



Value Added Reseller (VAR) Agreement

This Value Added Reseller Agreement (“Agreement”) by **GTI TECHNOLOGIES INC** (“AGENT”) with principal offices located at **6160 SW Highway 200 Suite 110-507 Ocala, FL 34476** and (“CLIENT”) with principal offices located at the address entered during registration is entered into on this date

of _____ 20 _____ (“Effective Date”).

WHEREAS, AGENT is a VNO (Virtual Network Operator) and a Network Operator that sells GTI Business Telecommunications to include PBX VoIP / Mobile Services Digital Phone Service, and other telecom products and services and desires to appoint CLIENT to act as an independent contractor for the purpose of reselling AGENT's telecom services solutions using CLIENT's brand at the prices set forth in this agreement.

WHEREAS, the CLIENT distributes telecom related products and services and desires to be a reseller of the telecom services offered by AGENT.

1. AGENT will provide CLIENT access to purchase the AGENT's telecom products and services including processing activation and replenishment transactions via the AGENT'S web portal. CLIENT agrees to pay AGENT the fees and charges associated with provisioning the services. CLIENT understands and agrees that AGENT reserves the right to change the activation and replenishment rates and the discounts/commissions with 15 days written notice (including verifiable e-mail) to CLIENT. CLIENT also understands that the valid source for current pricing, rates, and fee's is AGENT's online provisioning system (aka mvnoserver/gtivoip), prices listed in the AGENT's online provisioning system override pricing listed as part of this agreement or on any other offline or online material produced by AGENT.

2. This Agreement is a month to month agreement and both parties can terminate at any time by providing a termination notice in writing to the other via support ticket from AGENTS web portal or verifiable e-mail. Upon termination by either party, CLIENT agrees to remain liable for all outstanding charges. This agreement voids any previous agreements with GTI Technologies Inc for VAR or private label services, including the VNO Private Label Agreement.

3. CLIENT warrants that the CLIENT information (including but not limited to phone number, address, business name, tax ID or social security number) provided to AGENT upon execution of this agreement is true and correct and authorizes AGENT to verify same, including the obtaining of a credit report on CLIENT and/or CLIENT's business. AGENT will use such information solely to evaluate the CLIENT's acceptability to become a client.

4. By starting a subscription with AGENT you unconditionally personally guarantee to AGENT the payment of all obligations of CLIENT under this Agreement. Failure to make any payment is a breach of the CLIENT's obligations and may result in the immediate termination of this agreement by AGENT without prior notification to CLIENT. In the event of such breach, all monies owed AGENT under this Agreement become immediately due and payable.

5. CLIENT authorizes AGENT to either:

Directly deduct via ACH or credit/debit card transactions from CLIENT's bank or credit account ("Account") all net amounts due to AGENT for the sale of telecom products and services and any other charges client may occur (such as monthly fee's). The net amount billed by AGENT for each transaction is the total due by CLIENT. Should AGENT's ACH processing abilities become unavailable for any reason CLIENT agrees to send via Western Union all monies owed to AGENT less any Western Union fee's in a timely manner. CLIENT hereby agrees to be bound by the terms of the operating rules of the Automated Clearing House Association, as in effect from time to time, and authorizes AGENT to initiate ACH credit and debit entries and adjustments to the Account(s). CLIENT understands and agrees that AGENT will initiate ACH transactions to the CLIENT's Account as frequently as once each business day for all monies due AGENT under this agreement for the telecom products and services rendered, unless otherwise agreed to in writing. CLIENT shall be solely liable for all fees and costs associated with CLIENT's Bank Account. CLIENT agrees to pay AGENT a non-sufficient funds fee of \$35.00 for any ACH debit not paid by the CLIENT's bank upon presentation.

CLIENT has the option to prepay funds and establish a line of credit account. The line of credit balance will be reduced by the CLIENT for each transaction performed via the AGENT's online provisioning system. CLIENT must maintain a positive line of credit balance to perform transactions.

CLIENT agrees to pay AGENT a recurring maintenance fee to remain a Value Added Reseller, due on the same day of each calendar month beginning on the day after this agreement is dated. CLIENT agrees any and all maintenance fee's are non-refundable, should this agreement terminate AGENT agrees to promptly stop billing of the maintenance fee.

6. (Optional) The CLIENT is authorized to directly purchase desktop phones hardware, SIM cards, and other devices that are available through AGENT for shipment directly to CLIENT. The CLIENT may order directly from the AGENTS online portal if it so chooses or using our order form provided by AGENT.

7. CLIENT understands that he/she and their company will be gaining access to a live web portal integrated directly with several different products and service and that there are no refunds for transactions successfully provisioned on any network, including activations and replenishments.

8. CLIENT understands it will have the explicit right to fully brand or private label all products and services set forth in schedule A as their own. For PBX VoIP to Mobile services CLIENT agrees to print the following text under any location a network coverage map or terms of service may be displayed, including on the CLIENT's website, websites belonging to dealers or agents of the CLIENT, and CLIENT marketing material. Failure to adhere to this section may result in the termination of this agreement by AGENT at it's sole discretion, termination notice will be provided in accordance with section two (2) of this agreement. Text should read exactly as follows: "Powered by Your Internet Voice."

GTI Global Technologies & GTI Voice Network is a subsidiary of GTI Technologies Inc and no branding rights are passed to CLIENT from GTI Global Technologies & GTI Voice Network.

9. CLIENT agrees to sell and brand AGENT's services only under the brand approved by AGENT. If client wishes to sell the services under a different brand they can either change their existing brand name on file

with AGENT or pay AGENT a one-time \$2500.00 branding fee per additional brand. CLIENT understands that if AGENT discovers client selling the services using more than one brand CLIENT's account will be suspended pending submission of the \$2500 additional branding fee.

10. CLIENT agrees to be responsible for fee's passed on to AGENT by AGENT's communications service CLIENTs in connection with CLIENT's activities.

Jurisdiction and Choice of Law

11. Indemnification.

a. Indemnification by CLIENT. The CLIENT agrees to indemnify, defend, and hold harmless AGENT and its directors, officers, employees and agents, and defend any action brought against same with respect to any claim, demand, cause of action, debt or liability, including reasonable attorneys' fees, to the extent that such action is based upon a claim that: (i) if true, would constitute a breach of any of CLIENT's representations, warranties, or agreements hereunder; (ii) arises out of the negligence or willful misconduct of CLIENT; or (iii) any of the content to be provided by CLIENT hereunder or other material on CLIENT's marketing material or web site infringes or violates any rights of third parties, including, without limitation, rights of publicity, rights of privacy, patents, copyrights, trademarks, trade secrets and/or licenses.

b. Indemnification by AGENT. AGENT agrees to indemnify, defend, and hold harmless CLIENT, its directors, officers, employees and agents, and defend any action brought against same with respect to any claim, demand, cause of action, debt or liability, including reasonable attorneys' fees, to the extent that such action arises out of the gross negligence or willful misconduct of AGENT.

c. Notice. In claiming any indemnification hereunder, the indemnified party shall promptly provide the indemnifying party with written notice of any claim which the indemnified party believes falls within the scope of the foregoing paragraphs. The indemnified party may, at its own expense, assist in the defense if it so chooses, provided that the indemnifying party shall control such defense and all negotiations relative to the settlement of any such claim and further provided that any settlement intended to bind the indemnified party shall not be final without the indemnified party's written consent, which shall not be unreasonably withheld.

12. Jurisdiction & Limitation of Liability

This agreement shall be governed by and construed in accordance with the laws of the county of OCALA and the state of FLORIDA, without regard to conflicts of law provisions. Sole and exclusive jurisdiction for any action or proceeding arising out of or related to this agreement shall be in an appropriate state or federal court located in the County of Dallas, State of Texas, and the parties unconditionally waive their respective rights to a jury trial. Any cause of action CLIENT may have with respect to the use of service provided by AGENT must be commenced within six (6) months after the claim or cause of action arises. If for any reason a court of competent jurisdiction finds any provision of this agreement, or a portion thereof, to be unenforceable, that provision shall be enforced to the maximum extent permissible so as to effect the intent of this agreement, and the remainder of this agreement shall continue in full force and effect. This agreement constitutes the entire agreement between AGENT and CLIENT with respect to the services provided by AGENT to CLIENT and it supersedes all prior or contemporaneous communications, agreements and understandings between AGENT and CLIENT with respect to the subject matter hereof. A printed version of this agreement shall be admissible in judicial or administrative proceedings.

THE CLIENT AGREES THAT AGENT SHALL HAVE NO LIABILITY TO SUBSCRIBERS UNDER THIS AGREEMENT. AGENT SHALL HAVE NO LIABILITY WITH RESPECT TO AGENT'S OBLIGATIONS UNDER THIS AGREEMENT OR OTHERWISE FOR CONSEQUENTIAL, EXEMPLARY, SPECIAL, INCIDENTAL, OR PUNITIVE DAMAGES EVEN IF AGENT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN ANY EVENT, THE LIABILITY OF AGENT TO THE CLIENT FOR ANY REASON AND UPON ANY CAUSE OF ACTION SHALL BE LIMITED TO AN AMOUNT EQUAL TO ONE MONTH'S REVENUES ACTUALLY PAID TO AGENT BY CLIENT UNDER THIS AGREEMENT DURING THE MOST RECENT MONTH. THIS LIMITATION APPLIES TO ALL CAUSES OF ACTION IN THE AGGREGATE, INCLUDING, WITHOUT LIMITATION, BREACH OF CONTRACT, BREACH OF WARRANTY, NEGLIGENCE, STRICT LIABILITY, MISREPRESENTATIONS, AND OTHER TORTS.

13. Intellectual Property Rights.

a. Proprietary Right of AGENT. Subject to CLIENT'S ownership interest in subscriber Content, all materials developed or provided by AGENT under this Agreement, including without limitation, any computer software (in object and source code form), scripts, programming code, data, information or HTML script, and any trade secrets, know-how, methodologies, and processes related to the AGENT'S products or services, shall remain the sole and exclusive property of AGENT or its CLIENTs, including, without limitation, all copyrights, trademarks, patents, trade secrets, and any other proprietary rights inherent therein and appurtenant thereto (collectively "GTI MVNO Materials"). To the extent, if any, that ownership of the GTI MVNO Materials does not automatically vest in AGENT by virtue of this Agreement or otherwise, the CLIENT hereby transfers and assigns to AGENT all rights, title and interest which the CLIENT may have in and to the GTI MVNO Materials. No right or license to any intellectual property rights associated with the GTI MVNO Materials shall be implied and the CLIENT shall not copy, modify, reverse engineer, reverse compile, or disassemble any software code included in the GTI MVNO Materials. The CLIENT acknowledges and agrees that AGENT designs and hosts web sites for other parties, and that AGENT shall have the right to provide third parties services which are the same or similar to the Services, and to use or otherwise exploit any GTI MVNO Materials in providing such services. AGENT hereby grants to CLIENT a limited, non-exclusive, non-transferable license to make use of GTI MVNO Materials, which are incorporated into and are required for the Services and only during the term of and in accordance with the terms of this Agreement. AGENT hereby reserves for itself all rights in and to the GTI MVNO Materials not expressly granted to the CLIENT in the immediately foregoing sentence. In no event shall the CLIENT use any trademarks or service marks of AGENT's without AGENT's prior written consent.

b. Proprietary Rights of the Customer. To the extent expressly provided by any description of Services, and subject to the payment of applicable fees for AGENT to incorporate such items, the Services may be branded with such name, logos, marks, and/or other identifying content as provided and approved by the CLIENT ("CLIENT Content"). Private label branding may not be available for all or part of the Services purchased by the CLIENT (for example, AGENT may require that a Subscriber's E-Mail address is branded to the carrier). CLIENT Content shall include any materials provided by the CLIENT for incorporation into the Services, including but not limited to any marks, domain names, logos, proprietary or copyrightable material, software, images, photographs, illustrations, graphics, audio clips, video clips or text and other materials of the CLIENT that the CLIENT may provide to AGENT to facilitate AGENT's provisioning of the Services.

As between CLIENT and AGENT, CLIENT Content shall remain the sole and exclusive property of the CLIENT. The CLIENT assumes sole responsibility for (i) acquiring any authorization(s) necessary for hypertext links to third party web sites; (ii) the accuracy of materials provided to AGENT, including descriptive claims, warranties, guarantees, nature of business and address where business is conducted, and (iii) ensuring that the CLIENT Content does not infringe or violate any right of any third party. The CLIENT shall provide CLIENT Content that does not contain any content or materials which are obscene, threatening, malicious, which infringe on or violate any applicable law or regulation or any proprietary, contract, moral, privacy or other third party right, or which otherwise expose AGENT to civil or criminal liability. Any such materials provided by CLIENT to AGENT that do not satisfy the foregoing requirements shall be deemed to be a material breach of this Agreement. The CLIENT will indemnify and hold AGENT harmless for any allegations of misuse of such material resulting from the CLIENT's failure to obtain such necessary permissions and licenses or any other violation of third party rights caused by use of the Customer Content. No title to or ownership of any of the CLIENT Content will be transferred to AGENT. CLIENT hereby grants to AGENT a non-exclusive, worldwide, royalty free license to edit, modify, adapt, translate, exhibit, publish, transmit, participate in the transfer of, reproduce, create derivative works from, distribute, perform, display and otherwise use CLIENT Content as necessary to render the Services to the CLIENT under this Agreement.

14. Financial Analysis.

AGENT have made an initial financial evaluation of CLIENT pursuant to AGENT's policies and procedures and has set a line limit for CLIENT based on that evaluation. AGENT will routinely evaluate CLIENT's payment history, credit and financial status in accordance with AGENT's policies and procedures. In order to facilitate such evaluation, CLIENT will provide AGENT with, at a minimum, its most recent (no more than 12 months old) CPA prepared financial statements within thirty (30) days after AGENT request. Such financial statements will include, at a minimum, CLIENT's: (i) balance sheet; (ii) income statement; and (iii) statement of cash flows during a reporting period specified by AGENT. All financial statements will be delivered to AGENT in a format as reasonably determined by AGENT and communicated to CLIENT. As a result of such subsequent financial, credit and payment history review, AGENT may increase, or decrease CLIENT's PBX VoIP Port/Account Limit. Additionally, if AGENT determines that it needs additional security in light of CLIENT's credit or financial position, payment history, and/or an increase in the volume of products/Services purchased from AGENT, then AGENT reserves the right to require additional security including, without limitation, requiring a letter of credit or security deposit.

15. End User Support.

CLIENT will have sole responsibility for providing all aspects of End User support, customer service, and billing. CLIENT agrees that AGENT has no obligation to End Users, including, without limitation, handling Service, Equipment, and customer service or billing inquiry calls. CLIENT will provide a toll free number and hours of operation for its customer service operations so that AGENT can redirect End Users that inadvertently contact AGENT. CLIENT will also provide AGENT with a dedicated single point of contact for responses to all questions and issues.

16. Risks.

CLIENT will be solely responsible for all risks, liabilities and expenses incurred in connection with its activities or Equipment and those of its Personnel, independent contractors, representatives, and other agents in the sale of the Service to End Users or any other acts required of CLIENT pursuant to this Agreement. CLIENT will act in all respects on its own account and be solely responsible for any credit verification, deposits, billing, collection, rebilling, customer billing complaints, toll calls, international calls, roaming, directory assistance and similar service charges, taxes, bad debts, and fraudulent use by End Users or use related to any Number assigned to CLIENT.

17. Insurance.

During the Term, and for one (1) year thereafter, CLIENT will obtain and keep in full force and effect the following insurance: (a) Commercial General Liability Coverage, including personal injury, property damage, operations hazard, independent contractor, and contractual liability in limits no less than \$3,000,000 for each occurrence (combined single limit) with CARRIER named as an additional insured in the policy; and (b) Worker's Compensation and Employer's Liability insurance; and (c) coverage in limits no less than \$3,000,000 for liability and expense arising from unauthorized disclosures of private data, including the cost of notification. Such insurance policies must be underwritten by reputable national insurers that are licensed to do business in the jurisdiction where CLIENTs doing business. Prior to obtaining the Services, and upon AGENT's request, CLIENT will furnish AGENT with a certificate(s) of insurance, or other acceptable evidence of insurance, which provides that the insurer will not cancel, alter or allow such insurance to expire without first giving AGENT thirty (30) days prior written notice. AGENT's approval of CLIENT's insurance policies does not relieve or limit any of CLIENT's obligations under this Agreement. CLIENT waives all rights of recovery, whether under subrogation or otherwise (including, without limitation, claims relating to deductible or self-insured retention clauses, inadequacy of limits of any insurance policy, insolvency of any insurer, limitations or exclusions of coverage), against AGENT and its employees and agents.

The undersigned authorized representative of CLIENT and authorized representative of AGENT have executed this Agreement and shall be effective on the date first referenced herein.

NAME

NAME

GTI TECHNOLOGIES INC

AGENT/RESELLER

Date _____ **20** _____

_____ **20** _____