

# PAYPRO GLOBAL INC

## RESELLER AGREEMENT

BETWEEN:

The Author

and

PAYPRO GLOBAL (as defined below)

### RECITALS:

- A. Author wishes for PAYPRO GLOBAL to offer Author's products for sale to end users through the PAYPRO GLOBAL platform.
- B. PAYPRO GLOBAL wishes to offer Author's products for sale to end users, as a reseller and the merchant of record, on PAYPRO GLOBAL's platform.
- C. The parties wish to set forth their respective rights and obligations in connection therewith.

### TERMS OF AGREEMENT:

#### 1. DEFINITIONS. In this Agreement:

- a. "Affiliate" means a third party who has been authorized by Author through the Website to act as an affiliate of Author under the terms hereof;
- b. "Documentation" means, with regard to each Product, the product description, user manual, and all other technical documentation submitted in connection with such Product by the Author through the Website.
- c. "End User" means any person who acquired a Product through PAYPRO GLOBAL, any sublicensee of PAYPRO GLOBAL or through the Website;
- d. "EULA" means Author's standard end user license agreement or SaaS terms of service for the applicable Product, as made available by Author to the End User. The EULA may not contain any terms or conditions that are contradictory to those in this agreement. To the extent of any such conflict, the EULA shall be deemed to incorporate the applicable terms hereof.
- e. "PAYPRO GLOBAL" means: PAYPRO GLOBAL, INC. of 225 The East Mall, Suite 1117, Toronto, Ontario, Canada, M9B 0A9, tel: +1-866-933-4313.
- f. "PAYPRO GLOBAL Services" means the purchasing facility provided hereunder as offered or amended by PAYPRO GLOBAL from time to time;
- g. "Product" means any of the software or Software as a Service products



Author wishes to offer for sale through the Website, and as may be updated at any time by the Author through the Website. For software program Products, the term “Product” means the license to the use such software program;

- h. “Website” means the website located at URL [www.payproglobal.com](http://www.payproglobal.com) and includes all services and functionality available thereon, as may be updated by PAYPRO GLOBAL from time to time.

## 2. GRANT OF LICENSE

- a. The Author hereby grants to PAYPRO GLOBAL a non-exclusive, non-transferable license: (i) to resell and distribute the Products to End Users through the Website, directly or through PAYPRO GLOBAL related entities, subject in each case to End User's acceptable of the applicable EULA, as shall be made available to the End User by Author; and (ii) to the use of the Author's trademarks, logos, trade names and trade dress for display on the Website and any promotional materials or other websites of PAYPRO GLOBAL or relating to the Website.
- b. In reselling and distributing the Products to End Users through the Website, directly or through PAYPRO GLOBAL related entities, PAYPRO GLOBAL is acting in the course of its own business and in a personal capacity. It shall enter into the transactions with End Users as principal, subject to PAYPRO GLOBAL's terms and conditions of sale with the End Users, and not as agent for the Author.
- c. As consideration for the grant of the non-exclusive, non-transferable license, PAYPRO GLOBAL shall make the payments set out under clause 4 to the Author.
- d. Notwithstanding anything else herein, the Author shall retain title to and ownership of all its intellectual property forming part of or subsumed within the Products including all its copyright in all software forming part or all of the Product(s). Nothing contained in this Agreement shall grant to PAYPRO GLOBAL any right, title or interest in and to the Products or to the trademarks, copyrights, patents or trade secrets of the Author or its licensors.
- e. PAYPRO GLOBAL shall have no right to provide any warranty, maintenance or support services with regard to the Product, except for delivery of the Product to the End User. All requests related to technical support of the Products received by PAYPRO GLOBAL shall be referred to the Author.
- f. PAYPRO GLOBAL shall not alter, erase or deface any trademark, trade name, copyright and other notices of proprietary rights in or on the Products.
- g. PAYPRO GLOBAL shall cooperate with the Author's efforts to enforce its rights in Products against End Users. PAYPRO GLOBAL agrees to promptly notify the Author of any violation of such proprietary rights by End Users of which it has knowledge. Notwithstanding, PAYPRO GLOBAL shall not be liable to Author if an End User continues to make use of a Product after such



Product was subject to a Chargeback of Refund (as such terms are defined below).

### 3. AFFILIATES

- a. PAYPRO GLOBAL may allow other developers, suppliers, sellers and authors to engage with Author in an affiliation arrangement through the Website. The Author may, in its discretion, agree to enter into such affiliation arrangements by opting into such arrangement through the Website and setting the applicable commission rate, as approved by the applicable affiliate through the Website (the “**Commission Rate**”).
- b. If PAYPRO GLOBAL's records on the Website indicate that a sale of a Product originates from an Affiliate, PAYPRO GLOBAL shall deduct the applicable Commission Rate from the proceeds of such sale otherwise payable to the Author (the “**Affiliate Commission**”) and shall remit the Affiliate Commission to the Affiliate.
- c. Author hereby represents, warrants and undertakes to PAYPRO GLOBAL that by acceptance of any person as an Affiliate, Author grants to such Affiliate all necessary licenses and rights (including trademark licenses) to enable the Affiliate to promote the sale of Products through the Website.
- d. PAYPRO GLOBAL shall not be liable to the Author or any Affiliate for any matter arising from the negotiation of Affiliate Commission Rates, any dealings between the Author and any Affiliate including any obligation or alleged obligation on the part of either the Author or an Affiliate to engage in any marketing or promotional activity with respect to any Product, or any other dispute between the Author and any Affiliate. The Author shall indemnify and hold PAYPRO GLOBAL harmless from any loss, or damage by PAYPRO GLOBAL arising out of any claim made against PAYPRO GLOBAL by any person arising from any dealings or agreement or alleged agreement between Author and an Affiliate.
- e. Author may terminate the status of any Affiliate as an Affiliate at any time through the Website. Author may change an Affiliate’s Commission Rate through the Website.

### 4. PAYMENTS

- a. The price of Products shall be set by Author either through the Product registration details or on a deal by deal basis, as determined by Author and notified to PAYPRO GLOBAL. Payments of the price of a Product shall be received by PAYPRO GLOBAL as principal and not on behalf of the Author. PAYPRO GLOBAL will add and collect any required sales tax for all Products, these taxes will be remitted by PAYPRO GLOBAL to the appropriate authorities. It is the responsibility of the Author to properly mark Products as electronically delivered only or not. Any other applicable taxes, duties, imposts or the like in connection with the sale of Products hereunder shall remain the responsibility of the Author.
- b. PAYPRO GLOBAL will provide Author with the information available



through the Website: (i) the total proceeds from Product sales on the Website received in the applicable period (the "**Proceeds**"); (ii) the amount of such Proceeds attributable to applicable service and handling charges, Product backup media (to the extent provided), value added tax, sales tax, or any other applicable tax, (iii) Affiliate Commission charged; (iv) any amounts subject to Refund Deductions or Chargebacks; and (v) PAYPRO GLOBAL's commission on Proceeds as set out in **Exhibit A** hereto (amounts referenced in sub-sections (ii)-(v), the "**Deductibles**"). The Author may dispute the Proceeds or Deductibles by providing written notice to PAYPRO GLOBAL detailing the nature and reasons for such dispute within 60 days of the end of the month in which the applicable Proceeds were received or Deductibles were charged. If no such notice is provided, Author shall be deemed to have accepted the Proceeds and Deductibles as shown on the Website as accurate and complete and it shall be final and binding on the parties.

- c. PAYPRO GLOBAL shall make payment of the Proceeds received in a calendar month after deduction of the Deductibles accrued up to the date of payment (the "**Net Proceeds**") within 15 days of the end of the calendar month in which such Net Proceeds were received, by the agreed pay out method designated through the Website. For the avoidance of doubt, any delay in the receipt of Net Proceeds in Author's bank account due to bank holidays, delays in payment processing etc. shall not be deemed a breach by PAYPRO GLOBAL.
- d. Notwithstanding, PAYPRO GLOBAL shall not be obligated to make any payment of Net Proceeds lower than \$400.00. If the Net Proceeds in any given month are less than US\$400.00, such amounts shall be accrued and deferred until such month in which the Net Proceeds are equal to or exceed US\$400.00.
- e. If a chargeback in regards to any Proceeds occurs, PAYPRO GLOBAL will be entitled to the amount charged back together with any credit card processor fees assessed to PAYPRO GLOBAL and an addition to a USD 15.00 chargeback fee (a "**Chargeback**").
- f. Unless otherwise agreed between the parties (and then only in connection with business End Users), End Users shall be entitled to a refund of fees paid for Products within 14 days of the purchase of such Product, for any reason, provided if any consumer protection laws in End User's jurisdiction allow for longer or more lenient refund rights, the provisions under applicable laws shall apply (a "**Refund**"). PAYPRO GLOBAL will notify the Author of all Refund requests received from End Users, for the Author to administer for and on behalf of PAYPRO GLOBAL. The Author may administer Refunds through the Website, or through any other proper means that ensure the receipt of the Refund amount by the End User. Where the Author processes a Refund for and on behalf of PAYPRO GLOBAL, the amount of such Refund shall be deemed to be deducted from Net Proceeds paid to the Author, and the Author shall have no right to claim a corresponding amount from PAYPRO GLOBAL. If PAYPRO GLOBAL notified Author of a Refund



request, the Author will confirm execution of the Refund within 48 hours of such notice. If Author does not so confirm execution of the Refund, or if PAYPRO GLOBAL otherwise determines that a prompt Refund is necessary or advisable, PAYPRO GLOBAL reserves the right to administer the Refund itself, and deduct an amount corresponding to the Refund from Net Proceeds due in the upcoming payment date (the "**Refund Deductions**").

- g. If the Proceeds in any given month are insufficient to cover Chargebacks and Refund Deductions due to PAYPRO GLOBAL, PAYPRO GLOBAL shall be entitled to freeze the Author's account on the Website and/or to set off such amounts from any future amounts due to Author hereunder, at PAYPRO GLOBAL's discretion. If PAYPRO GLOBAL reasonably believe that the Website is being used by the Author or parties related to it fraudulently or otherwise in breach of the provisions hereof PAYPRO GLOBAL may withhold all payments to the Author pending further investigation by PAYPRO GLOBAL.
- h. Author shall, within 30 days of PAYPRO GLOBAL's written demand, pay to PAYPRO GLOBAL any amount owing to PAYPRO GLOBAL on account of: (i) Chargebacks and Refund Deductions; or (ii) Affiliate Commissions; or (iii) otherwise as a result of a shortfall of sales proceeds collected on sale of Products in any period.
- i. Upon expiration or termination of this Agreement for any reason, PAYPRO GLOBAL shall suspend monthly payment of Net Proceeds for six (6) months, unless otherwise agreed between the parties based on historical Chargeback and Refund data of the Products on the Website. Upon the expiration of six months following termination of this agreement, PAYPRO GLOBAL shall make a single payment to Author of the balance of all Net Proceeds.

## 5. AUTHOR WARRANTIES AND UNDERTAKINGS

- a. Author warrants that: (i) it has the right to grant the licenses provided for hereunder, and that PAYPRO GLOBAL's distribution and sale of Products in accordance with the terms hereof will not infringe the intellectual property rights, or any rights, of any third party, and further that the distribution and sale of the Products as contemplated herein shall not constitute a fraudulent or unlawful use of the Products; (ii) all descriptions of Products submitted through the Website shall accurately reflect the applicable Product; (iii) the Products shall operate in material conformance to the applicable Documentation; (iv) use of Products in accordance with the Documentation is compliant with all applicable laws and regulations; (v) the Products are free of viruses and all similar or other malicious or intentionally damaging code.
- b. Except as set forth herein or in the applicable EULA, Author makes no warranties or representations regarding the Product. To the extent permitted by applicable law, all implied warranties, including but not limited to implied warranties of merchantability and fitness for a particular purpose, are hereby excluded. Neither the Author, nor any of its licensors warrants the results of any Products or that all errors in the Products will be corrected, or that the



functionality of the Product will meet PAYPRO GLOBAL's or any End-User's needs.

- c. All intellectual property rights in the Website are and shall remain the property of PAYPRO GLOBAL. Author shall not, and it shall not permit any third party to (i) use any of the Website links for any illegal marketing campaign or any other illegal purpose; (ii) use any of the Website links on any UCE (spam) email campaign, whether or not the email addresses obtained through the use of the Website are of opt-in type; (iii) represent that it possesses any proprietary interest in or to the Website or any underlying intellectual property rights; or (iv) remove any markings, trade names or logos from any product of PAYPRO GLOBAL, including Author's account on the Website.
- d. Author shall abide by PAYPRO GLOBAL's policies applicable to authors of products offered on the Website as may be published by PAYPRO GLOBAL on the Website from time to time, including with respect to prohibited products, DMCA regulations, and Anti-Spam.
- e. Author warrants and undertakes that its Products (i) are not intended, modified or specifically designed for military ends user or uses or for the development or proliferation of weapons of mass destruction; and (ii) do not violate and are not designed to be used in violation of applicable laws and regulations or public morals, including, but not limited to crimes of moral turpitude, money laundering, trafficking in people (including minors) or illicit goods, obscenity, indecency, defamation, discrimination or practices that post harm to public safety, health or the environment.

## 6. PAYPRO GLOBAL WARRANTIES AND UNDERTAKINGS

- a. PAYPRO GLOBAL warrants that is entering into, and performing its obligations under, this agreement as principal and not as agent for a third party.
- b. PAYPRO GLOBAL warrants that it has the right to provide the PAYPRO GLOBAL Service in accordance with the terms hereof.
- c. PAYPRO GLOBAL shall use its best efforts to maintain the security of its on-line distribution service and shall cease distribution of the Products if it has, in PAYPRO GLOBAL's sole discretion, reason to believe that such security has been compromised.
- d. PAYPRO GLOBAL may refuse delivery of any Product order due to export compliance restrictions, fraud prevention, the End User's violation of the Website terms of service, Author's breach of this Agreement, excessive chargeback rates, or for any reason in its sole discretion.

## 7. LIABILITY

- a. PAYPRO GLOBAL SHALL NOT BE LIABLE TO THE AUTHOR OR ANY END USER FOR ANY LOSS OR DAMAGE SUFFERED AS A RESULT OF FRAUD COMMITTED BY AN END USER OR OTHER



CUSTOMER OR USER OF THE WEBSITE OR AS A RESULT OF ANY HACKING, PIRACY, VIRUS OR OTHER MALICIOUS, INTENTIONAL OR NEGLIGENT ACT OF ANY THIRD PARTY. IN NO EVENT SHALL PAYPRO GLOBAL BE LIABLE TO AUTHOR FOR ANY INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND EVEN IF THE PAYPRO GLOBAL IS AWARE OF THE POSSIBILITY OF SUCH DAMAGES. PAYPRO GLOBAL'S TOTAL AGGREGATE LIABILITY TO AUTHOR HEREUNDER SHALL NOT EXCEED THE AMOUNT OF NET PROCEEDS PAID TO AUTHOR HEREUNDER IN THE THREE MONTHS IMMEDIATELY PRECEDING THE EVENT THAT GAVE RISE TO SUCH LIABILITY.

- b. EXCEPT FOR LIABILITY ARISING OUT OF GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, PAYPRO GLOBAL SHALL NOT BE LIABLE FOR ANY CLAIMS OR DAMAGES ARISING FROM ITS INABILITY TO FULFILL, IN WHOLE OR PART, ANY OF THE PAYPRO GLOBAL SERVICES OR FROM ANY FAILURE OR DEFECT IN THE PRODUCT(S). EXCEPT AS EXPRESSLY PROVIDED HEREIN, PAYPRO GLOBAL EXPRESSLY DISCLAIMS ALL WARRANTIES RELATING TO PAYPRO GLOBAL SERVICES AND THE WEBSITE, INCLUDING WITHOUT LIMITATION ANY WARRANTY FOR FITNESS OF PURPOSE OR OF MERCHANTABILITY.
- c. The Author undertakes to indemnify and hold PAYPRO GLOBAL harmless against any damage, cost, or losses in connection with any third party claim: (i) arising from such party's use of the Product; (ii) that the distribution of the Products in accordance with the terms herewith violates, infringes or misappropriates such third party's intellectual property rights; or (iii) arising from a breach of Author's undertakings or warranties hereunder.

## 8. DURATION

- a. This Agreement shall become effective on the Effective Date, and shall remain in effect for a period of twelve (12) months thereafter (the “**Initial Term**”). Thereafter, the Agreement shall be extended automatically for additional periods of twelve (12) months each (together with the Initial Term, the “**Term**”). Notwithstanding the foregoing:
  - i. Either party may terminate this Agreement upon the provision of thirty (30) days advance written notice to the other party.
  - ii. Either party may terminate this Agreement immediately on notice to the other party if the other party is in material breach of this Agreement, which breach has not been remedied within 14 days of the terminating party's written demand.
- b. Upon termination of this Agreement: (i) PAYPRO GLOBAL shall immediately cease distribution of the Products, except when required to support existing End User orders; and (ii) PAYPRO GLOBAL shall promptly return to the Author all physical media containing copies of the Products and



any marketing or other materials relating to the Products and provided by the Author. Any amount collected by PAYPRO GLOBAL on behalf of Author after termination of this Agreement shall be paid out by PAYPRO GLOBAL in accordance with the terms hereof, but PAYPRO GLOBAL shall have no duty to process any transaction for the Author following the termination hereof.

## 9. GENERAL

- a. Any notice to be given hereunder shall be sufficiently given if forwarded by e-mail with receipt, registered post, or hand or courier delivery, to PAYPRO GLOBAL as provided from time to time on the Website and to the Author to the address stated above or to such other address of which the Author shall notify PAYPRO GLOBAL in accordance with this paragraph.
- b. This agreement shall be governed by the laws of Ontario and the laws of Canada applicable therein. All disputes between the parties arising from this agreement, including disputes as to the validity or existence of this agreement shall be referred to and finally determined by arbitration, conducted in the English language in Toronto, Ontario and in accordance with the Arbitrations Act (Ontario). The proceedings shall be secret and the award shall be final and binding on the parties, and each party consents to the award being made an order of any court of competent jurisdiction.
- c. PAYPRO GLOBAL is an independent reseller and is not an agent or employee of Author. Nothing in this agreement shall constitute or be deemed to constitute, a partnership between the parties, or to constitute either party as an agent of the other. Except as specifically detailed in this agreement, the Author shall have no authority or power to bind PAYPRO GLOBAL or to contract in the name of PAYPRO GLOBAL or to create a liability against PAYPRO GLOBAL in any way or for any purpose.
- d. In entering into contracts with third parties in relation to or in connection with its activities as an independent reseller, PAYPRO GLOBAL shall enter into such arrangements in its personal capacity and for its own benefit. It shall not represent or otherwise hold out that it is acting as agent of the Author. PAYPRO GLOBAL shall have no authority or power to bind the Author or to contract in the name of the Author or to create a liability against the Author in any way or for any purpose, other than set out in this agreement.
- e. Should any part of this agreement be declared to be void or invalid by the final decision of any court of competent jurisdiction, the remainder of this agreement shall continue to be in force between the parties, as if the portion which has been declared invalid or void was excluded from the Agreement at commencement thereof.
- f. Neither party will be liable for any delay in or failure of performance if such delay or failure arises from any event beyond its reasonable control including any act of God, war, civil commotion, fire, explosion, lightning, storm, flood, earthquake, accident, rebellion, insurrection, riot, public health crisis,





industrial dispute or lock-out, or act of government. If such an event prevents or delays one party from performing any of its obligations under this agreement, it must notify the other party as soon as reasonably practicable, and must recover from such position as soon as possible.

- g. No representation, term, condition, guarantee, or warranty, not contained in this agreement, nor any amendment of, addition to, or consensual cancellation of, this agreement, nor any indulgence of one party by the other, or waiver of either party's rights provided in terms of this agreement, shall be binding on the parties unless reduced to writing and signed by or on behalf of both parties.
- h. This agreement incorporates the entire understanding between the parties with respect to the subject matter, and supersedes all prior oral and written agreements and understandings between them. Any amendment to this Agreement shall be made in writing only (email sufficient).

