

SOFTWARE INTEGRATION LICENCE

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

BETWEEN:

(the "Licensor")

OF THE FIRST PART

- and -

(the "Licensee")

OF THE SECOND PART

WHEREAS:

- A. Licensor has expended a great deal of time, effort and money designing, developing and producing certain software and documentation associated therewith, as more particularly described in Schedule "A" annexed hereto (collectively, the "Licensed Products");
- B. Licensor is the owner of the entire right, title and interest in and to the Licensed Products;
- C. Licensor has also designed, developed and produced and continues to develop, use and control certain trade marks, trade names, service marks and logos used in connection with the Licensed Products (the "Marks") for the exclusive use and benefit of Licensor and its Licensees in order to identify the source of the Licensed Products with the public;
- D. Licensee desires to obtain from Licensor, and Licensor desires to grant to Licensee, a non-exclusive, non-transferable, non-assignable Licence to merge or embed the Licensed Products into proprietary software products developed or licensed by Licensee (such combined products hereinafter referred to as the "Integrated Product"), and to thereafter market, demonstrate, sell, sub-license and distribute the Integrated Product to end users for use solely within the Territory, as hereinafter defined.

NOW THEREFORE 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

Wherever used in this Agreement, the following words and phrases shall have the meanings set out below:

- (a) "Affiliate", when used with respect to any Person, shall mean any Person controlling, controlled by or under common control with such Person;
- (b) "Agreement" shall mean this Software Integration , together with any amendments, modifications, or replacements hereof;
- (c) "Business Day" shall mean any day which is not a Saturday, Sunday or holiday under the laws of _____ (insert state);
- (d) "Conformity Specifications" shall mean Coding and Design Specifications as defined by _____.

- (e) "Databases" shall mean the directories and other files set out in Schedule "A" hereto, as the same exist on the Effective Date, together with any updates thereto (the "Database Updates");
- (f) "Documentation" shall mean the user manuals or other documentation, whether in printed or electronic form, related to the Licensed Products, as more particularly described in Schedule "A" hereto, developed by Licensor for use in connection with merging or embedding the Licensed Products into Licensee's proprietary software products, and any subsequent versions thereof;
- (g) "Effective Date" shall mean the date first written above;
- (h) "End User" shall mean any third party which obtains the Integrated Product, directly or indirectly, from Licensee or any Sub-distributor;
- (i) "End User Agreement" shall mean the agreement between Licensee and an End User granting a sub-licence to such End User, which shall be substantially in the form set out in Schedule "B" annexed hereto;
- (j) "Integrated Product" shall mean any software product and associated documentation, whether in printed or electronic form, and all updates, enhancements and upgrades thereof, developed by Licensee which incorporate, rely on or are derived directly or indirectly from the Licensed Products;
- (k) "Integration " shall mean the licence granted to Licensee by Licensor;
- (l) "Licensed Products" shall mean the Software, Databases and Documentation;
- (m) "Licensee" shall mean _____ ;(*insert legal name of Licensee*)
- (n) "Licensor" shall mean _____ ;(*insert legal name of Licensor*)
- (o) "Losses" shall mean any and all claims, demands, costs, losses, damages, liabilities, fines, penalties and expenses of any kind or nature whatsoever, whether imposed, incurred or assessed, including without limitation reasonable legal fees;
- (p) "Marks" shall mean all of Licensor's trade marks, trade names, service marks and logos used in connection with the Licensed Products;
- (q) "Net Revenues" shall mean any and all revenues, fees or other compensation received by Licensee with respect to the sale, sublicensing or maintenance of the Integrated Product, net of any taxes, shipping and handling charges charged to End Users and any amounts refunded for returned items;
- (r) "Person" shall mean any corporation, body corporate, association, firm, partnership, joint venture, trust, organisation, business, sole proprietorship, individual, government, governmental agency or political subdivision thereof, or any other entity or institution whatsoever;
- (s) "Royalty Period" shall mean the period commencing when an Integrated Product is first shipped by Licensee to a Sub-distributor or End User and ending when the last Integrated Product is shipped by Licensee and payment is received therefor;
- (t) "Software" shall mean the machine-readable version of the object code of Licensor's computer software program as set out in Schedule "A" hereto, and any and all Updates and Upgrades thereto, but specifically shall **NOT** include the source code version;
- (u) "Sub-Distributor" shall mean any third party distributor, reseller, value added reseller, dealer or sales representative that distributes the Integrated Product to End Users for or on behalf of Licensee;
- (v) "Support Services" shall mean the maintenance and support to be provided by Licensor to Licensee under this Agreement with respect to the Licensed Products;

- (w) "Territory" shall mean _____ (insert description of geographic area);
- (x) "Update" shall mean any change, modification, alteration or other update of the Licensed Products made to correct an error, defect or other problem and/or to maintain the operational quality of the Licensed Products, and which is not an Upgrade;
- (y) "Upgrade" shall mean a new release of the Licensed Products or any part thereof, which adds major new functionality or features which were not available in the previous version of the Licensed Products.

2. Integration Licence

2.1 *Grant of Licence:* Subject to the terms and conditions set forth in this Agreement, including the full payment of all amounts owing to Licensor, Licensor grants to Licensee a non-exclusive, non-transferable, non-assignable licence for the following purposes:

- (a) to merge or embed the Licensed Products and the Databases into proprietary software products developed or licensed by Licensee in order to create the Integrated Product;
- (b) to thereafter market, demonstrate, sell, sub-license and distribute the Integrated Product within the Territory to End Users for use solely within the Territory; and
- (c) to use the Marks in connection therewith;

provided that the licence granted hereunder shall be subject to the restrictions set forth in Schedule "C" annexed hereto (collectively referred to as the "Restrictions on Use").

2.2 *Sub-Distributors:* Licensee may distribute the Integrated Product either directly or through Sub-distributors provided that each such Sub-distributor agrees in writing to be bound by the restrictions on Licensee contained in this Agreement. Licensee agrees that it is exclusively responsible for supporting all of its Sub-distributors and performing under all agreements between Licensee and its Sub-distributors and that such relationships shall have no effect on Licensee's obligations hereunder.

2.3 *End User Licence Agreement:* Licensee shall, and shall cause each of its Sub-distributors to, ensure that each End User who purchases an Integrated Product executes the End User Licence Agreement. Licensee may, in its sole discretion, revise the End User Licence Agreement from time to time, provided that Licensee obtains Licensor's prior approval of such revisions. Each sub-licence granted by Licensee or any Sub-distributor shall authorise the End User to use the Integrated Product for its internal use on a single computer only, and shall contain provisions regarding confidentiality, proprietary rights, limitation and disclaimer of warranties, limitations on remedies, and limitations on and exclusions of liability, all of which must be substantially similar to those contained in this Agreement. End User Agreements and the sub-licences granted thereunder prior to the termination or expiry of this Agreement shall survive the termination or expiry for the duration of the term set forth in the applicable End User Licence Agreement, provided such End Users comply with the terms of the applicable End User Licence Agreements.

2.4 *Transfer of Integration Licence:* Except for a sub-licence to an End User pursuant to clause 2.3 hereof, Licensee may not, directly or indirectly, sell, assign, sub-license, lease, rent, distribute or otherwise transfer the Integration Licence, the Licensed Products or any rights therein to any other Person, without the prior written consent of Licensor.