



## Channel Partner Commissions/Designated Products

<b>BusinessOne DSL</b>		<b>Ongoing Commissions</b>	
<b><u>BusinessOne DSL</u></b>	<b>Finders Fees</b>	<b>Gold</b>	<b>Platinum</b>
Business DSL	\$ 75.00	5%	10%
Corporate DSL	\$ 150.00	5%	10%
EoC (Ethernet over Copper)	\$ 250.00	5%	10%
Wireless	\$ 200.00	5%	10%

<b>BusinessOne Hosted solutions</b>	
<b><u>Colocation (Minimum of 12-month contract)</u></b>	<b>Finders Fees</b>
Third of a Rack	\$ 200.00
Half a Rack	\$ 300.00
Full Rack	\$ 600.00
<b><u>Hosted Exchange</u></b>	
Per Mailbox (minimum of 10 per client)	\$ 20.00
<b><u>Shared Hosting</u></b>	
Hosting (Plesk) - per webserver.	\$ 100.00

<b>SOHO / Residential Services</b>		<b>Ongoing Commissions</b>	
	<b>Finders Fees</b>		
SOHO	\$ 55.00	4%	4%
Home	\$ 35.00	3%	3%

Fees may be altered by Netspace at anytime in the future. If as part of a promotion the connection fee is discounted from our standard rate, then 50% of the finders fee is payable.

Upfront fees quoted are inclusive of GST. All fees are payable after the customer has paid Netspace. If Channel Partner fees are calculated as a percentage or proportion of customer payments, it is a percentage or proportion of the non-GST component of the payments.

## Sales Targets and Payment of Channel Partner Fees

### BusinessOne Service fees.

In Netspace's opinion, if the company is a System Integrator and primarily sells '**BusinessOne**' solutions versus SOHO / Residential DSL then the Sales Target may be reduced and fees paid based on the 'Gold' or 'Platinum' partner targets.

### **Gold Partners**

Gold status is automatically provided to every partner who joins the Netspace Channel Partner program.

### **Platinum Partners.**

To become a Platinum Partner all that is required to be done is the Platinum requirements must be met in one quarter.

### Platinum Requirements.

A minimum of, or combination of, the 'BusinessOne' Services in a quarter;

- 3 x BusinessOne DSL connections or Hosted Solutions,
- OR 2 x BusinessOne Corporate connections,
- OR 1 x EoC or Wireless connection.
- OR any combination of the above with a minimum of 3 services.

### **Ongoing Requirements.**

To continue to receive Platinum ongoing fees then the partner must achieve a minimum of the Platinum Requirements every 6 months. If no new BusinessOne services are recorded in a 6-month period, then the ongoing fees will not be paid.

### SOHO / Residential DSL connection fees.

In order for ongoing fees to be paid, we will assess the number of new SOHO / Residential DSL connections in the last quarter. If the number of new SOHO / Residential DSL connections is 3 or more (Quarterly Sales Target) then the ongoing fee will be paid in addition to any applicable finder's fees. Also, any new BusinessOne Services sold during the quarter will go towards this target.

If the Sales Target is not met in a Quarter, then only applicable finders fees will be paid. The Ongoing Fees will not be paid.

Ongoing fees are calculated on payments to Netspace by the customer. When Netspace gets paid, so does the Channel Partner. If Netspace does not get paid, then neither does the Channel Partner.

## Netspace Channel Partner Agreement

1. What is this document?

This document sets out the terms that apply to our Channel Partner program. You may only participate in the program if we appoint you as our authorised Channel Partner.
2. Your appointment

We appoint you as our authorised Channel Partner and you accept the appointment, strictly on the terms of this agreement.
3. What authority do we give you?

We give you an authority limited to:

  - 3.1. promoting designated Netspace products ('designated products');
  - 3.2. collecting customer applications for designated products on our behalf; and
  - 3.3. submitting the customer applications to us.
4. What will we pay you?

We will pay you a Channel Partner fee in accordance with this agreement.
5. Who enters a contract with a customer?

Every contract for supply of designated products is directly between us and the customer. You are not a party to it. You cannot enter a contract on our behalf. You must not let anyone you deal with believe otherwise. This does not affect any separate contract that you may have with a customer for supply of other goods or services.
6. When does your appointment start and end?

Your appointment starts on the date in the schedule. It continues until a termination occurs.
7. Who is our Channel Partner?

We appoint only the person/s or company named in the schedule (but that person or company may use their staff to provide Channel Partner services). The appointment is personal and non-transferable and non-exclusive.
8. When have you made a 'qualifying sale'?

For the purposes of this agreement, you have made a qualifying sale if:

  - you submit a new customer application to us, complete and in our required form
  - the application is for a designated product that the customer has not previously acquired from us or discussed directly with us
  - you submit the application in accordance with all procedures we specify, and
  - the customer becomes a paying customer for that designated product.
9. What are designated products?

Our Channel Partner program does not apply to all our products. We will provide or publish an up-to-date list of the products that it applies to – the 'designated product list'. Channel Partner fees only apply to qualifying sales of designated products.
10. What else will the designated product list tell you?

The designated product list will tell you the amount of any Channel Partner fee that applies to a designated product and any special conditions that apply from time to time, such as sales targets. The amount may be a one-off payment and/or a series of payments, or may be structured in any other way we decide. The designated product list is part of this agreement, and overrides this document if they are inconsistent.
11. Can we change the designated product list?
  - 11.1. We can change the designated product list. A change takes effect at 9 a.m. on the next Monday after we change the list and applies to any customer application we receive from you after that time. You are responsible for keeping familiar with the list. A change will not affect any Channel Partner fee that is already payable to you.
  - 11.2. We can change the designated product list specifically as it applies to you, either by a customised web page or individual notice to you.
12. How do we calculate your Channel Partner fees?

Unless we specify otherwise:

  - 12.1. The designated product schedule states the dollar amounts payable for qualifying sales you make.
  - 12.2. Channel Partner fees will be calculated on the first day of the next month ('calculation date') or as soon afterwards as we can practicably do so.
  - 12.3. Channel Partner fees will be calculated in accordance with the designated products list in force on the calculation date.
  - 12.4. Commissions will be paid on achievement of the qualifying sales numbers as set out in the 'Schedule' which forms part of this agreement, and on your status as a 'Gold Partner' or 'Platinum Partner'.

- 12.5. For the purpose of ongoing commissions you are a 'Gold Partner' for your first quarter after this agreement starts.
- 12.6. No Channel Partner fee is payable if you did not disclose it to the customer according to law. In that case, any payment is merely a loan repayable on demand.
- 12.7. A Channel Partner fee is not payable in respect of any service for which or any period in which your introduction did not pay all their fees as and when due.
- 12.8. No Channel Partner fees are payable in respect of a quarter if you have seriously breached this agreement during that quarter.
- 12.9. If you owe us any money, we may deduct it from Channel Partner fees at our option.
- 12.10. If Channel Partner fees are calculated as a percentage or proportion of customer payments, it is a percentage or proportion of the non-GST component of the payments.
- 12.11. We will pay your Channel Partner fees within 30 days after we have calculated them.
13. GST
  - 13.1. This clause GST applies to all supplies by you to us of Channel Partner services.
  - 13.2. Your entitlement to payment of Channel Partner fees is conditional on you being and remaining registered for GST and supplying us with your ABN.
  - 13.3. We may issue tax invoices in respect of all supplies of Channel Partner services.
  - 13.4. You will not issue tax invoices in respect of any supplies of Channel Partner services.
  - 13.5. You acknowledge that you are registered for GST when you enter this agreement.
  - 13.6. You acknowledge that you must notify us immediately if you cease to be registered for GST.
  - 13.7. We acknowledge that we are registered for GST when we enter this agreement.
  - 13.8. We acknowledge that we must notify you immediately if we cease to be registered for GST.
  - 13.9. If it becomes unlawful for us to create a recipient created tax invoice in respect of supplies of Channel Partner services, we will notify you by email of the amount of your Channel Partner fees after we have calculated it. Your entitlement to be paid Channel Partner fees is then conditional on you sending us a valid tax invoice for that amount within a further 30 days.
14. Who collects payments?

We will invoice your introductions for our services, and payment should be made direct to us. You must not collect or try to collect payment unless we specifically ask you to.
15. Suspending or terminating the Channel Partner program

We may suspend or terminate our Channel Partner program by notice to you. If we do that, this agreement is suspended or terminated likewise. That does not affect your entitlement to any Channel Partner fees that has already accrued.
16. Automatic termination

This agreement ends automatically and immediately if you become insolvent or you die or you are convicted of a criminal offence, or the ownership or effective control of you or your business changes without our prior consent.
17. Manual termination
  - 17.1. If you breach this agreement in a manner that exposes us, our network, our business, our customers or our wholesale supplier to imminent and serious harm, we may terminate it by written notice, effective immediately.
  - 17.2. If one of us breaches this agreement, the other may serve a notice detailing the breach and requiring it to be remedied.
  - 17.3. If the recipient does not remedy the breach within seven days, the sender may serve a further notice terminating this agreement immediately. If we terminate this agreement under this clause, you lose any right to Channel Partner fees that have not yet been paid.
  - 17.4. Whether or not there has been a breach, either party may terminate this agreement on 30 days' notice to the other. In that case, Channel Partner fees accrued to the date of termination remain payable to you.
18. What else happens after termination?

After this agreement is terminated, you must immediately stop passing yourself off as being an agent or in any way associated with us.
19. Promoting our services
  - 19.1. You must promote us and our designated products honestly and professionally. You must not say or do anything that could be misleading or deceptive about us or our designated products. You must not display or distribute any advertising material about us or our designated products that we have not supplied to you or approved in writing. You must not do anything that brings us or our services into disrepute. You must comply with any rules or directives that we give regarding the way in which you conduct your promotion of us and our designated products. Any such rules form part of this agreement.
  - 19.2. You must actively promote our services, initiate and close the qualifying sale, deliver the customer application to us, assist your introductions to establish their connection & maintain regular contact with the Channel Team at Netspace.

20. Who sets pricing for designated products?  
We set all pricing, and you must not indicate any pricing other than the pricing we set.
21. Customer service and complaints
- 21.1. We will make our normal help desk facilities available to your introductions. We will also give you access to our help desk facilities. If your introductions seek technical assistance from you regarding designated products, you must use reasonable endeavours to provide it.
- 21.2. If a customer makes a complaint about you, us or designated services, you must notify us in writing without delay, including details of the complaint and its history.
- 21.3. If we make any refund or compensation payment to one of your introductions, we may adjust your next payment of Channel Partner fee to allow for it.
22. No agency, etc.
- 22.1. Except to the extent of the limited authority, you are not our agent or representative and you must not allow anyone to think otherwise. You are not our partner or employee and you must not allow anyone to think otherwise.
- 22.2. You may describe yourself as an 'authorised Netspace Channel Partner'.
- 22.3. You may also state whether you are a Silver, Gold or Platinum Partner.
23. What are your other duties?  
You must:
- 23.1. carry out all your obligations under this agreement using your own finances, resources and staff and at no cost to us other than Channel Partner fees;
- 23.2. keep and make available to us on reasonable notice true and accurate records that truly reflect all particulars relating to this agreement and your activities under it;
- 23.3. report in writing to us on any matter concerning this agreement or your activities under it that we request;
- 23.4. respect the privacy of all persons you deal with in its capacity as our Channel Partner and observe all privacy laws and requirements applicable to you;
- 23.5. comply with all laws that apply to you;
- 23.6. make good any harm you cause us by breaching this agreement;
- 23.7. deal with us in good faith and honestly.
24. How must confidential information be treated?  
Each party must treat the confidential information of the other party as confidential and commercially valuable.
25. Who pays your costs?  
To be clear, the only amounts that we will pay under or in connection with this agreement are the Channel Partner fees and you indemnify us against all costs, fees, expenses, taxes, duties, charges, and liabilities of any kind at all that may arise in connection with your activities under this agreement.
26. Transferring our rights  
We may transfer assign or sublicense any or all of our rights, duties or obligations in this agreement to, or share them with, a third party on notice to you.
27. How are documents served?  
A notice under this agreement must be written. This table sets out the permitted methods of service and how they operate.

Method of service	Address	Deemed time of receipt if sent in business hours	Deemed time of service if sent out of business hours	Other requirements for service to be valid
Personal	Wherever effected	On delivery	On delivery	Nil
To employee or company director	At business address in schedule or last notified business address	On delivery	At 9:30 AM on next business day	Nil
Ordinary Post	At postal address in schedule or last notified postal address	At 10:00 AM on third business day after posting	At 10:00 AM on third business day after posting	Nil
Fax	Fax number in schedule or last notified fax number	On completion of transmission	At 9:30 AM on next business day	Sender's machine must issue successful transmission slip
Email	Email address in schedule or last notified email address	4 hours after leaving senders mail server	At 9:30 AM on next business day	In case of notice to us we must have acknowledged receipt

28. How is this agreement interpreted?

In this agreement, unless the context indicates otherwise:

<b>The expression:</b>	<b>means:</b>
Automatic termination	termination of this agreement under clause 16
Business day	any day from Monday to Friday inclusive, excluding any public holidays observed in Victoria
Calculation date	has the meaning given by clause 12.2
Channel Partner	the person indicated by the schedule
Channel Partner fee	a fee calculated and paid in accordance with this agreement and the designated products list
Channel Partner services	your promotion of Netspace and its designated products and submission of customer applications for designated products to us in accordance with this agreement
Confidential information	any information of a party which the other party knows or should know is confidential to the other party, for as long as it remains confidential, or would have remained confidential except for a wrongful disclosure by the first party
Customer applications	applications for designated products, strictly in the form we approve
Designated products	goods and services that we offer, and which we designate as such for the purposes of this agreement
Designated product list	the list of products and services referred to by clause 9
Dictionary	this table of defined terms
GST	GST within the meaning of the GST Act
GST Act	A New Tax System (Goods and Services Tax) Act 1999 (as amended)
Intellectual property rights	all rights in relation to patents, copyright, registered designs, registered and unregistered trade marks, trade secrets, know-how and confidential information and all other intellectual property as defined in article 2 of the Convention establishing the World Intellectual Property Organisation of July 1967, including any right to register those rights, whether created before or after this agreement, whether existing in Australia or any other country
Limited authority	the agency conferred by clause 3
Manual termination	termination of this agreement under clause 17
Office hours	Between 9 a.m. and 5 p.m. on a business day
Qualifying sale	has the meaning given by clause 8
Served	served in accordance with clause 27
Termination	automatic termination or manual termination
Your introductions	customers to whom you make qualifying sales

- 28.1. If an expression is defined in the dictionary, that is what it means.
- 28.2. If an expression is defined in the dictionary, grammatical derivatives of that expression have a corresponding meaning. (For instance, if 'to colour' means 'to paint red', then 'coloured' means 'painted red'.)
- 28.3. 'We', 'us', 'our' etc. or 'Netspace' refer to Netspace Online Systems Pty Ltd ACN 067 116 269.
- 28.4. 'You', 'yours' etc. or 'Channel Partner' refer to the person named in the schedule.
- 28.5. Headings are only for convenience. They are to be ignored when interpreting the agreement.
- 28.6. A reference to the singular includes the plural and vice versa.
- 28.7. Where one thing is said to include one or more other things, it is not limited to those other things.
- 28.8. There is no significance in the use of gender-specific language.
- 28.9. A 'person' includes any entity which can sue and be sued, and includes any legal successor to or representative of that person.
- 28.10. Anything that is unenforceable must be read down, to the point of severance if necessary.
- 28.11. Anything we can do, we can do through an appropriately authorised representative.
- 28.12. Any matter in our discretion is in our absolute and unfettered discretion.