

**MEMBERSHIP RULES**  
**OF**  
**THE INTELICAD TECHNOLOGY CONSORTIUM**  
**AS AMENDED AND RESTATED**  
**July 26, 2017**

## **MEMBERSHIP RULES**

Pursuant to the bylaws of The IntelliCAD Technology Consortium (the “Consortium”), the Board of Directors of the Consortium has established and adopted these Membership Rules (which may be amended, revised and supplemented from time to time).

**1. Definitions.** Whenever used in these Membership Rules, terms with initial letters capitalized shall have the meaning as defined in that certain Consortium Membership Agreement to which the member is a party (hereinafter, the “Membership Agreement”). As used in these Membership Rules, “Member” or “Members” shall mean any member of the Consortium including, but not limited to, Commercial Members or Government Members.

**2. Export Compliance.** Member will not export or re-export the IntelliCAD Licensed Materials in violation of any law, regulation, order or other governmental requirement (including, without limitation, the U.S. Export Administration Act, regulations of the Department of Commerce and the Department of Treasury and other export controls of the U.S.) (As such may be amended from time to time)

**3. No Unauthorized Disclosure.** Member shall preserve and protect the IntelliCAD Licensed Materials from unauthorized disclosure or misuse with the same standard of care that Member uses to protect its own proprietary information of a similar nature, but in no event less than reasonable care.

**4. No Unauthorized Use or Copies.** Member shall not copy, relocate, move, sublicense, rent, timeshare, act as a service bureau, loan and lease or otherwise distribute the IntelliCAD Licensed Materials, except as expressly provided in the Member’s individual Membership Agreement. Member acknowledges that any unauthorized copying or unauthorized use of the IntelliCAD Licensed Materials is a breach of its Membership Agreement and these Membership Rules.

**5. No Unauthorized Warranties.** Member shall not extend on behalf of the Consortium any written or oral warranty or guarantee, or make any representation or claim, with respect to the IntelliCAD Licensed Materials without the Consortium’s express written consent.

**6. No Domain Names.** Nothing in these Membership Rules or in the Membership Agreement shall be deemed to grant Member the right to use the Consortium’s name or Marks as a domain name or Universal Resource Locator. Any such use without the prior written consent of the Consortium shall constitute a breach of these Membership Rules and the Member’s Membership Agreement.

**7. Membership Rules; Changes.** Member agrees that all use of the IntelliCAD Licensed Materials pursuant to the licenses granted in its Membership Agreement shall be in accordance with these Membership Rules as modified from time to time. The Consortium reserves the right to modify these Membership Rules at any time.

## **8. Web.**

**8.1 General.** The Consortium will link the Consortium Web Site to one page of the Member Web Site. Member will provide to the Consortium color artwork of Member's name and/or logo in the form and on the media specified by the Consortium to be included in the Consortium Web Site to denote the link to the Member Web Site. The placement and prominence of any such link will be in the Consortium's sole discretion. Member shall prominently display the Consortium's name and/or logo on its Member Web Site. Member shall link its Member Web Site to the Consortium Web Site.

**8.2 Release.** By signing the Membership Agreement, Member releases and discharges the Consortium, and its agents and contractors, from any damages or liability to Member arising out of the placement of Member's name and/or logo in the Consortium Web Site or the failure to do the same, and from any other liability arising out or related to the link between the Consortium Web Site and the Member Web Site.

**9. Payment of Dues and Expenses.** The fees, dues and assessments payable by Member(s) will be set periodically by the Board of Directors of the Consortium by resolution. All amounts will be due and payable in United States dollar currency within thirty (30) days from the date of invoice. All dues, fees and assessments imposed or levied by the Consortium are nonrefundable and may not be prorated, but credit for such amounts may be transferred or assigned in accordance with the Member's Membership Agreement.

## **10. Termination and Suspension of Membership or Services.**

**10.1 General.** Member may terminate its membership in the Consortium and its obligations under its Membership Agreement effective thirty (30) days following receipt of written notice by the Board of Directors of the Consortium; provided, however, that such termination will not relieve Member of any liabilities or obligations incurred prior to the effective date of termination. Member's membership automatically terminates upon the voluntary or involuntary dissolution of the Consortium.

**10.2 Suspension by Consortium.** If Member fails to adhere to any of these Membership Rules, breaches any material provision of its Membership Agreement or fails to pay any dues or other amounts payable to the Consortium, and further fails to remedy such nonperformance, noncompliance or nonpayment within thirty (30) days following receipt of notice from the Consortium, the Consortium may suspend the Membership Agreement with such Member.

**10.3 Termination/Fees by Consortium.** If Member fails to adhere to any of these Membership Rules, breaches any material provision of its Membership Agreement or fails to pay any dues or other amounts payable to the Consortium, and further fails to remedy such nonperformance, noncompliance or nonpayment within thirty (30) days following receipt of notice from the Consortium, the Consortium may terminate the Membership Agreement with such Member or assess the Member a reasonable penalty or fee.

**11. Suggested Retail Price.** The suggested retail price (the “SRP”) for the IntelliCAD Licensed Materials, Modifications, or Enhancements may be set periodically by the Board of Directors of the Consortium by resolution. The Consortium reserves the right to modify the SRP at any time. The SRP is for the standard version of IntelliCAD Licensed Materials. Independent of the SRP, Member is allowed to establish pricing for its sale of IntelliCAD Licensed Materials to End Users. Upon request, Member shall notify the Consortium of its IntelliCAD Licensed Materials pricing or any Derivative Works, Modifications and Enhancements thereto.

**12. Code of Conduct.** Member is prohibited and agrees, by virtue of its Membership Agreement, that it shall not make or publish any statement (orally or in writing) or instigate, assist or participate in the making or publication of any statement that would or could adversely affect, libel, slander, disparage (whether or not such disparagement legally constitutes libel or slander), or cast in a negative light (a) the IntelliCAD Base Software, the ArchT Software, IntelliCAD Licensed Materials or the Consortium, (b) any of the Consortium’s products, services, affairs or operations, or (c) the reputations of any of their past, present or future directors, officers, or employees, or (d) any Consortium member or member’s IntelliCAD based products.

**12.1 No Member Solicitation.** Member is prohibited from contacting other Consortium members with the express purpose of soliciting them to leave the Consortium or to use or distribute the member’s IntelliCAD based product as a replacement platform in direct competition with the Consortium. Penalty for violation is equal to the current annual commercial membership fee.

**12.1.1 API Libraries.** Member shall not release, distribute, or market a version of the ITC’s API libraries that contains modifications to the supplied APIs. Member further acknowledges that it may release, distribute, or make new APIs in addition to those supplied by the ITC.

**13. Release Dates.** The Consortium will set and announce release dates for new versions of IntelliCAD Base Software and/or ArchT Software along with specific lists of new features. Member shall not announce release dates or distribute any Modifications containing new version features without prior written permission from the Consortium. Release of periodic bug updates or patches by Member is allowed.

**14. Version Assignations, Member Identification and Software Naming.**

**14.1 Version Assignations.** The Consortium will determine the version assignation(s) for versions of IntelliCAD Base Software and ArchT Software.

**14.2 Member Identification.** All releases of any programs by Member containing all or any portion of the IntelliCAD Base Software or any other IntelliCAD Licensed Materials shall use the version assignation determined by the Consortium in its discretion. Member shall modify the “\_VENDORNAME system variable” in the IntelliCAD source code to reflect its entity names as registered with the Consortium. By way of example: “CADcompany IntelliCAD” or “CADcompany Plumbing”. Member may register one (1) company abbreviation with the Consortium which may be used in place of the complete company name (for example, “CADCo. IntelliCAD” or “CADCo Plumbing”).

**14.3 Naming of IntelliCAD Base Software and Derivative Works.** IntelliCAD Base Software and Derivative Works thereof may be named in three different manners:

**14.3.1** If Member uses, distributes, or sublicenses the IntelliCAD Base Software alone, it must combine the identifier “IntelliCAD” with the version assignment, as determined by the Consortium, which must be preceded with the name of the Member or the Member Application (for example: “[Member or Member Application] IntelliCAD Version [X.X]”).

**14.3.2** If Member uses, distributes, or sublicenses the IntelliCAD Base Software as part of any Member Application, it must use the term “Powered by IntelliCAD [Version] Technology” combined with the version assignment determined by the Consortium which must be preceded with the name of the Member Application (for example, “[Member Application] Powered by IntelliCAD [X.X] Technology”).

**14.3.3** If Member uses, distributes, or sublicenses a Derivative Work of the IntelliCAD Base Software, it must use the term “Based on IntelliCAD Technology” preceded with the name of the Member or the name of the Derivative Work (for example, “[Member or Derivative Work] Based on IntelliCAD Technology”).

## **15. Proprietary Rights Notices and Legends.**

**15.1 General Requirements.** In addition to the specific requirements regarding proprietary rights notices and legends as more fully set forth in these Membership Rules, Member and all of its Resellers and End Users (as applicable) shall:

**15.1.1** respect all copyright, trademark, patent, confidentiality, and all other proprietary rights notices and legends (hereinafter collectively referred to as “**Proprietary Rights Notices**”) of Consortium, its grantors, or any other party, appearing on or in any of the IntelliCAD Licensed Materials;

**15.1.2** not alter, conceal from view, or remove any Proprietary Rights Notices of Consortium, its grantors, or any other party, appearing on or in any of the IntelliCAD Licensed Materials; and

**15.1.3** include and reproduce all Proprietary Rights Notices of the Consortium, its grantors, and any other party that originally appeared in all IntelliCAD Licensed Materials (including all Proprietary Rights Notices in any Member Application) on

**15.1.3.1** all copies or modules of the IntelliCAD Licensed Materials, including as part of any Member Application, and

**15.1.3.2** all copies of or excerpts therefrom.

**15.2 Notice in Source Code.** Without in any way limiting the generality of the foregoing, Member shall assure that all source code versions of IntelliCAD Base Software, and all derivatives of the same created by or on behalf of Member, shall have the following specific Proprietary Rights Notices affixed in a prominent location in the media/code (including, but not

limited to, in the header and footer of all source code and at the beginning of each file in such code):

*“© 1999-[year of most recent version] The IntelliCAD Technology Consortium. All Rights Reserved. This program contains confidential and proprietary information of The IntelliCAD Technology Consortium, which is protected by copyright, trade secret, trademark, and other intellectual property rights under the laws of the United States, other nations, and international treaties.”*

**15.3 Notice on Packaging, Documentation, Marketing and Promotional Literature.** Without in any way limiting the generality of the foregoing, Member, shall assure that all packaging containing any IntelliCAD Licensed Materials, all Documentation and all marketing and promotional material of any kind associated with any IntelliCAD Licensed Materials shall contain the following statement:

*“IntelliCAD” and the IntelliCAD logo are registered trademarks of The IntelliCAD Technology Consortium in the United States and other countries.”*

Member must obtain the prior written consent of the Consortium (which may be withheld for any reason) for any abbreviated versions of the above statement.

**15.4 Notices in About Box.** Without in any way limiting the generality of the foregoing, Member shall include the following statement, marks, or information as part of product documentation (whether hard copy or electric) in its “about” box:

**15.4.1** *“© 1999-[year of most recent version] The IntelliCAD Technology Consortium. All Rights Reserved. “IntelliCAD” and the IntelliCAD logo are registered trademarks of The IntelliCAD Technology Consortium in the United States and other countries.”*

*“This software is based in part on the work of the Independent JPEG Group. DWG is the native file format for Autodesk® AutoCAD® software and is a trademark of Autodesk, Inc. IntelliCAD Technology Consortium is not affiliated with Autodesk, Inc.”*

**15.4.2** The IntelliCAD “i” logo mark, if Member uses the software identifier “IntelliCAD”;

**15.4.3** The legal and/or business name of the Member; and

**15.4.4** The Member’s contact email address, phone number, and/or website

**15.4.5** Member must obtain the prior written consent of the Consortium (which may be withheld for any reason) for any abbreviated versions of the above statement.

**15.5 Notices in Splash Screen.** Without in any way limiting the generality of the foregoing, Member shall include the following statements, marks, or information as part of product documentation (whether hard copy or electric) in its “Splash Screen”:

**15.5.1** “Copyright © 1999-[year of most recent version] The IntelliCAD Technology Consortium. All Rights Reserved.”;

**15.5.2** The version(s) assignment as determined by the Consortium; and

**15.5.3** The legal and/or business name of the Member sized to at least eight percent (8%) of the height of the splash screen.

**15.6 Language of Notices.** All Proprietary Rights Notices required by this Section 15 may be provided in another language, other than English, with prior written consent of the Consortium (which may be withheld for any reason).

**15.7 Compliance.** To assure compliance with all of the Membership Rules regarding Proprietary Rights Notices as set forth in this Section 15, at Consortium’s reasonable request, Member shall promptly furnish to the Consortium with samples of all such Proprietary Rights Notices contained in any products or programs released by the Member that contain, in whole or in part, any IntelliCAD Licensed Materials and/or Member Application distributed by Member. In the event Consortium, in its sole opinion, determines that Member is not in compliance with the provisions of this Section 15, or Sections 16 or 17 below, or with any other provisions of these Membership Rules or the Membership Agreement, Member shall, within a reasonable time to be determined by Consortium, make all such changes as directed by the Consortium.

## **16. Trademark Policy.**

**16.1 Limited License to Use Trademarks.** Subject to the terms and conditions of their Membership Agreement and these Membership Rules as they are amended from time to time, Member is granted a nonexclusive, royalty-free license for the term of their Membership Agreement to use and reproduce the following marks in connection with Member’s marketing, distribution and licensing of products containing or derived from the IntelliCAD Base Software and/or ArchT Software: (1) the Powered by IntelliCAD logo; (2) the Based on IntelliCAD log; (3) the Designed for IntelliCAD logo; and (4) the Solutions Development System (SDS).

**16.2 Consortium Trademark Guidelines.** For purposes of these Membership Rules, the terms “IntelliCAD Trademarks” shall mean all trademarks, service marks, and other trade names owned or controlled by the Consortium, including, but not limited “IntelliCAD,” the IntelliCAD “i” logo mark, “Powered by IntelliCAD,” “Based on IntelliCAD,” “Designed for IntelliCAD,” Solutions Development System (SDS), and “ArchT.” The Consortium’s current Trademark Guidelines are set forth in **Appendix “A”** attached hereto and by this reference incorporated herein (the “IntelliCAD Trademark Guidelines”). The Consortium has the rights, in its sole discretion, to amend the IntelliCAD Trademark Guidelines at any time and from time to time.

**16.3 Use of IntelliCAD Trademarks by Members.** Any rights granted to a Member to use any IntelliCAD Trademarks are, at all times, subject to Member’s strict compliance with the IntelliCAD Trademark Guidelines. Without limiting the generality of the foregoing, any use by a Member of any IntelliCAD Trademarks must maintain the quality and performance of such IntelliCAD Trademarks in accordance with the IntelliCAD Trademark Guidelines. Member must supply Consortium with suitable specimens of any and all uses of IntelliCAD Trademarks

by Member. Member shall fully correct and remedy any deficiencies in its use of IntelliCAD Trademarks and/or the quality of any IntelliCAD Licensed Materials used in conjunction with the IntelliCAD Trademarks, upon notice from Consortium. Failure to use the IntelliCAD Trademarks in accordance with the IntelliCAD Trademark Guidelines shall constitute a material breach of the Membership Agreement by Member.

**17. Internet Domains.** Member shall assign to the Consortium any rights its may have in any domain name or Universal Resource Locator (“URL”) containing “IntelliCAD” and/or “ArchT,” or any words, or combination of words, that may be confusingly similar to the same. Any refusal to assign such rights to the Consortium shall constitute a material breach of these Membership Rules and the Member’s Membership Agreement. The Consortium, at the Consortium’s sole discretion, may compensate Members (such compensation to be determined in the sole discretion by Consortium) who have registered such domain names or URLs. Some states and countries may not allow the assignment of domain names or URLs. In such cases, and with written authorization from the Consortium, Members may obtain ownership of such domain names and URLs to hold in favor of the Consortium. Member may not transfer or assign such domain names and URLs to third parties. The Consortium may, in its sole discretion, reimburse Member for registration fees.

**18. Product Submittal.** Member shall register its software releases at the Consortium web site.

**19. Modification/Bug Fixes.** As defined in the Membership Agreement, “Modification” includes corrections, bug fixes, or updates. The Consortium may, upon resolution of its Board of Directors, compensate Members and/or other parties for his/her/its Modifications. Further, the Consortium may, upon resolution of its Board of Directors, enter into modification agreements (compensated or otherwise) with Members and/or other parties.

## **20. Royalties**

**20.1 Membership Levels.** Two levels of Membership are available to all Members: royalty-free and royalty-based, subject to conditions outlined below.

**20.1.1 Royalty-free Membership level.** ITC Commercial Members subscribed to this Membership level are not subject to royalty payments on copies they sell, subject to the exclusions in 20.1.1.1. Additionally, the sales of these copies are not subject to any auditing provisions as described in 20.1.2. No further privileges or distinctions are associated with this Membership level. The amount of annual Membership fee is to be reviewed annually by the ITC Board of Directors.

**20.1.1.1 Exclusions to royalty-free Membership level.** ITC Commercial Members who sell IntelliCAD based software to other entities as OEM copy of IntelliCAD are not covered by royalty-free provision on these OEM sales, and such sales are subject to the same royalty payments and terms as expressed in 20.2.

**20.1.2 Royalty-based Membership level.** ITC Commercial Members, not eligible for the royalty-free level or otherwise finding this Membership level as better fitting their

business model, are subject to royalty payments as outlined below. The amount of annual Membership fee is to be set at 50% of the royalty-free Membership level fee.

**20.2 Royalty Payments.** ITC Commercial Members subscribed to royalty-based Membership level pay a royalty on all new copies of software licensed to end users. Royalties are not payable on updates or upgrades of existing IntelliCAD licenses. The royalty amount per copy will be determined for the following year by the Board of Directors prior to the end of the current fiscal year. If the Board makes no decision on the royalties for the following year, then the royalty amount will remain unchanged. Licenses sold or provided free to registered educational institutions will not incur a royalty. Royalty reports will be collected from the Members into a secure account by the Finance Manager, and accrued funds submitted on a quarterly basis as a single total to the ITC main bank account. Royalties are due 30 days after the end of each quarter. Failure to pay royalties will result in portal access restrictions and eventually a vote for Membership termination by the board of directors. Members will provide royalty reports in a form supplied to the Members similar to the example shown in Appendix "A". Royalty sales tracking starts January 1, 2012 and the first royalty payment report will be due May 1, 2012. Royalties for 2012 are set at ten (\$10) dollars per copy.

**20.3 Sales Records.** ITC Commercial Members are required to maintain sales records to confirm the number of licenses sold during the year for the calculation of royalties. These records must be available in the event that the Member is chosen for a sales audit. Sales records must be maintained for 3 years.

**20.4 Auditing Provisions.** The ITC will audit a minimum of 2 Members per year. One of the two Members will be randomly chosen from the top 10 selling Members each year. Other Members being audited will be chosen randomly from the Members. Audit results will be provided to the officers and the board. The audit results will only include the following information: Pass or Fail. A Member will be reported as fail if the audit finds a difference of more than 5% between the amount submitted by the Member and the audited results. If the Member fails the audit, then the officers and board will be advised as to the amount owing. Members who are audited and are found to be in arrears are required to make payments owing within 30 days of the audit report.

**20.5 Year End Totals.** Within 60 days after the end of each year, Members must provide a total to the ITC auditors so they can verify the amounts deposited by the Finance Manager on the Member's behalf. Failure to supply royalty report will result in portal access restrictions and eventually a recommendation for Membership termination by the board of directors.

**20.6 Royalty Security Provisions.** It is imperative that royalty numbers are not provided to the ITC officers or board of directors. The royalty numbers will only be seen by neutral parties, typically the ITC Finance Manager, President, and the ITC auditors. The royalty funds collected by the Finance Manager will be accrued in a separate, secure account that will be deposited in batch on a quarterly basis into the main ITC bank account. The Finance Manager will only report the seat total for all Members and the total amount of royalty funds deposited. The ITC auditors will compare these amounts with the royalty reports sent directly by the Members at the end of each year.

**21. Updating Legacy Distributions.** Members are encouraged to update legacy distributions to IntelliCAD 7.

**21.1** Eighteen months after the official release of IntelliCAD 7, all previous versions of the IntelliCAD source code will be declared "Legacy Code" and the IntelliCAD 7 source code declared "Current Code".

**21.2** Members will be allowed to create new products only based on Current Code.

**21.3** Products based on Legacy Code will be sold only to existing customers who already use products based on Legacy Code.

**21.4** Only products based on Current Code will be advertised on websites, in magazines, in marketing materials, and at trade shows.

**21.5** Only products based on Current Code will be offered in trial versions available as electronic downloads and transfers, and physical media.

**21.6** Members infringing these rules will be fined by the ITC \$10,000 USD for the first penalty, \$30,000 USD for the second penalty, and terminated from the ITC for the third penalty.

## **22. Membership Warranty Provision**

**22.1 Warranty Provision.** Upon membership subscription, a Commercial Member shall deposit \$2,500 into an ITC bank account as a warranty provision if they have not done so already. This amount shall be refunded upon Commercial Member termination only if the Commercial member is in compliance with all ITC Commercial Membership Agreement Terms and Membership Rules. In this case, a refund shall occur ninety (90) days after the membership termination date.

**22.2 Warranty Provisions Scope.** ITC shall use the warranty provision deposits with the sole and exclusive intent to support legal expenses on ITC Commercial Membership Agreement Terms and Membership Rules enforcement.

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## Appendix “A”

### **The IntelliCAD Trademark Guidelines**

Guidelines for use of the IntelliCAD Trademarks (as defined in Section 16.2 above):

- Member may use the IntelliCAD Trademarks solely on advertising, marketing, and collateral materials for the promotion of the IntelliCAD Licensed Materials, and in no other manner or for no other purpose.
- Member’s name and his/her/its mark must appear on any materials where the IntelliCAD Licensed Materials are used.
- The IntelliCAD Trademarks may not be used in any manner that expresses or might imply the Consortium’s affiliation, sponsorship, endorsement, certification, or approval, other than as expressly contemplated by the Membership Agreement or the Membership Rules.
- Member shall not use the IntelliCAD Trademarks in association with any third party trademarks in a manner that might suggest co-branding or otherwise create potential confusion as to source or sponsorship of the IntelliCAD Licensed Materials or ownership of IntelliCAD Trademarks.
- Member may use the IntelliCAD Trademarks only as provided by the Consortium electronically or in hard copy form. Except for size subject to the restrictions herein, the IntelliCAD Trademarks may not be altered in any manner, including proportions, colors, elements, etc., or animated, morphed, or otherwise distorted in perspective or dimensional appearance.
- The IntelliCAD Trademarks may not be combined with any other symbols, including words, logos, icons, graphics, photos, slogans, numbers, other design elements, trade names, business names, domain names, service names, logos, trade dress, or other trademarks.
- The IntelliCAD Trademarks may not be imitated in any of Member’s other materials.
- The IntelliCAD Trademarks may not be used as a design feature in any materials.
- The IntelliCAD Trademarks must stand alone. A minimum amount of empty space must surround the IntelliCAD Trademarks separating it from any other object, such as type, photography, borders, edges, and so on. The required area of empty space around the IntelliCAD Trademarks must be  $1/2x$ , where  $x$  equals the height of the IntelliCAD Trademark.
- The IntelliCAD Trademarks must include the appropriate ® symbol at least at the first and most prominent mention on each visually-distinguishable page of material.
- Each use of the IntelliCAD Trademarks must include the following notice: ***“IntelliCAD” and the IntelliCAD logo are registered trademarks of The IntelliCAD Technology Consortium in the United States and other countries.”***
- When involving the ArchT Software, each use of the IntelliCAD Trademarks must include the following notice: ***“IntelliCAD”, IntelliCAD logo and “ArchT” are registered trademarks of The IntelliCAD Technology Consortium in the United States and other countries.”***

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