

1099 Pro® W2 Pro - Tax Year 2013

END USER LICENSE AGREEMENT FOR 1099 PRO SOFTWARE

IMPORTANT-READ CAREFULLY: This End-User License Agreement ("EULA") applies to all versions of 1099 Pro Software including but not limited to Demo, Demonstration, Single, Client/Server, Network, .NET and Multiuser versions of 1099 Pro Software.

This End-User License Agreement ("EULA") is a legal agreement between you (either an individual person or a single legal entity, who will be referred to in this EULA as "You") and the Licensor for the 1099 Pro software technology that displays this EULA, including any associated media, printed materials and electronic documentation (the "Software"). The Software also includes any software updates, add-on components, web services and/or supplements that the Licensor may provide to You or make available to You after the date You obtain your initial copy of the Software to the extent that such items are not accompanied by a separate license agreement or terms of use. By installing, copying, downloading, accessing or otherwise using the Software, You agree to be bound by the terms of this EULA. If You do not agree to the terms of this EULA, do not install, access or use the Software. For purposes of this EULA, the term "Licensor" refers to 1099 Pro Inc. By installing, copying, downloading, accessing or otherwise using the Software, You agree to be bound by the terms of this EULA. If You do not agree to the terms of this EULA, Licensor is unwilling to license the Software. In such event, You may not install, copy, download or otherwise use the Software.

SOFTWARE LICENSE

The Software is protected by intellectual property laws and treaties. The Software is licensed, not sold.

1. GRANT OF LICENSE. This EULA grants You the following rights:

- **Single User Version.** You may install and use one (1) copy of the Software. Only one user of the Software can use the Software. Multiple use of the software concurrently requires additional Single User Version(s) and or additional Multi User Version(s).
- **Multi User Version.** If this software was purchased for "multi user" use, and said "multi user" designation is stated in the sales contract, then the purchaser may install this software on a SINGLE Window's computer at a SINGLE location. The Server may be accessed by as many "Client" workstations owned by the Purchaser, at this same location as the program was licensed to be used by. Purchaser may not install or permit any other party to install this software on any computers which have not been specifically licensed for installation and use of this software. The right to use the software, subject to the other terms and conditions herein is contingent on the full payment of all sums due to the seller.
- **Tax year.** - You may only process 2013 tax year forms with this software

2. DESCRIPTION OF OTHER RIGHTS AND LIMITATIONS.

- **Limitations on Reverse Engineering, Decompilation, and Disassembly.** You may not reverse engineer, decompile, or disassemble the Software, except and only to the extent that such activity is expressly permitted by applicable law notwithstanding this limitation.
- **Trademarks.** This EULA does not grant You any rights in connection with any trademarks or service marks of Licensor or its suppliers.
- **No rental, service bureau, leasing or commercial hosting.** You may not rent, lease, lend, provide a service bureau environment for multiple clients or provide commercial hosting services to third parties with the Software. The definition of a "service bureau" is set forth here. A "service bureau" for the purposes of this agreement refers to a business that provides services to third parties which may include the preparation, printing, mailing, web presentment, and filing of completed tax forms and information returns. If Your license of the Software includes the right to act as a service bureau and utilize the software of the Licensor for this purpose, Your written agreement with the Licensor will specifically contain language that will permit the additional use of the Software for that purpose.
- **Support Services.** Licensor may provide You with support services related to the Software ("Support Services"). Use of Support Services is governed by the policies and programs described in the user manual, in "online" documentation, or in other materials from the support services provider. Any supplemental software code provided to You as part of the Support Services are considered part of the Software and subject to the

terms and conditions of this EULA.

- **Data Collection.** You acknowledge and agree that Licensor may collect aggregate software usage information for its business purposes including, improving Licensor's Software and services, troubleshooting bugs, providing update notifications, and enhancing the Software usage experience.
- WINDOWS 3.XX and Windows 95 ARE NOT SUPPORTED.
- Zip Code database is derived from TPS Products and Services, Inc.
- **Publicity.** Unless prior agreement is made, You agree that Licensor may use Your customer name in advertising or for other publicity purposes, and may place Your logo on Licensor's web site and marketing materials to indicate Your status as a customer.
- **Termination.** Without prejudice to any other rights, Licensor or its suppliers may terminate this EULA if You fail to comply with the terms and conditions of this EULA. In such event, You must destroy all copies of the Software and all of its component parts.

3. INTELLECTUAL PROPERTY RIGHTS. All title and intellectual property rights in and to the Software (including but not limited to any images, photographs, animations, video, audio, music, text, and "applets" incorporated into the Software), the accompanying printed materials, and any copies of the Software are owned by Licensor or its suppliers. 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, is the property of the respective content owners and may be protected by applicable copyright or other intellectual property laws and treaties. This EULA grants You no rights to use such content. If this Software contains documentation that is provided only in electronic form, you may print one copy of such electronic documentation. You may not copy the printed materials accompanying the Software. All rights not specifically granted under this EULA are reserved by Licensor and its suppliers.

3.1 LICENSOR'S OWNERSHIP RIGHTS; FEEDBACK. Licensor owns all copies, modifications and derivative works of the Software including any incorporated "Feedback". You do not acquire any ownership rights in Licensor's Software. "Feedback" means any feedback, comments, suggestions or materials (including, to the extent disclosed to Licensor, any End User Modifications) that You may provide to Licensor about or in connection with the Software, including any ideas, concepts, know-how or techniques contained therein. You may provide Feedback in any form, written or verbal. You hereby grant Licensor a worldwide, royalty-free, non-exclusive, perpetual and irrevocable license to use, copy, modify and otherwise exploit the Feedback for any purpose, including incorporating or implementing the Feedback in the Software. You agree that Licensor may exploit all Feedback without any restriction or obligation on account of intellectual property rights or otherwise. For clarity, no Feedback will be deemed End User's Confidential Information, and nothing in this Agreement limits Licensor's right to independently use, develop, evaluate, or market products, whether incorporating Feedback or otherwise.

4. U.S. GOVERNMENT LICENSE RIGHTS. All Software provided to the U.S. Government pursuant to solicitations issued on or after December 1, 1995 is provided with the commercial license rights and restrictions described elsewhere herein. All Software provided to the U.S. Government pursuant to solicitations issued prior to December 1, 1995 is provided with RESTRICTED RIGHTS as provided for in FAR, 48 CFR 52.227-14 (JUNE 1987) or DFAR, 48 CFR 252.227-7013 (OCT 1988), as applicable.

5. SOFTWARE MEDIA

You may receive the SOFTWARE from the Internet, on-line network connection, or in disk media or on a CD-ROM or installed on the hard disk drive or ROM of your computer, or in multiple forms of media. Regardless of the number or type(s) of media you receive, you may use only the media appropriate for your single computer. You may not use the other media on another computer or loan, rent, lease, or transfer them to another user for any purpose whatsoever.

6. APPLICABLE LAW.

This EULA is governed by the laws of the State of California. If this Software was acquired outside the United States, then local law may apply. The exclusive venue and jurisdiction for any dispute shall be Los Angeles County Court in the North Valley District.

7. LIMITED WARRANTY

LIMITED WARRANTY FOR SOFTWARE ACQUIRED IN THE US AND CANADA. 1099 Pro warrants that the SOFTWARE will perform substantially in accordance with the accompanying materials for a period of ninety

(90) days from the date of receipt.

If an implied warranty or condition is created by your state/jurisdiction and federal or state/provincial law prohibits disclaimer of it, you also have an implied warranty or condition, BUT ONLY AS TO DEFECTS DISCOVERED DURING THE PERIOD OF THIS LIMITED WARRANTY (NINETY DAYS). AS TO ANY DEFECTS DISCOVERED AFTER THE NINETY (90) DAY PERIOD, THERE IS NO WARRANTY OR CONDITION OF ANY KIND. Some states/jurisdictions do not allow limitations on how long an implied warranty or condition lasts, so the above limitation may not apply to you.

Any supplements or updates to the SOFTWARE, including without limitation, any (if any) web updates, service packs or hot fixes provided to you after the expiration of the ninety (90) day Limited Warranty period are not covered by any warranty or condition, express, implied or statutory.

LIMITATION ON REMEDIES; NO CONSEQUENTIAL OR OTHER DAMAGES. Your exclusive remedy for any breach of this Limited Warranty is as set forth below. Except for any refund elected by 1099 Pro, YOU ARE NOT ENTITLED TO ANY DAMAGES, INCLUDING BUT NOT LIMITED TO CONSEQUENTIAL DAMAGES, if the SOFTWARE does not meet 1099 Pro's Limited Warranty, and, to the maximum extent allowed by applicable law, even if any remedy fails its essential purpose. The terms of Section 9 below ("Exclusion of Incidental, Consequential and Certain Other Damages") are also incorporated into this Limited Warranty. Some states/jurisdictions do not allow the exclusion or limitation of incidental or consequential damages, so the above limitation or exclusion may not apply to you. This Limited Warranty gives you specific legal rights. You may have others which vary from state/jurisdiction to state/jurisdiction.

YOUR EXCLUSIVE REMEDY. 1099 Pro's and its suppliers' entire liability and your exclusive remedy shall be, at 1099 Pro's option from time to time exercised subject to applicable law, (a) return of the price paid (if any) for the Software, or (b) repair or replacement of the Software, that does not meet this Limited Warranty and that is returned to 1099 Pro with a copy of your receipt. You will receive the remedy elected by 1099 Pro without charge, except that you are responsible for any expenses you may incur (e.g. cost of shipping the Software to 1099 Pro). This Limited Warranty is void if failure of the Software has resulted from accident, abuse, misapplication, abnormal use or a virus. Any replacement Software will be warranted for the remainder of the original warranty period or thirty (30) days, whichever is longer. Outside the United States or Canada, neither these remedies nor any product support services offered by 1099 Pro are available without proof of purchase from an authorized international source. To exercise your remedy, contact: 1099 Pro, Attn. 1099 Pro Sales Information Center/23901 Calabasas Rd, Suite 2080/Calabasas, CA 91302, or the 1099 Pro subsidiary serving you.

8. DISCLAIMER OF WARRANTIES. THE LIMITED WARRANTY THAT APPEARS ABOVE IS THE ONLY EXPRESS WARRANTY MADE TO YOU AND IS PROVIDED IN LIEU OF ANY OTHER EXPRESS WARRANTIES (IF ANY) CREATED BY ANY DOCUMENTATION OR PACKAGING. EXCEPT FOR THE LIMITED WARRANTY AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, 1099 Pro AND ITS SUPPLIERS PROVIDE THE SOFTWARE AND SUPPORT SERVICES (IF ANY) *AS IS AND WITH ALL FAULTS*, AND HEREBY DISCLAIM ALL OTHER WARRANTIES AND CONDITIONS, EITHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, ANY (IF ANY) IMPLIED WARRANTIES, DUTIES OR CONDITIONS OF MERCHANTABILITY, OF FITNESS FOR A PARTICULAR PURPOSE, OF ACCURACY OR COMPLETENESS OR RESPONSES, OF RESULTS, OF WORKMANLIKE EFFORT, OF LACK OF VIRUSES AND OF LACK OF NEGLIGENCE, ALL WITH REGARD TO THE SOFTWARE, AND THE PROVISION OF OR FAILURE TO PROVIDE SUPPORT SERVICES. ALSO, THERE IS NO WARRANTY OR CONDITION OF TITLE, QUIET ENJOYMENT, QUIET POSSESSION, CORRESPONDENCE TO DESCRIPTION OR NON-INFRINGEMENT WITH REGARD TO THE SOFTWARE. THIS EULA IS THE ENTIRE AGREEMENT BETWEEN THE PARTIES WITH RESPECT TO THE SUBJECT MATTER HEREOF AND SUPERSEDES ALL PRIOR AND CONTEMPORANEOUS ORAL AND WRITTEN AGREEMENTS AND DISCUSSIONS. NO EMPLOYEE OF 1099 PRO HAS THE POWER OR AUTHORITY TO MODIFY THIS AGREEMENT EXCEPT BY AN AGREEMENT IN WRITING WHICH BEARS THE SIGNATURE OF AN OFFICER OF THE CORPORATION.

9. EXCLUSION OF INCIDENTAL, CONSEQUENTIAL AND CERTAIN OTHER DAMAGES. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL 1099 PRO, INC. OR ITS

SUPPLIERS BE LIABLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES WHATSOEVER (INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR LOSS OF PROFITS OR CONFIDENTIAL OR OTHER INFORMATION, FOR BUSINESS INTERRUPTION, FOR PERSONAL INJURY, FOR LOSS OF PRIVACY, FOR FAILURE TO MEET ANY DUTY INCLUDING OF GOOD FAITH OR OF REASONABLE CARE, FOR NEGLIGENCE, AND FOR ANY OTHER PECUNIARY OR OTHER LOSS WHATSOEVER) ARISING OUT OF OR IN ANY WAY RELATED TO THE USE OF OR INABILITY TO USE THE SOFTWARE, THE PROVISION OF OR FAILURE TO PROVIDE SUPPORT SERVICES, OR OTHERWISE UNDER OR IN CONNECTION WITH ANY PROVISION OF THIS EULA, EVEN IN THE EVENT OF THE FAULT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, BREACH OF CONTRACT OR BREACH OF WARRANTY OF 1099 PRO, INC. OR ANY SUPPLIER, AND EVEN IF 1099 PRO, INC OR ANY SUPPLIER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

10. LIMITATION OF LIABILITY AND REMEDIES. NOTWITHSTANDING ANY DAMAGES THAT YOU MIGHT INCUR FOR ANY REASON WHATSOEVER (INCLUDING, WITHOUT LIMITATION, ALL DAMAGES REFERENCED ABOVE AND ALL DIRECT OR GENERAL DAMAGES), THE ENTIRE LIABILITY OF 1099 Pro AND ANY OF ITS SUPPLIERS UNDER ANY PROVISION OF THIS EULA AND YOUR EXCLUSIVE REMEDY FOR ALL OF THE FOREGOING (EXCEPT FOR ANY REMEDY OF REPAIR OR REPLACEMENT ELECTED BY 1099 PRO, INC. WITH RESPECT TO ANY BREACH OF THE LIMITED WARRANTY) SHALL BE LIMITED TO THE GREATER OF THE AMOUNT ACTUALLY PAID BY YOU FOR THE SOFTWARE OR U.S. \$5.00. THE FOREGOING LIMITATIONS, EXCLUSIONS AND DISCLAIMERS (INCLUDING SECTIONS 7, 8, AND 9 ABOVE) SHALL APPLY TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EVEN IF ANY REMEDY FAILS ITS ESSENTIAL PURPOSE.

11. Arbitration Provision

- Except as provided below, Lessor and Lessee agree to binding arbitration of all Claims between Lessor and Lessee.
- “Claims” are any claims or controversies, at law or in equity, against each other related in any way to or arising out of in any way to the EULA or any claim that arises between of bodily injury or property damage, or the enforcement of any remedy under any law, ordinance, statute or regulation, even if it arises after the Agreement has terminated. “Claims” include, but are not limited to, claims related in any way to or arising out of in any way to any aspect of the relationship between Lessor and Lessee, whether based in contract, tort, statute, fraud, misrepresentation, or any other legal theory. “Claims” also include such claims that Lessee brings against Lessor’s employees, agents, parent companies, subsidiaries, affiliates, or other representatives or that Lessor brings against Lessee, including any action for possession of the Premises under California Code of Civil Procedure Sections 1159 *et seq.* (an “Unlawful Detainer Action”).
- Unless Lessee and Lessor each agree otherwise, the Arbitration will be conducted by a single, neutral third party arbitrator (the “Arbitrator”), who must be a retired California Superior Court judge. **EACH PARTY ACKNOWLEDGES THAT, BY ACCEPTING ARBITRATION, HE, SHE OR IT IS WAIVING THE RIGHT TO A JURY TRIAL, AS WELL AS LIMITING THE RIGHTS OF APPEAL.** Any such arbitration shall be held in Los Angeles, California, in accordance with the laws of the State of California and under the auspices and (except as provided hereunder) rules of JAMS (or any successor thereto) , and judgment upon the award rendered in said arbitration shall be final and may be entered in any court in the State of California having jurisdiction thereof. Any party hereto may apply for such arbitration. The parties incorporate the provisions of California Code of Civil Procedure, Sections 1283.05 and 1283.1 (relating to discovery) into this Agreement, and make those provisions a part of and applicable to any proceedings, including, but not limited to, arbitration arising under the terms of this Agreement. The costs of any such Arbitration shall be borne equally by the Lessor and Lessee.
- The process of selecting an Arbitrator shall begin with the Agency providing a list of five (5)

potential Arbitrators. Each party alternately (beginning with the Lessee) shall eliminate one (1) name until there is only one (1) name remaining and such person will be the Arbitrator.

- LESSOR AND LESSEE AGREE THAT THEY WILL ONLY PURSUE ARBITRATION ON AN INDIVIDUAL BASIS AND WILL NOT PURSUE ARBITRATION OR ANY OTHER CLAIM ON A CLASS-WIDE, REPRESENTATIVE, OR CONSOLIDATED BASIS. LESSOR AND LESSEE ALSO AGREE THAT THEY WILL NOT PARTICIPATE AS A MEMBER OF A CLASS, AS A CLASS REPRESENTATIVE, OR IN A CONSOLIDATED ACTION.
- Claims Not Subject To Arbitration. Either Lessor or Lessee may bring Claims in small claims court. Either Lessor or Lessee may pursue the self-help and other remedies and defenses provided in California Business and Professions Code section 21700 *et seq.* However, this exception does not include Claims that are derivative or based on violations of California Business and Professions Code section 17200 *et seq.*, including, without limitation, Claims for conversion, negligence, breach of contract, other violations of state or federal law, or valuation as provided in California Business and Professions Code section 17200 *et seq.*; any such Claims shall be subject to Arbitration under the terms of this Arbitration Provision unless brought in Small Claims Court. If any action for possession of the Premises must be brought in Superior Court, it shall be brought in the Superior Court for the County of Los Angeles.
- Written Award. The arbitrator's award shall be in writing, signed by the arbitrator, shall set forth a concise statement of the reasons for the arbitrator's decision, and shall be sent to the parties by certified mail, return receipt requested no later than thirty (30) calendar days following the conclusion of the hearing (five (5) days for an Unlawful Detainer Action). Except in the case of an Unlawful Detainer Action, the arbitrator shall give each party at least ten (10) days to comment on the proposed decision (to point out errors) and at least five (5) days to comment on any modified proposed decision (to point out errors) before making the decision final.
- No Modification of Terms. The arbitrator shall not extend, modify or suspend any of the terms of this Agreement.
- Attorneys fees. In any such Arbitration, the prevailing party shall be entitled to receive from the losing party reasonable attorneys' fees and costs for the services rendered the prevailing party in such action or proceeding.

11. ENTIRE AGREEMENT. This EULA (including any addendum or amendment to this EULA which is included with the Software) is the entire agreement between you and 1099 Pro relating to the Software and the support services (if any) and they supersede all prior or contemporaneous oral or written communications, proposals and representations with respect to the Software or any other subject matter covered by this EULA. To the extent the terms of any 1099 Pro policies or programs for support services conflict with the terms of this EULA, the terms of this EULA shall control.

12. This Agreement shall be binding upon and inure to the benefit of the respective successors, assigns, and personal representatives of the parties, except to the extent of any contrary provision in this agreement. If any term, provision, covenant, or condition of this EULA is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the rest of the Agreement shall remain in full force and effect and shall in no way be affected, impaired, or invalidated. Section, paragraph, and other headings contained in this Agreement are for reference purposes only and are in no way intended to describe, interpret, define, amplify, or limit the scope, extent, or intent of this Agreement or any provision of it.