



CHANNEL PARTNER AGREEMENT

This Channel Partner Agreement (“Agreement”) is entered into as of the Effective Date by and between Authentium Inc, a Delaware corporation, (“Authentium”) and the Channel Partner identified below (“Partner”). Authentium or Partner may be referred to as a “party” or as the “parties.”

Partner (Company) Name:

Agreement Effective Date:

Partner’s Territory:

Partner Tax ID Number:

Partner Level	<input checked="" type="checkbox"/>
Partner - Silver	<input type="checkbox"/>
Partner - Gold	<input type="checkbox"/>
Partner - Platinum	<input type="checkbox"/>
Distributor Silver	<input type="checkbox"/>
Distributor - Gold	<input type="checkbox"/>
Distributor- Platinum	<input type="checkbox"/>

Agreement Signatures:

Address for Authentium:	Address for Partner:
Authentium, Inc.	
7121 Fairway Drive	
Palm Beach Gardens, FL 33418 USA	
Name:	Name:
Title:	Title:
Date:	Date:
Phone:	Phone:
Email:	Email:
Signature:	Signature:

1. **DEFINITIONS:** In addition to the other definitions contained in this Agreement and attachments hereto, the following definitions apply:
- 1.1. **“Active License”** means one installation of Product on one PC or server which has not been deactivated and uninstalled.
 - 1.2. **Authentium Master Server (AMS)** means the licensing and update management system for the Authentium ESP Software.
 - 1.3. **“Confidential Information”** means confidential, nonpublic or other proprietary information including, without limitation, trade secrets, technical information, including algorithms, code, data, designs, documentation, drawings, formulae, hardware, know-how, ideas, inventions, whether patentable or not, photographs, plans, procedures, processes, reports, research, samples, sketches, software, specifications, business information, including customer and distributor names, marketing information, operations, plans, products, financial information, including pricing and other confidential information that is disclosed under the terms of this Agreement by one party hereto to the other. Confidential Information shall not include information which: (a) the recipient can demonstrate was already in its possession before receipt from the discloser; or (b) is or becomes publicly available through no fault of the recipient; or (c) is rightfully received by the recipient from a third party without a duty of confidentiality; or (d) is disclosed by the discloser to a third party without a duty of confidentiality on the third party; or (e) is independently developed by the recipient without a breach of this Agreement; or (f) is disclosed by the recipient with the discloser’s prior written approval.
 - 1.4. **“Customer(s)”** means end user(s) who license and/or purchase Authentium Products and/or services from the Partner for personal or ordinary business use and not for further distribution.
 - 1.5. **“Documentation”** means the tangible and/or electronic editions or versions of the instructions and manuals authorized by Authentium for use with the Products, which may be amended from time to time by Authentium.
 - 1.6. **“Documentation Error”** means a failure of the Documentation to accurately describe the functionality as described in the Software; or a failure of the Documentation to enable the intended user to correctly operate the Object Code.
 - 1.7. **“Effective Date”** means the date that Authentium signs this Agreement.
 - 1.8. **“Error”** means a Documentation Error or Code Error.
 - 1.9. **“License Agreement”** shall mean for each Product and Software the then current End User License Agreement(s) (amended from time to time) as set forth on the Partner area of the Authentium’s website located at www.Authentium.com.
 - 1.10. **“Maintenance Contract(s)”** means agreements with Authentium, any subsidiary or affiliate concerning Product support, maintenance and/or subscription Upgrades.
 - 1.11. **“Object Code”** means computer programming object code, which is substantially or entirely in binary form, which is directly executable by a computer without the intervening steps of compilation or assembly.

- 1.12. **“Product(s)”** means collectively the Software, any third-party software, Upgrades, Documentation, Maintenance Contracts and services available to Partner for resale or sublicense to Customers from time to time.
- 1.13. **“RMA”** means a Product return materials authorization number assigned by Authentium.
- 1.14. **“Software”** means commercially available for distribution software products, any Authentium proprietary software product, Third party product, functional modules which add-on to Authentium products, Documentation, Software Upgrade and any other Authentium software product that is subsequently offered and added to this Agreement as a Product.
- 1.15. **“Source Code”** means the high-level human-readable version of software (including the Software), whether in print, magnetically stored, or in some other form, and related materials, including without limitation, comments, flow charts, internal documentation and manuals, and implementation specifics.
- 1.16. **“Territory”** means the world geographic region(s) where Partner may market the Products on a non-exclusive basis, as identified on the signature page to this Agreement. The Territory may be reevaluated and adjusted by Authentium from time to time.
- 1.17. **“Upgrade”** means maintenance modifications and enhancements that modify the Products. Upgrade excludes major releases of the Products.

2. APPOINTMENT AS PARTNER

- 2.1. Authentium grants, and Partner accepts, appointment as an authorized, non-exclusive reseller of Products to be resold, licensed, or sublicensed, either directly or indirectly to Customers, as applicable, in the Territory. Authentium reserves the right to distribute the Products through additional channels of distribution. Partner is an independent contractor. Nothing in this Agreement or in the conduct of the parties shall be construed to create a partnership, joint venture, employer-employee or agency relationship between the parties. Partner shall not represent itself as having and shall not have any power or authority to enter into agreements of any kind on behalf of Authentium.

3. LICENSE

- 3.1. **License.** Subject to (a) the terms and conditions of this Agreement, and (b) full payment for the Products (including Maintenance Contracts), Authentium hereby grants to Partner, and Partner accepts, a non-transferable, nonexclusive right and license to sell the Products and grant sublicenses to the Authentium Software and third-party software, in Object Code only, to Partner’s Customers for delivery and use in the Territory.
- 3.2. **Sublicense Agreements.** Partner shall use commercially reasonable efforts to enforce each Software end user license agreement, as applicable, provided that those agreements are enforceable in the jurisdiction where Customer resides, or (1) conform to the requirements of the applicable laws of the country where the Customer resides; (2) have the same legal force and effect in such country as the corresponding provisions in the United States; and (3) contain substantially

similar terms as those set forth in the applicable License Agreement or the third-party software license agreement, to at a minimum: Grant a sublicense with restrictions specified therein, not a transfer of ownership, to the Customer and preserve all copyright and other intellectual property rights and notices of Authentium and its licensors; and Prohibit reverse assembly, reverse compiling or undertaking to or translating the Software; deriving or obtaining any Source Code, structure, algorithms, processes, techniques, technology or know-how underlying or contained in the Software; altering, copying, using, modifying or creating any derivative works of any portion of the Software; or allowing or assisting any other person to do any of the foregoing.

- 3.3. **Partner Branding and Modifications.** In the event that the Partner orders Branding Services for brandable Software, Partner may provide Authentium with its logo (the “Partner Branding”), and upon receiving the Partner Branding, Authentium shall use commercially reasonable efforts to incorporate the Partner Branding in the Software in a location and with prominence determined in the reasonable discretion of Authentium and such rebranded version shall for purposes of this Agreement be deemed the Authentium Software. Pricing for branding services is detailed in Exhibit D. Partner may not in any manner modify the Authentium Software, or any part thereof, including without limitation to modify or suppress any branding of Authentium or the End User License Agreement between Authentium and end users of the Authentium Software. Partner hereby grants Authentium a non-transferable, non-exclusive license, during the term of this Agreement, to use the Partner Branding on and in the Authentium Software licensed under this Agreement and any Documentation provided by Authentium to Partner. Authentium agrees not to register and agrees not to authorize any third party to register the any of the Partner Branding (or any variations thereof) without Partner’s express prior written consent.
- 3.4. **Rights Reserved.** Except as expressly set forth herein, no other rights or licenses are granted to Partner.

4. **INTELLECTUAL PROPERTY RIGHTS**

- 4.1. **Ownership.** This Agreement shall not provide Partner with title to or ownership of the Product, Software, AMS or Documentation, but only a limited right to use and sub-license the Product and Software and use and copy the documentation as provided. Partner shall keep the Product and Software free and clear of all claims, liens and encumbrances. Partner acknowledges and agrees that the copyright, patent, trade secret and all other intellectual property rights of whatever nature in the Product, Software and Documentation are and shall remain the property of Authentium or the third party Product, Software or Documentation provider, and nothing in this Agreement may be construed as transferring any aspects of such rights to Partner or any third party.
- 4.2. **Trademarks.** Partner acknowledges that: (i) except for the non-proprietary portion of the Products, Authentium owns all right, title and interest in the Authentium name, the names of its subsidiaries and Product names, logotypes and trademarks and is the owner of certain other registered and/or common law trademarks, tradenames and servicemarks (“Trademarks”); and (ii) Partner will not use or acquire any interest in any of the Trademarks, or third-party

trademarks or trade names by virtue of this Agreement, or the activities of either party to this Agreement. Partner shall not change or remove any Trademarks or other proprietary notices on any Product, or any third-party trademarks or proprietary notices on, or contained within any Product.

- 4.3. **Partner Marks.** Authentium acknowledges that (i) the Partner owns all right, title and interest in the Partner's name and logotype and (ii) Authentium will not acquire any interest in the Partner name or mark by virtue of this Agreement or the activities of either party to this Agreement.

5. **AUTHENTIUM'S RESPONSIBILITIES**

- 5.1. **Prices.** Authentium shall provide Partner with Authentium's current Price List, attached hereto as Exhibits C and D, which may change from time to time pursuant to the terms of this Agreement.
- 5.2. **Authorized Returns.** Authentium shall issue an RMA to Partner pursuant to this Agreement only for defective Product(s) that are still under warranty; provided that any claims or rights that Partner may have with respect to Products are subrogated and assigned to Authentium and Partner provides evidence thereof to Authentium prior to the issuance of an RMA. Prior to issuance of an RMA Partner shall cooperate with Authentium to attempt correction of any real or perceived defect.
- 5.3. **Technical Support;** Authentium shall provide technical support to Partner for currently supported Products in accordance with Exhibit C.
- 5.4. **Update.** For the term of this agreement and for such time as each Customer's license remains in effect, Authentium shall provide to Partner, Updates to the Software as commercially released by Authentium for distribution to Partner's Customers..
- 5.5. **Marketing Materials.** Authentium shall provide marketing materials consistent with Partner's Partner Program Appointment Level.
- 5.6. **Marketing Co-op.** Provided the Partner complies with all the terms and conditions of this Agreement, including without limitation, payment for the Products on time, the Partner is entitled to participate in Authentium's Marketing Co-op Program. Authentium will reimburse Partners and Distributors 50% of Partner's actual marketing expenses in the Territory, up to 1% of Partner's gross quarterly Authentium product revenue in accordance with Exhibit B. All Co-op marketing requests must be pre-approved by Authentium in writing prior to expenditure, and will operate on a quarter-by-quarter basis. Available Co-op marketing funds must be used during the 2 quarters immediately following the quarter in which they were earned. Any Co-op marketing funds not used within the aforementioned 2 quarter limit will become void and will no longer be available to Partner in any subsequent quarter.

6. **PARTNER'S RESPONSIBILITIES**

- 6.1. **Sales & Marketing.** Partner shall aggressively promote the resale, licensing and/or sublicensing of Products to Customers through promotional activities, advertisements and sales calls in order to achieve the Quarterly Sales Objectives set forth herein.

- 6.2. **Training.** Partner shall participate in Authentium training programs for sales and support. In order to become a Authentium Partner and maintain a Authentium Partner status, Partner must establish and maintain throughout the term of this Agreement Authentium technical certified resources as listed in Exhibit A.
- 6.3. **Technical Support to Customers.** Partner shall provide Level 1 Support to Customers described hereunder. Partner shall assist the Customer with proper installation and network integration of the Products. Level 1 Support is further defined as “known problem and known solution.” Level 1 Support includes at a minimum, but is not limited to, the following:
- 6.3.1. Advising Customers on all available enhancements to the Products, including Upgrades.
- 6.3.2. Advising Customers on the proper installation, configuration and administration of the Products.
- 6.3.3. Properly identifying and prioritizing Product issues into one of the following categories:
- 6.3.3.1. High Priority: High Priority is defined as an emergency condition which causes critical impact to a Customer or which makes the performance or continued performance of any one or more functions of the Product impossible.
- 6.3.3.2. Medium Priority: Medium Priority is defined as a condition which significantly affects a Customer or which makes the performance or continued performance of any one or more functions of the Product difficult and cannot be circumvented or avoided on a temporary basis
- 6.3.3.3. Low Priority: Low priority is defined as a Documentation Error or a limited problem condition which is not critical and which may be circumvented or avoided on a temporary basis. Creating an accurate, succinct description of the issue which should include verification of Product site identification number, Product serial number and/or version.
- 6.4. **Sales Forecast.** Partner shall provide sales forecast information to Authentium monthly.
- 6.5. **End User Details.** Partner shall provide Authentium with Customer information as needed to fulfill product operational and support requirements.
- 6.6. **Quarterly Sales Objectives.** Partner agrees to use its best efforts to achieve the Quarterly Sales Objectives as set forth Exhibit B. Authentium will review Partner’s performance toward meeting the Quarterly Sales Objectives on a quarterly basis. In the event Partner does not meet the Quarterly Sales Objectives, Authentium, in addition to any other rights it might have, has the right, in its sole discretion, to adjust Partner’s discount based on actual sales achieved.

7. **PRICING AND PAYMENTS**

- 7.1. **Prices.** Partner shall purchase and resell, license or sublicense, as applicable, the Products and/or services offered by Authentium from time to time at the

prices set forth in Authentium's then current Price List and in accordance with the discounts set forth in Exhibit C.

- 7.2. **Price Changes.** Authentium may change pricing upon 30 days' advance notice. Price changes will not affect Partner's purchase orders that are in process and accepted prior to the effective date of the price change.
- 7.3. **Invoices.** Authentium shall invoice Partner immediately upon shipment of Authentium Software and associated activation instructions. For one-time services detailed in Exhibit D, 50% will be invoiced upon order and 50% will be invoiced upon completion of service, unless specified otherwise in Exhibit D.
- 7.4. **Payment, Overdue Accounts.** Partner shall pay net invoices for the Products (including Maintenance Contracts) to the invoicing party within thirty (30) days of the date of the invoice, without reduction or offset for returns. All overdue amounts shall bear interest at the rate of 1.5% per month or, if lower, the highest rate permitted by applicable law. In addition, in the event payment is not made when due, Authentium may defer shipment of additional Products until all outstanding amounts, including late charges are paid. Partners located outside the United States will have obtained all government approvals necessary to permit payment to Authentium in U.S. Dollars unless payment in another currency has been authorized by Authentium in writing in advance of payment.
- 7.5. **Taxes.** The prices payable by Partner hereunder are exclusive of taxes. Partner shall pay or reimburse Authentium for all taxes, including without limitation, sales, value added or use taxes, however designated or imposed as a result of sale, possession or use of any Products (including Maintenance Contracts), or the operation of this Agreement, except income, intangible and franchise taxes imposed on Authentium by any government entity. If applicable, Partner may, in lieu of paying sales taxes and/or use taxes, furnish to Authentium a tax exemption certificate which is acceptable to the appropriate taxing authority.
- 7.6. **No Credit or Refunds.** Unless an RMA was issued pursuant to Section 5.2 above, no refund or credit will be issued to Partner for any returned Product (including no credit for any services). Unless an RMA shall have been issued in advance of return, any claim for refund or credit will be rejected by Authentium.

8. ORDER ADMINISTRATION; DELIVERY OF PRODUCTS

- 8.1. **Order Placement.** All orders placed shall be binding upon the parties when accepted in writing by Authentium. Any additional terms and conditions contained on any orders are of no force or effect and Authentium hereby gives notice of objection to such additional terms.
- 8.2. **Product Delivery.** Authentium will use commercially reasonable efforts to fulfill Partner orders in a timely manner.

9. LIMITED WARRANTY

- 9.1. **Limited Warranty.** Partner shall provide to its Customers the Limited Warranty set forth in the applicable License Agreement subject to Authentium's warranty and liability disclaimers contained therein. The warranty period begins upon

license of the Software, or upon purchase of the Products, as applicable. Partner shall not provide nor imply any additional Product warranties without the express written consent of a Authentium corporate officer. Any warranty claim made by any Customer of Partner shall be handled by Partner in the first instance, within 5 business days of receipt of such claim. Partner shall determine the nature and validity of such claim. If Partner is unable to resolve such claim within 30 days from receipt of the claim, Partner shall refer such claim to Authentium's authorized corporate officer for joint resolution with Partner and Customer.

9.2. **Disclaimer.** Except for the Limited Warranty set forth in the applicable License Agreement, NEITHER AUTHENTIUM NOR ANY OF ITS SUBSIDIARIES, AFFILIATES OR LICENSORS MAKES ANY WARRANTY OR REPRESENTATION TO PARTNER OR THE CUSTOMERS IN CONNECTION WITH THE PRODUCTS, ANY SUBJECT MATTER CONTAINED WITHIN THIS AGREEMENT OR ANY ATTACHMENTS THERETO (AS THE SAME MAY BE AMENDED FROM TIME TO TIME) AND EACH TOGETHER AND SINGLY EXPRESSLY DISCLAIMS ANY AND ALL EXPRESS AND/OR IMPLIED WARRANTIES AND REPRESENTATIONS, INCLUDING WITHOUT LIMITATION ANY EXPRESS AND/OR IMPLIED WARRANTIES OF MERCHANTABILITY AND/OR FITNESS FOR A PARTICULAR USE OR PURPOSE OR NON-INFRINGEMENT WITH RESPECT TO ANY AND ALL PRODUCTS AND/OR SERVICES HEREUNDER.

9.3. **Limitation of Liability** In the event that the Software is held to constitute an infringement of a third party's intellectual property rights and Partner (or its Customers) is therefore enjoined from using the Product or Software, Authentium, at its option and expense, may either (i) modify the Authentium Software so that it becomes non-infringing; (ii) procure for Partner (and its Customers) the right to continue to use the infringing Authentium Software or portion thereof; (iii) replace the same with non-infringing software of like functionality which substantially conforms to the specifications for the Licensed Software; or (iv) terminate this Agreement. This shall be Partner's sole remedy with regard to claims of infringement.

Notwithstanding the foregoing, Authentium shall have no liability to Partner or any end user for any claim of infringement based upon (i) the combination of the Authentium Software with the Partner Branding or any data or other software or devices not supplied by Authentium or (ii) modifications to the Authentium Software. Partner shall indemnify and defend Licensor from third-party claims of infringement of intellectual property rights arising out of the use of the Authentium Software in a manner not permitted by this Agreement or the use or presence of the Partner Branding in the Authentium Software.

AUTHENTIUM SHALL NOT BE LIABLE FOR ANY INDIRECT OR CONSEQUENTIAL LOSS, DAMAGE, COSTS OR EXPENSE OF ANY KIND WHATSOEVER AND HOWSOEVER CAUSED, WHETHER ARISING UNDER CONTRACT, NEGLIGENCE OR OTHERWISE, INCLUDING WITHOUT LIMITATION LOSS OF PRODUCTION, LOSS OF OR CORRUPTION TO DATA, LOSS OF PROFITS OR OF CONTRACTS, LOSS OF OPERATION TIME OR LOSS OF GOODWILL OR ANTICIPATED SAVINGS, EVEN IF AUTHENTIUM HAS BEEN ADVISED OF THEIR POSSIBILITY.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT. AUTHENTIUM'S TOTAL LIABILITY (WHETHER IN CONTRACT, TORT OR OTHERWISE) UNDER OR IN CONNECTION WITH THIS AGREEMENT AND ANY OTHER AGREEMENT WITH PARTNER SHALL NOT EXCEED THE SUM OF THE PARTNER FEES AND SUPPORT FEES PAID TO AUTHENTIUM UNDER THIS AGREEMENT.

Partner acknowledges and agrees that the allocation of risk contained in this clause is reflected in the License Fee and Support Fee and is also a recognition of the fact that it is not within Authentium's control how and for what purpose the Authentium Software is used by Partner or its Customers and Partner is able to rely on its own insurance arrangements and other resources to bear or recover any loss or damage Partner may incur.

9.4. COMPLIANCE WITH APPLICABLE LAWS

9.5. **General.** Each party will comply with all applicable laws, regulations and ordinances in their performance under this Agreement.

9.6. **Governing Law; Export Restrictions.** This Agreement shall be governed by and construed in accordance with the laws of the State of Florida without regard to its rules regarding conflicts of law. If any portion of this Agreement is held to be illegal, unenforceable or in conflict with any law of any governmental entity with jurisdiction over this Agreement, that provision shall be deemed severed and the other portions shall remain valid and in effect. Partner shall not export or re-export the Product or Software without first having obtained the appropriate U.S.A. or foreign government export licenses as required by law; provided, however, that in no event may Partner export the Product or Software to any country to which export is prohibited by the U.S.A., or to any country which does not recognize copyright protection for software.

9.7. **Foreign Corrupt Practices Act.** Authentium is subject to Section 13(b) and 30A of the Securities Exchange Act of 1934, commonly known as the Foreign Corrupt Practices Act ("FCPA"). Partner shall, in the offer and sale/license of Products, comply with the provisions of the FCPA as if the FCPA were applicable to Partner, to the extent required by law.

9.8. **U.S. Government Partner.** If Partner sells Products (including services) to the U.S. Federal Government, Partner must comply with all Federal Regulations, and with all required contract flow-down clauses.

10. PUBLIC RELATIONS

10.1. Partner shall obtain from Authentium a written approval for any and all public announcements, advertising and sales literature of Partner which refers to Authentium, the Products and/or includes any Trademarks. Authentium reserves the right to add or change Trademarks without notice.

11. CONFIDENTIAL INFORMATION

11.1. **General.** For the term of this Agreement and for a period of three years thereafter, the parties agree to use the same care and discretion to avoid

disclosure, publication, or dissemination of any Confidential Information as it uses with its own similar information that it does not wish to disclose, publish, or disseminate, but in no event shall either party use less than reasonable care to protect the other parties' Confidential Information. A party may disclose the other party's Confidential Information to its employees and employees of its parent and subsidiary companies who have a need to know, provided that a written agreement with such parties is in place which sufficiently require that such party treats the Confidential Information in accordance with this Agreement. The parties agree that neither party is making any representation or warranty, express or implied, as to the accuracy or completeness of disclosed Confidential Information, and the receiving party will not have any liability against the disclosing party (or any other party) resulting from the use of the Confidential Information.

11.2. **Injunction.** Each party acknowledges that irreparable harm, for which there would be no adequate remedy at law, would arise from a violation of this Section. Therefore, each acknowledges that a breach of this Section 13 would give rise to a right to an injunction in favor of the non-breaching party. Notwithstanding the foregoing, the parties are entitled to pursue any appropriate remedies at law or in equity for breach of this Agreement.

12. TERM; TERMINATION

12.1. **Term.** Unless otherwise provided in this Agreement, the term of this Agreement shall be for a period of twelve (12) consecutive months beginning on the Effective Date. Provided the Partner is in compliance with the terms and conditions of this Agreement, this Agreement shall automatically renew for additional one-year terms, unless either party sends to the other a ninety (90) days' prior written notice of its intention not to renew. At any time Authentium may give notice to Partner that Authentium's most current version of its Partner Agreement shall apply, in which case Partner shall be entitled to terminate this Agreement upon 90 days' written notice.

12.2. **Termination without Cause.** Either party may terminate this Agreement without cause upon ninety (90) days' prior written notice to the other party.

12.3. **Termination for Cause.** Authentium may immediately terminate this Agreement by providing written notice to Partner if any of the following events have occurred (each, an "Event of Termination"): Partner has breached any of the material covenants and agreements contained herein, and the Event of Termination has not been cured within 30 days after notice to Partner by Authentium; or Partner becomes insolvent on a balance sheet, unable to pay its liabilities, dissolves, or otherwise terminates its existence, and the Event of Termination is not cured within 30 days after notice to Partner by Authentium; or Partner becomes subject to any proceeding, whether voluntary or involuntary, under any bankruptcy or insolvency law or laws relating to the relief of debtors, readjustment of indebtedness or reorganization or composition by or against Partner, which proceeding, is not dismissed within 30 days of commencement; or Partner, for any reason, discontinues substantially all of its business of providing or distributing, as the case may be, the Products; or Partner fails to comply with Section 10 of this Agreement and the Event of Termination is not

cured within 5 days after notice to Partner by Authentium; or Partner breaches any provision of this Agreement not capable of being cured.

12.4. Effects of Termination. Upon termination of this Agreement for any reason: Each party shall immediately destroy or return to the other party any and all of the other party's Confidential Information and all materials prepared by the other party, (or its Representatives) which contain or otherwise relate to the Confidential Information in its possession or control. Upon either party's request, a duly authorized corporate officer of the other party shall certify in writing that such return and destruction has occurred. Additionally, (a) Partner shall either return to Authentium or destroy all copies of the Authentium Software in its possession or control and all duplicates thereof and shall not use them further and (b) Authentium may immediately prevent Partner and Customers from using or copying the Authentium Software and accessing the server hosting the AMS. The obligation to pay any License Fees or Support Fees, as well as the Terms and Conditions of this Agreement shall survive the termination or expiration of this Agreement. Partner shall immediately discontinue all representations that it is a Authentium Partner. Partner shall immediately cease selling and/or licensing the Products, as applicable. Neither party shall be liable to the other for damages of any kind, including without limitation consequential or incidental damages, on account of the termination or expiration of this Agreement. Partner waives any right it may have to receive any compensation or reparations on termination or expiration of this Agreement under the law of the Territory or otherwise, other than as expressly provided in this Agreement. The provisions of Section 4, Subsections 7.3, 7.4, Section 9, Section 11, Subsection 12.4, Section 13 and Section 14 shall survive and continue beyond any expiration or termination of this Agreement. The rights of Customers granted in accordance with this Agreement pursuant to sublicense agreements shall continue for the term set forth in such sublicense agreements as of the effective date of termination, provided that and so long as such Customers are not in default of their sublicense agreements.

13. INDEMNIFICATION

- 13.1. **Indemnification.** Partner shall indemnify and hold Authentium and its successors, shareholders, officers, directors, and agents from and against any and all damages, losses, obligations, liabilities, claims, encumbrances, penalties, costs, and expenses, including reasonable attorneys' fees (and costs and reasonable attorneys' fees in respect of any suit to enforce this provision) (each a "Claim"), arising from or relating to (a) any misrepresentation, breach of warranty, or nonfulfillment of any of the covenants or agreements of Partner in this Agreement; or (b) any liability, obligation, or commitment of any nature (absolute, accrued, contingent, or other) of or relating to the operation of Partner's business arising out of transactions contemplated hereunder; or (c) any violation by Partner of applicable laws; or (d) any and all actions, suits, investigations, proceedings, demands, assessments, audits, and judgments arising out of any of the foregoing, or (e) any Claim of patent, copyright or trademark infringement arising from or relating to the combination of the Products and any other product or service provided by Partner to its Customers.
- 13.2. **Notice; Right to Defend.** Authentium shall promptly after acquiring knowledge of any Claim, give written notice to Partner. Failure to provide notice shall not relieve Partner of its obligations under this Section 13. Partner shall have the right to assume the defense of any Claim with counsel reasonably acceptable to Authentium upon delivery of notice to Authentium. If Partner fails to take timely action to defend the Claim, Authentium shall have the right to defend by counsel of its own choosing at Partner's cost. Authentium shall have the right to settle or compromise any Claim against it and to recover from Partner any amount paid in settlement or compromise thereof if Authentium has given written notice to Partner and Partner has failed to take timely action to defend. Partner shall not have the right to settle or compromise any claim against Authentium without Authentium's prior written consent.

14. MISCELLANEOUS PROVISIONS

- 14.1. **Non-solicitation.** During the term of this Agreement and for one (1) year thereafter, each party, directly or indirectly including through any affiliate, shall not solicit, hire or contact any employee of the other party or any affiliate for the purpose of hiring them or causing them to terminate their employment relationship with the other party.
- 14.2. **Severability.** If any portion of this Agreement shall be finally determined by a court of competent jurisdiction to be invalid or unenforceable, such portion shall be enforced to the maximum extent permitted by law and the remainder of this Agreement shall continue in full force and effect.
- 14.3. **Notices and Addresses.** All notices, offers, acceptance and any other acts under this Agreement (except payment) shall be in writing, and shall be sufficiently given if (a) delivered to the addressees in person, or (b) by overnight courier or similar receipted delivery, or (c) by facsimile delivery or, (d) if mailed, postage prepaid, by certified mail, return receipt requested, to the address as set forth for each party on the signature page of this Agreement, or to such other address as either of them, by notice to the other may designate from time to time. The transmission confirmation receipt from the sender's facsimile machine

shall be evidence of successful facsimile delivery. Any notice given by post shall be deemed to have been served five (5) days after the same shall have been mailed. Time shall be counted from the date of delivery.

14.4. **Attorneys' Fees.** In the event that there is any controversy or claim arising out of or relating to this Agreement, or to the interpretation, breach or enforcement thereof, and any action or proceeding relating to this Agreement is filed, the prevailing party shall be entitled to an award by the court of reasonable attorneys' fees, costs and expenses.

14.5. **Entire Agreement.** This Agreement together with the below-listed Exhibits, and any properly executed Addendum, constitute the entire agreement between the parties hereto with respect to the subject matter hereof and supersede all prior and contemporaneous agreements, communications, proposals, representations and warranties, whether oral or written, between the parties hereto and prevails over any conflicting or additional terms of any other communication between the parties hereto with respect to the subject matter hereof.

Exhibit A: Partner Technical and Training Requirements
Exhibit B: Authentium Partner Level Details
Exhibit C: Authentium Product and Service Price List
Exhibit D: One-Time Services and Fees

14.6. **Modification.** Except as provided herein, this Agreement may not be changed, waived, discharged or terminated orally, except by a statement in writing signed by both parties hereto. Notwithstanding the foregoing, Authentium may, and reserves the right, to modify, change, replace, add or substitute any Exhibit to this Agreement.

14.7. **Disputes.** In the event of any dispute concerning the above terms, the parties will endeavor to resolve their respective issues amicably and in a business like manner and will, if and when necessary, escalate any disputes to members of each parties' senior management to accomplish a mutually acceptable resolution. If a satisfactory resolution is not forthcoming within 30 days following escalation to senior management the parties may seek all appropriate legal remedies subject to Section 14.

14.8. **Remedies.** Except as expressly provided herein, the rights and remedies of the parties herein shall not be exclusive but shall be in addition to any other rights and remedies available at law or in equity.

14.9. **Calendar Days.** All date calculations herein shall be in calendar days unless expressly noted otherwise herein.

14.10. **Headings.** Section and subsection headings herein have been inserted for reference only and shall not be deemed to limit or otherwise affect, in any matter, or be deemed to interpret in whole or in part any of the terms of this Agreement.

14.11. **Force Majeure.** Neither party hereto shall be liable for any delay in performance or its failure to perform any of its obligations hereunder, except for payment of money, caused by any circumstances beyond its control, including,

but not limited to, any Act of God, fire, flood, government laws or regulations (including inability to export Product due to U.S. Federal; Government's denial or withdrawal of approval to export), labor dispute, unavoidable breakdown, the failure of any applicable telecommunications network, acts of terrorism, war (whether or not declared), or civil unrest to the extent that any such circumstances affect the party's ability to perform its obligations under this Agreement, provided that the party suffering such delay immediately notifies the other party of the delay and the reasons therefore.

- 14.12. **Assignment.** Partner shall not assign this Agreement or any right, obligation or interest without Authentium's prior written consent. Authentium may assign this Agreement or any right, obligation or interest therein to any assignee, transferee, or successor in interest of substantially all of the assets of Authentium.
- 14.13. **No Waiver.** Any waiver by any party hereto of any condition, or breach of any provision, term, covenant, representation or warranty contained in this Agreement, in any one or more instances, shall not be deemed or construed as a further or continuing waiver of any condition or of the breach of any other provision, term, covenant, representation or warranty of this Agreement
- 14.14. **Governing Law; Jurisdiction.** In no event shall the U.N. Convention on the International Sales of Goods apply to any Product purchases or licenses. Except as provided herein, the parties acknowledge that this Agreement has been entered into in Florida and shall be governed by and construed in accordance with Florida laws. Partner agrees that all actions arising in connection with this Agreement shall be litigated only in Florida federal or state courts. For Partners having an address listed on page 1 which is located in the United Kingdom or Europe, this Agreement shall be deemed to have been entered into in London, England and shall be governed by and construed in accordance with the laws of England.

EXHIBIT A Authentium Partner Technical and Training Requirements

Partners shall provide the following capabilities in support of the products:

1. Level One (L1) and/or Level Two (L2) Technical Support as called out in Exhibit B.
 - Level One Technical Support is defined as: Direct interface with the Customer-designated representative or the Customer End User. Solutions for the types of issues handled at level one are generally available on the Authentium online product knowledge base, or was covered in the Authentium product training.
 - Level Two Technical Support is defined as: Dealing with customer issues that are not in the online knowledge base and may not have been covered in Authentium product training. An understanding of IT networking and configurations is required. Level two technicians may resolve issues in cooperation with the Level One technician.
2. Provide availability of a 24 x 7 emergency technical support contact; 24 x 7 means, 24 hours a day/7 days a week; does not mean that the office has to be open during these times only that a senior technician is available to address emergencies. Technician should be available via:
 - Phone
 - Pager/SMS
 - E-mail
4. Have a Web, FTP and/or BBS site in support of products, which may link to the public version of the Authentium online knowledge base.
5. Have the ability to supply the customer with a current version of the product and/or product patches and definition files
6. Supply Product update downloads, as they become available, during the term of license.
7. Inform the customer as to the proper procedures to follow when encountering:
 - problems with the product
 - discovering a virus
 - forwarding infected files, in accordance with published Authentium procedures found at:
<http://www.authentium.com/support/threatmatrix/submitsample.htm>
8. Notify customers of updates, patches, bugs or product news (possibly via list server or supply information on how to subscribe to the Authentium our list server)
9. Ensure that maintenance contracts are current and that renewals or extensions of the maintenance agreement are followed up on in a timely fashion.
 - Maintain accurate records of clients through client database management system, including expiration dates
10. Inform Authentium via fax +1-561-575-3026, Attention COO, in a timely manner (not to exceed 3 days) of any unresolved customer problems.

EXHIBIT B Authentium Partner Level Details

Partner Type	Discount	Volume Commitment	Training	Required Support	Co-op Marketing	Tech Support Incidents
Agent	10%	None	None	None	None	NA
Partner - Silver	20%	\$ 50,000	1 Person	L1	\$ 500	25
Partner - Gold	25%	\$ 100,000	2 People	L1	\$ 1,000	50
Partner - Platinum	30%	\$ 150,000	4 People	L1	\$ 1,500	75
Distributor Silver	40%	\$ 500,000	Unlimited	L1 & L2	\$ 5,000	250
Distributor - Gold	45%	\$ 1,000,000	Unlimited	L1 & L2	\$ 10,000	500
Distributor- Platinum	50%	\$ 1,500,000	Unlimited	L1 & L2	\$ 15,000	750

Partner Type	is determined by the commitment to sales volume and Partner staff training.
Discount	is the discount off Authentium-direct list pricing for Software and Products and activation fees. This discount does not apply to support services, nor to other one-time services of Exhibit D.
Volume Commitment	is the ANNUAL revenue volume commitment from the Partner to Authentium, AFTER any discounts. Quarterly sales objective shall not be less than 20% of the annual Volume Commitment
Training	is the number of Partner staff which may attend regularly-scheduled Authentium technical product training, support training and sales training, normally conducted on-site at the Authentium HQ facilities in Palm Beach Gardens, FL. This training does not include transportation and/or living expenses during the training. Alternatively, from time-to-time Authentium conducts live online training, in which the Partner may participate.
Required Support	is the level of Authentium Product support which the Partner shall be responsible for providing to their customers. This support may be provided by Authentium-trained Partner staff or it may be contracted separately from Authentium.
Co-op Marketing	is the annual maximum cooperative marketing funds available for use by Partner under the terms of this agreement.
Tech Support Access	is the number of “no-charge” technical support incidents which the Partner may use in one year in support of their customers.