

THIS AGREEMENT made between _____ ("Sublicensor") and _____ ("Sublicensee"), this _____ day of _____, _____.

WHEREAS:

- A. Sublicensor represents and warrants that _____ ("Owner") is the sole owner of the Licensed Programs; and
- B. Sublicensor has been expressly authorized by Owner to provide Sublicensee with a valid, royalty-free and fully paid-up non-exclusive sublicense for the use of each of the Licensed Programs on the Designated Equipment and provide User with all Licensed Program Documentation; and
- C. Sublicensor represents and warrants to Sublicensee that any default under the terms of its agreement with Owner shall not result in any default, impairment of rights, cancellation, threatened cancellation, or limitation or restrictions on the Sublicensee or its use of the Licensed Programs and Licensed Program Documentation pursuant to the terms of sublicense granted hereunder; and
- D. The terms Licensed Program, Licensed Program Documentation, Designated Equipment and Use are defined in paragraph 2 of this agreement:

IN CONSIDERATION of the sum of two (\$2.00) dollars now paid by Sublicensee to Sublicensor (the receipt and sufficiency of which is acknowledged), the Sublicensor and Sublicensee agree as follows:

1. Recitals True

The Sublicensor represents and warrants to Sublicensee that each and every of the foregoing recitals are true and incontrovertible.

2. Definitions

The following terms are defined for the purposes of this agreement:

- (a) "Designated Equipment" means the equipment enumerated in Schedule "B" attached to this agreement;
- (b) "Licensed Program Documentation" means all explanatory and instructional documentation and all portions or copies of any such tangible materials or documentation whether produced by Owner or Sublicensor;
- (c) "Licensed Programs" means the programs listed on Schedule "A" attached to this agreement, materials relating to these programs, including source tapes and listings, in machine-readable or printed form, and any updates of these programs and program materials hereafter furnished to Sublicensee by Sublicensor;
- (d) "Use" means copying any portion of any Licensed Program from storage units or media into Designated Equipment for processing, or using any Licensed Program in the course of the operation of the Designated Equipment or software.

3. Grant of Sublicense

- (a) Sublicensor grants to Sublicensee and Sublicensee accepts from Sublicensor, upon the terms and conditions set forth in this program sublicense agreement, a valid, fully paid-up and royalty-free, non-transferable and non-exclusive license to use the Licensed Programs:
 - (i) on the Designated Equipment; and

- (ii) on any back-up equipment in the event that the Designated Equipment becomes inoperative for any reason.
- (b) Sublicensor further grants to Sublicensee a valid, fully paid-up and royalty-free, non-transferable and non-exclusive license to use the Licensed Program Documentation to be furnished contemporaneously with the Licensed Programs and to be utilized in conjunction with them.

4. Term

- (a) This agreement is effective from the date of execution by Sublicensor and shall entitle the Sublicensee to use each Licensed Program under the provisions of the preceding paragraph 3 so long as the Designated Equipment remains in the exclusive possession of the Sublicensee. Except to the extent permitted under the preceding paragraph 3, a separate sublicense is required for use of any Licensed Program on equipment other than the Designated Equipment.
- (b) Sublicensee acknowledges that the sublicense granted in this agreement is limited to the Use of the specific Licensed Programs listed on Schedule "A" and that the Use of them by anyone other than Sublicensee is prohibited. Sublicensee further acknowledges that it does not have the right to further sublicense any of the Licensed Programs.