



CO-07 — Software License Transfer Policy

POLICY: All NCR software applications are licensed to a specific user and/or a specific site, and those licenses expire null and void upon the licensee's sale of that site: NCR software license rights cannot be re-sold by end users. NCR will not "transfer" a license but in some circumstances, NCR makes accommodations to license buyers of previously licensed sites at special rates. NCR may also accommodate "reactivations" of dormant software licenses.

UPDATED: 28-Mar-2016

SCOPE: The Covered Offerings

PROCEDURES:

1. All software licenses sold by NCR are licensed only to the original owner, and are nullified if the ownership of the store or underlying system changes, regardless of the system remaining in its original location. All exceptions to this Policy are listed in Section [3 below](#).
2. Some software licenses sold by NCR are also licensed only to the specific and initial location; re-license fees or reactivation fees may be required to use that license in a different location, even if there is no change in ownership.
 - a. Retailix Store and Retailix Back Office ("RBO") licenses (including their associated options) are licensed to a specific location as well as owner, but may be moved to a new location for a flat \$500 fee if there is no change of ownership.
 - b. License Reactivation: ISS45, ScanMaster, Pricer Electronic Shelf Label ("ESL") software, U-Scan, and PocketOffice software may normally be moved to a new location without fees so long as ownership remains unchanged and unless:
 - i. The store had previously closed or there is a "gap" in time where Software Maintenance and Support ("SMS") has not been paid on the license (between de-installation and re-installation). In such cases, the license has expired, and License Reactivation Fee of \$300 per lane (net price to the Solution Provider) is required to reactivate the license.
 - ii. For non-POS applications or components (PocketOffice etc.) the reactivation fee will be determined according to the vendor's policy for that particular application and other circumstances.
 - c. System License: where a software system (ISS45, ScanMaster, RBO etc.) is comprised of several options or components that include multiple line items and license prices, these assembled components create a single and indivisible "system" software license for the resulting software installation. Individual components of that system are not movable or transferable from that system regardless of ownership or location. The licensee may license additional components and add them to the "system" license in the future, and such added components become part of the indivisible system license.
 - i. In the case of POS lane capability only, NCR offers an exception to transfer a POS lane from one "incumbent" store and license to another "receiving" store/license. This Policy applies for ISS45 and ScanMaster only.
 1. Both the incumbent and receiving stores must be "live" and current on software maintenance and support. Lanes cannot be transferred from expired or dormant licenses.
 2. Both stores and licenses must have the same ownership.
 3. The Solution Provider must place an order and provide the Software Key Information Forms ("SKIFs") for both the incumbent and receiving store/licenses.



4. After being provided the key updates for the donating and receiving stores from NCR, the Solution Provider is required to increment the receiving key and decrement the incumbent software key to transfer the license.
 5. The PINs/PINs provided for this transfer (G330-0050-0000 / 45000/106 for ISS45 and G330-0100-0000 / SM45000/106 for ScanMaster) must be used for ordering. Pricing listed is per lane, Solution Provider net.
 6. Lanes are not transferrable from ISS45 or ScanMaster “Express” or “Espresso” package licenses.
3. Exceptions to this Policy
- a. This Policy is neither in lieu of, nor does it override the terms and conditions agreed in any applicable software license agreements or contracts, either made between NCR and the current or former users or between other parties and the current and former users.
 - b. NCR will honor demonstrated contractual obligations in cases where the original license purchase was not made from NCR.
 - i. NCR may, at its option - and that of the owner of the product’s intellectual property rights - extend this Policy to cover products that were either originally licensed by NCR, or originally licensed by other companies (and product licenses are now available from NCR).
 - c. In cases where NCR licensing policies have changed, the policy at the time when the licensee requests transfer shall prevail.
 - i. Where changes in this Policy have made the current policy more restrictive, NCR will not revise the terms of any transfers or replacement licenses that took place before such changes.
 1. The current policy will, however, govern any future changes in such transfers.
 - ii. Where changes in this Policy have made the current policy less restrictive, NCR will not entertain any proposals to refund any license transfer or replacement license fees occurring before those changes.
 - d. NCR application software licenses cannot be re-sold by the original end-user licensee. If a store is sold to a new owner, the ISS45 and ScanMaster POS application software licenses expire null and void. In certain conditions however, NCR will replace the POS application license for the new owner upon payment of a License Replacement fee. The following conditions apply:
 - i. The license replacement applies only to stores that have been sold in place to a new owner, with the store location and system remaining as-is.
 - ii. The store and the subject POS application must have been open, live and operating within 90 days of the sale and proposed replacement license, and must not have been removed from NCR SMS.
 - iii. The new replaced license will include all the originally licensed software items only. The replacement license will neither add nor subtract or split off any of the previously licensed items or options from that POS software application license.
 - iv. License Replacements are expressly not applicable and not available whenever POS software code is resident on hardware or equipment that has been de-installed from its original site and acquired by a new owner.
 - v. To order a Replacement License, the Solution Provider must order the appropriate software license replacement PIN/PID at the published fee as per the current ISS45 or ScanMaster POS application Pricing and Configuration Bulletin.
 1. The Solution Provider’s order must include new SKIF with updated store/company name but identical feature and lane content compared to existing SKIF with the same software key (HASP) numbers.



2. Depending upon circumstances, NCR may or may not create and ship new software license enablement keys (HASPs) since the existing keys will be already present and enabling current operations.
 - vi. In cases where a large, publicly traded retail company is acquired, including all assets and liabilities, the acquiring company may, at NCR's sole option, be allowed to retain some or all licensing rights enjoyed by the original licensees without requirement for re-licensing or license replacement. This will not apply to partial acquisitions, individual proprietorships, LLCs or other closely-held entities, or chains with fewer than 10 sites.
 - vii. Replacement licenses are limited to NCR application software and do not apply to platform or application software licensed by third-parties. In such cases, the End User License Agreement (EULA) for each such application will prevail. For example, the EULAs for the Pervasive PSQL or Microsoft SQL databases and McAfee Solidcore/S3 products do not provide any option for transfers, replacements or re-licensing, and must be repurchased if the original licensee sells the system or site.
4. Transferability examples:
- a. Example 1: Fred's Market Store #5 installs a NCR ISS45 or ScanMaster POS and back-office system. Fred later sells Store #5, including the building, lease, fixtures and POS system to Joe's Enterprises, which now operates the store as Joe's Market with the POS system as-is.
 - i. Resolution: All software and related option licenses would be voided and must be re-licensed because the ownership has changed.
 - ii. The POS application software system may, however, be re-licensed using the Replacement License offer and payment of its associated fee (see Section [3 above](#)).
 - iii. Other NCR or NCR-sourced software in the store may or may not be re-licensed according to the license policies and EULAs for those items. See the [Software License Ownership and Location Change Policy Summary Table](#) at the end of this Policy.
 - iv. Please see [Example 6](#) below for cases similar to this one but that include a lengthy interval during which the store was closed and removed from SMS.
 - b. Example 2: Fred's Market Store #5 installs a NCR ISS45 or ScanMaster POS system. Fred later sells Store #5, including the building, lease, fixtures and POS system to Joe's Enterprises, which now operates the store as Joe's Market. To be consistent with Joe's other stores, however, the NCR system is removed and sold to a used equipment broker, which then resells the hardware with its installed software to Pete's Market.
 - i. Resolution: All software and related option licenses would be voided since the ownership changed, and would have to be re-licensed. No license transfer or replacement license offers are available.
 - c. Example 3: Fred's Market Store #5 installs a NCR ISS45 or ScanMaster POS system. Fred later sells Store #5 to Joe's Enterprises, but knowing that Joe's will install a different POS system consistent with other Joe's locations, Fred retains the full NCR POS system and later installs it in Fred's Market #6.
 - i. POS Resolution: Since there has been no change of ownership for the POS system, the NCR software license for the POS system would continue to be valid for the new Fred's location without additional cost.
 1. Note: to keep the NCR POS software license from expiring, Fred must keep the POS software on SMS while the system is warehoused and pending re-installation in Fred's Market #6.
 2. Note: if Fred removes the system from SMS, then the license is considered dormant: Fred's may re-install the system later upon payment of the License Reactivation fee, which compensates



- NCR and the Solution Provider for software maintenance and features provided during the time SMS was suspended.
- ii. **Back-Office Resolution:** NCR will transfer Retailix Store/HQ or RBO licenses to the new location for the same owner for a \$500 fee. This is required because RBO and Retailix Store are licensed to a specific address/location as well as an owner: since the system has been moved, the fee is required even though there has been no change of ownership.
 - d. **Example 4:** Fred's Market Store #5 installs a non-NCR software system from a third-party and later NCR takes on sales and support of this software product. Fred later sells that system to Joe's Enterprises.
 - i. **Resolution:** NCR cannot state that the system in question may be re-licensed. The scope of existing agreements and NCR's responsibility, if any, for re-licensing and any constraints and rights imposed or evoked by the original vendor require all such cases to be considered individually.
 - e. **Example 5:** Fred's Market Store #10 installs an ISS45 or ScanMaster POS system that includes licenses for the controller and ten (10) POS lanes. Fred's seldom uses the tenth lane in this store, however, and requests that the license for this lane be transferred to expand Fred's Market Store #5 from five (5) to six (6) lanes.
 - i. **Resolution:** although the software features in Store #10's ISS45 system are normally a single indivisible license that cannot be individually broken out or transferred, Fred may implement NCR's Lane Transfer option (see Section [2.c.i](#) above) and move the POS lane license from Fred's Store #10 to Fred's Store #5.
 - ii. Note that if either Store #10 or Store #5 in this example were Express or Espresso stores, this lane transfer is not available. Also, if Store #10 had been closed or removed from SMS, or the two stores had different ownerships, no transfer would be available.
 - f. **Example 6:** Fred's Market Store #5 installs a NCR POS and back-office system. Fred later closes the store and removes it from SMS. A year later, Fred's sells the entire site, including the building, lease, fixtures and POS system to Joe's Enterprises, which reopens the store as Joe's Market using the original POS system.
 - i. **Resolution:** All software and related option licenses would be voided and must be re-licensed because the ownership has changed.
 1. Since the POS license was removed from SMS and the store was not live at time of sale, the POS Replacement License offer cannot be used.
 2. In this circumstance, NCR will normally consider replacing the POS license to Joe's upon payment of (a) the License Replacement Fee plus (b) payment of the \$300 per-lane Reactivation Fee. The Reactivation Fee compensates NCR and the Solution Provider for software maintenance and features provided during the time SMS was suspended, and the License Replacement fee compensates NCR and the Solution Provider in part for the ongoing value provided in place of a new software license.
 3. The other NCR-sourced software in the store may or may not be re-licensed according to the license policies in place for those specific items. [Software License Ownership and Location Change Policy Summary Table](#) at the end of this Policy.
 - g. **Example 7:** Fred's Markets Inc. (NASDAQ FMI) is purchased in its entirety by Joe's Enterprises, including all 75 Fred's stores, and all of FMI's assets and liabilities.
 - i. **Resolution:** at NCR's sole option, the software licenses may be allowed to remain in place as if Joe's Enterprises had been the original licensee. NCR may require replacement licenses to be purchased.



Software License Ownership and Location Change Policy Summary Table		
Product	System Changes Ownership (no change in location)	System Changes Location (no change in ownership)
ISS45, ScanMaster and PocketOffice	The ownership change voids the license, and the software must be re-licensed. In-situ sites operated continuously may use a flat License Replacement fee.	The license remains valid with no replacement or re-license fees, but is subject to the Reactivation Fee if the site has been removed from SMS.
LaneHawk BOS Software	The ownership change voids the LaneHawk Back-Office Software (“BOS”) licenses, and the software must be re-licensed.	The license remains valid with no replacement, transfer or re-license fees.
McAfee/Intel Solidcore S3	According to the McAfee EULA, an ownership change voids the license, which cannot be transferred. A new license must be purchased by the new owner.	The license remains valid with no replacement, transfer or re-license fees.
Microsoft SQL Database Platforms	According to the Microsoft EULA, an ownership change voids the license, which cannot be transferred. A new license must be purchased by the new owner.	The license remains valid with no replacement, transfer or re-license fees.
Pervasive (Actian) PSQL	According to the Pervasive/Actian EULA, an ownership change voids the license, which cannot be transferred. A new license must be purchased by the new owner.	The license remains valid with no replacement, transfer or re-license fees.
Pricer Electronic Shelf Label (“ESL”) Software	The ownership change voids the Pricer license, and the software must be re-licensed.	The license remains valid with no replacement, transfer or re-license fees.
Retailx Store, Retailx HQ, RBO	The ownership change voids the license, but NCR will replace the original license to the new owner for a Solution Provider net price equal to 50% of list/MRP.	The software license is voided, but NCR will replace the original license to the new location for a flat license transfer fee of \$500.
U-Scan	The license is voided and the Solution Provider must seek re-license terms from Fujitsu.	The license remains valid with no transfer or re-license fees, but subject to Fujitsu’s then-current policy for reactivation if the site was removed from SMS.
WinEPS	The ownership change voids the license. There are no license transfer or re-license offers, and new WinEPS licenses are no longer available.	Transferable only when software maintenance and support fees on the license have been kept current. SMS removal voids a WinEPS license immediately.