END-USER SOFTWARE LICENSE AGREEMENT

This End-User Software License Agreement (the “Agreement”) is made and effective [DATE],

**BETWEEN: [YOUR COMPANY NAME]** (the "Licensor"), a corporation organized and existing under the laws of the [State/Province] of [STATE/PROVINCE], with its head office located at:

[YOUR COMPLETE ADDRESS]

**AND: [LICENSEE NAME]** (the "Licensee"), a corporation organized and existing under the laws of the [State/Province] of [STATE/PROVINCE], with its head office located at:

[COMPLETE ADDRESS]

**RECITALS**

WHEREAS, Licensor has developed certain computer programs and related documentation more particularly described in Schedule A attached hereto (the "Products") and desires to grant Licensee a license to use the Software.

WHEREAS, Licensee wishes to use the Software under the conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual promises set forth herein, Licensee and Licensor hereby agree as follows:

1. **DEFINITIONS**

The following definitions shall apply to this Agreement:

**"Software"** means the computer programs and documentation listed in Schedule A attached to this Agreement.

**"Install"** means placing the Software on a computer's hard disk, CD-ROM or other secondary storage device.

**"Derivative Works"** means a work that is based upon one or more preexisting works, such as a revision, modification, translation, abridgment, condensation, expansion or any other form in which such a preexisting work may be recast, transformed or adapted, and that, if prepared without authorization by the owner of the preexisting work, would constitute copyright infringement.

**"Use"** means (i) executing or loading the Software into computer RAM or other primary memory, and (ii) copying the Software for archival or emergency restart purposes.

**"Territory"** means [SPECIFY TERRITORY]

1. **SOFTWARE LICENSE**

**[PERPETUAL LICENSE]**

Licensor hereby grants to Licensee a perpetual, non-exclusive license to use the Software and Documentation (collectively, the "Software System"), subject to the terms and conditions hereinafter set forth. This License is effective when executed by both parties and the license granted to the Software remains in force until Licensee stops using the Software or until Licensor terminates this License because of Licensee's failure to comply with any of its terms and conditions.

OR

**[TERM OF YEARS]**

This License is effective when executed by both parties and will last for a term of [NUMBER] years. [OPTIONAL:] Thereafter, this License shall automatically be renewed for successive [NUMBER] year terms unless Licensee gives Licensor written notice at least [NUMBER] days before the day on which the license or renewal would expire of its intention not to renew this License.

(AND)

**[SINGLE USER/CPU LICENSE]**

Licensor hereby grants to Licensee a nonexclusive license to install and use the Software on one single user computer in its possession, provided the Software is in use on only one computer at any time. The Software is "in use" on a computer when it is loaded into temporary memory (RAM) or installed into the permanent memory of a computer--for example, a hard disk, CD-ROM or other storage device. If the Software is permanently installed on the hard disk or other storage device of a computer (other than a network server) and one person uses that computer more than [%] of the time, then that person may also use the Software on a portable or home computer.

OR

**[MULTIPLE STANDALONE COMPUTERS]**

Licensor hereby grants to Licensee a nonexclusive license to install and use the Software on up to [NUMBER] of single-user computers in its possession.

OR

**[SITE LICENSE]**

Licensor hereby grants to Licensee a nonexclusive license to install and use the Software on any computer located at [FULL ADDRESS], provided such computers cannot be accessed from outside the site by a telecommunications network or otherwise.

OR

**[NETWORK LICENSE]**

Licensor hereby grants to Licensee a nonexclusive license to install and use the Software on the Local Area Network currently operating at the following site: [ADDRESS], provided the total number of users who have access to the Software at any time does not exceed [NUMBER].

1. **LICENSE FEE**

As consideration for the perpetual license to use the Software System granted to Licensee herein, Licensee shall pay to Licensor the total sum of [AMOUNT], pursuant to the Payment Schedule set forth in Schedule C.

1. **LICENSEE’S RIGHTS AND OBLIGATIONS**

Licensee may either:

* 1. Make one copy of the Software solely for backup or archival purposes, or
  2. Transfer the Software to a single hard disk, provided Licensee keep the original solely for backup or archival purposes.

The Software and Documentation are protected by [COUNTRY] copyright laws and international treaties. Licensee must treat the Software and Documentation like any other copyrighted material – for example a book. Licensee may not:

1. Copy the Documentation
2. Copy the Software except to make archival or backup copies as provided above
3. Modify or adapt the Software or merge it into another program
4. Reverse engineer, disassemble, decompile or make any attempt to discover the source code of the Software
5. Place the Software onto a server so that it is accessible via a pubic network such as the Internet
6. Sublicense, rent, lease or lend any portion of the Software or Documentation.
7. **LIMITED WARRANTY**

Licensor warrants that for a period of [NUMBER] of days after delivery of the Software to Licensee:

1. The physical media on which this copy of the Software is distributed will be free from defects in materials and workmanship under normal use, and
2. The Software will perform in substantial accordance with the Documentation.

To the extent permitted by law, THE FOREGOING LIMITED WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED, AND LICENSOR DISCLAIMS ANY AND ALL IMPLIED WARRANTIES OR CONDITIONS, INCLUDING ANY IMPLIED WARRANTY OF TITLE, NONINFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, regardless of whether Licensor knows or had reason to know of Licensee particular needs. No employee, agent, or distributor of Licensor is authorized to modify this warranty, nor to make any additional warranties.

1. **LIMITED REMEDY**

Licensor entire liability and Licensee exclusive remedy shall be:

1. The replacement of any CD-ROM(s) or other media not meeting the Limited Warranty which is returned to Licensor or to an authorized Dealer or Distributor with a copy of Licensee’s receipt, or
2. If Licensor or an authorized Dealer or Distributor are unable to deliver a replacement CD-ROM(s) or other media that is free of defects in materials or workmanship, Licensee may terminate this Agreement by returning the Software and Documentation and Licensee’s money will be refunded.

IN NO EVENT WILL LICENSOR BE LIABLE TO LICENSEE FOR ANY DAMAGES, INCLUDING ANY LOST PROFITS, LOST SAVINGS, OR OTHER INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING FROM THE USE OR THE INABILITY TO USE THE SOFTWARE (EVEN IF LICENSOR OR AN AUTHORIZED DEALER OR DISTRIBUTOR HAS BEEN ADVISED OF THE POSSIBILITY OF THESE DAMAGES, OR FOR ANY CLAIM BY ANY OTHER PARTY.

1. **REPRESENTATIONS AND WARRANTIES**

Licensor hereby represents and warrants to Licensee that:

* 1. Licensor is the owner of all right, title and interest, including copyright, in all the Licensed Materials, or has the authority to enter into this Agreement on behalf of the owner.
  2. Licensor has not granted any rights or licenses to the Licensed Materials that would conflict with Licensor's obligations under this Agreement.
  3. Licensor is fully aware of Licensee's business requirements and intended uses for the Software and the Software shall satisfy such requirements and is fit for such intended uses.
  4. Licensor will not enter into any agreement with any third party which would affect Licensee's rights under this Agreement, or bind Licensee to any third party, without Licensee's prior written consent.
  5. Licensee's use of the Licensed Materials as authorized by this Agreement will not infringe any existing copyright, trade secret, patent or trademark rights of any third party.

1. **TERMINATION**

Licensor shall have the right to immediately terminate this License if Licensee fails to perform any obligation required of Licensee under this Agreement or if Licensee becomes bankrupt or insolvent. This License Agreement takes effect upon Licensee’s use of the software and remains effective until terminated. Licensee may terminate it at any time by destroying all copies of the Software and Documentation in its possession. It will also automatically terminate if Licensee fails to comply with any term or condition of this License Agreement.

1. **RETURN OR DESTRUCTION OF SOFTWARE UPON TERMINATION**

Upon termination of this License, Licensee shall return to Licensor or destroy the original and all copies of the Software including partial copies and modifications. Licensor shall have a reasonable opportunity to conduct an inspection of Licensee's place of business to assure compliance with this provision.

1. **TITLE TO SOFTWARE**

Licensor retains title to and ownership of the Software and all enhancements, modifications and updates of the Software.

1. **MODIFICATION AND ENHANCEMENTS**

Licensee will make no efforts to reverse engineer the Software, or make any modifications or enhancements without Licensor's express written consent.

1. **THE SOFTWARE**

The Software shall consist of the modules or components, shall perform the functions and shall comply with the proposals and specifications, identified or set forth on Schedule A, annexed hereto. Each Software module or component, specification and proposal included or referred to in Schedule A is expressly incorporated by reference herein.

1. **DOCUMENTATION**

The Documentation shall consist of all operator and user manuals, training materials, guides, listings, specifications, and other materials for use in conjunction with the Software, as set forth in Schedule B, annexed hereto. Licensor shall deliver to Licensee, as specified below, [NUMBER] complete copies of the Documentation set forth in Schedule B. Licensee shall have the right, as part of the license granted herein, to make as many additional copies of the Documentation for its own use as it may determine.

1. **SOURCE CODE**

The Software shall include its Source Code form (the "Source Code"), and all relevant explanations and documentation of the Source Code (collectively, "Commentary"). Licensor is required to deliver to Licensee, [NUMBER] copies of the complete Source Code contained on machine-readable media and a complete listing of the Source Code and Commentary.

1. **OPERATING ENVIRONMENT**

The Software, and each module or component and function thereof, shall be capable of operating fully and correctly on the combination of computer equipment ("Hardware") the programming language and the Operating System specified in Schedule D, annexed hereto.

1. **DELIVERY**

Within [NUMBER] days of the execution of this Agreement by Licensor, and upon no less than [NUMBER] days' prior notice to Licensee, Licensor shall deliver to Licensee's premises, located at [ADDRESS] (the "Site"), the required number of copies of the Software together with the required number of copies of the Documentation. Upon at least [NUMBER] days' notice to Licensor, Licensee may postpone the delivery of the Software System to a mutually agreed-upon date no more than [NUMBER] days thereafter. Licensor shall bear all freight, shipping and handling costs for such delivery of the Software System and all risk of loss, including any insurance costs.

1. **SOFTWARE INSTALLATION AND ACCEPTANCE**

Promptly after delivery of the Software System to the Site, Licensor shall install the Software on the Hardware. Licensor shall successfully conduct all of its own testing procedures on the Software. Thereafter, upon reasonable advance notice to and in the presence of representatives of Licensee, Licensor shall conduct the acceptance testing procedure specified in Schedule E, annexed hereto, using a sample of data supplied by Licensee and converted and entered on the Hardware by Licensor at its sole cost. Upon successful completion of every element of the acceptance testing procedure set forth in Schedule E, Licensee shall execute a written notice of acceptance of the Software. In the event that the Software fails to pass any of Licensor's testing procedures or the acceptance test set forth in Schedule E, then Licensor shall have [NUMBER] days in which to correct such defect and cause the Software to successfully pass all such tests, failing which Licensee may elect to cancel this Agreement and Licensor shall immediately refund all sums previously paid to it by Licensee hereunder.

1. **NEW LOCATION**

Licensee may, at any time, without prior notice to or consent of Licensor, transfer the Software to any location other than the site of initial installation for use on any other central processing unit ("CPU") which is owned or controlled by Licensee or by subsidiaries or other entities owned or controlled by Licensee. Licensee shall thereafter promptly give Licensor notice of such new location.

1. **MULTIPLE USE OPTION**

Licensee shall have the option to extend the license granted hereunder to include use of the Software on more than a single CPU which it may exercise in its sole discretion at any time by tendering to Licensor a payment equal to [%] of the License Fee specified above for the first additional site and a payment equal to [%] of the License Fee specified above for each additional CPU on which the Software shall be so used, together with a notice identifying such CPU and its location.

1. **TRAINING**

The License Fee includes all costs for the training of Licensee's employees on the use and operation of the Software on the Hardware, including instruction in any necessary conversion of Licensee's data for such use. Pursuant to a mutually agreed upon schedule, Licensor shall provide sufficient experienced and qualified personnel to conduct up to [NUMBER] full eight-hour days of such training of groups of up to [NUMBER] employees or other personnel of Licensee at a location or locations designated by Licensee.

1. **SOFTWARE MAINTENANCE**
   1. During the warranty period, Licensor shall promptly notify Licensee of any defects or malfunctions in the Software or Documentation of which it learns from any source. Licensor shall promptly correct any defects or malfunctions in the Software or Documentation discovered during such warranty period and provide Licensee with corrected copies of same, without additional charge. Licensor's obligation hereunder shall not affect any other liability which it may have to Licensee.
   2. Licensor shall provide to Licensee, without additional charge, copies of the Software System and Documentation revised to reflect any enhancements to the Software System made by Licensor during the warranty period. Such enhancements shall include all modifications to the Software System which increase the speed, efficiency or ease of operation of the Software System, or add additional capabilities to or otherwise improve the functions of the Software System.
2. **ADDITIONAL SUPPORT**

During the warranty period, Licensor shall provide to Licensee, without additional charge, all reasonably necessary telephone or written consultation requested by Licensee in connection with its use and operation of the Software System or any problems therewith. Telephone consultation shall be requested and provided only during Licensor's normal business hours and Licensee shall pay all long distance telephone charges in connection therewith.

1. **SOFTWARE MAINTENANCE CONTRACT AND RENEWAL OPTION**

After expiration of the warranty period referred to above, Licensor shall provide maintenance, additional support and enhancements in connection with the Software System, pursuant to the [NUMBER] year(s) Software Maintenance Contract executed concurrently herewith, a copy of which is annexed hereto. Licensor hereby grants to Licensee up to [NUMBER] options to renew said contract, each for a period of one year, for a fee to be negotiated annually by Licensee and Licensor, but in no event exceeding the fee charged for the preceding year's contract by more than [%].

1. **LICENSEE'S MODIFICATIONS**

Licensee shall have the right, in its own discretion, to independently modify the Software System for its own purposes and use, through the services of its own employees or of independent contractors, provided that same agree not to disclose or distribute any part of the Software System to any other person or entity or otherwise violate Licensor's proprietary rights therein. Licensee shall be the owner of any such modifications. Licensor shall not incorporate any such modifications into its software for distribution to third parties unless it first agrees to pay Licensee a reasonable royalty, pursuant to mutually agreed upon terms.

1. **CONFIDENTIALITY**

Each party agrees that it shall not disclose to any third party any information concerning the customers, trade secrets, methods, processes or procedures or any other confidential, financial or business information of the other party which it learns during the course of its performance of this Agreement, without the prior written consent of such other party. This obligation shall survive the cancellation or other termination of this Agreement.

The Software contains trade secrets and proprietary know-how that belong to us and it is being made available to Licensee in strict confidence.

ANY USE OR DISCLOSURE OF THE SOFTWARE, OR OF ITS ALGORITHMS, PROTOCALS OR INTERFACES, OTHER THAN IN STRICT ACCORDANCE WITH THIS LICENSE AGREEMENT, MAY BE ACTIONABLE AS A VIOLATION OF OUR TRADE SECRET RIGHTS.

1. **PUBLICITY**

Licensor shall not refer to the existence of this Agreement in any press release, advertising or materials distributed to prospective customers, without the prior written consent of Licensee.

1. **LICENSOR'S PROPRIETARY NOTICES**

Licensee agrees that any copies of the Software or Documentation which it makes pursuant to this Agreement shall bear all copyright, trademark and other proprietary notices included therein by Licensor and, except as expressly authorized herein, Licensee shall not distribute same to any third party without Licensor's prior written consent. Notwithstanding the preceding sentence, Licensee may add its own copyright or other proprietary notice to any copy of the Software or Documentation which contains modifications to which Licensee has ownership rights pursuant to this Agreement.

1. **MOST FAVORED CUSTOMER**

Licensor agrees to treat Licensee as its most favored customer. Licensor represents that all of the prices, warranties, benefits and other terms being provided hereunder are equivalent to or better than the terms being offered by Licensor to its current customers. If, during the warranty period, Licensor enters into an agreement with any other customer providing such customer with more favorable terms, then this Agreement shall be deemed appropriately amended to provide such terms to Licensee. Licensor shall promptly provide Licensee with any refund or credits thereby created.

1. **ASSIGNMENT**

Licensee may assign this agreement to any subsidiary or affiliate under its control, or as part of the sale of that part of its business which includes the Hardware or any substantial portion of its data processing facilities, or pursuant to any merger, consolidation or other reorganization, without Licensor's consent, upon notice to Licensor. Licensor shall not assign this Agreement without Licensee's prior written consent, which shall not be unreasonably withheld. An assignee of either party, if authorized hereunder, shall have all of the rights and obligations of the assigning party set forth in this Agreement.

1. **INDEMNITY**

Licensor agrees to indemnify and hold harmless Licensee and its subsidiaries or affiliates under its control, and their directors, officers, employees and agents, against any and all losses, liabilities, judgments, awards and costs (including legal fees and expenses) arising out of or related to any claim that Licensee's use or possession of the Software or Documentation, or the license granted hereunder, infringes or violates the copyright, trade secret or other proprietary right of any third party. Licensor shall defend and settle at its sole expense all suits or proceedings arising out of the foregoing, provided that Licensee gives Licensor prompt notice of any such claim of which it learns. No settlement which prevents Licensee from continuing to use the Software System as provided herein shall be made without Licensee's prior written consent. In all events, Licensee shall have the right to participate in the defense of any such suit or proceeding through counsel of its own choosing.

1. **ARBITRATION**

The parties agree to submit any dispute under this License to binding arbitration in the following location [LIST CITY OR COUNTY WHERE ARBITRATION WILL OCCUR] under the rules of the [ASSOCIATION]. Judgment upon the award rendered by the arbitrator may be entered in any court with jurisdiction to do so.

1. **ATTORNEY FEES**

If any legal action is necessary to enforce this License, the prevailing party shall be entitled to reasonable attorney fees, costs and expenses in addition to any other relief to which it may be entitled.

1. **LIMITED LIABILITY**

Unless otherwise expressly stated herein, Licensor shall not be liable to Licensee for any consequential damages arising out of Licensor's breach of this Agreement.

1. **NOTICE**

All notices required or permitted to be given by one party to the other under this Agreement shall be sufficient if sent by certified mail, return receipt requested, to the parties at the respective addresses set forth above or to such other address as the party to receive the notice has designated by notice to the other party.

1. **GOVERNING LAW**

This Agreement shall be governed by and construed under the laws of the State [STATE/PROVINCE].

1. **CONSENT TO JURISDICTION, VENUE AND SERVICE**

Licensor consents and agrees that all legal proceedings relating to the subject matter of this Agreement shall be maintained in courts sitting within the State of [STATE/PROVINCE], and Licensor consents and agrees that jurisdiction and venue for such proceedings shall lie exclusively with such courts. Service of process in any such proceeding may be made by certified mail, return receipt requested, directed to the respective party at the address at which it is to receive notice as provided herein.

1. **SEVERABILITY**

If any provision of this Agreement is held invalid or otherwise unenforceable, the enforceability of the remaining provisions shall not be impaired thereby.

1. **NO WAIVER**

The failure by any party to exercise any right provided for herein shall not be deemed a waiver of any right hereunder.

1. **COMPLETE AGREEMENT**

This Agreement sets forth the entire understanding of the parties as to its subject matter and may not be modified except in a writing executed by both parties.

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates set forth first above, with full knowledge of its content and significance and intending to be legally bound by the terms hereof.

LICENSOR LICENSEE

Authorized Signature Authorized Signature

Print Name and Title Print Name and Title

**SCHEDULE A**

**COMPUTER PROGRAMS AND DOCUMENTATION**

**SCHEDULE B**

**DOCUMENTATION**

**SCHEDULE C**

**PAYMENT SCHEDULE**

**SCHEDULE D**

**HARDWARE, PROGRAMMING LANGUAGE AND OPERATING SYSTEM**

**SCHEDULE E**

**ACCEPTANCE TESTING PROCEDURE**