

Software License Agreement

This License Agreement is entered into on the "License Agreement Date" entered below by North Ridge Software, Inc. ("NRS") having its principle place of business at 1305 11th Street #302, Bellingham, WA 98225-7016 ; USA, and the following ("Client"):

(Company Name)

(Address)

(City, State, Zip Code, Country)

Name

License Agreement Date

For and in consideration of the mutual benefits to be derived herefrom, it is agreed by and between the parties as follows:

License Agreement

The Client agrees to purchase (a) non-exclusive, perpetual license(s) to utilize the NRS software product(s) detailed in the attached Product Attachment(s). Fully executed Product Attachments are hereby incorporated into this Agreement by this reference. For the indicated licenses, the Client agrees to pay to NRS the Total License Fee in U.S. Dollars, plus applicable state and local taxes (excluding any taxes based upon NRS net income or levied on NRS for the privilege of doing business in any particular jurisdiction). This license includes the execution time libraries and files associated with the licensed software products and does not include source code. These execution time libraries and files will be provided to the Client in a machine readable format as deemed mutually agreeable.

NRS grants the Client the right to utilize the licensed software product(s) on a single Central Processing Unit and at the location(s) identified in the Product Attachment(s). For the purposes of this Agreement, a CPU consists of one physical piece of equipment without regards for "multi-engine" hardware configurations. The License(s) granted by this Agreement shall be used at the location specified and used on the processor specified unless transferred to another location or processor as discussed under "Transfers and Upgrades".

Ownership

The Client recognizes that NRS software products are proprietary to NRS. NRS retains exclusive rights of ownership and grants only a license to utilize the software on properly licensed processors identified in the Product Attachment(s). Continued rights as a licensee hereunder are contingent upon Client's strict adherence to the terms and conditions set forth herein.

Restricted Use

The client agrees not to use, disclose, copy, modify, or transfer NRS software product(s) or any copy, modification or merged portion, in whole or in part, except as expressly provided for in this license. Any violation of this clause may result in immediate revocation of this License. The Client may make backup copies of licensed NRS software product(s), but such copies must be kept in accordance with all terms and conditions specified in this Agreement.

License Types

This agreement provides for the acquisition of one or more of the following software license types for each processor and product licensed:

Type	General Description
CPU	Grants a perpetual license to utilize the NRS product on a specific processor and receive full support from NRS.
DSLO	Grants a perpetual license for a specific processor that is related to the CPU licensed processor by business or organization structures. The DSLO processor must be related to a CPU license of an equal or higher CPU Model Group. A DSLO license receives only the license to utilize the product. All maintenance and distribution activities are performed to the CPU license location only.
BACKUP	Provides a license that authorizes the NRS product to be installed and tested on a processor that does not operate production work at the same time as the licensed CPU.
TEST	Licenses the NRS product for installation and use on a non-production system by systems support personnel for testing and validation of the NRS product.

Transfers and Upgrades

Client may transfer a license to another location or another CPU by written notice to NRS. Any use of NRS software products at another location or on a CPU of a higher Model Group than licensed without such notice shall be prohibited and shall constitute a breach of this Agreement, and may result in the immediate revocation of all licenses previously granted to the Client. Should the then current license fee for the CPU to which the license is being transferred be higher than the then current license fee of the CPU from which the license is being transferred, then the Client agrees to payment of a Model Group upgrade fee to NRS. The Model Group upgrade fee shall be due when the license is transferred and the amount shall be calculated by taking the then current license fee of the CPU to which the license is being transferred and subtracting the then current license fee of the CPU from which the license is being transferred.

Support and Maintenance

Client recognizes that this Agreement provides for the installation and verification of the NRS software product(s) at the license location. Perpetual licenses provide for one year of maintenance and periodic updates to the product at no additional charge to the Client. Thereafter, the Client understands that product support will be in effect at a percentage (established in the associated Product Attachment) of the then current license fee that would be charged to reacquire all licenses covered by this Agreement. The maintenance charge provides for continued access to NRS personnel for the specific purposes of problem resolution within any or all portions of licensed NRS software product(s). Additionally, upon request, the Client shall receive the periodic updates and notices that are associated with normal product maintenance. Any problems that are reported to NRS that require NRS personnel time to resolve and are not NRS

related problems shall be billed to the Client at the then current NRS hourly consulting rates, plus expenses, including but not limited to, travel, lodging, and meals. The Client may elect to discontinue maintenance services at any time by simple written notification to NRS to that effect.

Confidentiality

Client understands and agrees that NRS software products and all proprietary information that may be disclosed or become known to Client about said product(s) is(are) confidential, and agrees to hold such information in strict confidence except as otherwise authorized by NRS in writing. Information received by the Client under this Agreement will not be considered confidential if: (1) it was previously in the Client’s possession, (2) it was acquired from third parties, which have the legal right to give such information, or (3) it is in the public domain through no fault or action of the Client.

Escrow

NRS shall maintain a current copy of licensed NRS software products’ source code in an Escrow account at an independent third party location dedicated to this purpose. The Escrow shall provide all current licensees of a particular NRS software product with the right to obtain a copy of the source code for the particular software product should NRS cease to function as a business or terminates the marketing and support of the particular software product, and no other competent marketing and support organization assumes responsibility for the particular product within a commercially reasonable period of time following termination of support.

Indemnification

NRS warrants that it has the right to grant the Client a license to use the licensed NRS software product(s) and to enter into this Agreement. NRS will indemnify Client and hold Client harmless from and against any loss, cost, liability or expense (including reasonable attorney’s fees) arising out of any breach or claimed breach of this warranty.

Warranty

NRS warrants that the licensed NRS software products will perform as specified in the documentation of the product and that the products are of professional quality, conforming to generally accepted practices within the data processing industry. NRS makes no other warranties, express or implied, relating to its products. In no event shall NRS be liable to Client for any damages, including any lost profits, or other incidental or consequential damages arising from the use of its products.

Documentation

This Agreement provides for one (1) set of manuals for each licensed product to be made available to the Client at no additional charge for each license. One (1) copy of any manual revisions is included for each license under the terms of the “Support and Maintenance” section of this Agreement. The manuals may be reproduced by the Client for use within Client’s organization, but must retain the NRS Copyright notice and other

identifying information. Under no circumstances may the Client distribute outside of the Client’s organization without prior written authorization from NRS. This authorization to reproduce also applies to any copies produced from the machine readable versions of the manuals which may be made available to Client.

Invoices

NRS shall submit invoices to the Client for the appropriate amounts and at the appropriate intervals as specified in this Agreement. Payment shall be made by the Client within thirty (30) days after receipt of invoice. Unpaid invoices shall bear interest at a monthly calculated rate of one and one half (1½%) per month (18% annually). In no event will this late payment charge exceed any applicable local, state, or federal laws. Annual maintenance fees, etc., will be based upon the date of execution, by the Client, of the Product Attachment(s).

Acceptance Period

This Agreement provides for a thirty (30) day acceptance period, which commences from the date of installation at the Client’s location. During this period, the Client may return all materials, written and otherwise, to NRS for a full refund of any amount that has been paid to NRS under the terms and conditions of this Agreement.

Term

This Agreement shall be effective from the date of signing and shall terminate when Client has discontinued use of all NRS software products and so informs NRS in writing, which shall be provided immediately. Client shall return all NRS property and destroy all copies of the software in its possession, including any backups that may have been created. Client understands and agrees that licensed NRS software products may be substantially modified or even discontinued from the NRS product line at some as yet to be determined time, necessitated by significant technological advances that are not under NRS’ control. In the event such should occur, NRS shall provide Client with a minimum of twelve (12) months advance, written notice. Thereafter, provisions of the “Support and Maintenance” section of this Agreement shall terminate and be of no further force or effect. However, all other terms and conditions of this Agreement shall remain in effect.

Jurisdiction and Assignment

This Agreement will be governed by the Laws of the State of Washington, USA. This Agreement may not be assigned by either party without the express written consent of the other.

Acknowledgments

This Agreement supersedes any prior agreements or understanding between the parties concerning the utilization of NRS software products. This Agreement may not be changed or terminated orally by or on behalf of either party. Any modifications or changes hereto must be in writing and fully executed in a manner and style consistent with this Agreement. This Agreement inures to the benefit of the parties hereto, and shall be binding upon their heirs, successors, and assigns.

The undersigned acknowledge that they have read the foregoing, understand the contents hereof, and agree to be bound by its terms and conditions:

(Company name)

(name)

(Signed)

(Title)

(Date)

North Ridge Software, Inc.

(Company name)

(Name)

(Signed)

(Title)

(Date)