



Financial Reporting Software Application End User Licence Agreement (EULA)

IFRS SYSTEM Financial Reporting Software Application (the Application), End User Licence Agreement (EULA)

- A. The Licensee wishes to use the Application.
- B. The Licensor has offered to grant the Licensee and the Licensee has agreed to accept a non-transferable and non-exclusive Licence to use the Application Software in accordance with this Agreement.
- C. The Licensee agrees to pay an Annual Fee for the Licence to use the Application.
- D. The Licence expires 1 year after the Commencement Date of the Annual Fee Term and at that time (the anniversary) another Annual Fee is payable for the continued use of the Application
- E. The End User Licence Agreement (EULA) acts as the "terms and conditions" and the Licensee accepts this agreement at both a) the time of payment and b) each instance of using the Application.

IFRS SYSTEM Pty Limited (incorporated in Australia, ABN 49 121 807 396) owns the rights to the Application and is the Licensor of the Application.

GENERAL TERMS AND CONDITIONS

1. Definitions and Interpretation

1.1. In this Agreement

"Additional Charge" means a charge in accordance with the Licensor's rates applicable from time to time and agreed between the Licensor and the Licensee.

"Agreement" means this End User Licence Agreement (EULA).

"Annual Fee" means the fee specified in the Tax Invoice as being the fee payable by the Licensee for the use of the Application for the term specified.

"Application" means the computer application, data structures owned by the Licensor including all releases of the application and updates to the Associated Documentation that occur within the term.

"Application Component" means the individual components of the Application as determined by the Licensor from time to time.

"Application Computer Requirements" means the minimum software and hardware requirements specified in the Associated Documentation.

"Associated Documentation" means any electronic materials relating to the Application including, but not limited to, the User Guide and Product Disclosure Statement.

"Authorised User" means a single named employee or contractor of the Licensee authorised by the Licensee to use the Application.

"Business Day" means any day except Saturday, Sunday or a public holiday.

"Commencement Date" means the date of this Agreement or the date the Licensee first uses the Application in a production environment, whichever is earlier.

"General Terms and Conditions" mean these general terms and conditions agreed between the parties.

"GST" means goods and services tax or similar value added tax levied or imposed in Australia pursuant to the GST Law or otherwise on a supply.

"GST Act" means A New Tax System (Goods and Services Tax) Act 1999 (Cth).

"GST Law" has the same meaning as in the GST Act.

"Inherent Defect" means a significant error or defect caused by a programming error or any error or defect preventing reasonable use of the Application, other than one that is the result of:

- (a) an alteration or modification to the Application not authorised in writing by the Licensor;
- (b) use of the Application other than in accordance with the Licensor's directions;
- (c) use of the Application in combination with equipment, programs or services not authorised in writing by the Licensor; or
- (d) failure by the Licensee to meet its obligations under this Agreement or any other agreement relating to the Application.

"Licence" means the Licence granted by the Licensor to the Licensee pursuant to this Agreement for the use of the Application.

"Maintenance Services" means the maintenance services referred to in Clause 5, excluding the services set out in Clause 6.1.

"Maximum Number of Authorised Users" means the Maximum Number of Authorised Users specified in the Tax Invoice.

"Relevant Taxes" means new taxes, duties, fees or other Government levies or charges which may be imposed after the Commencement Date on or in respect of the Licensed Software, its use or its installation, or in respect of this Agreement but does not include taxes on income, capital gains, employee benefits or any taxes and charges having similar characteristics.

"Services" means the goods and services supplied by the Licensor under this Agreement.

"Site" means the physical address that is the principal place of employment of Authorised Users as specified by the Licensee at the commencement of this Agreement.

"Support" means support provided via support@ifrssystem.com (preferred method) or telephone.

"Term" means a rolling twelve (12) month term beginning on the Commencement Date and each subsequent anniversary of the Commencement Date or until terminated by the parties under this Agreement, if earlier.

"Territory" means the area or country specified in the Tax Invoice.

- 1.2. In this Agreement, unless the context otherwise requires:
 - (a) a reference to time means the time in New South Wales, Australia;
 - (b) a reference to public holiday means a public holiday in the State of New South Wales, Australia;
 - (c) monetary references are references to Australian currency, unless explicitly specified (such as US\$, US Dollars, etc),
 - (d) obligations shall apply to the officers, employees, agents and contractors of the parties.

2. Alterations to the Application

The Application will continue to be subject to this Agreement notwithstanding any alteration or modification made to the Application.

3. Associated Documentation

- 3.1. The Licensor shall provide the Licensee with access to electronic copies of the applicable Associated Documentation.
- 3.2. The Associated Documentation is subject to the same restrictions on copying and modifications as are imposed in respect of the Application and shall not be used by the Licensee except to assist in the normal operation of the application.
- 3.3. The Licensor undertakes to provide the Licensee with such additional documentation or revisions of existing documentation as are developed in relation to the Application throughout the Term.

4. Licence

- 4.1. In consideration of Annual Fee, the Licensor grants to the Licensee a non-transferable and non-exclusive Licence to access and use the Application for the Term in the Territory.
- 4.2. The total number of Authorised Users shall not exceed the Maximum Number of Authorised Users. The Maximum Number of Authorised Users may be increased at any time with the agreement of the Licensor.
- 4.3. The Application and Associated Documentation shall only be used by the Authorised Users. The Licensee shall not make the Application or Associated Documentation available to any other person. The Licensee shall ensure that each of the Authorised Users comply with this Agreement to the extent applicable to the Authorised User's use of the Application. A breach of this Agreement by an Authorised User shall constitute a breach by the Licensee.
- 4.4. The Licensee acknowledges that there is no transfer of title, or ownership of the Application or any modifications, updates or new versions of the Application.
- 4.5. In addition to other remedies available to the Licensor under this Agreement or otherwise, any unauthorised use, alteration, modification, reproduction, publication, disclosure or transfer of the Application shall entitle the Licensor to any available equitable remedy against the Licensee including injunctive relief.
- 4.6. The Licensor will not be responsible for integrating the Application with any existing systems or procedures of the Licensee, except as may be separately agreed between the parties.
- 4.7. The Licensee must not use the Application or any information or outputs derived from the Application in any manner, or for any purpose, that is unlawful or in any manner that violates any right of the Licensor.

5. Maintenance Services

- 5.1. In consideration for the Licensee paying the Annual Fee the Licensor shall provide the maintenance services throughout the Term it considers necessary to ensure that the Application remains free from Inherent Defects and to enable the Licensee to have reasonably constant use of the Application. The Licensor shall also provide other services relating to the operation and use of the Application which are requested by the Licensee from time to time (other than the services specified in clause 6.1). Such services shall, at the reasonable option of the Licensor, take the form of:
- (a) email Support (preferred method);
 - (b) telephone Support;
 - (c) such other services as the Licensor considers reasonably necessary.
- 5.2. The Licensee must provide the Licensor with 14 days prior notice in writing of any proposed change to the Licensee Site. In the event that the Application is altered by the Licensee or substituted by the Licensor or the Licensee Site is moved to a remote or distant location, the Licensor may at its option, either terminate this Agreement, continue the Licence to the Licensee but terminate its Maintenance Services or continue both the Licence and the Maintenance Services.
- 5.3. In the event that the Licensor elects to continue providing Maintenance Services pursuant to Clause 5.2, the Licensor shall be entitled to adjust the Annual Fee to the extent that the Licensor's costs are increased.
- 5.4. The Licensor will provide the Maintenance Support Levels specified in the this agreement in respect of Maintenance Services required to ensure the Licensed Software remains free of Inherent Defects.

6. Exclusions

- 6.1. Maintenance Services under this Agreement, at the option of the Licensor, do not include:
- (a) correction of errors or defects caused by
 - i. modification, revision, variation, translation or alteration of the Application not authorised by the Licensor;
 - ii. the use of the Application by a person not authorised by the Licensor;
 - iii. the use of computer programs not licensed by the Licensor to the Licensee;
 - iv. the Licensee's failure to comply with this Agreement whether directly or indirectly.
 - (b) furnishing or maintenance of accessories, attachments, supplies, consumables or associated items whether or not manufactured or distributed by the Licensor;
 - (c) provision of professional accounting or tax advice;
 - (d) rectification of defects other than Inherent Defects; or
 - (e) significant enhancements or customisation for Licensee requirements.
- 6.2. If the Licensee so requests, the Licensor may at its option provide any of the services referred to in Clause 6.1 at an Additional Charge.

7. Maintenance Availability

- 7.1. The Licensor will provide Maintenance Services in response to a request for Maintenance Services from the Licensee (made either by way of email or telephone).
- 7.2. The Licensee may make a request for Maintenance Services by contacting Support at any time. Responses will be made between the hours of 8:00am and 6:00pm (Sydney, Australia time) on any Business Day.
- 7.3. On making a request for Maintenance Services, the Licensee shall give the Licensor a documented example of the reported defect or error.
- 7.4. The Licensee shall, where requested by the Licensor, give to the Licensor a listing of output or any other data which the Licensor requires, in order to reproduce operating conditions similar to those present when any defect or error in the Licensed Software was discovered.

8. Payment of Annual Fee

- 8.1. The Licensee shall pay the Annual Fee to the Licensor on the Commencement Date.
- 8.2. The Licensee shall pay the Annual Fee to the Licensor on the first anniversary of the Commencement Date and on each subsequent anniversary of the Commencement Date. The Licensor reserves the right to increase the Annual Fee on the first anniversary of the Commencement Date and on each subsequent anniversary of the Commencement Date.
- 8.3. The Annual Fee, which is non-refundable except where cancellation occurs within 120 days of the commencement date, is payable in advance of the year to which it applies
- 8.4. In addition to its rights under Clause 5.3, the Licensor reserves the right to change the Annual Fee where the Licensee elects to purchase Software Components additional to those listed in the Tax Invoice. Prior to the end of the Term, the Licensor will notify the Licensee of any change to the Annual Fee should the Licensee elect to extend the Term.
- 8.5. In addition to the Annual Fee the Licensee will pay any tax or other charge imposed on the Licensor in connection with, or as an outcome of, this Agreement including, but not limited to, a goods and services tax (but excluding taxes which are exclusive to the Licensor, such as payroll tax).
- 8.6. If the Licensee disputes the whole or any portion of the invoice submitted by the Licensor, the Licensee shall pay the portion of the amount stated in the invoice which is not in dispute and shall notify the Licensor in writing (within seven days of receipt of invoice) of the reasons for disputing the remainder of the invoice. If it is resolved that some or all of the amount in dispute ought properly to have been paid at the time it was first invoiced, then the Licensee shall pay the amount finally resolved in accordance with the terms of payment set out in this Agreement.
- 8.7. Unless otherwise specified in this Agreement, the Licensee shall pay the Licensor within 30 days of receiving an invoice from the Licensor.

9. GST

- 9.1. Words used in this clause 9 which have a defined meaning in the GST Law have the same meaning as in the GST Law unless the context indicates otherwise.
- 9.2. Unless expressly excluded, the consideration for any taxable supply under or in connection with this Agreement includes GST at the rate of 10%.
- 9.3. If the rate of GST is varied, the Licensor may increase the consideration for any taxable supply made after that variation takes effect to reflect the new GST rate.
- 9.4. To the extent that any supply made under or in connection with this Agreement is a taxable supply and GST is not expressly included in the consideration, the recipient must pay, in addition to the consideration provided under this Agreement for that supply an amount (additional amount) equal to the amount of that consideration multiplied by the rate at which GST is imposed in respect of the supply. The recipient must pay the additional amount at the same time as the consideration to which it is referable.
- 9.5. The Licensor must issue a tax invoice to the recipient of a taxable supply no later than 7 days following payment of the GST inclusive consideration for that supply.
- 9.6. Each party represents and warrants that it is registered for the purposes of the GST Law.

10. Delivery and Training

- 10.1. The Application will be accessible via the internet using the web browser as specified, from time to time, by the Licensor.
- 10.2. The Licensee accepts the Application on the Commencement Date.
- 10.3. The Licensor will provide the training electronically via the familiarisation session outlined in the User Guide, unless otherwise agreed between the parties.

11. Copying and Intellectual Property

- 11.1. Subject to Clause 12, the Licensee shall not copy or reproduce the Application by any means or form, without the prior written consent of the Licensor.
- 11.2. If requested by the Licensor, the Licensee shall issue a notice in a form approved by the Licensor to all Authorised Users of the Application, advising such persons of the Licensee's obligations pursuant to this Clause 11 and also advising of consequences in the event of a breach of this Clause 11.
- 11.3. The Licensee may not for any reason remove, modify, alter or reproduce any copyright or trade mark symbol appearing on any part of the Application.
- 11.4. Nothing in this Agreement gives the Licensee any rights in any business name, copyright or trademark held by the Licensor and applied to the Application and the Licensee acknowledges that all right, title and interest in and to the Application vests in the Licensor or its licensors.
- 11.5. The Application is protected by the copyright laws of Australia and international copyright treaties, as well as International Patent Applications Pending (PCT/AU2010/001732 and PCT/AU2010/001735)

12. Modifications

The Licensee shall not modify, adapt, tamper, decompile, translate or alter the Application, merge all or any part of it with any other software program, or create any derivative works based on the Application, without the Licensor's prior written consent on such terms required by the Licensor.

13. Reverse Engineering

The Licensee shall not reverse assemble or reverse compile or directly or indirectly allow or cause a third party to reverse assemble or reverse compile the whole or any part of the Application.

14. Security

The Licensee shall:

- (a) be solely responsible for the use, supervision, management and control of the Application and Associated Documentation; and
- (b) ensure that the Application and Associated Documentation is protected at all times from unauthorised access.

15. Warranties

- 15.1. The Licensor warrants that
 - (a) it has the right and authority to grant the Licence to the Licensee; and
 - (b) the Application and the Associated Documentation are free and clear from all encumbrances and may lawfully be used by the Licensee without infringing any rights of any third party.
- 15.2. Subject to Clause 16.4 the Licensee warrants that it has not relied on any representations made by the Licensor which have not been expressly stated in this Agreement or upon any descriptions, illustrations or specifications contained in any document including any catalogues or publicity material produced by the Licensor
- 15.3. The Licensor does not warrant that
 - (a) the Application is error or defect free;
 - (b) the use of the Application shall be uninterrupted;
 - (c) the Application shall meet the Licensee's requirements; or
 - (d) the Application shall provide any functions not identified in the Associated Documentation.
- 15.4. The Licensee acknowledges that to the extent the Licensor has made any representation which is not otherwise expressly stated in this Agreement, the Licensee has been provided with the opportunity to independently verify the accuracy of that representation.

16. Liability of Licensor

16.1.

- (a) If the Competition and Consumer Act 2010 (Cth), the Corporations Act 2001 or any other legislative provision prohibits or otherwise precludes the restriction, modification or exclusion of any statutory condition, warranty, guarantee, right, remedy or other benefit, then this Clause 16.1 does not restrict, modify or exclude it.
 - (b) To the extent permitted by law and subject to Clauses 16.1(c) and 16.1(d) below, the Licensor's total aggregate liability to the Licensee in relation to this Agreement is limited to One (1) times the Annual Fee.
 - (c) The Licensee agrees that the Licensor may, in its absolute discretion, choose either to re-supply the Services, or to pay the Licensee the cost of having the Services re-supplied if:
 - the price of the Services is no more than \$20,000; and
 - the Services are not of a kind ordinarily acquired for personal, domestic or household use; and
 - the Competition and Consumer Act 2010 (Cth) applies to this Agreement and the Licensor breaches any term implied by that Act; and
 - it is fair and reasonable for the Licensor to make that choice.
 - (d) The Licensor is not liable:
 - to the extent that the Licensee is responsible for an act or omission that contributed to the Licensee's loss and the Licensee was not acting under the directions or instructions of the Licensor;
 - for any processing deficiency (in any system) that is caused (in whole or in part) by input data that contains any date that is ambiguous as to the year, or is otherwise inaccurate;
 - for any defect or deficiency in any system or service that is not developed or provided by the Licensor under this Agreement. That includes (without limitation) the Licensee's production and legacy systems and systems that receive data from systems produced by the Licensor;
 - for any losses caused to the Licensee as a result of the Application being unavailable;
 - for any indirect or consequential loss, damage or costs or loss of profits;
 - to the extent that the Application transfers information across the Internet, for any loss, corruption or leak of information caused by such transfer.
 - The dollar amounts referred to in Clause 16.1(c) do not include GST.
- 16.2. Further to Clause 16.1, the Application is supplied for the sole use of the Authorised Users. The Licensor will not be liable for any direct, indirect or consequential loss, damage or costs arising out of or in connection with the contents or operation of the Application to persons not being the Licensee.
- 16.3. Further to Clause 16.1, the Licensee acknowledges that failure to follow the Associated Documentation could result in incorrect or incomplete data being produced by the Application and that it has been advised to check all final results given by the Application for any anomalies. The product does not check for anomalies and incorrect data may be processed without question.
- 16.4. The Licensor will not be liable to the Licensee for loss, damage or costs caused by any unauthorised access to the Application via the Internet or any other means. The Licensee acknowledges that it is responsible for all loss, damage and costs caused by viruses. It is the Licensee's responsibility to apply whatever protection measures it considers appropriate, including maintenance of firewall, internal network security, and virus scanning of all software installation, including the Application.
- 16.5. The Licensee acknowledges that it should make and retain copies of all data input into the Application and all outputs derived from the Application and that such copies should be stored in a manner that will allow Authorised Users to access said inputs in the event that the Application is inaccessible due to factors beyond the control of the Licensor such factor including, but not limited to, interruption of internet services or interruption of power supply.
- 16.6. This Clause 16 will survive the termination of this Agreement.

17. Confidentiality

17.1. The Licensee shall:

- (a) treat as confidential, information relating in any way to the Application (including, without limitation, information concerning the functionality of the Application), the Licensor or its clientele ("Confidential Information");
- (b) not, without the Licensor's prior written consent, copy or disclose or cause to be copied or disclosed Confidential Information to a third party,
- (c) only disclose Confidential Information to those of its employees and contractors who need to know the information to enable the Application to be used in the manner contemplated by this Agreement; and
- (d) ensure that such employees and contractors shall be similarly bound by the terms of this Agreement.

17.2. The Licensee acknowledges that any discoveries, inventions, patents, designs or other rights arising (directly or indirectly) out of or in the performance of this Agreement are the property of the Licensor.

17.3. The Licensee's obligations under this Clause 17 shall survive the termination of this Agreement.

17.4. The Licensor shall:

- (a) treat as confidential, any information provided by the Licensee to the Licensor, unless that information is already in the public domain;
- (b) not, without the Licensee's prior written consent, copy disclose or cause to be copied or disclosed Licensee confidential information;
- (c) only disclose Licensee confidential information to those of its employees and contractors who need to know the information to enable support or similar services requested by the Licensee; and
- (d) ensure that such employees and contractors shall be similarly bound by this Agreement.

17.5. The Licensor may, for the purposes of advertising or promotion, identify the Licensee. Such identification shall be limited to the name, brand or marks of the Licensee.

17.6. The Licensor's obligations under this Clause 17 shall survive termination of this Agreement.

18. Term and Termination

18.1. The Licensee's licence to use the Application commences on the Commencement Date.

18.2. Subject to early termination as provided in Clauses 18.3 and 18.4, the Licensee's licence to use the Application will continue for the Term of the Agreement.

18.3. The Licence may be terminated immediately on the happening of a terminating event by notice in writing at the option of the party which has not committed or been subject to the terminating event.

18.4. For purposes of this Agreement, the following are terminating events:

- (a) the breach by either party of any of its obligations under this Agreement where such breach is not remedied within 14 days of written notice requiring it to do so;
- (b) the appointment of any type of insolvency administrator to the Licensee; or
- (c) any event described in this Agreement as entitling a party to terminate this Agreement.

18.5. If notice is given by the Licensor to the Licensee pursuant to Clauses 18.3 and 18.4 then the Licensor may also:

- (a) retain any moneys paid;
- (b) be regarded as discharged from any further obligations under this Agreement; and
- (c) pursue any additional or alternative remedies provided at law or in equity.

18.6. On termination of this Agreement the Licensee shall immediately cease to access and/or use the Application.

19. Force Majeure

19.1. A party shall not be liable for any delay or failure to perform its obligations if such delay or failure is due to a circumstance beyond the reasonable control of the party which results in the party being unable to observe or perform on time an obligation under this Agreement because of acts of God, natural disaster, fire, explosion, acts of war, terrorism, riots, civil commotion, malicious damage, sabotage, revolution or strikes or without prejudice to the generality of the foregoing, any other circumstances beyond the reasonable control of the party ("Force Majeure").

19.2. A party affected by Force Majeure shall be suspended from performing its obligations under this Agreement for the period of the delay due to Force Majeure.

20. Assignment
The benefit of this Agreement shall not be dealt with in any way by the Licensee (whether by assignment, on-selling, sub-licensing, sub-contracting or otherwise).
21. Notices
21.1. Notices under this Agreement will be delivered by email to the Licensee.
22. Mediation
If there is a dispute relating to this Agreement, the parties will submit to mediation before having recourse to any other dispute resolution process. Written notice of the dispute will be given for it to be submitted to mediation before a mediator chosen by the parties or, where the parties cannot agree, by the Australian Commercial Disputes Centre (ACDC). The parties will use their best endeavours to settle the dispute promptly. The mediation will be conducted in accordance with the ACDC Mediation Guidelines to the extent that they do not conflict with the provisions of this clause. If the dispute is not resolved within 60 days after notice of the dispute, the mediation will terminate unless the parties otherwise agree.
23. Waiver
No forbearance, delay or indulgence by a party in enforcing the provisions of this Agreement shall prejudice or restrict the rights of that party nor shall any waiver of those rights operate as a waiver of any subsequent breach.
24. Severability
If any provision of this Agreement is found to:
(a) be illegal, unenforceable or otherwise invalid; then, despite that invalidity or infringement:
(b) this Agreement will remain in full force and effect to the extent permissible under or consistent with the relevant laws; and
(c) that provision will be deemed to be deleted and, substituted by a valid one which in its economic effect comes so close to the invalid provision that it can be reasonably assumed that the parties would have contracted also with this new provision.
25. Governing Law
This Agreement will be governed by and construed in accordance with the laws for the time being in force in the State of New South Wales, Australia and the parties irrevocably submit to the exclusive jurisdiction of the Courts of that State.
26. General
26.1. In this Agreement, unless the context otherwise requires, a reference to any party includes that party's successors or permitted assigns.
26.2. The covenants, conditions and provisions of this Agreement which are capable of having effect after the expiration of this Agreement shall remain in full force and effect following the expiration of this Agreement.
26.3. The End User Licence Agreement (EULA) acts as the "terms and conditions" and the Licensee accepts this agreement at both a) the time of payment and b) each instance of using the Application.