SOURCE CODE licence AGREEMENT

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This Source Code licence Agreement (the “Agreement”) is effective [DATE],

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

[YOUR COMPLETE ADDRESS]

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

[COMPLETE ADDRESS]

WHEREAS Licensor and Licensee have entered into a licence agreement dated [SPECIFY], under which Licensor agreed to provide maintenance and support to Licensee for certain software developed by Licensor (such software, hereinafter referred to as the "Licensed Software").

WHEREAS Licensor agrees to provide, and Licensee agrees to receive, those source code materials as more particularly described in this agreement in order that Licensee may provide for its own internal requirements to maintain and support the licenced Software.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein and other good and valuable consideration (the receipt and adequacy of which are hereby acknowledged), Licensor and Licensee agree as follows:

1. **PROVISION OF SOURCE CODE MATERIALS**

Upon request by Licensee, Licensor shall provide to Licensee (or Licensee's courier), at Licensor's offices in during normal business hours, the Source Code Materials. The cost of transport of the Source Code Materials to Licensee's offices in [CITY, COUNTRY] shall be at Licensee's sole expense. "Source Code Materials" means a complete copy of:

* 1. the source code version of the Application Software in each of:
     1. machine-readable form on machine-readable storage medium suitable for long-term storage and compatible with the computer system being used by Licensee and which, when compiled, will produce the object code version of the Application Software; and
     2. in human-readable form with annotations on bond paper; and
  2. all applicable documentation and other explanatory materials, if any, in Licensor's possession, including any programmer's notes, technical or otherwise, for the Application Software as may be reasonably required by Licensee, using a competent computer programmer possessing ordinary skills and experience, to further develop, maintain and operate the Application Software without further recourse to Licensor including, but not necessarily limited to, general flow-charts, input and output layouts, field descriptions, volumes and sort sequence, data dictionary, file layouts, processing requirements and calculation formula and the details of all algorithms.

1. **GRANT OF LICENSE**

Licensor hereby grants to Licensee a royalty-free, perpetual, personal, non-exclusive, non-transferable licence to use the Source Code Materials solely to maintain and support the object code version of the licenced Software for its own internal use and the internal use of its affiliates. This licence shall be restricted to allowing Licensee to:

* 1. make only those copies of the Source Code Materials that the Licensee reasonably requires to maintain and update the Application Software; make revisions to the Source Code Materials;
  2. recompile versions of the Application Software from the Source Code Materials, which recompiled versions shall be deemed to be Application Software and subject to the terms hereof; and
  3. reveal the Source Code Materials, or any part thereof, only to agents, employees or independent contractors of Licensee as required in order to use, maintain, implement, correct or update the Application Software.

Licensee agrees to use the Source Code Materials only for its own use and the use of its affiliates and to obtain from any third party to whom disclosure of this information is made pursuant to [SPECIFY], a covenant not to further disclose or make use of the Source Code Materials in any manner whatsoever except as provided in this Section. Upon written request by Licensor, Licensee shall set out in writing the number of, and location of, all copies of the Source Code Materials.

1. **REPRESENTATIONS AND WARRANTIES RE SOURCE CODE MATERIALS**

Licensor acknowledges that the purpose of this Agreement is to provide Licensee with the Source Code Materials so that Licensee may provide for its own maintenance and support independent of Licensor. Accordingly, Licensor represents and warrants that:

* 1. to the best of Licensor's knowledge and belief, the Source Code Materials are complete and otherwise accurately reflect the most current version of the Application Software as used by Licensee;
  2. the Source Code Materials, including the Source Code, do not contain any clock, timer, counter, or other limiting or disabling code, design or routine that would cause the Application Software to be erased, made inoperable or would prevent or prohibit or otherwise diminish the use of the Source Code Materials by Licensee for the purpose of providing for its own maintenance and support or otherwise limit or restrict Licensee's ability to use or copy the Application Software after a specific or random number of uses or copies, or after the lapse or occurrence of any similar triggering prompt; and
  3. the title to the Source Code Materials is free of all liens, charges and other encumbrances.

Each of the Parties represents and warrants that it has the legal right to enter into this Agreement and to fulfil its obligations hereunder.

1. **RELEASE**

Subject to any claim or cause of action based on the premise that the Application Software infringes the rights of any third party or that the Licensor does not have the right to grant the Licensee the rights granted to use the Application Software, and in consideration of Licensor performing its duties and obligations in accordance with the terms of this Agreement, Licensee hereby releases Licensor (including its officers, directors and employees) of any claim or cause of action *in re*spect of the Application Software accruing to the date hereof.

1. **OWNERSHIP AND COPYRIGHT**

Licensor is the owner of all intellectual property rights in the Source Code Materials, related written materials, logos, names and other support materials provided pursuant to the terms of this Agreement. No title to the intellectual property in the Source Code Materials is transferred to Licensee by this Agreement.

1. **CONFIDENTIALITY**

Licensee covenants to Licensor that it shall keep confidential the Source Code Materials and that it will take reasonable precautions to protect such confidential information from any use, disclosure or copying except as expressly authorised by this Agreement.

1. **TERMINATION**

This Agreement is effective from the date it is executed by each of the Parties until terminated in accordance with its terms. Licensee may terminate this Agreement at any time by destroying all copies of the Source Code Materials. Licensor may terminate this Agreement on notice to Licensee if Licensee fails to perform any of its material obligations as set forth in this Agreement and such default in the case of a default which is remediable continues for a period of [NUMBER] days after written notice of such failure has been given by Licensee. Upon termination by Licensor, Licensee shall immediately:

* 1. cease using the Source Code Materials;
  2. return to Licensor all copies of the Source Code Materials, (or destroy all copies thereof in Licensee's possession); and
  3. within [NUMBER] days thereafter, provide to Licensor, in such form as is satisfactory to Licensor, a sworn statement confirming that Licensee has complied with the foregoing.

1. **FURTHER ASSURANCES**

Each Party agrees that upon the written request of the other Party, it will do all such acts and execute all such further documents, conveyances, deeds, assignments, transfers and the like, and will cause the doing of all such acts and will cause the execution of all such further documents as are within its power to cause the doing or execution of, as any other Party hereto may from time to time reasonably request be done and/or executed as may be necessary or desirable to give effect to this Agreement.

1. **MISCELLANEOUS**

This Agreement is the entire agreement between the Parties pertaining to Licensee's right to use the Source Code Materials and supersedes all prior or collateral oral or written representations or agreements related thereto. In the event that one or more of the provisions is found to be illegal or unenforceable, this Agreement shall not be rendered inoperative, but the remaining provisions shall continue in full force and effect. This Agreement shall be governed by the [YOUR COUNTRY LAW] of the Country of [COUNTRY], [COUNTRY].

IN WITNESS WHEREOF, each party to this agreement has caused it to be executed at [PLACE OF EXECUTION] on the date indicated above.

# LICENSOR LICENSEE

Authorised Signature Authorised Signature

Print Name and Title Print Name and Title