

IPsoft Referral Terms & Conditions

Applicable as part of the IPsoft Partner Program

Version: 2020 June 10

These IPsoft Referral Terms & Conditions (the "**Referral T&Cs**") are between the applicable referring party ("**you**" or "**Partner**"), and the applicable IPsoft entity ("**IPsoft**") and is only applicable if you are an active partner in the IPsoft Partner Program. If you are agreeing to these Referral T&Cs not as an individual but on behalf of your company, then "Partner" or "you" means your company, and you are binding your company to these Referral T&Cs.

For convenience and consistency, however, the definitions of certain terms related to our products and services will be the same as those in the IPPA.

These Referral T&Cs do not have to be signed in order to be binding. You indicate your assent to the terms by signing and abiding by the applicable IPsoft Partner Program Agreement ("IPPA").

1. Overview

IPsoft compensates Partners which identify and refer net-new business in the Designated Territories. A Partner may be entitled to a Referral Fee only if they correctly follow the deal registration policy outlined below. Referral Fees are calculated for each Qualified Purchase and are based on a percentage of the First Year Net Revenue.

Assigned territories and Referral Fee percentages are set forth in your IPPA. Please contact your designated Partner manager for more information or email us at partners@ipsoft.com.

2. Definitions

- "**First Year Net Revenue**" or "FYNR" means, with respect to a Qualified Purchase, the software license and/or subscription fees owed by the referred IPsoft Customer for such purchase (net of any discounts, taxes payable, and subsequent refunds unless due to incorrect invoicing or a contract breach by IPsoft) over the 12-month period beginning on the applicable Order Form start date. First Year Net Revenue does not include fees for support, implementation, customization, training, consulting or other professional services, or fees for third-party products or services.
- "**Lead**" means Partner's referrals to IPsoft for potential or existing Customers with the intent of closing net new business through IPsoft's sales organization. A Lead must be registered with IPsoft according to the established process to be eligible for a Referral Fee.
- "**Opportunity**" means, in IPsoft's reasonable determination, a Partner Lead for: (i) a sale of Software to a net new IPsoft Customer, or to a net new subsidiary, division or other distinct business unit of a pre-existing IPsoft Customer; or (ii) a purchase of additional Software subscriptions (as opposed to a renewal of pre-existing Software subscriptions), or an upgrade in a IPsoft Customer's edition of the Software, in either case for a minimum of a one-year subscription term reflected in an Order Form submitted by a pre-existing IPsoft Customer, which purchase resulted from Partner's specific sales efforts related to such additional purchase; provided, that the Order Form must be executed within six months of the referral, and the Opportunity cannot be (a) the same as an existing opportunity of IPsoft's then currently, or during the prior sixty (60) days, in IPsoft's active sales process, or (b) for a purchase by Partner's Affiliate. For clarity, an Opportunity does not include any purchase made by Partner on behalf of an IPsoft Customer.
- "**Qualified Lead**" means a Lead that has been approved by IPsoft and converted to and associated with an Opportunity by IPsoft. This requires confirmation from an authorized IPsoft partner manager and issuance of a deal registration ID number created in IPsoft's CRM system.

- **“Qualified Purchase”** means, in IPsoft's reasonable determination, an Order Form submitted by a Customer for the Products that is fully executed and closed within six (6) months of the Partner's corresponding Opportunity creation.
- **“Designated Territories”** means the countries or geographic regions where a Partner is eligible for Lead registration. Territories are laid out in your IPPA.

3. Referral Fees

3.1. Referral Fee Qualification Criteria

Criteria	
Geography, region & country based on customer location	Includes customer locations in Designated Territories found in countries within NA ¹ , EMEA ² , APAC ³ , LatAm ⁴ , and Public Sector ⁵ regions based on IPsoft sales coverage as of the Version Date. ⁶
Referral Fee Payment Calculation	SOURCED: Partners are eligible to receive a percentage payout for First Year Net Revenue for pilots, production, or both, if a Qualified Lead is submitted according to the published process. JOINT: Joint role is determined by IPsoft Account Executive. Partner may be eligible to receive a percentage depending on level of contribution as determined by IPsoft. <i>Note: Referral Fees are not subject to caps and are payable upon receipt from Customer.</i>
Multi-year Contracts	IPsoft pays Referral Fees to Partner for each Partner's Qualified Purchase for First Year Net Revenue only.
Add-on/Upgrade Revenue	IPsoft does not pay Referral Fees to Partners based on add-on or upgrade orders
Renewals	IPsoft does not pay Referral Fees to partners based on renewal orders
Replacements	IPsoft does not pay Referral Fees to Partners based on replacement orders ⁷
Minimum Subscription Term	IPsoft will not pay a Referral Fee on Orders with less than a one-year subscription term (other than for add-on, upgrade or linked Orders as expressly permitted herein). If an Order is for less than one year, payment of Referral Fees is at IPsoft's sole discretion.
Minimum Deal Size	No minimum deal size.

- IPsoft will reject all Leads submitted by a Partner if the Partner is an employee of the prospective customer referenced in the Lead.
- To be eligible for payment of Referral Fees, a Partner's Lead must result in a direct IPsoft order from the Customer (i.e., the Customer executes an Order Form with IPsoft) within six (6) months of when the Partner submitted the Lead. If a Partner's Lead results in an order that goes through an IPsoft

¹ NA means, generally, the region consisting of countries located in North America including the United States and Canada.

² EMEA means, generally, the region consisting of countries located in Europe including Russia and other CIS countries, the Middle East and Africa.

³ APAC means, generally, the region consisting of Asian countries (excluding Russia and other CIS countries, Turkey and countries located in the Middle East), Pacific Island nations and territories and countries located in Oceania

⁴ LatAm refers to Central and South America.

⁵ Public sector means any government (including any agency or department thereof), political party, enterprise owned wholly or in part or controlled by a government, and public international organization (such as the World Bank), as well as any other entity or person acting on behalf of any such government, political party, enterprise, or public international organization.

⁶ A partial country listing for the Global Market may be update by IPsoft on an as needed basis.

⁷ A replacement order is any order that generates replacement revenue, which is a combination of add-on and renewal revenue. An example would be if a customer replaces its current Order Form with a new, higher value Order Form.

reseller, the Partner that submitted the first Lead for the deal resulting in the Order may submit a case via partners@ipsoft.com requesting IPsoft to make an exception regarding payment of a Referral Fee for the deal. Such exception is solely in IPsoft's discretion and may be rejected.

- IPsoft will not pay Referral Fees to more than one Partner for any given Order, unless Partners elect to split the Referral Fee.
- IPsoft will not pay any Partner any Referral Fees based on Leads submitted for end customers located in the following sanctioned countries (including any additional countries added to lists maintained by the Office of Foreign Asset Control (OFAC)) or individuals on Specially Designated Nationals lists or other denied parties' lists: *Cuba, Sudan, Iran, Iraq, North Korea, Syria, The Crimea.*

4. Referral Fee Payment Policies

- **Responsibility for Payment:** IPsoft will pay Referral Fees owed to Partner for any Qualified Purchase as set forth herein, following receipt of payment from the Customer. For each Qualified Purchase, IPsoft can provide a summary report with the payment of the applicable Referral Fee showing how IPsoft calculated the payment. If either Party determines an error was made in the calculation of payment, each Party agrees to work diligently and in good faith to establish, and if established, resolve, the error to ensure IPsoft makes the payment in accordance with its obligations hereunder. IPsoft will be solely responsible for billing IPsoft Customers for the Products and collecting payment.
- **Refund of Referral Fee Payment:** If for any reason IPsoft makes a payment to Partner in error, or in the event a referred IPsoft Customer fails to make a required payment of first-year subscription fees to IPsoft for a Qualified Purchase within sixty (60) days of the payment due date, or if the applicable IPsoft agreement with the IPsoft Customer is terminated before the expiration of the agreed subscription term for any reason, IPsoft shall be entitled to a refund of the corresponding payments made to Partner. IPsoft may, in IPsoft's sole discretion, offset such refundable amounts against fees IPsoft owes to Partner hereunder, or to invoice Partner for the refundable amounts. If Partner refunds fees to IPsoft because of a referred IPsoft Customer's nonpayment, and IPsoft later collects the corresponding fees from such IPsoft Customer, IPsoft will repay Partner the applicable fee for such Qualified Purchase less a deduction to cover one-half of IPsoft's collection and administrative costs, such deduction not to exceed one-half of the fee to which Partner would otherwise have been entitled. IPsoft's right to a refund, of which IPsoft has not notified Partner, with respect to any Qualified Purchase shall expire ninety (90) days after the one-year anniversary of the subscription start date of that Qualified Purchase. Any invoiced amounts are due and payable by Partner within thirty (30) days after the invoice date.
- **Form of Payment:** Any payments made to Partner will be made by electronic transfer or check mailed to Partner's address as noted in the IPPA or by bank transfer to Partner's bank account in the country of that address. Checks and wire transfers will be made only in the name as listed in the IPPA. Any other payment arrangements must be pre-approved by IPsoft's Legal Department.
- **Exclusions from Payment Obligations:** Notwithstanding any other provisions of the IPPA, Partner will not be entitled to Referral Fees or any other compensation on any sale if (i) such compensation is disallowed or limited by federal, state, or local law or regulation in the United States or the laws or regulations of Partner's or IPsoft Customer's jurisdiction; (ii) the applicable IPsoft Customer prohibits the inclusion of such compensation in the price of the contract or excludes such compensation from its payments to IPsoft; or (iii) the IPsoft Customer has paid or will pay such commissions, Referral Fees, or other compensation directly to Partner.
 - Referral Fees will not be paid unless a Partner is in good standing at the time of IPsoft's payment processing. Payment processing occurs within forty-five (45) days of the month-end for the month that the Qualified Purchase closed.
 - An Opportunity will be considered "closed" and the referring Partner eligible for Referral Fee as of the date on which IPsoft receives a fully executed Order Form from the Customer (the "**Opportunity Closing Date**"). To be eligible for payment of Referral Fees, partners must always adhere to the terms and conditions of the IPPA, including these Program Policies (as updated from time to time).

- While any Partner may register a Lead and thereafter reference sourced annual contract value “ACV” credit in the United States and Canada to help the Partner meet the Participation Qualifications for a Partner Tier, IPsoft will not pay Referral Fees to a partner based on any such sourced ACV.
- IPsoft strictly prohibits partners from developing Leads using illegal, unethical, or improper means. IPsoft strictly prohibits bribery. Partners may not promise, give, offer, or authorize the provision of money or anything of value to anyone to improperly influence the award or retention of business, including generating Leads.
- A Partner must submit a Qualified Lead to IPsoft *prior to Opportunity Closing Date* in order to be eligible for payment of Referral Fees.
- In IPsoft’s reasonable determination, Partner must demonstrate a material contribution to the completion of a Qualified Purchase.
- If different Partners submit Leads for the same Customer, only the first Partner to submit a Qualified Lead through will be eligible for Referral Fees based on a successful sale to the Customer.
- Partners are responsible for the management of Leads they submit. If a Partner feels a Lead submitted has not been reviewed in a timely manner and qualified, or has been improperly processed or disqualified, the Partner should submit a case to partners@ipsoft.com for review by IPsoft’s Partner support team in conjunction with IPsoft’s direct sales organization. A Partner must bring any concerns about a Lead or Opportunity to the attention of IPsoft’s Partner support team or their designated Partner manager.

5. Change Log

August 29, 2018 – New Version Published

June 10, 2020 – Non-material changes to expedite partner needs.