# EXHIBIT G CANNON HYGIENE SOFTWARE LICENSE AGREEMENT

## **EXHIBIT G**

# **CANNON HYGIENE FRANCHISING (USA) INC.**

# **CANNON HYGIENE SOFTWARE LICENSE AGREEMENT**

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## **EXHIBIT G**

# **CANNON HYGIENE FRANCHISING (USA) INC.**

## **CANNON HYGIENE SOFTWARE LICENSE AGREEMENT**

THIS AGREEMENT is made and entered into this day of,, between CANNON HYGIENE FRANCHISING (USA) INC., a Delaware corporation with its principal office at, (hereinafter referred to as "Licensor") and
whose principal address is, (hereinafter referred to as "Licensee").
WITNESSETH:
WHEREAS, Licensor has the right and authority to grant the license herein granted; and
WHEREAS, Licensee desires to acquire the license herein granted;
NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties hereby agree as follows:
I. GRANT OF LICENSE
1.01 Grant of License
Licensor agrees to grant and hereby grants to Licensee a nontransferable, nonexclusive single-site license for the use of those various computer programs, system documentation manuals and other materials (hereinafter collectively referred to as "Cannon Hygiene Software") supplied by Licensor to Licensee.
1.02 Revisions, Additions and Deletions
Licensor may, from time to time, revise the Cannon Hygiene Software or any part thereof, and in so doing, incurs no obligation to furnish such revisions to Licensee. Licensor reserves the right to add and/or delete, at its sole and exclusive discretion, computer programs and/or features to the Cannon Hygiene Software. Should Licensor furnish Licensee with revisions or additions to the Cannor Hygiene Software, Licensor specifically reserves the right to charge Licensee for same at such prices and on such terms as Licensor may determine in its sole and exclusive discretion, including, without limitations, any costs associated with installation of equipment, data systems, software, etc.
1.04 Rights of Licensor
Licensee recognizes that the Cannon Hygiene Software and all additional materials and information, including but not limited to all processes, ideas, data and printed material, are supplied to Licensee subject to the proprietary rights of Licensor. Licensee agrees with Licensor that the Cannon Hygiene Software and all information and/or data supplied by Licensor in any form, including but not limited to machine-readable and/or printed form, are trade secrets of Licensor, are protected

Initials: Licensor \_\_\_\_ Licensee \_\_\_\_

by civil and criminal law, and by the law of copyright, are very valuable to Licensor, and that their use and disclosure must be carefully and continuously controlled.

## 1.05 Title

Licensor retains title to the Cannon Hygiene Software, the system documentation manuals, and/or additional materials and information furnished by Licensor in any form (including but not limited to object, machine-readable and/or printed form). Licensee shall keep each and every item to which Licensor retains title free and clear of all claims, liens and encumbrances except those of Licensor, and any act of Licensee, voluntary or involuntary, purporting to create a claim, lien or encumbrance on such an item shall be void.

## II. TERM

2.01 This License Agreement is effective from the date hereof and shall remain in full force so long as Licensee remains a Franchisee in good standing under and pursuant to that Franchise Agreement entered into by and between Cannon Hygiene Franchising (USA) Inc. and Licensee, dated \_\_\_\_\_\_, \_\_\_\_ (hereinafter the "Franchise Agreement") which Franchise Agreement is, by this reference, incorporated herein as though set forth in full.

#### **III. RESTRICTIONS ON LICENSEE**

## 3.01 Single-Site Use

The Cannon Hygiene Software licensed, and other materials provided hereunder shall be used only on a single central processing unit (referred to as the "CPU") and its associated networked peripheral units at the same site. Use of a program shall consist either of copying any portion of the program from storage of units or media into the CPU, or the processing of data with the program, or both. All programs, documentation and materials in any form (including but not limited to object, machine-readable and/or printed form) supplied under this license shall be kept in a secure place, under access and use restrictions satisfactory to Licensor, and not less strict than those applied to Licensee's most valuable and sensitive programs.

## 3.02 Copies

Licensee agrees that while this license is in effect, or while Licensee has custody or possession of any property of Licensor, it will not (1) copy or duplicate, or permit anyone else to copy or duplicate, any physical or magnetic version of the Cannon Hygiene Software or other information furnished by Licensor in any form (including but not limited to object, machine-readable and/or printed form); (2) create or attempt to create, or permit others to create or attempt to create, by reverse engineering or otherwise, the source programs or any part thereof from the object program or from any other information made available under this license or otherwise (whether oral, written, tangible or intangible).

The foregoing notwithstanding, any Cannon Hygiene Software or additional material which is provided by Licensor in any form (including but not limited to object, machine-readable and/or printed form) to Licensee may be copied, in whole or in part, solely for the use by the Licensee at Licensee's above-said address, for archive or emergency restart purposes, to replace a worn copy, or to understand the contents of such machine-readable material, provided, however, that no more than three (3) printed copies and three (3) object or machine-readable copies will be in existence under this

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license at any one time without prior written consent from Licensor. The original, and any copies, in whole or in part, of Cannon Hygiene Software and/or additional materials supplied to Licensee by Licensor, which are made hereunder, shall be property of Licensor.

Licensee shall keep any such copies and the original at Licensee's above-said address, except that the Licensee may transport or transmit a copy or the original of any licensed program to another location for back-up use when required by CPU malfunction, provided the copy or original is destroyed and returned to Licensee's above-said address when the malfunction is corrected.

#### 3.03 Modification

Licensee agrees that while this license is in effect, or while Licensor has custody or possession of any property of Licensor, it will not modify, translate or enhance the Cannon Hygiene Software.

## 3.04 Transfer of Software

If Licensee transfers possession of any copy, modification, translation or merged portion of the Cannon Hygiene Software to another party, such attempt at transfer is void and this license is automatically terminated.

## IV. PROTECTION AND SECURITY

## 4.01 Non-Disclosure

Licensee shall not disclose, publish, translate, release, transfer or otherwise make available the Cannon Hygiene Software, or any part thereof, or any other materials furnished by Licensor, in any form, to any person, without the written consent of Licensor, which may be withheld with or without cause, in Licensor's sole and exclusive discretion. Licensee agrees that it will take all necessary action including, but not necessarily limited to, instructing and entering into agreements with all of Licensee's employees, agents, representatives, affiliates, subsidiaries, and/or other third persons/entities associated with Licensee to protect the copyright and trade secrets of Licensor in and to those materials licensed hereunder and to assure Licensee's compliance with its obligations under this Agreement. The provisions of this Section 4.01 shall survive the termination of this Agreement.

Licensee understands and agrees that Licensor may from time to time adopt such mechanical or other electronic methods that Licensor deems necessary (in its sole and exclusive discretion) to prevent the unauthorized use and/or distribution of the Cannon Hygiene Software.

## 4.02 Off-Site Communications Lines

Licensee shall not permit the computer programs licensed hereunder to be transmitted over any off-site communications lines for any purpose.

## V. UNAUTHORIZED ACTS

**5.01** Licensee agrees to notify Licensor immediately of the unauthorized possession, use or knowledge of any item supplied through this license and of other information made available, to Licensee under this Agreement, by any person or organization not authorized by this Agreement to have such possession, use or knowledge. Licensee shall promptly furnish full details of such possession, use or knowledge to Licensor, shall assist in preventing the recurrence of such possession, use or knowledge, and shall cooperate with Licensor in any litigation against third parties

Page 3	Initials:	Licensor	Licensee
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deemed necessary by Licensor to protect its proprietary rights. Licensee's compliance with this paragraph shall not be construed in any way as a waiver of Licensor's rights to recover damages or obtain other relief against Licensee for its negligent or intentional harm to Licensor's proprietary rights, or for breach of contractual rights.

#### VI. INSPECTION

**6.01** To assist Licensor in the protection of its proprietary rights, Licensee shall permit representatives of Licensor to inspect at all reasonable times any location at which items supplied hereunder are being used or kept.

## **VII. ASSIGNMENT OF LICENSE RIGHTS**

## 7.01 Assignment by Licensor

Licensor shall have the right to assign this Agreement, and all of its rights and privileges hereunder, to any person, firm, corporation or other entity provided that, with respect to any assignment resulting in the subsequent performance by the assignee of the functions of Licensor: (i) the assignee shall, at the time of such assignment, be financially responsible and economically capable of performing the obligations of Licensor hereunder, and (ii) the assignee shall expressly assume and agree to perform such obligations.

## 7.02 Assignment by Licensee

With respect to Licensee's obligations hereunder, this License Agreement is personal, being entered into in reliance upon and in consideration of the singular personal skill and qualifications of Licensee, and the trust and confidentiality reposed in Licensee by Licensor. Therefore, neither Licensee's interest in this Agreement, nor any of his rights or privileges hereunder, may be assigned, sold, transferred, shared, redeemed, sublicensed or divided, voluntarily or involuntarily, directly or indirectly, by operation of law or otherwise, in any manner, without the prior written consent of Licensor. Any actual or attempted assignment, transfer or sale of this Agreement, or any interest therein, or of the franchised business, made or accomplished in violation of the terms of this Article VIII shall be null and void and shall constitute an incurable breach of this Agreement by Licensee, and, in that event, this Agreement shall automatically terminate without further notice.

#### VIII. INJUNCTION

**8.01** If Licensee attempts to use, copy, modify, license, or convey the items supplied by Licensor hereunder, in a manner contrary to the terms of this Agreement or in competition with Licensor or in derogation of Licensor's proprietary rights, whether these rights are explicitly herein stated, determined by law or otherwise, Licensor shall have, in addition to any other remedies available to it, the right to injunctive relief enjoining such action, the Licensee hereby acknowledging that other remedies are inadequate. Said right to injunctive relief shall exist independent of and notwithstanding anything to the contrary contained in Article X hereof.

Initials:	Licensor	Licensee

#### IX. DEFAULT AND TERMINATION

## 9.01 Termination

Licensor reserves the right to immediately terminate this License Agreement, at Licensor's sole and exclusive discretion, should Licensee breach any term hereof or of the Franchise Agreement. Said termination shall be without prejudice to any right or claims Licensor may have, and all rights granted hereunder shall forthwith revert to Licensor, and Licensee shall immediately thereafter return to Licensor all property of and/or materials supplied by Licensor.

The termination or expiration of this Agreement or of the Franchise Agreement for any reason whatsoever shall not relieve Licensee of its obligations of confidentiality, protection and security hereunder, or of the restriction on copying and use as provided herein, with respect to the Cannon Hygiene Software.

Upon termination or expiration of this Agreement or of the Franchise Agreement for any reason, Licensee shall immediately return to Licensor the Cannon Hygiene Software, including, without limitation, all computer software, disks, tapes and other magnetic storage media (and any future technological substitutions therefor) in good condition (allowing for normal wear and tear).

## 9.02 Cross-Default

Any default or breach by Licensee of any other agreement between Licensor, its parent, or the subsidiary, affiliate or designee of either entity and Licensee shall be deemed a default under this Agreement, and any default or breach of this Agreement by Licensee shall be deemed a default or breach under any and all other agreements between Licensor and Licensee. If the nature of such default under any other agreement would have permitted Licensor to terminate this Agreement had said default occurred hereunder, Licensor shall have the right to terminate all of the other agreements between Licensor and Licensee in the same manner provided for herein for termination of this Agreement.

## X. BINDING EFFECT

**10.01** Licensee agrees that this Agreement binds the named Licensee and each of its employees, agents, representatives and persons associated with it. This Agreement further binds each affiliated and subsidiary firm, corporation, or other organization and any person, firm, corporation or other organization with which the Licensee may enter a joint venture or other cooperative enterprise.

## XI. SECURITY INTEREST

11.01 Licensee hereby gives to Licensor a security interest in and to the Cannon Hygiene Software and other materials furnished hereunder as security for the performance by the Licensee of all its obligations hereunder, together with the right, without liability, to repossess said Cannon Hygiene Software and other materials, with or without notice, in the event of default in any such obligation.

## XII. WAIVER OR DELAY; AMENDMENT

## 12.01 Waiver or Delay

No waiver or delay in either party's enforcement of any breach of any term, covenant or condition of this Agreement shall be construed as a waiver by such party of any preceding or succeeding breach, or any other term, covenant or condition of this Agreement; and, without limitation upon any of the foregoing, the acceptance of any payment specified to be paid by Licensee hereunder shall not be, nor be construed to be, a waiver of any breach of any term, covenant or condition of this Agreement.

## 12.02 Amendment

This Agreement may not be amended orally, but may be amended only by a written instrument signed by the parties hereto. Licensee expressly acknowledges that no oral promises or declarations were made to him and that the obligations of Licensor are confined exclusively to the terms herein.

#### XIII. DISCLAIMER

13.01 LICENSOR WARRANTS AND REPRESENTS THAT IT HAS THE AUTHORITY TO EXTEND THE RIGHTS GRANTED TO LICENSEE HEREIN. THIS EXPRESS WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, OF FITNESS OR ADEQUACY FOR ANY PARTICULAR PURPOSE OR USE, OF QUALITY OR PRODUCTIVENESS OR CAPACITY, IT IS SPECIFICALLY UNDERSTOOD AND AGREED THAT THE LICENSE. Cannon Hygiene SOFTWARE AND OTHER INFORMATION MADE AVAILABLE HEREUNDER BY LICENSOR ARE MADE AVAILABLE ON AN "AS-IS" BASIS. LICENSOR SHALL NOT BE LIABLE (WHETHER IN CONTRACT, WARRANTY, TORT, OR OTHERWISE) TO LICENSEE, THIRD PARTIES, OR ANY OTHER PERSON CLAIMING THROUGH OR UNDER LICENSEE, FOR ANY DAMAGES OR EXPENSES, INCLUDING BUT NOT LIMITED TO, ANY CONSEQUENTIAL DAMAGES, INCIDENTAL DAMAGES, LOST PROFITS AND/OR LOST BUSINESS, ARISING OUT OF OR IN CONNECTION WITH ANY USE, OR INABILITY TO USE, ANY OF THE LICENSED Cannon Hygiene SOFTWARE, MATERIALS OR INFORMATION FURNISHED, WHETHER CAUSED BY DEFECT, NEGLIGENCE, BREACH OF WARRANTY, DELAY IN DELIVERY OR OTHERWISE, EVEN IF LICENSOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR EXPENSES. FURTHER, NO OBLIGATION OR LIABILITY SHALL ARISE OR FLOW OUT OF LICENSOR'S RENDERING OF TECHNICAL OR OTHER ADVICE IN CONNECTION WITH THE Cannon Hygiene SOFTWARE OR ANY EQUIPMENT USED THEREWITH.

## XIV. LIMITATION OF LIABILITY

14.01 Licensor's liability for damages hereunder, regardless of the form of action, shall not exceed the cost of replacement of the software licensed hereunder. This shall be Licensee's sole and exclusive remedy. No action, regardless of form, arising out of any party's obligations under this Agreement may be brought by either party more than one (1) year after the cause of action has accrued, except that an action for nonpayment may be brought within one year of the date of last payment.

Page 6	Initials:	Licensor	Licensee

#### XV. SEVERABILITY

**15.01** If any provision or provisions of this agreement shall be held to be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

## XVI. GOVERNING LAW; VENUE

16.01 This Agreement; all relations between the parties; and, any and all disputes between the parties, whether sounding in contract, tort, or otherwise, is to be exclusively construed in accordance with and/or governed by (as applicable) the law of the State of state whose law controls~ without recourse to New York choice of law or conflicts of law principles. Any litigation arising out of or related to Agreement; any breach thereof; the relations between the parties; and, any and all disputes between the parties, whether sounding in contract, tort, or otherwise, will be instituted exclusively in a court of competent jurisdiction in New York, New York. Licensee agrees that any dispute as to the venue for this litigation will be submitted to and resolved exclusively by a court of competent jurisdiction situated in New York, New York.

## XVII. COSTS OF ENFORCEMENT; ATTORNEYS' FEES

## 17.01 Costs of Enforcement

Licensor shall be entitled to recover from Licensee reasonable attorneys' fees, experts' fees, court costs and all other expenses of litigation, in the event that Licensor prevails in any action instituted against Licensee in order to secure or protect those rights inuring to Licensor under this Agreement, or to enforce the terms hereof.

## 17.02 Attorneys' Fees

If Licensor becomes a party to any litigation or other proceeding concerning this Agreement by reason of any act or omission of Licensee or his authorized representatives and not by any act or omission of Licensor or any act or omission of its authorized representatives, or if Licensor becomes a party to any litigation or any insolvency proceedings pursuant to the bankruptcy code or any adversary proceeding in conjunction with an insolvency proceeding, Licensee shall be liable to Licensor for reasonable attorneys' fees, experts' fees and court costs incurred by Licensor in such litigation or other proceeding regardless of whether such litigation or other proceeding or action proceeds to judgment. In addition, Licensor shall be entitled to add all costs of collection, interest, attorneys' fees and experts' fees to its proof of claim in any insolvency proceedings filed by Licensee.

## **XVIII. SUBMISSION OF AGREEMENT**

**18.01** The submission of this Agreement does not constitute an offer and this Agreement shall become effective only upon the execution hereof by Licensor and Licensee. The date of execution by the Licensor shall be considered the date of execution of this Agreement.

THIS AGREEMENT SHALL NOT BE BINDING ON LICENSOR UNLESS AND UNTIL IT SHALL HAVE BEEN ACCEPTED AND SIGNED BY AN AUTHORIZED OFFICER OF LICENSOR. LICENSEE HAS READ ALL OF THE FOREGOING AGREEMENT AND HEREBY ACCEPTS AND AGREES TO EACH AND ALL OF THE PROVISIONS, COVENANTS AND CONDITIONS THEREOF.

Page 7	Initials:	Licensor	Licensee

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date and year first above written.

Dated:	LICENSEE:
Attest:	If a corporation:
Witness/Date	(Name of Corporation)
	Ву:
	Its(Title)
	(Print Name)
	If an individual:
	(Signature)
	(Print Name)
	(Signature)
	(Print Name)
Dated:	LICENSOR:
Attest:	CANNON HYGIENE FRANCHISING (USA) INC.
Ву:	Ву:
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Initials: Licensor \_\_\_\_ Licensee \_\_\_\_