



QGate Reseller Agreement
For QGate Software Limited

Agreement Number: PRO00001

Document Version 6.8

AGREEMENT

THIS AGREEMENT IS MADE ON THE 18 MARCH 2021 BETWEEN:

QGate Software Limited whose registered office is at: Ground Floor Cromwell House, 15 Andover Road, Winchester, England, SO23 7BT (**QGate**)

And

QGate Software Limited, Unit D2 Fareham Heights Standard Way Fareham Hampshire PO16 8XT United Kingdom,
(the **Reseller**)

BACKGROUND

QGate has agreed to appoint the Reseller as its non-exclusive Reseller to resell the Software in the Territory on the terms and conditions hereinafter contained.

1. DEFINITIONS AND INTERPRETATIONS

The following definitions apply in this agreement:

- Agreed Purposes:** in relation to Data Privacy, for the execution and management of the agreement, to include licence management, billing, and support.
- Base Rate:** means the base rate (or such other rate as in the reasonable opinion of QGate replaces it) of National Westminster Bank plc (or such other London Clearing Bank as QGate may nominate) from time to time in force;
- Controller, Data controller, Processor, Data processor, Data subject, Personal data, Processing and appropriate technical and organisational measures:** as set out in the Data Protection Legislation in force at the time.
- Data Protection Legislation:** the Data Protection Act 2018 which incorporates the General Data Protection Regulation (**GDPR**) and any national implementing laws, regulations and secondary legislation, for so long as the GDPR is effective in the UK.
- End User Price List:** means the published public end user pricing for the Software.
- Intellectual Property Rights:** patents, utility models, rights to inventions, copyright and neighbouring and related rights, moral rights, trademarks and service marks, business names and domain names, rights in get-up and trade dress, goodwill and the right to sue for passing off or unfair competition, rights in designs, rights in computer software, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how and trade secrets) and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world;
- License:** means a grant of rights to use the Software as provided by QGate and purchased on a perpetual, non-exclusive basis by licensees and provided, subject to terms hereunder, to Reseller
- Permitted Recipients:** the parties to this agreement, the employees of each party, any third parties engaged to perform obligations in connection with this agreement.
- Shared Personal Data:** the personal data to be shared between the parties under this agreement. Shared Personal Data shall be confined to the following categories of information relevant to the following categories of data subject: Names, and business related contact details, such as email(s), address(s), phone number(s).
- Software:** means the software products written by QGate including any components or other applications made available to the Reseller from time to time pursuant to this Agreement and all modifications, enhancements and replacements thereof and additions thereto provided by QGate. It includes any associated materials such as manuals, user guides and if provided source code;

Subscription: means a grant of rights to access and use Software as provided by QGate to subscribers as a service through or from cloud computing environments operated by QGate and, subject to terms hereunder, to Reseller.

Territory: means Worldwide

Clause, Schedule and paragraph headings shall not affect the following Interpretations of this agreement

- 1.1 A person includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).
- 1.2 The Schedules form part of this agreement and shall have effect as if set out in full in the body of this agreement. Any reference to this agreement includes the Schedules.
- 1.3 A reference to a company shall include any company, corporation or other body corporate, wherever and however incorporated or established.
- 1.4 Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.
- 1.5 Unless the context otherwise requires, a reference to one gender shall include a reference to the other gender.
- 1.6 This agreement shall be binding on, and ensure to the benefit of, the parties to this agreement and their respective personal representatives, successors and permitted assigns, and references to any party shall include that party's personal representatives, successors and permitted assigns.
- 1.7 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time and shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.8 A reference to writing or written includes email.
- 1.9 Any obligation on a party not to do something includes an obligation not to allow that thing to be done
- 1.10 A reference to this agreement or to any other agreement or document referred to in this agreement is a reference of this agreement or such other agreement or document as varied or novated (in each case, other than in breach of the provisions of this agreement) from time to time.
- 1.11 References to clauses and Schedules are to the clauses and Schedules of this agreement and references to paragraphs are to paragraphs of the relevant Schedule.
- 1.12 Any words following the terms including, include, in particular, for example or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

2. APPOINTMENT

- 2.1 QGate hereby appoints the Reseller and the Reseller hereby agrees to act as the non-exclusive Reseller of QGate to represent the Software in the Territory.
- 2.2 This Agreement shall commence on the date hereof for an initial period of one year and shall continue thereafter unless or until terminated by either party giving to the other not less than 3 months' written notice expiring on or at any time after the last day of the said initial period, but shall be subject to earlier termination as hereinafter provided.
- 2.3 The Reseller represents and warrants to QGate that it has the ability and experience to carry out the obligations assumed by it under this Agreement and that by virtue of entering into this Agreement it is not and will not be in breach of any express or implied obligation to any third party binding upon it.
- 2.4 The Reseller shall not be entitled to assign or sub-contract any of its rights or obligations under this Agreement or appoint any agent to perform such obligations without the prior written consent of QGate. Notwithstanding the foregoing, the Reseller may assign its

rights and obligations under this Agreement without approval of QGate to an entity that acquires all or substantially all of the assets of the Reseller or to and subsidiary or affiliate or successor in a merger, acquisition or change of control of the Reseller

3. RIGHTS

- 3.1 QGate hereby grants to the Reseller the right to resell the Software to the Reseller's customers.
- 3.2 The Reseller will make the Software available to the Reseller's customers in the form available from QGate only.

4. RESELLER'S OBLIGATIONS

- 4.1 The Reseller shall be entitled to demonstrate the Software to any bona fide prospective licensee or subscriber.
- 4.2 The Reseller shall:
 - 4.2.1 At all times conduct its business in a manner that will reflect favourably on the Software and on the good name and reputation of QGate;
 - 4.2.2 Use QGate's trademarks and trade names relating to the Software only in the registered style or such other style used by QGate and shall not use such trademarks or trade names in connection with any other software or services or as part of the corporate or any trade name of the Reseller;
 - 4.2.3 Use its best endeavours to promote and extend the licensing of the Software throughout the Territory;
 - 4.2.4 At all times display, demonstrate and otherwise represent the Software fairly in comparison with competitive products from other suppliers;
 - 4.2.5 At all times employ a sufficient number of staff who are capable of competently demonstrating the Software to prospective licensees;
 - 4.2.6 At all times maintain adequate demonstration facilities for the Software;
 - 4.2.7 Supply to QGate such reports, returns and other information relating to orders and projected orders for the Software and regarding licensees as QGate may from time to time reasonably require;
 - 4.2.8 Not make any promises or representations or give any warranties, guarantees or indemnities in respect of the Software except such as are contained in the QGate End User License Agreement, or End User Subscription Agreement or as expressly authorised by QGate in writing;
 - 4.2.9 Not alter, obscure, remove, interfere with or add to any of the trademarks, trade names, markings or notices affixed to or contained in the Software delivered to or accessed by the Reseller or its customers;
 - 4.2.10 Not by itself or with others participate in any illegal, deceptive, misleading or unethical practices including, but not limited to, disparagement of the Software or QGate or other practices which may be detrimental to the Software, QGate or the public interest;
- 4.3 Allow not more than once in each period of twelve months, QGate or its authorised agents may at any time request any reasonable information for the purpose of ascertaining that the Reseller is complying with its obligations under this Agreement. The Reseller shall provide this information within 7 working days of the request being made
- 4.4 Any review, request for information or audit conducted by QGate in accordance with clause 4.2.7 or 4.3 must
 - 4.4.1 not cause business interruption to the Reseller;
 - 4.4.2 be conducted expeditiously, efficiently and during reasonable business hours;
 - 4.4.3 where conducted by an authorised agent of QGate, not be conducted by a competitor of the Reseller;

- 4.4.4 not include access to certain categories of information reasonably specified by the Reseller including, without limitation, proprietary data, information subject to legal professional privilege, information from the Reseller's internal audits, information about the Reseller's costs or margins or information that is commercially confidential or sensitive.

5. PAYMENTS

- 5.1 Licenced (Perpetual) Software – Existing Legacy Customers Only.
 - 5.1.1 In support of existing legacy customers only, perpetual Licences will continue to be provided, subject to 5.3 below, Reseller agrees to pay to QGate for each perpetual License of the Software provided by QGate to the Reseller's customers the amount as shown on QGate's published End User Price List, including associated support and maintenance fees, minus the margin as defined in Schedule A.
 - 5.1.2 QGate shall give the Reseller at least 60 days' advance notice of any change to such price list.
- 5.2 Subscription Software
 - 5.2.1 In relation to sales of Subscription Software, QGate shall invoice and collect payment from the Reseller.
 - 5.2.2 The default monthly payment option will be via secure credit card facilities. Should the Reseller (or Resellers Customer) prefer Quarterly or Annual billing this will be considered on a case-by-case basis.
 - 5.2.3 The charges will be based on the published End User pricing minus the partner margin as defined in Schedule 1.
- 5.3 If the Reseller fails to make any payment to QGate under this Agreement on the due date then, without prejudice to any other right or remedy available to QGate, QGate shall be entitled to:
 - 5.3.1 Suspend the performance or further performance of its obligations under this Agreement or any other agreement between the Reseller and QGate without liability to the Reseller. This may include but not limited to access to support, suspension/cancellation of subscription-based services to the Resellers customers.
 - 5.3.2 Charge the Reseller interest (both before and after any judgment) on the amount outstanding on a daily basis at the an annual rate of 4% above the Base Rate, such interest to be calculated from the date or last date for payment thereof to the date of actual payment (both dates inclusive) compounded quarterly. Such interest shall be payable on demand by QGate.
 - 5.3.3 Demand payment in advance for further orders before product licensing is provided by QGate.
- 5.4 All amounts payable under this Agreement are exclusive of any Value Added Tax and/or other applicable sales taxes, which the invoicing party may be additionally liable to collect and pay dependent on the local tax rules.

6. WARRANTY

- 6.1 The Reseller expressly agrees and acknowledges that no condition, warranty or representation of any kind is or has been given by or on behalf of QGate in respect of the Software with respect thereto and accordingly the Reseller confirms that it has not, in entering into this Agreement, relied on any condition, warranty or representation by QGate or any person on QGate's behalf, express or implied, whether arising by law or otherwise in relation to the Software, including, without limitation, conditions, warranties or representations as to the description, quality or fitness for any purpose, of the Software and the benefit of any such condition, warranty or representation by QGate is hereby irrevocably and unconditionally waived by the Reseller. To the extent permissible under applicable law, the Reseller hereby also waives any rights which it may have in tort in respect of any of the matters referred to above and irrevocably agrees that QGate shall have no greater liability in tort in respect of any such matter than it would have in contract after taking account of all of the foregoing exclusions. No third party making any representation or warranty relating to the Software is the agent of QGate nor has any such third party authority to bind QGate thereby.

- 6.2 The warranties set out in any End User agreement (License or Subscription) relating to the Software be subject to the limitations set out therein and QGate shall have no liability or obligations under the said warranties other than to remedy breaches thereof by the provision of Software within a reasonable time and without charge to the Reseller. If QGate shall fail to comply with such obligations its liability for such failure shall be limited to a sum equal to the amount paid by the Reseller's customer to QGate for the Software. The foregoing states the entire liability of QGate, whether in contract or tort, for defects and errors in the Software.
- 6.3 The Reseller hereby warrants to QGate that the Reseller has not been induced to enter into this Agreement by any prior representations or warranties, whether oral or in writing, except as specifically set out in this Agreement and the Reseller shall have no right to claim damages for any misrepresentation not contained in this Agreement or for breach of any warranty not contained herein (unless such misrepresentation or warranty was made fraudulently) and/or to rescind or terminate this Agreement other than as provided in Clauses 2.3 and 10.1 of the Agreement.

7. PROPRIETARY RIGHTS

- 7.1 The Software and the Intellectual Property Rights therein are and shall remain the property of QGate and its licensors and QGate reserves the right to grant licences to other third parties.
- 7.2 QGate shall indemnify the Reseller against any damages awarded against, and costs payable by, the Reseller in connection with a successful claim or settlement that the normal access, use or possession of the Software infringes the intellectual property rights of any third party provided that QGate is given immediate and complete control of such claim, that the Reseller does not prejudice QGate's defence of such claim, that the Reseller gives QGate all reasonable assistance with such claim and that the claim does not arise as a result of the use of the Software in combination with any equipment or programs not supplied or approved by QGate or any modifications made to the Software by the Reseller or End User. QGate shall have the right to replace or change all or any part of the Software in order to avoid any infringement. The foregoing states the entire liability of QGate to the Reseller in respect of the infringement of the Intellectual Property Rights of any third party.

8. 3RD PARTY SOFTWARE

- 8.1 To enable connectivity to certain telephone systems, QGate works with 3rd party providers who provide additional connectivity options.
- 8.2 QGate will provide the Go Connect Server solution from Mondago Limited, to enable connectivity to legacy, primarily on-premise systems, at no additional cost, as required.
- 8.3 QGate is an authorised distributor of the Go Connect Server, as such has no ownership or rights to this or other such 3rd party products other than those right of distribution. All IP and copyrights etc remain with the authors.
- 8.4 Equally the Reseller cannot make any claim of ownership or rights to such products.

9. RESELLER'S INTERNAL USE RIGHTS

- 9.1 To enable the Reseller to become familiar with and to be able to demonstrate the Software, QGate agrees to allow the use of certain QGate Software within either:
- 9.1.1 The Reseller's own production installation
 - 9.1.2 Demonstration installations
- 9.2 Under these terms the Reseller will be allowed internal use rights to the Software according to Schedule A, Section 2.

- 9.3 For the avoidance of doubt, these Internal Use Rights do not permit any direct commercial offering or service, such as in the use of rechargeable services. An example of prohibited use would be the use of Paribus 364 Data Cleaning to carry out chargeable data services to the Reseller's customers.
- 9.4 For any Software use under these terms no charge will be incurred in the first year of this Agreement. For subsequent years internal use will be continued at no cost to the Reseller providing the Reseller has generated a minimum of £5,000 revenue to QGate of total sales of Software Licenses or Subscriptions within the preceding 12 months period.
- 9.5 Should the minimum revenue amount not be reached QGate reserves the right to revoke the Internal Use Rights. Notice will be given in writing of this action to the Reseller at the address contained within this Agreement.
- 9.6 At the point of revocation, the Reseller may purchase Licenses or Subscriptions should they wish to continue use of Software and the Reseller's commission and/or margin will be applied to any such purchases.
- 9.7 Should the Reseller wish to increase the number licences for internal use, they will be able to purchase additional licences at the End User Price minus the Reseller margin.

10. ALTERATIONS

- 10.1 Except only to the extent and in the circumstances expressly required to be permitted by QGate by law or as permitted by this Agreement, the Reseller shall not copy, alter, modify, adapt or translate the whole or any part of the Software in any way whatever or permit the whole or any part of the Software to be combined with or become incorporated in any other computer programs, or decompile, disassemble or reverse engineer the same nor attempt to do any of such things.
- 10.2 To the extent that the law grants the Reseller the right to decompile the Software in order to obtain information necessary to render the Software interoperable with other computer programs used by the Reseller, QGate hereby undertakes to make that information readily available to the Reseller. QGate shall have the right to impose reasonable conditions such as a reasonable fee for doing so. In order to ensure that the Reseller receives the appropriate information, the Reseller must first give QGate sufficient details of the Reseller's objectives and all other software concerned. Requests for the appropriate information should be given by notice to QGate in accordance with this Agreement.

11. TERMINATION

- 11.1 Either Party may terminate this Agreement forthwith on giving notice in writing to the other Party if:
 - 11.1.1 the other Party commits any material breach of any term of this Agreement and (in the case of a breach capable of being remedied) shall have failed, within 30 days after the receipt of a notice in writing from the Party serving the notice, to remedy the breach, or
 - 11.1.2 the other Party shall have a receiver or administrative receiver appointed of it or over any part of its undertaking or assets or shall pass a resolution for winding up (otherwise than for the purpose of a bona fide scheme of solvent amalgamation or reconstruction) or a court of competent jurisdiction shall make an order to that effect or if the other Party shall enter into any voluntary arrangement with its creditors or shall become subject to an administration order or shall cease to carry on its business, or
 - 11.1.3 fails to place orders to the minimum value as required under Clause 9.4 for any 2 consecutive years during the term of this Agreement.
- 11.2 Forthwith upon the termination or expiry of this Agreement the Reseller shall return to QGate the Software and all copies of the whole or any part thereof in its possession or control or, if requested by QGate, shall destroy the same (in the case of the Software by

erasing them from the magnetic media on which they are stored) and certify in writing to QGate that they have been so destroyed or erased.

- 11.3 Any termination of the rights granted under this Agreement (howsoever occasioned) shall not affect any accrued rights or liabilities of either party nor shall it affect the coming into force or the continuance in force of any provision hereof which is expressly or by implication intended to come into or continue in force on or after such termination.

12. MISCELLANEOUS

- 12.1 For the avoidance of doubt, this Agreement expressly excludes any provision of professional services supplied by QGate to Reseller or to Reseller's customers for the implementation or customisation of either Software or Service products and, if such services are required, these should be supplied under the terms of a separate services agreement.
- 12.2 Notwithstanding anything else contained in this Agreement, neither party shall be liable for any failure or delay in performing its obligations due to circumstances beyond such party's control, including acts of God, acts of government, flood, fire, earthquakes, civil unrest, acts of terror or, strikes (excluding those involving such party's employees)."
- 12.3 Notwithstanding anything else contained in this Agreement, neither party shall be liable to the other party for loss of profits or contracts or other indirect or consequential loss whether arising from negligence, breach of contract or howsoever.
- 12.4 No forbearance, delay or indulgence by either party in enforcing the provisions of this Agreement shall prejudice or restrict the rights of that party nor shall any waiver of its rights operate as a waiver of any subsequent breach and no right, power or remedy herein conferred upon or reserved for either party is exclusive of any other right, power or remedy available to that party and each such right, power or remedy shall be cumulative.
- 12.5 This Agreement supersedes all prior agreements, arrangements and understandings between the parties and constitutes the entire agreement between the parties relating to the subject matter hereof. No addition to or modification of any provision of this Agreement shall be binding upon the parties unless made by a written instrument signed by a duly authorised representative of each of the parties.
- 12.6 Notwithstanding that the whole or any part of any provision of this Agreement may prove to be illegal or unenforceable the other provisions of this Agreement and the remainder of the provision in question shall remain in full force and effect.
- 12.7 All notices which are required to be given hereunder shall be in writing and shall be sent to the address of the recipient set out in this Agreement or such other address in England as the recipient may designate by notice given in accordance with the provisions of this Clause. Any such notice may be delivered personally or by first class pre-paid letter or facsimile transmission and shall be deemed to have been served if by hand when delivered, if by first class post 48 hours after posting and if by facsimile transmission when despatched.

13. PRIVACY AND DATA PROTECTION

- 13.1 This sets out the framework for the sharing of personal data between the parties as data controllers. Each party acknowledges that one party (the **Data Discloser**) will regularly disclose to the other party (the **Data Recipient**) Shared Personal Data collected by the Data Discloser for the Agreed Purposes.
- 13.2 Each party shall comply with all the obligations imposed on a controller under the Data Protection Legislation, and any material breach of the Data Protection Legislation by one party shall constitute a material breach for the purposes of Clause 11.1.1.
- 13.3 Each party shall:

- 13.3.1 Ensure that it has all necessary consents and notices in place to enable lawful transfer of the Shared Personal Data to the Data Recipient for the Agreed Purposes;
- 13.3.2 Give full information to any data subject whose personal data may be processed under this agreement of the nature such processing. This includes giving notice that, on the termination of this agreement, personal data relating to them may be retained by or, as the case may be, transferred to one or more of the Permitted Recipients, their successors and assignees;
- 13.3.3 Process the Shared Personal Data only for the Agreed Purposes;
- 13.3.4 Not disclose or allow access to the Shared Personal Data to anyone other than the Permitted Recipients;
- 13.3.5 Ensure that all Permitted Recipients are subject to written contractual obligations concerning the Shared Personal Data (including obligations of confidentiality) which are no less demanding than those imposed by this agreement;
- 13.3.6 Ensure that it has in place appropriate technical and organisational measures, reviewed and approved by the other party, to protect against unauthorised or unlawful processing of personal data and against accidental loss or destruction of, or damage to, personal data; and
- 13.3.7 Not transfer any personal data outside of the European Economic Area unless the transferor:
 - 13.3.7.1 Complies with the provisions of Article 26 of the GDPR (in the event the third party is a joint controller); and
 - 13.3.7.2 Ensures that (i) the transfer is to a country approved by the European Commission as providing adequate protection pursuant to Article 45 of the GDPR; (ii) there are appropriate safeguards in place pursuant to Article 46 of the GDPR; or (iii) one of the derogations for specific situations in Article 49 of the GDPR applies to the transfer.
- 13.4 Each party shall assist the other in complying with all applicable requirements of the Data Protection Legislation. In particular, each party shall:
 - 13.4.1 Consult with the other party about any notices given to data subjects in relation to the Shared Personal Data;
 - 13.4.2 Promptly inform the other party about the receipt of any data subject access request;
 - 13.4.3 Provide the other party with reasonable assistance in complying with any data subject access request;
 - 13.4.4 Not disclose or release any Shared Personal Data in response to a data subject access request without first consulting the other party wherever possible;
 - 13.4.5 Assist the other party, at the cost of the other party, in responding to any request from a data subject and in ensuring compliance with its obligations under the Data Protection Legislation with respect to security, breach notifications, impact assessments and consultations with supervisory authorities or regulators;
 - 13.4.6 Notify the other party without undue delay on becoming aware of any breach of the Data Protection Legislation;
 - 13.4.7 At the written direction of the Data Discloser, delete or return Shared Personal Data and copies thereof to the Data Discloser on termination of this agreement unless required by law to store the personal data;
 - 13.4.8 Use compatible technology for the processing of Shared Personal Data to ensure that there is no lack of accuracy resulting from personal data transfers;
 - 13.4.9 Maintain complete and accurate records and information to demonstrate its compliance with this Clause;
 - 13.4.10 Provide the other party with contact details of at least one employee as point of contact and responsible manager for all issues arising out of the Data Protection Legislation, including the joint training of relevant staff, the procedures to be

followed in the event of a data security breach, and the regular review of the parties' compliance with the Data Protection Legislation.

13.5 Each party shall indemnify the other against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other reasonable professional costs and expenses) suffered or incurred by the indemnified party arising out of or in connection with the breach of the Data Protection Legislation by the indemnifying party, its employees or agents, provided that the indemnified party gives to the indemnifier prompt notice of such claim, full information about the circumstances giving rise to it, reasonable assistance in dealing with the claim and sole authority to manage, defend and/or settle it.

14. NON-SOLICITATION

14.1 Neither party shall without the prior written consent of the other party, solicit or entice away from the other party, any person who is, or has been engaged as an employee, consultant or subcontractor by the other party in the provision of the execution of this agreement.

14.2 This non-solicitation clause will be effective from the date on which any Works commences, up to the date 12 months after the termination of the agreement.

15. FORCE MAJEURE

15.1 A party shall not be liable for any failure of or delay in the performance of this agreement for the period that such failure or delay is:

15.1.1 beyond the reasonable control of a party;

15.1.2 materially affects the performance of any of its obligations under this agreement; and

15.1.3 could not reasonably have been foreseen or provided against.

16. GOVERNING LAW

16.1 This agreement and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.

17. JURISDICTION

17.1 Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this agreement or its subject matter or formation.

In witness whereof the parties have executed this Agreement comprising the conditions and the Schedules attached hereto.

Signed for and on behalf of :	QGate Software Limited
Signature	
Print name	

Job Title	
Date	

Signed for and on behalf of :	QGate Software Limited
Signature	
Print name	
Job Title	
Date	

Schedule 1 – Reseller Margin and Internal Use Rights

1. DETAILS OF THE RESELLER MARGIN

Software Licence Type	Notes	Margin
Subscription	The Partner will be charged published End User Pricing, minus the Margin	15%
License (Perpetual Legacy Customers only)	<p>Margin will apply to license sale and the first year's maintenance fees.</p> <p>At QGate's ongoing discretion, and on a customer-specific basis, subsequent year's maintenance fees may also be billed by Partner to their customers and, in those cases, the same margin shall apply to the fees charged. In cases where QGate assumes responsibility for the delivery of all support and maintenance and bills customers directly for those services, no margin will be due to the Partner</p>	25%

2. DETAILS OF INTERNAL USE RIGHTS

Product	Type of Instance/Use	# Users	Period
Paribus 365 Data Cleansing	One internal production instance	1	2 months in any calendar year
Paribus 365 Search & Detect	One Internal production instance	25	12 Months
	One Demonstration instance	3	12 months
intelli-CTi	One Internal production instance	10	12 months

Notes:

- 1. Internal use of Paribus 365 Data Cleansing is for 2 months use within any 12-month period for the duration that the partner retains the IUR based on the revenue requirements. It is prohibited to use the IUR licences to provide services to customers, i.e. outside of the partners own CRM system.**
- 2. Paribus 365 Data Cleansing and intelli-CTi have evaluation modes allowing licence free demonstrations.**
- 3. Additional production Internal User Rights Subscriptions can be purchased by the Reseller at a margin of 25%**