## DATABASE AGREEMENT INVENTORY & SALES

**INTRODUCTION.** This Database Agreement (this "Agreement") shall govern the relationship between THE PARABLE GROUP, INC., a California corporation, whose address for notice purposes is 102 Cross St., Ste. 210, San Luis Obispo, California 93401-8937 ("Parable Group"), and the party requesting services ("You" or "Partner") with respect to the inventory and data services (the "Services") offered through Parable Group's marketing program for retailers of Christian products, and shall be subject to the terms and conditions attached hereto ("Terms and Conditions").

DESCRIPTION OF SERVICES		
Partner Deliverables:	Partner shall provide Parable Group with electronic point-of-sale (POS) data, including individual store-level sales, each day for all product categories sold by Partner in all U.S. retail or on-line locations, and inventory stock level data (collectively, the "File Transfer Data"). Partner shall provide only the sales and product information specified herein; no customer information or any other personal information that could be used to identify a Partner customer will be disclosed or used by Parable Group.  Data Included: Partner shall provide on a nightly basis (1) sales information ("Transactional Data") and (2) on-hand snapshot ("Inventory Data").  Data Transfer: File Transfer Data shall be delivered in acceptable format from Partner to Parable Group on a nightly basis. Partner grants Parable Group permission to contact Partner's POS software providers or other applicable vendor(s) directly on Partner's behalf to set up any necessary data transfer process.	
Parable Group Deliverables:	Parable will combine Transactional Data and Inventory Data received from Partner with data received from other retail partner stores and provide reports ("Reports") of the aggregated data to Partner based on service level selected.	
	Pagio Data Managament EDEE	Advanced Data Management (requires
	Basic Data Management - FREE	Advanced Data Management (requires nightly transfer of Partner's customer files) –
		\$65/mo
	Expanded hostsollers	
	Expanded bestsellers	Basic Data Management +
	Sales & Traffic comparisons to other stores	Predictive mailing tools
	Inventory comparisons to bestsellers, promoted products, and future-releasing titles	Promotion analytics
	Overstock reports for your entire store	Address cleansing and corrections
	Customized promotion purchase orders including your current inventory	Automated POS updates with NCOA information
	Staff training tools	Optional email program
	Inventory/POS clean-up tools	Optional New Customer Postcard program
	Parable Group will report store-specific inventory and sales information to approved vendors, including distributors and outside agencies, on behalf of Partner.	
Total Fees:	As outlined in the table above. Basic Data Management: FREE, Advanced Data Management: \$65/mo	
Payment Schedule:	Payable in advance on 1st day of each month	
Delivery Schedule:	File Transfer Data shall be delivered by Partner to Parable Group each night via the data-	
,	collection service selected by Parable Group. Parable Group may withhold delivery of Reports should Partner fail to timely deliver File Transfer Data.	

## **TERMS AND CONDITIONS**

Pursuant to the Database Agreement ("Agreement"), Partner is providing certain data information to Parable Group and is acquiring a license to receive and use reports, research and other material on the aggregation of Partner data with data furnished by other retail partner stores. Partner and Parable Group agree that each party shall be governed by the following terms and conditions ("Terms and Conditions"):

1. Definitions. As used in this Agreement:

"Data Warehouse" means the collection of data from many different sources into a Relational Database.

"File Transfer" means the making of an electronic file and the transfer of such electronic file to Parable.

"Inventory Database" means the product number, quantity on hand, quantity on order, sales history and other inventory specific information, for Partner's stores.

"Primary Database" means the collective data available from the Transactional Database and the Inventory Database.

"Privacy Policy" means the Parable Group Privacy Policy accessible at www.parableconnect.com/privacy-policy (or such other URL as specified by Parable Group), as may be updated by Parable Group from time to time.

"Relational Database" means the collection of data into a separate database where multiple tables can be related to each other and information extracted from it such table.

"Reliable Data" means a year's uninterrupted history of complete transactions.

"Report" means one or more compilations of point-of-sale data received from Partner and other retail partner stores for all outlets in the Christian retail channel for use by Partner and Parable Group's other retail partner stores for their marketing and operational purposes.

"Transactional Database" means the product and payment information related to a receipt of sale by a customer of Partner. This includes, but is not limited to product number, quantity, retail price, price paid by the customer, transaction date, transaction number, clerk, register number, discount percent, and coupon information.

- 2. <u>Term of Agreement</u>. This Agreement is effective ("Effective Date") on the earlier of (a) the date Partner accepts this Agreement by clicking an "I Agree" button, or (b) the date Partner first access or use the Services. The term of this Agreement shall be one (1) year from the Effective Date and shall automatically renew for one (1) year periods until sooner terminated by either party upon thirty (30) days prior written notice.
- Services to be provided by Parable Group. Subject to the terms and conditions of this Agreement, Parable Group will assist Partner with sales and marketing promotions by providing retail management tools to Partner depending on the level of service requested by the Partner through Parable Group's online portal (currently <a href="www.ParableConnect.com">www.ParableConnect.com</a>). The Services provided by Parable may include:
  - 3.1. Parable Group will provide Partner inventory assistance through an analysis of Partner's Inventory Database, including but not limited to reports of best sellers, and other inventory data that will be designed to assist Partner in managing its inventory in an up-to-date and financially responsible manner.
  - 3.2. Parable Group will report store-specific inventory and sales information to approved vendors, including distributors and outside agencies.
  - 3.3. Parable Group will combine Transactional Data, and Inventory Data received from Partner with data received from other retail partner stores and provide reports ("Reports") of the aggregated data to Partner based on the service level selected:
    - 3.3.1. [See ParableConnect for current list of reports and services.
- 4. <u>Obligations of Partner.</u> Partner acknowledges that data from Christian consumers is vital to the success of Partner's store, as well as to the success of the Christian industry. Partner understands that as long as they continue to transmit data they will have access to the retail management tools available for the subscribed Service level through the online portal (currently <a href="www.ParableConnect.com">www.ParableConnect.com</a>). With that in mind, and regardless of Partner's print marketing affiliation, Partner agrees as follows:
  - 4.1. Partner shall use commercially reasonable methods to capture inventory and transaction information from each of Partner's stores in order to provide Parable Group with accurate data for Partner's Transactional Database and Inventory Database
  - 4.2. Partner shall transmit data into the industry data-collection service selected by Parable Group on a nightly basis.
  - 4.3. Partner shall provide Parable Group with a daily File Transfer of Partner's Transactional Database and Inventory Database
  - 4.4. Partner grants permission to Parable Group to transmit their store-specific sales data to agencies and partners, whose purpose is the compiling and reporting of sales information. Parable Group will report compiled data back to Partner's store as such information is available. These partners may include, but are not limited to: SoundScan, BookScan, New York Times, BuzzAngle and ECPA.
  - 4.5. Partner grants permission to Parable Group to display Partner's on-hand and on-order quantities, as well as sales information, to applicable vendors via an online portal (currently <a href="www.ParableConnect.com">www.ParableConnect.com</a>). This data will include Partner's current and

- historical information that is specific to the products associated with the applicable vendor. For example, Crossway employees who log onto the portal will only be able to see Partner's inventory and sales information for titles that Crossway represents.
- 4.6. Partner grants permission to Parable Group to transmit Partner's store-specific data to outside partners where Partner deems it necessary. This data may include, but is not limited to, current on-hand quantities, on-order quantities, or sales information. Potential partners may include, but are not limited to: The Parable Group Retailer Websites, Signature Websites, or Above the Treeline.
- 4.7. Partner shall communicate to Parable Group where data and reports to be sent, and to notify Parable Group if this information changes.
- 4.8. Partner is responsible for using Parable Connect to monitor data transfers to Parable Group and to notify Parable Group if it appears Partner's inventory file is not transferring properly.

## Database Ownership.

- 5.1. Partner shall own and be responsible in all respects for the collection of any and all data collected by Partner and supplied to Parable Group for the Transactional Database and Inventory Database.
- 5.2. Partner authorizes Parable Group to aggregate or anonymize any data provided by Partner or other data in connection with this Agreement, and Parable Group shall own all aggregated data ("Aggregated Data"). Parable Group shall own and be responsible for (a) any and all Data Warehouses and Relational Databases created from all or any portion of Partner's Primary Database, and (b) any Data Warehouse or Relational Database created from all or any portion of Partner's Primary Database (the "Parable Group Data").
- 5.3. Upon the expiration or earlier termination of this Agreement for any reason there shall be no obligation of either Partner or Parable Group to purge their respective databases of data received from the remaining party during the term of this Agreement.
- 5.4. At the expiration or earlier termination of this Agreement, Partner and Parable Group can continue to use the store Data as it resides on their respective systems.
- 5.5. The Privacy Policy governs how Parable Group collects and uses personal information that is submitted through the Services. By accessing or using the Services, Partner agrees that Partner has read and accepts the Privacy Policy.

## 6. <u>Licenses</u>.

- 6.1. Partner hereby grants Parable Group and its affiliates a worldwide, perpetual, irrevocable, transferable, sublicensable, fully-paid up and royalty-free, worldwide license to copy, distribute, display and perform, publish, prepare derivative works of an otherwise use the Primary Database for the purpose of providing, improving an developing Parable Group's or its affiliates' products and services and/or complementary products and services of our partners, including without limitation, conducting or promoting retail and electronic commerce of the Products. Partner represents and warrants to Parable Group that Partner has all rights necessary to grant the licenses in this Section 6.1 and that Partner's provision and use of the Primary Database through and in connection with the Services does not violate any applicable laws or rights of any third party.
- 6.2. Parable Group hereby grants Partner a nonexclusive, royalty-free, nonsublicensable, nontransferable, revocable license to utilize Partner-specific information derived from any Data Warehouse or Relational Database created by Parable Group from all or any portion of Partner's Primary Database for the purpose of conducting and promoting its business.
- 7. Confidentiality. A Party will not disclose or use any Confidential Information of the other Party except: (a) as reasonably necessary to perform its obligations or exercise any rights granted pursuant to this Agreement; (b) with the other Party's prior written permission; or (c) to the extent required by law or order of a court or other governmental authority or regulation. Each Party agrees to protect the other Party's Confidential Information in the same manner that it protects its own Confidential Information of like kind, but in no event using less than a commercially reasonable standard of care. Confidential Information will not include any information that: (a) is or becomes generally known to the public without breach of any obligation owed to the disclosing Party; (b) was known to a Party prior to its disclosure by the other Party without breach of any obligation owed to the other Party; (c) was independently developed by a Party without breach of any obligation owed to the other Party without breach of any obligation owed to the other Party without breach of any obligation owed to the other Party. For clarity, nothing in this Section 7 will restrict Parable Group with respect to Parable Group Data or Aggregated Data.
- 8. Warranty Disclaimer. Parable Group has no control over the conditions under which Partner configures, operates, manages, or otherwise collects its data and does not and cannot warrant the results obtained or not obtained by Partner's use or interaction with any such data. PARABLE GROUP DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, RELATING TO THE PRIMARY DATABASE, OR ANY DATA WAREHOUSE OR RELATIONAL DATABASE CREATED FROM PARTNER'S PRIMARY DATABASE, INCLUDING, BUT NOT LIMITED TO ANY WARRANTIES AGAINST INFRINGEMENT OF THIRD PARTY RIGHTS, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AND ANY IMPLIED WARRANTIES ARISING OUT OF A COURSE OF PERFORMANCE, DEALING, OR TRADE USAGE. PARTNER ACKNOWLEDGES THAT ANY DATA SUPPLIED TO PARTNER BY PARABLE GROUP AND ALL COMPONENT PARTS THEREOF ARE PROVIDED "AS IS" AND MAY NOT BE FUNCTIONAL ON EVERY MACHINE OR IN CERTAIN ENVIRONMENTS.
- 9. <u>Limitation of Liability</u>. TO THE MAXIMUM EXTENT PERMITTED BY LAW, IN NO EVENT WILL PARABLE GROUP'S AGGREGATE LIABILITY, COLLECTIVELY, FOR ALL CLAIMS ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER IN CONTRACT, TORT OR OTHERWISE, EXCEED THE SUBSCRIPTION FEES ACTUALLY PAID BY PARTNER DURING THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE DATE OF THE INCIDENT OR \$100.00 (USD), WHICHEVER IS GREATER. IN NO EVENT WILL PARABLE GROUP HAVE ANY LIABILITY FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, HOWEVER CAUSED, OR FOR ANY LOST PROFITS, LOSS OF USE, DATA OR

OPPORTUNITIES, COST OF DATA RECONSTRUCTION, COST OR PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES, WHETHER IN CONTRACT, TORT OR OTHERWISE, ARISING OUT OF, OR IN ANY WAY CONNECTED WITH THE SERVICES OR THIRD PARTY. THE FOREGOING EXCLUSIONS OR LIMITATIONS MAY NOT APPLY TO THE EXTENT PROHIBITED BY APPLICABLE LAW.

- 10. <u>Governing Law</u>. This Agreement will be governed by and interpreted in accordance with the internal laws of the State of California without regard to conflicts of laws principles.
- 11. <u>Mandatory Informal Dispute Resolution</u>. If you have any dispute with Parable Group arising out of or relating to this Agreement, you agree to notify Parable Group in writing with a brief, written description of the dispute and your contact information, and Parable Group will have thirty (30) days from the date of receipt within which to attempt resolve the dispute to your reasonable satisfaction. If the Parties are unable to resolve the dispute through good faith negotiations over such thirty (30) day period under this informal process, either Party may pursue resolution of the dispute in accordance with the arbitration agreement below.
- 12. Arbitration Agreement. ALL DISPUTES ARISING OUT OF OR RELATED TO THIS AGREEMENT OR ANY ASPECT OF THE RELATIONSHIP BETWEEN YOU AND PARABLE GROUP, WHETHER BASED IN CONTRACT, TORT, STATUTE, FRAUD, MISREPRESENTATION OR ANY OTHER LEGAL THEORY, THAT ARE NOT RESOLVED PURSUANT TO SECTION 11 ABOVE WILL BE RESOLVED THROUGH FINAL AND BINDING ARBITRATION BEFORE A NEUTRAL ARBITRATOR INSTEAD OF IN A COURT BY A JUDGE OR JURY, AND PARABLE GROUP AND YOU EACH HEREBY WAIVE THE RIGHT TO TRIAL BY A JURY. YOU AGREE THAT ANY ARBITRATION UNDER THIS AGREEMENT WILL TAKE PLACE ON AN INDIVIDUAL BASIS; CLASS ARBITRATIONS AND CLASS ACTIONS ARE NOT PERMITTED AND YOU ARE AGREEING TO GIVE UP THE ABILITY TO PARTICIPATE IN A CLASS ACTION. The arbitration will be administered by the American Arbitration Association under its Commercial Arbitration Rules and Mediation Procedures, as amended by this Agreement. Any arbitration hearing will be held in San Luis Obispo County, California. The applicable governing law will be as set forth in Section 10 (provided that with respect to arbitrability issues, federal arbitration law will govern). The arbitrator's decision will follow the terms of this Agreement and will be final and binding. The arbitrator will have authority to award temporary, interim or permanent injunctive relief or relief providing for specific performance of this Agreement, but only to the extent necessary to provide relief warranted by the individual claim before the arbitrator. The award rendered by the arbitrator may be confirmed and enforced in any court having jurisdiction thereof.
- 13. <u>Entire Agreement</u>. This Agreement, and any terms and policies that are incorporated into this Agreement by reference (including by reference to a URL), constitute the entire agreement and supersede any prior agreements between Partner and Parable Group with respect to the subject matter hereof.
- 14. <u>Relationship of the Parties</u>. This Agreement does not, and will not be construed to, create any partnership, joint venture, employer-employee, agency or franchisor-franchisee relationship between the Parties hereto.
- 15. <u>Force Majeure</u>. Parable Group shall not be liable to Partner by reason of failure or delay in the performance of its obligations hereunder on account of telecommunications, internet or network failure or interruption, results of computer hacking, Acts of God, fires, storms, war, governmental action, labor conditions, earthquakes, natural disasters or any other cause which is beyond the reasonable control of Parable Group.
- 16. <u>Assignment</u>. Partner may not assign, delegate or transfer this Agreement in whole or in part, without Parable Group's prior written consent. Parable Group may assign, transfer or sublicense any or all of Parable Group's rights or obligations under this Agreement without restriction.
- 17. <u>Severability; Waiver</u>. Any provisions of the Agreement which are determined to be invalid or unenforceable in any jurisdiction shall be ineffective to the extent of such invalidity or unenforceability in such jurisdiction, without rendering invalid or unenforceable the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction. A Party's waiver of any term or condition of this Agreement shall not be deemed a continuing waiver. The rights set forth in this Agreement are cumulative and in addition to those otherwise provided by law and may be exercised concurrently or separately, and the exercise of any one remedy shall not be deemed an election of such remedy to the exclusion of other remedies.
- 18. <u>Electronic Communications and Signatures</u>. Each Party agrees to the use of electronic communication in order to enter into agreements and subscribe to Services, and to the electronic delivery of notices, policies and records of transactions initiated or completed through the Services. Furthermore, each Party hereby waives any rights or requirements under any laws or regulations in any jurisdiction that require an original (non-electronic) signature or delivery or retention of non-electronic records, to the extent permitted under applicable law.
- 19. <u>Changes to Agreement</u>. Parable Group reserves the right to propose changes to this Agreement as reasonable and/or necessary with thirty (30) days prior notice to Partner. If Partner does not wish to be bound by the changes, it may notify Parable Group at any time prior to the effective date of changes and in such event this Agreement shall not be renewed, but rather shall be terminated as of such effective date of changes. Unless so terminated, this Agreement shall be renewed with the changes requested by Parable Group, included without the necessity of Partner's signature.