



LICENSE AGREEMENT

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1. DEFINITIONS

"**Application**" means an end user program that LICENSEE develops using the Software and into which the Redistributables are incorporated, and which contains significant additional functionality over and above the functionality contained in the Software.

"**Client Device**" is defined as a unique client-side hardware device (e.g., a mobile phone, a tablet or a desktop PC) that accesses the Software if the Software is a mobile, desktop, or embedded application. For web applications, "Client Device" refers to a unique browser client that accesses the Software from one origin (i.e., same protocol, port, and hostname).

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"**Redistributables**" are those runtime libraries and files intended for duplication and distribution with the Application.

"**Server**" is defined as a computer configured with the intention of multiple users accessing it as a service, or as a background service running as an automated process. The computer has Software loaded into its RAM.



"**Software**" means the Dynamsoft Barcode Reader, Dynamsoft Document Normalizer, Dynamsoft Label Recognizer, Dynamsoft Code Parser, Dynamsoft Document Viewer software and all accompanying components, parts, and documentation that have been developed by Dynamsoft.

"**Transaction**" means a specific feature or capability of the Software, for example, barcodes scanned for Dynamsoft Barcode Reader, text characters recognized for Dynamsoft Label Recognizer, target regions detected for Dynamsoft Document Normalizer, or strings parsed for Dynamsoft Coder Parser.

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Unless otherwise stated in a duly executed agreement, annual subscription licenses will be valid for one year beginning with the license activation date. LICENSEE can extend licenses for additional one-year periods (each a "Renewal Term").

The Deployment Licenses is on a per Application basis with the following possible licensing options available:

(a) Per Transaction License

Per Transaction License is available for the Software.

For example, with a Per Transaction License for Dynamsoft Barcode Reader, the Software can be used for a given number of unique barcode scans. If the Software is used to scan an image with four unique barcodes, it will be counted as four Transactions. When continuously scanning barcodes from a video stream, duplicated codes will be counted as one Transaction.

(b) Per Client Device

Once a Client Device uses the Software, it would consume a license seat. Corresponding to the license option - Daily, Monthly, or Quarterly Active Client Device - chosen, a Client Device that has not accessed any functionality of the Software for a consecutive one-day, one-month, or one-quarter period is considered inactive. The license seat consumed by an inactive Client Device will be automatically released and available for use by any other Client Device.



(c) Per Server License

A Per Server License option is available for on-premise server deployments of the Application. For each production, staging, testing, or development server that runs the Software, a one-server license seat is required. A server license may be limited to a specified number of CPU Cores. For more information regarding the CPU Core limitations and other details, please contact our sales team at sales@dynamsoft.com.

For cloud deployment, please contact sales@dynamsoft.com for more flexible options.

(d) Per Application License

A Per Application license option that allows unlimited distributions of an Application, is available as well. For more info about this license option, please send your detailed project requirements to sales@dynamsoft.com for a quote.

(e) Other Deployment Licenses

Custom deployment license options are available upon request. Please inquire at sales@dynamsoft.com.

2.4 OEM, ASP/SERVICE BUREAU AND OTHERS

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Unless expressly agreed otherwise, in the event of any conflict or inconsistency between the terms and conditions of this Agreement and any terms or conditions set forth in any purchase order or other document relating to the transactions contemplated by this Agreement, the terms and conditions set forth in this Agreement shall prevail.

9. APPLICABLE LAWS

This Agreement shall be construed, and the legal relations between the parties hereto shall be determined as follows: (a) If LICENSEE's head office is located in the United States, in accordance with the laws of the State of Delaware, and the federal laws of the United States; or (b) If LICENSEE's head office is located anywhere in the world except the United States, in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein; and (c) The *United Nations Convention on Contracts for the International Sale of Goods* and any conflicts of law principles and the *Uniform Computer Information Transactions Act* (where enacted) shall not apply to the Agreement. Any disputes pertaining to this Agreement requiring judicial action will only take place in the Province of British Columbia, Canada.

10. BUSINESS PRACTICES

The LICENSEE shall (a) comply with all applicable laws and regulations, including all import and export laws and all anti-bribery laws, (b) avoid deceptive, misleading or unethical practices, and (c) conduct business in a manner that reflects favorably at all times on the Dynamsoft Products and Dynamsoft's goodwill and reputation, and (d) promptly notify Dynamsoft of any complaint or adverse claim about the Software of which LICENSEE becomes aware.