



ARTSYL Technologies, Inc. - VAR Agreement

This VAR Agreement (hereinafter called "Agreement") is made on _____ by and between ARTSYL Technologies, Inc. (hereinafter called "ARTSYL") with a place of business located at, 47 Cezanne Trail, Thornhill, ON L4J 9B2, Canada and _____ (hereinafter called "VAR"), a corporation with its principal place of business located at, _____, on the basis of the following representations:

1. DEFINITIONS

"API" means: Application Programming Interface that allows developers ways to integrate Simple Capture into their own applications, such integrations include but are not limited to document import, document export, customized fields, and customized export results.

"ARTSYL" means: ARTSYL Technologies Inc. registered at 47 Cezanne Trail, Thornhill, ON L4J 9B2 Canada, and Developer of Simple Capture application and sells Simple Capture to VAR for resale, and supports resellers in the sale and support process.

"Products" means: ARTSYL SimpleCapture and docAlpha product lines of semi-automated and fully-automated capture applications that includes but is not limited to SimpleCapture Pro, docAlpha and associated support, services and media.

"SMUA" means: support maintenance and upgrade assurance, which is the support services as specified by this agreement and as are purchase by VAR as well as updates and upgrades to Products

"VAR" means: VAR manufactures, integrates and or distributes computer and imaging systems, and wishes to purchase Simple Capture for resale as a box product or incorporation into its systems for resale.

NOW, THEREFORE, the parties agree as follows:

2. BASIC PROVISIONS

2.2 Purchase and Sale — Subject to the terms and conditions of this agreement the VAR will have the right to purchase copies of the Products from an authorized VAD and to promote, advertise, market, demonstrate and sell licenses to use the Products directly to End Users.

2.3 VAR Status — Allows VAR to sell ARTSYL Products as boxed product or as integrated components into VAR applications where available by Products APIs

2.4 The Products VAR is authorized to resell and the respective discounts VAR is offered by ARTSYL are shown in the Artsyl Partner Program document.

3. PRICE AND DISCOUNT

3.2 ARTSYL reserves the right to make changes and modifications to its published list price(s), but will provide VAR at least a 30 days advance written notice of price increases. No changes to the published list price(s) will be retroactive under any circumstances.

3.3 ARTSYL reserves the right to make changes and modifications to its standard channel discount schedule, but will provide VAR at least a 30 days advance written notice of all adverse discount changes.



3.4 Deal Registration – VAR can register a deal with ARTSYL via NewWave for any deal valued at \$25,000 or more. With deal registration ARTSYL reserves the right to offer special pricing to registered VAR as well as offer the VAR price protection.

4. PAYMENT

4.2 Orders — all orders from VAR will be placed through the VAD.

4.3 Taxes — VAR shall pay all taxes (other than taxes based on ARTSYL gross or net income), arising from this Agreement, however designated, including state and local sales and use taxes. VAR agrees to reimburse ARTSYL for all amounts paid or payable by ARTSYL in discharge of the foregoing taxes.

5. SHIPMENT OF PRODUCTS

5.2 Shipment Dates — VAR will request shipment dates in its purchase order. ARTSYL will make every reasonable effort to meet requested shipment dates ARTSYL shall not be liable for damages or be deemed in default of this Agreement for delays in shipment due to any cause reasonably beyond the control of ARTSYL or its suppliers. ARTSYL standard delivery time is 5 working days in average.

5.3 Shipping Cost — unless otherwise specified on purchase order ARTSYL will bill for and ship at then standard shipping rate from ARTSYL vendor and standard deliver rate.

6. EXPORT CONTROL LAWS

6.2 VAR is permitted to sell the Products covered under this Agreement on a worldwide basis subject to paragraph 6.3 below.

6.3 VAR shall not export or re-export, directly or indirectly, any Products or technical data received from ARTSYL without first obtaining all authorization from the United States Office of Export Administration and all authorization required by any other country's applicable laws and regulations.

7. SMUA

7.2 ARTSYL will provide maintenance service to VAR.

7.3 ARTSYL will provide second level support to VAR or VAR customer. Support cases will be submitted directly to support@ARTSYLtech.com, support cases will be responded to within one working day during normal business operation.

7.4 ARTSYL will automatically provide maintenance information and service packs to VAR.

7.5 ARTSYL will automatically provide information and, on request software updates to VAR. Update is defined by two consecutive releases within a software version, e.g. 2.1 to 2.2.

7.6 ARTSYL will automatically provide information and, on request software upgrades to VAR. Upgrade is defined by two consecutive software versions, e.g. 2.2 to 3.0.

7.7 ARTSYL will maintain the current version, as well as maintain the direct previous version.

8. PRODUCT DISCONTINUATION AND MODIFICATION

8.2 Discontinuation — ARTSYL reserves the right to modify or discontinue any Product upon ninety (90) days written notice to VAR. During the ninety (90) day notice period, VAR may order said Product, provided that the



delivery is scheduled within six (6) months of the written notice.

8.3 Continuous enhancements — ARTSYL represents to VAR that its Products are supported from a development, enhancement and modifications standpoint. These enhancements and modifications may include, but may not be limited to, expanded functionality, improved system software, accuracy improvements, addition of new or expansion of existing classifiers to cover additional languages or character sets or throughput optimization for faster processing. ARTSYL will hold periodic discussions with VAR to receive its inputs and requirements, and disclose to VAR current and future Product development and enhancement plans.

8.4 Enhancement release — ARTSYL will make all enhancements and modifications to the Product it releases available to VAR under its standard availability policy for each enhancement and modification. VAR will on a best effort basis incorporate these enhancements and modifications in its own products within a reasonable period of time, and release them to its VAR and end user customers. ARTSYL will give VAR advance notice of upcoming enhancements and modifications. ARTSYL reserves the right to require the presence of the most recent Products version as a pre-condition to provide support services.

9. MARKETING COOPERATION AND INCENTIVES

9.2 ARTSYL will time to time provide VAR with leads based on their location. VAR will make its best effort to respond to provided leads within 1 business day of receiving it from ARTSYL. If ARTSYL believes that VAR is not supplying reasonable effort to provided leads it reserves the right to discontinue distribution of leads to VAR.

9.3 The parties may become marketing partners as part of their respective marketing campaigns as appropriate.

9.4 The parties will discuss and agree on marketing activities that they will review as needed. VAR is not allowed to use ARTSYL name or Product brand names in any way unless it's permitted through ARTSYL in a written form.

9.5 The parties may agree on additional special promotional and incentive terms.

10. SOFTWARE LICENSE

10.2 Licensed Software — ARTSYL Products are software-only products and are subject to the Software License per this paragraph.

10.3 License grant — ARTSYL hereby grants to VAR a personal, non-exclusive and non-transferable license to use and sublicense to its customers to use the Licensed Software provided to VAR pursuant to this Agreement. Title to and ownership of the Licensed Software shall at all times remain with ARTSYL or the third party from which ARTSYL has received licensing and sublicensing rights. VAR shall not copy the Licensed Software except for back-up or archive purposes, or for distribution of the Product as per paragraph 7 without the prior written consent of ARTSYL. ARTSYL is not obligated to provide VAR with the source code for any Licensed Software. VAR may sublicense the Licensed Software to end-user on condition that the end-user may not grant sublicenses, leases or other rights in the Licensed Software to others.

10.4 Protection of Licensed Software and Proprietary Rights — VAR shall not alter or modify the Licensed Software without the prior written consent of ARTSYL. The parties understand that modification shall not mean standard adaptation of Products by VAR for use by itself or end users by using parameters in the Products intended for such a use. VAR shall not attempt to interrogate, decode, break or otherwise defeat or



bypass any protection methods implemented by ARTSYL to prevent unauthorized use of its Licensed Software. VAR further agrees that any reproduction of ARTSYL software or user manuals shall contain all proprietary information or copyright notices affixed by ARTSYL to the original.

10.5 VAR agrees to require that all sub-license recipients abide by terms consistent with those in this Agreement as called out in paragraphs 5, 9, 10, 11 and 12.

11. LIMITED WARRANTIES AND DISCLAIMERS

11.2 Limited Product Warranty — ARTSYL Products covered under this agreement are offered with specific limited warranty for each product. This paragraph establishes the terms and conditions of the warranty for each product category. This limited warranty is contingent upon proper use of the Products and does not cover Products which have been modified or placed in use outside the scope of stated Products performance capabilities: The Products sold to VAR hereunder shall be free from material manufacturing defects for thirty (30) days from the date of the next business day after shipment by the VAD or its VARs to an end user site.

11.3 If VAR notifies ARTSYL of a defect within the warranty period, ARTSYL shall, at its sole option, either (i) repair the defective Product, (ii) replace the defective Product, or (iii) refund to VAR the price paid for such Products. Products so replaced, or where refund has been issued, shall become the property of ARTSYL. If ARTSYL determines that the Products are not defective within the terms of the warranty, or that the problem resulted from misuse of the Products or other reasons beyond the warranty coverage, VAR shall pay ARTSYL all related costs at ARTSYL then prevailing rates.

11.4 Disclaimers — ARTSYL MAKES NO OTHER EXPRESS OR IMPLIED WARRANTY, WITH RESPECT TO PRODUCTS OTHER THAN THE LIMITED WARRANTY SET FORTH HEREIN. NO ARTSYL AGENT OR EMPLOYEE IS AUTHORIZED TO MAKE ANY MODIFICATION, EXTENSION OR ADDITION TO THIS WARRANTY. ARTSYL DISCLAIMS ALL IMPLIED WARRANTIES INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE LIABILITY OF ARTSYL FOR BREACH OF ANY WARRANTY HEREUNDER IS LIMITED TO REPAIR OF PRODUCTS OR REPLACEMENT WITH COMPARABLE PRODUCTS OR REFUND OF THE PURCHASE PRICE PAID, AT ARTSYL'S SOLE OPTION.

12. VAR SUPPORT AND SERVICE OBLIGATION

12.2 VAR to Establish Support Capability — VAR shall establish and maintain support capability for all Products it has contracted to resell. VAR shall also be responsible for the distribution and installation of its systems containing Products and for training of its end user operators, if it has contracted to resell it. VAR is responsible for the support of the Products it resells. VAR will designate a qualified engineer(s) who will be trained on all Products VAR has contracted to resell at all times, and be able to provide continued support to VAR's customers. VAR is free to offer support plans that accomplish that goal with the understanding that ARTSYL will not be required to support VAR's customers. VAR is permitted to charge for the support services it offers according to its standard support plans and policies. If VAR requests ARTSYL support at its end user customers' site, VAR will pay the ARTSYL daily consulting rate in addition to travel and subsistence expenses for such visits.

12.3 ARTSYL to provide on-going support — ARTSYL will provide on-going technical support to VAR.

12.4 Training — ARTSYL offers training courses at an ARTSYL-designated facility. ARTSYL will provide initial and reasonable on-going training to VAR personnel on the Products covering pre and post sales support issues. It is the intent of the parties that VAR will become self sufficient with respect to handling all "front line" technical support issues relating to the Products it has contracted to resell.



12.5 VAR to Install Products — If VAR has contracted to resell Products, VAR shall be responsible for installation of its systems containing said Products and for training of its end user operators. VAR is responsible for the support of its customers.

12.6 ARTSYL to Provide Maintenance — ARTSYL will make available on-going service and maintenance for the Products beyond the warranty period: For the Products ARTSYL will offer technical support and software maintenance as described in paragraph 7.

12.7 The parties understand that beyond the standard warranty period of the respective Product, ARTSYL has no further obligation to actually provide the above service unless the service recipient, the VAR or his end user customer, has signed a maintenance contract with ARTSYL. If VAR desires to provide the services directly to its end user customers, ARTSYL will provide training at the then current regular rates. VAR is, therefore, required to offer a maintenance option to the customer to clarify ARTSYL's obligations and responsibilities.

13. INTELLECTUAL PROPERTY RIGHTS AND INFRINGEMENT

13.2 ARTSYL shall defend at its expense any action brought against VAR to the extent that such action is based on a claim that a Product infringes a United States patent, copyright, or trademark, provided that: (i) VAR notifies ARTSYL promptly in writing of notice of such action or claim; (ii) VAR cooperates with ARTSYL, at ARTSYL's expense; and (iii) ARTSYL has exclusive control of the defense of any action or claim and all negotiation, settlement or compromise of such claim. Should the Product be held, or be likely to be held, to infringe on United States patent or other property right, VAR shall permit ARTSYL, at its option and expense, to procure for VAR the right to continue using the Product, to replace or alter the Product to render it non-infringing, or to accept the return of the Product for a refund of the VAR's purchase price less depreciation deducted on a five year straight-line basis. ARTSYL shall not be liable with respect to any claim of patent infringement or other property right infringement which is based upon the combination of ARTSYL's Products with other equipment not produced by ARTSYL, or a product or part specified by VAR or manufactured to VAR's design. The foregoing states the entire obligation and liability of ARTSYL with respect to infringement of patents, copyrights or other intellectual property rights.

14. LIMITATIONS OF REPRESENTATION AND LIABILITY

14.2 No Authority to Bind ARTSYL — VAR shall have no authority to bind ARTSYL by any contract, representation, understanding, act or deed. VAR shall sell Products in its own name and for its own account, it being understood that VAR is an independent organization reselling Products purchased from ARTSYL.

14.3 Indemnification by VAR — VAR will save, hold harmless, indemnify and defend ARTSYL from and against any and all loss, cost, liability and damages resulting from or arising out of any acts or omissions of VAR or its employees, agents or representatives, in connection with any sales of Products by VAR or any of its activities pursuant to this Agreement.

14.4 Trademark, Etc. — VAR shall not without prior written authorization from ARTSYL remove or obscure any trademark, trade name, or identifying slogan affixed by ARTSYL to the Products or accompanying labels, containers and cartons, whether or not registered. VAR acknowledges that all such trademarks, trade names, or slogans constitute the exclusive property of, or have been released to ARTSYL, and that the VAR has no right or interest in any such trademark, trade name, or identifying slogan except as permitted hereunder. VAR agrees immediately to cease any permitted use upon termination of this Agreement.

14.5 EXCEPT FOR CLAIMS FOR PERSONAL INJURY OR FOR DAMAGE TO REAL OR TANGIBLE PERSONAL PROPERTY TO THE EXTENT CAUSED BY EITHER PARTY'S NEGLIGENCE OR WILLFUL MISCONDUCT OR FOR CLAIMS ARISING UNDER SECTION 12 ("Intellectual Property Rights and Infringement") OR SECTION 14



("Proprietary Information and Rights;") OR SECTION 16 ("Confidentiality"), NEITHER PARTY, NOR ARTSYL'S SUPPLIERS, SHALL BE LIABLE, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR ANY OTHER LEGAL THEORY, FOR LOSS OF USE, REVENUE OR PROFIT, OR FOR COSTS OF SUBSTITUTE USE OR PERFORMANCE, OR FOR INDIRECT, SPECIAL, LIQUIDATED, INCIDENTAL OR CONSEQUENTIAL DAMAGES, OR FOR ANY OTHER LOSS OR COST OF A SIMILAR TYPE, OR FOR DAMAGES SUFFERED OR CLAIMED TO HAVE BEEN SUFFERED BY ANY THIRD PARTY INCLUDING CUSTOMERS OF VALUE_ADDED RESELLER.. EXCEPT FOR CLAIMS FOR PERSONAL INJURY OR FOR DAMAGE TO REAL OR TANGIBLE PERSONAL PROPERTY TO THE EXTENT CAUSED BY EITHER PARTY'S NEGLIGENCE OR WILLFUL MISCONDUCT OR FOR CLAIMS ARISING UNDER SECTION 13 ("Intellectual Property Rights and Infringement") OR SECTION 15 ("Proprietary Information and Rights") OR SECTION 16 ("Confidentiality"), EACH PARTY'S MAXIMUM LIABILITY TO THE OTHER PARTY FOR ANY CLAIM FOR DAMAGES RELATING TO A PARTY'S PERFORMANCE OR NON-PERFORMANCE UNDER THIS AGREEMENT SHALL BE LIMITED TO THE PURCHASE PRICE PAID FOR THE PRODUCT(S) GIVING RISE TO SUCH DAMAGES.

15. PROPRIETARY INFORMATION AND RIGHTS

15.2 Each party will continue to own all rights to products and technology it currently owns.

15.3 Retention of Rights — ARTSYL shall retain its proprietary rights to all data provided to VAR such as documentation, software (including diagnostic software) and other information or know-how related to the design, manufacture and operation of the Products, whether or not it is reduced to written form. VAR may provide such data to its VARs provided that (i) VAR receives prior written permission to do so from ARTSYL, and (ii) VAR first obtains from such third party an agreement not to use or disclose the data as stated in section 15 of this Agreement.

15.4 Agreement Not to Use or Disclose — VAR shall not put to its own use or disclose to any third parties any ARTSYL proprietary information without the prior written permission of ARTSYL. This Agreement not to use or disclose ARTSYL proprietary information shall survive the termination of this Agreement for three (3) years.

15.5 Equitable Remedy — If this Paragraphs 15 is violated, ARTSYL and VAR agree that the wronged party will be entitled to seek injunctive and other equitable relief because such violation, if not restrained or if other equitable relief is not granted, will result in irreparable and serious harm for which damages would be an inadequate remedy and the offending party shall pay all associated expenses, including attorneys' fees.

15.6 No Transfer of Trade Secrets — Any inventions, confidential know-how or trade secrets disclosed shall remain the sole property of the disclosing party and the receiving party shall have no interest in or rights thereto.

15.7 Provisions — the provisions of this clause do not apply to information which: is lawfully obtained by the receiving party under no obligation of confidentiality; becomes publicly known or available through no fault of the receiving party; is independently developed by the receiving party.

16. CONFIDENTIALITY

16.2 Confidential Information — the parties agree to treat all information other than product information directly intended for publication and dissemination to customers and other out-side parties that is marked as confidential and provided by one party to the other as "Confidential Information". This shall mean any and all trade secrets, know-how, inventions, techniques, processes, algorithms, software programs, hardware, schematics and software source documents relating to the, including but not limited to party's businesses and products.



16.3 Neither party will make use of, disseminate or in any way disclose Confidential Information except to the extent necessary for executing this Agreement.

16.4 Each party will treat the other's Confidential Information with the same degree of care as it accords to its own confidential information, but in no event less than reasonable care. Each party will disclose Confidential Information only to those of its employees who need to know such information and who bound by the terms and conditions of this Agreement.

16.5 The parties agree not to reverse engineer, reverse compile or disassemble each other's products, or assist others in doing so for any purpose. The parties further agree to restrict access to Confidential Information only to its own employees or otherwise designated people who have a need to have access to this information for the purpose implementing this Agreement.

16.6 The parties obligations under this paragraph 16 with respect to any portion of the Confidential Information shall not apply to any information that a party can document that: (a) is or becomes generally available to the public through no fault or breach of such party; (b) was in such party's possession free of any obligation of confidence at the time it was communicated to such party by the other; (c) was rightfully in such party's possession free of any obligation of confidence subsequent to the time it was communicated to such party by the other; (d) was developed or acquired by employees or agents of such party independently of and without reference to any Confidential Information communicated to such party by the other or (e) was communicated in response to a valid order by a court or other governmental body, was otherwise required by law, or was necessary to establish the rights of either party under this Agreement.

17. TERMS AND TERMINATION

17.2 Term — the term of the Agreement is one year, unless terminated sooner pursuant to the provisions of this Agreement. This Agreement shall automatically renew for Subsequent Terms of twelve (12) months each, unless either Party provides written notice to the other at least thirty (30) days prior to the expiration date of the Initial or any Subsequent Term of its desire to terminate the Agreement.

17.3 Termination without Cause — either party may for any reason terminate this Agreement on 90 days written notice.

17.4 Termination for Cause — Either party may terminate this Agreement upon notice to the other party if (i) the other party breaches this Agreement and fails to cure the breach within thirty (30) days after receiving written notice; or (ii) the other party becomes insolvent, makes an assignment for the benefit of creditors, files a petition under the Bankruptcy Code, or is the subject of an involuntary petition that is not promptly discharged.

17.5 Consequences — Termination will not alter the rights and obligations of the parties applicable to transactions affected before the date of termination. In the case of a termination under Paragraph 16.3, the terminating party may also cancel all pending orders for which shipment has not been made.

18. DISPUTES; GOVERNING LAW

18.2 Governing Law — this agreement shall be governed by the laws of the Country of Canada State of Ontario.

18.3 Disputes — Any controversy or claim arising out of or relating to this Agreement, or the breach thereof,



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which cannot be resolved mutually by the parties, may, if the parties do then agree, be settled by arbitration when the controversy or claim arises. The arbitration shall be held in a city of the Province of Ontario, Canada. Judgment upon the award shall be final and binding and may be entered in any court having jurisdiction thereof. Nothing in this section however shall prevent either party from seeking equitable relief from a court of competent jurisdiction for the other party's breach of the "Confidential Information" and any "License" sections of this Agreement.

19. GENERAL

19.2 Notices — Notices and other communications required hereunder shall be in writing, and shall be delivered by hand or by certified mail, return receipt requested, or by overnight courier service. All notices will be deemed effective upon date of receipt or refusal of delivery (if refused).

19.3 Force Majeure — Neither party shall be liable for damages due to delay which is caused by circumstances beyond its reasonable control, including but not limited to, action or inaction of government agencies, work stoppages, fire, civil disobedience, war, riots, rebellions, pestilence and acts of God.

19.4 Severability — if a court or arbitral panel should find that any of the Provisions of this Agreement are invalid or unenforceable, the validity or enforceability of the remaining provisions of this Agreement shall not be affected unless the underlying intent or sense of this Agreement is substantially undermined by such invalidity or unenforceability.

19.5 Waiver — The failure of either party to insist upon the performance of any of the terms, covenants, conditions or provisions of this Agreement shall not be considered a waiver or relinquishment of future compliance therewith; nor shall a waiver by either party or any breach of any term, condition, agreement or provision, operate as a waiver of any other term, covenant, condition, agreement or provision.

19.6 Non-Assignability — the rights granted to or obligations imposed upon the parties under this Agreement shall not be assignable, or otherwise delegable, transferable, or subject to encumbrance by act of either party or by operation of law or otherwise, without the prior written consent of the other party. Any attempt to assign, delegate, transfer or encumber such rights or duties, absent the other party's prior written consent, shall be void.

19.7 Entire Agreement/Modification — This Agreement and all Exhibits attached to it contain the entire understanding and agreement of the parties with respect to these subject matters, supersedes all prior oral or written understandings relating thereto, and may not be amended except in writing signed by the parties. ARTSYL and VAR each represent that the individual signing this Agreement on its behalf has the power and authority to enter into this Agreement and that this Agreement constitutes a valid and binding obligation of each party.



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IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives

ARTSYL Technologies, Inc.

[VAR Name: _____]

[VAR designation: ____ Premier ____ / ____ Elite ____]

Name: Artur Vassilyev

Name: _____

Title: President

Title: _____

Date: _____, 2010

Date: _____

Signature: _____

Signature: _____

NFR and Partner Portal Login designations:

Name	Email address	Phone	Title

Name	Email address	Phone	Title



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Exhibit A

End-User License Agreement

Important! Read the following terms carefully before installing, copying and/or using the product. Installing, copying or using the product indicates Your acceptance of these terms.

This Artsyl Technologies, Inc. (herein Artsyl) End-User License Agreement ("EULA") is a legal agreement between You, the end user (including any legal entity for whom this SOFTWARE was obtained), and Artsyl for the software product that accompanies this EULA, including any and all associated media, printed materials, and electronic documentation (collectively referred to as the "SOFTWARE").

By installing, copying, or otherwise using the SOFTWARE, You acknowledge that You have read this EULA and that You understand it and agree to be bound by its terms.

The SOFTWARE is protected by copyright laws and international treaty provisions. You agree that this EULA is enforceable like any written negotiated agreement signed by You.

If the SOFTWARE is accompanied by a hard copy of this EULA, in the case of any discrepancies in content between the text of this Agreement and the text in the enclosed hard copy, the text in the hard copy shall prevail.

This EULA comes into force when You accept all the conditions stated herein by choosing the "I accept the terms of the license agreement" declaration followed by the "Next" command in the SOFTWARE installation program, and is binding for the entire period of the SOFTWARE copyright.

If You do not agree with the terms of this EULA, do not use the SOFTWARE and choose the "I do not accept the terms of the license agreement" declaration and proceed by selecting the "Cancel" command in the SOFTWARE installation program. You may obtain a refund of the amount You originally paid if You:

- (i) Do not use the SOFTWARE, and
- (ii) Return the SOFTWARE, including all of the above-mentioned documentation, media and packaging, with the proof of payment, to the place where You bought the SOFTWARE, within thirty (30) days starting from the date of purchase unless otherwise stipulated by the laws of the country where You purchased the SOFTWARE and the return policy of the seller from whom You purchased the SOFTWARE.



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1. Definitions:

"**Artsyl**" means: Artsyl Technologies Inc. registered at 47 Cezanne Trail, Thornhill, ON L4J 9B2 Canada

"**Computer**" means an electronic device with one or more CPUs that accepts information in digital or similar form and manipulates it for a specific result based on a sequence of instructions.

"**License**" means the non-exclusive right granted by Artsyl to You to use the SOFTWARE in accordance with the terms of this EULA.

"**Maintenance**" means services provided to You by Artsyl or its Supplier: upgrades and/or updates for the SOFTWARE and/or support.

"**OCR**" refers to optical character recognition, a technology deployed in the SOFTWARE that takes image information of typographic characters and converts them to a digital representation. This includes the conventional definition of OCR.

"**SOFTWARE**" means **Artsyl Simple Capture and Artsyl Simple Invoice** software that is a set of computer programs, databases and documentation (which may be provided in written or electronic form), which is protected by copyright law.

"**SOFTWARE Activation**" means the procedure whereby the installed SOFTWARE is made fully operational in accordance with the SOFTWARE documentation.

"**SOFTWARE Component**" means any constituent part of the SOFTWARE, including, but not limited to, any Computer programs included in the SOFTWARE.

"**SOFTWARE Copy**" means a copy of the SOFTWARE or a copy of a SOFTWARE Component, which is installed on the Computer and functions in accordance with the SOFTWARE documentation.

"**SOFTWARE Use**" means performing any actions described in the SOFTWARE documentation as well as using any functionality of the SOFTWARE.

"**Supplier**" means a legal or physical entity which is authorized by Artsyl to supply the SOFTWARE and/or Maintenance.

"**You**" and "**Your**" refers to and includes any person and/or any legal entity that obtained this SOFTWARE and on whose behalf this SOFTWARE is being used.

2. Grant of License

2.1. Subject to Your compliance with the terms of this EULA, Artsyl grants You a non-exclusive limited license ("the License") enabling You to use the SOFTWARE, including all the images, photos, animations, audio-video components, music, text and "applets" incorporated into the SOFTWARE, as well as the accompanying printed materials and all of the SOFTWARE copies solely as set forth below. All conditions stated below apply both to the SOFTWARE as a whole and to all of its separate component.



3. License

3.1. Artsyl represents, warrants and guarantees that it has the full right, power, legal capacity, ability and authority to license and distribute the SOFTWARE, including all the images, photos, animations, audio-video components, music, text and "applets" incorporated into the SOFTWARE, as well as the accompanying printed materials and all of the SOFTWARE copies.

3.2. All title and intellectual property rights in and to the content that is not contained in the SOFTWARE, but may be accessed through use of the SOFTWARE, are the property of the respective content owners and may be protected by applicable copyright or other intellectual property laws and treaties. This EULA does not purport to transfer the ownership of such intellectual property.

3.3. You acknowledge that the SOFTWARE is protected from unauthorized copying and unlimited use and may include software or hardware protection keys providing for such protection (hereinafter, "License Keys") and You accept the SOFTWARE subject to all such protections.

3.4. The scope of the License may depend on several factors that are specified during purchasing: the set of features, the permitted number of the Software copies run in the network, number of CPUs used during processing, the amount of pages that can be processed, expiration date and other. All this information and other information are encoded in the License Key. The License Key technically restricts the use of the SOFTWARE and reflects the scope of the License You ordered.

3.5. The SOFTWARE contains valuable trade secrets and confidential information belonging to Artsyl and is protected by copyright, including, without limitation, by Canadian Copyright Law, international treaty provisions, and the applicable laws of the country in which it is being used. Any use of the SOFTWARE outside of or in contravention of the terms and conditions of this EULA shall constitute a breach of Artsyl's intellectual property rights and shall give cause for the revocation of all rights to use the SOFTWARE granted to You under this EULA.

3.6. You may not transfer or distribute the SOFTWARE to any other person, including any rights granted to You hereunder and/or any other rights related to the SOFTWARE. Artsyl has the right to terminate this EULA in the event of such a transfer or distribution.

3.7. This EULA does not grant You any rights in connection with any trademarks of Artsyl.

3.8. Reservation of Rights. All rights not expressly granted are reserved by Artsyl.

4. Using the SOFTWARE

4.1. You may use the SOFTWARE according to the scope of Your License.

4.2. You may install the SOFTWARE without the SOFTWARE Activation on unlimited number of Computers

4.3. You may simultaneously run or use as many copies of the SOFTWARE as permitted by the scope of Your License.

4.4. If You access the SOFTWARE by using Terminal Services, You may simultaneously run or use as many copies of the SOFTWARE as permitted by the scope of Your License and stipulated in this EULA.



4.5. You agree to indemnify, hold harmless, and defend Artsyl from and against any claims, liabilities, losses, actions, damages and/or or lawsuits, including any attorneys' fees, that may arise from or relate to the use of and/or reliance on the SOFTWARE.

5. Dual-Media SOFTWARE

5.1. You may receive the SOFTWARE on more than one medium, including downloads over the Internet. Regardless of the number of media You receive, You are licensed to use the SOFTWARE subject to this EULA.

6. End-User Databases

6.1. You may create Your own databases for the programs included in the SOFTWARE if such a feature is provided by the SOFTWARE.

7. Redistribution of the SOFTWARE

7.1. Any re-distribution of the SOFTWARE is strictly prohibited. Redistribution includes, but is not limited to selling, renting, leasing, or lending the SOFTWARE.

8. Limitations

8.1. You acknowledge that the SOFTWARE is protected from unauthorized copying and/or use. You may not be able to exercise Your rights to the SOFTWARE under this EULA unless You activate Your copy of the SOFTWARE. During activation, a unique parameter is created that represents the configuration of Your Computer at the time of activation. The parameter does not include any personal information, any information about software or data that may reside on Your Computer, or any information about the specific make or model of Your Computer. The parameter identifies the Computer solely for the purpose of activation. Together with this parameter, the name, serial number, and version number of Your copy of the SOFTWARE will be sent to Artsyl. This information will only be used to select the correct content of a reply message that is sent to You to confirm the results of activation. None of this information will be used for any other purpose.

8.2. All terms of use and limitations governing the use of the SOFTWARE are stated in this EULA, unless otherwise stipulated in a separate agreement with Artsyl.

8.3. If the SOFTWARE is labeled "Not for Resale" or "NFR," then, notwithstanding other sections of this EULA, Your use of the SOFTWARE is limited to use for demonstration, testing or evaluation purposes and You may not resell, or otherwise transfer for value, the SOFTWARE and/or the results obtained through the use of the SOFTWARE.

8.4. You may not perform or make it possible for other persons to perform any activities included in the list below:

8.4.1. Disassemble or decompile (i.e. extract the source code from the object code) the SOFTWARE (applications, databases, and any and all SOFTWARE Components), except, and only to the extent, that such activity is expressly permitted by applicable law notwithstanding this limitation. If applicable law permits such activities, any information so discovered must not be disclosed to third parties to the extent that such non-



disclosure is permitted by law and it must be promptly disclosed to Artsyl. All such information shall be deemed to be the confidential and proprietary information of Artsyl.

8.4.2. Modify, adapt, or translate the SOFTWARE, including making changes to the object code of the applications and databases contained in the SOFTWARE, other than those provided for by the SOFTWARE and described in the documentation.

8.4.3. Rent, lease, sublicense, assign, or transfer any rights granted to You by this EULA and other rights related to the SOFTWARE to any other person, or authorize all or any portion of the SOFTWARE to be copied onto another user's Computers, except as described in article 3.6.

8.4.4. Make it possible for any person not entitled to use the SOFTWARE and working in the same multi-user system as You to use the SOFTWARE.

8.4.5. Remove or obscure any copyright, trademark or patent notices that appear on the SOFTWARE as delivered to You.

9. Compliance with Licenses.

9.1. You agree that upon request from Artsyl or Artsyl's authorized representative, You will within thirty (30) days fully document and certify that You are in conformity with the terms and conditions of this EULA.

10. Support Services

10.1. Artsyl provides You with Maintenance subject to the terms and conditions stated in Appendix A to this EULA, unless otherwise agreed by You and Artsyl or by You.

11. SOFTWARE for Trial Purposes

11.1. If the SOFTWARE is labeled "Try&Buy," "Trial" or "Demo," then this section shall apply until such time that You purchase a license for the full version of the SOFTWARE. You acknowledge that the SOFTWARE has limited functionality and/or functions for a limited period of time. The SOFTWARE is licensed on an "as is" basis, solely as a demonstration model. If the SOFTWARE is a timeout version, its functionality will be disabled after a designated period of time, this period being specified in the SOFTWARE. Upon such timeout date, the License hereunder shall be terminated, unless extended by Artsyl upon Your purchase of a license for the full version of the SOFTWARE from Artsyl.

12. Terms and Termination

12.1. Unless otherwise agreed by You and Artsyl or by You and Artsyl Supplier, this EULA is effective until terminated. You may terminate it by destroying the SOFTWARE and accompanying documentation and all copies thereof. Without prejudice to any other rights, Artsyl may terminate this EULA if You fail to comply with the terms and conditions of this EULA. In such an event, You must destroy all copies of the SOFTWARE and all of the SOFTWARE Components. Such termination does not relieve You of Your obligation to pay for the SOFTWARE and/or for Maintenance.

12.2. Provisions 3.3–3.5, 3.8, 3.9, 4.7, 7, 8, 11, 13.2–13.4, 14–21, 23, and 24 shall survive the termination of this EULA, howsoever caused, but this shall not imply or create any continued right to use the SOFTWARE after termination of this EULA.



13. Limited Warranty

13.1. Artsyl warrants that the media on which the SOFTWARE is furnished, if any, will be free from defects in materials and workmanship under normal use for the minimal period determined by the legislation of the country in which You purchased the SOFTWARE starting from the date of purchase.

13.2. The SOFTWARE, any updates, upgrades, and Maintenance are being delivered to You "as is" and Artsyl makes no warranty of any kind. Artsyl and its Suppliers do not and cannot warrant the performance or results You may obtain by using the SOFTWARE. Except for any warranty, condition, representation, or term to the extent to which the same cannot or may not be excluded or limited by law applicable to You in Your jurisdiction, Artsyl and its Suppliers make no warranties, conditions, representations, or terms (express or implied whether by statute, common law, custom, usage or otherwise) as to any matter, including without limitation non-infringement of third party rights, merchantability, integration, satisfactory quality, or fitness for any particular purpose, or that the SOFTWARE will carry no errors, meet Your requirements, or that the SOFTWARE will function properly when used in conjunction with any other software or hardware, and the entire risk as to the quality and performance of the SOFTWARE lies with You.

13.3. Artsyl makes no warranties for any third party software products which may be supplied within the SOFTWARE.

13.3. OCR is an interpretive process and never exact, the quality of OCR is dependent on the quality of input You provide the SOFTWARE. Artsyl makes no guarantees to the accuracy of OCR but offers recommendations and best practices in the documentation.

14. Limitation of Liability

14.1. In no event will Artsyl or its Suppliers be liable to You for any damages, business interruption, loss of data or information of any kind, business or otherwise, claims or costs whatsoever, or any consequential, indirect, incidental damage, or any lost profits or lost savings resulting from and/or relating to the use of the SOFTWARE, or damages caused by possible errors or misprints in the SOFTWARE, even if an Artsyl representative has been advised of the possibility of such loss, damages, claims or costs, or for any claim by any third party. The foregoing limitations and exclusions apply to the extent permitted by applicable law in Your jurisdiction. Artsyl's sole and aggregate liability and that of its Suppliers under or in connection with this EULA shall be limited to the purchase price originally paid for the SOFTWARE, if any. Nothing contained in this EULA limits Artsyl's liability to You in the event of death or personal injury resulting from Artsyl's negligence or for the tort of deceit (fraud). Artsyl is acting on behalf of its Suppliers for the purpose of disclaiming, excluding and/or limiting obligations, warranties and liability as provided in this EULA, but in no other respects and for no other purpose. For further information, please see the jurisdiction specific information in article 21 of this EULA, if any, or contact Artsyl's customer support department.

15. Embedded Fonts



15.1. Font programs are subject to copyright, and the copyright owner may impose conditions under which a font program can be used. One of the conditions may be that You need a licensed copy of the font program to embed the font into a PDF file. In no event shall Artsyl be liable for

16. Microsoft XML Core Services

16.1. The Software uses Microsoft XML Core Services (MSXML) to parse and process XML documents.

16.2. Identified Software. Your license rights to the SOFTWARE are conditioned upon Your (a) not incorporating Identified Software into, or combining Identified Software with, MSXML, or a derivative work thereof; (b) not distributing Identified Software in conjunction with MSXML; and (c) not using Identified Software in the development of a derivative work of MSXML. "Identified Software" means software which is licensed pursuant to terms that directly or indirectly (i) create, or purport to create, obligations for Microsoft with respect to MSXML or derivative work thereof or (ii) grant, or purport to grant, to any third party any rights or immunities under Microsoft's intellectual property or proprietary rights in MSXML or derivative work thereof. Identified Software includes, without limitation, any software that requires as a condition of use, modification and/or distribution of such software that other software incorporated into, derived from or distributed with such software be (a) disclosed or distributed in source code form; (b) be licensed for the purpose of making derivative works; or (c) be redistributable at no charge.

17. Benchmark Testing

17.1. You may not disclose the results of any benchmark test using the SOFTWARE to any third party without Artsyl's prior written approval.

18. Export Rules

18.1. The SOFTWARE shall not be exported or re-exported in violation of any export provisions in the laws of the country in which this SOFTWARE was purchased or otherwise acquired. In addition, You represent and warrant that You are not prohibited under applicable laws from receiving the SOFTWARE.

19. Governing Law

19.1. The SOFTWARE shall be governed by and construed in accordance with the laws of the State of Ontario, Canada. With respect to any dispute which may arise in connection with this EULA and/or this SOFTWARE, you consent to the jurisdiction and venue of the federal and/or state courts in the country of Canada state of Ontario.

20. Miscellaneous

20.1. If You have received this copy of the SOFTWARE as an enhancement to the current version of the SOFTWARE or as a major version upgrade for the SOFTWARE, then by installing this copy of the SOFTWARE You voluntarily terminate Your rights in connection to any previous versions of the SOFTWARE, including the right to use such SOFTWARE. You acknowledge that any obligation Artsyl or its Suppliers may have to support the previous versions of the SOFTWARE may be ended upon availability of this version of the SOFTWARE.

20.2. If You acquired the SOFTWARE via the Internet (including "Not for Resale" and/or "Upgrade" versions) Artsyl shall not provide You with any printed materials, including the User's Guide.



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21. Government Use

21.1. If use is made of the SOFTWARE by the United States Government or any US Government agency, the following additional terms shall apply: (1) Restricted Computer Software, as defined in the Rights in Data-General clause at Federal Acquisition Regulations 52.227-14; and (2) any use, duplication, or disclosure by the Government is subject to restrictions as set forth in subparagraph (c)(1)(ii) of the Rights in Technical Data and Computer Software clause at DFARS 252.227-7013.

22. General Provisions

22.1. If any part of this EULA is found void and unenforceable, it will not affect the validity of the balance of the EULA, which shall remain valid and enforceable according to its terms. This EULA shall not prejudice the statutory rights of any party dealing as a consumer.



Appendix A

Maintenance Agreement

This Appendix A shall be an integral part of the EULA unless otherwise stipulated in a separate agreement with Artsyl.

1. Definitions

- 1.1. **"Update"** means enhancements to the current version of the SOFTWARE.
- 1.2. **"Upgrade"** means the next SOFTWARE release to supersede the major version (for example 2.x will supersede 1.x) currently licensed to You in the EULA.
- 1.3. **"Error"** means any failure of the SOFTWARE to perform in accordance with the specifications listed in the documentation. The following three types of Error shall be recognized:
 - 1.3.1. A priority 1 Error means problem situations where no workarounds are available to You and the production at Your site is halted, including Errors displaying "Internal Program Error," "Out of memory," "Access Violation," "General Protection Fault," "General Protection Error," and "Division by Zero" messages;
 - 1.3.2. A priority 2 Error means a failure for which a workaround is available;
 - 1.3.3. A priority 3 Error is a minor issue not interfering with the production at Your site.
- 1.4. **"Support Services"** means services provided to You by Artsyl for the Errors reported by You.
- 1.5. **"Upgrade Assurance"** means the part of Maintenance that grants You the right to receive Upgrades.

2. Maintenance

- 2.1. Maintenance may include delivery of Updates, Upgrade Assurance, and Support Services or any combination thereof. You must purchase Maintenance for the initial period of twelve (12) months commencing on the date on which the SOFTWARE is shipped or delivered. To extend the Maintenance period, You need to procure such an extension from Artsyl or its Supplier. Artsyl reserves the right, at its sole discretion, to change the form and content of Maintenance from time to time. Any supplemental SOFTWARE code provided to You as part of Maintenance is to be considered as part of the SOFTWARE and subject to the terms and conditions of the EULA.

3. Updates and Upgrade Assurance

- 3.1. Upgrades and Updates shall be delivered on CD-ROM and/or electronically (via FTP). Shipping costs, if any, must be paid by You.



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Fax. (905) 326-0676 Ex 226
www.artsyltech.com
www.artsylpartner.com

3.2. If You have purchased the Update delivery part of Maintenance, then You have the right to receive Updates from Artsyl. Artsyl or its Suppliers will provide You with Updates for the SOFTWARE as soon as these become available.

3.3. If You have purchased the Upgrade Assurance part of Maintenance, then You have the right to receive Upgrades from Artsyl or its Suppliers. Artsyl or its Suppliers will provide You with Upgrades for the SOFTWARE as soon as these become available.

3.4. If You develop any application which contains the SOFTWARE, parts of the SOFTWARE, or is integrated with the SOFTWARE, any new major release of this application shall include the latest Update of the SOFTWARE provided to You by Artsyl not more than three (3) months before such release (or the latest Update if such Update was released more than three (3) months before such release).

4. Support Services

4.1. Artsyl shall provide two incidents of free Support Services with each purchase.

4.2. If You have purchased a Support Services agreement then Artsyl shall provide Support Services for up to six (6) requests involving Errors. Support Services for any additional requests involving Errors shall be purchased additionally at then stated Artsyl prices.

4.3. Artsyl will provide Support Services related to the SOFTWARE during normal working hours via telephone or e-mail.

4.4. Artsyl or its Supplier agrees to make commercially reasonable efforts to issue emergency Updates to the SOFTWARE outside the normal release schedule to remedy any priority 1 Error reported to it. In the normal course of events, priority 2 and 3 Errors may be repaired in subsequent releases. Emergency Updates will only be issued for the current version of the SOFTWARE to fix priority 1 Errors.

4.5. When reporting Errors, You agree to provide Artsyl or its Supplier with the necessary supporting data to locate the Error and provide for its repair and workaround. The supporting data shall include a description of the problem, identification of the platform and operating system on which the problem occurred, a copy the input which caused the Error to be discovered, a copy of the format file being used when the Error was discovered, and any machine dumps which resulted from the Error. Artsyl or its Supplier may use the above-mentioned information for its business purposes, including, but not limited to, product support and development, provided that Artsyl or its Supplier does not utilize such information in any form that personally identifies You.

VAR's Initials _____

Artsyl Initials _____