

ALGLIB LICENSE AGREEMENT **AGR-XXXXXXXXXX**

License Agreement

Sole Proprietor **Bochkanov Sergey Anatolyevich** hereinafter referred to as the “Licensor” on the one hand and **XXXXXXXXXXXXXXXXXXXX** hereinafter referred to as the “Licensee” on the other hand have concluded the present Agreement to the following effect:

1. Subject-Matter of the Agreement

1.1 The Licensor shall confer to the Licensee for a one time payment in the manner and on terms stated in the present Agreement the following rights:

- non-exclusive royalty-free license to the Program – a version of software package ALGLIB chosen by the Licensee from the list-offer published by the Licensor at the ALGLIB website or sent to Licensee by e-mail. Description of the Program and list of rights granted to the Licensee are stated in *Appendix A* to the Agreement.
- additional rights (as indicated in the section 9)

2 Accepting the Agreement

2.1 Prior to accepting the agreement both sides:

- *choose method and time of payment* (plastic card or bank transfer, pre-payment or post-payment)
- *inform each other* about their intention to enter into the Agreement. The Licensor declares its intention by making price list and text of this Agreement available to the Licensee. The Licensee declares its intention by entering information into the order form (or by contacting the Licensor through other means)

2.2 Licensee *accepts* Agreement by making payment under this Agreement (signing the Agreement is not mandatory). Licensor *accepts* agreement by sending scanned version of this Agreement (signed by Licensor) to the Licensee. Acceptance by one party (e.g. Licensor) does not oblige another party to accept Agreement.

2.3 Licensee may ask some third party to do payment and/or enter information into the order form. In this case Licensee accepts Agreement *by acting according to the Agreement* – downloading commercially licensed version of the Program, using it according to the Agreement terms, etc.

3. Validity Period of the Agreement, Amending the Agreement

3.1 Licensee receives right to use Program under terms of present Agreement for an unlimited period. Licensee may pay for a period of support and maintenance (see section 9). All updates received within first support period will be covered by this Agreement too.

3.2 After support period is over, it can be repeatedly prolonged at the Licensee’s initiative, at the Licensor’s consent, in accordance with prices established by the Licensor for such service. The Licensor may offer a separate license agreement or additions to the present Agreement. In this case new releases will be delivered under new licensing terms, but Licensee will retain right to use old releases under old licensing terms.

4. Pricing and licensing model

4.1 *Standard (unlimited)* license is tied to one particular company. It can be used by unlimited number of developers working for that company. No per-developer or per-application fees is required.

4.2 In order to reduce license cost Licensee may apply for one of the discount programs (which is indicated in the section 9). Discounts are possible for companies satisfying some conditions.

4.3 This paragraphs contains definitions of concepts which are used when applying for a discount.

- **developer** – is a computer programmer, i.e. person who **writes** source code in one of the computer programming languages. Testers and technical writers are not considered developers (unless they write source code in addition to their duties, in which case they are considered **both** developers and

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testers/writers).

- **development team** – a group of developers which is either a) a separate organizational unit (department) within company, or b) a part of some organizational unit with a set of responsibilities/duties which are substantially different from the rest of the organizational unit.
- **application using Program** – application which directly or indirectly uses Program. “Using directly” means that it is statically or dynamically linked with Program. “Using indirectly” means that it communicates with another application, which uses Program, and both applications are intended to be used together (client and server, embedded program and desktop program, software which is distributed across several devices, etc.).
- **developing application** – modifying its source code.
- **team which uses Program** – such development team that at least one of its members develop applications which use Program (directly or indirectly).

4.4 By applying for a “Dev-N” discount Licensee states and agrees that:

- a) it carefully evaluated its needs and found that the Program will be used by a team(s) with no more than N developers in total.
- b) it will contact Licensor and ask it to recalculate discount size if team(s) total size will increase beyond N developers within 3 months after the Agreement effective date. However, it is possible to add more developers after this initial period is over without notifying Licensor and without paying additional fees.
- c) it understands purpose of the discount (lower price for smaller companies) and has no intention to use discount just as possibility to reduce license cost without actually conforming to its spirit. In particular, Licensee does not apply for discount knowing for sure that it will increase team size beyond N developers right after the period mentioned in item (b) is over.

5. Termination of the Agreement

5.1 The Licensee may terminate the Agreement:

- a) within 90 days after Agreement effective date (unconditional money back guarantee), in which case Licensor shall return the payments received at its account under the Agreement
- b) in other cases, as specified in section 7 (Warranties).

5.2 The Licensor may terminate the Agreement in case:

- a) payment under the Agreement has failed to enter Licensor's account and Licensee is culpable for this failure. The Licensor shall keep this right till the date of receipt of payment.
- b) in case of breach by the Licensee of other terms of the Agreement

5.3 In case of termination of the Agreement the Licensee shall not have the right to use the Program and shall immediately destroy all copies of the Program made by it including backup copies.

5.4 In case Agreement is terminated for any reason except for stipulated in **5.1.a** and **5.2.a**, Licensee's Clients retain right to use products which contain the Program or parts thereof, as long as their usage complies with present Agreement.

5.5 In case Agreement is terminated for reason stipulated in **5.1.a** and **5.2.a**, Licensee's Clients do not have right to use Program or parts thereof. It is Licensee's responsibility to make sure that copies of the Program shipped to its Clients will be destroyed upon termination of the Agreement.

5.6 The right of both Parties to terminate the Agreement for good cause remains unaffected hereby.

6. Applicable Law

6.1 Section 9 may set applicable law to be that of the Russian Federation or of the Customer's state.

6.2 If present Agreement is regulated by the legislation of the Russian Federation, then all disputes arising while fulfilling the present Agreement or in relation with or arising out of it shall be subject to consideration by the International Commercial Arbitration Court under the Chamber of Industry and Commerce of the Russian Federation.

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7. Warranties

Part I: intellectual property issues

7.1: this set of warranties (Part I) is provided by Licensor to those customers who have active support and maintenance agreement.

7.2 The Licensor warrants that it has right to license Program and that the Program does not infringe third parties' intellectual property rights. If a third party claims that the Program infringes any patent, copyright, or trade secret, Licensor may, at its option:

- a) defend Licensee against such claim at Licensor's expense provided that Licensee promptly notify Licensor in writing of the claim, allow Licensor to control the defense of such claim, and cooperate with Licensor in the defense or any related settlement negotiation,
- b) secure for Licensee the right to continue to use the Program,
- c) modify or replace the Program so it is non-infringing.

7.3 If the Licensee's right to use the Program gets restricted because of third parties intellectual property rights, against which Licensor has warranted, Licensee has right to discontinue use of the Program and require Licensor to return license/support fees previously paid under this agreement.

Part II: support and maintenance

7.4 The Licensor warrants that, as long as support and maintenance agreement is in force, it will:

- a) deliver new versions of the Program to Licensee.
- b) provide support through electronic communication with response time no more than one business day (taking into account time difference between Licensor's and Licensee's locations).
- c) investigate reports about purported errors and either 1) use reasonable efforts to fix errors in the Program, 2) provide Licensee with workarounds for such errors, 3) explain in details why seemingly unexpected behavior of Program is in fact expected (not a bug).

Failure to provide services mentioned in this clause gives to Licensee right to discontinue use of the Program and require Licensor to return license/support fees paid within last 365 days.

7.5 The Licensor warrants that price for prolongation of the support and maintenance agreement won't exceed 30% of the then current standard (full) license cost. In the event Licensee does not purchase Maintenance and Support services for some period and chooses to enter into a new Maintenance and Support contract at a later date, Licensor may, depending on its licensing and pricing policy at the moment, charge Maintenance and Support fees for the periods that were not covered.

7.6 Maintenance and support does not cover the following:

- a) any problem caused by modifications to any version of the Program not made or authorized by Licensor,
- b) any problem caused by use of the undocumented features (feature is considered undocumented if it is not described by Reference Manual)
- c) errors in any version of the Program other than the most recent release.

Part III: faultless and uninterrupted functioning

7.7 Both sides agree that it is impossible to deliver complex software product which is *guaranteed* to be 100% error-free. Furthermore, numerical algorithms usually have some limitations (with regards to problem non-degeneracy, dimensionality, etc.) and it is impossible to warrant that numerical algorithm will work no matter what. Taking this into account, the Licensor shall not provide any guarantee as regards faultless and uninterrupted functioning of the Program except for the warranties granted by the Part II above (*support and maintenance*).

Part IV: other issues

7.8 Warranties (express or implied) not stipulated directly in the present Agreement are excluded to the maximum extent permitted by law. The Licensor shall not be liable for any direct or indirect consequences of any use or improper use of the Program and/or damage caused to the Licensee and/or third parties as a result of any use or disuse of the Program including the possible faults or failures of the Program functioning to the maximum extent allowed by the applicable legislation.

8. Miscellaneous

8.1 In case a competent court considers any provisions of the present Agreement invalid all other provisions of the Agreement shall remain in force.

8.2 Licensee may transfer the Program and its rights under present Agreement to some third party on a permanent basis, provided that Licensee retain no rights under the Agreement and that the recipient agrees to the terms of the Agreement. Any other ways of sharing rights under present Agreement with third parties (rent, lease, etc.) are prohibited, unless they are explicitly allowed by the Agreement.

9. Product, price, payment, delivery and additional information

Effective date	??.??.????	
Product description	ALGLIB	
Payment is done	<input type="checkbox"/> By Licensee <input type="checkbox"/> By third party:	
Program delivery	<input checked="" type="checkbox"/> After the payment (within one business day) <input type="checkbox"/> Before the payment <input type="checkbox"/> Other:	
Support and maintenance	<input checked="" type="checkbox"/> Standard (1 year of updates)	<input type="checkbox"/> No support
Applicable law	<input checked="" type="checkbox"/> Russian Federation (standard)	<input type="checkbox"/> Customer's state
Right to redistribute source code (according to the Appendix R)	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes
Basic discount program (only one option is possible)	<input checked="" type="checkbox"/> No <input type="checkbox"/> Dev-14 <input type="checkbox"/> Dev-8 <input type="checkbox"/> Dev-5 <input type="checkbox"/> Dev-3 <input type="checkbox"/> Dev-1 <input type="checkbox"/> Other	
Additional discounts	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes
Price	<input type="text" value="2970"/> USD before discount	<input type="text"/> USD after discount

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ALGLIB LICENSE AGREEMENT (APPENDIX A) AGR-XXXXXXX

DEFINITIONS:

Application - program developed by Licensee (either standalone application or library) which includes ALGLIB as one of its parts .

Sublicensee - any party which receives Application from Licensee or another Sublicensee.

End User - sublicensee which is not authorized by Licensee to redistribute Application.

Reseller - sublicensee which is authorized by Licensee to redistribute Application.

Application license agreement - agreement with End User or Reseller which governs usage/redistribution of the Application.

LICENSE GRANT: Subject to the License Restrictions below, Licensor grants to Licensee the following non-exclusive royalty-free licenses:

A. To modify ALGLIB and to use modified version on the terms of this Agreement.

B. To develop Applications which use ALGLIB and to distribute such Applications in Binary and/or Source Code forms, accompanied with Binary and/or Source Code forms of ALGLIB (either statically or dynamically linked). This right is granted provided that:

- such Applications add significant primary functionality different from that of the ALGLIB.
- such Applications do not expose ALGLIB API (application programming interface) either directly or indirectly
- Sublicensee has no right to use ALGLIB except as part of the Application, which is either explicitly stated in the Application license agreement or implicitly follows from it.
- any subsequent redistribution respects conditions of the present Agreement, especially restrictions set by clause **G**

C. To grant to its Sublicensees rights: 1) to use ALGLIB as part of the Application, 2) to study source code of the ALGLIB, 3) to modify ALGLIB source code, to compile modified version and to link it with Application (subject to restrictions set by clause **G**), 4) to redistribute Applications which use ALGLIB (subject to restrictions set by clause **G**), 5) to grant similar rights to subsequent Sublicensees.

Specific rights to grant are chosen by Licensee from list above on its sole discretion. Rights are granted subject to conditions of the present Agreement.

LICENSE RESTRICTIONS:

D. Licensee/Sublicensee may NOT use, copy or distribute ALGLIB except as provided in this Agreement.

E. Licensee/Sublicensee may NOT rent or lease ALGLIB to any third party.

F. Licensee/Sublicensee may NOT remove any copyright notice from the Source Codes / Binary Files.

G. Licensee is the only party which has full rights (development+distribution) under the present Agreement:

- End User may have right to modify Application and/or ALGLIB (i.e. to perform development) in case Licensee decided to grant such right to its customers. But End User may NOT redistribute Applications.
- Reseller may redistribute only unmodified copies of the Application and ALGLIB obtained from Licensee. It may NOT perform development.

This clause covers modifications both in ALGLIB and Application which uses ALGLIB, made in any part of the Application, whether this part works with ALGLIB or not.

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