

AVAYA ACO RING CENTRAL SERVICE SCHEDULE

This Representative Agreement ("Agreement") is made by and between you, an existing Buyer with a signed Credit Application with the Distributor (herein defined as "Representative") and **Westcon Group European Operations Ltd**, an English Company, having an office at Chandlers House, Wilkinson Road, Cirencester, Glos. GL7 1YT ("Distributor").

This Agreement shall be deemed effective as at the date of electronic or written acceptance ("Effective Date").

The Distributor and Representative hereby agree as follows:

WHEREAS:

- A) A Representative Agreement (the "**Master Agreement**") has been entered into between the Distributor and the Representative. Representative wishes to adopt and incorporate by reference all of the terms and conditions of the Master Agreement in order to become an independent contractor for the purposes of marketing and soliciting orders for the products and services made commercially available by Distributor subject to the additional terms and conditions of this Schedule.
- B) Representative and Distributor desire to enter into this Schedule under the same terms and conditions as the Master Agreement except as otherwise provided herein.

THE PARTIES HEREBY AGREE AS FOLLOWS:

1. Definitions.

Capitalised terms used in an Appendix or Attachment to this Agreement but not defined in that Appendix or Attachment shall be defined as set forth:

"Additional Amounts" means any fees due to RingCentral from Customers other than the MRR, One-Time Charges, Taxes and shipping fees. Additional Amounts shall include other fees charged by RingCentral on the Services, including cost recovery fees, or duties and fees associated with export, if any.

"Administrative Fees" means any administrative and restocking fees of whatever nature separately charged by RingCentral to a Customer.

"Agreement" means the Master Agreement, this Schedule and all Appendices and Attachments thereto.

"Service Fees" has the meaning given to it in Section 3 of this Agreement.

"Customers" mean the final purchasers or licensees without an existing contract with RingCentral or its partners that enter into a Qualified Sale with RingCentral.

"MRR" means the then-current total amount of monthly recurring subscription revenue paid by a Customer to RingCentral for the applicable month of service. Current MRR does not include (i) One-Time Charges (e.g., charges for a toll-free number, usage base charges, purchase of hardware, etc.); (ii) Taxes or Administrative Fees; or any amounts paid by a Customer for the Services for which the Customer receives, or is entitled to receive, a refund or any other form of credit from RingCentral; (iii) third party services, travel expenses or other amounts or expenses not included in the services fees or price for the Services; or (iv) any amounts listed in Section 0 of Appendix B (Service Fees). For example, if a Customer paid RingCentral €63.98 in May 2010, of which €39.98 was a monthly recurring subscription fee, €20 was for One-Time Charges, €3.00 was for Taxes and €1.00 was for Administrative Fees, then the Current MRR for May 2010 is €39.98.

"One-Time Charges" means any non-recurring charges billed to the Customer, including but not limited to charges for a free phone number, charges for phone and other equipment purchases, charges for shipping and similar one-off charges.

"Prospective Customers" mean an individual or a legal person, resident and/or having its principal place of business in the Territory, to whom RingCentral or its partners have not at any time previously provided their Services.

"Services" shall mean all RingCentral services, including (without limitation) certain business communication services branded as "RingCentral Office," "RC Office," "RingCentral Professional," and "RingCentral Fax and offers, that generate recurring charges to a Customer, and shall not include any services (e.g., vanity numbers, phone/equipment purchases)

that constitute One-Time Charges.

“Qualified Sale” means the sale of the Services to Prospective Customers initially introduced to RingCentral by Representative who consume or utilise the Services for its own use and not for sale, resale, remarketing, or redistribution in accordance with all of the terms and conditions of this Agreement.

“Taxes” means any present or future taxes, levies, imposts, duties, deductions, charges, fees or withholdings imposed, levied, withheld or assessed by any governmental authority (including, without limitation, value added, sales or turnover taxes), and charged or collected from Customers together with any interest, additions or penalties imposed thereon and with respect thereto.

“Territory” means the United Kingdom.

2. Engagement for the promotion of Ring Central Services

2.1 Distributor hereby appoints the Representative on a non-exclusive basis, in accordance with the provisions of this Agreement to promote the sale of Ring Central Services in the Territory to include the following tasks: (i) Contacting Prospective Customers with due care and providing to them relevant information regarding RingCentral and the Services on the basis of the information and documents provided by RingCentral; (ii) arranging and supporting meetings between the interested Prospective Customers and RingCentral to facilitate the sale of the Services; (iii) performing all other tasks necessary for the proper performance of the tasks mentioned here above. All Services shall be offered by Ring Central in accordance with RingCentral's then-current terms and conditions of service and pricing. The Representative shall not negotiate and/or enter into any specific agreement in the name of or on behalf of RingCentral. All Customers shall enter into RingCentral's customary license and service agreements, and terms of service and otherwise be subject to all of RingCentral's terms and conditions and policies (including without limitation its privacy policy), for use of the Services, as the same may be updated from time to time (together, the “RingCentral Terms”).

3. Representative Service Fees.

3.1 In consideration of the Representative's performance under this Agreement which results in a Prospective Customer entering into a Qualified Sale with RingCentral, Distributor shall pay to Representative monthly residual Service Fees (**“Service Fees”**). Service Fees shall be paid to Representative based on the subscription revenue generated by Qualified Sales with Customers which were identifiably procured by the Representative, and shall be calculated and paid according to the terms and conditions of Appendix A.

Self-Billing Agreement

The Distributor agrees:

- a. To issue self-billed invoices for all Service Fee until the expiration or termination of the Agreement (the “Agreement Expiration”).
- b. To complete self-billed invoices showing the Representative's name, address and VAT registration number, together with all the other details which constitute a full VAT invoice.

The Representative agrees:

- a. To accept invoices raised by the self-biller on their behalf until the Agreement Expiration.
- b. Not to raise sales invoices for the transactions covered by this Agreement.
- c. To notify Distributor immediately if Representative changes their VAT registration number, cease to be VAT registered, or sell their business or part of their business.

4. RingCentral's Discretion to Reject Prospective Customers and Other RingCentral Rights.

4.1 RingCentral has the right, in its commercially reasonable discretion, to enter into or not enter into, or to terminate any Qualified Sale with a Customer. If RingCentral declines to enter into an agreement with a Prospective Customer, then Distributor shall not be obligated to pay any Service Fees to Representative. Furthermore, RingCentral shall at all times be permitted to take any action against a Customer as authorised by any applicable Law or under the RingCentral Terms including without limitation suspension or termination of the Services and/or termination of the Customer's service contract(s). RingCentral has the sole right to: (i) set prices for the Services, (ii) set the terms and conditions for the use of the Services, (iii) make other adjustments to the Services, and (iv)

discontinue offering or selling some or all of the Services, in each case without liability of any kind to the Representative or its Sub-broker(s).

5. Representative Obligations, Representations and Warranties.

- 5.1 Representative shall not knowingly submit a prospective Customer under this Schedule who or which is already a customer of RingCentral.
- 5.2 Representative shall follow RingCentral's policies and procedures such policies may be subject to change and Distributor shall use commercially reasonable efforts to provide Representative with 15 days' prior written notice of any material modification to such policies and procedures.
- 5.3 Representatives shall not engage in any plan or operation wherein a person acquires the opportunity to receive a pecuniary benefit which is based upon the inducement of additional persons by that person, and/or others, regardless of number, to participate in such plan or operation, and is not contingent on the volume of Services sold to the public.
- 5.4 Representative shall be responsible for obtaining all information (duly executed or approved by Customers) necessary to consummate a Qualified Sale, as applicable, including, but not limited to: (i) correct information regarding the Customer's service requirements; and (ii) as requested by Distributor, appropriate billing address, emergency services address, registered address, service address, shipping address, Customer credit information, and other information as specified by the Distributor. Unless otherwise authorised in writing by Distributor, Representative shall provide Customers with the RingCentral Terms and service order forms, as applicable. RingCentral shall have sole discretion to determine if it wishes to agree to any changes to the RingCentral Terms (or any of them). Representative understands and acknowledges that RingCentral shall have the right to reasonably modify the processes and documentation required to consummate a Qualified Sale, and Distributor shall keep Representative reasonably apprised of any such changes. Any action of RingCentral in providing Services under terms erroneously offered by Representative shall not be deemed ratification or approval by RingCentral of such terms. For the avoidance of doubt Ring Central shall be solely responsible for concluding and negotiating the RingCentral Terms and order form as applicable with the Customer.
- 5.5 Representative shall use commercially reasonable efforts to provide assistance to RingCentral, at RingCentral's request, in connection with RingCentral's servicing of all accounts which Representative has established or establishes, including but not limited to maintaining Customer satisfaction.
- 5.6 Representative represents, warrants, and covenants that it: (i) shall comply with all applicable Laws and not do or omit to do any act that could reasonably cause Distributor to violate any Law (ii) has obtained, and shall maintain at all times during the Term, such authorisations, consents, licences, accreditations and permissions as are necessary to operate and otherwise perform hereunder and to engage in the activities related to this Agreement (iii) shall use commercially reasonable efforts to promptly provide the Distributor with all information which Distributor may reasonably request from time to time in connection with this Schedule, (iv) shall not make any representations or warranties regarding the Services (or any other services offered or provided by RingCentral) to Customers or any other third party except as approved in advance by Distributor in writing or as reflected in RingCentral's then current RingCentral Terms, and, (v) shall, upon Distributor's request, or termination or expiration of this Schedule, immediately cease (a) to promote the sale of the Services in the Territory in accordance with the Schedule, (b) all use, publication, copying, reproduction, posting, display, or transmission of any logo, trade mark; trade name; service mark; spec sheet; intellectual or other property; RingCentral provided customer, lead, or prospect list or data; image; collateral; and/or marketing, promotional, or advertising content or material belonging to or relating to RingCentral or the Services, (c) holding itself out or publicising itself as a Representative of RingCentral and/or (d) representing or implying to any party that it is authorised to perform any of the activities described herein,
- 5.7 Representative will at all times abide by RingCentral's then-current guidelines regarding use of its trademarks, trade names, service marks and/or other intellectual property ("**Branding Guidelines**") as communicated to Representative from time to time, the current version of which can be found at [https://partners.ringcentral.com/content/PublicFile/RingCentral Co-Branding Guidelines.pdf](https://partners.ringcentral.com/content/PublicFile/RingCentral%20Co-Branding%20Guidelines.pdf) and <https://www.ringcentral.com/company/brandlibrary.html>. Representative shall immediately cease using any RingCentral trade mark, trade name, service mark, or other intellectual property immediately or upon termination or expiration of this Schedule.

6. Distributor and RingCentral Obligations and Responsibilities.

6.1 RingCentral shall, in accordance with its then-current ordinary business practices, be solely and exclusively responsible for the following: (i) negotiating the terms and conditions and executing the customer agreement of any Qualified Sale; (ii) providing, delivering and maintaining the Services to Customers (subject to its rights to cancel, refuse, or modify the Services in accordance with this Agreement or the then-applicable RingCentral Terms); (iii) providing technical customer support.

6.2 The Distributor shall be responsible for providing Representative at all times with the information Representative reasonably requires to promote Ring Central sales, including marketing information and details of the Services, and information about RingCentral.

6.3 Quotes for Service. Distributor will provide to Representative all quotes and RingCentral Terms to be provided to Prospective Customers. PRICING FOR THE SERVICES AND ALL OTHER SERVICES AND THE NEGOTIATION AND CONCLUSION OF ALL OTHER TERMS AND CONDITIONS OF THE CUSTOMER'S TERMS OF SERVICE, LICENCE AGREEMENT, AND OTHER APPLICABLE AGREEMENTS OR POLICIES WITH REGARD TO THE SERVICES SHALL BE AT THE SOLE DISCRETION OF RING CENTRAL.

6.4 Provision of Service. RingCentral shall be solely responsible for the execution of the Service contract with the Customer and for providing and maintaining the Services. REPRESENTATIVE SHALL PROMOTE THE SALE OF THE SERVICES IN THE TERRITORY ONLY: (I) IN A MANNER WHICH MAKES IT CLEAR THAT RINGCENTRAL (AND NOT BROKER) IS THE ULTIMATE PROVIDER OF SUCH SERVICES; AND (II) ON THE TERMS AND CONDITIONS (INCLUDING, WITHOUT LIMITATION, PRICES, WARRANTIES, AND COMMITMENTS), AND SUBJECT TO THE POLICIES, SET BY RINGCENTRAL

7. Approval of Advertising/Promotional Materials.

7.1 Representative agrees that RingCentral is the exclusive owner of all trademarks, service marks, trade names, and logos relating to the Services and other services offered by RingCentral. Representative may use such approved trademarks, service marks, trade names, and logos only for the purpose of the performance of the Schedule and in accordance with the Branding Guidelines. Representative shall use only promotional materials supplied or approved in advance in writing by Distributor. Except as expressly provided herein, Representative shall acquire no licence, ownership, or other rights with respect to such trade names, trademarks, service marks, logos, or other intellectual property of RingCentral. REPRESENTATIVE DOES NOT HAVE THE AUTHORITY TO USE RINGCENTRAL'S TRADEMARKS, SERVICE MARKS, TRADE NAMES, OR LOGOS IN ANY WAY THAT IS INCONSISTENT WITH RINGCENTRAL'S THEN-CURRENT BRANDING GUIDELINES, WHICH RINGCENTRAL MAY CHANGE AT ANY TIME IN ITS SOLE DISCRETION. ANY UNAUTHORISED USE OF RINGCENTRAL'S TRADE MARKS, SERVICE MARKS, TRADE NAMES, OR LOGOS THAT IS INCONSISTENT WITH RINGCENTRAL'S THEN-CURRENT BRANDING GUIDELINES SHALL BE CONSIDERED A MATERIAL BREACH OF THIS SCHEDULE, AND SUFFICIENT CAUSE FOR TERMINATION AND RECOVERY BY RINGCENTRAL OF ALL REMEDIES PERMITTED BY LAW. Without prejudice to RingCentral's right to change the Branding Guidelines at any time in its sole discretion, Distributor shall use commercially reasonable efforts to provide at least thirty (30) days' prior written notice to Representative of any material change made to its Branding Guidelines.

8. Term and Termination.

8.1 The **Initial Term** of this Schedule shall be two (2) years.

8.2 This Schedule may be terminated by Distributor, if Distributor gives fifteen (15) days' advance written notice of such termination to Representative for "**Cause**" if:

- Representative engages in any activity that disparages or otherwise harms the business reputation of RingCentral and such disparagement or harm is not cured (to the extent it is capable of cure) by Representative within the fifteen (15) day notice period;
- Representative: (a) becomes insolvent; (b) has a receiver, administrator or manager appointed over the whole or any part of its business or assets; (c) is presented with a petition, order or resolution for the Representatives winding up; (d) shall otherwise propose or enter into any composition or arrangement with its creditors or any class of them; (e) ceases or threatens to cease to carry on business, or claims the

benefit of any statutory moratorium; (f) makes an assignment for the benefit of its creditors, files a petition in bankruptcy, or has an involuntary petition in bankruptcy filed against it;

- Representative makes any misrepresentations to Customers and such misrepresentations are not cured (to the extent it is capable of cure) by Representative within the fifteen (15) day notice period;
- Representative promotes or attempts to promote unauthorised services or at unauthorised rates and such actions are not cured (to the extent it is capable of cure) by Representative within the fifteen (15) day notice period;
- Representative uses trademarks, service marks, trade names, logos, or intellectual property of RingCentral in a manner inconsistent with RingCentral's then-current Branding Guidelines and such conduct is not cured (to the extent it is capable of cure) by Representative within the fifteen (15) day notice period.

8.3 Representative acknowledges that, given its status under applicable law, it is not entitled to any statutory compensation or any indemnity (e.g., for loss of clientele) at the end of this Agreement except as expressly provided herein. In case it will be established that Representative is entitled, for whatsoever reason, to any compensation upon termination or expiration, the parties agree that any Service Fee due and payable after the termination or expiration of this Schedule, will serve as an advance payment for such compensation and will be set-off against it.

9. Payment of Service Fees.

9.1 Distributor shall provide Representative with a monthly Service Fee report showing all Service Fees earned by Representative for the applicable month (offset by any overpaid Service Fees). All Service Fees due to Representative shall be paid within forty five (45) days after Distributor receives payment from Ring Central, due from a Customer subscribing to the Services following the conclusion of a Qualified Sale. If any Customer requests a refund, money back guarantee or cancels service and RingCentral has already paid Service Fees to Representative that would not otherwise be due, Representative hereby authorizes Distributor to deduct any such overpayment amounts from any amounts earned by Representative during the current and any subsequent (if necessary) month(s). For the avoidance of any doubt, no Service Fees shall be due or paid to Representative by Distributor for any Customer that terminates subscription during the applicable full refund or money-back guarantee period; Service Fees shall only be due to Representative when the Customer's account is no longer subject to a full refund or money-back guarantee (and in that event, Representative shall be entitled to Service Fees for the period during which the Customer's account was subject to a full refund or money-back guarantee, provided RingCentral actually receives the payment for such period).

9.2 If this Schedule is terminated by Distributor for Cause, then Distributor may not discontinue Service Fee payments completely; rather, in that event RingCentral may withhold Service Fees payments until: (a) any damages to Distributor have been paid/repaid; and (b) Distributor has been fully indemnified from any and all fines, penalties, costs or other expenses ("**Other Expenses**") incurred; through such withholding or until Representative fully pays Distributor for same, whichever occurs first, provided that Distributor is made whole within seventy five (75) days. If such damages have been repaid to Distributor and Distributor has been fully indemnified from such Other Expenses, by Distributor withholding Service Fees and/or by Representative making payment to Distributor, within seventy five (75) days, Distributor shall reinstate payment of Service Fees; provided, however, the Schedule shall remain terminated and Representative shall remain subject to all covenants set forth herein that by their nature survive termination hereof. In the event the parties are unable to agree on the amount of damages sustained by the Distributor, then that specific issue shall be referred to binding arbitration and once the arbitration panel makes its decision regarding the amount of damages sustained by the Distributor, Distributor must receive that amount from Representative (by Distributor withholding Service Fees and/or by Representative making payment to RingCentral) before RingCentral is obligated to reinstate payment of Service Fees to Representative. For the avoidance of doubt, Other Expenses shall not be subject to arbitration but shall be limited to Other Expenses actually incurred.

9.3 If any Service Fees have not been paid by the due date specified herein without justification and Representative has provided written demand for same to the Distributor, the unpaid Service Fees shall accrue interest from the date that is thirty (30) days after the date of written demand calculated from day to day at a rate per annum equal to one and one-half percent (1.5%) above the Base Lending Rate of the Bank of England.

10. Confidential Information.

- 10.1 During the Term and for a period of five (5) years thereafter, neither Party ("**Recipient**") shall in any way disclose to any third party, use or permit access to any Confidential Information (as hereafter defined) of the other Party ("**Discloser**") save as specifically permitted hereunder. Recipient may use and access Confidential Information of Discloser solely in the performance of its obligations under this Agreement, and only to the extent necessary for such performance. Recipient shall not disclose or permit access to Confidential Information of Discloser, except to those of Recipient's employees or representatives to whom such disclosure or permission of access is required in order for Recipient to perform its obligations under this Agreement, provided such employees and representatives are obligated by agreement, instruction or otherwise to comply with the provisions of this Section 10. Recipient shall protect and safeguard Confidential Information of Discloser with at least the same degree of care with which Recipient protects its own confidential and sensitive information, but in no event with less than a reasonable degree of care. Recipient shall immediately report to Discloser any breach of, or compromise to the security or confidentiality of, or unauthorized disclosure, permission of access, or use of any Confidential Information (each a "**Security Incident**") of Discloser which Recipient learns or which Recipient reasonably suspects and shall promptly provide all cooperation, information, and support requested by Discloser related to such Security Incident. As used herein, the term "**Confidential Information**" refers to non-public information relating to Discloser's business, products, and services, including but not limited to the nature and type of Services sold and rendered by Discloser, the terms and conditions of this Agreement and any attachments hereto, technical information, customer data (including, without limitation, customer usage, price lists, Service Fee structure/tiers, schedules, discount rates, non-public marketing materials, business plans, or any other information provided by Discloser. Confidential Information is the exclusive property of Discloser and may be used by Recipient solely in the performance of its obligations under this Agreement. Notwithstanding anything to the contrary above, other than Confidential Information that is information of or relating to a Customer (which shall in all events constitute "Confidential Information" and be subject to the protections of the same set forth in this Section 10 regardless of whether they fall within any of the following exceptions), Confidential Information does not include information that: (i) is now, or hereafter becomes, publicly known or available through lawful means; (ii) was rightfully in Recipient's possession without any obligation of confidentiality to or for the benefit of Discloser prior to disclosure under this Agreement, as evidenced by Recipient's records; (iii) is disclosed to Recipient without confidential or proprietary restriction by a third party who rightfully possesses and rightfully discloses the information without any obligation of confidentiality to or for the benefit of the Discloser; (iv) is independently developed by Recipient without the use of Confidential Information or any breach of this Agreement; or (v) is the subject of a written permission to disclose provided by Discloser. Upon termination of this Agreement or upon Discloser's request, Recipient shall promptly return to Discloser or, if elected by Discloser, destroy all Confidential Information (including all copies thereof in any medium) using industry standard data destruction methods and shall promptly certify in writing to Discloser that it has done so.
- 10.2 Recipient covenants and agrees that, in addition to the foregoing, Recipient shall not at any time during or following the Term, directly or indirectly, divulge or disclose for any purpose whatsoever any Confidential Information that has been obtained by, or disclosed to Recipient as a result of this Agreement, and Representative upon termination of this Agreement or upon RingCentral's written request deliver promptly to RingCentral all price lists, Service Fee schedules, discount rates, of any kind relating to RingCentral's business which are in Master Broker's possession or under its custody or control.
- 10.3 The Parties agree that monetary damages for a breach by a Party (the "**Breaching Party**") of this Section may not be adequate to compensate the other Party (the "**Non-Breaching Party**") for such breach. In the event of a breach or threatened breach by the Breaching Party of any of the Provisions of this Section 10 and the subsections thereunder, the Non-Breaching Party, in addition to and not in limitation of any other rights, remedies or damages available to it, shall be entitled to seek preliminary and permanent injunctive relief in order to prevent or restrain such breach by the Breaching Party or the Breaching Party's employees, agents, representatives and/or any and all persons directly or indirectly acting for or with the Breaching Party.
- 10.4 Each Party has carefully read and considered the foregoing provisions of this Section, and having done so, agrees that the restrictions contained therein are fair and reasonable and reasonably required for the protection of the interests of the other Party. If, notwithstanding the foregoing, any of the provisions contained in this Section shall be held to be invalid or unenforceable, the remaining provisions thereof nevertheless shall continue to be valid and enforceable as though the invalid or unenforceable provisions had not been included in this Section.
- 10.5 No termination or expiration of this Agreement shall release either Party from the above obligations.

11. Non-Solicitation.

- 11.1 Representative agrees that while this Agreement is in effect, and for a period of twelve (12) months after it has terminated, Representative shall not, and shall ensure its affiliates, directors, employees and agents do not, attempt to influence or interfere with or to solicit any Customer of RingCentral for the purpose of attempting to cause or in fact causing such Customer to terminate any part of the relationship between such Customer and RingCentral.
- 11.2 Either Party shall be entitled, in addition to any other remedies or relief available to it, to injunctive relief to prevent a violation or halt a continuing violation of the covenants set forth in this Section 11. The Party's waive any requirement for the securing or posting of any bond in connection with any such remedy.

12. Indemnification and Limitation of Liability.

- 12.1 Representatives shall indemnify and hold Distributor harmless from:
- any third party claims or damages arising from any marketing or promotional efforts by Representative that do not comply with this Schedule, RingCentral policies, or applicable Laws;
 - a breach of section 10 confidentiality
 - a breach of section 5.3, 5.6 or 5.7
 - a breach of the Representatives obligations under the Anti-Bribery Act or FCPA

IN ADDITION TO THE PROVISIONS OF 10.2 OF THE MASTER AGREEMENT THEIR CHALL BE NO LIMIT OF LIABILITY OR EXCLUSION OF CONSEQUENTIAL LOSS IN RESPECT OF A BREACH OF THIS CLAUSE 12.1

APPENDIX A

Service Fees

Representative acknowledges and agrees that upon thirty (30) days prior notice, the Service Fees and the Service Fee Structures are subject to change at any time and for any reason or no reason in the sole discretion of the Distributor, provided, however, in no event shall the Service Fee percentages be reduced on a retroactive basis and any such reduction shall only apply to Customers after the effective date of the reduction. In the event Representative decides not to continue with the Agreement following a modification of the Service Fees by Distributor, Representative may notify Distributor of its decision to terminate the Agreement within a period of thirty (30) days after the reception of such notice.

For each Customer that the Representative provides to RingCentral that RingCentral accepts, Distributor will pay Representative a monthly service fee for the life of the Customer (i.e., until the Customer is no longer a RingCentral customer of the Services) and a one-time upfront service fee. Service Fees shall be calculated each month by multiplying the net MRR invoiced to all of the Representative's Customers by a percentage as determined in the below schedule (the "Service Fee Schedule"). Notwithstanding the foregoing, if RingCentral offers new or alternative Services, the Distributor reserves the right to impose a separate or different service fee amount or structure on such Services which would be applicable to all Customers of such new or alternative Services. Distributor may apply and set-off any amounts that the Representative may owe Distributor against any service fees owed to the Distributor.

If Distributor invites the Representative to collaborate with a potential or current Customer of RingCentral, the Service Fee on net MRR to the Representative for such Customer will be 2% less service fee and 1xMRR less upfront service fee than your current service fee percentage (e.g. $14\% - 2\% = 12\%$ and $5xMRR - 1xMRR = 4xMRR$).

Service Fees will be reduced to the Representative by 3% for customers who may require third party contracts (examples: Federal, state, local government contracts) (e.g. $14\% - 3\% = 11\%$).

Representatives monthly Service Fee payout will be determined at the end of each calendar month based on the net MRR invoiced to the Customers attributed to the Representative during that calendar month.

SERVICE FEE SCHEDULE

From time to time incentive spiffs are made available by RingCentral. Representative will not participate in these incentive spiffs.

If a Service Fees calculation results in a fractional cent (or local currency equivalent), such Service Fees shall be rounded down to the nearest cent.

All applicable Taxes and fees that may be due as a result of Service Fees and any other payment to Representative will be the sole responsibility of the Representative

Neither Representative nor any party acting for or on behalf of either of them may allege that it has a claim to any Service Fees, compensation, profits, or damages whatsoever with respect to any Qualified Sale: (i) when RingCentral has reasonably rejected the Customer or suspended or terminated the Customer account for valid business reasons, (ii) when said Qualified Sale is cancelled by a Customer, whether or not due to a default by RingCentral, or (iii) for which the account becomes uncollectible; (iv) any amounts associated to Services sold to Customers prior to the execution of this Agreement, or after the execution of this Agreement but prior to the Customer becoming a Customer; (v) any amounts associated with Services not purchased by Customers directly from RingCentral, (e.g. from RingCentral's distributors, resellers, agents, business partners, etc.); or (vi) unless otherwise agreed in writing between the parties, any amounts associated to Services sold to Customers via the intermediary of other broker or by RingCentral's broker, procurement groups, partners, and other third parties.

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