SOFTWARE LICENCE AGREEMENT

This Software Licence Agreement (the “Agreement”) is made and effective [DATE],

**BETWEEN: [YOUR COMPANY NAME]** (the "Licensor"), a company organised and existing under the laws of [COUNTRY], with its head office located at:

 [YOUR COMPLETE ADDRESS]

**AND: [LICENSEE NAME]** (the "Licensee"), a company organised and existing under the laws of [COUNTRY], with its head office located at:

 [COMPLETE ADDRESS]

The Licensor will grant a license to the Licensee to use the software outlined in Schedule A.

The Licensee wishes to use the Software under the conditions outlined in this Agreement.

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

1. **LICENCE**

 The Licensor grants complete access to the Licensee to the software which is non-transferable and is revocable and subject to the conditions of this agreement. A description of the Software System is attached as Schedule A.

The Software shall initially be used only on equipment and at location(s) identified in Schedule B as "Data Processing Centers." Use of the Software may be subsequently transferred to Data Processing centres maintained by the Licensee at other locations, provided (1) the total number of Data Processing centres at which the Software is used by the Licensee does not exceed the number of Data Processing centres specified in Schedule B, and (2) the Licensee provides the Licensor with written notice [NUMBER] days before such transfer. The Software shall be used only for the processing of the Licensee's own business, which shall include servicing, and maintaining records on behalf of, its customers and clients. The Licensee shall not: (1) permit any third party to use the Software, (2) use the Software in the operation of a service bureau, or (3) allow access to the licenced Software through terminals located outside the Licensee's business premises. A licence may be temporarily transferred to backup equipment if the particular scheduled equipment is inoperative for more than [NUMBER] hours.

1. **COPIES**

The licence(s) granted herein include(s) the right to copy the Software in non-printed, machine-readable form in whole or in part as necessary for Licensee's business use. In order to protect the Licensor's trade secret and copyrights in the Software, the Licensee agrees to reproduce and incorporate the Licensor's trade secret or copyright notice in any copies, modifications or partial copies. The Licensee shall maintain no more than one copy of source code and three copies of object code for the Software for each Data Processing centre at any time. In addition, the Licensee may maintain one source code listing for each Data Processing Center, secured to protect the Licensor's proprietary rights therein.

1. **PRICE AND PAYMENT**

The Licensee shall make payment to the Licensor for the Software licence under the fees and payment terms outlined in Schedule C.

1. **SOFTWARE OWNERSHIP**

The Licensor represents that it is the owner of the Software and all portions thereof and that it has the right to modify same and to grant the Licensee a licence for its use.

1. **INTENT TO COOPERATE**

The Licensor and the Licensee acknowledge that successful implementation of the Software under this Licence Agreement shall require their full and mutual good faith cooperation and the Licensee acknowledges that it shall timely fulfil its responsibilities, including but not limited to those set forth below.

1. **CONSULTING SERVICES**

The Licensor shall provide the Licensee with [NUMBER] days of additional consulting services, not including software maintenance, to be used at the Licensee's discretion.

1. **TITLE TO SOFTWARE SYSTEMS AND CONFIDENTIALITY**

The Software and all programmes developed hereunder and all copies thereof are proprietary to the Licensor and title thereto remains in the Licensor. All applicable rights to patents, copyrights, trademarks and trade secrets in the Software or any modifications made at the Licensee's request are and shall remain in the Licensor. The Licensee shall not sell, transfer, publish, disclose, display or otherwise make available the Software or copies thereof to others. The Licensee agrees to secure and protect each module, software product, documentation and copies thereof in a manner consistent with the maintenance of the Licensor's rights therein and to take appropriate action by instruction or agreement with its employees or consultants who are permitted access to each programme or software product to satisfy its obligations hereunder. All copies made by the Licensee of the Software and other programmes developed hereunder, including translations, compilations, partial copies with modifications and updated works, are the property of the Licensor. Violation of any provision of this paragraph shall be the basis for immediate termination of this Licence Agreement.

1. **ACCEPTANCE**

The Software shall be deemed to have been accepted when it passes the Licensor's standard test procedures on equipment approved by the Licensor under paragraph 16 below.

1. **USE AND TRAINING**

The Licensee shall limit the use of the Software to its employees who have been appropriately trained. The Licensor shall do training for the Software available to the Licensee under its standard training procedures. Training shall be provided at a location to be determined by the Licensor.

1. **WARRANTY**
	1. The Licensor warrants that Software will conform, as to all substantial operational features, to the Licensor's current published specifications when installed and will be free of defects which substantially affect system performance.
	2. The Licensee must notify the Licensor in writing, within [NUMBER] days of delivery of the Software to the Licensee (not including delivery of any subsequent modifications to the Software), of its claim of any such defect. If the Software is found defective by the Licensor, the Licensor's sole obligation under this warranty is to remedy such defect in a manner consistent with the Licensor's regular business practices.
	3. THE ABOVE IS A LIMITED WARRANTY, AND IT IS THE ONLY WARRANTY MADE BY THE LICENSOR. THE LICENSOR MAKES, AND THE LICENSEE RECEIVES NO WARRANTY EXPRESS OR IMPLIED, AND THERE ARE EXPRESSLY EXCLUDED ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE LICENSOR SHALL HAVE NO LIABILITY WITH RESPECT TO ITS OBLIGATIONS UNDER THIS AGREEMENT FOR CONSEQUENTIAL, EXEMPLARY, OR INCIDENTAL DAMAGES EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE STATED EXPRESS WARRANTY IS IN LIEU OF ALL LIABILITIES OR OBLIGATIONS OF THE LICENSOR FOR DAMAGES ARISING OUT OF OR IN CONNECTION WITH THE DELIVERY, USE, OR PERFORMANCE OF THE SOFTWARE SYSTEMS.
	4. If any modifications are made to the Software by Licensee during the warranty period, this warranty shall immediately be terminated. Correction for difficulties or defects traceable to the Licensee's errors or systems changes shall be billed at the Licensor's standard time and material charges. The Licensee agrees that the Licensor's liability arising out of contract, negligence, strict liability in tort or warranty shall not exceed any amounts payable by the Licensee for the Software identified above.
2. **INDEMNITY**

The Licensor at its own expense will defend any action brought against the Licensee to the extent that it is based on a claim that any software system used within the scope of this Licence Agreement infringes any patents, copyrights, licence or other property right, provided that the Licensor is immediately notified in writing of such claim. The Licensor shall have the right to control the defence of all such claims, lawsuits and other proceedings. In no event shall the Licensee settle any such claim, lawsuit or proceeding without the Licensor's prior written approval.

If, as a result of any claim of infringement against any patent, copyright, licence or other property right, the Licensor is enjoined from using the Software, or if the Licensor believes that the Software is likely to become the subject of a claim of infringement, the Licensor at its option and expense may procure the right for the Licensee to continue to use the Software, or replace or modify the Software so as to make it non-infringing. If neither of these two options is reasonably practicable, the Licensor may discontinue the licence granted herein on one month's written notice and refund to the Licensee the unamortised portion of the licence fees hereunder (based on four years straight-line depreciation, such depreciation to commence on the date of this Agreement). The preceding states the entire liability of the Licensor concerning infringement of any copyrights or patents by the Software or any parts thereof.

1. **TERMINATION**

The Licensor shall have the right to terminate this agreement and licence(s) granted herein:

* 1. Upon [NUMBER] days' written notice if the Licensee, its officers or employees violates any provision of this Licence Agreement including, but not limited to, confidentiality and payment;
	2. In the event the Licensee (i) terminates or suspends its business; (ii) becomes subject to any bankruptcy or insolvency proceeding under the country statute or (iii) becomes insolvent or becomes subject to direct control by a trustee, receiver or similar authority.
	3. In the event of termination by reason of the Licensee's failure to comply with any part of this agreement, or upon any act which shall give rise to the Licensor's right to terminate, the Licensor shall have the right, at any time, to terminate the licence(s) and take immediate possession of the Software and documentation and all copies wherever located, without demand or notice. Within [NUMBER] days after termination of the licence(s), the Licensee will return the Licensor the Software in the form provided by the Licensor or as modified by the Licensee, or upon request by the Licensor destroy the Software and all copies, and certify in writing that they have been destroyed. Termination under this paragraph shall not relieve the Licensee of its obligations regarding the confidentiality of the Software.

Without limiting any of the above provisions, in the event of termination as a result of the Licensee's failure to comply with any of its obligations under this Licence Agreement, the Licensee shall continue to be obligated for any payments due. Termination of the licence(s) shall be in addition to and not instead of any equitable remedies available to Licensor.

1. **TAXES**

The Licensee shall, in addition to the other amounts payable under this Licence Agreement, pay all sales and other taxes or otherwise, however, designated, which are levied or imposed because of the transactions contemplated by this Licence Agreement. Without limiting the preceding, the Licensee shall promptly pay to the Licensor an amount equal to any such items paid or required to be collected or paid by Licensor.

1. **HARDWARE REQUIREMENTS**

The Licensee shall make available for the Software implementation, at each location listed in Schedule B, computer equipment and software configurations approved by the Licensor as adequate for such implementation at such location.

1. **LICENCED LOCATIONS**

Use of the Software by the Licensee at any location other than those described above in paragraph I shall be the basis for immediate termination of this Licence Agreement. Termination of the Licence Agreement shall be in addition to and not instead of any equitable remedies available to the Licensor.

1. **DELIVERY, INSTALLATION AND TESTING**

The System shall be delivered, installed and tested at each Data Processing centre identified in Schedule B in accordance with the Delivery, Installation and Testing Schedule attached as Schedule D.

1. **CUSTOM MODIFICATIONS**

All custom modifications to the Software, not including assisting the Licensee in the implementation of the Software Job Control Language, shall be undertaken by the Licensor at its then-current time and materials charges. For each custom modification requested, the Licensee shall provide written specifications to the Licensor, which shall be mutually agreed upon before the commencement of such custom modification effort.

1. **ENTIRE AGREEMENT**

Each party acknowledges that it has read this Agreement, it understands it, and agrees to be bound by its terms, and further agrees that this is the complete and exclusive statement of the Agreement between the parties, which supersedes and merges all prior proposals, understandings and all other agreements, oral and written, between the parties relating to this Agreement. This Agreement may not be modified or altered except by written instrument duly executed by both parties.

If any provision of this Agreement is invalid under any applicable statute or the rule of law, it is to that extent to be deemed omitted.

1. **REASONABLE CAUSES**

Dates or times by which the Licensor is required to make performance under this licence shall be postponed automatically to the extent that the Licensor is prevented from meeting them by causes beyond its reasonable control.

1. **GOVERNING LAW**

This Agreement shall be governed by and interpreted in accordance with the laws of [COUNTRY].

1. **ASSIGNMENT**

The Licensee may not assign or sub-licence, without the prior written consent of the Licensor, its rights, duties or obligations under this Agreement to any person or entity, in whole or in part. No action, regardless of form, arising out of this Agreement may be brought by the Licensee more than two years after the cause of action has arisen.

1. **ATTORNEY’S FEES**

The Licensor shall have the right to collect from the Licensee its reasonable expenses incurred in enforcing this agreement including attorney's fees.

1. **WAIVER**

The waiver or failure of Licensor to exercise in any respect any right provided for herein shall not be deemed a waiver of any further right hereunder.

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.

COMPANY CONSULTANT

Authorised Signature Authorised Signature

Print Name and Title Print Name and Title

**SCHEDULE A**

**DESCRIPTION OF THE SOFTWARE SYSTEM**

**SCHEDULE B**

**DATA PROCESSING CENTRES**

**SCHEDULE C**

**FEES AND PAYMENT TERMS**

**SCHEDULE D**

**INSTALLATION AND TESTING SCHEDULE**