

K1X, INC. SUBSCRIPTION AGREEMENT

This K1x Subscription Agreement ("Agreement") is made and entered into as of **[Effective Date]** ("Effective Date") by and between K1x, Inc., a Delaware corporation with a principal place of business at 1 High Street Court, Morristown, NJ 07960 ("K1x"), and **[Client Name]**, a **[Entity Type]** with a principal place of business at **[Client Address]** ("Client").

A. K1x is the legal and beneficial owner of the Services (hereafter defined), and desires to license the Services to Client; and

B. Client desires to obtain a subscription to use those Services specifically identified in an applicable Order solely for its internal business purposes and subject to the terms and conditions of this Agreement.

NOW, THEREFORE, the parties agree as follows:

1. Definitions.

(a) "Documentation" means any user manuals or instructions for the Services provided to Client, whether provided online or in printed form.

(b) "Login IDs" means the confidential password(s) or other means provided by K1x to Client which permits access to and use of the Services by Client and its Users.

(c) "Order" means the Order attached to this Agreement which refers to this Agreement and describes the Services and any other terms agreed by the Parties.

(d) "Services" means any or all of the following K1x software applications as specifically set forth in the applicable Order such as: C-TRAC", K-1 Navigator, K-1 Analyzer, or any future applications K1x may develop to be specifically defined on the Order and corresponding Documentation, as well as any updates or modifications made to the Services.

(e) "Users" means the individuals to whom Client grants access to the Services via Client's Login IDs.

(f) "Website" means the website designed in the applicable Order through which Client and its Users may access the Services.

2. Grant of License; Ownership.

(a) Subject to Client's compliance with the terms of this Agreement, K1x grants Client a non-exclusive license to access and use the Services and the Documentation during the Term solely for Client's ordinary business purposes.

(b) Client acknowledges and agrees that K1x retains all right, title and interest in and to the Services and all associated materials, including (but not limited to) all K1x Confidential Information and technology used by K1x or provided to Client in connection with the Services. Other than as expressly set forth in this Agreement, no licenses, subscriptions or other rights in the Services are granted to Client. Client will preserve K1x's copyright or trademark notices on any and all web pages and forms generated via the Services.

(c) If Client or its Users provide any feedback, ideas, suggestions or other information relating to the Services, Client hereby assigns to K1x all right, title and interest thereto, including all intellectual property rights therein.

(d) Client hereby acknowledges that K1x may use, copy, store, host, display, transmit and process Client content and data as necessary for K1x to provide the Services as well as to test, support, enhance, develop or improve the Services in accordance with applicable law. Notwithstanding any term or condition in this Agreement, K1x acknowledges that it is subject to 26 U.S.C. § 6713 and 26 U.S.C. § 7216 and is a "tax return preparer" under 26 U.S.C. § 7216. Consequently, notwithstanding any other provision of this Agreement or any other agreement between the parties, K1x shall not use or disclose data except as expressly permitted under 26 C.F.R. § 301.7216-2.

(e) On or as soon as reasonably practicable after the Effective Date, K1x will provide the Login IDs to allow Users to access the Services. Client and its Users will safeguard the Login IDs. Client is responsible for all acts and omissions of Users and any Authorized Third Party (defined below) conducted using their Login IDs. Client will immediately notify K1x if it learns of any unauthorized use of any Login IDs or any other known or suspected breach of security related to the Services. Usage of the Services may be limited to a specific number of Users if so specified in the Order.

(f) Upon K1x's prior written approval (email acceptable), Client may allow one or more third parties ("Authorized Third Party") to use the Services strictly for Client's internal business operations and activities and subject to all restrictions of this Agreement; provided that Client will be liable for any and all acts or omissions committed by such Authorized Third Parties.

3. Restrictions.

(a) Client shall not, and shall not permit others to, assign, transfer, disclose, publish, disseminate, sublicense, rent, sell, distribute, redistribute the Services (in any format) to any other person or entity without the prior written consent of K1x. If Client obtains knowledge of any such prohibited actions, Client shall immediately notify K1x and remedy such prohibited activity.

(b) Client shall not: (i) create derivative works; (ii) attempt to reverse engineer, disassemble, decompile or decrypt the Services, or any portion thereof, (iii) create, generate or compile the data records of the Services, or any portion thereof, (iv) modify, debug, alter or enhance

the Services, (v) merge the Services into any other software or electronic media, (vi) engage in framing or linking involving the Website or Services, or (vii) aid or permit others to do so.

4. Client Obligations.

(a) Client is responsible for obtaining software, and Internet access services necessary to use or access the Website and the Services. K1x shall have no responsibility for any third-party software or hardware nor for any errors caused thereby.

(b) Client will be responsible for maintaining and updating its list of Users. Client will promptly inform K1x of any changes in Users which would necessitate the need for K1x to disable such User's access to the Services.

(c) Client is responsible for selecting individuals who are qualified to operate the Services on Client's equipment and are familiar with the information, calculations, and reports that serve as the input and output of the Services.

(d) Client and Users are subject to K1x's Acceptable Use Policy and Data Protection Addendum which can be accessed through K1x's trust center.

5. Fees.

Client shall pay to K1x the fees as set forth in each Order. Fees are exclusive of applicable sales, value added or other taxes, which K1x will add to its invoices as applicable. Client will pay K1x all fees within thirty (30) days of the date of the invoice. K1x may charge interest on overdue balances at the rate equal to the lesser of 1.5% per month or the highest rate allowed by law.

6. Warranties; Disclaimer.

(a) Each party represents and warrants that: (i) it has the authority to enter into this Agreement; and (ii) its execution and performance of this Agreement will not violate any agreement applicable to it. Client further represents and warrants that it will comply with all applicable laws, ordinances, rules, requirements and regulations, whether federal, state, local or foreign, in its use of the Services. K1x further warrants that the Services will be performed in accordance with provided documentation.

(b) THE SERVICES (INCLUDING ANY INTEGRATIONS, LINKS OR OTHER INTERFACES PROVIDED BY K1X) ARE PROVIDED "AS IS" WITHOUT WARRANTIES OF ANY KIND. K1X EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES, WHETHER EXPRESSED OR IMPLIED, INCLUDING BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF TITLE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, COMPLETENESS, CURRENTNESS, ACCURACY, NON-INFRINGEMENT OR THOSE ARISING BY STATUTE OR OTHERWISE IN LAW FROM A COURSE OF DEALING OR USE OR TRADE. K1X DOES NOT WARRANT THE PERFORMANCE OF THE SERVICES OR RESULTS CLIENT MAY OBTAIN BY

USING THE SERVICES. K1X DOES NOT WARRANT THAT THE OPERATION OF THE SERVICES WILL BE UNINTERRUPTED, ERROR FREE OR VIRUS FREE.

(c) K1X MAKES NO REPRESENTATION OR WARRANTY THAT THE SERVICES WILL BE INTEROPERABLE WITH, OR APPROPRIATELY FUNCTION WITH, ANY HARDWARE, OPERATING SYSTEM, OR OTHER SOFTWARE THAT IS POSSESSED OR USED BY CLIENT. THE SERVICES ARE NOT DESIGNED TO DETECT FRAUD, ERRORS, IRREGULARITIES, MALFEASANCE, OR DEFALCATION. CLIENT ACKNOWLEDGES AND AGREES THAT USE OF SERVICES CANNOT AND SHALL NOT GUARANTEE THAT FRAUD, ERRORS, IRREGULARITIES, MALFEASANCE, OR DEFALCATION WILL NOT OCCUR.

CLIENT ASSUMES FULL RESPONSIBILITY FOR THE SELECTION OF THE SERVICES TO ACHIEVE INTENDED RESULTS AND FOR THE CONFIGURATION, USE AND RESULTS OBTAINED FROM THE SERVICES. SPECIFICALLY, K1X IS NOT RESPONSIBLE FOR FEES TO DEFEND ANY TAX AUDITS, PENALTIES, INTEREST OR ANY OTHER COSTS ASSOCIATED FROM USE OF THE SERVICES.

7. Liability.

(a) Neither party will be liable for any special, incidental, consequential or other indirect damages, including lost profits, even if advised in advance of the possibility of such damages.

(b) Except with respect to the parties' indemnification obligations hereunder, or damages arising out of breach of Section 9 (Confidentiality) or a party's gross negligence or willful misconduct, each party's total aggregate liability under this Agreement, whether in contract, negligence, tort or otherwise, shall not exceed the fee paid by Client hereunder during the one (1) year period preceding the event giving rise to the claim.

8. Indemnification.

(a) K1x hereby agrees to defend, indemnify and hold Client harmless from and against any and all liabilities, losses, damages and expenses (including but not limited to attorneys' fees) (collectively "Liabilities") arising out of any claim that the Services, as provided by K1x, infringe a third party's intellectual property rights. The foregoing shall not apply to any claim caused by (i) the combination of the Services with any other product or service, (ii) any unauthorized use of the Services (iii) any modification of the Services by any person other than K1x or its authorized agents

(b) Client shall defend, indemnify, and hold K1x harmless from and against any Liabilities based upon or arising out of: (i) Client's or its User's negligence or willful misconduct and (ii) Client's use of the Services.

(c) The party seeking indemnification hereunder shall (i) give the indemnifying party prompt written notice of the claim, (ii) reasonably cooperate with the indemnifying party

(at the indemnifying party's expense) and (iii) permit the indemnifying party to control the defense and/or settlement of any such claim.

9. Confidentiality.

(a) "Confidential Information" means: (i) the Documentation, (ii) any material that is marked as "Confidential," (iii) the terms and conditions of this Agreement, and (iv) any and all other information that would reasonably be understood to be confidential based on the nature and circumstances surrounding its disclosure.

(b) Neither party will disclose the Confidential Information of the other party without its prior written consent. Notwithstanding the foregoing, a party may disclose Confidential Information to its employees, agents, contractors or advisers to the extent necessary to exercise its rights or perform its obligations hereunder, provided that such party shall be responsible for such individuals. The receiving party may also disclose Confidential Information to the extent required by law, provide that it provides the disclosing party with written notice thereof, if legally permissible.

10. Term and Termination.

(a) Unless earlier terminated as provided herein, this Agreement shall commence as of the Effective Date and will continue until the expiration or termination of the last active Order. The initial term of each Order ("Initial Term"), and any renewal thereof ("Renewal Term" which together with the Initial Term shall be the "Term"), shall be as set forth in the applicable Order.

(b) Either party may terminate this Agreement for material breach following thirty (30) days' prior written notice with an opportunity to cure within such notice period.

(c) Either party may terminate this Agreement, on written notice, if any proceedings in bankruptcy, reorganization, receivership, or insolvency shall be commenced by or against the other party or its property or assets, or a trustee, receiver, or liquidator is appointed for the other party or a substantial part of its assets, or if the other party becomes insolvent, or ceases paying its obligations as they mature or makes any assignment for the benefit of its creditors.

11. Effects of Termination.

(a) Upon the expiration or termination of this Agreement, Client shall (i) promptly destroy or return to K1x (at Client's expense) any and all K1x Confidential Information and all material containing the Services, and any and all related Documentation; (ii) expunge from its data storage facilities all data or information from the Services; (iii) upon request, certify in writing to K1x Client's compliance with this Section, and (iv) pay to K1x any accrued, unpaid fees for the period prior to termination if such fees are owed to K1x.

Notwithstanding the foregoing, upon the parties' mutual agreement and for an agreed upon price, K1x may provide to Client a copy of the data contained within the Services. K1x may retain a copy of any Client data in the Services for a seven-year period, but K1x shall maintain the data as confidential in encrypted format, and thereafter destroy the data using industry-standard secure means.

(b) Termination of this Agreement will terminate all Orders, unless the parties agree in writing.

(c) All provisions of this Agreement which, by their nature or express terms, continue beyond the termination hereof, shall survive termination or expiration of this Agreement.

12. Assignment.

Neither party may assign this Agreement without the prior written consent of the other party, except that either party may assign the Agreement to an affiliate or in connection with a merger, reorganization, acquisition, transfer, or sale of all or substantially all of its assets; provided, however, that Client may not assign this Agreement (by operation of law or otherwise) to a competitor of K1x without K1x's prior written consent. A permitted assignment hereunder will not relieve the assignor of its obligations under this Agreement.

13. Maintenance and Support.

K1x will provide the Service Levels as specified in its Service Level Agreement which can be accessed in K1x's trust center.

14. General.

(a) Independent Contractor Relationship. The parties are and will be independent contractors to one another, and nothing herein will be deemed to cause this Agreement to create an agency, partnership, or joint venture between the parties. Nothing in this Agreement will be interpreted or construed as creating or establishing the relationship of employer and employee between the parties.

(b) No Third-party Beneficiaries. Nothing in this Agreement, express or implied, is intended or will be construed to confer upon any person other than the parties hereto any right, remedy or claim under or by reason of this Agreement.

(c) No Fiduciary Duties. K1x is not a fiduciary to Client with respect to the negotiation, preparation or execution of this Agreement and K1x will not have or be subject to any liability to Client or any other person resulting from the distribution to Client, or Client's use of, any information not contained in this Agreement.

(d) Force Majeure. Except for payment obligations, neither party will be in breach of this Agreement or otherwise liable for any failure or delay in the performance of obligations if

such delay or failure results from events, circumstances or causes beyond its reasonable control and which that party cannot reasonably prevent or overcome. The time for performance of such obligations shall be extended accordingly.

(e) Waiver. A waiver of any right or remedy is only effective if given in writing and shall not be deemed a waiver of any subsequent right or remedy. A delay or failure to exercise, or the single or partial exercise of, any right or remedy shall not waive that or any other right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy.

(f) Notices. All notices, consents, requests, demands and other communication required or permitted hereunder will be in writing and will be deemed effective immediately upon the receipt thereof, as evidenced by a written record of delivery from (i) a nationally recognized overnight courier for the next business day delivery, (ii) certified or registered mail or (iii) a signed delivery receipt in the case of delivery by hand. However, K1x may, at its option, post in the Services any notices from K1x regarding the Services, the Data Vendors, or the Third-Party Data. All such communications will be sent to the parties in accordance with the applicable Order.

(g) Severability. The provisions of this Agreement shall be severable and, if any provision of this Agreement is held or declared to be illegal, invalid, or unenforceable, such illegality, invalidity, or unenforceability will not affect any other provision hereof, and the remainder of this Agreement, disregarding such invalid portion, will continue in full force and effect.

(h) Response to Legal Process. If K1x is requested by Client, any third party, or any other person or entity, by subpoena, investigation, other legal process, or other request to produce documents or testimony pertaining to Client or the Services, and K1x is not named as a party in the proceeding, Client will pay K1x for its professional time, out-of-pocket expenses, costs, and fees, as well as reasonable attorney fees, incurred in responding to such request.

(i) Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware.

(j) Entire Agreement; Amendment. This Agreement and any Orders constitute the entire agreement between the parties with respect to its and their subject matter and supersede any previous agreement or understanding between the parties. This Agreement may not be changed or modified except through a written and properly executed instrument in writing entered into by duly authorized representatives of the parties.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the Effective Date.