

## Var Agreement Checklist:

### Did You Complete the Following Items?

1. Print out two copies and complete steps 2-6 on each copy?
2. Fill out Page 1 completely including your filePro Account #?
3. **Circle** Your Discount Level on Page 4?
4. **Circle** The Discount Election Option on Page 4?
5. **Initial** pages 1,2, 4 and 5
6. Date and sign Page 3
7. Mail all 5 pages of each of the two signed copies to:

William Randall  
fP Technologies, Inc.  
P.O. Box 290352  
Tampa, FL 33617

# VAR Partner Agreement Acct# \_\_\_\_\_

This VAR PARTNER AGREEMENT ("VAR Partner Agreement") is entered into as of the \_\_\_\_ day of \_\_\_\_\_, 200\_\_, by fP Technologies, Inc., an Indiana corporation located at 8383 Craig Street, Suite 270, Indianapolis, IN 46250 (referred to as "Supplier"), and \_\_\_\_\_ an individual or company located at \_\_\_\_\_ (referred to as "VAR").

WHEREAS, the Supplier is interested in providing various products and services to the VAR and the VAR is interested in receiving these products and services as set forth in this Agreement.

NOW, THEREFORE, in consideration of their mutual undertakings, and other good and valuable consideration, the parties hereby agree as follows:

**QUALIFICATION:** By executing this Agreement, the VAR certifies that he/she/they are a Value Added Reseller of the Supplier's products and that the VAR adds additional value to the Suppliers products they resell in the form of applications programs and/or consulting, applications design, programming and training services

**STANDARD TERMS AND CONDITIONS:** The VAR agrees with all provisions of Supplier's' Standard Terms and Conditions (Form 100) which is herein incorporated by reference to this Agreement. If any terms in this agreement modify the terms in the Standard Terms and Agreements Form 100, the terms in this Agreement will take precedence.

**PRICING:** The price for products and services under this agreement are based on prevailing published retail price list of the Suppliers.

**PAYMENT:** Payments for products or services purchased under the terms and conditions of this agreement must be made prior to shipment unless business terms have been established between the Supplier and the VAR.

**DEMONSTRATOR PRODUCTS:** During initial term of this Agreement, the VAR will be eligible to purchase one (1) single user and one (1) 1-5 multi-user "not for resale" development license of any filePro product(s) for a 50% discount off the standard retail price. Items listed on Schedule B, Non-Eligible Demonstrator Products do not qualify as Demonstrator products or the 50% discount set forth above. The VAR agrees not to re-sell or lease these product licenses to another party.

**MARKETING CO-OP PROGRAM:** The VAR will be entitled to a 5% Marketing Co-op credit based on his net purchases. This program is being offered to encourage the VAR to promote the Supplier's product(s). In order to qualify for the credit, the VAR must provide proof that they engaged in an approved Supplier co-op activity as listed in Schedule C. All promotional item(s) must include the filePro VAR Partner logo and the Supplier's web site address. To earn a credit for an activity or item that is not on Schedule C, the VAR must obtain prior written consent from the Supplier.

**OBLIGATIONS OF THE SUPPLIER:** The Supplier agrees to provide the discounts and other incentives as provided for in this Agreement. The Supplier agrees to help the VAR on a best effort basis to promote filePro and to assist the VAR in their promotional efforts as it relates to the Supplier's products and services.

## OBLIGATIONS OF THE VAR:

**Meeting Attendance:** It is in the best interest of the VAR and Supplier that the VAR be knowledgeable of the Supplier's product line(s); therefore, the VAR agrees to attend at least one (1) Supplier/VAR meeting initially and then annually or as required by Supplier. The Supplier/VAR meetings may be held in conjunction with the filePro International Conference or a Road Show so that no undo financial burden is placed upon the VAR. These meeting will cover new product(s), releases, updates, features, benefits and tips how to sell and/or program the Supplier's product(s).

**Web Site Presence:** The VAR agrees to have their company listed as a developer on the Supplier's web site and further agrees to prominently display the Supplier's VAR Partner logo with an image link directly back to the Suppliers web site providing the VAR has a web site.

**INITIALS** Supplier: \_\_\_\_\_ VAR: \_\_\_\_\_

**VAR to provide first level support to his customers:** The VAR agrees to provide direct first level technical support to their customers. If support is requested and provided to a customer of the VAR, the non-support incident fee will apply to the support provided unless the customer has a valid annual support agreement with the Supplier. If the VAR refuses to provide first level support, the VAR must advise the customer of the Suppliers support agreement plans. Failure to do so may void this VAR status and agreement.

**Supplier Technical Support Charges:** All calls to the Supplier for technical support will be covered under our current Technical Support Policy. The VAR will have the option to purchase an Annual Support Agreement or pay the per incident rate that is in effect as of the date of the call.

**DISCOUNTS:** The VAR will be entitled to receive a discount, from the published retail pricing, as specified in Schedule A – VAR Discount Schedule for products and services as specified by the Supplier. The discount percentage (%) will be based on either the net total purchases of the VAR's last full year (Jan 1 – Dec 31) or the last three (3) years net average [excluding the current year] whichever is higher. In the event, the VAR is new and has not purchased any products from the Supplier, the VAR can elect to receive either an Option 1 or Option 2 discount as specified in Schedule A. They must agree to the terms of the option he/she has selected. In the event the VAR's net sale-to-date amount exceeds the minimum requirements for a higher qualifying level, he will be entitled to the higher discount for any purchases from that date forward.

**CONTRACT TERM:** This agreement will remain in force for a period of one (1) year from the effective date. The agreement will automatically renew for an additional one (1) year period, unless terminated by either party in writing 30 days prior to the renewal date.

**ASSIGNMENT:** The VAR may not assign any rights hereunder without the prior written approval of the Supplier, and any attempt to assign any rights, duties, or obligations hereunder without the Supplier's written consent will be void. The Supplier may assign all or any part of its rights or obligations without the VAR's consent.

**DISCLAIMER OF WARRANTY:** THE SUPPLIER MAKES NO WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH REGARD TO THE SERVICES PROVIDED HEREUNDER.

**LIMITATION OF LIABILITY:** IN NO EVENT WILL THE SUPPLIER BE LIABLE TO VAR OR ANY OTHER INDIVIDUAL OR ENTITY CONNECTED WITH VAR FOR ANY CLAIM, LOSS, OR DAMAGE OR ANY KIND OR NATURE WHATSOEVER ARISING OUT OF OR IN CONNECTION WITH THE PERFORMANCE OF THIS AGREEMENT OR ANY INTERRUPTION OR LOSS OF SERVICE OR USE OF THE SOFTWARE, OR ANY FILES, DATA, OR OTHER COMPUTER SYSTEMS; (1) ANY SOFTWARE FAILURE; OR (2) ANY LOSS OF PROFITS, SALES, BUSINESS, DATA, OR OTHER DIRECT, INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR LOSS OR DAMAGE OF ANY KIND OR NATURE RESULTING FROM THE FOREGOING, AND NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

**PARTIAL INVALIDITY:** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

**ARBITRATION:** Any controversy between the parties hereto involving the construction or application of any of the terms, covenants, or conditions of this Agreement will, on the written request of one party served on the other, be submitted to arbitration. The arbitration will comply with and be governed by the provisions of the State of Indiana Code of Civil Procedure. The parties will each appoint one person to hear and determine the dispute and if they are unable to agree, then the two persons so chosen will select a third impartial arbitrator whose decision will be final and conclusive on both parties. The cost of arbitration will be borne in such proportions as the arbitrators decide.

**ATTORNEYS' FEES:** If any action at law or in equity, including an action for declaratory relief, is brought to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which that party may be entitled.

**INITIALS** Supplier: \_\_\_\_\_ VAR: \_\_\_\_\_

**GOVERNING LAW:** The parties hereby agree that any dispute regarding the interpretation or validity of, or otherwise arising out of, these standard terms and conditions for sale, or relating to the support hereunder shall be subject to the exclusive jurisdiction of the courts, and governed by the laws of, the State of Indiana without regard to that body of law controlling conflicts of law.

**TERMINATION OF AGREEMENT:** Termination upon Notice: Notwithstanding any other provisions of this Agreement, either party hereto may terminate this Agreement at any time by giving thirty (30) days written notice to the other party. Unless otherwise terminated as provided herein, this Agreement shall continue in force for a period of one (1) year.

Termination on Occurrence of Stated Events: This Agreement shall terminate automatically on the occurrence of (1) bankruptcy or insolvency of either party; (2) sale of the business of either party; (3) death of the VAR; or (4) assignment of this Agreement by either party without the express written consent of the other party.

Termination by the VAR for Default of the Supplier: Should the Supplier default in the performance of this Agreement or materially breach any of its provisions, the VAR, at the VAR's option, may terminate this Agreement by giving written notification to the Supplier.

Termination for Failure to Make Agreed-Upon Payments: Should the VAR fail to pay the Supplier all or any part of an invoice for items purchased under the terms of this agreement on the due date, the Supplier, at the Supplier's option, may terminate this Agreement if the failure is not remedied by the VAR within thirty (30) days from the date payment is due.

**NOTICES:** All notices and demands of any kind which VAR or Supplier may be required or desire to serve upon the other under the terms of this Agreement shall be in writing and shall be served by personal service or by mail at the address of the receiving party set forth above (or at such different addresses as may be designated by either party by written notice to the other party). All notices or demands by mail shall be by certified or registered mail, return receipt requested, and shall be deemed complete three (3) days after mailing. Notices sent to Supplier shall be addressed to the attention of "Legal Services."

**UNENFORCEABLE PROVISIONS:** In the event that any of the provisions of this Agreement shall be held by a court or other tribunal of competent jurisdiction to be unenforceable, the remaining portions of this Agreement shall remain in full force and effect, provided that in such event the parties agree to negotiate in good faith substitute enforceable provisions which most nearly effect the parties' intent in entering into this Agreement.

**WAIVER:** The failure of either party to enforce at any time, or for any period of time, the provisions hereof shall not be construed to be a waiver of such provisions or of the right of such party to enforce each and every such provision.

**ENTIRE AGREEMENT:** This Agreement, including any attachments hereto, constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof, and any and all written or oral agreements heretofore existing between the parties hereto are expressly canceled. Each party acknowledges that it is not entering into this Agreement on the basis of, and has not relied on, any representations not expressly contained herein. Any modifications of this Agreement must be in writing and signed by both parties hereto.

fP Technologies, Inc.	VAR:
By: _____	By: _____
Title: _____	Title: _____
Print Names:	
By: _____	By: _____
Title: _____	Title: _____
Date: _____	Date: _____

## Schedule A – VAR Discount Schedule

The VAR discount is based on the last full year's (Jan 1 – Dec 31) net sales or the 3 year net sales average not including the current year.  
Discount will apply to Supplier designated Discountable items only.

Circle Qualifying Level	Qualifying Net Sales Volume	Discount %	
		Std.	Bio-metric
Level 1	\$ 1,000.00 to \$ 2,999.99	10	N/A
Level 2	\$ 3,000.00 to \$ 4,999.99	20	10
Level 3	\$ 5,000.00 to \$ 6,999.99	25	15
Level 4	\$ 7,000 and over	30	20

**VAR Discount Election [Circle one Option and Initial Bottom of Page]:**

- Option 1**      By selecting this option the VAR agrees to a net purchase volume as checked above and is entitled to the corresponding discount level. In the event the VAR does not purchase and take delivery of the committed level, the VAR agrees to pay a bill back amount based on the difference between the committed discount and the actual earned discount based on the net sales for the contract period.
- Option 2**      By selecting this option the VAR is entitled to the smallest discount level as listed above and is not subject to any bill back provisions. In the event the VAR's net sale-to-date amount exceeds the minimum requirements for that level, he will be entitled to the higher discount for any purchases from that date forward.
- Option 3**      By selecting this option the VAR is entitled to the discount level based on previous year(s) net sales amounts as above and is not subject to any bill back provisions. In the event the VAR's net sale-to-date amount exceeds the minimum requirements for that level, he will be entitled to the higher discount for any purchases from that date forward.

**INITIALS** Supplier: \_\_\_\_\_ VAR: \_\_\_\_\_

## Schedule B - Non-Eligible **Qualifying** Demonstrator Products

- Developers Tool Kit for fileProGI
- Bio-metrics Products

This list is subject to change without notice.

## Schedule C - Marketing Co-op Program Approved Items and Activities

Any physical item that falls under this co-op program must include the Supplier's VAR Partner logo with the Supplier's web address as part of it.

- Sales Literature
- Advertising Specialties
- Direct Media Advertising
- Trade Show Exhibits
- Direct Mail Campaign

## Schedule D - Bio-metric Products Licensing

The fP Bio-metric product line software is licensed on an annual fee basis. The VAR or their authorized agent agrees to pay the initial cost of the product and pay the then current license fee on an annual basis or agrees to discontinue any use of these products and destroy any copies of the software and documentation that they have in their possession. Annual software license fees are not discountable.

**INITIALS** Supplier: \_\_\_\_\_ VAR: \_\_\_\_\_