

NETWORK LICENSE AND MAINTENANCE AGREEMENT

THIS AGREEMENT made effective as of the ____ day of _____, _____.

BETWEEN:

_____ (insert legal name of licensor)
_____ (insert complete address)
(the "Licensor")

-AND-

_____ (insert legal name of licensee)
_____ (insert complete address)
(the "Licensee")

WHEREAS Licensee has evaluated the software product developed by Licensor, commonly known as _____, (insert name of product) and is desirous of obtaining the nonexclusive right to use this software product.

AND WHEREAS Licensor is desirous of granting Licensee a renewable, nonexclusive, and nontransferable license to permit Licensee to make such software product available for use by Licensee's employees in exchange for a lump sum royalty fee, bulk purchases of the user manual, and an annual maintenance fee.

NOW THEREFORE IN CONSIDERATION of the mutual covenants which follow, Licensor and Licensee agree:

1. Definitions

- a. *Licensed Product.* The term "Licensed Product" means the computer program in object code described in Exhibit A hereto. For purposes of this Agreement, the Licensed Product is initially limited to one microcomputer operating system.
- b. *Authorized User(s).* The term "Authorized User(s)" means any current employee of Licensee.
- c. *Local Network System.* The term "Local Network System" means multiple, interactive user terminals connected to a single-processing or multi-processing microcomputing unit owned, leased, or operated by Licensee which is located at _____ (insert complete address) and designated by the type/serial number in Section 2 of this Agreement.
- d. *Key Person.* The term "Key Person" means a person affiliated with Licensee, designated by Licensee in Section 6 of this Agreement, and authorized by Licensee (i) to receive, retain custody of, and to make backup copies of the Licensed Product and updates of the Licensed Product; (ii) to arrange for the bulk purchase of user manuals and supplements thereto for use by Authorized Users; (iii) to procure any technical assistance from Licensor needed in connection with the use of the Licensed Product; and (iv) to receive Licensor's newsletters, announcements and bulletins concerning updates and supplements to the Licensed Product.

2. License

In accordance with the terms of this Agreement, Licensor grants to Licensee, and Licensee accepts from Licensor, a renewable, nonexclusive, and nontransferable license to use the Licensed Product in non-printed, machine readable form on the Local Network System for use only by Authorized Users. The

type/serial number of the microcomputing unit in the Local Network System for which the Licensed Product is licensed is _____. (*insert complete type/serial number*)

3. Ownership of Licensed Product

Licensor represents that it is, and on the date of the delivery of the Licensed Product will be, the sole owner and copyright holder of the Licensed Product; that it has, and on the date of the delivery of the Licensed Product will have, the full right and authority to grant this license; and that neither this license nor performance under this Agreement does or shall conflict with any other agreement or obligation to which Licensor is a party or by which it is bound.

4. Title to and Rights in Licensed Product

- a. *Proprietary Rights.* The Licensed Product and updates of the Licensed Product are proprietary to Licensor, and title to them remains in the Licensor. All applicable common law and statutory rights in the Licensed Product and updates of the Licensed Product, including, but not limited to, rights in confidential and trade secret material, source code, object code, trademarks, service marks, patents, and copyrights, shall be and will remain the property of Licensor. Licensee shall have no right, title, or interest in such proprietary rights.