



LICENSE AGREEMENT FOR TAX PREPARATION TRAINING PROVIDERS

This License Agreement (the “**Agreement**”) is entered as of this ___ day of _____, 2019 (the “Effective Date”) by and between Surgent Income Tax School, a Pennsylvania corporation located at 201 N King of Prussia Rd, Suite 370, Radnor, Pennsylvania. (“**SITS**”) and _____, a _____ corporation located at _____ (“**Licensee**”). SITS and Licensee each may be referred to herein as a “party” and together as the “parties”.

WHEREAS, SITS has created and owns instructional course materials relating to federal and state income tax laws and the preparation of tax returns in compliance with those laws;

WHEREAS, Licensee is in the business of providing tax preparation training courses to individuals who are or wish to become tax professionals in [insert state or states]; and

WHEREAS, Licensee wishes to license from SITS, and SITS wishes to provide to Licensee, the right to use certain SITS course materials for the sole purpose of including the SITS course materials as part of Licensee’s tax course curriculum and distributing the SITS Materials to Authorized Users (as defined below).

NOW THEREFORE, in consideration for the premises and covenants set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Definitions.**

- 1.1. “**SITS Content**” means those tax course materials created by SITS, including all course books, DVDs, CDs, e-learning user IDs and the content and information, graphics, designs and data contained therein or accessible therefrom, and all updates, revisions, supplements and modifications thereto, as further described in the Order Form attached as **Exhibit A** to this Agreement (which may be amended from time to time upon written agreement of the parties).
- 1.2. “**Tax Instruction Purposes**” means the sale and distribution of the SITS Content to Authorized Users as part of Licensee’s tax preparation and/or federal or state certification courses to individuals who are or wish to become tax professionals.
- 1.3. “**Authorized Users**” means those individuals who register as students for one or more of Licensee’s tax preparation courses. For avoidance of doubt, Authorized Users must be individual people and may not be corporations, partnerships or other entities.
- 1.4. “**Licensed Use**” means the use by Licensee of the SITS Content for Tax Instruction Purposes.
- 1.5. “**Licensee Materials**” means the content, information and course material developed or created by or on behalf of Licensee as part of Licensee’s tax preparation educational activities.
- 1.6. “**SITS Marks**” means “The Income Tax School” and other trademarks, tradenames, service marks, URLs or logos used by SITS to designate the origin of its products and services.

2. **License Grant.**

- 2.1. **License to Use the SITS Content.** SITS hereby grants to Licensee a limited, revocable, non-transferable, non-sublicenseable license, during the Term, to use the SITS Content for Tax Instruction Purposes and, in the course of such use, to sell and distribute the SITS Content to Authorized Users.

- 2.2. **Restrictions.** Licensee shall not in any way modify, alter, edit, reformat, add to or remove any text from the SITS Content without the prior written approval of SITS. At all times, Licensee shall ensure that the SITS Content bears all copyright notices and trademark and service mark designations included in the SITS Content or otherwise supplied by SITS. Licensee shall not remove or modify such copyright notices or trademark or service mark designations from the SITS Content, nor shall Licensee co-brand or otherwise include any third party marks (with the exception of the Licensee Marks) on or adjacent to the SITS Content. At all times, SITS shall be identified as the source of the SITS Content. Licensee shall not publish, deliver, distribute, sell, download or otherwise make use of the SITS Content for any purposes other than Tax Instruction Purposes conducted within the licensed territory as identified in **Exhibit A**. Licensee is not permitted to reproduce or copy the SITS Content or any portions thereof without the prior written consent of SITS.
- 2.3. **Trademarks.** During the Term of this Agreement, SITS grants to Licensee a non-exclusive, revocable, non-transferable, royalty free right and license to use the SITS Marks within the SITS Content and, on Licensee's marketing materials solely to designate the origin of the SITS Content (e.g., "curriculum supplied by The Income Tax School, Inc."). Licensee will use the SITS Marks only in the form, style and type provided by SITS, and Licensee will include with the SITS Marks such copyright, trademark or other notices as may be requested by SITS. Licensee acknowledges that, except for the licenses expressly granted in this Agreement, Licensee shall not acquire any right, interest or title to the SITS Content, the SITS Marks or any other information or property of SITS. Licensee further acknowledges that all goodwill arising out of the use by Licensee of the SITS Marks will inure to the sole benefit of SITS. Licensee agrees not to register with any domestic or foreign governmental or quasi-governmental authority any marks or names which would be likely to cause confusion with any of the SITS Marks. Licensee agrees not to commit any act that would cause any of the SITS Content or the SITS Marks to vest in the public domain. Further, Licensee agrees not to use any trademark on or in connection with the SITS Content and agrees not to take any actions or make or publish any statements that state, imply or create the impression that SITS is affiliated with or endorses Licensee.
3. **Updates.** SITS shall supply Licensee with updates to clarify or correct the SITS Content, the substance and timing of which shall be determined by SITS, in its sole discretion. Licensee shall promptly supplement or replace the SITS Content, as instructed by SITS, with the updates and/or corrections supplied by SITS.
4. **Licensee Obligations.**

 - 4.1. **Delivery.** Licensee shall be solely responsible for the costs and expenses it incurs in distributing the SITS Content to Authorized Users and otherwise using the SITS Content, in each case, as permitted in this Agreement.
 - 4.2. **Qualification.** Licensee shall be solely responsible for (i) obtaining and maintaining, at all times during the Term of this Agreement, all necessary licenses and authorization from any state or federal authorities to act as a tax preparation course provider using the SITS Content; (ii) providing technical and substantive support to Authorized Users who are taking courses that are comprised of or include the SITS Content; and (iii) authorizing those individuals who complete the SITS Content coursework (and pass any associated tests) to obtain the licenses or certifications from the applicable authority. If SITS receives complaints by Authorized Users or other communications indicating that Licensee is not providing accessible, high quality support to Authorized, Users, SITS will notify Licensee of such information. If Licensee does not correct the issues to SITS' reasonable satisfaction, SITS will have the right to terminate this Agreement and revoke its License.
 - 4.3. **Protection of Content.** In addition to including all copyright notices and other proprietary notices provided or required by SITS in the SITS Content, Licensee shall utilize all reasonable and

adequate security measures to prevent the loss, theft, destruction or unauthorized exploitation of the SITS Content delivered to Licensee, and Licensee shall report to SITS any such loss, theft, destruction or unauthorized exploitation immediately upon gaining knowledge thereof. Further, Licensee shall require every individual that purchases or otherwise is granted access to the SITS Content through Licensee to agree (i) not to copy, redistribute, sell or otherwise make use of the SITS Content for any purpose other than to take the applicable instructional course; and (ii) that the SITS Content is provided to the individual for the individual's own personal use.

5. **License Fees, Product Pricing and Payment Terms.**

5.1. **License Fee.** Licensee will pay SITS the annual License Fee fees for the right to resell the SITS Content as set forth in the attached Order Form. The rights and licenses granted herein are conditioned upon SITS' receipt of full payment from Licensee. Licensee shall be responsible for paying any taxes associated with the license of the SITS Content, except for those taxes based on SITS' income.

5.2. **Sales of E-Learning IDs and Materials.** SITS will sell to Licensee certain e-learning user IDs, DVDs, books and other materials containing the SITS Content at the wholesale prices listed in the applicable Order Form. SITS' suggested retail price at which Licensee should sell such materials to Authorized Users is three time (3x) the applicable wholesale price. Licensee understands and agrees that in order to maximize sales of the user IDs and course materials containing Licensed Content and to maintain the goodwill and reputation for quality of SITS and the Licensed Content, it is critical SITS provide high quality support for Authorized Users and invest in an appropriate marketing and advertising strategy. The suggested retail price is designed to ensure that Licensee is in a position to provide the necessary marketing, advertising and Authorized User support.

6. **Ownership.** Licensee acknowledges and agrees that SITS owns and retains any and all rights existing from time to time in any jurisdiction under copyright law, patent law, moral rights law, trade secret law, confidential information law, trademark law unfair competition law and other similar rights ("Proprietary Rights") in and to the SITS Content and the SITS Marks, and any copies, modifications, adaptations, derivative works and enhancements thereof by whomever produced (collectively, "SITS IP"). Licensee does not acquire any rights, express or implied, in the SITS IP other than those expressly granted in this Agreement, and hereby waives any claim that it may have to title and ownership of any Proprietary Rights in and to the SITS IP.

7. **Term and Termination.**

7.1. **Term.** The initial term shall expire on March 1 of the year next following the year in which the Effective Date falls. Unless earlier terminated in accordance with the terms hereof, this Agreement shall automatically renew for additional terms of twelve (12) months upon expiration on the then current term subject to advance payment of the then current annual renewal fee as set forth on SITS' Web sites at www.theincometaxschool.com prior to renewal. This Agreement shall terminate at the end of the then current term in the event either of the parties notifies the other of non-renewal at least thirty (30) days prior to the end of the then current term or if the annual renewal fee is not paid prior to renewal. SITS may terminate this Agreement at any time in the event Licensee breaches any of the terms hereof.

7.2. **Effect of Termination.** Upon the termination of this Agreement (i) Licensee will cease all use of the SITS Content and the SITS Marks; (ii) Licensee will, at SITS' option, either return to SITS or destroy all copies of the SITS Content (including any updates, corrections or other materials supplied to Licensee by SITS under this Agreement) and all copies of the SITS Marks and will provide a certification to SITS from an officer of Licensee confirming such return or destruction; and (iii) any rights and licenses granted herein shall cease, except as provided below. Except with respect to any outstanding payment on the part of Licensee, those provisions that survive the termination of this Agreement as set forth in the Survival provision below and any liabilities

incurred by either party during the term of the Agreement, neither party shall have any further obligation or liability to the other under this Agreement.

8. **Warranties, Disclaimer, Limitation of Liability.**

8.1. **Representations and Warranties.** Each party hereby represents and warrants that (i) it is a corporation duly organized and validly existing and in good standing under the laws of the state in which it is organized; (ii) it has the full power and authority to enter into this Agreement and to perform its obligations hereunder; and (iii) it has obtained all permits, licenses and other governmental authorizations and approvals required for its performance under this Agreement.

8.2. **Disclaimers.** SITS LICENSES AND PROVIDES THE SITS CONTENT AND ALL OTHER GOODS AND SERVICES SUBJECT TO THIS AGREEMENT ON AN "AS IS" BASIS. SITS MAKES NO WARRANTIES WITH RESPECT TO THE SITS CONTENT OR OTHER SITS GOODS AND SERVICES, AND SITS DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING WITHOUT LIMITATION, IMPLIED WARRANTIES OF NONINFRINGEMENT, NONINTERFERENCE, ACCURACY, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

8.3. **Limitation of Liability.** IN NO EVENT SHALL SITS HAVE LIABILITY TO LICENSEE OR ANY THIRD PARTY UNDER ANY THEORY FOR INDIRECT, INCIDENTAL, PUNITIVE, EXEMPLARY, SPECIAL OR CONSEQUENTIAL DAMAGES INCLUDING WITHOUT LIMITATION, DAMAGES FOR LOST PROFITS, LOST DATA OR LOST OPPORTUNITY. IN NO EVENT SHALL SITS' MONETARY LIABILITY TO LICENSEE OR ANY OTHER PARTY EXCEED THE ANNUAL LICENSE FEE PAID BY LICENSEE DURING THE THEN-CURRENT TERM OF THE AGREEMENT. NO ACTION MAY BE BROUGHT BY LICENSEE AGAINST SITS MORE THAN ONE (1) YEAR AFTER THE CLAIM OR CAUSE OF ACTION ARISES, DETERMINED WITHOUT REGARD TO WHEN LICENSEE SHALL HAVE LEARNED OF THE DEFECT, INJURY OR LOSS. LICENSEE'S EXCLUSIVE REMEDY AND SITS' SOLE LIABILITY SHALL BE, IN SITS' SOLE DISCRETION, TO CORRECT ERRORS OR TO REFUND THE APPLICABLE ANNUAL LICENSE FEE AND TERMINATE THE AGREEMENT.

9. **Indemnification.** Licensee hereby agrees to indemnify, defend and hold SITS harmless from and against any and all third party claims, suits, liabilities, losses, damages, penalties, costs and expenses (including reasonable attorneys' fees) which may be suffered by or obtained against SITS arising out of (i) any unauthorized use by Licensee of the SITS Content, the SITS Marks or any other SITS IP or any other act or omission by Licensee constituting a breach of any material term or condition of this Agreement; (ii) any claims or representations made by Licensee regarding the SITS Content in Licensee marketing, advertising, sales or promotional materials; (iii) any dispute between Licensee and any Authorized Users or any other individuals to which Licensee has provide or made available the SITS Content; and (iv) any investigation, claim, suit, proceeding or other action by any state, federal or local governmental or quasi-governmental entity.

10. **General Provisions.** This Agreement sets forth the entire agreement between the parties with respect to the subject matter of this Agreement, and supersedes all prior understandings and communications relating thereto. This Agreement may not be modified or amended except pursuant to a written instrument signed by both parties. The waiver by either party of a breach of any provision hereof shall not be construed as a waiver of any succeeding breach of the same or any other provision, nor shall any delay or omission on the part of such party to avail itself of any right, power or privilege that it has or may have hereunder operate as a waiver of any right, power or privilege. This Agreement shall be binding upon the parties and their respective successors and assigns. Licensee may not assign this Agreement or any of its rights hereunder without the prior written consent of SITS. This Agreement shall be governed by, and construed in accordance with, the internal laws of Pennsylvania, without regard to its choice of law rules. All disputes under this Agreement shall be resolved by the State or Federal courts located within in Radnor, Pennsylvania, and each party consents to the exclusive

jurisdiction of such courts and hereby waives any jurisdictional or venue defenses otherwise available to it. In the event that any provision of this Agreement shall be held invalid or unenforceable by a court of competent jurisdiction, to such extent such provision shall be deemed null and void and severed from this Agreement, and the remainder of this Agreement shall remain in full force and effect. The relationship between Licensee and SITS is that of independent contractors and neither party shall be or represent itself to be an agent, employee, partner or joint venture of the other, nor shall either party have or represent itself to have any power or authority to act for, bind or commit the other. Those provisions that contain obligations that, by their nature, are intended to be performed after the termination or expiration of this Agreement including, without limitation, those provisions relating to ownership, indemnification, limitation of liability, and governing law, shall survive termination of this Agreement. This Agreement may be executed in one or more counterparts, including facsimiles, each of which will be deemed to be a duplicate original, but all of which, taken together, will be deemed to constitute a single instrument. All notices under this Agreement must be in writing and shall be deemed effectively given: (i) upon delivery, when delivered personally; (ii) upon delivery when sent by certified mail, postage prepaid and return receipt requested; (iii) upon transmission, when transmitted by facsimile or other electronic transmission method, provided that receipt is confirmed and a copy of the notice is sent by certified mail, postage prepaid and return receipt requested; or (iv) upon delivery, when sent by nationally recognized overnight delivery service. Any such notice shall be sent to the party to whom notice is intended to be given at the address first listed above.

IN WITNESS WHEREOF, the parties, intending to be bound, have caused this Agreement to be executed as of the date first written above.

SURGENT INCOME TAX SCHOOL

[LICENSEE]

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT A
ORDER FORM