

## Terms

<b>Licence -</b>	means the right to use the software designed by the manufacturer.
<b>Software -</b>	is the TLP Software suite manufactured by TLP Systems Ltd
<b>Version -</b>	is a specific release of the software made at a defined date with a specific version number
<b>Specifications -</b>	a written description of how the software will perform and the functionality it will provide
<b>Vendor -</b>	TLP Systems Ltd
<b>Client -</b>	The company represented by the person signing TLP_TC_200113.
<b>Customer -</b>	Identical to Client
<b>Work -</b>	The development or modification of software
<b>Licence Fee -</b>	the quantum of money to be paid for the use of the software

### 1.0 Rights to License Software

TLP Systems Ltd warrants that;

- It is the owner of the TLP Software suite
- It has the right and authority to licence the software to the client.
- There is no existing restrictions or constraints on its right and authority to supply and install or contract the installation of the software.

### 2.0 Licence Options

The Client may choose to use the TLP System under either a One Time Licence Fee (OTLF) option or under a System Rental option.

**2.1 One Time Licence Fee.** The licence fee is paid in three instalments these being;

Deposit	(Payable with order)	25% of OTLF Value
Upon Installation	(Payable when Software is loaded on the Server)	50% of OTLF Value
Upon Live	(Payable when first module is live)	25% of OTLF Value

An ongoing monthly maintenance fee which covers Help Desk Support and regular system updates is also charged. The monthly maintenance fee is due for payment for the first time on the first day of the month that comes three months after installation and monthly from that time.

**2.2 Monthly Rental.** The monthly rental paid includes the services provided under the Maintenance Fee. The rental can be cancelled at any time with three months formal notice of cancellation being required. The deposit to be paid upon signing of order equals three months of Rental and covers the rental over the notice period. Usage of the software during the first month, being the period from time of installation until the end of the month following installation is provided at no cost to the user. The first rental payment that is due is on the first of the month subsequent to this.

### 3.0 Copyright

The software is owned by TLP Systems Ltd and is protected by copyright law, international treaty provisions and all other applicable national laws. TLP Systems Ltd retains all title, copyrights and intellectual property rights for the software. The licensee must not permit any act which infringes TLP Systems Ltd rights of the software. The licensee must immediately report to TLP Systems Ltd any breach, suspected or otherwise, of TLP Systems Ltd rights in respect of the software.

### 4.0 Other Restrictions

The software contains TLP Systems Ltd trade secrets and the licensee must not decompile, reverse engineer, disassemble or otherwise reduce the software to a human perceivable form.

### 5.0 Maintenance Fee Increase

The maintenance fee may be altered annually at the discretion of the TLP Systems Ltd. The Client will be informed of any increase at least 14 days prior to any increase.

## 6.0 Implementation Services

If required by the Client the vendor will provide services to assist with the implementation of the TLP Licences. The Standard Implementation Services (SIS) provided are;

- \* Project Management
- \* Business Analysis and Solution Design
- \* Database Creation and Loading
- \* Preparation of one customised form for every form type used (eg: con note, invoice etc)
- \* Setup of Standard EDI Interfaces
- \* Pilot Testing
- \* Training of Senior Staff

Services that may be provided but do not form part of the SIS are listed below. These services will be invoiced on our standard time and materials basis at the rates that are current at the time the service is provided.

- \* When rework is required as a direct result of being provided with inaccurate and/or incomplete information.
- \* When rework is undertaken as a direct result of a change to the mutually agreed system set up/configuration.
- \* Any work required to integrate TLP to both internal systems and external trading partners. These integration activities will be treated as sub-projects and an estimate of work and costs can be provided once an understanding of needs has been ascertained and mutually agreed.
- \* Any bespoke report development.
- \* Any customised forms required in addition to the ones provided in the SIS.

**6.1 Charges for Services** – charges for services are based upon the time taken for the task and are charged on an hourly, or part hourly, basis. Travel expenses related to the services are charged on the basis of the cost of those expenses.

**6.2 Estimate for Services** – an estimate for the time and cost of services relating to the Products on the Quotation will be provided. The Client can chose to pay on a Time and Materials basis for these services in which case work will be invoiced weekly and is due for payment 7 days after invoice.

Alternatively the client can select an option whereby the Standard Implementation Services only are provided at a fixed price. If this price is selected the services are to be paid in six monthly instalments, the first being due one month after the order was placed.

## 7.0 Non Transferable

The Client may not transfer this agreement to any other party without the formal permission of the Vendor. Such permission is not to be with-held unreasonably.

## 8.0 Cancellation Rights

If the Client decides to cancel this agreement they may do so by giving the Vendor 90 days formal notice of their intention to do so. In the event of this clause being invoked the following conditions apply.

- The Client will immediately cease using the Software.
- No payments made will be required to be refunded.

## 9.0 GST

All amounts quoted in any TLP System Purchase Agreement, Quotation or in any other correspondence or communication are exclusive of GST.

## 10.0 Quotation Validity

Quotations remain valid for a period of 30 days from the date of the quotation. If that time has elapsed the Quotation will require update and re-submission.

## 11.0 Software Functionality Alteration Requests

If the Client believes that there is one or more situations whereby the Software requires correction or extension then the Client must formally notify the Vendor of such situations. The Vendor is to review the notification in a timely fashion and classify it as one of the following categories;

1. System fault to be fixed
2. Additional functionality which will be provided by the Vendor and funded by the Vendor.
3. Additional functionality which will be provided by the Vendor providing the Client agrees to fund the work.
4. The notification is for features that cannot be included within TLP and therefore will not be carried out.

If the Client fails to notify the Vendor of the requirement for a correction or extension then the requirement does not constitute a breach of contract by the Vendor.

## 12.0 Software Functionality Alterations

Any work carried out is to be carried out in a timely manner. The length of time required will be conveyed to the Client by the Vendor. This may be conveyed by notification of the Software Version the work will be released on.

## 13.0 Warranties

The Vendor warrants that the software will perform in accordance with the specifications delivered by the Vendor with the software for a period of 90 days after the installation date. If, within 90 days after the installation date the Client notifies the Vendor in writing of:

- The fact that the software is not performing in accordance with the Specifications; and
- The alleged defects or errors have been communicated to the Vendor with enough detailed information for the Vendor to understand the problem

The Vendor must at its own expense and, as soon as practical after receiving the notice, rectify the defect or replace the software. If in the Vendor's opinion the software cannot be repaired or replaced, the Vendor will refund any unused portion of the licence fee for the current term of the licence paid by the licensee.

The warranty contained in this clause is:

- Subject to the Client having fully complied with the Client's obligations under this licence;
- Not a warranty that any result obtained from the use of the software will be in accordance with the Client's expectations or requirements;
- Not operating where the substantial non-performance arises in any respect from the Client's installation of software, the nature or operation of any equipment on which the software is used or the use of any materials or software not provided by the Vendor.

The Vendor's liability in respect of a breach of any warranty in this clause is expressly limited to:

- The replacement or repair of the software; or
- The refund of any licence fee paid.

## 14.0 Limitation of Liability and Disclaimer

The Vendor shall not be liable for any consequential losses or damages including arising from system failure or downtime whether or not as a result of action taken or not taken by the Vendor.

## 15.0 Dispute Resolution

Any dispute or conflict between the parties concerning the nature of this agreement should be attempted to be resolved by negotiation. Should this not resolve the issue then either party may request the matter be decided by arbitration. The agreed arbitrator shall be the president of the New Zealand Law Society or their nominee.

**16.0 Maintenance Fee**

The payment of the monthly maintenance fee entitles the Client to receive the following benefits;

**16.1 Maintenance Services**

Maintenance services cover the use of the support desk (telephone support) which will be open from 8.30am to 5.00pm (NZ time) Monday to Friday but excluding public holidays.

Telephone support shall consist of:

- Providing advice on how to undertake a software operation
- Resolving software operating problems

Problems reported, where they cannot be resolved in the initial phone contact, shall be resourced and acted upon in accordance with their priority in relation to any other support calls under action at that time. A single staff member per company must be nominated as the principle support liaison point and contact. This liaison point will manage all support interaction between the Client and the Vendor.

The telephone support will be provided free of charge provided the nominated user has been appropriately trained and the request for help is appropriate based on the level of training received. The Vendor will not provide telephone support to staff where they have not been trained in the software they wish to use. The Vendor will not be required to provide support where the request for help constitutes training over the phone. The Vendor will not be required to provide help or advice on hardware or applications which were not provided by the Vendor.

**16.2 Upgrades & New Modules & New Features**

The Vendor will provide to a customer, who has taken maintenance services, upgrades to the software as and when they are released. Upgrades or Service Packs will be released on average monthly but may be more or less frequent depending on circumstances.

A customer is required to implement the current release of the system when required by the Vendor to ensure that support and maintenance services can be provided.

Any work required of the Vendor to assist with the loading or testing of any upgrade is chargeable at the Vendor's rates that are current at the time.

**Acceptance**

This Quotation and These Terms and Conditions are accepted by;

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Officer:  
Client:

\_\_\_\_\_

Director:  
TLP Systems Ltd

Dated \_\_\_\_ / \_\_\_\_\_ / 2020