

SOFTWARE ACQUISITION AGREEMENT

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

BETWEEN:

_____ (insert legal name of purchaser)
_____ (insert complete address including province & postal code)
(the "Purchaser")

OF THE FIRST PART

- and -

_____ (insert legal name of vendor)
_____ (insert complete address including province & postal code)
(the "Vendor")

OF THE SECOND PART

THIS AGREEMENT WITNESSES that in consideration of the mutual covenants and agreements contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, the parties hereby agree as follows:

1. Definitions

For the purposes of this Agreement:

- (a) "Closing Date" means _____ (insert date) or such other date as the parties hereto may agree on.
- (b) "Documentation" means all documentation for the Software, including but not limited to all documentation intended for use by the end-user of an executable copy of the Software, all technical documentation, system designs and specifications, flow charts, manuals, file and record layouts and other such documentation containing or relating to the design, structure, coding or testing of, or algorithms or routines used in, or errors discovered or corrected in, the Software and any other type of information or material, (in whatever form, whether in printed copy or electronic media format) relating to the Software that was prepared by or for the Vendor.
- (c) "Monthly Revenue" means in respect of any month during the term of this Agreement, the amount by which the revenues from license fees _____ (insert name) has billed for and collected for the month from licenses of the Software (less all applicable discounts and returns) exceed the applicable taxes imposed on such revenues other than any income or capital taxes;
- (d) "Purchased Assets" shall include the Software, the Documentation, the Trade Mark Assets and the Software Contracts.
- (e) "Software Contracts" means all contracts (including, but not limited to, all license, support, service, dealer, distributor, agent, supplier, and manufacturer agreements), whether oral or written, between Vendor and any other party which relate to the Software or the Documentation. All Software Contracts are identified and described in Schedule "____" (insert letter or number) hereto.
- (f) "Software" means all past, present and future versions of the System, computer programs, data, and text (regardless of the form in which it exists or the media upon which it resides), including but not limited to the source code version thereof and the batch processor logic module and identified and described in Schedule "____" (insert letter or number) hereto, and all patent rights, copyrights, trade secret rights and other proprietary rights in and thereto.

- (g) "Source Code" means the source code for the Software, which is written in the computer language.
- (h) "Trade Mark Assets" means all of the trade marks and service marks used on, in or in conjunction with the Software or the Documentation, together with the goodwill of Vendor's business connected with the use of or symbolized by any such trade marks and service marks.

2. Purchase and Sale

Subject to the terms and conditions hereof, the Vendor shall sell and the Purchaser shall purchase the Purchased Assets, as of the close of business on the Closing Date.

3. Purchase Price

The purchase price payable by the Purchaser to the Vendor for the Software shall be \$_____.
(insert amount)

4. Payment of Purchase Price

The Purchaser shall satisfy the purchase price for the Software as follows:

(insert details such as method, timing, form and amounts of payments, etc.)

5. Royalties and Royalty Payments

5.1 In addition to payment of the purchase price, Purchaser shall, during the term of this Agreement, pay the following royalties to Vendor, such royalty payments to be submitted to Vendor no later than _____ *(insert number)* days following the month in respect of which such royalty payment is calculated:

- (a) (describe amounts, frequency and other details of royalty payments)