Business and Services Agreement

This Microsoft Business and Services Agreement ("MBSA") is entered into by the entities identified on the signature form, and its terms and conditions are incorporated by reference into any Supplemental Agreement under which Customer or its Affiliates acquire Products or Professional Services.

1.   Definitions.

In this agreement, the following definitions apply:

"Affiliate" means any legal entity that controls, is controlled by, or that is under common control with a party. "Control" means ownership of more than a 50% interest of voting securities in an entity or the power to direct the management and policies of an entity.

"Customer" means the legal entity that has entered into this agreement.

"Customer Data" means all data, including all text, sound, software, image or video files that are provided to Microsoft by, or on behalf of, Customer and its Affiliates through use of Online Services.

"day" means a calendar day.

"Fixes" means Product fixes, modifications or enhancements, or their derivatives, that Microsoft either releases generally (such as Product service packs), or provides to Customer to address a specific issue.

"Microsoft" means the Microsoft Affiliate that has entered into this agreement and its Affiliates, as appropriate.

"Online Services" means the Microsoft-hosted services identified as Online Services in the Product Terms.

"Online Services Terms" means the additional terms that apply to Customer's use of Online Services published on the Volume Licensing Site and updated from time to time.

"Pre-Existing Work" means any computer code or other written materials developed or otherwise obtained independent of this agreement.

"Product" means all products identified in the Product Terms, such as all Software, Online Services and other web-based services, including pre-release or beta versions. Product availability may vary by region.

"Product Terms" means the document that provides information about Microsoft Products and Professional Services available through volume licensing. The Product Terms document is published on the Volume Licensing Site and is updated from time to time.

"Professional Services" means Product support services and Microsoft consulting services provided to Customer under this agreement. "Professional Services" does not include Online Services.

"SLA" means Service Level Agreement, which specifies the minimum service level for Online Services and is published on the Volume Licensing Site.

"Services Deliverables" means any computer code or materials, other than Products or Fixes, that Microsoft leaves with Customer at the conclusion of Microsoft's performance of Professional Services.

"Software" means licensed copies of Microsoft software identified on the Product Terms. Software does not include Online Services or Services Deliverables, but Software may be part of an Online Service.

"Statement of Services" means any work orders or other description of Professional Services that incorporates this MBSA.

"Supplemental Agreement" means any agreement that incorporates this MBSA.

"Trade Secret" means information that is not generally known or readily ascertainable to the public, has economic value as a result, and has been subject to reasonable steps under the circumstances to maintain its secrecy.

"use" or "run" means to copy, install, use, access, display, run or otherwise interact with.

"Use Rights" means the use rights or terms of service for each Product published on the Volume Licensing Site and updated from time to time. The Use Rights supersede the terms of any end user license agreement that accompanies a Product. The Use Rights for Software are published by Microsoft in the Product Terms. The Use Rights for Online Services are published in the Online Services Terms.

"Volume Licensing Site" means http://www.microsoft.com/licensing/contracts or a successor site.

2. Use, ownership, rights, and restrictions.

a. Products. Unless otherwise specified in a Supplemental Agreement, use of any Product is governed by the Use Rights specific to each Product and version and by the terms of the applicable Supplemental Agreement.

b. Fixes and Services Deliverables.

(i) Fixes. Each Fix is licensed under the same terms as the Product to which it applies. If a Fix is not provided for a specific Product, any use rights Microsoft provides with the Fix will apply.

(ii) Pre-Existing Work. All rights in Pre-existing Work will remain the sole property of the party providing it. Each party may use, reproduce and modify the other party's Pre-existing Work only as needed to perform obligations related to Professional Services.

(iii) Services Deliverables. Upon payment in full for the Professional Services, Microsoft grants Customer a non-exclusive, non-transferable, perpetual license to reproduce, use and modify the Services Deliverables solely for Customer's internal business purposes, subject to the terms and conditions in this agreement.

(iv) Affiliates' rights. Customer may sublicense its rights in Services Deliverables to its Affiliates, but Customer's Affiliates may not sublicense these rights. Customer is liable for ensuring its Affiliates' compliance with this agreement.

c. Non-Microsoft software and technology. Customer is solely responsible for any non-Microsoft software or technology that it installs or uses with the Products, Fixes, or Services Deliverables.

d. Restrictions. Customer must not (and is not licensed to) (1) reverse engineer, decompile or disassemble any Product, Fix, or Services Deliverable; (2) install or use non-Microsoft software or technology in any way that would subject Microsoft's intellectual property or technology to any other license terms; or (3) work around any technical limitations in a Product, Fix or Services Deliverable or restrictions in Product documentation. Except as expressly permitted in this agreement, a Supplemental Agreement or Product documentation, Customer must not (and is not licensed to) (1) separate and run parts of a Product or Fix on more than one device, upgrade or downgrade parts of a Product or Fix at different times, or transfer parts of a Product or Fix separately; or (2) distribute, sublicense, rent, lease, lend any Products, Fixes, or Services Deliverables, in whole or in part, or use them to offer hosting services to a third party.

e. Reservation of rights. Products, Fixes, and Services Deliverables are protected by copyright and other intellectual property rights laws and international treaties. Microsoft reserves all rights not expressly granted in this agreement. No rights will be granted or implied by waiver or estoppel. Rights to access or use Software on a device do not give Customer any right to implement Microsoft patents or other Microsoft intellectual property in the device itself or in any other software or devices.

3. Confidentiality.

"Confidential Information" is non-public information that is designated "confidential" or that a reasonable person should understand is confidential, including Customer Data and the terms of Microsoft agreements. The Online Services Terms may provide additional obligations for, and limitations on disclosure and use of, Customer Data. Confidential Information does not include information that (1) becomes publicly available without a breach of this agreement, (2) the receiving party received lawfully from another source without a confidentiality obligation, (3) is independently

developed, or (4) is a comment or suggestion volunteered about the other party's business, products or services.

Each party will take reasonable steps to protect the other's Confidential Information and will use the other party's Confidential Information only for purposes of the parties' business relationship. Neither party will disclose that Confidential Information to third parties, except to its employees, Affiliates, contractors, advisors and consultants ("Representatives") and then only on a need-to-know basis under nondisclosure obligations at least as protective as this agreement. Each party remains responsible for the use of the Confidential Information by its Representatives and, in the event of discovery of any unauthorized use or disclosure, must promptly notify the other party.

A party may disclose the other's Confidential Information if required by law; but only after it notifies the other party (if legally permissible) to enable the other party to seek a protective order.

Neither party is required to restrict work assignments of its Representatives who have had access to Confidential Information. Each party agrees that the use of information retained in Representatives' unaided memories in the development or deployment of the parties' respective products or services does not create liability under this agreement or trade secret law, and each party agrees to limit what it discloses to the other accordingly.

These obligations apply (1) for Customer Data until it is deleted from the Online Services, and (2) for all other Confidential Information, for a period of five years after a party receives the Confidential Information.

4. Privacy and compliance with laws.

    a. Customer consents to the processing of personal information by Microsoft and its agents to facilitate the subject matter of this agreement. Customer will obtain all required consents from third parties (including Customer's contacts, resellers, distributors, administrators, and employees) under applicable privacy and data protection law before providing personal information to Microsoft.

    b. Personal information collected under this agreement (1) may be transferred, stored and processed in the United States or any other country in which Microsoft or its service providers maintain facilities and (2) will be subject to the privacy terms specified in the Use Rights. Microsoft will abide by the requirements of European Economic Area and Swiss data protection law regarding the collection, use, transfer, retention, and other processing of personal data from the European Economic Area and Switzerland.

    c. **U.S. export.** Products, Fixes, and Services Deliverables are subject to U.S. export jurisdiction. Customer must comply with all applicable international and national laws, including the U.S. Export Administration Regulations, the International Traffic in Arms Regulations, and end-user, end use and destination restrictions by U.S. and other governments related to Microsoft products, services, and technologies.

5. Warranties.

    a. **Limited warranties and remedies**.

        (i) **Software.** Microsoft warrants that each version of the Software will perform substantially as described in the applicable Product documentation for one year from the date Customer is first licensed for that version. If it does not, and Customer notifies Microsoft within the warranty term, then Microsoft will, at its option (1) return the price Customer paid for the Software license, or (2) repair or replace the Software.

        (ii) **Online Services.** Microsoft warrants that each Online Service will perform in accordance with the applicable SLA during Customer's use. Customer's remedies for breach of this warranty are in the SLA.

        (iii) **Professional Services.** Microsoft warrants that it will perform Professional Services with professional care and skill. If Microsoft fails to do so, and Customer notifies Microsoft within 90 days of the date the Professional Services were performed, then Microsoft will, at its discretion, either re-perform the Professional Services or return the price Customer paid for them.

The remedies above are Customer's sole remedies for breach of the warranties in this section. Customer waives any breach of warranty claims not made during the warranty period.

b. **Exclusions.** The warranties in this agreement do not apply to problems caused by accident, abuse or use in a manner inconsistent with this agreement, including failure to meet minimum system requirements. These warranties do not apply to free, trial, pre-release, or beta products, or to components of Products that Customer is permitted to redistribute.

c. **Disclaimer. Except for the limited warranties above, Microsoft provides no other warranties or conditions and disclaims any other express, implied or statutory warranties, including warranties of quality, title, non-infringement, merchantability, and fitness for a particular purpose.**

6. Defense of third party claims.

The parties will defend each other against the third-party claims described in this section and will pay the amount of any resulting adverse final judgment or approved settlement, but only if the defending party is promptly notified in writing of the claim and has the right to control the defense and any settlement of it. The party being defended must provide the defending party with all requested assistance, information, and authority. The defending party will reimburse the other party for reasonable out-of-pocket expenses it incurs in providing assistance. This section describes the parties' sole remedies and entire liability for such claims.

a. **By Microsoft.** Microsoft will defend Customer against any third-party claim to the extent it alleges that a Product, Fix or Services Deliverable made available by Microsoft for a fee and used within the scope of the license granted (unmodified from the form provided by Microsoft and not combined with anything else) misappropriates a trade secret or directly infringes a patent, copyright, trademark or other proprietary right of a third party. If Microsoft is unable to resolve a claim of infringement under commercially reasonable terms, it may, at its option, either (1) modify or replace the Product, Fix or Services Deliverable with a functional equivalent; or (2) terminate Customer's license and refund any prepaid license fees (less depreciation on a five-year, straight-line basis) for perpetual licenses and any amount paid for Online Services for any usage period after the termination date. Microsoft will not be liable for any claims or damages due to Customer's continued use of a Product, Fix, or Services Deliverable after being notified to stop due to a third-party claim.

b. **By Customer.** To the extent permitted by applicable law, Customer will defend Microsoft against any third-party claim to the extent it alleges that: (1) any Customer Data or non-Microsoft software hosted in an Online Service by Microsoft on Customer's behalf misappropriates a trade secret or directly infringes a patent, copyright, trademark, or other proprietary right of a third party; or (2) Customer's use of any Product, Fix, or Services Deliverable alone or in combination with anything else, violates the law or damages a third party.

7. Limitation of liability.

For each Product or Professional Service, each party's maximum, aggregate liability to the other under each Supplemental Agreement is limited to direct damages finally awarded in an amount not to exceed the amounts Customer was required to pay for the applicable Products or Professional Services during the term of the Supplemental Agreement, subject to the following:

a. **Online Services**. For Online Services, Microsoft's maximum liability to Customer for any incident giving rise to a claim will not exceed the amount Customer paid for the Online Service during the 12 months before the incident.

b. **Free Products and Distributable Code.** For Products and Professional Services provided free of charge and code that Customer is authorized to redistribute to third parties without separate payment to Microsoft, Microsoft's liability is limited to direct damages finally awarded up to US$5,000.

c. **Exclusions.** In no event will either party be liable for indirect, incidental, special, punitive, or consequential damages, or for loss of use, loss of business information, loss of revenue, or interruption of business, however caused or on any theory of liability.

d. **Exceptions.** No limitation or exclusions will apply to liability arising out of either party's (1) confidentiality obligations (except for all liability related to Customer Data, which will remain subject to the limitations and exclusions above); (2) defense obligations; or (3) violation of the other party's intellectual property rights.

8. *Verifying compliance.*

a. **Right to verify compliance.** Customer must keep records relating to all use and distribution of Products by Customer and its Affiliates. Microsoft has the right, at its expense, to verify compliance with the Products' license terms. Customer must promptly provide the independent auditor with any information the auditor reasonably requests in furtherance of the verification, including access to systems running the Products and evidence of licenses for Products Customer hosts, sublicenses, or distributes to third parties. Customer agrees to complete Microsoft's self-audit process, which Microsoft may require as an alternative to a third party audit.

b. **Remedies for non-compliance.** If verification or self-audit reveals any unlicensed use of Products, then within 30 days (1) Customer must order sufficient licenses to cover its use, and (2) if unlicensed use or distribution is 5% or more, Customer must reimburse Microsoft for the costs Microsoft incurred in verification and acquire the necessary additional licenses at 125% of the price, based on the then-current price list and Customer price level. The unlicensed use percentage is based on the total number of licenses purchased for current use compared to actual install base. If there is no unlicensed use, Microsoft will not subject Customer to another verification for at least one year. By exercising the rights and procedures described above, Microsoft does not waive its rights to enforce this agreement or to protect its intellectual property by any other legal means.

c. **Verification process.** Microsoft will notify Customer at least 30 days in advance of its intent to verify Customer's compliance with the license terms for the Products Customer and its Affiliates use or distribute. Microsoft will engage an independent auditor, which will be subject to a confidentiality obligation. Any information collected in the self-audit will be used solely for purposes of determining compliance. This verification will take place during normal business hours and in a manner that does not interfere unreasonably with Customer's operations.

9. *Term and termination.*

a. **Term.** The effective date of this MBSA will be the earlier of either the date the MBSA is executed by Microsoft or the effective date of the first Supplemental Agreement. The MBSA is effective until terminated by a party, as described below.

b. **Termination.** Either party may terminate this MBSA on 60 days' notice. Termination will not affect any existing orders or Supplemental Agreements, but Customer will no longer be able to enter into Supplemental Agreements after the effective date of termination.

c. **Professional Services termination.** If Customer terminates a Statement of Services as a result of a breach by Microsoft, Customer must pay all amounts due under the Statement of Services as of the termination date. Upon Microsoft's receipt of payment for the Professional Services, Customer's interests in the Services Deliverables will vest. Microsoft has no obligation to continue to provide Professional Services if Customer fails to make timely payment for the Professional Services.

10. *Miscellaneous.*

a. **Use of contractors.** Microsoft may use contractors to perform services, but will be responsible for their performance, subject to the terms of this agreement.

b. **Microsoft as independent contractor.** The parties are independent contractors. Customer and Microsoft each may develop products independently without using the other's Confidential Information.

c. **Notices.** Notices to Microsoft must be sent to the address on the signature form. Notices must be in writing and will be treated as delivered on the date shown on the return receipt or on the courier or fax confirmation of delivery. Microsoft may provide information to Customer about upcoming ordering deadlines, services and subscription information in electronic form, including by email to contacts provided by Customer. Emails will be treated as delivered on the transmission date.

d. **Agreement not exclusive.** Customer is free to enter into agreements to license, use, or promote non-Microsoft products or services.

e. **Amendments.** Any amendment to this agreement must be executed by both parties, except that Microsoft may change the Product Terms and Use Rights from time to time, subject to the terms of this agreement. Any additional or conflicting terms and conditions contained in Customer's or a Partner's purchase order are expressly rejected and will not apply. Microsoft may require Customer to sign a new agreement or an amendment to an existing agreement before processing a new order or entering into a Supplemental Agreement.

f. **Assignment.** Either party may assign this agreement to an Affiliate, but it must notify the other party in writing of the assignment. Any other proposed assignment must be approved by the non-assigning party in writing. Assignment will not relieve the assigning party of its obligations under the assigned agreement. Any attempted assignment without required approval will be void.

g. **Applicable law.** The terms of each Supplemental Agreement entered into with any Microsoft Affiliate located outside of Europe will be governed by and construed in accordance with the laws of the State of Washington and federal laws of the United States. The terms of each Supplemental Agreement entered into with a Microsoft Affiliate located in Europe will be governed by and construed in accordance with the laws of Ireland. Any dispute arising out of or in relation to Professional Services will be governed by the law of the jurisdiction where the Microsoft Affiliate executing the relevant Statement of Services is organized. The 1980 United Nations Convention on Contracts for the International Sale of Goods and its related instruments will not apply to this agreement.

h. **Dispute resolution.** When bringing an action arising under this agreement, the parties agree to the following exclusive venues:

   (i) If Microsoft brings the action, the venue will be where Customer's contracting Affiliate has its headquarters;

   (ii) If Customer brings the action to enforce a Statement of Services, the venue will be where the Microsoft Affiliate executing the Statement of Services has its headquarters. For all other actions, (1) If Customer brings the action against any Microsoft Affiliate located outside of Europe, the venue will be the state or federal courts in King County, State of Washington, U.S.A.; and (2) If Customer brings the action against any Microsoft Affiliate located in Europe, and not also against a Microsoft Affiliate located outside of Europe, the venue will be in Ireland.

   The parties consent to personal jurisdiction in the agreed venue. This choice of venue does not prevent either party from seeking injunctive relief in any appropriate jurisdiction with respect to a violation of intellectual property rights or confidentiality obligations.

i. **Severability.** If any provision in this agreement is held to be unenforceable, the balance of the agreement will remain in full force and effect.

j. **Waiver.** Failure to enforce any provision of this agreement will not constitute a waiver. Any waiver must be in writing and signed by the waiving party.

k. **No third-party beneficiaries.** This Agreement does not create any third-party beneficiary rights.

l. **Survival.** All provisions survive termination or expiration of this agreement except those requiring performance only during the term of the agreement.

m. **Professional Services payment terms.** Customer agrees to pay all fees in a Statement of Services within 30 days of the date of invoice, unless the Statement of Services provides otherwise. Microsoft may assess a finance charge of the lesser of 18% per annum, accrued, calculated and payable monthly, or the highest amount allowed by law, on all past due amounts due to Microsoft. Microsoft will have no obligation to continue to provide Professional Services if Customer fails to make timely payment.

n. **Taxes.** If any amounts are to be paid to Microsoft, the amounts owed are exclusive of any taxes unless otherwise specified on the invoice as tax inclusive. Customer shall pay all value added, goods and services, sales, gross receipts, or other transaction taxes, fees, charges, or surcharges, or any regulatory cost recovery surcharges or similar amounts that are owed under this agreement and that Microsoft is permitted to collect from Customer under applicable law. Customer shall be responsible for any applicable stamp taxes and for all other taxes that it is legally obligated to pay, including any taxes that arise on the distribution or provision of Products or Professional Services by Customer to its Affiliates. Microsoft shall be responsible for payment of all taxes based upon its net income, gross receipts taxes imposed in lieu of taxes on income or profits, or taxes on Microsoft's property ownership.

If any taxes are required to be withheld on payments made to Microsoft, Customer may deduct such taxes from the amount owed and pay them to the appropriate taxing authority; provided, however, that Customer promptly secures and delivers to Microsoft an official receipt for those withholdings and other documents Microsoft reasonably requests to claim a foreign tax credit or refund. Customer must ensure that any taxes withheld are minimized to the extent possible under applicable law.

11. Country-specific provisions.

The country-specific provisions available at the VolumeLicensing Site that correspond with the version of this MBSA (as noted in the footer of each document) replace or supplement the equivalent provisions above as noted therein where the Customer is located in the countries identified in the country-specific terms and in any case where the law of the jurisdictions listed in the country-specific provisions gets applied.