

## License Agreement

This License Agreement "**License**", is entered into by You (the end user of the Software including the Company, Agency, or other entity you work with) "**You**", "**Your**", "**Customer**", or "**User**" and 1099Express.com, Inc. "**1099 Express**", "**Us**", "**Our**" and "**We**".

Our software programs including 1099 Express, W-2 Express, 1042-S, 1095, and other programs, hereinafter the "**Software**", "**Service**" or "**Services**" or the "**Program**" or "**Programs**", are high quality, commercial grade, stand-alone utility programs designed to create forms on blank paper, internet eFile to the IRS and SSA (the "**Recipients**") and import by copy-and-paste from Excel. The Software is not "shareware" or "freeware" and MUST BE PAID FOR before being used for any purpose other than testing. The Program(s), if not paid for, may only be used for testing and evaluation purposes. Anyone with a copy may call 361-884-1500 for assistance. The downloadable setup files are compressed archives containing the Programs and ancillary files (help files, examples, and other installation files).

We grant You a nonexclusive, nontransferable, worldwide right to access and use the Software in accordance with the terms and conditions of this License, solely for Your internal business operations. We reserve all other rights.

The Software is installed in the pre-activated state, meaning some filing and print functions are limited. When activated, the installation becomes 100% functional. You may pay by check or online by credit card at <https://secure.1099express.com/payment/invoice>. The Program License may be used only on a single computer. An additional License must be purchased for any additional installation or location used. Purchase and activation provide You technical support and other benefits.

**Our Responsibilities.** 1099 Express shall: (i) as applicable, provide any outage status updates at 1099 Express.com or an equivalent replacement site; (ii) use commercially reasonable efforts to make the Services available 24 hours a day, 7 days a week, except for: (1) planned downtime (scheduled with at least 7 days' notice and at a time intended to minimize impact to 1099 Express customers) and (2) any unavailability caused by circumstances beyond 1099 Express's reasonable control, including internet service provider failures or delays or denial of service attacks against which 1099 Express maintains commercially reasonable prevention controls; (iii) provide its standard support for the Services to Customer at no additional charge, or upgraded support if purchased separately; and (iv) conduct its business in compliance with all applicable local, state, provincial, federal, and international laws and regulations ("**Applicable Laws**").

**Technical Support:** Technical support is provided by telephone, chat and e-Mail from 9:00 am until 5:00 pm Central Time. Technical support is provided free of charge to our Customers, but is on a first-come, first-serve basis. The tech support telephone number is 361-884-1500 and the e-Mail is [Support@1099Express.com](mailto:Support@1099Express.com). When you call or e-Mail for technical support, please have the following available: 1.) Your company name and email address. 2.) The version of Windows you are using. This can be found at the Windows Control Panel under "System". 3.) Please make sure you have read the Help and attempted

to locate and read the topic that covers your issue. The topics are found inside the Software at the Help Menu. 4.) The exact error message received. Technical support does not include training. You must be proficient in Windows, and generally understand the difference between a file and folder. Technical support is provided from the United States of America in English only. Technical support will address features, forms, methods, e-filing and printing forms with the Software. Technical support cannot offer tax or legal advice. You should rely on your tax attorney or certified public accountant for tax advice. We will direct You to various documentation on the IRS web site that may apply to Your situation, but it is up to You to determine which portions of the IRS web site apply to Your situation. We have no responsibility for your conclusions from the IRS Web site.

**Networking:** The Software can open and save data files to and from any server or workstation on a local area network so long as such files are contained in normal shared drives or shared folders on the network where you have permission. When a file is opened from a network location, the file is locked for safety, so no other user can change the current user's data. When the file is closed other users may access it. The Software has a small footprint, typically only around 3-4 megabytes. The Software is developed and designed to be installed on workstations only.

**Important:** This software has been designed to run on a Windows Desktop Environment. It is not a client server application. Installation will place application binaries into the user's AppData or system's program files directory. Application needs to be activated for each user. All user data and settings will be stored under the user's documents folder. Users cannot share a single license; each user will require a license. The users can share data via a shared folder on the network. Files may be locked while in use.

WARNING! Application is not designed to run from a network path or from a shared device. Using the application in this manner could introduce unexpected results.

If the software will be installed in a "Terminal Server" environment (ie: Citrix), still each profiled user needs to have their own activation. The documents folder should be unique to each user and should have their own individual license. Users will have their own data and output files stored at this location. The user may access a shared folder to save file to and load file from. Given that folder allows read/write permission to the user and application.

**Tax Years:** The Software may only be used for the program version year or a previous tax year prior to the program version year. The Software may not be used for any purpose, including printing forms, for a year after the program version year. When e-Filing to the IRS or SSA for prior years, the IRS and SSA require the current year data file format, thus you must use the program for the current filing season. For example, if filing to the IRS for Tax Year 2015, during calendar year 2022, you must use the 2021 program to be compatible with the IRS e-Filing format. The current program is always one year less than the calendar year.

**Proprietary Rights:** Customer retains all ownership rights in Customer Data and Customer's Confidential Information, including any Intellectual Property rights therein. Nothing in the Agreement transfers or conveys to 1099 Express any ownership interest in or to the Customer Data or Customer's Confidential Information, provided that 1099 Express has the right to create Aggregate Data (as defined under "Privacy and Security" below) and owns all right, title, and interest in Aggregate Data both during and after the term of the

Agreement. Customer shall ensure that it has all necessary rights and permissions required by Applicable Laws to use and permit the use of Customer Data in accordance with the Agreement.

**Purchase Receipts:** For online credit card sales, a purchase receipt is provided instantly, with the activation code and activation instructions, by e-Mail. For manual check purchases, the receipt and activation code are provided when we receive your check, again by e-Mail. Please be careful when providing your correct e-Mail address. If a receipt is not received, please contact us immediately.

**Transfer of License:** Programs can be moved to another computer at no cost by simply deactivating and uninstalling on the original computer while it is connected to the internet. This deactivation and uninstalling process will reduce by one the Customer's count of activated computers for that software program. The User may then install from the internet and activate the same program on another computer, using the original activation code. To begin the process of moving to another computer, click the HELP Menu, then Deactivate.

**Refund Policy:** Your money will be refunded within the first 15 days after purchase, but only if the program has not been activated, the program has been uninstalled, and You present the original receipt or paid invoice from purchase. Refunds are never allowed after a Program has been activated.

#### **Indemnification.**

*Indemnification by Us.* We shall indemnify and defend You and Your directors, officers, employees, and Affiliates against any and all damages (whether ordinary, direct, indirect, incidental, special, consequential, or exemplary), judgments, liabilities, fines, penalties, losses, claims, actions, demands, lawsuits, costs, and expenses including, without limitation, reasonable attorneys' fees (collectively, "**Losses**") incurred as a result of a third-party claim or action that (a) the use of the Software or Our services in accordance with the License infringes a copyright, registered trademark, issued patent, or other intellectual property right of such third party (an "**Infringement**"); or (b) results from Our grossly negligent (or more culpable) conduct as determined after final trial by a court of competent jurisdiction.

If the Software is subject to a claim of Infringement and as a result, Your use of the Software is enjoined, then We shall, at no cost to You, procure for You the right to continue using the Software or replace it with non-infringing or modified Software of materially equivalent functionality.

We have no obligation with respect to any actual or alleged Infringement to the extent that the Infringement is caused or alleged to be caused by (a) Your data (excluding Your unique output); (b) use or modification of the Software other than by Us or other than as specified in the Documentation or the License; or (c) combination of the Software with any products, software, services, data, or other materials not provided by Us or approved by Us in writing, if the Infringement would not have occurred but for such combination.

*Indemnification by You.* You shall indemnify and defend Us and Our Affiliates and their respective directors, officers, and employees against Losses incurred as a result of a third-party claim or action that (a) Your use of the Software in breach of this License infringes the intellectual property rights of a third party; (b) results from Your breach of Your obligations under this License; or (c) results from Your violation of Applicable Laws.

*Process.* The obligations of a party ("**Indemnitor**") to defend or indemnify the other ("**Indemnitee**") hereunder are subject to the following: (a) the Indemnitee must promptly inform the Indemnitor in writing of any claim or action within the scope of the Indemnitor's defense or indemnity obligations set forth in the Agreement, provided that Indemnitor shall not be excused from its indemnity obligations for failure to provide prompt notice except to the extent that the Indemnitor is prejudiced by any such failure to provide prompt notice; (b) the Indemnitor must be given exclusive control of the defense of such claim and all negotiations relating to its settlement, except that the Indemnitor may not, without Indemnitee's approval, (i) make any admissions on the Indemnitee's behalf or (ii) settle any such claim unless the settlement unconditionally releases the Indemnitee of all liability; and (c) the Indemnitee must reasonably assist the Indemnitor in all necessary respects in connection with the defense of the claim, at the Indemnitor's expense. The Indemnitee may participate in the defense of the claim at its sole cost and expense.

*Exclusive Remedy.* This Section (Indemnification) states the Indemnitor's sole liability and the Indemnitee's exclusive remedy with respect to Infringement and any other type of third-party claim or action described in this Section. This Section does not apply to any direct claims between the parties. For the sake of clarity, this Section does not cover any claims based on any error in accuracy or timeliness of any Service, including, for example, any tax calculation or determination, tax return, filing, or compliance document. Such claims are governed exclusively by, and limited by, the warranties in the Terms or the warranties or guarantees set forth in the applicable supplemental terms, if any.

#### **Other Terms:**

If the Software is copied to another computer, the Software automatically reverts to the pre-activated state. The pre-activated state may only be used for testing and evaluation purposes. To modify the Software, obtain the activation code by fraudulent means, use the Software in an unauthorized manner, or in any way cause the Software to run in the activated state without paying for a license for each location (for example, home and office) is prohibited. Once You have purchased the software, all testing is deemed completed for that software product. Any additional copies of the software You download, use, or access from another location, must be paid for immediately. You agree that, by operating a program in the pre-activated state for production (not testing) or by operating the Software in an activated state without paying for the Software on each location, obtaining an activation code or additional activation codes under false pretenses, or using the Software in an unauthorized manner, is prohibited.

Our Service bureau may perform work for you and other Software customers. Service Bureau work includes e-Filing, custom programming, importing, printing, mailing, Tin/Name Matching, processing, preparing, correcting, or filing of 1099 or similar forms with the payees, states and the Internal Revenue Service or Social Security Administration. Some services, such as e-Filing may result in an IRS penalty to you if not performed by certain

deadlines. It is your responsibility to make sure that you receive a confirmation of e-filing from us before any deadline or due date.

You may not make copies of the Software or distribute copies of the Software by any means or otherwise make copies available without Our written consent. We have created technical functions within the Software that are designed to prevent its unlicensed use. You agree that the Software may report its use to Us over Your internet connection. We use these measures to confirm you have a legally licensed copy of the Software. We reserve all rights not expressly granted to You in this license. The Software is protected by copyright and other intellectual property laws and treaties. We own the title, copyright, and other intellectual property rights in the Software. The Software is licensed, not sold.

All 1099 Express programs are "try before you buy". When You download and install our software, You get the program in trial format. The program always installs in the preactivated or test mode. If you decide to purchase the program, You receive an "Activation Code" which makes the software fully functional on one computer, or if You purchased a multi-user license, allows You to activate the program on multiple computers. The software may be used in the pre-activated state for testing and evaluation purposes only. It may not be used in the pre-activated state for sending forms to payees, data entry, production importing, e-filing, or any other purpose.

You may not reverse engineer, decompile, or disassemble the Software at any time. You may not rent, lease, or lend the Software in any manner. This Software may not be sold or transferred for value.

In no event shall You or We be liable for any special incidental, punitive, indirect, or consequential damages whatsoever (including, but not limited to, 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 related to the use of, or inability to use the Software, the provision of or failure to provide support, information, software, and related content through the software or otherwise arising out of the use of the software, or otherwise under or in connection with any provision of this License. The previous sentence will not apply to instances of gross negligence or willful misconduct.

**Limitation of Liability.** In no event shall a party's aggregate liability exceed the fees paid or payable by You to Us under the License in the 12-month period immediately preceding the event giving rise to the claim. The previous sentence does not apply to instances of gross negligence or willful misconduct.

**Anti-Corruption Laws.** Each party shall always comply with all applicable anti-corruption laws, including, to the extent applicable, (a) the U.S. Foreign Corrupt Practices Act of 1977, as amended, and (b) the UK Bribery Act 2010.

**Publicity.** Neither party shall issue any public statement regarding the Agreement without the other party's prior written consent. Unless a party has specifically notified the other party to the contrary in writing, either party may use the name or logo of the other party or

its Affiliates to identify such other party as a customer or vendor (as the case may be) in accordance with that party's provided marketing guidelines.

**Governing Law; Jurisdiction and Venue.** The Agreement and all matters in connection with the Agreement will be governed by laws of the state of Texas, without regard to any laws, treaties, or conflicts of laws principles that would apply the law of any other jurisdiction and without regard to the United Nations Convention on the International Sale of Goods. For any claims or causes of action arising out of the Agreement, the parties agree to the exclusive jurisdiction of, and venue in, the state and federal courts located in Guadalupe County, Texas.

**Equitable Relief.** Each party acknowledges that damages may be an inadequate remedy if the other party or its Affiliates or its or their Representatives (or, in the case of Customer, Authorized Users) violate the obligations under the Agreement, and each party shall have the right, in addition to any other rights it may have, to seek injunctive relief without any obligation to post any bond or similar security.

All provisions that by their nature should survive termination of this Agreement will do so (including, by way of example and not limitation, payment obligations, indemnification and defense obligations, and duties of confidentiality).

This License is the entire agreement between You and Us relating to the Software or any other subject covered hereby, excepting only to supplemental agreements for printing and mailing Service Bureau work. If any provision of this license is held to be void, invalid, unenforceable, or illegal, the other provisions shall continue in full force and effect.