (y) the Subscriber fails to separately obtain a license from and pay all fees to the corresponding Third Party Services provider as may be required to utilize such Third Party Services, then, in each case, Licensor shall have the right to, upon notice to Subscriber with immediate effect and without any penalty or premium, cease providing the integration activation set forth in Section 3.02.

7.03 **License Termination:** The license to use certain Covered Software, as more fully set forth in the License Agreement, shall terminate until Subscriber has in place an effective SMA and Subscriber has made all payments that are due thereunder.

Article 8. Warranty

8.01 **Disclaimer:** COMPONENT CONTROL EXPRESSLY DISCLAIMS ALL WARRANTIES REGARDING THE COVERED SOFTWARE AND/OR ANY SERVICES PROVIDED BY COMPONENT CONTROL TO SUBSCRIBER, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS, OR BASED ON COURSE OF CONDUCT OR TRADE CUSTOM OR USAGE.

8.02 **Limitation On Liability:** NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, EXCEPT FOR SUBSCRIBER'S INDEMNIFICATION AND CONFIDENTIALITY OBLIGATIONS, NEITHER PARTY SHALL BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, WHETHER FORESEEABLE OR NOT, THAT ARE IN ANY WAY RELATED TO THIS SMA, THE BREACH THEREOF, THE USE OR INABILITY TO USE THE COVERED SOFTWARE, ANY COVERED SOFTWARE BUGS, THE RESULTS GENERATED FROM THE USE OF THE COVERED SOFTWARE, ANY TRANSACTIONS RESULTING FROM THIS SMA, LOSS OF GOODWILL OR PROFITS, LOST BUSINESS HOWEVER CHARACTERIZED AND/OR FROM ANY OTHER CAUSE WHATSOEVER. IN ADDITION, COMPONENT CONTROL'S ENTIRE LIABILITY TO SUBSCRIBER WHETHER IN TORT, CONTRACT OR OTHERWISE SHALL NOT EXCEED THE SMA SUBSCRIPTION FEE PAID BY SUBSCRIBER TO COMPONENT CONTROL UNDER THIS SMA FOR THE THEN CURRENT MAINTENANCE PERIOD.

Article 9. General Provisions

9.01 **Relationship of Parties:** Neither party is the agent or legal representative of the other party, and neither party has the right or authority to bind the other party in any way. This SMA creates no relationship as partners or a joint venture, and creates no pooling arrangement.

9.02 **Governing Law and Venue:** This SMA shall be interpreted and enforced under the laws of the State of California, without application of its conflicts or choice of law rules. Both Parties irrevocably submit to the jurisdiction of the state and federal courts located in San Diego, California for any action or proceeding regarding this SMA, and both parties waive any right to object to the jurisdiction or venue of the courts in San Diego, California.

9.03 **Assignment:** Neither party has the right to assign this SMA without the prior written consent of the other party, which will not be unreasonably withheld. In the event of a corporate reorganization, merger and/or acquisition, the Subscriber may assign its rights under this SMA to its successor in interest, subject to the written approval of Component Control, which may not be unreasonably withheld.

9.04 **Counterparts:** This SMA may be executed in several counterparts that together shall be originals and constitute one and the same instrument.

9.05 **Waiver:** The failure of either party to enforce any of its rights hereunder or at law shall not be deemed a waiver or a continuing waiver of any of its rights or remedies against the other party, unless such waiver is in writing and signed by the party to be charged.

9.06 **Severability:** If any provision of this SMA, or part thereof, is declared by a court of competent jurisdiction to be invalid, void or unenforceable, each and every other provision, or part thereof, shall nevertheless continue in full force and effect.

9.07 **Attorneys' Fees:** In the event a dispute arises regarding this SMA, the prevailing party shall be entitled to its reasonable attorneys' fees and expenses incurred in addition to any other relief to which it is entitled.

9.08 **Entire Agreement:** This SMA constitutes the entire agreement between the parties regarding the subject matter hereof, and supersedes all prior or contemporaneous understandings or agreements, whether oral or written. This SMA shall be modified or amended only by a writing signed by both Subscriber and Component Control. Notwithstanding the previous sentence, this SMA may be modified or amended by Component Control, from time to time, as required to comply with the specific SMA Services then being offered by Component Control. Any such modification shall be effective thirty (30) days following its delivery to Subscriber by Component Control.

9.09 **Authority:** The parties executing this SMA on behalf of Component Control and Subscriber represent and warrant that they have the authority from their respective governing bodies to enter into this SMA and to bind their respective companies to all the terms and conditions of this SMA.

9.10 **Force Majeure:** Other than for Subscriber's payment obligations, neither party shall be liable for any delay or nonperformance due to acts of God, natural casualties, war, terrorism, material shortages, transportation and communications delays, energy shortages and disruptions, trade embargoes, governmental regulations, strikes, civil unrest and/or other causes beyond the reasonable control of a party (a "Force Majeure Event"). If a Force Majeure Event occurs, the party whose performance is affected shall give the other party written notice within ten (10) days of such occurrence, detailing the circumstances of the Force Majeure Event and an estimate of the anticipated delay in performance. The

party whose performance is affected will use commercially reasonable efforts to develop a mutually acceptable work around plan in an attempt to minimize the impact of the Force Majeure Event. Performance shall be promptly resumed upon termination of the Force Majeure Event.

9.11 **Non-Solicitation.** Subscriber shall not directly or indirectly solicit or persuade any employee of Component Control to leave the service of Component Control for any reason, and/or hire or retain any such employee without the prior written approval of Component Control. In the event of a breach of the prohibition set forth in this Section 9.11 during the term of this SMA, Component Control shall have the right to immediately terminate this SMA upon written notice to Subscriber.

IN WITNESS WHEREOF, the parties have executed this SMA as of the date set forth below (“Effective Date”).

Company Name

Component Control

By: _____

By: _____

Date: _____

Date: _____