1. Preamble and Recitals

1.1. This Master Software License and Services Contract ("Contract"), effective on the date of last signature ("Effective Date") is made between **Softphone International Limited.**, a company registered in England with company number 11258237, whose registered office is at 35 Princess Street, Rochdale Greater Manchester (UK), or one of its Affiliates (a company, whether incorporated or not, which owns, directly or indirectly, a majority interest in either party - "Parent" - or a company, whether incorporated or not, in which a fifty percent or greater interest is owned, either directly or indirectly, by Parent or the party and is operated or managed by Parent), hereinafter **Supplier/Licensor**, and the "**Client/Licensee**" being the entity named on the signature block below.

1.2. The provisions of this Contract shall apply to all Orders issued by Client for Licensed Software, Maintenance and Support Services or Professional Services and all Service Orders executed by the parties.

2. Scope of the Contract

2.1. The scope of this Contract is:

   a) the granting by the Supplier in favour of the Client of a non-exclusive, non-transferable, worldwide right, limited to term, to authorize users solely within Client and Client Affiliates' organization to access the Softphone Application described in Schedule 1 (the "Application") during the term of a Services Order for the Application, but only for Client own internal business purposes and subject to the terms and conditions set out in Article 4 of this Contract;

   b) the provision of the Professional Services described in Schedule 3 subject to the terms and conditions set out in the Article 5 and subsequent of this Contract.

3. Granting of the right to use Supplier's products and provision of Supplier's Professional Services

3.1. The granting of the right to use the Application referred to in Article 2.1. letter a) is governed by provisions set out in Article 4.

3.2. The provision of Professional Services referred to in Article 2.1. letter b) is governed by provisions set out in Article 5.

4. License of the Softphone Application

4.1. License.

   4.1.1. The Application is licensed and not sold. This Contract is for a license of intellectual property, as opposed to a sale of goods (even though some tangible items may be provided).

   4.1.2. Subject to the terms and conditions of this Contract and in consideration of the payment of the License Fee (defined in clause 4.8), Licensor hereby grants Licensee a non-exclusive, non-transferable, limited license, without right to sublicense, to install (if applicable), access and use the Application for the license/subscription term specified in Licensee's Service Order, solely for Licensee's internal business purposes for use by Licensee's employees and contractors providing services exclusively on behalf of Licensee ("Users") and no other purpose.

4.2. Delivery.

   4.2.1 For the purpose of this Contract, all references to deliveries shall mean delivery via electronic transmission.

   4.2.2 Licensor will deliver the applicable license keys to the email addresses specified in Licensee's Service Order, such delivery to be effected following the receipt by the Licensor of the applicable License Fees.

   4.2.3 Licensee is responsible for installation of any software and acknowledges that Licensor has no further delivery obligation with respect to the software relating to the Application after delivery of the license keys.

4.3. Duration

   4.3.1. The Services are provided under subscription plans of various durations. The relevant subscription plan to each license is specified in Licensee's Service Order.

   4.3.2. Any subscription will be automatically renewed at the end of each subscription period unless a party informs the other party that he does not wish to renew the subscription at least seven days prior to the renewal date.

4.4. Restrictions.

   4.4.1. The Application is protected by copyright laws and international treaties relating to intellectual property.

   4.4.2. Unauthorized reproduction, distribution or use of the Application or any portion of it, may result in civil and criminal penalties and will be prosecuted to the maximum extent possible under the law.

   4.4.3 Except where specific acknowledgement is granted in writing, all copyright and other intellectual property rights in the Application and any developments, modifications or adaptations to or of it (whether or not permitted and without prejudice to the Licensor's other rights) are and remain the absolute

property of Licensor.

4.4.4. Any third-party software incorporated in the Application is licensed only for use in conjunction with Licensor's proprietary software and Licensee has no further rights, title or interest unless otherwise provided in this Contract.

4.4.5. Licensee shall not (a) distribute copies of the Application to others, including but not limited to, consultants, affiliates, independent contractors, Users or any other third party; (b) sell, loan, rent, lease, lend, transfer, assign or otherwise dispose to anyone else the Application; or (c) modify, adapt, translate, reverse engineer, decompile, disassemble, or create derivative works based on the Application.

4.4.6. Licensee shall use the Application only for lawful purposes and in compliance with all applicable laws, including privacy and data collection and protection laws.

4.4.7. Licensee may be held legally responsible for any copyright infringement that is caused or incurred by Licensee's failure to abide by the terms of this Contract, and or its failure to adopt reasonable safeguards to protect the loss or unintended disclosure of confidential information.

4.4.8. Except as expressly provided in this Contract or by local law, Licensee may not otherwise make copies of the Application, including any written materials accompanying the Application (the "Documentation"). Licensee may copy such Documentation for its internal use only.

4.4.9. If Licensee transfers possession of any copy of the Application, Documentation or related material to another party in violation of this Contract, the license is automatically terminated.

4.5. Ownership of Application.

4.5.1. All title and intellectual property rights in and to the Application (including but not limited to any images, photographs, animations, video, audio, music, text and "applets", incorporated into the Application), the Documentation and any copies of the Application or Documentation are owned by Licensor.

4.5.2. Licensee agrees that no title to the Application or Documentation is transferred to it, and that all rights not expressly granted to Licensee hereunder are reserved by Licensor.

4.6. Trademark

4.6.1. "Smart Connector", "Softphone" and other Licensor' logos are trademarks of, and proprietary to Licensor.

4.6.2. Licensee agrees not to display or use, in any manner, Licensor trademarks, without Licensor's prior permission.

4.7. Support and Maintenance.

4.7.1. The Licensor will provide support and maintenance services for the Application in accordance with Schedule 2 to this Contract, during the term of the license ("Support and Maintenance").

4.7.2. Support and Maintenance shall be deemed to include access to New Releases, if and when available and applicable. For the purpose of this clause, "New Releases" are bug fixes, patches, major or minor releases, or any other changes, enhancements, or modifications to the Application that Licensor makes generally commercially available.

4.7.3. Licensee may use any New Releases that Licensor provides during a valid support term in the same way that the Licensee uses the Application.

4.8. License Fee.

4.8.1. Licensee will pay Licensor or its permitted reseller (if required by Licensor) the license fees (the "License Fee") set forth in Licensee's Service Order.

4.8.2. Unless otherwise indicated in Licensee's Service Documents, Licensee shall pay the License Fees prior to installation of or access to the Application.

4.9. Modification of Terms of Service

4.9.1. Licensor may modify the terms of the Support and Maintenance upon notice to Licensee at any time through a service announcement or by sending email to Licensee primary email address.

4.9.2. If Licensor makes significant changes to the Support and Maintenance that affect Licensee rights, Licensee will be provided with at least 30 days advance notice of the changes by email to Licensee's primary email address. In such a case, Licensee may terminate his use of the Application by providing Licensor notice by email within 30 days of being notified of the availability of the modified terms of Support and Maintenance if the Terms are modified in a manner that substantially affects Licensee rights in connection with use of the Application.

4.9.3. In the event of such termination, Licensee will be entitled to a pro-rata refund of the unused portion of any prepaid fees.

4.9.4. Licensee's continued use of the Application after the effective date of any change to the terms of the Support and Maintenance will be deemed to be Licensee's agreement to the modified terms.

4.10. Test Application

4.10.1.   The Licensee may also request permission from the Licensor to install a test version of the Application ("Test Application").

4.10.2.   With respect to any Test Application ordered by Licensee, Licensor grants to Licensee a non-transferable, non-exclusive, revocable license, without any right to sublicense, to use the Test Application for a term of sixty (60) days from delivery, solely for Licensee's internal evaluation and internal demonstration purposes.

4.10.3.   In addition to any other restrictions set forth in this Contract, the Test Application shall not be used for production purposes.

4.10.4.   Either party may terminate any Test Application license at any time by delivering written notice of termination to the other party.

4.10.5.   NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN CONTAINED, TEST APPLICATION, BY THEIR VERY NATURE, ARE PROVIDED ON AN "AS-IS" BASIS, WITHOUT WARRANTY OF ANY KIND, AND ARE PROVIDED BY THE LICENSOR WIHTOUT CHARGE AND, THEREFORE LICENSOR SHALL NOT BE LIABLE IN ANY WAY FOR ANY DAMAGES SUFFERED BY LICENSEE RELATED TO ITS USE OF/INTERACTION WITH THE TEST APPLICATION.

4.10.6.   UNDER NO CIRCUMSTANCES, INCLUDING NEGLIGENCE, SHALL LICENSOR BE LIABLE FOR ANY INCIDENTAL, SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATING TO THE TEST APPLICATION.

4.11.   Use Audit.

4.11.1.   Licensor may, upon fifteen (15) days' advance notice and at its expense, conduct an audit, during Licensee's normal business hours, of Licensee's use of the Application and Documentation to verify compliance with this Contract. Licensee shall provide Licensor or an authorized representative with access to records, hardware and employees in order to perform the audit.

4.12.   Assignment/Sublicense.

4.12.1   Neither this Contract nor any rights or obligations under this Contract, in whole or in part, shall be sublicensed, assigned or otherwise transferred by Licensee and any attempt to do so will be null and void.

4.13.   Termination.

4.13.1.   Licensee may terminate this license at any time by uninstalling or no longer accessing the Application and returning or destroying all Documentation and any related material together with all copies, modifications and merged portions in any form.

4.13.2.   Licensee will not be entitled to any refund of License Fees upon any termination of this Contract or suspension of access to the Application.

4.13.3.   Licensor may suspend access to the Application or terminate this Contract and Licensee's license to the Application in the event Licensee breaches any term of this Contract, and such breach remains unremedied for a period of ten (10) days following written notice of such breach to Licensee.

4.13.4.   Licensee agrees upon such termination to uninstall or stop accessing the Application and to destroy the Documentation together with all copies, modifications and merged portions in any form, and to provide Licensor with written certification of destruction and non-use.

4.13.5.   Clauses 4.4, 4.14, 4.15 shall survive the expiration or termination of this Contract and shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Contract.

4.14.   Limitation of Liability

4.14.1.   EXCEPT AS OTHERWISE PROVIDED IN THIS DOCUMENT, NEITHER PARTY WILL BE LIABLE TO THE OTHER FOR ANY INDIRECT, INCIDENTAL, EXEMPLARY, PUNITIVE, CONSEQUENTIAL OR SPECIAL DAMAGES ARISING OUT OF OR RELATED TO THIS CONTRACT INCLUDING, WITHOUT LIMITATION, ANY DAMAGES RESULTING FROM THE LOSS OF PROFITS, LOSS OF REVENUE, OR LOSS OF PRODUCTION OR USE, REGARDLESS WHETHER SUCH DAMAGES ARISE IN CONTRACT, TORT, OR OTHERWISE, AND EVEN IF SUCH PARTY HAD BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

4.14.2.   NOTHING IN THIS CONTRACT WILL LIMIT LICENSOR'S LIABILITY ARISING OUT OF OR RELATED TO: A) EITHER PARTY'S OBLIGATIONS OF CONFIDENTIALITY AND PUBLICITY, B) DEATH OR BODILY INJURY, C) LICENSEE'S OBLIGATIONS OF USE OF APPLICATION, AND D) EITHER PARTY'S INTELLECTUAL PROPERTY OBLIGATIONS OF INDEMNITY.

4.14.3.   EXCEPT AS OTHERWISE PROVIDED IN THIS DOCUMENT, IN NO EVENT WILL EITHER PARTY'S AGGREGATE ANNUAL LIABILITY FOR CLAIMS ARISING OUT OF OR RELATED TO THIS CONTRACT IN EACH CONTRACT YEAR, REGARDLESS OF THE FORM OF SUCH CLAIM,

EXCEED THE FEES PAID AND PAYABLE TO SUPPLIER BY BUYER DURING THE TWELVE (12) MONTHS PRECEDING THE CLAIM ARISING OUT OF OR RELATED TO THIS CONTRACT.

4.14.4. LICENSOR'S AGGREGATE AND TOTAL LIABILITY FOR DIRECT DAMAGES FOR ANY ALLEGED SECURITY INCIDENT OR OTHER LOSS OF CLIENT DATA OR PERSONAL INFORMATION, FOR THE CUSTOMER AND ALL ITS AFFILIATES SHALL NOT EXCEED THREE (3) TIMES THE FEES PAID AND PAYABLE TO LICENSOR BY LICENSEE UNDER THE SERVICES ORDERS DURING THE TWELVE (12) MONTHS IMMEDIATELY PRIOR TO THE COMMENCEMENT OF THE SUBJECT OF THE DISPUTE. In no event will Licensor be responsible for any Security Incident if such Security Incident arises from or is related to: (a) Licensee's negligence; or (c) Licensee's failure to utilize the security features.

4.14.5. THE TERMS OF THIS LIMITATION OF LIABILITY SECTION WILL SURVIVE THE TERMINATION OR EXPIRATION OF THIS CONTRACT.

4.15. Indemnification

4.15.1. Licensor Indemnity. Subject always to Licensee's compliance with Section 4.15.5 (Notification, Defense), Licensor will defend (at Licensor's expense), indemnify and hold harmless Licensee for any amounts awarded against Licensee in a final judgment or settlement approved by Licensor, with respect to any claims by a third party that the unaltered Application, as originally delivered to Licensee, infringe or misappropriate any valid and enforceable patents, copyright registrations, federal trade dress registrations and federal trademark trade mark registrations of such third party which are enforceable in signatory countries to the Berne Convention.

4.15.2. Licensor Remedies. Licensor may at any time and at its option and expense:: (A) obtain for Licensee a license to continue to use the Application that may infringe a third party's rights; (B) modify the Application to be non-infringing while preserving substantially equivalent functionality; or (C) terminate the enjoined license and any corresponding portions of this Contract, any SOW, and any Authorized Order Form and promptly refund to Licensee all fees prepaid by Licensee for the remainder of the license period not provided, and Licensee will have no liability or obligations, financial or otherwise, to Licensor arising out of the termination. Licensor agrees to use commercially reasonable efforts to first pursue options (A) and (B) before pursuing option (C).

4.15.3. LICENSOR SHALL HAVE NO DEFENSE, WARRANTY OR INDEMNIFCATION OBLIGATIONS TO THE EXTENT ANY CLAIM(s) AROSE FROM THE FOLLOWING CASES OF EXCLUSION(S): (i) Licensee's non-compliance with this Contract or Documentation; (ii) Licensee's use of Materials after receipt of notice from Licensor to discontinue such use, including Licensee's failure to use modifications provided by Licensor; (iii) the development or use of any alteration, derivation, modification or customization of the Materials; (iv) Licensor's compliance with Licensee's requests or instructions or the use of any materials or data provided by Licensee; (v) Licensee's business method(s) or process(es); or (vi) Licensee's content. FURTHER, section 4.15.2 states THE ENTIRE LIABILITY AND OBLIGATION OF LICENSOR, AND LICENSEE's SOLE AND EXCLUSIVE REMEDY, WITH RESPECT TO ANY INFRINGEMENT OR CLAIMS OF INFRINGEMENT BY THE services, OR ANY PART THEREOF, OF ANY PATENT, COPYRIGHT, TRADE SECRET OR OTHER PROPRIETARY RIGHT.

4.15.4. Licensee's Indemnity Obligations. Licensee will indemnify and defend Licensor and its Affiliates against any judgments finally awarded by a court, and pay any settlements approved by Licensee with respect to any claims: (a) that the unmodified, unprocessed Licensee Client Data and/or Licensee method or process of doing or conducting business infringes any intellectual property rights of any third party, (b) arising from Licensee non-compliance with the Contract, including obligation of use of the Application or (c) any circumstances arising under the Exclusions set out in Section 4.15.3. Licensee will pay all losses, liabilities, and costs (including reasonable attorneys' fees) arising from any such claim. Notwithstanding the foregoing, Licensee will not indemnify or defend Licensor for claims arising out of or resulting from, in whole or part, Data that Licensor made available to Licensee. This Licensee's Indemnity Obligations section states Licensee's entire obligation and Licensor's sole and exclusive remedy for any third-party claim against Licensor for infringement of Intellectual Property Rights or misappropriation of trade secrets.

4.15.5. Notification, Defense. The party seeking indemnification will: (A) provide prompt written notice of the claim and give the indemnifying party sole control over the defense and settlement of the claim (except that the Indemnifying Party may not agree to any settlement that does not unconditionally release the Indemnified Party, without the Indemnified Party's prior written consent); and (B) provide to the indemnifying party its full and timely cooperation at the Indemnifying Party's expense. Failure to provide

timely notice or reasonable assistance will relieve the Indemnifying Party of its indemnification obligations to the extent that the Indemnifying Party has been materially prejudiced thereby. The Indemnified Party will be entitled to participate in the defense of a claim and to employ legal representation at its own expense to assist in the handling of a claim. The indemnifying party will not enter any settlement or compromise which imposes any cost, expense, or liability upon the indemnified party without the indemnified party's prior written consent.

4.15.6.   EXCEPT AS EXPRESSLY PROVIDED HEREIN, TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE APPLICATION AND DOCUMENTATION ARE DELIVERED "AS IS" AND WITHOUT EXPRESS OR IMPLIED WARRANTY OF ANY KIND BY EITHER LICENSOR OR ANYONE ELSE WHO HAS BEEN INVOLVED IN THE CREATION, PRODUCTION, DISTRIBUTION OR DELIVERY OF THE APPLICATION, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF MERCHANTABILITY, NON-INFRINGEMENT, TITLE OR FITNESS FOR A PARTICULAR PURPOSE. LICENSOR MAKES NO REPRESENTATIONS OR WARRANTIES ABOUT THE RELIABILITY, ACCURACY, COMPLETENESS, SECURITY, OR SUITABILITY OF ANY OF THE MATERIAL CONTAINED WITHIN THE APPLICATION OR DOCUMENTATION. LICENSOR MAKES NO WARRANTY THAT THE APPLICATION WILL BE UNINTERRUPTED, ERROR-FREE, FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS, COMPATIBLE WITH ANY HARDWARE OR SYSTEMS SOFTWARE CONFIGURATION, OR WILL MEET YOUR REQUIREMENTS. THE APPLICATION IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS.

5.   Provision of Professional Services

5.1. Duration

5.1.1.   The Supplier shall provide the Professional Services (hereinafter also the "Services") to the Client in accordance with the following provisions and in the Service Order.

5.1.2.   A regular work week for the Supplier is assumed to be 40 hours, excluding national, company, and Client holidays, unless otherwise stated.

5.1.3.   On a regular week, unless working remotely in accordance with clause 5.2.6 below, the Supplier's personnel will arrive on Monday and will leave on Friday. Based on the travel time required to reach the work location, travel time for the week is expected to be approximately 0 hours (remote work). Any modification to this definition of a standard work week must be agreed to in writing in an addendum to this Contract.

5.1.4.   The Supplier understands that certain events will require after hour work activities (i.e., placing product into production). Reasonable effort shall be made by both the Client and the Supplier to allocate resources for these events, ensuring that the Supplier's workers maintain as close as is possible to the 40-hour work week, therefore maintaining productivity.

5.1.5.   Work will be scheduled according to an agreed-upon start date. The Supplier will require three weeks' notice to staff the Services after this Contract is signed and delivered to the Supplier.

5.2. Supplier's responsibilities

5.2.1.   The Supplier shall use reasonable endeavours to provide the Services, and deliver the Deliverables to the Client, in accordance with this Contract in all material respects.

5.2.2.   The Supplier shall use reasonable endeavours to meet any performance dates specified in Schedule 3 but any such dates shall be estimates only and time for performance by the Supplier shall not be of the essence of this Contract.

5.2.3.   The Supplier shall appoint a project manager for the Services, such person as identified in Schedule 3. That person shall have authority to contractually bind the Supplier on all matters relating to the Services (including by signing Change Orders). The Supplier shall use all reasonable endeavours to ensure that the same person acts as the Supplier's project manager throughout the term of this Contract, but may replace that person from time to time where reasonably necessary in the interests of the Supplier's business.

5.2.4.   The Supplier shall use reasonable endeavours to observe all health and safety and security requirements that apply at any of the Client's premises and that have been communicated to it under clause 5.3.1(e), provided that it shall not be liable under this Contract if, as a result of such observation, it is in breach of any of its obligations under this Contract.

5.2.5.   The Supplier will work with the Client to accommodate schedule and project objectives. The Supplier will provide all consulting resources in a timely manner to ensure overall project success.

5.2.6.   The Supplier's personnel will work remotely to manage and control travel and living expenses and minimise disruption to the Client's business unless there is a specific technical requirement to be on-site.

5.2.7. Should it be necessary for the Supplier's personnel to work on-site, the Client will provide an adequate work environment for the Supplier's workers including permanent workspace and computer workstations or (if the Client permits the workers to use their own notebooks) LAN connection permitting access to all servers.

5.3. Client's obligations

5.3.1. The Client shall:

(a) co-operate with the Supplier in all matters relating to the Services;

(b) appoint a project manager for the Services, such person as identified in Schedule 3. That person shall have the authority to contractually to bind the Client on matters relating to the Services (including by signing Change Orders);

(c) provide, for the Supplier, its agents, subcontractors, consultants and employees, in a timely manner and at no charge, access to the Client's premises, office accommodation, data and other facilities as reasonably required by the Supplier including any such access as is specified in Schedule 3, and in order to facilitate the Supplier's personnel working remotely where possible;

(d) provide to the Supplier in a timely manner all documents, information, items, tools, equipment and materials in any form (whether owned by the Client or third party) required under Schedule 3 or otherwise reasonably required by the Supplier in connection with the Services and ensure that they are accurate and complete in all material respects;

(e) inform the Supplier of all health and safety and security requirements that apply at any of the Client's premises. If the Client wishes to make a change to those requirements which will materially affect provision of the Services, it can only do so via the change control procedure set out in clause 5.5;

(f) ensure that all the Client's Equipment is in good working order and suitable for the purposes for which it is used in relation to the Services and conforms to all relevant standards or requirements;

(g) obtain and maintain all necessary licences and consents and comply with all relevant legislation as required to enable the Supplier to provide the Services, including in relation to the installation of the Supplier's Equipment, the use of all Client Materials and the use of the Client's Equipment insofar as such licences, consents and legislation relate to the Client's business, premises, staff and equipment, in all cases before the date on which the Services are to start; and

(h) keep, maintain and insure the Supplier's Equipment in accordance with the Supplier's instructions from time to time and shall not dispose of or use the Supplier's Equipment other than in accordance with the Supplier's written instructions or authorisation.

5.3.2. The Client is responsible for ensuring that work performed by the Supplier's team is done in reasonable accordance with corporate and regulatory policies. Relevant information should be given to the Supplier's project manager (as identified in Schedule 3). The Supplier shall endeavour to work within any such guidelines, however, such guidelines are not deemed to be terms of this Contract, and any failure on the part of the Supplier to work within those guidelines shall not be deemed to be a breach of this Contract.

5.3.3. The Client understands that it will be responsible for maintaining the delivered system and acknowledges its responsibility to acquire training and experience with the system prior to turnover in order to perform that function.

5.3.4. The Supplier understands that the Client's internal factors, such as staff availability, policies, procedures, etc., can change. Also, external or third-party influences might have an effect on the project contemplated by this Contract. The Client accepts responsibility for all such factors and the impacts they may have on the cost and schedule of the provision of the Services.

5.3.5. The obligations and understandings stated within this clause 5.3 were relied upon when generating the Charges estimate. Material changes in the underlying assumptions, or the Client's failure in meeting any of its obligations, may impact the project timeline and increase the total Charges and any expenses.

5.3.6. If the Supplier's performance of its obligations under this Contract is prevented or delayed by any act or omission of the Client, its agents, subcontractors, consultants or employees, then, without prejudice to any other right or remedy it may have, the Supplier shall be allowed an extension of time to perform its obligations equal to the delay caused by the Client.

5.4. Non-solicitation

5.4.1. The Client shall not, without the prior written consent of the Supplier, at any time from the date of this Contract to the expiry of 24 months after the termination or expiry of this Contract, solicit or entice away from the Supplier or employ or attempt to employ any person who is, or has been, engaged as an employee, consultant or subcontractor of the Supplier in the provision of the Services.

5.4.2. Any consent given by the Supplier in accordance with clause 5.4.1 shall be subject to the Client paying to the Supplier a sum equivalent to 20% of the then current annual remuneration of the Supplier's employee, consultant or subcontractor or, if higher, 20% of the annual remuneration to be paid by the Client to that employee, consultant or subcontractor.

5.5. Change control

5.5.1. Either party may propose changes to the scope or execution of the Services but no proposed changes shall come into effect until a Change Order has been signed by both parties. A Change Order shall be a document setting out the proposed changes and the effect that those changes will have on:

a) the Services;
b) the Supplier's existing charges;
c) the timetable of the Services; and
d) any of the terms of this Contract.

5.5.2. If the Supplier wishes to make a change to the Services it shall provide a draft Change Order to the Client.

5.5.3. If the Client wishes to make a change to the Services:

a) it shall notify the Supplier and provide as much detail as the Supplier reasonably requires of the proposed changes, including the timing of the proposed changes; and
b) the Supplier shall, as soon as reasonably practicable after receiving the information at clause 5.5a), provide a draft Change Order to the Client.

5.5.4. If the parties:

a) agree to a Change Order, they shall sign it and that Change Order shall amend this Contract; or
b) are unable to agree a Change Order, this Contract will continue to operate on the terms agreed prior to the proposed Change Order.

5.5.5. The Supplier may charge for the time it spends on preparing and negotiating Change Orders which implement changes proposed by the Client pursuant to clause 5.5.3 on a time and materials basis at the Supplier's daily rates specified in Schedule 3.

5.6. CHARGES AND PAYMENT

5.6.1. IN CONSIDERATION OF THE PROVISION OF THE SERVICES BY THE SUPPLIER, THE CLIENT SHALL PAY THE CHARGES.

5.6.2. WHERE THE CHARGES ARE CALCULATED ON A TIME AND MATERIALS BASIS:

a) the Supplier's standard daily fee rates for each individual person as set out in Schedule 3 are calculated on the basis of an eight-hour day, worked during Business Hours;
b) the Supplier shall be entitled to charge an overtime rate of 125% of the standard daily fee rate set out in Schedule 3 on a pro-rata basis for any time worked by individuals whom it engages on the Services outside Business Hours; and
c) the Supplier shall ensure that every individual whom it engages on the Services completes time sheets to record time spent on the Services, and the Supplier shall indicate the time spent per individual in its invoices.

5.6.3. The Charges exclude the following which shall be payable by the Client monthly in arrears, following submission of an appropriate invoice:

a) the cost of hotel, subsistence, travelling and any other ancillary expenses reasonably incurred by the individuals whom the Supplier engages in connection with the Services; and
b) the cost to the Supplier of any materials or services procured by the Supplier from third parties for the provision of the Services as such items and their cost are set out in Schedule 3 or approved by the Client in advance from time to time.

5.6.4. The Supplier may increase the Charges on an annual basis with effect from each anniversary of the date of this Contract in line with the percentage increase in the Average Earnings Index in the preceding 12-month period, and the first such increase shall take effect on the first anniversary of the date of this Contract and shall be based on the latest available figure for the percentage increase in the Average Earnings Index.

5.6.5. The Supplier shall invoice the Client for the Charges at the intervals specified in Schedule 3. If no intervals are so specified the Supplier shall invoice the Client at the end of each month for Services performed during that month.

5.6.6. The Client shall pay each invoice submitted to it by the Supplier within 45 days of receipt to a bank account nominated in writing by the Supplier from time to time.

5.6.7. Without prejudice to any other right or remedy that it may have, if the Client fails to pay the Supplier any sum due under this Contract on the due date:

a) the Client shall pay interest on the overdue amount at the rate set out by applicable Law. The Client shall pay the interest together with the overdue amount; and

b) the Supplier may suspend all or part of the Services until payment has been made in full.

5.6.8. All sums payable to the Supplier under this Contract:

a) are exclusive of VAT, and the Client shall in addition pay an amount equal to any VAT chargeable on those sums on delivery of a VAT invoice; and

b) shall be paid in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).

5.7. Intellectual property rights

5.7.1. In relation to the Deliverables:

a) the Supplier and its licensors shall retain ownership of all IPRs in the Deliverables, excluding the Client Materials;

b) the Supplier grants the Client, or shall procure the direct grant to the Client of, a non-exclusive licence during the term of this Contract, to copy and modify the Deliverables (excluding the Client Materials) for the purpose of receiving and using the Services and the Deliverables in its business, save as provided in clause 5.7.1(d); and

c) the Client shall not sub-license, assign or otherwise transfer the rights granted in clause 5.7.1(b) or 5.7.1(d).

d) any and all software developed by the Supplier or made available from the Supplier to the Client in the provision of the Services shall be subject to the terms of a separate software licence agreement, to be executed by the parties.

5.7.2. In relation to the Client Materials, the Client:

a) and its licensors shall retain ownership of all IPRs in the Client Materials; and

b) grants the Supplier a fully paid-up, non-exclusive, royalty-free, non-transferable licence to copy and modify the Client Materials for the term of this Contract for the purpose of providing the Services to the Client.

5.7.3. The Supplier:

a) warrants that the receipt and use of the Services and the Deliverables by the Client shall not infringe the rights, including any Intellectual Property Rights, of any third party;

b) shall, subject to clause 5.9.3., keep the Client indemnified in full against all costs, expenses, damages and losses, including any interest, fines, legal and other professional fees and expenses awarded against or incurred or paid by the Client as a result of or in connection with any claim brought against the Client for actual or alleged infringement of a third party's Intellectual Property Rights, to the extent that the infringement or alleged infringement results from copying, arising out of, or in connection with, the receipt, use or supply of the Services and the Deliverables; and

c) shall not be in breach of the warranty at clause 5.7.3(a), and the Client shall have no claim under the indemnity at clause 5.7.3(b), to the extent the infringement arises from:

i. the use of the Client Materials in the development of, or the inclusion of the Client Materials in any Deliverable;

ii. any modification of the Deliverables or Services, other than by or on behalf of the Supplier; and

iii. compliance with the Client's specifications or instructions.

5.7.4. The Client:

a) warrants that the receipt and use of the Client Materials in the performance of this Contract by the Supplier, its agents, subcontractors or consultants shall not infringe the rights, including any Intellectual Property Rights, of any third party; and

b) shall keep the Supplier indemnified in full against all costs, expenses, damages and losses, including any interest, fines, legal and other professional fees and expenses awarded against or incurred or paid by the Supplier as a result of or in connection with any claim brought against the Supplier, its agents, subcontractors or consultants for actual or alleged infringement of a third party's Intellectual Property Rights arising out of, or in connection with, the receipt or use in the performance of this Contract of the Client Materials.

5.7.5. If either party (the Indemnifying Party) is required to indemnify the other party (the Indemnified Party) under this clause 5.7, the Indemnified Party shall:

a) notify the Indemnifying Party in writing of any claim against it in respect of which it wishes to rely on the indemnity at clause 5.7.3(b) or clause 5.7.4(b) (as applicable), (IPRs Claim);

b) allow the Indemnifying Party, at its own cost, to conduct all negotiations and proceedings and to settle the IPRs Claim, always provided that the Indemnifying Party shall obtain the Indemnified Party's prior approval of any settlement terms, such approval not to be unreasonably withheld;

c) provide the Indemnifying Party with such reasonable assistance regarding the IPRs Claim as is required by the Indemnifying Party, subject to reimbursement by the Supplier of the Indemnified Party's costs so incurred; and

d) not, without prior consultation with the Indemnifying Party, make any admission relating to the IPRs Claim or attempt to settle it, provided that the Indemnifying Party considers and defends any IPRs Claim diligently, using competent counsel and in such a way as not to bring the reputation of the Indemnified Party into disrepute.

5.8. COMPLIANCE WITH LAWS AND POLICIES

5.8.1. IN PERFORMING ITS OBLIGATIONS UNDER THIS CONTRACT, THE SUPPLIER SHALL COMPLY WITH:

a) the Applicable Laws; and

b) the Client Policies, subject to clause 5.3.2, provided that the Client shall give the Supplier not less than one months' notice of any change to such policies.

5.8.2. Changes to the Services required as a result of changes to the Applicable Laws or the Client Policies shall be agreed via the change control procedure set out in clause 5.5.

5.9. LIMITATION OF LIABILITY

5.9.1. Nothing in this Contract shall limit or exclude the Supplier's liability for:

a) death or personal injury caused by its negligence;

b) fraud or fraudulent misrepresentation; or

c) any other liability which cannot be limited or excluded by applicable law.

5.9.2. Subject to clause 5.9.1, the Supplier shall not be liable to the Client, whether in contract, tort (including negligence), for breach of statutory duty, or otherwise, arising under or in connection with this Contract for:

a) loss of profits;

b) loss of sales or business;

c) loss of agreements or contracts;

d) loss of anticipated savings;

e) loss of or damage to goodwill;

f) loss of use or corruption of software, data or information; and

g) any indirect or consequential loss.

5.9.3. Subject to clause 5.9.1, the Supplier's total liability to the Client, whether in contract, tort (including negligence), for breach of statutory duty, or otherwise, arising under or in connection with this Contract shall be limited to 100% of the average annual Charges (calculated by reference to the charges in successive 12 months periods from the date of this Contract) paid by the Client under this Contract.

5.10. Termination

5.10.1. Without affecting any other right or remedy available to it, either party may terminate this Contract with immediate effect by giving written notice to the other party if:

a) the other party commits a material breach of any term of this Contract which breach is irremediable or (if such breach is remediable) fails to remedy that breach within a period of 15 days after being notified in writing to do so;

a. the other party repeatedly breaches any of the terms of this Contract in such a manner as to reasonably justify the opinion that its conduct is inconsistent with it having the intention or ability to give effect to the terms of this Contract;

b. the other party suspends, or threatens to suspend, payment of its debts or is unable to pay its debts as they fall due or admits inability to pay its debts;

c. the other party commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with any of its creditors;

d. a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of that other party;

e. an application is made to court, or an order is made, for the appointment of an administrator, or if a notice of intention to appoint an administrator is given or if an administrator is appointed, over the other party;

f. the holder of a qualifying floating charge over the assets of that other party has become entitled to appoint or has appointed an administrative receiver;

g. a person becomes entitled to appoint a receiver over all or any of the assets of the other party or a receiver is appointed over all or any of the assets of the other party;

h. a creditor or encumbrancer of the other party attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of the other party's assets and such attachment or process is not discharged within 14 days;

i. any event occurs, or proceeding is taken, with respect to the other party in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned in clause 5.10.1(c) to clause 5.10.1(i) (inclusive); or

j. the other party suspends or ceases, or threatens to suspend or cease, carrying on all or a substantial part of its business.

5.10.2. Without affecting any other right or remedy available to it, the Supplier may terminate this Contract with immediate effect by giving written notice to the Client if:

a) the Client fails to pay any amount due under this Contract on the due date for payment and remains in default not less than 15 days after being notified in writing to make such payment; or

b) there is a change of control of the Client.

5.11. CONSEQUENCES OF TERMINATION

5.11.1 On termination or expiry of this Contract:

a) the Client shall immediately pay to the Supplier all of the Supplier's outstanding unpaid invoices and interest and, in respect of the Services supplied but for which no invoice has been submitted, the Supplier may submit an invoice, which shall be payable immediately on receipt;

b) the Client shall, return all of the Supplier's Equipment. If the Client fails to do so, then the Supplier may enter the Client's premises and take possession of the Supplier's Equipment. Until they have been returned or repossessed, the Client shall be solely responsible for their safe keeping;

c) the Supplier shall on request return any of the Client Materials not used up in the provision of the Services; and

d) the following clauses shall continue in force: clause 5.3.6.4 (Non-solicitation), clause 5.7. (Intellectual property rights), clause 5.9 (Limitation of liability), clause 5.11 (Consequences of termination).

5.11.2. Termination or expiry of this Contract shall not affect any rights, remedies, obligations or liabilities of the parties that have accrued up to the date of termination or expiry, including the right to claim damages in respect of any breach of the agreement which existed at or before the date of termination or expiry.

6. FORCE MAJEURE

6.1. Force Majeure Event means any circumstance not within a party's reasonable control including, without limitation:

a) acts of God, flood, drought, earthquake or other natural disaster;

b) epidemic or pandemic;

c) terrorist attack, civil war, civil commotion or riots, war, threat of or preparation for war, armed conflict, imposition of sanctions, embargo, or breaking off of diplomatic relations;

d) nuclear, chemical or biological contamination or sonic boom;

e) any law or any action taken by a government or public authority, including without limitation imposing an export or import restriction, quota or prohibition, or failing to grant a necessary licence or consent;

f) collapse of buildings, fire, explosion or accident;

g) any labour or trade dispute, strikes, industrial action or lockouts (other than in each case by the party seeking to rely on this clause, or companies in the same group as that party);

h) [non-performance by suppliers or subcontractors (other than by companies in the same group as the party seeking to rely on this clause); and

i) interruption or failure of utility service.

6.2. Provided it has complied with clause 6.3, if a party is prevented, hindered or delayed in or from performing any of its obligations under this Contract by a Force Majeure Event (**Affected Party**), the Affected Party shall not be in breach of this Contract or otherwise liable for any such failure or delay in the performance of such obligations. The time for performance of such obligations shall be extended accordingly.

6.3. The Affected Party shall:

a) as soon as reasonably practicable after the start of the Force Majeure Event, notify the other party in writing of the Force Majeure Event, the date on which it started, its likely or potential duration, and the effect of the Force Majeure Event on its ability to perform any of its obligations under the Contract; and

b) use all reasonable endeavours to mitigate the effect of the Force Majeure Event on the performance of its obligations.

6.4. If the Force Majeure Event prevents, hinders or delays the Affected Party's performance of its obligations for a continuous period of more than 8 weeks, the party not affected by the Force Majeure Event may terminate this Contract by giving 4 weeks' written notice to the Affected Party.

6.5. If the Force Majeure Event prevails for a continuous period of more than 4 months, either party may terminate this Contract by giving 15 days' written notice to the other party. On the expiry of this notice period, this Contract will terminate. Such termination shall be without prejudice to the rights of the parties in respect of any breach of this Contract occurring prior to such termination.

7. ASSIGNMENT AND OTHER DEALINGS

7.1. This Contract is personal to the Client and the Client shall not assign, transfer, mortgage, charge, subcontract, declare a trust over or deal in any other manner with any of its rights and obligations under this Contract.

7.2. The Supplier may at any time assign, mortgage, charge, declare a trust over or deal in any other manner with any or all of its rights under this Contract, provided that the Supplier gives prior written notice of such dealing to the Client.

8. DATA PROTECTION AND DATA PROCESSING

8.1. TO VIEW THE SUPPLIER PRIVACY POLICY, CLICK HERE: HTTPS://WWW.SOFTPHONE.IT/ABOUT/PRIVACY-COOKIE-POLICY/.

9. CONFIDENTIALITY

9.1. Each party undertakes that it shall not at any time during this Contract, and for a period of five years after termination of this Contract, disclose to any person any confidential information concerning the business, affairs, customers, clients or suppliers of the other party or of any member of the group of companies to which the other party belongs, except as permitted by clause 9.2.

9.2. Each party may disclose the other party's confidential information:

a) to its employees, officers, representatives or advisers who need to know such information for the purposes of exercising the party's rights or carrying out its obligations under or in connection with this Contract. Each party shall ensure that its employees, officers, representatives or advisers to whom it discloses the other party's confidential information comply with this clause 9; and

b) as may be required by law, a court of competent jurisdiction or any governmental or regulatory authority.

9.3. No party shall use any other party's confidential information for any purpose other than to exercise its rights and perform its obligations under or in connection with this Contract.

9.4. The Recipient will return any tangible materials containing Confidential Information, and any copies or reproductions thereof, to the Discloser within thirty (30) days after the Discloser's written request. Recipient agrees to undertake whatever action is reasonably necessary to remedy any breach of Recipient's confidentiality obligations or any other unauthorized disclosure or use of the Confidential Information by Recipient, its employees, its agents, or contractors. The Recipient acknowledges that monetary damages may not be a sufficient remedy for unauthorized disclosure of Confidential Information and that the Discloser Party will be entitled, without waiving any other rights or remedies, to such injunctive or equitable relief as may be deemed proper by a court of competent jurisdiction without the necessity of posting any bond.

10. VARIATION

10.1. NO VARIATION OF THIS CONTRACT SHALL BE EFFECTIVE UNLESS IT IS IN WRITING AND SIGNED BY THE PARTIES (OR THEIR AUTHORISED REPRESENTATIVES).

11. WAIVER

11.1. A waiver of any right or remedy under this Contract or by law is only effective if given in writing and shall not be deemed a waiver of any subsequent breach or default.

11.2. A failure or delay by a party to exercise any right or remedy provided under this Contract or by law shall not constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict any further exercise of that or any other right or remedy. No single or partial exercise of any right or remedy provided under this Contract or by law shall prevent or restrict the further exercise of that or any other right or remedy.

12. RIGHTS AND REMEDIES

12.1. THE RIGHTS AND REMEDIES PROVIDED UNDER THIS CONTRACT ARE IN ADDITION TO, AND NOT EXCLUSIVE OF, ANY RIGHTS OR REMEDIES PROVIDED BY LAW.

13. SEVERANCE

13.1. If any provision or part-provision of this Contract is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not

possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of this Contract.

13.2. If any provision or part-provision of this Contract is invalid, illegal or unenforceable, the parties shall negotiate in good faith to amend such provision so that, as amended, it is legal, valid and enforceable, and, to the greatest extent possible, achieves the intended commercial result of the original provision.

13.3. Clauses 9, 11, 13, 15, 19, 20 shall survive the expiration or termination of this Contract and shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Contract.

14. ENTIRE AGREEMENT

14.1. This Contract constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.

14.2. Each party agrees that it shall have no remedies in respect of any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this Contract. Each party agrees that it shall have no claim for innocent or negligent misrepresentation or negligent misstatement based on any statement in this Contract.

15. CONFLICT

15.1. IF THERE IS AN INCONSISTENCY BETWEEN ANY OF THE PROVISIONS OF THIS CONTRACT AND THE PROVISIONS OF THE SCHEDULES, THE PROVISIONS OF THIS CONTRACT SHALL PREVAIL.

16. NO PARTNERSHIP OR AGENCY

16.1. Nothing in this Contract is intended to, or shall be deemed to, establish any partnership or joint venture between any of the parties, constitute any party the agent of another party, or authorise any party to make or enter into any commitments for or on behalf of any other party.

16.2. Each party confirms it is acting on its own behalf and not for the benefit of any other person.

17. NOTICES

17.1. Any notice or other communication given to a party under or in connection with this Contract shall be in writing and shall be:

    a) delivered by hand or by register letter at its registered office (if a company) or its principal place of business (in any other case); or

    b) sent by certified email to the address specified in finance@softphoneinternational.com

18. COUNTERPARTS

18.1. This Contract may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute the one Contract.

18.2. No counterpart shall be effective until each party has executed and delivered at least one counterpart.

19. GOVERNING LAW

19.1. THIS CONTRACT 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.

20. JURISDICTION

20.1. 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 CONTRACT OR ITS SUBJECT MATTER OR FORMATION.

Date: _____

Signed by mr/ms _____
for and on behalf of the Client/Licensee

_____
based in _____
VAT _____