



Mr. Daniel V Ferranti
CEO and President
Factor Software

Dear Dan,

I hired you as CEO and President of Factor Software on a Two-year assignment basis in December 2001 to help drive and facilitate this company's transition and growth from an entrepreneurially managed environment to a professionally run and empowered corporate culture.

As we now approach your two year anniversary, this letter is to express my sincere thanks and appreciation for your contributions and leadership to our culture, current and future business prospects, and most importantly, our corporate bottom line during your tenure.

In your first full fiscal year alone, you brought to bear a new management team for Marketing, Sales, Customer support, and Software engineering. You implemented numerous business processes and practices throughout all departments, and greatly improved both gross margins and net profit in all business units. The net corporate impact of these changes resulted in your driving the company to a greatly improved net corporate profit EBIDA by over 400%!

Having now accomplished and exceeding your mission, as well as establishing a platform for Factor's future, I am sorry to receive your resignation. However, given your announced intention to move on to "bigger and better opportunities", combined with Mrs. Ferranti's desire to relocate elsewhere out of Oklahoma City Area, I regretfully accept your resignation effective April 30th 2004.

Again, thanks for all your contributions. I look forward to executing a smooth transition between now and April and I wish you the best of continued success beyond.

Jerry Hess

Chairman

WR Hess/ Factor Software