

Software Maintenance Agreement

_____, referred to as DEVELOPER, and _____, referred to as CUSTOMER, agree:

CUSTOMER is a licensed user of _____, version ____ for _____, referred to as the "licensed program."

DEVELOPER shall offer such service as may be reasonably required to cause the licensed program to operate in accordance with the stated specifications of the system and in conformance with any specific contractual undertakings contained in the licensing agreement.

The total contract price shall be \$ _____ (_____ & ____/100 dollars) which shall be due, in installment as follows: \$ _____ (_____ & ____/100 dollars) on _____ 199__, with the same amount due every _____ thereafter, until paid in full. Any past due installments will bear interest at the highest legal rate.

In addition to the maintenance obligation undertaken above, DEVELOPER shall provide at no additional charge to CUSTOMER no more than ____ hours of initial training in use of the program, and refresher training for employees that have already received initial training. This training shall take place at _____. DEVELOPER shall not be required to provide additional training; however, CUSTOMER may order additional training at a cost of \$ _____ (_____ & ____/100 dollars) per instructor/hour.

Nothing in this agree implies that DEVELOPER is required to make enhancements or improvements to the program or to provide support for any particular length, other than, if the CUSTOMER's original agreement requires maintenance for a particular period of time, such contract shall control.

This agreement may be terminated under two conditions:

- 1) a breach of the contract,
- 2) termination without a breach of the contract

If a breach of the contract is committed by the CUSTOMER, the DEVELOPER shall give a written notice specifying the alleged breach and permit the CUSTOMER to cure the breach within 10 days. However if the DEVELOPER has previously complained of a substantially similar breach, the DEVELOPER may either:

- a) allow a period of three days to cure the breach; or,
- b) issue a notice of immediate termination.

If a breach of contract is committed by the DEVELOPER, the CUSTOMER shall give written notice specifying the alleged breach and permit the DEVELOPER to cure the breach within 3 business days. However, if the CUSTOMER has previously complained of a substantially similar breach, the CUSTOMER may alternately issue a notice of immediate termination or allow a period of two business days to cure the breach. All notices of alleged breaches shall be sent by the most expeditious means, such as fax or over night delivery.

In the event that a claimed breach by DEVELOPER is the failure of the CUSTOMER to pay as agreed, 2-business days notice of intention to terminate may be given, although DEVELOPER shall not be required to do so.

No failure or delay in exercising in right or failure to issue a notice of any breach shall not constitute a waiver of any rights herein.

Breach by the CUSTOMER shall include, but not be limited to:

- a) the CUSTOMER making or permitting any alteration of the software or hardware without the prior agreement of the DEVELOPER; the DEVELOPER shall not be required to agree to any changes by third parties;
- b) refusal of the CUSTOMER to reasonably cooperate with the DEVELOPER;
- c) refusal of the CUSTOMER to permit installation of software, including updates;
- d) persistent failure of provision of a proper electrical supply, persistent failure to properly maintain hardware and a proper environment for computers.

The contract may be terminated by either party without reference to a breach and without cause on _____ notice.

This is the entire agreement between the parties, and the same may only be altered by a writing executed by all parties hereto.

Dated: _____

_____ By Customer

_____ By Developer

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Review List

This review list is provided to inform you about this document in question and assist you in its preparation. Make multiple copies and keep them in the appropriate related files.