

SOFTWARE DISTRIBUTION AGREEMENT (INTERNATIONAL)

This Software Distribution Agreement ("Agreement") is made between _____ ("Software Owner") and _____ ("Distributor").

1. Definitions

- a. **Software.** The term "Software" means the computer programs, including the machine-readable object code and partial source code, and manuals identified in Exhibit A. The term "Software" includes all modifications, enhancements and releases of the computer programs and manuals.
- b. **Licensee.** The term "Licensee" means any person or entity that enters into a Software License Agreement for the Software as a result of Distributor's efforts.
- c. **Prime Territory.** The term "Prime Territory" means _____.
- d. **Secondary Territory.** The term "Secondary Territory" means _____.
- e. **Minimum Revenue Quota.** The term "Minimum Revenue Quota" or "Quota" means all licensing revenue paid to Distributor attributable to licenses obtained by Distributor's efforts in the Prime Territory in an amount established in accordance with Section 2.b.
- f. **Base License Fees.** The term "Base License Fees" means the fees set forth in Exhibit A for the Software.

2. Appointment

- a. **Prime Territory.** Subject to Section 2.b below, Software Owner appoints Distributor as its exclusive marketing representative for the Software in the Prime Territory.
- b. **Prime Territory Minimum Revenue Quota.** Distributor agrees that during each successive twelve-month period after the effective date of this Agreement it will achieve the Minimum Revenue Quota for licensing the Software to Licensees in the Prime Territory. The initial Quota will be \$_____. The Quota for subsequent twelve-month periods will be subject to negotiation. In case of failure to agree, the Quota will be equal to _____ percent (____%) of the Quota during the previous twelve-month period. If Distributor fails to achieve the Quota in any twelve-month period, Software Owner or Distributor may terminate this Agreement by giving notice within _____ (__) days of the end of the period.
- c. **Secondary Territories.** Software Owner appoints Distributor as its nonexclusive marketing representative for the Software in the Secondary Territories. Software Owner may terminate this appointment at any time for all or any part of the Secondary Territories by giving notice to Distributor at least _____ (__) days prior to the effective date of the termination.

3. Obligations of Software Owner

- a. **Delivery of Software.** Software Owner shall provide Distributor with a copy of the Software.
- b. **Promotional Material.** Software Owner, upon receipt of Distributor's order and payment for printing expenses, will provide Distributor with promotional materials in the English language for use in marketing the Software. Distributor will reimburse Software Owner for shipping costs.
- c. **Corrections.** Software Owner will provide Distributor with corrections and, at the option of Software Owner, enhancements to the Software for transmission to Licensees. Distributor

agrees that Software Owner will provide corrections only for the current version(s) of the Software as released by Software Owner.

- d. **Marketing Assistance.** Software Owner will provide Distributor (i) a complete list of current customers in the Prime and Secondary Territories, and (ii) the names of any sales leads in the Prime and Secondary Territories known to Software Owner.
- e. **Training.** Software Owner will provide Distributor with technical training as deemed reasonable by Software Owner. Where Distributor's personnel travel to the United States, training facilities and associated costs will be at Software Owner expense, and travel, hotels, and other associated costs for Distributor's personnel shall be at Distributor's expense. For training conducted in Distributor's Prime or Secondary Territories, travel, hotels, and other associated costs for Software Owner's personnel, as well as training facilities and associated costs, will be borne by Distributor.