

Brainshark Standard Terms and Conditions Agreement

Brainshark Brokerage Edition(s)

These terms and conditions ("Standard Terms and Conditions"), govern Brainshark's provision and Customer's use of Brainshark Brokerage Edition(s). As used in these Standard Terms and Conditions, "Agreement" means, these Standard Terms and Conditions.

1. **Brainshark Services.** Subject to the terms and conditions of this Agreement, Brainshark agrees to provide Customer with the Services.

2. **License Grants.** In accordance with and during the term of this Agreement, Brainshark hereby grants Customer a non-exclusive, non-transferable, non-sublicensable license to access and use Brainshark's proprietary software (in object code format only), all electronic data embodied therein, any upgrades thereto, as well as any user documentation provided by Brainshark to Customer (the "Software"), during the term of this Agreement, solely for Customer's internal business use.

Brainshark is furnishing access to the Software for authorized use by Customer solely for the purposes of creating, editing, viewing and/or publishing a series of pages on a web site (each a "Presentation") with content provided by Customer ("Customer Content"). The Customer Content may include information, data, text, music, sound, photographs, graphics, video, messages and/or other materials provided to Brainshark by Customer. As between Brainshark and Customer, Customer Content will be considered the property of Customer. Subject to the terms and condition of this Agreement, Customer hereby grants to Brainshark a non-exclusive, non-transferable, royalty-free, worldwide, fully paid-up right and license to copy, modify (including, the right to make derivative works of), distribute, display and use Customer Content solely in connection with performing the Services.

3. **Ownership and Protection of Content and Intellectual Property; Confidentiality.**

3.1 **Brainshark Intellectual Property.** Brainshark or Brainshark's licensors retain all ownership and intellectual property rights to the Software. Except for the license granted to Customer in Section 2, Customer shall have no right, title or interest in the Software. All rights not expressly granted herein are reserved to Brainshark.

3.2 **Customer's Intellectual Property.** As between Brainshark and Customer, Customer shall retain all ownership and intellectual property rights in the Customer Content or derivative works of Customer Content developed specifically for Customer by Brainshark during the term of this Agreement. Except for the license granted to Brainshark in Section 2, Brainshark shall have no right, title or interest in the Customer Content.

3.3 **Confidentiality.** Each party agrees that certain information supplied by each to the other during the course of this Agreement may be of a competitively sensitive or proprietary nature and confidential to that party ("Confidential Information"). Each party shall (i) protect the Confidential Information disclosed hereunder to the same extent it protects its own proprietary information of similar importance; (ii) not disclose Confidential Information of the other party to any person or entity other than to an employee or approved agent of either party obligated to maintain the confidentiality of such information; or (iii) not to use Confidential Information of the other party for any purpose other than to exercise its rights and fulfill its obligations under this Agreement. Confidential Information shall not include information which can be shown by a recipient to have (w) been known by such party at the time of disclosure; (x) entered the public domain by some action other than breach of this Agreement by the receiving party; (y) been independently developed by the recipient by personnel without access to the Confidential Information or (z) been released in writing from the obligation of confidentiality by the owner or licensor of such Confidential Information. Each party's obligation of confidentiality under this Agreement shall extend for a period of one (1) year following termination or expiration of this Agreement.

Each party may disclose the Confidential Information of the other party if required by law or regulation, provided that the receiving party provides prompt written notice to the disclosing party of such impending release and the releasing party cooperates to the fullest extent required by law or regulation with the disclosing party to minimize such release.

4. Customer Content. Customer agrees that Customer is solely responsible for all Customer Content (public or private) incorporated into Presentations which are posted, emailed or transmitted via the Services provided by Brainshark, including for obtaining prior written consent for the use of any third party materials contained in the Customer Content, and any associated payments. Customer agrees not to knowingly use the Services to upload, post, email or otherwise transmit any Customer Content that is unlawful, harmful, threatening, abusive, harassing, tortuous, defamatory, vulgar, obscene, libelous, invasive of another's privacy, hateful, or racially, ethnically or otherwise offensive or objectionable. Customer acknowledges that Brainshark does not pre-screen Customer Content, but that Brainshark and Brainshark's designees shall have the right (but not the obligation) in their sole discretion to refuse or remove any Customer Content that does not abide by the terms contained in this Agreement, but will not do so without first notifying Customer of its intent.

5. Availability of Services. Brainshark agrees to use commercially reasonable efforts to ensure that the Services shall be accessible to Customer via the World Wide Web twenty-four (24) hours a day, seven (7) days a week.

6. Fees and Taxes. At your initial time of purchase, we will charge your Payment Method for the prorated portion of the current month (days left through the end of the current month - based on a 30-day month). Then, at the beginning of each subsequent month, we will bill your Payment Method for monthly subscription fees corresponding to your subscription plan plus any applicable tax. You will not receive a notice from us that your Payment Method has been billed. We will continue to bill your Payment Method on a monthly basis for your subscription plan until you cancel. You may cancel your subscription at any time, by providing a 30 day prior written notice of intent to cancel to Brainshark. Upon our receipt of your cancellation notice, your subscription will terminate effective as of the last calendar day of the month when your cancellation notice is received by Brainshark.

7. Intellectual Property Infringement and Indemnity.

7.1 Customer Indemnity Obligations. Customer will defend, indemnify and hold harmless Brainshark, Brainshark's subsidiaries, affiliates, officers, employees, stockholders, agents, co-branders or other partners from and against any claim or demand, made by any third party, due to or arising out of (i) Customer Content that Customer submits, posts, transmits, or provides to Brainshark or (ii) Customer's use of the Software or Services (except to the extent Brainshark is obligated to indemnify Customer under Section 7.2), and will pay all costs and damages including reasonable attorneys' fees incurred as a result of such claim.

7.2 Brainshark Indemnity Obligations. Brainshark will indemnify, defend, and hold harmless Customer, Customer's subsidiaries, affiliates, officers, employees, stockholders, agents, co-branders or other partners against any claim, demand, or judgment, made by any third party, due to or arising out of a claim that Customer's use of the Software and/or Services infringe or misappropriate any valid U.S. patent, copyright, trademark, trade secret, or other proprietary right belonging to a third party ("Third Party Claim") and to hold Customer harmless from any and all liabilities, losses, costs, damages, expenses, and reasonable attorney's fees that result from any such Third Party Claim. Brainshark's obligations under this Section 7.2 are conditioned upon (a) Brainshark's prompt notification in writing by Customer of any Third Party Claim; (b) Brainshark having sole authority and control to conduct the defense of any Third Party Claim and all negotiations of a settlement or compromise; (c) Customer providing Brainshark with all reasonable assistance in defending any Third Party Claim at Brainshark's expense; and (d) the Third Party Claim shall not have arisen due to unauthorized acts or misconduct of Customer or a third party acting on behalf of Customer.

7.3 If the Software or Services becomes, or in Brainshark's opinion, is likely to become the subject of a Third Party Claim, Brainshark may at its option and expense either: (a) obtain an appropriate license for Customer from the party asserting the Third Party Claim; (b) replace or modify the Software (or parts thereof) or Services that is the subject of the Third Party Claim so that it is materially equivalent and no longer infringing; (c) provide a non-infringing work-around; or if none of the preceding options are economically feasible (d) terminate this Agreement and issue a pro-rata refund to Customer for the amounts paid to Brainshark for the Software or Services, as applicable. **THE INDEMNITY PROVIDED IN THIS SECTION 7 CONSTITUTES BRAINSHARK'S ENTIRE OBLIGATION TO CUSTOMER REGARDING THIRD PARTY INTELLECTUAL PROPERTY INFRINGEMENT CLAIMS ARISING HEREUNDER.**

8. Warranty.

8.1 Brainshark warrants that (i) Brainshark is the owner or licensee of the Software and has the right to grant the license provided herein, (ii) the Services will be performed in professional and workmanlike manner, and (iii) the Services will conform in all material respects to the applicable Brainshark user manual and Brainshark documentation provided to Customer by Brainshark, as modified from time to time.

8.2 THE WARRANTIES ABOVE ARE EXCLUSIVE AND BRAINSHARK HEREBY DISCLAIMS ANY AND ALL OTHER REPRESENTATIONS OR WARRANTIES NOT PERSONAL EDITIONLY SET FORTH HEREIN AND ALL IMPLIED WARRANTIES OF ANY KIND, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. BRAINSHARK DOES NOT WARRANT THAT (I) THE RESULTS THAT MAY BE OBTAINED BY USING THE SOFTWARE OR SERVICES WILL MEET CUSTOMER'S REQUIREMENTS, (II) AN UNAUTHORIZED PERSON WILL NEVER GAIN ACCESS TO THE CUSTOMER CONTENT OR PRESENTATIONS, OR (III) THAT THE SERVICES WILL BE UNINTERRUPTED OR ERROR FREE.

9. Breach of Warranty. In the event of a breach of the warranty set forth in Section 8.1, Brainshark shall have a thirty (30) day period in which to cure the defect. In the event such defect is not cured by the conclusion of the cure period, then the Customer shall have the right to terminate the Order Form for the affected Services and receive a pro-rata refund of the fees paid therefore.

10. Limitation of Liability.

10.1 EXCEPT FOR LIABILITY ARISING FROM A (A) PARTY'S INDEMNIFICATION OBLIGATIONS SET FORTH IN SECTION 7 ABOVE; (B) BREACH OF A PARTY'S CONFIDENTIALITY OBLIGATIONS UNDER SECTION 3.3 ABOVE; OR (C) BREACH BY CUSTOMER OF THE LICENSE TERMS SET FORTH IN SECTION 2 ABOVE, NEITHER PARTY SHALL BE LIABLE, WHETHER IN AN ACTION IN NEGLIGENCE, CONTRACT, TORT OR BASED ON A WARRANTY OR OTHER LEGAL THEORY, IN ANY WAY TO THE OTHER PARTY OR ANY OTHER PERSON FOR ANY LOST PROFITS OR REVENUES, LOSS OF USE, LOSS OF DATA OR COSTS OF PROCUREMENT OF SUBSTITUTE GOODS, LICENSES OR SERVICES OR SIMILAR ECONOMIC LOSS, OR FOR ANY PUNITIVE, INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR SIMILAR DAMAGES OF ANY NATURE, WHETHER FORESEEABLE OR NOT.

10.2 EXCEPT FOR LIABILITY ARISING FROM A (A) PARTY'S INDEMNIFICATION OBLIGATIONS SET FORTH IN SECTION 7 ABOVE; (B) BREACH OF A PARTY'S CONFIDENTIALITY OBLIGATIONS UNDER SECTION 3.3 ABOVE; (C) BREACH BY CUSTOMER OF THE LICENSE TERMS SET FORTH IN SECTION 2 ABOVE, OR (D) PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, AS TO WHICH THE FOLLOWING LIMITATION OF LIABILITY SHALL NOT APPLY, EACH PARTY'S MAXIMUM LIABILITY FOR ANY DAMAGES, REGARDLESS OF FORM OF ACTION, SHALL NOT EXCEED THE LICENSE FEES ACTUALLY PAID TO BRAINSHARK FOR THE RELEVANT SERVICES.

11. Term and Termination.

11.1 This Agreement shall commence when a subscription is started from the moment of billing Payment Method.

11.2 Either party may terminate this Agreement at any time. The subscription will terminate effective as of the last calendar day of the month in which your cancellation notice is received by Brainshark, or in which you receive notice from Brainshark. We will not send confirmation of your cancellation.

11.3 For thirty (30) days following the termination date or until such earlier time as Customer requests, Brainshark shall continue to store and Customer agrees to permit Brainshark to store Customer Content on Brainshark's server(s).

11.4 Termination of this Agreement shall be without prejudice to any rights of either party against the other and such termination shall not relieve either party of any of its obligations to the other existing at the time of termination.

11.5 Notwithstanding anything to the contrary in this Agreement, Sections 3, 4, 7, 8, 9 10, 11 and 12 shall survive expiration or earlier termination of this Agreement.

12. General Provisions.

12.1 Notices And Contacts. Notices under this Agreement shall be deemed given when sent postage prepaid by first class mail, DHL or FedEx to the parties at the addresses specified below or such new address as they shall communicate to each other in writing from time to time. To Customer:

To Brainshark:
Brainshark, Inc.
Attention: Accounting
130 Turner Street, Bldg. 1, Suite 100
Waltham, MA 02453.

12.2 Assignment. This Agreement may not be assigned or otherwise transferred by either party without the prior written consent of the other party except if such assignment or transfer is to an entity acquiring all or substantially all of a party's assets by merger or purchase. This Agreement will bind and inure to the benefit of each party's permitted successors and assigns.

12.3 Interpretation, Execution and Modification. Nothing contained herein shall be construed as creating any agency, partnership, or other form of joint enterprise between the parties. The parties agree that the subject matter of this Agreement will be governed by the laws of the Commonwealth of Massachusetts and, to the extent applicable, the federal laws of the United States. No failure of either party to exercise or enforce any of its rights under this Agreement will act as a waiver of such rights. If any provision of this Agreement is found invalid or unenforceable, that provision will be enforced to the maximum extent permissible, and the other provisions of this Agreement will remain in force. This Agreement may be executed in any number of counterparts, all of which taken together will constitute a single instrument. This Agreement is the complete and exclusive Agreement between the parties with respect to the Agreement's subject matter. This Agreement may only be modified by a written document executed by both parties. Any such modification will become part of this Agreement and will be governed by the terms and conditions of this Agreement.

12.4 Agreement Modification and Amendment. Unless otherwise required by applicable law, we may modify or amend this Agreement at any time without giving you prior notice. A copy of any modification or amendment will be delivered to you in writing or electronic format. If you do not agree to the modification or amendment, you must notify us prior to the effective date of such modification or amendment and cancel your access to the Service. Use of the Service after such effective date indicates your agreement with such modification or amendment. Brainshark has the right to discontinue this Service with notification.