

LICENCE AND SUPPORT AGREEMENT

Date: _____

Deep Blue: Deep Blue Systems Limited of Unit 1 Lawrence Parade, Swan Street
TW7 6RG.

Dealer: _____ of _____

Software: Deep Blue's "Pacific" software as described in the Schedule to this Agreement ("Product Description") and as such may be replaced from time to time under this Agreement.

Number of Users: _____

Quarterly Fee: £ [150] (exclusive of VAT) (subject to increase under clause 3.2).

1. Supply of Software and Price Lists

- 1.1 Following signature of this Agreement, Deep Blue shall supply Dealer with a copy of the Software and with a copy of the Price Lists.
- 1.2 Although Dealer will be supplied with a CD-Rom with price lists for all franchises supported by the Software, Dealer shall only install or use the Price Lists listed above onto the Dealer's Computer.

2. Updates

- 2.1 Deep Blue shall use reasonable endeavours to supply to Dealer updates of the Price List within a reasonable time of any revision being received by Deep Blue. Deep Blue shall also use reasonable endeavours to supply a comprehensive update of the Price Lists on a quarterly basis. However, Deep Blue shall not be obliged to provide any updates of Price Lists whilst Dealer is in default of its obligation to pay Quarterly Fees.
- 2.2 Deep Blue may from time to time issue a new release of the Software either to improve functionality (in which case Deep Blue may also reissue a new revised Product Description) or to correct errors. Dealer shall use, and Dealer's licence extends only to, the then current release of the Software.

3. Fees and Payment

- 3.1 Dealer shall pay the Quarterly Fees in advance on a quarterly basis. Dealer shall pay the first Quarterly Fee on signature of this Agreement and each subsequent Quarterly Fee within 14 days of receipt of Deep Blue's invoice.
- 3.2 The Quarterly Fee may be changed by Deep Blue on any anniversary of the commencement of this Agreement by Deep Blue giving Dealer at least 45 days prior notice.
- 3.3 All sums payable under this Agreement are expressed exclusive of VAT which shall be paid at the time and in the manner prescribed by law.
- 3.4 If Dealer fails to pay the Quarterly Fee to Deep Blue on or before the due date, then such sum shall bear interest from the due date until the date on which payment is made (irrespective of whether the date of payment is before or after any judgement) at the rate of 4% per annum above National Westminster Bank Plc base rate from time to time.
- 3.5 Dealer shall pay all amounts due to Deep Blue in full without any deduction or withholding and shall not assert any credit or set-off or counterclaim against Deep Blue in order to justify the withholding of the whole or part of any such amount.

4. Duration

- 4.1 This Agreement shall commence on the date of this Agreement and shall continue until terminated under this clause 4 or under clauses 7 or 8.
- 4.2 Either Deep Blue or Dealer may terminate this Agreement by giving at least 30 days written notice to the other to expire on an anniversary of the date of this Agreement.

5. Licence

- 5.1 Deep Blue grants Dealer a non-exclusive and non-transferable right to install and run the Software and to install and use the Price Lists as permitted by this Agreement.
- 5.2 Dealer may load the Software and the Price List and use them only on computers at the Dealer's address set out above for Dealer's own internal business only.
- 5.3 The licence is limited to the number of concurrent users set out above. Dealer and Deep Blue may agree in writing an increase to the number of concurrent users but this will depend on an increase to the Quarterly Fee (in accordance with Deep Blue's standard price list from time to time) for the then current quarter and for subsequent quarters to reflect the additional number of concurrent users.
- 5.4 Dealer may not nor permit others to:
 - 5.4.1 use, copy or transfer the Software or the Price Lists except as expressly permitted by this Agreement;
 - 5.4.2 distribute, rent, loan, lease, sub-licence or otherwise deal in the Software or the Price Lists;
 - 5.4.3 alter, adapt, merge, modify or translate the Software in any way for any purpose, including, without limitation, for error correction;
 - 5.4.4 reverse-engineer, disassemble or decompile the Software except as provided in section 50B of the Copyright, Designs and Patents Act 1998.

6. Warranty and Liability

- 6.1 Deep Blue warrants that the media on which the Software or the Price Lists are delivered are free from defects in materials and workmanship under normal use for a period of 90 days after the date of supply. If a defect in such media occurs and the media is returned to Deep

Blue in such 90 day period, Deep Blue shall replace it free of charge.

- 6.2 Deep Blue warrants that the Software will perform substantially in accordance with the Product Description (as reissued from time to time) (provided that the Software is properly used on the computer and with the operating system for which it is designed). If Deep Blue is notified of any breach of this warranty (such notification to contain a documented example of the breach), Deep Blue shall use reasonable endeavours to correct the Software and provide Dealer with a corrected version of the Software free of charge. For non-critical breaches, Deep Blue may provide a work-around for the Software. This is Dealer's sole remedy for breach of this warranty.
- 6.3 Deep Blue warrants that the Price Lists supplied to Dealer are accurate at the date of supply but Deep Blue shall have no liability under this warranty if the inaccuracy originated in data supplied to Deep Blue by the relevant manufacturer or other supplier. If Dealer notifies an error in the Price List to Deep Blue, Deep Blue shall correct and replace it free of charge. This is Dealer's sole remedy for breach of this warranty.
- 6.4 Subject to clause 6.6, Deep Blue's total liability to Dealer in relation to this Agreement whether for breach of contract, misrepresentation (except for any made fraudulently), tort (including negligence) or otherwise, arising out of or in connection with this Agreement is limited to the total amount of Quarterly Fees actually received by Deep Blue from Dealer.
- 6.5 Subject to clause 6.6, Deep Blue shall not be liable for any indirect, special, incidental or consequential loss including without limitation loss of profits, even if advised of the possibility of such loss.
- 6.6 The liability of Deep Blue to Dealer for death or personal injury resulting from negligence shall not be limited.
- 6.7 The warranties and remedies set out in this Agreement are exclusive and in lieu of all others, oral or written, express or implied, and without limitation, no terms as to quality or fitness for a particular purpose are given or are to be implied.

7. Intellectual Property

- 7.1 Dealer acknowledges that copyright, database rights and all other intellectual property rights in any country in respect of the Software is and shall remain vested in Deep Blue and that the copyright, database rights and all other intellectual property rights in any country in the Price Lists and other price lists supplied with the Price Lists belongs to either Deep Blue or third parties. Dealer obtains no rights in them except the right to use them as expressly granted in this Agreement.
- 7.2 Dealer shall give Deep Blue immediate notice of any claim that use of the Software or the Price List infringes the intellectual property rights of any third party. Deep Blue shall have the right to replace or change all or any part of the Software in order to avoid any infringement and if such replacement or change is, in Deep Blue's opinion, not possible, or not possible on reasonable commercial terms, Deep Blue may terminate this Agreement by giving notice to that effect. Deep Blue shall in those circumstances refund to Dealer a pro-rata portion of the Quarterly Fee for the then current quarter.

8. Termination

- 8.1 Deep Blue may terminate this Agreement by giving immediate notice in the event that any Quarterly Fee is not paid within 30 days of being due.
- 8.2 Either Dealer or Deep Blue may terminate this Agreement with immediate effect by giving notice to the other ("the Defaulting Party") if;
 - (a) the Defaulting Party is in breach of any of its obligations under this Agreement and, if

the breach is capable of remedy, it has continued unremedied for a period of 30 days after the other party has given notice to the Defaulting Party specifying the breach and the steps required to remedy it; or

(b) the Defaulting Party shall have a receiver or an administrative receiver appointed over it or over any part of its undertaking or assets or shall pass a resolution for winding up (otherwise than for the purpose of a bona fide scheme of solvent amalgamation or reconstruction) or a court of competent jurisdiction shall make an order to that effect, or if the Defaulting Party shall become subject to an administrative order or shall enter into any voluntary agreement with its creditors or shall cease or threaten to cease to carry on business.

- 8.3 On termination of this Agreement (howsoever caused) Dealer shall immediately cease use of the Software and its documentation. Dealer shall immediately return to Deep Blue all copies of the Software and of the Price Lists, including the copies on the CD-Roms on which the Software or Price Lists have been supplied, and shall delete all copies on Dealer's computers.
- 8.4 The termination of this Agreement (however caused) shall; (i) be without prejudice to any other rights or remedies which either Dealer or Deep Blue may be entitled to under this Agreement or at law; (ii) not affect any accrued rights or liabilities which either Dealer or Deep Blue may then have; and (iii) not affect the coming into or continuance in force of any provision of this Agreement which is expressly or by implication intended to come into or continue in force after such termination.

9. Notices

All notices to be given under this Agreement shall be in writing and shall be sent by first class post or facsimile. However, if either party sends a notice under this Agreement by facsimile, it shall also send the original notice by post, posted first class within twenty four hours of the transmission of the relevant facsimile. All notices sent by post shall be sent to the address of the other party set out in this Agreement (or to such other address as either party may notify to the other under the provisions of this subsection). Any notice given under this Agreement which is sent by post in accordance with this subsection which is not returned to the sender as undelivered shall be deemed to have been received two days after posting. Any notice given under this Agreement which is sent by facsimile in accordance with this subsection shall be deemed to have been received on the date of transmission.

10. General

- 10.1 Deep Blue shall not be liable for any delay or failure to perform any of its obligations under this Agreement if such delay or failure is due to any cause beyond its reasonable control.
- 10.2 This Agreement constitutes the entire agreement between Dealer and Deep Blue and supersedes any other oral or written communications, agreements or representations with respect to its subject matter. No addition to or modification of this Agreement shall be effective unless it is in writing and signed by Dealer and Deep Blue.
- 10.3 No delay or failure on the part of either party to exercise or to enforce any right given to it by this Agreement or at law, or any custom or practice of Dealer and/or Deep Blue at variance with the terms of this Agreement shall constitute a waiver of either Dealer's or Deep Blue' respective rights under this Agreement or operate so as to prevent the exercise or enforcement of any such right at any time.
- 10.4 If any provision of this Agreement is held to be invalid or unenforceable, in whole or in part, that provision or part shall to that extent be deemed not to form part of this Agreement. However, the validity and enforceability of the remainder of this Agreement shall not be affected.

- 10.5 Dealer may not assign the whole or any part of this Agreement or the Licence. Deep Blue may assign the whole or any part of the burden or benefit of this Agreement without restriction.
- 10.6 This Agreement shall be governed by and construed in accordance with English law and Dealer and Deep Blue submit to the non-exclusive jurisdiction of the English courts.

**Deep Blue Systems
Limited**

Dealer

Name

Name

Position

Position

Schedule

Pacific Product Description

The Pacific Dealer Management System is designed to help in the day to day running of a modern retail shop or automotive dealership, taking on many responsibilities which otherwise would be carried on by the dealer.

Pacific covers the four key aspects of a Dealers Business. The sections are as follows:

- Counter Sales/Point of Sale
- Vehicle/Equipment Sales/Purchases
- Workshop
- Stock/Order Management.

In addition to these sections Pacific also maintains customer and motorcycle records including complete transaction histories.

Point Of Sale

Pacific provides the facility to quickly sell parts over the counter, generating an invoice/receipt and reducing stock levels/ordering parts as required.

Vehicle/Equipment Sales/Purchases

Pacific allows vehicles and major equipment to be bought or sold through the system, recording: sale price, mileage (where applicable), accessories/extra's and insurance cost details. On second hand machine/equipment sales Pacific can also calculate the VAT payable using the special second hand vehicle scheme.

Workshop

Pacific maintains full service histories for all vehicles/equipment in its database, allowing the user to generate job sheets and invoices.

Stock

Pacific maintains accurate stock records and provides the functionality to automatically re-order stock when and as required. Users can also add new product lines or alter existing lines.

Customer Database

Customer's name, address and telephone numbers can be retrieved and stored via Pacific's comprehensive search facilities.

Orders

Pacific manages all orders from various suppliers allow you to start new orders and monitor outstanding orders.

Transaction Records

Pacific also provides facilities for the following transactions: Invoice, Pro-Forma Invoice, Mail Order, Service, Estimates, Estimate Repairs, MOT, vehicle/equipment Purchase, vehicle/equipment Sales. Each transaction is recorded with the paying customers name allowing you to review transaction histories at will.