



RESELLER AGREEMENT

Reseller Name: _____
Address: _____
City/State/Zip: _____
Reseller Tax ID: _____
Reseller Phone: _____
Reseller Authorization Number: _____

This Agreement is between Blue Sky POS Inc. ("COMPANY") and the reseller named above ("Reseller") and establishes the terms and conditions for Reseller's participation in the Blue Sky POS Reseller Program (the "Program"). Under the Program, COMPANY will provide marketing and promotional support to Reseller as specified in this Agreement related to Reseller's purchase of COMPANY'S products for resale.

1. Reseller Qualification

1.1 In order to ensure adequate technical and marketing support to end users, eligibility to resell COMPANY products is subject to meeting certification requirements as described in the Program Materials attached hereto as Attachment B. These Program Materials contain a detailed description of requirements of a Reseller under this program. Reseller agrees to not sell COMPANY products without arranging for adequate postsales support.

2. Relationships

2.1. Reseller is an independent contractor engaged in purchasing COMPANY products for resale to its customers. Reseller is not an agent or legal representative of COMPANY for any purpose, and has no authority to act for, bind or commit COMPANY.

2.2. Reseller has no authority to make any commitment on behalf of COMPANY with respect to quantities, delivery, modifications, interfacing capability, suitability of software or suitability in specific applications. Reseller has no authority to modify the warranty offered with COMPANY products. Reseller will indemnify COMPANY from liability for any modified warranty or other commitment by Reseller not specifically authorized by COMPANY.

2.3. Reseller will not represent itself in any way that implies Reseller is an agent or branch of COMPANY. Reseller will immediately change or discontinue any representation or business practice found to be misleading or deceptive by COMPANY immediately upon notice from COMPANY.

3. Term, Limitations, Termination

3.1. The term of this Agreement is twelve (12) months from the date of acceptance by Reseller and COMPANY. This Agreement shall automatically renew on each subsequent year for a one-year term, unless it is terminated earlier in accordance with this Agreement.

3.2. COMPANY or Reseller may terminate this Agreement without cause at any time upon thirty (30) days written notice or with cause at any time upon fifteen (15) days written notice, except that neither the expiration nor earlier termination of this Agreement shall release either party from any obligation which has accrued as of the date of termination.

3.3. COMPANY may, from time to time, give Reseller written notice of amendments to this Agreement. Any such amendment will automatically become a part of this Agreement thirty (30) days from the date of the notice, unless otherwise specified in the notice.

3.4. Upon expiration, non-renewal or termination of this Agreement, all interests in accrued marketing funds (if any and if applicable) will automatically lapse.

4. Reseller Programs

4.1. COMPANY'S Reseller program may contain various participation levels. Further, COMPANY may invite Reseller from time to time to participate in the co-operative advertising, market development and promotional programs offered by COMPANY as defined in the Program Materials or amendments. Reseller may, at its option, participate in such programs during the term of this Agreement. COMPANY reserves the right to terminate or modify such programs at any time at its sole discretion.

4.2. Reseller shall exert best efforts to market COMPANY products, and shall use all promotional materials supplied by COMPANY. It is Reseller's responsibility to help its customers determine which system configuration would best serve their needs.

4.3. As defined in the Program Materials, Reseller shall have sufficient technical knowledge of the COMPANY products in general, and will have access to appropriate COMPANY sales and technical training.

4.4. COMPANY does not represent that it will continue to manufacture any particular item or model of product indefinitely or even for any specific period. COMPANY specifically reserves the right to modify any of the specifications or characteristics of its products, to remove any product from the market, and/or to cease manufacturing or supporting it.

4.5. Reseller is expected and encouraged to advertise and promote the sales of COMPANY products through all appropriate media including trade show exhibits, catalogs and direct mailings, space advertising, educational meetings, sales aids, etc. COMPANY will assist Reseller in advertising and promoting COMPANY products in accordance with COMPANY'S policy.

5. Limitation of Liability

UNDER NO CIRCUMSTANCES, INCLUDING ANY INFRINGEMENT CLAIMS, SHALL COMPANY BE LIABLE TO RESELLER OR ANY OTHER PARTY FOR ANY RE-PROCUREMENT COSTS, LOST REVENUE OR PROFITS OR FOR ANY OTHER SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, EVEN IF COMPANY HAS BEEN INFORMED OF SUCH POTENTIAL LOSS OR DAMAGE.



6. Use of COMPANY Trademarks

6.1. Reseller acknowledges the following:

- 6.1.a. COMPANY owns all right, title and interest in the Blue Sky POS names and logotypes.
- 6.1.b. COMPANY is the owner of certain other trademarks and tradenames used in connection with certain product lines and software.
- 6.1.c. Reseller will acquire no interest in any such trademarks or tradenames by virtue of this Agreement, its activities under it, or any relationship with COMPANY.

6.2. During the term of this Agreement, Reseller may indicate to the trade and to the public that it is an Authorized Reseller of the COMPANY'S products. Reseller may also use the COMPANY trademarks and tradenames to promote and solicit sales or licensing of COMPANY products if done so in strict accordance with COMPANY'S guidelines. Reseller will not adopt or use such trademarks or tradenames, or any confusingly word or symbol, as part of its company name or allow such marks or names to be used by others.

6.3. At the expiration or termination of this Agreement, Reseller shall immediately discontinue any use of the PRODUCT and COMPANY names or trademarks or any other combination of words, designs, trademarks or tradenames that would indicate that it is or was a reseller of the COMPANY products.

7. Product Warranty

7.1. The warranty terms and conditions will be as specified in the PRODUCT Standard Terms and Conditions of Sale.

7.2. COMPANY'S WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES WHETHER EXPRESS, IMPLIED OR STATUTORY INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

8. Software Licenses

8.1 The Reseller will incorporate the COMPANY'S Software License Agreement and Software Maintenance Agreement in its sales agreements with end users. Copies of which are included in Attachment C. COMPANY may request copies of Reseller sales agreements with end users at its discretion. Reseller will also ensure end user's ongoing compliance with the COMPANY'S Software License and Maintenance Agreements and promptly report any non-compliance to COMPANY .

8.2 One or more components of equipment Reseller purchases may contain COMPANY'S software programs built into their firmware. Reseller's purchase of that equipment includes a non-exclusive license to sub-license the firmware to an end user only as part of the equipment and only under the following conditions: (a) COMPANY retains all title and ownership to the programs; (b) the firmware may not be copied, disassembled, decompiled or reverse engineered under any circumstances; and (c) Reseller will only transfer possession of the programs in conjunction with a transfer of equipment request.

9. Proprietary Information

9.1 COMPANY and Reseller shall each exercise due diligence to maintain in confidence and not disclose to any third party any proprietary information furnished by the other to it on a confidential basis and identified as such when furnished. Except in accordance with this Agreement, neither party shall use such information without permission of the party that furnished it. As used in this paragraph, "due diligence" means the same precaution and standard of care that party uses to safeguard its own proprietary data, but in no event less than reasonable care. The provisions of this Section shall survive for five (5) years beyond the expiration, non-renewal or termination of this Agreement.

9.2 This Agreement does not grant any license under any patents or other intellectual property rights owned or controlled by or licensed to COMPANY. Reseller shall not have any right to manufacture COMPANY products.

10. Export Controls

Regardless of any disclosure made by Reseller to COMPANY or Distributor of an ultimate destination of COMPANY products, Reseller shall not export, either directly or indirectly, any documentation, COMPANY products, or system incorporating such COMPANY products without first obtaining a license as required by the United States Government.

11. Compliance with Laws

Reseller agrees to comply with all laws and regulations that are applicable to the business that Reseller transacts. Reseller agrees to indemnify and hold COMPANY harmless for all liability or damages caused by Reseller's failure to comply with the terms of this provision.

12. Government Contract Conditions

In the event that Reseller elects to sell COMPANY products or services to the U.S. Government, Reseller does so solely at its own option and risk, and agrees not to obligate COMPANY as a subcontractor or otherwise to the U.S. Government. Reseller remains solely and exclusively responsible for compliance with all statutes and regulations governing sales to the U.S. Government. COMPANY makes no representations, certifications or warranties whatsoever with respect to the ability of its goods, services or prices to satisfy any such statutes and regulations.

13. Miscellaneous

Notices under this Agreement must be sent by telegram, teletype or registered or certified mail to the appropriate party at its address stated on the first page of this Agreement (or to a new address if the other has been properly notified of the change). This Agreement and its schedules represent the entire agreement between the parties regarding this subject. This Agreement supersedes all previous oral or written communications between the parties regarding the subject, and it may not be modified or waived except in writing and signed by an officer or other authorized representative of each party. Neither party will be liable to the other for any delay or failure to perform if that delay or failure results from a cause beyond its reasonable control. If any provision is held invalid, all other provisions shall remain valid, unless such invalidity would frustrate the purpose of this Agreement. Nevada's law governs this Agreement without consideration to that body of law referred to as "conflicts of laws". COMPANY and Reseller will attempt to settle any claim or controversy arising out of it through consultation and negotiation in good faith and a spirit of mutual cooperation. Any dispute which cannot be resolved through negotiation or mediation may be submitted to the courts of appropriate jurisdiction.



Reseller

Company: _____

Signed: _____

Print Name: _____

Title: _____

Date: _____

Blue Sky POS, Inc.

Signed: _____

Print Name: _____

Title: _____

Date: _____



**Attachment A
Reseller Participation Designation**

(blank in sample agreement)



Attachment B

PROGRAM MATERIALS

(blank in sample agreement)



Attachment C

Software License Agreement

Software Maintenance Agreement

(blank in sample agreement)