

LAYER 7 MASTER PURCHASE AND LICENSE AGREEMENT

This Master Purchase and License Agreement (the "Agreement") is made between Layer 7 Technologies Inc., a Canadian corporation with its principal place of business at 858 Beatty Street, Suite 501, Vancouver, British Columbia V6B 1C1, Canada ("Layer 7"), and _____, a _____ corporation with its principal place of business at _____ ("Customer"). This Agreement establishes the terms under which Layer 7 will license its software products, sell appliances with bundled software, and provide maintenance and support and other related services to Customer as identified herein and in any separately-executed Addenda that reference this Agreement and that the parties may execute from time to time. This Agreement consists of this Cover Sheet(s), the Standard Terms and Conditions, the attached Schedule(s) and any such separately-executed Addenda.

ALL PRICES ARE IN UNITED STATES DOLLARS (US\$)				
License Fees	Number	Unit Price	List Price	Price
Secure Span Gateway			\$ -	\$ -
Secure Span Manager - one gateway console			\$ -	\$ -
Secure Span Agent			\$ -	\$ -
Less: Early customer discount				\$ -
Total Licenses			\$ -	\$ -
Maintenance Fees				
	Years	Rate		Price
Annual Maintenance-18% of List Price	1	18%		\$ -
Initial Term _____ to _____				
Total Fees				
				Price
Total Licenses				\$ -
Annual Maintenance				\$ -
Total				\$ -
Payment Terms				
		Portion		Amount
Due net 30		100%		\$ -

Each party has caused this Agreement to be executed by its duly authorized representative.

LAYER 7 TECHNOLOGIES INC.:

LICENSEE:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Executed as of: _____

Executed as of: _____

STANDARD TERMS AND CONDITIONS

1. Definitions.

"Appliance": means third party manufactured server hardware holding bundled Licensed Software and comprising an integrated part of the solution supplied by Layer 7 under this Agreement.

"Authorized User(s)": Any employee, authorized agent or subcontractor of Customer who uses the Licensed Software solely in connection with the business activities of Customer.

"Confidential Information": All information designated in writing as confidential by each party, or which under the circumstances of disclosure reasonably ought to be considered as confidential. Confidential Information shall also include the Licensed Software, including all source and object code, Documentation related to such software, and the terms and pricing under this Agreement.

"Documentation": The Layer 7 created and supplied (i) user and system administrator guides and manuals and (ii) on line help for use by Authorized Users in connection with the Licensed Software.

"Licensed Software": The series of computer software programs listed on the Cover Sheet(s) of this Agreement, and any other computer programs both created and commercially licensed by Layer 7 (including any Updates, Upgrades and Supplements), which software may be supplied preinstalled on an Appliance or separately.

"Updates": Periodically released versions of the Licensed Software and Documentation which include updates, modifications, and corrections to the Licensed Software and Documentation.

"Upgrades" Periodically released versions of the Licensed Software and Documentation which include significant function and feature enhancements to the Licensed Software and Documentation.

Other terms may be defined elsewhere in the text of this Agreement and will have such meaning throughout this Agreement.

2. Sale and License Grant.

(a) Subject to the terms of this Agreement, Layer 7 agrees to sell and Customer agrees to purchase the Appliances. Title to the Appliances (for clarity, excluding any Licensed Software preinstalled on such Appliances) shall not pass to Customer until full payment for the Licensed Software is received by Layer 7.

(b) Subject to the terms of this Agreement, Layer 7 grants to Customer a perpetual, non-exclusive and non-transferable license to: (i) install and use the Licensed Software in support of the business activities of Customer; and (ii) use the Documentation in conjunction with the use of the Licensed Software. The license is specifically limited to the number of Appliances, applications and/or Authorized Users for which license fees have been paid to Layer 7 by Customer, as applicable for different components or parts of the Licensed Software, and in the case of Licensed Software supplied preinstalled on an Appliance, to Customer's use of such Licensed Software on such Appliance and not on any other hardware. This license shall be a license to use the machine-readable object code only, excluding any source code. The term of this license grant shall be from the execution date of this Agreement until terminated by either party as provided herein.

(c) Customer shall not permit any subsidiaries or affiliated entities to use the Licensed Software unless such entities or individuals agree in writing to be bound by the terms and conditions of this Agreement.

3. Payment, Installation and Additional Services.

(a) Layer 7 shall deliver the Appliances and Licensed Software, together with the Documentation, to the delivery location specified by Customer, F.O.B. Layer 7's office in Vancouver, British Columbia, Canada.

(b) Customer agrees to pay Layer 7 the fees as specified on the Cover Sheet(s) and any separate Addendum plus all shipping and freight charges in connection with delivery of the Appliances and Licensed Software. If Customer desires to purchase additional items, Customer may do so according to Layer 7's then current pricing policies. Such

prices may vary by country and are based on the country in which the licenses are used.

(c) Customer is responsible for the purchase or licensing of all additional equipment and software (other than Appliances and Licensed Software) necessary to install and properly operate the Licensed Software as detailed in the then-current Documentation. Future versions of the Licensed Software and new Layer 7 products may require additional equipment and/or software, as well as updated versions of the additional equipment and software. Purchase or licensing of these items, if required, is solely the responsibility of Customer.

4. Updates, Upgrades and Supplements.

(a) Layer 7 will provide to Customer, without additional charge, all commercially released Updates (for clarity, excluding Upgrades), provided that Customer is a participant in the maintenance program as detailed in Schedule 1 attached hereto at the time of the release of the Update. Layer 7 shall determine, in its sole discretion, whether or not a given commercial release constitutes an Update or Upgrade.

(b) Layer 7 in its sole discretion may elect to separately price and market Upgrades.

(c) Use of any Update or Upgrade with or in place of the Licensed Software is subject to the terms of this Agreement. Any portion of the Licensed Software replaced by an Update or Upgrade (except archival copies) shall be destroyed by Customer or returned to Layer 7.

(d) From time to time, Layer 7 may make available computer programs which are compatible with and supplement the Licensed Software, but which (i) contain material new features not included in Updates and Upgrades, (ii) may be priced and offered separately as optional additions to the Licensed Software and (iii) are not made generally available to Layer 7's similarly situated customers without separate charges ("Supplements"). Layer 7 shall determine, at its sole discretion, what constitutes a Supplement.

(e) USE OF ANY SUPPLEMENT IS SUBJECT TO THE TERMS OF THIS AGREEMENT. IN ADDITION, SUPPLEMENTS MAY INCLUDE LICENSE AND MAINTENANCE TERMS ADDITIONAL TO THOSE OF THIS AGREEMENT.

5. Ownership; Copies.

(a) All right, title and interest in and to the Licensed Software and Documentation, and all copyrights, patents, trademarks, service marks or other intellectual property or proprietary rights relating thereto, and the media on which same are furnished to Customer, belong exclusively to Layer 7 or their respective suppliers. Customer acknowledges that, except as specifically provided under this Agreement, no such right, title or interest in these items is granted.

(b) Except as provided in Section 13(e) below, Customer is prohibited from (i) distributing, transferring possession of, or otherwise making available the Licensed Software or Documentation to any person other than Authorized Users under the terms of this Agreement, and (ii) using the Licensed Software for the purposes of commercial timesharing, service bureau or other rental or sharing arrangements.

(c) Customer shall be allowed to make copies of the Documentation for each Authorized User. Customer may also make two (2) copies of the Licensed Software for back-up, testing or archival purposes. Such authorized copies of the Licensed Software shall contain all proprietary legends specified by Layer 7.

6. Confidentiality.

(a) Except as reasonably required to exercise its rights under this Agreement, each party agrees to use commercially reasonable efforts to prevent any unauthorized copying, use, distribution, installation or transfer of possession of Confidential Information. At a minimum, each party shall maintain at least the same procedures regarding the other party's Confidential Information that it maintains with respect to its own. The receiving party shall not acquire any interest in any Confidential Information received from the other party by reason of this

Agreement. Nothing herein shall restrict a party's use of its own Confidential Information. A party's Confidential Information shall not include any information which (i) becomes part of the public domain through no act or omission of the other party; (ii) is lawfully acquired by the other party from a third party without any breach of confidentiality; (iii) is independently developed without reference to the Confidential Information of the other party; or (iv) is disclosed in accordance with judicial or other governmental order or timely disclosure requirements imposed by law or stock exchange policies. Notwithstanding the foregoing, either party shall be permitted to disclose the terms and conditions of this Agreement in conjunction with legal due diligence proceedings. Without limiting the generality of the foregoing, Customer shall take reasonable steps to prevent any personnel or Authorized User from removing any proprietary or other legend or restrictive notice contained or included in any material provided by Layer 7.

(b) Both parties acknowledge that any use or disclosure of the other party's Confidential Information in a manner inconsistent with the provisions of this Agreement may cause the non-disclosing party irreparable damage for which remedies other than injunctive relief may be inadequate. Both parties further agree that the non-disclosing party shall be entitled to attempt to receive from a court of competent jurisdiction injunctive or other equitable relief to restrain such use or disclosure in addition to other appropriate remedies.

(c) Customer and Authorized Users shall not decompile, disassemble, reverse engineer or modify the object code of the Licensed Software, Updates, Upgrades or Supplements.

(d) The obligations under this Section 6 shall apply to the authorized subcontractors and agents of each party.

7. Warranties.

(a) Layer 7 warrants that it has the right to enter this Agreement and to grant the rights and licenses herein.

(b) Layer 7 shall pass through to Customer any manufacturers warranty on Appliances which it is able to do so. In the case of breach of any such warranty, Customer shall deal with Layer 7 which shall handle the warranty claim with the manufacturer on behalf of Customer. Except for the foregoing, any purchase of Appliances shall be "as is" without representation, warranty or condition of any kind from Layer 7.

(c) Layer 7 warrants that the Licensed Software will perform substantially in accordance with the specifications set forth in the then current Documentation for a period of ninety (90) days (the "Warranty Period") from the date it is delivered. This warranty does not cover, however, any copy of the Licensed Software which has been altered or changed in any way by Customer or any Authorized User, provided such claim would have been avoided by using an unaltered version of the Licensed Software.

(d) Layer 7 does not warrant that the functions contained in the Licensed Software will meet the requirements of Customer or Authorized Users or that the operation of the Licensed Software will be uninterrupted or error-free. Layer 7 is not responsible for problems caused by changes in, or modifications to, the operating characteristics of any computer hardware or operating system for which the Licensed Software is procured, nor is Layer 7 responsible for problems which result from the use of the Licensed Software in conjunction with software of third parties or with hardware which is incompatible with the operating system for which the Licensed Software is being procured.

8. WARRANTY DISCLAIMER.

THE WARRANTIES MADE IN SECTION 7 ARE IN LIEU OF ALL OTHER WARRANTIES OR CONDITIONS OF ANY KIND, WHETHER EXPRESSED, STATUTORY OR IMPLIED, AND LAYER 7 DISCLAIMS AND, TO THE EXTENT PERMITTED AT LAW, CUSTOMER WAIVES ALL OTHER REPRESENTATIONS,

WARRANTIES OR CONDITIONS INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OR CONDITION OF MERCHANTABILITY, MERCHANTABILITY, DURABILITY, TITLE, NON-INFRINGEMENT OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE LICENSED SOFTWARE, UPDATES, UPGRADES, SUPPLEMENTS, APPLIANCES, MAINTENANCE AND SUPPORT SERVICES AND ANY OTHER ITEMS OR SERVICES PROVIDED HEREUNDER.

9. Limitation of Remedies.

(a) The entire liability of Layer 7 and its suppliers, and Customer's sole and exclusive remedy for the breach of the warranty obligations in Section 7 with respect to Licensed Software shall be the following: provided Customer provides written notice to Layer 7 of such breach within the Warranty Period, Layer 7 or its representatives shall, at their option, use commercially reasonable efforts to provide maintenance modifications or fixes with respect to any error in the Licensed Software, replace the Licensed Software or refund to Customer the amount it paid in license fees for the Licensed Software which gave rise to such claim. Layer 7, however, shall not be obligated to correct, cure or otherwise remedy any error or defect in the Licensed Software resulting from any (i) modification of the Licensed Software made by Customer or Authorized Users; (ii) misuse or damage of the Licensed Software by Customer or Authorized Users; (iii) failure of Customer to notify Layer 7 of the existence and nature of such nonconformity or defect promptly upon its discovery; or (iv) use of the Licensed Software in an operating environment not compatible with the specifications in the Documentation.

(b) TO THE MAXIMUM EXTENT PERMISSIBLE UNDER APPLICABLE LAW, LAYER 7, ON BEHALF OF ITSELF AND ITS SUPPLIERS, DISCLAIMS ANY AND ALL LIABILITY FOR (I) SPECIAL, INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES (INCLUDING LOSS OF PROFITS) AND (II) PUNITIVE AND EXEMPLARY DAMAGES, ARISING OUT OF THIS AGREEMENT OR WITH RESPECT TO THE INSTALLATION, IMPLEMENTATION, CUSTOMIZATION, USE, OPERATION, TRAINING, MAINTENANCE OR SUPPORT OF THE APPLIANCES, LICENSED SOFTWARE, UPDATES, UPGRADES AND SUPPLEMENTS, EVEN IF LAYER 7 OR ITS SUPPLIERS HAVE BEEN APPRISED OF THE POSSIBILITY OF SUCH DAMAGES.

(c) To the maximum extent permissible under applicable law, and except as provided in Section 9(a) of this Agreement, Customer agrees that any liability on the part of Layer 7 and its suppliers, arising out of this Agreement or with respect to the installation, implementation, customization, use, operation or support of the Appliances, Licensed Software, Updates, Upgrades and Supplements shall not exceed the depreciated value of the amount paid by Customer in fees for the Appliance, Licensed Software, Update, Upgrade or Supplement which gave rise to such claim. Such depreciation shall be based on straight line depreciation schedule over a period of 3 years.

(D) THE LIMITATIONS OF THIS SECTION 9 SHALL APPLY TO ALL CAUSES OF ACTION, WHETHER BASED ON BREACH OF WARRANTY, BREACH OF CONDITION, BREACH OF CONTRACT, FUNDAMENTAL BREACH OR BREACHES, NEGLIGENCE, OTHER TORT CLAIMS, STRICT LIABILITY OR ANY OTHER LEGAL OR EQUITABLE THEORY.

10. Taxes and Tariffs.

Customer shall, besides other amounts payable under this Agreement, pay all local, state, provincial, federal, national, use, excise, sales, and value added taxes ("Taxes") (except for taxes imposed on Layer 7's income generally), as well as customs duties or tariffs, levied or imposed by reason of the transactions contemplated in this Agreement, including any new Taxes introduced during the term of this Agreement. Concurrently with payment of the applicable fees hereunder, Customer shall remit to Layer 7 all Taxes due. If any Taxes are required to be withheld, then Customer shall pay Layer 7 an amount such that the net

amount after withholding of such Taxes shall equal the amount that would have been otherwise payable under this Agreement.

11. Term, Default and Termination.

(a) This Agreement is effective from the date of its execution until terminated by either party as provided below. In the event either party defaults in any material obligation in this Agreement, the other party shall give written notice of such default, and, if the party in default has not cured the default within thirty (30) days after the notice, the other party shall have the right to terminate this Agreement. Customer's failure to pay all amounts due under this Agreement shall constitute a default of its material obligations.

(b) Upon termination of this Agreement, regardless of the cause, the license granted under this Agreement is immediately revoked. Within ten (10) business days after the termination of this Agreement, (i) each party shall return the Confidential Information of the other party to the other party, (ii) without limiting the foregoing, Customer shall return to Layer 7 or destroy all copies of the Licensed Software and Documentation in Customer's possession, and (iii) each party will deliver a certificate of an officer of that party certifying that the same has been completed. Customer shall continue to be obligated for any payments due as of the date of termination. Termination of the Agreement shall be in addition to, and not in lieu of, any other remedies available to either party. TERMINATION SHALL NOT RELIEVE EITHER PARTY OF THEIR CONFIDENTIALITY OBLIGATIONS AS SET FORTH IN THIS AGREEMENT.

12. Infringement Indemnity.

(a) Layer 7, at its own expense, will indemnify, defend, and hold harmless Customer against any claim or award of costs and damages brought against Customer to the extent that it is based on a claim that the Licensed Software or Documentation used within the scope of this Agreement infringes any copyright, Canadian or United States patent, or trade secret of a third party, provided that Layer 7 is promptly notified in writing of such claim. Layer 7 shall have the right to control the defense of all such claims, lawsuits, and other proceedings. In no event shall Customer settle any such claim, lawsuit, or proceeding without Layer 7's prior written approval, and Layer 7 shall have no liability for any settlement or compromise made without its consent. Layer 7 shall have no liability for any claim under this section if said infringement claim is based on the use of a superseded or altered version of the Licensed Software or Documentation or in the event such claim is based upon any modification or enhancement to the Licensed Software or Documentation made by Customer or Authorized Users. In the event a third party infringement claim is sustained in a final judgment from which no further appeal is taken or possible, or if Customer's use of the Licensed Software is enjoined by a court, or if Layer 7 believes the Licensed Software and Documentation infringe the intellectual property rights of a third party, then Layer 7 shall, in its sole election and at its expense either (i) procure for Customer the right to continue to use the Licensed Software and Documentation pursuant to this Agreement; (ii) replace or modify the Licensed Software and Documentation to make it non-infringing, provided that such replacement or modification does not materially decrease the functionality of the Licensed Software or Documentation; or (iii) terminate this Agreement and refund to Customer the depreciated value of the Licensed Software, based on straight line depreciation over a period of 5 years. Layer 7 agrees to use option (iii) above only in the event that options (i) and (ii) are commercially impracticable. Layer 7 shall have no other liability or obligation to Customer except as expressly set forth above.

(b) THIS SECTION 12 STATES THE ENTIRE LIABILITY OF LAYER 7 AND ITS SUPPLIERS WITH RESPECT TO ANY CLAIM OF INFRINGEMENT OF THE INTELLECTUAL PROPERTY OR PROPRIETARY RIGHTS OF OTHERS.

13. Miscellaneous.

(a) Each party acknowledges that it has read and understands this Agreement and further agrees that it is the complete and exclusive

statement of the agreement between the parties which supersedes and merges all prior proposals, understandings, and all other agreements, oral and written, between the parties relating to the subject matter of this Agreement. This Agreement may not be modified or altered except by written instrument duly executed by both parties. The terms and conditions of any purchase order or other instrument issued by Customer in connection with this Agreement which are in addition to or inconsistent with the terms and conditions of this Agreement shall not be binding on Layer 7.

(b) Any notice or other communication required or permitted in this Agreement shall be in writing and shall be deemed to have been duly given on the day of service if served personally or by facsimile transmission with confirmation, or three (3) days after mailing if mailed by registered or certified mail, postage prepaid, and addressed to the respective parties at their respective corporate headquarters.

(c) This Agreement and performance under this Agreement shall be governed by the laws of the Province of British Columbia, Canada and the federal laws of Canada applicable therein, without regard to conflicts of law principles that would apply a different body of law. The International Sale of Goods Act of British Columbia and the United Nations Convention on Contracts for the International Sale of Goods will not apply in any way to this Agreement or to the transactions contemplated by this Agreement or otherwise to create any rights or to impose any duties or obligations on any party to this Agreement. The parties irrevocably submit to and accept generally and unconditionally the exclusive jurisdiction of the courts and appellate courts of British Columbia with respect to any legal action or proceeding which may be brought at any time relating in any way to this Agreement. Each of the parties irrevocably waives any objection it may now or in the future have to the venue of any such action or proceeding, and any claim it may now or in the future have that any such action or proceeding has been brought in an inconvenient forum. Jurisdiction and venue under this Agreement shall lie in the Province of British Columbia.

(d) If any provision of this Agreement is invalid under any applicable statute or rule of law, it is to that extent to be deemed omitted. The remainder of the Agreement shall be valid and enforceable to the maximum extent possible.

(e) Customer may not assign or sub-license, without the prior written consent of Layer 7, any of its rights, duties, or obligations under this Agreement to any person or entity, in whole or in part, provided, however, that this Agreement may be assigned by Customer without the consent of Layer 7 to a purchaser of all or substantially all of the assets or outstanding capital stock of Customer, whether by amalgamation, merger, consolidation or otherwise, provided that (i) such assignee does not compete directly or indirectly with Layer 7, (ii) Customer and assignee are current in all fee payments due to Layer 7, and (iii) any such assignee agrees in writing to be bound by and subject to all of the terms and provisions of this Agreement.

(f) The waiver or failure of either party to exercise in any respect any right provided for in this Agreement shall not be deemed a waiver of any further right under this Agreement.

(g) Both parties agree to comply with all export and re-export restrictions and regulations ("Export Restrictions") imposed by the government of the United States, or corresponding or similar laws of other countries where Customer is using the Licensed Software.

(h) Nothing in this Agreement shall be construed to create an agency, joint venture, partnership, or other relationship between the parties. No agent, employee, or representative of either party has the authority to bind the other party in any manner. The parties are independent contractors with respect to each other under this Agreement.

(i) Neither party shall be responsible for failure to perform in a timely manner under this Agreement when its failure results from any of the following causes: Acts of God or public enemies, civil war, insurrection or riot, fire, flood, explosion, earthquake or serious accident, strike, labor trouble or work interruption or any cause beyond

its reasonable control. This section shall not apply to excuse any failure to make any payment when due.

(j) On Layer 7's request, no more frequently than annually, Customer shall furnish Layer 7 with a signed certification (i) verifying that the Licensed Software is being used pursuant to the terms of this Agreement, including any user limitations and (ii) listing the locations where the Licensed Software is being used. Customer agrees to grant Layer 7 reasonable access to Customer's site, upon prior notice during normal business hours, to audit the use of the Licensed Software. Any such audit shall be at Layer 7's expense.

(k) Any amounts payable by Customer which are not paid within thirty (30) days after they are due shall bear interest at a rate of 1.5% per month (equivalent to 18% per annum) from the due date until such amount is paid, both before and after judgment.

(l) This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, and each of which together shall constitute a single instrument.

(m) The terms of Sections 1, 3, 5, 6, 7, 8, 9, 10, 12 and 13 shall survive termination of this Agreement.

(n) Subject to the restrictions on transfer contained in this Agreement, this Agreement will enure to the benefit of and be binding on the parties and their respective heirs, executors, administrators, successors and assigns.

Schedule 1

Maintenance and Product Support

I. MAINTENANCE TERMS

- A. For the initial maintenance term specified on the Cover Sheet, Customer shall pay to Layer 7 the annual maintenance fee as specified on the Cover Sheet. Maintenance for additional maintenance terms shall be at Layer 7's then current maintenance rates. In the event Customer purchases additional licenses, maintenance fees for such licenses shall be prorated so as to be co-terminus with Customer's existing maintenance period. Customer will be invoiced annually for maintenance for years subsequent to the first year of maintenance 30 days prior to the expiration of the then current annual period. In no event shall Layer 7 be responsible for providing maintenance for a period during which maintenance coverage lapsed.
- B. On the expiry of the initial maintenance term, the maintenance term shall be automatically extended for a renewal term of one year, and thereafter extended for subsequent one year renewal terms on each anniversary, unless either party terminates the maintenance term by giving the other party at least 30 days written notice prior to the expiry of the then current initial or any renewal term.
- C. If Customer elects to resume maintenance after a lapse of coverage, Customer shall pay Layer 7 for the period of time in which maintenance coverage lapsed. Customer's payment for the lapsed period shall be the then current annual maintenance fee, prorated for the number of months that coverage lapsed. To resume maintenance after a lapse of coverage, Customer must purchase a minimum of one full year's maintenance beyond the lapsed period. If Customer resumes coverage after a lapse of coverage, the maintenance renewal date shall be changed to the date on which Customer paid all maintenance fees for the lapsed period and a minimum of one additional year of maintenance.
- D. Any revisions or changes in the terms of the maintenance shall occur only at the end of Customer's then current maintenance term and Layer 7 shall give Customer no less than 30 days written notice prior to such change.

II. MAINTENANCE AND SUPPORT SERVICES

Upon payment of the maintenance fees listed in this Agreement, Layer 7 will provide maintenance and support services for the Licensed Software as detailed below. Unless otherwise specified herein, Customer will be deemed to have purchased the Priority Support Program. All support services provided under this Agreement shall be conducted in the English language.

- A. Support: During the maintenance term, Layer 7 shall use all commercially reasonable efforts to provide solutions, changes and corrections to the Licensed Software as are required to (i) keep the Licensed Software conforming in all material respects to applicable Documentation, and (ii) correct reported problems that are replicated and diagnosed by Layer 7 as defects in the Licensed Software. Support program options are as follows:
 - 1) **Priority Support Program:** Layer 7 will provide technical support for the Licensed Software. Layer 7 shall make available technical staff to assist with questions about the Licensed Software and to assist Customer in solving problems with the Licensed Software. Layer 7 shall provide telephone support during its normal business hours (defined as 8:00 AM to 5 PM, local time of Customer, Monday through Friday, excluding public holidays). Under the Priority Support Program Layer 7 agrees to provide a response, but not necessarily a solution, to Customer within four (4) normal business hours, upon notification by Customer to Layer 7 (via the telephone, email or the internet) of problems or defects with the Licensed Software.
 - 2) **Premier Support Program:** Layer 7 will provide Customer with the same services offered under the Priority Support Program detailed above. However, under the Premier Support Program Layer 7 will provide a response, but not necessarily a solution, to Customer within one (1) hour (twenty four hours per day, seven days a week), upon notification by Customer to Layer 7 (via the telephone, email or the internet during normal business hours, and via a designated telephone number only outside of normal business hours) of problems or defects with the Licensed Software. In addition, Customer shall be assigned a designated primary support engineer who shall coordinate all of Customer's support issues.
- B. Maintenance: During the maintenance term, Layer 7 shall provide Customer with all Updates to the Licensed Software and Documentation in accordance with Section 4 of this Agreement. Layer 7 reserves the right to charge Customer for professional services fees associated with implementing any Update.

III. SUPPORT OF PREVIOUS VERSIONS OF THE LICENSED SOFTWARE

During the maintenance term, Layer 7 shall provide maintenance and support services as listed in this Schedule 1 for the current release of the Licensed Software and all other releases whose version number begins with either the same number, or the previous number. For example, if the current release is Version 4.5, Layer 7 will support only those versions between 3.0 and the current release. If Customer desires support for earlier versions of the Licensed Software, such support will be treated as a consulting project, and Customer will be billed according to Layer 7's then current consulting rates.

IV. LICENSEE RESPONSIBILITIES

- A. Remote Diagnostics
Customer shall provide Layer 7 with the necessary remote access to Customer's designated CPU so that Layer 7 may provide remote dial-in support services.
- B. Customer's Designated Contact
Customer shall appoint one individual within Customer's organization to serve as the primary contact between Customer and Layer 7 and to receive support through the telephone support center.

V. **LIMITATIONS**
Software maintenance support services shall not include services for any software other than the Licensed Software, or installation, educational, customization, consulting and other services, all of which shall be provided, if requested by Customer and subject to Layer 7's agreement, at Layer 7's then current professional services rates.