

APPENDIX C

TYLER CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement (this “Agreement”) is entered into as of the ____ day of _____, 20__, by and between the State of Minnesota, State Court Administrator’s Office (the “Court”), Contractor name here (“Recipient”), and The Software Group, Inc. doing business as Tyler Technologies, Inc., a Delaware corporation (“Tyler”).

Tyler and the Court have entered into that certain Agreement for the License and Development of Case Management Software and for Professional Services dated as of July 1, 2002 (the “CMS Agreement”), pursuant to which the Court has engaged Tyler to, among other things, develop, license, and install its case management software (the “Licensed Software”) in the state of Minnesota.

The Court has engaged Recipient for the purpose of assisting the Court with certain projects associated with the license and use of the Licensed Software, which may include the implementation of the Licensed Software into sites within the state of Minnesota as requested by the Court, assisting the Court in its data processing functions, or other duties related to the license and use of the Licensed Software.

In connection with his, her or its duties to the Court, the Court may disclose to Recipient, or Recipient may otherwise receive access to, certain Tyler trade secret information (as defined below). Recipient acknowledges that, prior to receiving access to Tyler trade secret information in connection with Recipient’s duties for the Court, the CMS Agreement requires Recipient to enter into this Agreement.

THEREFORE, in consideration of the foregoing and of the mutual representations, covenants, and agreements contained herein, the parties agree as follows:

1. Confidentiality.

(a) Recipient agrees that, except in the course of performing services for the Court, Recipient will not disclose, use, or reproduce, or authorize any third party to disclose, use, or reproduce, any of the Tyler trade secret information, without the prior written approval of Tyler. Notwithstanding the foregoing, Recipient may disclose such trade secret information to employees of Recipient as may be reasonably necessary in order for Recipient to perform its duties for the Court, provided such persons agree in writing to be bound by this Agreement. Recipient will be responsible for any breaches by its employees, agents, or subcontractors.

(b) As used in this Agreement, “Tyler trade secret information” shall mean confidential and proprietary information of Tyler, including, without limitation, software, documentation, release notes, database layouts, algorithms, techniques, processes, and systems designs relating to the Licensed Software; *provided, however*, that “Tyler trade secret information” shall not include (i) any information which was known to or readily

ascertainable by proper means by the Court or Recipient before being disclosed to the Court or Recipient by Tyler; (ii) any information which is or becomes available to the general public without fault or action of the Court or Recipient in violation of this Agreement; (iii) any information which is disclosed to the Court or Recipient by a third party which is not prohibited from disclosing such information to the Court or Recipient by obligation to Tyler; (iv) any information which is developed independently by the Court or Recipient; (v) any information which would not qualify as trade secret information of Tyler under the Uniform Trade Secrets Act; or (vi) information provided by Tyler that is not in tangible form clearly labeled as Tyler confidential information.

(c) Recipient agrees that all documents of any nature that include any Tyler trade secret information are and shall be the exclusive property of Tyler and/or the Court and that all copies thereof shall be surrendered to the respective owner(s) upon request.

2. Injunctive Relief. Recipient acknowledges and agrees that a breach by it or one of its affiliates of any of the covenants set forth in this Agreement will cause irreparable injury to Tyler and its business for which damages, even if available, will not constitute an adequate remedy. Accordingly, Recipient, for itself and its affiliates, agrees that Tyler, in addition to any other remedy available at law or in equity, shall be entitled to the issuance of injunctive relief (including, without limitation, specific performance) in order to enforce the covenants and agreements contained herein.

3. Attorneys' Fees and Costs. If attorneys' fees or other costs are incurred by Tyler to secure performance of any obligations under this Agreement, or to establish damages for the breach thereof or to obtain any other appropriate relief, whether by way of prosecution or defense, and Tyler is the prevailing party, Tyler will be entitled to recover from Recipient reasonable attorneys' fees and costs incurred in connection therewith.

4. Assignment. No party shall assign this Agreement or any rights or obligations hereof without the prior written consent of the other parties, and any attempted assignment without such consent shall be null, void, and of no effect.

5. Waiver. No failure on the part of any party to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein are cumulative and not exclusive of any remedies provided by law or equity.

6. Governing Law and Venue of Disputes. The terms of this Agreement and all matters relating to this Agreement (whether in contract, statute, tort, or otherwise), will be governed by, and construed in accordance with, the laws of the state of Minnesota (without giving effect to the choice of law principles thereof). Any action arising out of or relating to this Agreement, its performance, enforcement or breach, will be venued in a state court situated within Ramsey County, Minnesota.

7. Entire Agreement. This Agreement constitutes the entire agreement and understanding among the parties and supersedes all prior discussions and agreements between the parties relating generally to the same subject matter. This Agreement shall supersede any inconsistent provisions of any agreement between the Court and Recipient to which Tyler is not a party.

8. Binding Agreement. This Agreement will be binding upon and inure to the benefit of the parties hereto and their respective successors, legal representatives, and permitted assigns.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by a duly authorized representative as of the date first written above.

THE SOFTWARE GROUP, INC. d/b/a
TYLER TECHNOLOGIES, INC.

By: _____
Name: _____
Title: _____

THE STATE OF MINNESOTA,
STATE COURT ADMINISTRATOR'S OFFICE

By: _____
Name: _____
Title: _____

Contractor Name (Recipient)

By: _____
Name: _____
Title: _____