ADMISSION APPLICATION AGREEMENT
BETWEEN
PALO VERDE COLLEGE
AND
XAP CORPORATION

This Admission Application Agreement ("Agreement") between Palo Verde College (the "INSTITUTION"), having offices at One College Drive, Blythe, California 92225 and **XAP Corporation** ("XAP"), having offices at 100 Corporate Pointe, Suite 100, Culver City, California 90230, is made and entered as of the 1st day of July, 2014 (the "Effective Date").

In consideration of the respective representations, warranties and covenants contained herein, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Institution and XAP hereby agree as follows:

1. This Agreement serves to record the agreement between the parties and to regulate all aspects of the services to be supplied to the INSTITUTION and shall replace and supersede all previous agreements between the parties.

2. During the term of this Agreement, XAP shall continue to host, update, operate and maintain the online electronic applications for admission previously developed and launched by XAP for the INSTITUTION (the "Application(s)") as listed below:

- Undergraduate Application including Supplement

3. XAP shall make technically competent personnel and appropriate equipment available for the purpose of maintaining and updating the Application(s) and, maintaining the supplemental application building utility in accordance with the professional standards of the software and application service provider industries. Specifically with regard to updating the Application(s) within the scope of the Annual Fee to be paid by INSTITUTION (as set out in Section 4, below), upon request, XAP will:

- Update the existing text content on the Introduction and Confirmation Screens;
- Update the INSTITUTION name and/or INSTITUTION logo;
- Add or delete PDF documents from the Introduction;
- Update campus addresses for District applications (where applicable);
- Provide support to INSTITUTION for modifying their Notice to Applicants; and/or
- Provide support to INSTITUTION for modifying their Supplemental.

XAP will provide two levels of user support:

- Electronic Mail
- Toll-Free Voice Hotline

XAP's customer support staff will respond to inquiries submitted by electronic mail. XAP will utilize its best efforts to respond to e-mail received prior to 3:00 PM, Pacific Time, on a day XAP is open for business during the same day it is received and to respond to e-mail received after 3:00 PM Pacific Time or on holidays, weekends or other non-business days during the next business day following the day of receipt.

XAP will provide a toll-free telephone number for customer support calls. Customer support representatives shall be available to answer calls on business days during the hours from 6:30 AM to 6:30 PM, Pacific Time.

XAP will assign a client services manager (the "Client Services Manager") who serves as the single point of contact for the INSTITUTION. The Client Services Manager will answer questions, provide training and otherwise assist the INSTITUTION in its understanding and use of the Application(s).

4. The INSTITUTION shall pay to XAP annual fees for the operation and maintenance of the Application(s) (as described in Section 3 above) as follows:

Application	**Annual Fees (for July 1st 2014-June 30th 2015)**
Common Application including the Supplement	$7,500

In the event the INSTITUTION uses the Application(s) for only a portion of an operation and maintenance period specified above, the price for operation and maintenance during such period shall be pro-rated on a linear basis for such period either through invoicing of a reduced amount or refund of amounts previously paid, based on a year composed of twelve (12) months of thirty (30) days each. The fee for operation and maintenance shall be paid on an annual basis. With respect to each annual period (or a portion thereof) ending on a June 30, XAP shall invoice the Institution following the commencement of such period, with payment due thirty (30) days after the date of the invoice.

5. The term of this Agreement shall commence on the date first above stated and shall continue until the 30th day of June, 2015.

Either party may terminate this Agreement by notice to the other party in the event the other party has committed a material breach of this Agreement and the party committing the breach has failed to cure such breach within thirty (30) days of notice of such breach given by the party not committing such breach. Upon termination, the INSTITUTION shall forthwith pay XAP for operation and maintenance through the date of termination, but such payment shall not affect the right of the party terminating this Agreement to seek damages for breach of contract. The provisions of Sections 9 and 10 of this Agreement shall survive termination and remain binding on the parties and enforceable against them in accordance with the terms thereof.

Either party may terminate the Agreement by providing ninety (90) days written notice to the other party at the address noted in Section 17, below.

6. The INSTITUTION shall accept and process each of the Application(s) as an official application for the purpose for which it is being submitted. The INSTITUTION shall establish and maintain one or more Links from its website to the Application(s).

7. XAP and the INSTITUTION shall treat the data entered into the Application(s) by members of the public who access the Application(s) ("Users") in accordance with (i) each User's expressed directions, and (ii) all applicable laws governing the privacy of such

information. Students providing data on the Application(s) will not be presented any offers to utilize other services while completing, reviewing or submitting such Application(s). Users who independently log-on to other student services systems designed, developed, operated or maintained by XAP may be able on such other systems to utilize data initially entered on the Application(s) provided they employ the usernames and passwords associated with the account employed when the data was entered.

8. The Office of Civil Rights of the United States Department of Justice has determined that Admissions and Records personnel at the California Community Colleges can neither view nor have access to certain sensitive data about applicants until after the admission action with respect to such applicants is taken. At the present time, these sensitive fields are (i) marital status from the Residency screen and (ii) Disabled Student Programs and Services (DSPS) data from the Needs and Interests screen. In addition, the Office of Civil Rights has specified that only DSPS personnel can have access to DSPS data. To implement the solution approved by the Office of Civil Rights, XAP will set up XAP Control Center accounts for designated individuals at the INSTITUTION. Full access privileges will be provided to a "Data Center Account Holder", who will be designated by an authorized representative of the INSTITUTION in a written notice to XAP. The Data Center Account Holder's account privileges will enable the Data Center Account Holder to view and download all fields in Applications to the INSTITUTION and to determine what fields can be viewed or downloaded by the other INSTITUTION account holders. The INSTITUTION will cause the Data Center Account Holder to set up the projects for download and viewing for the other account holders at the INSTITUTION so that (i) account holders in the Admissions and Records offices will not have access to the sensitive fields until after the applicant is admitted and then may have access only to marital status and (ii) only account holders who are DSPS personnel will have access to DSPS data.

9. The information, ideas, concepts, content, know-how, technologies and other intellectual property developed by XAP and utilized in connection with the creation of the Application(s) and all other aspects of the design, development, operation and maintenance of the Application(s), including but not limited to the source code, object code (software code), data processing, original artwork, graphic design, trademarks, and the specialized tools utilized to develop and maintain the software utilized in connection with the Application(s), shall under all circumstances be and remain the sole property of XAP. The INSTITUTION is not authorized for any reason whatsoever to perform reverse engineering of such software by any means, including disassembly, decomposition, or any other means or mechanism, and the INSTITUTION agrees not to engage, directly or indirectly, in any such reverse engineering. Nothing herein shall preclude the INSTITUTION from acquiring and using any such information, ideas, concepts, content, know-how, technologies or other intellectual property from publicly available sources or through private arrangements with the owners thereof.

XAP shall indemnify and defend the INSTITUTION from any and all claims of infringement or violation through operation of the Application(s) and any other activities conducted by XAP pursuant to this Agreement of the rights of any holder of copyright, trademark, or patent interests and rights in any products provided or used by XAP in the performance of this Agreement. XAP shall have no such obligation to indemnify and defend with respect to any claim unless the INSTITUTION (i) promptly notifies XAP of such claim in writing, (ii) tenders control of the defense of such claim to XAP, and (iii) provides XAP with such cooperation and assistance as XAP may reasonably request. XAP shall not settle any such claim under terms that impose any obligation upon the INSTITUTION

without the prior written consent of the INSTITUTION, which consent shall not be unreasonably withheld.

10. The information, data, content and other intellectual property provided by the INSTITUTION and utilized in connection with the creation of the Supplement and all other aspects of the design, development, operation and maintenance of the Application(s) shall under all circumstances be and remain the property of the INSTITUTION. Nothing herein shall preclude XAP from acquiring and using any such information, data, content, or other intellectual property from publicly available sources or through private arrangements with the owners thereof.

11. In performance of this Agreement, XAP is acting as an independent contractor. XAP and any officer, employee, subcontractor or agent of XAP shall neither be or be deemed to be employees or agents of the INSTITUTION nor considered to be entitled to any benefits provided to employees of the INSTITUTION. XAP shall have no right or authority to enter into agreements on behalf of, or otherwise bind, the INSTITUTION, and the INSTITUTION shall have no right or authority to enter into agreements on behalf of, or otherwise bind, XAP.

12. The parties agree to comply with all applicable national, state and local laws and regulations in the performance of their obligations under this Institution Agreement including, but not limited to, the observance of all laws and regulations relating to the privacy of information provided by Users.

13. Failure by either party at any time to enforce any obligation of the other party, to claim a breach of any term of this Institution Agreement, or to exercise any right or power arising hereunder will not be construed as a waiver of that or any other obligation, breach, right or power and, in particular, will not affect any subsequent breach and will not prejudice either party with regard to any subsequent action.

14. Each of the parties represents, respectively, that (i) it has all requisite power, authority, and capacity to enter this Agreement and to perform its obligations hereunder; (ii) the execution and delivery of this Agreement by such party and the consummation of the transactions contemplated hereby by such party have been duly and validly authorized by all necessary action, including all approvals and consents required from any other person or governmental authority; (iii) this Agreement constitutes a valid, legally binding agreement of such party, enforceable against such party in accordance with its terms; and (iv) the execution, delivery, and performance of this Agreement by such party, its compliance with the terms hereof, and the consummation by it of the transactions contemplated hereby will not violate, conflict with, result in a breach of or constitute a default under its charter instrument, by-laws, or any instrument or agreement to which it is a party or by which it is bound, any state or federal law, rule or regulation, or any judicial or administrative decree, order, ruling or regulation applicable to it.

15. This Agreement shall be construed in accordance with the laws of the State of California.

16. This Agreement constitutes the entire agreement between XAP and the INSTITUTION with respect to the subject matter hereof and supersedes any and all prior oral or written communications or contemporaneous oral communications relating to the subject matter hereof.

17. Any notice or other communication required under this Agreement shall be given in writing and shall be deemed given when actually delivered, one business day after it is entrusted to a courier service of national reputation promising overnight delivery service, or three (3) business days after deposited in the United States Mail for delivery by registered or certified mail, return receipt requested, with any postage or other delivery charges prepaid, addressed as follows:

If to XAP:
XAP Corporation
100 Corporate Pointe, Suite 100
Culver City, California 90230
Attn: Head of Operations

If to the INSTITUTION:
Palo Verde College
One Blythe Drive
Blythe, California 92225
Attn: Shelley Hamilton

Either party may change the address to which notices and other communications shall be delivered by notice thereof to the other party given the manner provided above.

18. In the event that any one or more of the provisions of this Agreement shall for any reason be declared unenforceable, such provision shall, if possible, be deemed modified to the minimum extent necessary in order for it to be enforceable. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provision.

19. Both parties acknowledge that the provisions of Sections 9 and 10 are necessary and reasonable to protect proprietary information, other intellectual property and goodwill, that the proprietary information and other intellectual property is unique, and that the loss or disclosure of the proprietary information or other violation of Section 9 or 10 will cause a party irreparable harm for which it will have no adequate remedy at law. Therefore, in addition to any other rights and remedies that an aggrieved party may have, such a party shall be entitled to obtain, without posting any bond, as to which the other party agrees not to oppose a request, injunctive and other equitable relief to prevent a breach or continued breach of Section 9 or 10. Each party acknowledges that its obligations under Sections 9 and 10 shall be specifically enforceable.

20. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. A fax or e-mail transmission of a signature page will be considered an original signature page. At the request of a party, the other party will confirm a fax-transmitted or e-mail transmitted signature page by delivering an original signature page to the requesting party.

21. All rights, obligations, covenants and agreements of the parties contained in this Institution Agreement shall, except as otherwise provided herein, be binding upon and inure to the benefit of the parties' respective successors and assigns.

22. The terms "herein," "hereof," and similar internal references refer to this Agreement as a whole and, except as specifically stated to the contrary, not to any particular section or portion of this Agreement. As used herein, the singular includes the plural and *vice versa;* and each gender of pronouns shall be deemed to include the others.

23. In the event that one or more elements of XAP's performance hereunder are not delivered when due as a result of delay attributable to INSTITUTION or any other factor outside the control of XAP including without limitation acts of God or the public enemy, fires, floods, epidemics, strikes, freight embargoes and unusually severe weather, and not as a result of the fault or negligence of XAP, XAP's delivery and performance schedule shall be deemed extended by one business day for each business day of delay having such attribution.

24. Each party hereto acknowledges that it has had the assistance and advice of counsel in the preparation of this Agreement and that both parties and their counsel have been involved in and are chargeable with drafting this Agreement. Accordingly, this Agreement shall be interpreted based on the language contained herein and any relevant facts and circumstances other than those relating to the drafting of this Agreement or specific portions hereof. No rule of contract interpretation or construction that resolves uncertainties against the party drafting particular language shall apply to the interpretation of this Agreement or any dispute hereunder.

25. Except as hereinafter provided, neither XAP nor the INSTITUTION will be liable under this Agreement for any special, incidental, consequential or exemplary damages, including damages for loss of use or loss of or damage to data or information of any kind, arising out of or in connection with this Agreement, even if XAP or the INSTITUTION, as the case may be, has been advised of the possibility of such damages. In no event will the liability of XAP for any claim relating to this Agreement other than an indemnity claim arising under Section 9 hereof, whether in contract, tort or any other theory of liability, exceed the amounts paid by the INSTITUTION to XAP hereunder.

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In Witness Whereof, the parties hereto have executed this Agreement as of the date first above written.

XAP Corporation

_____
Peter Knepper, CEO

_____
Date

Palo Verde College

By: _____

Name: _____

Title: _____

Date: _____