

PETPOINT DATABASE CONVERSION AGREEMENT

THIS AGREEMENT is made as of February 20, 2009 by and between Pethealth Software Solutions (USA) Inc. ("Pethealth"), a Delaware Corporation and the Williamson County Regional Animal Shelter (the "Client").

WHEREAS, Pethealth and the Client wish to enter into this agreement for Pethealth to provide the Client with data conversion services relating to the conversion of the Client's existing Shelterbuddy Database data under the terms and conditions described in this Agreement.

1. Definitions

- 1.1. PetPoint Database: Database used by PetPoint Application in a hosted environment provided by Pethealth.
- 1.2. Data Conversion: Process of transitioning data stored in another database into PetPoint Database.
- 1.3. Dataset: the subset of the total database agreed to convert.
- 1.4. Field Mappings: The matching of fields from prior software to fields in PetPoint.
- 1.5. Field Values: The defined information that is stored in each field.
- 1.6. Test Conversion: The full conversion into a practice database, to ensure proper conversion without risk of damaging live system.
- 1.7. Cutover Date: The date data conversion is completed and client moves to daily operation on PetPoint.
- 1.8. Third Party: means any person other than Pethealth or the Client.

2. Scope of Work

- 2.1. Animal records; Animal ID records (e.g., Tags and Microchips); Animal Visit records (e.g., arrivals, departures); Animal Memo records; Person records; Person Address records; Person Phone Number records; Person Email Address records; Person Memo records; Ownership Records (links between Person & Animal Records); Receipt records (including Person records associated, items and fees charged); Licensing (License Animals, License Persons, License records including expiration date); and Medical records (which includes vaccines, medications, tests and procedures).
- 2.2. Pethealth will not convert any other records not explicitly defined in 2.1.
- 2.3. Pethealth will not be responsible for the conversion of records, as defined in 2.1, which are missing, incomplete, damaged or otherwise inaccurate.
- 2.4. Pethealth and Client will set an approximate Cutover Date at the execution of this agreement, with the actual Cutover Date being set after approval of the final Test Conversion.

3. Pethealth's Responsibilities

- 3.1. Pethealth will provide the Client with suggested Field Mappings and Field Values per section, for correction and approval.
- 3.2. Pethealth agrees to perform up to three (3) Test Conversions of the Client's database and present such Test Conversions to the client for review and written approval prior to performing the final data conversion process.
- 3.3. Pethealth will schedule the Cutover Date after the approval of the final test conversion. Data conversion will commence on or before 7:00 pm Eastern Standard Time the evening prior and will be complete no later than 7:00 am Eastern Standard Time the following day.

4. Client's Responsibilities

- 4.1. Client agrees to respond to suggested Field Mappings and Field Values per section, for correction and written approval in a timely matter.
- 4.2. Client will provide Pethealth with written correspondence as to the integrity and accuracy of each of the Test Conversions performed by Pethealth. This correspondence must clearly explain any inaccuracies or other problems with the Dataset.
- 4.3. Client understands that if their response time to Pethealth's questions or their response time in approving Test Conversions go beyond a reasonable time frame (1 Business Day for Field Assignments, 3 Business days for Test Conversions), the Data Conversion process may be delayed beyond the original timeframe.

- 4.4. Client agrees to cease operations on its existing software application and electronically submit the final Dataset, at the close of business or no later than 7:00 pm EST (whichever is earlier).
- 4.5. Prior to the start of business on the day following the final conversion process, the Client will have a qualified staff person available to perform a final review of the data and to submit written approval or provide additional clarification.

5. Fees

- 5.1. The total cost for the Client's Data Conversion outlined in this Agreement shall be \$16,000

6. Payment Terms

- 6.1. An initial down-payment of \$4,000 or 25% of the total cost must be submitted and received by Pethealth before Data Conversion can be scheduled. The down-payment is non-refundable.
- 6.2. The Client is required to submit an additional \$4000 or 25% of the total cost within 30 days after Cutover Date.
- 6.3. The remaining balance, \$8,000 shall then be paid in full no later October 31, 2009
- 6.4. Upon payment in full, Pethealth will credit the client half (50%) of the cost of the conversion in microchips on their 24PetWatch account.

7. Indemnity

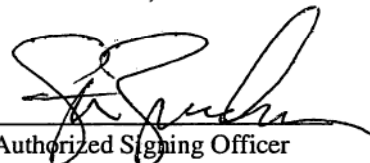
- 7.1. The Client warrants and represents that all data provided to Pethealth for the purpose of Data Conversion is owned by the Client. Pethealth is not responsible for any damage claims made by the Client or by any Third Party relating to the ownership of data. The Client shall hold Pethealth harmless from and against any loss, damage, claim, cost, expense or other liability suffered by Pethealth as a result of any claim or cause of action by the Client or any Third Party arising out of, based upon or relating to the ownership or rights in any data received by Pethealth from the Client or any information derived from that data.

- 7.2. **No Indemnification by the Client.** Pethealth acknowledges and agrees that under the Constitution and the laws of the State of Texas, Client cannot enter into an agreement whereby Client agrees to indemnify any other party, including but not limited to Pethealth; therefore, all references, of any kind to the Client indemnifying any other party, including but not limited to Pethealth, for any reason whatsoever are hereby deemed void and deleted.

- 7.3. **Agreement to Hold Pethealth Harmless.** The Client agrees to hold Pethealth, its employees, agents, officers, heirs, and assignees harmless from any and all claims, suits, judgments, or damages including court costs and attorney's fees arising out of intentional acts, negligence, or omissions by Client, or its employees or agents, in the course of the operations of this Agreement.

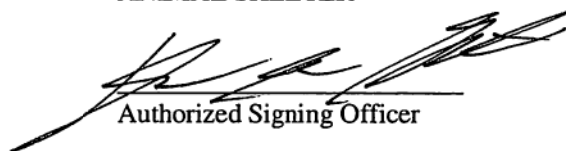
IN WITNESS WHEREOF the parties hereto have executed this Agreement:

PETHEALTH, INC.


Authorized Signing Officer

July 1, 2009
Date

WILLIAMSON COUNTY REGIONAL
ANIMAL SHELTER


Authorized Signing Officer

7-27-07
Date