

**DREAMSTALK STUDIOS INC.
SAAS AGREEMENT**

This Agreement (the "**Agreement**") is entered into by and between Dreamstalk Studios Inc. ("**Dreamstalk**"), operating as "PathFive" with offices at 1632 Dickson Avenue, Suite 400 Kelowna, BC, and the organization specified as the Customer below. Dreamstalk is engaged in the business of providing Software as a Service ("**SaaS**"), and the Customer wishes to use Dreamstalk's software on a subscription basis. In consideration of the covenants and agreements contained herein and in the "SaaS Agreement Terms and Conditions" (the "**Terms and Conditions**") posted on Dreamstalk's website at www.pathfive.ca and which are incorporated herein and made a part hereof, Customer and Dreamstalk hereby agree as follows:

1. Customer

For purposes of this Agreement, Customer shall be the following organization:

Organization: _____

Contact Person
Name: _____

Title: _____

2. Effective Date of Agreement: _____

3. Software Services

Dreamstalk hereby grants, and the Customer hereby accepts, a limited, non-sub-licensable, non-exclusive, revocable and non-transferrable license to use the Software (as described below) during the Term (as defined below) upon the terms and conditions specified in this Agreement and defined in the attached 'Pricing & Fee Schedule'. The software is provided solely as a "**Service**" and the Customer is not provided with any license right in or any other right to the Software under this agreement.

The "**Service**" is comprised of the PathFive Vantage - a cloud-based web application platform that allows municipalities, recreation facilities and educational institutions to engage, communicate and transact with citizens. The Vantage platform is comprised of several integrated products that are summarized below and may or may not be included in the "Service" as defined in the Pricing & Fee Schedule.

- (a) **Vantage Website** - this application allows authorized users to manage & publish news, events, media and page content on a municipal website.
- (b) **Vantage Recreation Management** - this collection of applications manages programs, events, facilities, citizen registration and online payment through an on-line recreation portal.

4. Fees and Payment Terms

- 4.1. **Service Fees.** The Customer will be charged a service fee (the "**Service Fee**"), as defined in the attached Pricing & Fee Schedule, on an annual basis for the Service during the Initial Term (defined below). The Service Fee is based upon the software applications purchased as part of the Service and not actual usage. Quantities purchased cannot be decreased during the Term.
- 4.2. **Service Fee Annual Invoices.** Dreamstalk will invoice the Customer sixty (60) days prior to each annual anniversary date of this Agreement in respect of the Service Fee payable for the upcoming annual period.
- 4.3. **Service Fee Renewal Terms.** The Service Fee is fixed for each Term and shall not increase during the Term unless additional software applications are added to the Service by the Customer. The applicable Service Fee for any Renewal Term (defined below) will be determined by Dreamstalk in accordance with Dreamstalk's then prevailing fee structure for equivalent Services, provided that any Service Fee increase will not exceed 10% from the Service Fee applicable during the prior Renewal Term. Dreamstalk will provide written notice to the Customer of such Service Fees by providing the invoice described in Section 4.2.
- 4.4. **Service Fee Payment Terms.** The Customer will pay the amount of Service Fee shown on each invoice by wire transfer or electronic funds transfer of immediately available funds to the account designated by Dreamstalk in writing from time to time. Such payments will be due thirty (30) days following the date of Dreamstalk's invoice. The Customer is responsible for providing Dreamstalk with complete and accurate billing and contact information and notifying Dreamstalk of any changes to such information.

Stripe Fees. As part of the Services, payment accounts will be established with Stripe, Inc. ("**Stripe Connect**"), a third party provider of payment processing services. User Fees (defined below) will be paid by end users of the Services provided under this Agreement ("**Users**") into the payment accounts managed by Stripe Connect. Stripe Connect will charge the Customer a payment processing fee for payments processed through the Stripe Connect payment system as defined in the attached "Pricing and Fee Schedule". Stripe Connect reserves the right to revise the Stripe Fees at any time, subject to Stripe Connect providing at least thirty (30) days prior notice to Customer.

In addition, Stripe Connect will charge the Customer a chargeback fee amounting to \$15 per chargeback (together with the Payment Processing Fee, the "**Stripe Fees**").

- 4.5. **User Fee Payments.** On behalf of the Customer, Stripe Connect will collect fees charged by the Customer to Users (the "**User Fees**") who register using the Services for events, camps, licences, classes, tickets, contests, permits, facility/equipment use, transactions, sales, memberships, reservations, donations, and/or other activities. Stripe Connect will remit those sums to the Customer, net of chargebacks, any other

offsets and the Stripe Fees (the "**Net User Fees**") on a weekly basis. Dreamstalk may also reimburse itself by offsetting the Customer's account for any chargebacks, returns or overdue fees owed by the Customer.

- 4.6. **Taxes.** Neither the Service Fees nor the Stripe Fees include any taxes, levies, duties or similar governmental assessments of any nature, including, for example, value-added, sales, use or withholding taxes, assessable by any jurisdiction whatsoever (collectively, "**Taxes**"). As the seller of record, the Customer is responsible for paying all Taxes associated with its purchase of the Services and the services provided under this Agreement, with the exclusion of taxes on Dreamstalk's or Stripe Connect's net income. If Dreamstalk has the obligation to pay or collect Taxes for which the Customer is responsible under this Section 4.7, Dreamstalk may invoice the Customer for the amount of the Taxes and the Customer will pay the amount to Dreamstalk unless it first provides Dreamstalk with a valid tax exemption certificate authorized by the appropriate taxing authority.
- 4.7. **Overdue charges.** Dreamstalk has the right to apply an overdue fee of 1.5% per month (equivalent to 18% per year) to accounts which are not paid by the due date.
- 4.8. **Suspension of service.** If any amounts owing by the Customer are overdue, Dreamstalk may, without limiting its other rights and remedies, suspend its provision of the Services to the Customer until such amounts are paid in full.
- 4.9. **Payment Disputes.** Dreamstalk will not exercise its rights under Sections 4.7 and 4.8 if the Customer is disputing the applicable charges reasonably and in good faith and is cooperating diligently to resolve the dispute.

5. **Additional Services**

Dreamstalk will continue to develop additional applications for the Vantage platform over time and some of these applications may be made available for an incremental Service Fee as solely determined by Dreamstalk. The Customer may, at any time during their Service Term, choose to add additional applications to their Service by submitting an order form to Dreamstalk for the chosen application(s). Upon receipt of an approved order form, Dreamstalk shall immediately apply any related increases to the Service Fee and will activate the requested applications upon receipt of payment by the Customer. The Parties agree that any such additions to the Service will be subject to the terms and conditions set out and incorporated herein.

6. Notices

Any notice required or permitted to be given or served to Dreamstalk and Customer by the Agreement or by law may be delivered to the intended recipient, as defined in this Agreement, at its address or e-mail address. Any such communication shall be deemed to be validly and effectively given (i) if personally delivered, on the date of such delivery, if such date is a business day and such delivery was made prior to 4:00 p.m. (Vancouver time), otherwise on the next business day, (ii) if transmitted by electronic mail or similar recorded communication, on the business day following the date of transmission, provided that no delivery failure email is received by the sender, and (iii) if sent by regular mail or registered mail, on the fifth business day following the date of mailing. Any party may change its address for service from time to time by notice given in accordance with the foregoing, and any subsequent notice shall be sent to such party at its changed address.

7. Term and Termination

- 7.1. The initial term of this Agreement shall be _____, starting on date hereof (the "**Initial Term**").
- 7.2. This Agreement will automatically renew for additional one (1) year periods (each a "**Renewal Term**") unless a party has provided written notice to the other party that this Agreement will not be renewed at least sixty (60) days before the end of the Initial Term or the then-current Renewal Term, as applicable. For the purposes of this Agreement, "Term" shall mean the Initial Term and any Renewal Terms. The Customer is obligated to pay all applicable the fees for each Term and shall not be entitled receive any refunds should this Agreement be terminated prior to the end of the applicable Term.
- 7.3. If a party is in breach of this Agreement, the other party shall be entitled to give the breaching party written notice setting out details of the breach and indicating the other party's intention to terminate this Agreement. Unless the breaching party cures the breach to the reasonable satisfaction of the other party within twenty (20) "Business Days", being any day of the year, other than a Saturday, Sunday or any day on which major banks are closed for business in Vancouver, British Columbia, Canada of the breaching party's receipt of the notice of the breach, this Agreement will terminate as of the close of business on such Business Day.
- 7.4. Either party may terminate this Agreement immediately by written notice to the other party:
- (a) if the terminating party reasonably deems such termination to be necessary in order to comply with applicable laws; or
 - (b) if the other party becomes insolvent or bankrupt, or if any proceeding is commenced by a person in good faith seeking to adjudicate the other party a bankrupt or insolvent or with respect to the other party's liquidation,

dissolution, winding-up or the appointment of a receiver in respect of the other party.

- 7.5. Dreamstalk or the Customer may terminate this agreement in accordance with Section 7.2. Dreamstalk may also terminate this Agreement immediately by written notice to the Customer in the circumstances contemplated in Section 2.3 of the Terms and Conditions.
- 7.6. No termination of this Agreement will affect any rights or liabilities of either party that may have accrued before the date of termination, including, without limitation, the right of Dreamstalk to be paid Service Fees for the Services for the applicable Term, and to retain Service Fees paid in advance for such Services.

IN WITNESS WHEREOF, the parties hereby confirm and agree that this Agreement is effective at the date set forth above and that all terms and conditions have been agreed to:

By:

Name: _____
Title: _____

DREAMSTALK STUDIOS INC.

By:



Name: Derek Locke
Title: General Manager