

AccuKnox Distribution Agreement

This Distribution Agreement (this “Agreement”) effective as of this _____ (“Effective Date”) is entered into by and between AccuKnox Technologies, Inc., a Delaware corporation with an address of AccuKnox, Inc. Suite AG 138, SRI, 333 Ravenswood Ave, Menlo Park, CA 94025, USA (“AccuKnox”) and _____, a Corporation Operating under the laws of _____ with an address of _____ (“Distributor”). The parties agree as follows:

I. DEFINITIONS.

- Confidential Information has the meaning set forth in Section 7.
- Effective Date means the date first written above.
- End-user means a customer of a Reseller who licenses the Products subject to the EULA in the Territory and not for further distribution or resale. This agreement explicitly excludes AccuKnox Competitors, and Agents/Representatives of AccuKnox Competitors.
- End-user License Agreement (“EULA”) means the terms and conditions can be obtained from AccuKnox.
- Named Accounts means those specific accounts to which Distributor and Resellers may not actively promote sales of licenses and Services and which are excluded from the Territory, identified as Named Accounts in Exhibit A, which AccuKnox may modify from time to time upon written notice to Distributor.
- Products means those products of AccuKnox or its licensors (including updates, enhancements and new releases) and documentation listed in Exhibit A which may lawfully be supplied to End-users in the Territory in accordance with all applicable export and US laws and regulations.
- Reseller means a third-party appointed by Distributor in accordance with Section 3 who purchases Products and Services from Distributor and markets and distributes the Products and Services to End-users.
- Services means the following services: (a) support services as outlined in the EULA agreement; (b) professional services as defined by AccuKnox or agreed in writing by the parties; and (c) training offerings as defined by AccuKnox or agreed in writing by the parties.
- Term means the period of time in which the Agreement is effective as set forth on Exhibit A, beginning on the Effective Date, unless terminated earlier as provided below.
- Territory means the region defined in Exhibit A, excluding Named Accounts.
- AccuKnox Competitors means those companies whose products or services compete with AccuKnox’s offerings, a current list of which will be provided upon request.

DISTRIBUTOR APPOINTMENT.

Subject to the terms and conditions of this Agreement, AccuKnox appoints Distributor as AccuKnox’s non-exclusive distributor of Products and Services to Resellers in the Territory during the Term (as specified on Exhibit A), and Distributor accepts this appointment. Distributor may not actively solicit orders from End-users. In addition, Distributor will not provide Services (including without limitation training and support) associated with the Products to End-users, except for professional services delivered by a certified technical consultant expressly authorized by AccuKnox under a certified consultant program.

RESELLERS APPOINTED BY DISTRIBUTOR.

- 1.1. Distributor Appointment of Resellers. Distributor shall use its best efforts to appoint Resellers that will: Market, promote and sell licenses to the Products and Services in the Territory; and achieve the sales targets specified in Exhibit A. Distributor shall provide AccuKnox with information regarding Resellers as AccuKnox may reasonably request. Upon appointment of a Reseller, Distributor will send AccuKnox a copy of the agreement between Distributor and Reseller, including any requested

translation (if applicable). Distributor's appointment of each Reseller shall be in writing, with terms no less restrictive than this Agreement, and with the following minimum terms and conditions affecting Resellers:

- (a) Resellers must observe and perform the duties and obligations set forth in this Agreement, including without limitation the conduct of business requirements and confidentiality obligations, as far as any may be applicable to the Resellers.
- (b) AccuKnox Products are licensed and not sold. Prior to accepting any order, Reseller will notify the End-user that the Product is licensed, and support services are provided, subject to the click-through EULA. Reseller acknowledges that AccuKnox will not negotiate or accept changes to its EULA requested by End-users in the Territory. Reseller is not authorized to make any change to AccuKnox's EULA, or to reproduce Products in any manner.
- (c) Resellers are responsible for all Product promotions, sales activities and associated costs.
- (d) Resellers may collaborate with AccuKnox on strategies to grow the Products' market share in the Territory.
- (e) Resellers (i) will not provide Services to End-users at any time, except for professional services delivered by a certified technical consultant expressly authorized by AccuKnox under a certified consultant program, and (ii) will not make resolution time commitments for service issues or software defects on behalf of AccuKnox.
- (f) Resellers will instruct End-users who have purchased AccuKnox's Services on how to utilize the support systems and processes provided by AccuKnox for delivery of such Services.
- (g) Resellers and their principals will be prohibited from selling, marketing or distributing Products or Services to AccuKnox Competitors, either directly or indirectly through Resellers' shareholders, employees or agents.
- (h) Reseller agrees to cooperate with and assist AccuKnox, at AccuKnox's expense, in the protection of trademarks, patents, or copyrights owned by or licensed to AccuKnox and shall inform AccuKnox immediately of any infringements or other improper action with respect to such trademarks, patents or copyrights that become known to Reseller.
- (i) AccuKnox is a third party beneficiary of the agreement between Distributor and Reseller with the right to enforce the obligations set forth in that agreement.

1.2. **AccuKnox's Removal of a Reseller.** Upon written notice from AccuKnox, Distributor agrees to terminate the appointment of a Reseller as directed by AccuKnox considering issues of Reseller financial stability, past performance, familiarity with similar products and services to those of AccuKnox and history of professionalism and integrity.

DISTRIBUTOR OBLIGATIONS

- 1.3. **Evaluation of Resellers.** Distributor will regularly evaluate the performance of Resellers and will consult with and take into account the reasonable views of AccuKnox on Resellers' performance in making Distributor's decisions on retention or renewal of Resellers.
- 1.4. **AccuKnox Preferred Reseller Designation.** Distributor acknowledges and agrees that AccuKnox may:
- (a) Approach Resellers and invite them to participate in AccuKnox's preferred reseller programs. The decision to invite and accept a Reseller into any AccuKnox program is at AccuKnox's sole discretion.
 - (b) Enter into agreements with preferred Resellers and, as AccuKnox deems appropriate, extend benefits to qualifying Resellers such as value-based discounting, training, accreditation, business planning, and the availability of rebates and market development funds, which will be paid directly to the Reseller by AccuKnox. AccuKnox may inform preferred Resellers of any volume discount structure extended to Distributor under this Agreement.
 - (c) Work directly with preferred Resellers on account and market strategies.

- 1.5. **Preferred Reseller Discounts.** AccuKnox will use its reasonable endeavors to keep Distributor informed of the activities undertaken and information shared with preferred Resellers under Section 4.2. When Distributor places an order in accordance with Section 5.1 in relation to sales by a preferred Reseller, Distributor shall be entitled to the additional discounts from AccuKnox's list price as are set out in Exhibit A.
- 1.6. **Reseller Sales Support.** Distributor will actively encourage the success of preferred Resellers through joint business planning, sales training, sales assistance, marketing assistance, order administration instructions, etc.
- 1.7. **Customer Service Standards.** AccuKnox reserves the right to require reasonable evidence of satisfactory customer service. Distributor will use reasonable efforts to improve customer satisfaction in areas identified by AccuKnox, and will require its Resellers to do the same.
- 1.8. **Forecasts and Planning.** Distributor will conduct its forecasting and planning activities according to the terms of Exhibit A and provide such plans, information, and collaboration to AccuKnox as set forth in Exhibit A.
- 1.9. **Promotion of Renewals.** Distributor will actively promote the sale of support renewals through its Resellers and communicate with AccuKnox upon request to report on anticipated support renewal orders and declines, and will require its Resellers to do the same.
- 1.10. **Notice of Competing Products.** Exhibit A contains a complete listing of all vendors whose products are offered by Distributor. Distributor agrees to give AccuKnox 90 days prior written notice before entering into a business arrangement concerning any additional product(s) that may compete with the Products and Services offered under this Agreement.
- 1.11. **No Sales to AccuKnox Competitors.** Under no circumstances will Distributor or its principals sell, market or distribute Products or Services to AccuKnox Competitors, either directly or indirectly through its shareholders, employees or agents, without AccuKnox's prior written consent.
- 1.12. **No Commitments on Behalf of AccuKnox.** Distributor will not make resolution time commitments for service issues or software defects on behalf of AccuKnox or otherwise make commitments on behalf of AccuKnox outside the authority granted Distributor in this Agreement.
- 1.13. **Insurance.** Distributor represents that it has comprehensive general liability and errors and omissions insurance coverage with limits of at least \$500,000 per occurrence. Distributor will maintain such insurance coverage during the term of this Agreement and for a period of no less than two years from its termination and will provide AccuKnox with a certificate of insurance upon request.
- 1.14. **Claims and Defect Notices.** Distributor will notify AccuKnox in writing of any claim or proceeding involving Products immediately, but in no circumstances later than 10 calendar days after Distributor learns of such claim or proceeding. Distributor will report promptly to AccuKnox all claimed or suspected Product defects.
- 1.15. **Indemnification.** Distributor agrees to indemnify, defend and hold AccuKnox, its officers, directors, employees, successors, "representatives" (contractors, other third parties) and assigns harmless against all losses, damages, or expenses of whatever form or nature, including attorneys' fees and other costs of legal defense, whether direct or indirect, that they, or any of them, may sustain or incur, in whole or in part, as a result of any acts or omissions of Distributor or any of its directors, officers, employees, Resellers or agents, including, but not limited to (i) breach of any of the provisions of this Agreement, (ii) negligence, recklessness, gross negligence, willful misconduct, or other tortious conduct, (iii) representations or statements about the Products or Services, or AccuKnox or its commitments not specifically authorized by AccuKnox in this Agreement or otherwise in writing, or (iv) violation by Distributor or any of its directors, officers, employees, Resellers, or agents of any

applicable law, regulation, or order. This section shall survive the termination or expiration of this Agreement.

- 1.16. **Records and Audit.** Distributor will maintain copies of all order documentation, references to EULAs in click-through or written form, supporting documentation and End-user pricing records for five years after termination of this Agreement. Distributor shall maintain all other records relating to this Agreement for at least three years after termination of this Agreement. AccuKnox or its subcontractor shall be allowed access to Distributor's books and records at reasonable times both before and after termination of this Agreement to audit and ensure compliance with all provisions of this Agreement. Distributor or AccuKnox shall make prompt adjustment to correct for any errors or omissions disclosed by such audit. Any failure by AccuKnox to audit Distributor's books and records does not constitute a waiver of any requirement of this Agreement.
- 1.17. **Notice to Resellers.** Distributor will notify Resellers promptly of any change or amendment to this Agreement that may impact Resellers' activities, including without limitation, the termination or expiration of this Agreement, modification to the Territory or Named Accounts, etc., and will amend its agreements with Resellers accordingly.

ORDERS, PRICING, AND PAYMENT.

- 1.18. **Orders.** Orders for Products will be placed by Distributor with AccuKnox or AccuKnox's authorized source on a purchase order form approved by AccuKnox. All orders shall conform to the terms and conditions specified in this Agreement. All orders are subject to acceptance by AccuKnox at its discretion. The form of order for Products will contain the following information at a minimum:
- (a) Bill-to address (e-mail)
 - (b) Ship-to address for End-user
 - (c) Product and quantities ordered
 - (d) Current pricing
 - (e) Total amount of purchase order
 - (f) Reseller name and Reseller's main address
 - (g) Reseller authorization number, if a preferred Reseller
 - (h) Deal registration number, if applicable to the order
 - (i) Reseller's purchase order number
 - (j) Acknowledgement of terms as FOB Origin
 - (k) Acknowledgement of payment terms as Net thirty (30) days, and
 - (l) Complete End-User information which shall include: contact person, company name, telephone number, e-mail address
 - (m) EULA and attachments, if appropriate, signed by End-user (if a signed agreement is used);
 - (n) Copy of End-user purchase order submitted to Reseller (as evidence of End-user order)
 - (o) All export control documentation.
- 1.19. **Fees.** All fees for Products and Services charged to Distributor under this Agreement shall be as specified in Exhibit A. AccuKnox reserves the right to modify the list prices upon sixty (60) days prior notice. Prices do not include any sales, use, value added, personal property, withholding, excise or other taxes, customs duties, or similar tariffs and fees that AccuKnox or Distributor may be required to pay or collect upon the delivery of Products or upon collection of the applicable fee. Distributor agrees to bear and pay any such tax or levy made on AccuKnox or Distributor and indemnify AccuKnox for any claim for such tax or levy.
- 1.20. **Payment Terms.** Payment is due net thirty (30) days from date of invoice. All invoices will be electronically delivered and orders shall be paid by means of electronic transfer of United States Dollars (USD) in accordance with the wiring instructions set forth on the invoice. If Distributor fails to pay any amount due under this Agreement in full when such payment is due, AccuKnox may refuse to provide credit to Distributor and withhold shipment of Products on any future orders. If Distributor fails to pay any amount due under this Agreement in full within five (5) business days after payment is due,

AccuKnox shall be entitled, without prejudice to any other right to remedy it may have, to charge Distributor and Distributor shall pay interest on the unpaid amount at the rate of 1.5% per month (but not more than the highest rate allowed by law) from the date the payment became due until actual payment is made.

- 1.21. **Delivery.** Products may be delivered electronically and will be deemed delivered when made available to the End-user for download, and any products delivered in tangible media are delivered FOB Origin. AccuKnox's delivery of software by electronic means is subject to Distributor's provision of both a primary and an alternate e-mail address. AccuKnox may refuse, cancel or delay shipment to Distributor when in AccuKnox's opinion Distributor's credit is impaired, when Distributor is delinquent in payments or fails to meet other credit or financial requirements established by AccuKnox or when Distributor has failed to perform its other obligations under this Agreement. AccuKnox shall notify Distributor if any order cannot be fully supplied or of any significant delays in delivery.

DISTRIBUTOR'S CONDUCT OF BUSINESS.

- 1.22. **Compliance with Law.** Distributor shall comply with all applicable laws and regulations including, without limitation, any consumer protection laws which may apply to the sale of Services and license of Products, or otherwise.
- 1.23. **Compliance with Foreign Corrupt Practices Act.** Distributor understands that AccuKnox must comply with the U.S. anti-bribery and recordkeeping laws in addition to any similar applicable laws in the Territory. Distributor is familiar with the U.S. Foreign Corrupt Practices Act ("FCPA") and all local laws and regulations regarding corrupt practices. Distributor affirms and agrees to the terms and obligations set forth in the FCPA Certificate of Compliance incorporated into this document as Exhibit C and Distributor shall require that each of its directors, officers, employees, Resellers, and agents comply with such terms and obligations. Distributor shall reaffirm these obligations on an annual basis by providing AccuKnox with a signed FCPA Certificate of Compliance in the form set forth as Exhibit C. Upon AccuKnox's request, Distributor agrees to cooperate in any related investigation and provide any requested information associated with its business practices.
- 1.24. **Export Controls.** Distributor understands that AccuKnox is subject to U.S. and Territory export administration and control laws and regulations, including, without limitation, the United States Export Administration Regulations, which may prohibit export, re-export or diversion of the Products, information about the Products, and any immediate product of the Products, to certain countries or End-users. Distributor shall comply fully with applicable export administration and control laws and regulations of the U.S. and Territory, and any amendments of such laws and regulations. Distributor's responsibilities include, but are not limited to: (a) screening End-users and prospective End-users of the Product for export restrictions prior to accepting an order, or ensuring that its Resellers perform such screening; (b) providing AccuKnox with all documents necessary for applications made for required export licenses; and (c) providing AccuKnox with all documents necessary for compliance with AccuKnox's then-current export policies which will be provided to Distributor upon request. Distributor expressly understands that AccuKnox shall not be liable if such export license or any other authorization of any government agency is delayed, denied, revoked, restricted or not renewed.

CONFIDENTIALITY.

- 1.25. **Confidential Information.** "Confidential Information" means: (a) any authorization keys and passwords delivered in order to operate Products; (b) Product documentation, including, without limitation, Product road maps and development plans; (c) Product pricing information, including, without limitation, price lists; (d) all nonpublic business, technical or training information of a party; and (e) the specific terms and pricing set forth in any quotation, order, and this Agreement.
- 1.26. **Exclusions.** Confidential Information does not include information that: (a) is or becomes generally known or available to the public through no act or omission of the party receiving Confidential

Information (“Receiving Party”); (b) is rightfully known by the Receiving Party prior to receiving such information from the other party (“Disclosing Party”) and without restriction as to use or disclosure; (c) is independently developed by the Receiving Party without use of the Disclosing Party’s Confidential Information and without breach of this Agreement; or (d) is rightfully received by the Receiving Party from a third party without restriction on use or disclosure. The existence of this Agreement and the nature of the business relationship between the parties are not considered Confidential Information.

- 1.27. Use and Disclosure Restrictions.** Receiving Party will not use the Disclosing Party’s Confidential Information except as necessary to exercise the rights granted under this Agreement or to evaluate opportunities to license additional Products pursuant to this Agreement, and will not disclose such Confidential Information to any third party. The foregoing obligations will not restrict either party from disclosing Confidential Information of the other party: (a) pursuant to the order or requirement of a court, administrative agency, or other governmental body, provided that the party required to make such a disclosure gives reasonable notice to the other party to contest such order or requirement; and (b) on a confidential basis to its legal or financial advisors that need to know in order to advise such party. In addition, each party may disclose the terms and conditions of this Agreement: (i) as required under applicable securities regulations; and (ii) on a confidential basis to present or future providers of venture capital and potential private investors in or acquirers of such party. The obligation of confidentiality survives termination or expiration of this Agreement and continues as long as Distributor or AccuKnox possesses Confidential Information.
- 1.28. Right of Equitable Relief.** The parties acknowledge that violation of this Section 7 would cause the non-breaching party irreparable injury for which an adequate remedy at law may not be available. Therefore, the non-breaching party shall be entitled to seek all remedies that may be available under equity, including, without limitation, immediate injunctive relief, in addition to whatever remedies may be available at law.

GRANT OF TRADEMARK LICENSE; MARKETING MATERIALS.

- 1.29. Grant.** AccuKnox grants to Distributor a limited, nontransferable, nonexclusive license during the Term to use AccuKnox trademarks associated with Products in connection with the sale of Services, licensing, support and promotion of Products, and subject to the restrictions provided in this section. AccuKnox reserves the right to revoke the foregoing license at any time for any reason, irrespective of a breach or termination of this Agreement.
- 1.30. Reservation of Rights.** AccuKnox maintains exclusive title to trademarks (including logos) and retains all rights not explicitly granted by this Agreement. Distributor will not challenge or take any action that interferes with AccuKnox’s rights in trademarks. Distributor shall not directly or indirectly use any trademarks, any part of trademarks, any trade names or service names confusingly similar to AccuKnox trademarks, trade names and service names, as part of its business names or in any manner except as explicitly authorized by AccuKnox. Distributor shall not register or attempt to register trademarks, any part of trademarks, trade names, service names or domain names confusingly similar to AccuKnox trademarks, trade names, service names or domain names. Any such unauthorized registration will inure to the benefit of AccuKnox and not to the benefit of Distributor. The provisions of this subsection shall survive the termination or expiration of this Agreement.
- 1.31. Restrictions on Use.** Distributor will comply at all times with AccuKnox’s then-current policies with respect to the use of trademarks, trade names and service names. Distributor will not publish, cause to be published, endorse or approve any advertising or practice that might mislead or deceive any parties or might be detrimental to AccuKnox’s trademarks, trade names, service names, products, goodwill or reputation. Distributor will revise any advertising or practice upon AccuKnox’s request and in any manner reasonably requested by AccuKnox. Any marketing materials used to identify the relationship with AccuKnox shall require AccuKnox’s prior written approval, including without limitation marketing collateral in hard copy form, in electronic form, website postings, etc. This subsection shall survive the termination or expiration of this Agreement.

- 1.32. **Marketing Materials.** Distributor may use marketing materials in its own efforts to promote Products and Services, such as for internal promotion and trade shows. Distributor shall not alter any marketing materials provided by AccuKnox without the prior written approval of AccuKnox including material obtained from AccuKnox's website, and will provide an example of each altered form of marketing material to AccuKnox upon request. AccuKnox shall retain all copyrights to all marketing materials, including copyrights to any translated versions of the AccuKnox manuals, documentation and collateral material. As a matter of record, AccuKnox shall purchase from the Distributor all property rights to any localized marketing materials, AccuKnox manuals, documentation and collateral material for the price of \$1.00. Distributor shall not provide marketing materials directly to its Resellers unless expressly authorized in writing by AccuKnox.
- 1.33. **No Trademark License to Resellers.** For the avoidance of doubt, no license is granted to Resellers to use AccuKnox's trademarks under this Agreement and Distributor is not authorized to sublicense the rights granted to Distributor under this Section 8.

TERM & TERMINATION.

- 1.34. **Term.** Unless terminated earlier as provided for below, this Agreement shall be effective during the Term. This Agreement may be renewed for subsequent Term(s) only upon the parties' execution of a written agreement or amendment to this Agreement setting forth the new Term and other applicable provisions.
- 1.35. **Termination.** This Agreement may be terminated by either party upon 30 days' written notice to the other party during the Term, unless otherwise agreed by the parties in writing.
- 1.36. **Termination for Insolvency.** Either party may immediately terminate this Agreement by giving written notice to the other party in the event of: (a) the liquidation or insolvency of the other party; (b) the appointment of a receiver or similar officer for the other party; (c) an assignment by the other party for the benefit of all or substantially all of its creditors; (d) entry by the other party into an agreement for the composition, extension, or readjustment of all or substantially all of its obligations; or (e) the filing of a meritorious petition in bankruptcy by or against the other party under any bankruptcy or debtors' law for its relief or reorganization.
- 1.37. **Termination for Breach.** Either party may terminate this Agreement upon written notice to the other party if the other party is in breach of its obligations under this Agreement, including Distributor's failure to meet the sales targets or otherwise comply with Exhibit A, and has failed to cure such breach pursuant to this section. In the event of a breach of the obligations of a party under this Agreement, the non-breaching party shall provide written notice to the breaching party setting forth, in sufficient detail, a description of the breach and the applicable cure period. If the breach is either party's breach of the confidentiality provisions or a breach incapable of cure, termination shall be effective upon notice. For all other types of breach, the notice shall provide for a cure period of not less than 15 days.
- 1.38. **Sale or Acquisition.** If a third party acquires a total cumulative interest of greater than 25% of the assets or capital stock of the Distributor, or if the Distributor is merged into or with, consolidated, sells all or substantially all of its assets, or implements or suffers any substantial change in management or control, Distributor shall notify AccuKnox immediately and AccuKnox may terminate the Agreement immediately upon written notice without any cure period.
- 1.39. **Obligations on Termination/Expiration.** Upon expiration of any Term or termination of this Agreement as referenced above, the parties agree that:
- (a) **Cease Marketing Activities.** Distributor shall immediately cease all marketing activities for Products and Services, in the event of any termination or expiration. In addition, Distributor shall cause its Resellers to cease their respective activities if specifically requested in writing by AccuKnox.

- (b) **Use of Trademarks.** Distributor shall immediately cease to use the trademarks, any part of trademarks, trade names and service names of AccuKnox or any confusingly similar marks or names.
- (c) **Return of Confidential Information and Marketing Material.** Distributor shall return or destroy at AccuKnox's option all Confidential Information received from AccuKnox and all sales and service information and marketing materials received from AccuKnox. Distributor shall certify such return or destruction.
- (d) **Outstanding Invoices.** All outstanding invoices to Distributor for Products shall become due and payable on the effective date of termination or expiration, notwithstanding anything to the contrary.
- (e) **Orders During Termination Period.** Notwithstanding anything to the contrary, during the Termination Period all Product orders submitted by Distributor shall be accompanied by payment in full. AccuKnox is under no obligation to ship unless AccuKnox, at its discretion, accepts the order and payment in full is received. Termination of this Agreement shall not prejudice any amounts due under accepted orders. AccuKnox, at its discretion, may accept orders at full list price to purchase Services during the Termination Period.
- (f) **No Direct Provision of Services.** For the avoidance of doubt, Distributor and Reseller shall not provide Services associated with the Products to End-users after any termination or expiration of this Agreement, unless expressly agreed by AccuKnox.

1.40. **No Renewal.** The acceptance of any order from, or the license of any Products through Distributor or a Reseller, after the expiration or termination of this Agreement shall not be construed as extending the Term, however, all such orders or licenses shall be governed by the terms of this Agreement unless otherwise agreed in writing by authorized representatives of both parties.

1.41. **No Compensation.** Neither Party shall be liable by reason of termination, expiration, or non-renewal of this Agreement to the other for compensation, reimbursement or damages for the loss of prospective profits on anticipated sales of Services or Product licenses or for expenditures, investments, indemnity payment leases or commitments in connection with the business or goodwill of AccuKnox or Distributor or otherwise. This subsection shall not limit any other remedies available for breach of this Agreement.

DISCLAIMER OF WARRANTIES.

AccuKnox MAKES NO WARRANTIES, EXPRESS OR IMPLIED, TO DISTRIBUTOR OR TO ANY OTHER PERSON, WITH RESPECT TO THE PRODUCTS, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS. AccuKnox DOES NOT WARRANT THAT USE OR ACCESS TO THE SOFTWARE WILL BE ERROR-FREE, UNINTERRUPTED, SECURE, OR VIRUS-FREE. DISTRIBUTOR WAIVES AND RELEASES ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND WARRANTIES ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE.

LIMITATION OF LIABILITY.

IN NO EVENT SHALL AccuKnox OR ITS LICENSORS BE LIABLE FOR PUNITIVE, EXEMPLARY, INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES (INCLUDING LOSS OF PROFIT, DATA, REVENUE OR USE, OR BUSINESS INTERRUPTION) WHETHER BASED ON CONTRACT, TORT OR ANY OTHER LEGAL THEORY, EVEN IF AccuKnox OR ITS LICENSORS HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT SHALL AccuKnox'S OR ITS LICENSORS' LIABILITY UNDER THIS AGREEMENT EXCEED THE AMOUNT RECEIVED FROM DISTRIBUTOR FOR THE SOFTWARE OR SERVICE GIVING RISE TO THE CLAIM. IN THE CASE WHERE NO AMOUNT WAS PAID, AccuKnox AND ITS LICENSORS SHALL HAVE NO LIABILITY FOR ANY DAMAGES WHATSOEVER. THE PROVISIONS OF THIS SECTION 11 SHALL SURVIVE THE TERMINATION OR EXPIRATION OF THIS AGREEMENT. Distributor acknowledges that the allocation of risk set forth in this Agreement allows AccuKnox to provide the Products at a lower cost, and AccuKnox would not enter into this Agreement without these

limitations on its liability. Some jurisdictions do not allow the exclusion or limitation of liability for incidental or consequential damages, so the above limitation may not apply to you to the extent prohibited by such local laws.

AccuKnox SHALL NOT BE LIABLE TO DISTRIBUTOR FOR DAMAGES OF ANY KIND, INCLUDING INCIDENTAL OR CONSEQUENTIAL DAMAGES, ON ACCOUNT OF THE TERMINATION OF THIS AGREEMENT IN ACCORDANCE WITH SECTION 9 OF THIS AGREEMENT. EXCEPT AS EXPRESSLY PROVIDED FOR IN THIS AGREEMENT, DISTRIBUTOR WAIVES ANY RIGHT IT MAY HAVE TO RECEIVE ANY COMPENSATION OR REPARATIONS ON TERMINATION OR EXPIRATION OF THIS AGREEMENT.

GENERAL PROVISIONS.

This following provisions shall survive the termination or expiration of this Agreement, as applicable:

- 1.42. **Assignment.** Distributor shall not assign this Agreement, or any rights under it, without the prior written consent of AccuKnox. AccuKnox may assign any portion of this Agreement to any affiliated company or successor in interest. Subject to the foregoing, this Agreement shall bind and inure to the benefit of the respective parties and their heirs, personal representatives and assignees.
- 1.43. **Dispute Resolution.** Any dispute arising out of or relating to this Agreement shall be governed by the laws of the California, USA.
- 1.44. **Conflicts.** In the event of a conflict between the terms of this Agreement and the terms of an order placed by Distributor, or any other sales document between the parties, the terms of this Agreement shall govern and additional or different terms on the order or other document shall not apply, unless the parties expressly agree otherwise.
- 1.45. **Entire Agreement; Headings.** The parties agree that this Agreement and its exhibits, which are incorporated by reference, is the complete and exclusive statement concerning its subject matter between the parties and that it supersedes all prior or contemporaneous agreements, whether oral or written, between the parties, or between the parties and any other AccuKnox affiliated company, relating to the subject matter, including but not limited to any purchase order terms and conditions. Neither party shall make any modification, change or amendment to this Agreement, or any waiver of any rights, unless agreed to in writing by the other party. Headings in this Agreement are for convenience only and do not affect its meaning.
- 1.46. **Force Majeure.** Neither party shall be responsible for any failure to perform (other than payment obligations) due to unforeseen circumstances or to causes beyond a party's control, including but not limited to war, riot, embargoes, acts of civil or military authorities, terrorism, fire, floods, accidents, strikes, or shortages of transportation, facilities, fuel, energy, labor or materials (each a "force majeure"). AccuKnox may defer the delivery date of orders for Products for a period equal to the time of such delay. If a party's performance is affected due to a force majeure for 90 days or more, the other party will be entitled to terminate this Agreement effective on written notice, unless delivery of the notice is impossible to achieve due to the force majeure, in which case no notice will be required for termination.
- 1.47. **Notices.** All notices required or authorized under this Agreement shall be given in writing. All notices shall be effective upon delivery if delivered in person, upon facsimile with proof of transmission, or upon mailing if mailed in a form of priority mail, express mail or courier service addressed to the other party at its principal business address stated in this Agreement or at such other address that either party provides by advance written notice to the other party.
- 1.48. **Relationship of the Parties.** Although AccuKnox may refer to Distributor or a Reseller as a "partner," the relationship of AccuKnox and Distributor (and AccuKnox and any Reseller) is that of independent contractors, and at no time does either party have the power to (a) direct and control day-to-day activities of the other, or (b) bind the other. This Agreement shall not be deemed to create a partnership, agency, joint venture, or other similar arrangement, or cause the parties to otherwise be construed as participants in a joint or common undertaking. Distributor and Resellers shall not represent itself as an agent of AccuKnox for any purpose nor pledge AccuKnox's credit or give any condition or warranty or make any representation on AccuKnox's behalf or commit AccuKnox to any contracts. Further, Distributor and Resellers shall not, without AccuKnox's prior written consent, make any promises or guarantees with reference to the Products beyond those contained in marketing

material supplied by AccuKnox or otherwise incur any liability on behalf of AccuKnox. Distributor shall describe itself as an “Authorized Distributor” for AccuKnox in all correspondence, commercial documents and on any nameplate or sign on Distributor’s premises. All financial obligations associated with Distributor’s or Reseller’s business are the sole responsibility of Distributor or Reseller, respectively.

- 1.49. **Severability.** If any provision of this Agreement or its application is held invalid, illegal or unenforceable, the invalidity, illegality or unenforceability will not affect any other terms of this Agreement which can be given effect without the invalid or unenforceable term.
- 1.50. **Waiver.** The waiver of any provision, breach or default under this Agreement shall not constitute a subsequent waiver, nor will any waiver constitute a continuing waiver. No waiver is binding unless executed in writing by the party making the waiver.

IN WITNESS WHEREOF, the parties have executed this Agreement.

AccuKnox, Inc.

[DISTRIBUTOR]

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

**FORM OF EXHIBIT A
BUSINESS TERMS**

Exhibit Effective Date:

This Exhibit A to the AccuKnox Distributorship between _____ and AccuKnox, dated _____ (the "Agreement") is by and between AccuKnox, having a principal place of business at 7772 Orogrande Place, Cupertino, CA 95014 ("AccuKnox"), and the following distributor ("Distributor") and is attached to, and incorporates by reference, the terms of the Agreement. If Distributor has affiliates in multiple territories, the parties may contemporaneously execute multiple exhibits, each entitled Exhibit A-n as appropriate, and each Exhibit A-n will be effective for the Term specified unless terminated sooner in accordance with the Agreement.

Distributor Corporate Name: _____

Distributor Address: _____

TERRITORY _____

If Distributor identifies an opportunity with an End-user outside the Territory and AccuKnox agrees to accept such End-user order, the parties will sign a letter agreement memorializing the parties' intent to make a territory exception for that specific order.

NAMED ACCOUNTS (excluded from the Territory)

TERM

This Exhibit shall be effective starting on the Exhibit Effective Date, unless terminated earlier as set forth in the Agreement.

PRODUCTS

Products and Services shall mean those listed on the then-current AccuKnox price-list applicable for the Territory (the "AccuKnox Price List"), incorporated into this Agreement by reference. All amounts are listed in United States Dollars (USD). The AccuKnox Price List may be updated by AccuKnox from time to time as set forth in the Agreement.

SALES TARGETS

Performance Milestones. Sales targets are based on the net dollar amount AccuKnox receives from the Product licensing, excluding third party Products, and sale of Services on purchase orders issued by Distributor to AccuKnox. Product license fees must represent at least 40% of the fees under this Agreement for each quarter.

Sales Target by Revenue

Q1	Q2	Q3	Q4	Total

PRICING

Products. Distributor will pay to AccuKnox fees for Products based on the current applicable AccuKnox List Price less the appropriate discount specified:

Reseller Level	License Fees Discount	Registered Deal Discount
Associate Reseller		
Preferred Reseller		

Services. Distributor will pay to AccuKnox fees for Services based on the current applicable AccuKnox List Price less the appropriate discount specified:

First Year of Support Services	Training Services	Professional Services
Equal to initial license fees discount		

Support Renewals. Distributor will pay to AccuKnox fees for renewal of Support Services, if purchased, at a rate not to exceed 105% over the support unit price charged to the Distributor in the current support period for a specific End-user. If the subsequent period's support renewal is not renewed by the expiration date of the current support period (i.e. support has lapsed for that End-user), pricing is subject to renegotiation.

Special Pricing Programs. Distributor may propose special promotional programs or specific opportunities that increase or decrease the Product discounts listed above. Distributor must, through its designated channel manager, obtain AccuKnox's prior written approval of any adjustments to the discount(s). AccuKnox may, in its sole discretion, approve or reject any request. In addition, AccuKnox may offer special promotional programs that increase or decrease the discounts listed above. In all instances, the adjusted discounts apply only to a particular order from the specified End-user, or to the specific special promotional program.

SALES INFORMATION

Business Plan. Within thirty (30) days from the Effective Date of this Exhibit, Distributor will provide AccuKnox with a preliminary Business Plan outlining the specific opportunities and marketing strategies and tactics that Distributor through its Resellers will employ to achieve its sales targets. Distributor will update the preliminary Business Plan within three months of the Effective Date and within fourteen (14) days following the close of each calendar quarter thereafter throughout the Term.

Forecasts and Market Information. Distributor shall communicate frequently with AccuKnox on the status of the selling efforts and current market conditions. Distributor shall provide monthly forecasts in the form requested by AccuKnox.

Distributor shall keep AccuKnox informed on the competitive situation in the Territory and other factors affecting the business. Distributor shall obtain such information as is needed from Resellers in order to sufficiently provide AccuKnox with such forecasts and market information.

Professional Services. At least one (1) certified consultant authorized by AccuKnox under a certified consultant program is also required if professional services are to be marketed and delivered by the Distributor.

LIST OF VENDORS

Complete List of Vendors Whose Products are Offered by Distributor:

IN WITNESS WHEREOF, the parties have executed this Exhibit A.

AccuKnox, Inc.

[DISTRIBUTOR]

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

EXHIBIT B
FOREIGN CORRUPT PRACTICES ACT (“FCPA”) CERTIFICATE OF COMPLIANCE

- (1) For the purposes of this FCPA Compliance Certificate:
 - (a) “Government Official” means any officer, employee or agent of any government, or any state-owned or state-controlled enterprise, public international organization, including any officer, employee, or agent of a political party, a candidate for political office or political party official or agent, including immediate family members or nominees of such officials and candidates,
 - (b) “Payment” means any loan, gift, bribe, or transfer of money or anything of value, and
 - (c) “AccuKnox” means AccuKnox, or any subsidiary or affiliate company of AccuKnox,
- (2) Distributor hereby certifies that neither they nor to their knowledge any other person, including but not limited to every director, officer, employee, Reseller, representative, and agent of Distributor, has made, offered to make, agreed to make, or will make in the future, any improper Payment either directly or indirectly, whether in cash or in kind to or for the benefit of any Government Official, for:
 - (a) the purpose of retaining or obtaining business, or
 - (b) influencing any Government Official to commit an unlawful act or make an unlawful decision, securing any improper advantage or inducing such official to use any undue influence for the purpose of retaining or obtaining business.
- (3) Distributor further affirms that should it learn of or have reason to know of any such Payment, or offer or agreement to make a Payment to a Government Official, for the purpose of maintaining or securing business for AccuKnox, or obtaining any other improper advantage, it will immediately advise the Director of Legal Affairs of AccuKnox, of such knowledge or suspicion.

Distributor

By: _____

Print Name: _____

Title: _____