

DATADIRECT NETWORKS, INC.
PROFESSIONAL SERVICES AGREEMENT

This PROFESSIONAL SERVICES AGREEMENT (this "Agreement") is effective as of _____, 20____ (the "Effective Date") by and between DataDirect Networks, Inc., a California corporation having its principal place of business at 9351 Deering Avenue, Chatsworth, California 91311 USA ("Company") and insert company formal name, a [choose only one of the following] insert incorporation State (US) corporation, insert Country (if non-US) corporation, limited liability corporation, partnership, or other define having its principal place of business at _____ ("Consultant"). In consideration of the mutual promises contained herein, Company and Consultant hereby agree as follows:

1. **Services; Performance.** Company hereby retains Consultant to perform the services (the "Services") as set forth in the applicable Statement of Work or SOW attached hereto and incorporated hereto. Consultant agrees to perform the Services in accordance with the provisions in Statement of Work and in accordance with any reasonable instructions given from time to time by Company's Designated Representative (as identified in Statement of Work) or by any officer of Company. Consultant further agrees to perform the Services diligently and in full compliance with the highest professional standards of practice in the industry.
2. **Reporting.** Consultant shall report directly to Company's Designated Representative. Consultant agrees to be available for meetings with Company's Designated Representative and any other Company employee or contractor as reasonably requested from time to time by Company. Consultant shall provide to Company periodic reports of Consultant's activities in sufficient detail to evidence the nature and scope of the service, and to allow DDN to ensure funds provided are being expended appropriately, and shall provide related work records, meeting records, and similar requested documents as set forth in Statement of Work.
3. **Compensation.** As full and complete payment for all Services rendered, Consultant shall receive the compensation specified in the applicable Statement of Work attached hereto. Except as expressly set forth in an applicable Statement of Work, no amounts shall become due to Consultant in connection with this Agreement or the Services.
4. **Term; Termination.** This Agreement shall commence on the Effective Date and, unless sooner terminated as provided herein, shall continue in full force and effect until the end of the day on _____ (the "Term"). Either party may terminate this Agreement at any time with or without cause upon not less than thirty (30) days' prior written notice to the other party. Any expiration or termination of this Agreement shall not affect any of Consultant's obligations under paragraphs 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14 or 15. In the event of any termination, Company shall not be liable to Consultant for compensation or damages of any kind whatsoever including but not limited to direct, indirect, incidental, or consequential damages, incurred as result of such termination, other than compensation that has become payable hereunder for any of the Services performed prior to such termination. Immediately upon any expiration or termination of this Agreement, Consultant shall deliver to Company (a) all materials containing or embodying Confidential Information (including, without limitation, all Works), and all copies thereof, and (b) a written report thoroughly summarizing the status of all tasks assigned to Consultant as part of the Services.
5. **Independent Contractor.** Consultant is an independent contractor and is not eligible to participate in or receive any benefit from any benefit plan or program available to employees of Company such as health, disability, or life insurance, vacation or holiday pay, sick leave, or retirement plans. Company shall not provide workers' compensation coverage for Consultant. Consultant shall comply with all applicable laws and regulations and all Company safety rules in the course of performing the Services, and shall have sole responsibility for the payment of all applicable taxes and withholdings with respect to any and all compensation paid to Consultant hereunder.
6. **Intellectual Property.** Consultant agrees that any and all content, creatives, designs, processes, improvements, procedures, ideas, innovations, inventions, know-how, data, documentation, illustrations, literary properties, original works of authorship, derivative works, and other work product, whether patentable or not, conceived, developed, written, or contributed by Consultant, either individually or in collaboration with others, in connection with providing the Services (collectively "Works") are the sole property of Company. All

rights in or based on the Works including, without limitation, all patent rights, copyrights, mask work rights, trademark rights, and all other intellectual and industrial property rights of any kind anywhere in the world (collectively, "Proprietary Rights") shall belong exclusively to Company; and the Works shall constitute "works made for hire." Company shall have the exclusive right to register any copyrights, trademarks, and/or patents in any or all Works in its name as owner and author. Consultant agrees to communicate all Works to Company as promptly and fully as practicable. Consultant hereby irrevocably assigns and agrees to irrevocably assign to Company, without further consideration, all right, title, and interest that Consultant may presently have or acquire, free and clear of all liens and encumbrances, in and to all Works, and all of Consultant's right, title, and interest in and to any and all related patents, copyrights, or trademarks (and any applications or registrations therefor). Consultant agrees to perform, during and after the Term, all acts deemed necessary by Company to permit and assist it in evidencing, perfecting, obtaining, maintaining, defending, and enforcing the Proprietary Rights and the assignments and licenses granted herein. Consultant hereby irrevocably designates and appoints Company, and its duly authorized officers and agents, as Consultant's agents and attorneys-in-fact, with full power of substitution, to act for or on behalf and instead of Consultant to accomplish the foregoing.

7. **Representation and License**. Company does not desire to acquire any intellectual property or secret or confidential know-how or information from Consultant which was acquired from others. Consultant represents and warrants that any and all materials, information, processes, practices, or techniques that he provides, describes, demonstrates, divulges, uses, or in any other manner makes known to Company during the performance of Services (collectively, "Property") may be provided to and freely used by Company, without any obligation to, or violation of, any rights of others, and without violation of any law or payment of any royalty. Consultant hereby grants Company a perpetual, irrevocable, worldwide, fully paid-up, royalty-free, non-exclusive sublicenseable right and license to use and exploit any and all Property that does not constitute Works in support of Company's use or exploitation of Works. Consultant shall indemnify and hold harmless Company and its directors, officers, and employees from and against any and all liability, losses, costs, expenses (including attorneys' fees), damages, claims, or demands for any actual or alleged violation of the rights of others in any trade secret, know how, or other intellectual property right, or in any information, which is based in whole or in part on Company's receipt or use of any Property or any Works.
8. **Assignment**. Consultant shall not assign, transfer, or subcontract any right in or obligation arising under this Agreement without Company's prior written consent. Any assignment in violation of this paragraph shall be void. This Agreement shall be binding on and inure to the benefit of each party's heirs, executors, legal representatives, successors, and permitted assigns.
9. **Interference with Company Business**. Consultant agrees that, during the term of this Agreement, Consultant shall not perform services for any third party that are the same or substantially similar to the Services, or engage in any employment, business, or activity that is in any way competitive with the business or reasonably anticipated business of Company or its affiliates. During the term of this Agreement and for one (1) year thereafter, neither party will encourage or solicit any employee or consultant of the other party (or any of its affiliates) to leave for any reason. Notwithstanding the foregoing sentence, neither party shall be prevented from placing an advertisement in any media or using a search firm for an open position and hiring any individual that responds to such advertisement or search firm, so long as the advertisement or search firm does not target the employees, independent contractors, and other agents of the other party.
10. **Confidential Information**. Consultant will not use, disclose, or reveal to any person or entity any of the Confidential Information (or any information derived therefrom) for any purpose, except for Consultant's use as necessary in the ordinary course of performing the Services. Consultant will not remove from Company's premises or deliver to any person or entity outside of Company, except for Consultant's use as necessary in the ordinary course of performing the Services, any document or other media or tangible items that contain or embody Confidential Information in any way, whether or not such materials have been prepared by Consultant. "Confidential Information" includes all information relating to Company's business (such as drawings, designs, specifications, data, manuals, know-how, formulas, computer software, algorithms, data structures, scripts, application programming interfaces, protocols, processes, ideas, inventions (whether patentable or not), patent applications, trade secrets, schematics, other technical, business, financial, customer, and product related plans, forecasts, strategies, and client, customer, and vendor lists and information), and all information that is developed, created, or discovered by Consultant, either individually or

in collaboration with others, in providing the Services. Confidential Information does not include information that Consultant demonstrates to Company's satisfaction, by written evidence, (i) is in the public domain through lawful means and not as the result of a violation of any confidentiality obligation owed to Company (including but not limited to those obligations set forth above) or (ii) was already properly known to Consultant (other than in connection with this consulting arrangement or Consultant's former employment or contractual relationship with Company, if any) without any restriction on use or disclosure at the time of Company's disclosure to Consultant. Consultant agrees to hold the Confidential Information in strict confidence and to take all reasonable steps to protect the confidentiality of the Confidential Information. Consultant acknowledges that Company will suffer immediate, irreparable harm in the event Consultant fails to comply with its obligations under this Section 10, and monetary damages will be inadequate to compensate Company for such breach. Consultant agrees that, in addition to any other remedies available to it at law or in equity, Company will be entitled to seek injunctive relief (without the requirement of posting a bond or other form of security) to enforce the terms of this Section 10. The foregoing obligations will not restrict either party from disclosing the other party's Confidential Information or the terms and conditions of this Agreement: (i) pursuant to the order or requirement of a court, administrative agency, or other governmental body, provided that the party required to make such a disclosure gives reasonable notice to the other party to enable it to contest such order or requirement; (ii) on a confidential basis to its legal or professional financial advisors; (iii) as required under applicable securities regulations; or (iv) on a confidential basis to present or future providers of venture capital and/or potential private investors in or acquirers of such party.

11. **Privacy.** Consultant recognizes and agrees that it has no expectation of privacy with respect to Company's telecommunications, networking, or information processing systems (including, without limitation, stored computer files, e-mail messages, and voice messages) and that Consultant's activity, and any files or messages, on any of those systems may be monitored at any time without notice.
12. **Remedies.** Consultant acknowledges that nothing in this Agreement is intended to limit any remedy of Company under the California Uniform Trade Secrets Act and that Consultant could face possible criminal and civil actions, resulting in substantial monetary liability, if Consultant misappropriates Company's trade secrets. In addition, Consultant acknowledges that a violation of this Agreement could cause Company irreparable harm, the amount of which may be extremely difficult to estimate, thus, making any remedy at law inadequate. Therefore, Consultant agrees that Company shall have the right to apply to any court of competent jurisdiction for, and to obtain without the posting of a bond, an order restraining any breach or threatened breach of this Agreement and for any other relief Company deems appropriate. This right shall be in addition to any other remedy available to Company in law or equity.
13. **Limitations of Liability.** UNDER NO CIRCUMSTANCES WILL COMPANY BE LIABLE TO THE CONSULTANT OR ANY OTHER PERSON OR ENTITY FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, EVEN IF COMPANY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
14. **Foreign Corrupt Practices Act and Anticorruption.**

A. Definitions:

The term "Foreign Official" is defined as follows: "any officer or employee of a foreign government or any department, agency, or instrumentality thereof, or of a public international organization, or any person acting in an official capacity for or on behalf of any such government or department, agency, or instrumentality, or for or on behalf of any such public international organization."

Foreign Officials include:

1. An elected or appointed official;
2. An employee of a state-owned or even partially state-owned entity such as a state-run university or hospital;
3. An employee of a government funded entity;

4. An employee or person acting for or on behalf of a government official, agency, instrumentality or enterprise performing a governmental function;
5. A person acting for or on behalf of a foreign government – even temporarily;
6. A foreign political party;
7. An officer, employee, or person acting for or on behalf of a foreign political party or candidate for foreign public office; and
8. An officer or employee of a quasi-government organization (e.g., United Nations, World Health Organization).

The term “Government” is meant to include all levels and subdivisions of government (i.e., local, regional or national and administrative, legislative or executive).

The term “Family Member” is defined as follows: An immediate family member by blood or adoption which means, parents, spouses, siblings, children and grandchildren.

B. Basic Representations and Warranties

Consultant is not and has no Family Members who are Foreign Officials as defined above. Consultant has not and will not directly or indirectly offer or pay, or authorize or direct such offer or payment, any money or anything of value to improperly seek to influence any Foreign Official or foreign government entity decision-making to gain a commercial or other advantage for DataDirect Network (“Company”) or Consultant (payments for fair market value of goods and services with no corrupt purpose are excluded from this paragraph);

All information provided by Consultant during the pre-contractual due diligence, including all information provided in the FCPA Due Diligence Questionnaire for Consultants Seeking to Conduct Business Abroad on Behalf of Company, is complete, truthful and accurate.

Consultant undertakes to update these Representations or Warranties if (during the performance of the agreement) Consultant, or a Family Member of such Consultant, becomes a Foreign Official.

Consultant agrees that in order to permit Company to take reasonable steps to ensure that funds provided pursuant to the contract are properly used, Consultant will:

1. Provide a budget to be authorized by Company at the inception of the engagement;
2. Provide periodic invoices as required in Statement of Work stating, in detail, the work performed;
3. If reimbursement of expenses is requested, provide underlying documentation of all expenses prior to obtaining reimbursement and provide Company with written notification in advance of any extraordinary expenditure. An “extraordinary” expenditure is defined as any expenditure not specifically covered in a pre-authorized budget. Company must authorize any extraordinary expenditure in writing before it may be incurred. If travel or lodging is needed, Consultant agrees to provide advance notice to Company and, furthermore, agrees Company will pay vendors directly; and
4. Permitting, during the term of the agreement and for three years after final payment has been made under the agreement, Company's internal and external auditors' access to any relevant books, documents, papers, and records of Consultant involving transactions related to the Agreement.

C. Termination Provisions

If local law permits, Company may immediately terminate the contract if Consultant breaches any of the above Representations and Warranties or if Company learns that improper payments are being or have been made to Foreign Officials by Consultant or by his subcontractors or consultants with respect to services performed on behalf of Company or any other company. Further, in the event of such

termination, Consultant shall not be entitled to any further payment, regardless of any activities undertaken or agreements with additional third parties entered into prior to termination, and Consultant shall be liable for damages or remedies as provided by law.

D. Training Certification

Consultant, by signing this Agreement, certifies that he has undergone training regarding the Foreign Corrupt Practices Act, is familiar with the Export Administration Act, and the regulations promulgated thereunder, and agrees to abide by those laws.

15. General.

- 15.1 Severability.** In the event that any of the provisions of this Agreement shall be held by a court or other tribunal of competent jurisdiction to be illegal, invalid, or unenforceable, such provisions shall be limited or eliminated to the minimum extent necessary so that this Agreement shall otherwise remain in full force and effect.
- 15.2 Governing Law.** This Agreement shall be governed and interpreted in accordance with the laws of the State of California without regard to the conflicts of law provisions thereof. Each party irrevocably consents to the exclusive jurisdiction of the state and federal courts located in Los Angeles County, California, in connection with any action arising from or relating to this Agreement. THE PARTIES DISCLAIM APPLICATION OF THE UNITED NATIONS CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS.
- 15.3 Compliance with Law.** Consultant will have and maintain all permits and licenses required by any governmental unit or agency and will comply with all applicable laws and regulations (including but not limited to the United States Foreign Corrupt Practices Act, the United States Export Administration Act, and the United States Export Administration Regulations, each as amended from time to time) in performing this Agreement and with respect to the Services.
- 15.4 Notices.** Except as specifically set forth in this Agreement, all notices shall be in writing and deemed duly given if delivered in person or sent by internationally recognized courier service (ie, UPS, FedEx, DHL), addressed as set forth above, or to such other address as may be provided by written notice in accordance with the foregoing.
- 15.5 Relationship of the Parties.** The parties are independent contractors and this Agreement will not establish any relationship of partnership, joint venture, employment, franchise, or agency between the parties. Neither party will have the power to bind the other party or to incur any obligations on its behalf, without the other party's prior consent.
- 15.6 Force Majeure.** Neither party will be responsible for any failure or delay in its performance under this Agreement (except for any payment obligations) due to causes beyond its reasonable control, including, but not limited to, labor disputes, strikes, lockouts, shortages of or inability to obtain energy, raw materials, or supplies, war, terrorism, riot, or acts of God.
- 15.7 Waiver.** The failure of either party to require performance by the other party of any provision hereof shall not affect the full right to require such performance at any time thereafter; nor shall the waiver by a party of a breach of any provision hereof by the other party be taken or held to be a waiver of the provision itself.

This Agreement (along with an attached Statement of Work(s), which is/are incorporated herein by reference and by this reference) constitutes the entire agreement and understanding of the parties hereto with respect to the subject matter hereof, and merges and supersedes all prior agreements, discussions, and writings with respect thereto. No modification or alteration of this Agreement shall be effective unless made in writing and signed by both Consultant and Company.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the first day above written.

“Consultant”

“Company”
DATADIRECT NETWORKS, INC.

Signature

Signature

Print Name

Print Name

Title

Title

Date

Date

STATEMENT OF WORK
SERVICES AND COMPENSATION

1. Services:

Consultant will provide the following services:

2. Compensation:

3. Company's Designated Representative:

Name: _____

Telephone: _____

Email: _____