# **DISTRIBUTION AGREEMENT**

This agreement ("Agreement") is dated 18.08.2017 and entered into between

# **Kirchenpartner Software & Beratung GmbH**

Lange Str. 9-11, 31582 Nienburg, Germany ("Supplier");

And

# **Konica Minolta Business Solutions Deutschland GmbH**

Europaallee 17, 30855 Langenhagen, Germany ("Konica Minolta")

- both individually referred to as a "Party" or collectively as "Parties" -

# § 1 Background

- (1) The Supplier is the owner and sole holder of the right of use of the software "KiP-Gemeinde" for the administration of congregations or parishes.
- (2) By means of this distribution agreement, the Supplier wishes to appoint Konica Minolta as its exclusive distributor to distribute KiP-Gemeinde in the Territory under the terms set out in this Agreement. This mean that Supplier will not distribute the Software to the end customer in mentioned territories in Annex 4.
- (3) If there is any contact between Supplier and end-customers in order to promote the software, Supplier must always inform Konica Minolta. In such case it is up to Konica Minolta to join or not to join. If Konica Minolta decides to join, it has the right to distribute KiP-Gemeinde by its own to the end-customer.

#### § 2 Scope of the agreement,

(1) This agreement does not in and of itself constitute any agreement to rent, and/or license any Products and/or services but establishes price and service conditions subject to which Konica Minolta shall be enable to procure the contractual Products and Services, respectively.

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- (2) The following annexes are incorporated herein and form an integral part of this agreement:
  - Annex 1 (Product and Service Basket)
  - Annex 2 (Adaption for users)
  - Annex 3 (Know-How Advise for users)
  - Annex 4 (Distribution Territory)
  - Annex 5 (Quality Standards)
  - Annex 6 (Price)
  - Annex 7 (Service Level Agreement)
  - Annex 8 (License Terms)
  - Annex 9 (Training Concept)

## § 3 Interpretation, Conflict of Terms

- (1) Clause, annex and paragraph headings shall not affect the interpretation of this agreement.
- (2) In the event of any inconsistencies or ambiguities between the contractual documents, the following order of precedence shall apply:
  - Individual Contract,
  - Supplement,
  - the Agreement's annexes,
  - the Agreement's main body.

# § 4 Intellectual Property Rights

- (1) The Supplier represents and warrants that:
  - a. it may license the Products free of any restriction;
  - b. it has to date not granted any licences for the Products in the Territory;
  - c. it is the proprietor of all patents, designs, trademarks, business secrets/know how and any other intellectual property rights related to the Products and the parts thereof (hereinafter jointly referred to as "the IPRs"); and
  - d. the Products will perform in accordance with the standards set out in Annex 5.
- (2) The current and further developments of the Products and possible inventions relating to the same, as well as other IPRs resulting from any activities carried out by any of the Parties separately, or in co-operation with each other or third parties regarding the Products, is the sole property of the Supplier. Each of the Parties shall secure the Supplier's ownership to the IPRs in any relevant agreements with any third parties.
- (3) Konica Minolta's obligation to respect Supplier's IPRs shall survive the expiry or termination of this Agreement for an unlimited time, irrespective of the cause for the expiry or termination.

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#### § 5 Products and Services

- (1) The Products available under this agreement are exhaustively listed in Annex 1 (Product and service Basket).
- (2) The available Products can be procured on a rental basis. Supplier grants Konica Minolta a license on the rental basis for one year. Subsequently the license period automatically prolongs for one-year-periods, until it is terminated by either party on basis of a three months prior written notice. The rights to use the Products are set forth in the License Terms (Annex 8).
- (3) Supplier shall provide printed or printable German documentation for each Software Product, which enables a program user with average ability to install and update the Software without the assistance of Supplier. Supplier shall provide printed or printable technical documentation in English language. Konica Minolta is entitled to make any number of copies of such documentation, as required for its internal use.
- (4) If Supplier provides Konica Minolta with additions (e.g. patches, amendments to the documentations) or new versions of the Software Product (e.g. updates, upgrades; § 20) which replace prior versions of the Software Product within the context of the rectification of defects or otherwise, then the newer version of the Software Product shall be subject to the terms of use set forth in this Agreement unless set forth otherwise, i.e. within the context of Support Services.

# § 6 Distribution rights

- (1) Supplier appoints Konica Minolta as an exclusive distributor for the Products for all territories as specified in Annex 4 (**Territory**).
- (2) The exclusive distribution right is restricted/limited by a distribution right of

Evangelisher Presseverband Norddeutschland, Schillerstraße 44A, 22767 Hamburg, Germany

- (3) Konica Minolta will not utilize or distribute the Products outside of the Territory.
- (4) Konica Minolta cannot market, sell or otherwise distribute similar and/or similarly functioning software as any of the Products within the Territory.
- (5) This agreement is personal to the parties and neither party shall assign, transfer, mortgage, charge or deal in any other manner with any of its rights and obligations under this agreement without the prior written consent of the other party.

#### § 7 Sub-Licencing

- (1) Konica Minolta may grant sub-licences.
- (2) The sub-licensee can use the Products as set forth in the License Terms (Annex 8). Konica Minolta has to indenture the sub-licensee to follow the License Terms.

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- (3) Konica Minolta has to inform the Supplier of the granted sub-licenses and to give the Supplier the following information:
  - Name of Sub-Licensee,
  - Number of Licences or
  - As applicable (for Campus licenses): number of church offices and employees

#### § 8 Transfer of Technical Know How

- (1) Supplier also owns certain know-how specified in Annex 3 (**Know-How**) which is material to the effective use of the Products
- (2) Supplier shall provide Konica Minolta with all Know How and documentation necessary for the use and distribution of the Product immediately after having signed this contract.

#### § 9 Technical Assistance

- (1) Supplier shall provide Konica Minolta with all information reasonably necessary for the using of the Product and with any further technical documentation, as required.
- (2) Supplier shall be responsible for initial training of Konica Minolta's sales force and professional service and support personnel, with respect to the Product prior to the date of the Initial Release and for providing periodic training to appropriate training personnel of Konica Minolta on all upgrades so that such training personnel of Konica Minolta may train other employees of Konica Minolta on all such upgrades. The training will take place as set forth in Annex 9 (Training Concept) and last not more than 5 workdays. Each of the initial trainings shall be available for 5 person. If more than a 5 workdays training is needed the Parties can order this according to Annex 6.
- (3) Konica Minolta shall also be responsible for providing training for all customers of the Product. Supplier will provide Konica Minolta with the training concept and training materials.
- (4) Supplier is responsible to deliver third line support for customer/clients. Supplier will deliver first and second line support for customers/clients when requested by Konica Minolta and mutually agreed. The service levels and responsibilities are set forth in Annex 7.

#### § 10 Liability for Faults

- (1) Supplier is liable for any damage under this agreement whether in contract, tort (including negligence), breach of statutory duty or otherwise according to the German statutory law.
- (2) Supplier shall indemnify and hold harmless Konica Minolta from any third party claims (including, without limitation, reasonable attorneys' fees and costs), regardless of the form of action, arising out of or in connection with the infringement of a third party's right by the Product.

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(3) If Supplier fails to deliver third line support for customer/clients within 3 workdays, he will indemnify Konica Minolta for damages and loss of profit that result from a claim for damages and/or termination of the contract by customer/client. Konica Minolta may only assert an indemnification right if Supplier has been granted access to KiP-Gemeinde, the file server and the database server on the customers system for delivering third line support.

# § 11 Prices/Payment Terms/Restriction to Set-Off

- (1) All prices for Products and Services in this Agreement are in Euro (EUR) and to be understood as net prices, i.e. excluding value added tax (VAT). The price is applicable as set forth in Annex 6 Price.
- (2) All travel undertaken by Supplier pursuant to this Agreement shall be at Supplier's expense, unless the Parties have agreed upon it and Konica Minolta has approved such expenses before the travel.
- (3) All payments are subject to an invoice issued by the Supplier. The invoice must describe precisely the nature, scope and volume of the Products or Services, that are being delivered, as well as the order number and, if there is one, the item number, and such VAT ID as assigned on the respective Order, and contain all other statutory information that is required notably under German turnover tax law.
- (4) Any payment in connection with this Agreement or an Individual Contract is due within thirty (30) days after receipt of the invoice after receiving the goods, Services or other performance. Any payment in connection with this Agreement or an Individual Contract within fourteen (14) days after the events defined in the previous sentence is subject to a discount of 2%.
- (5) If Konica Minolta fails to make any payment under this section, Konica Minolta shall pay interest on the overdue amount at the rate of 5% per annum above the European Federal Reserve Bank's base rate from time to time. Such interest shall accrue on a daily basis from the due date until actual payment of the overdue amount. Konica Minolta shall pay the interest together with the overdue amount. The interest shall be reduced if Konica Minolta proves that the payment default has caused damage for an amount lower than the accrued interest.
- (6) The provisions of this section shall similarly apply with consideration of the respective differences on all provisions in this Agreement requiring one Party to make a payment to the other Party.
- (7) Konica Minolta may not exercise any right of set-off unless its counterclaims have been accepted, are undisputed or conclusively determined through court decision.

#### § 12 Duration and Termination

(1) This Agreement enters into force with signing and has a duration period of two years (Initial Term). It may be terminated for convenience in whole or in part by giving six (6) months prior written notice to the other Party provided that any such notice shall not cause a termination before the end of the Initial Term.

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- (2) If either party defaults in a payment or other material obligation under this Agreement and continues in default for a period of 30 days after written notice of default is given to it by the other party, the other party may terminate and cancel this Agreement, in accordance with the provisions of this section, immediately upon written notice of termination given to the defaulting party.
- (3) Either party may terminate and cancel this Agreement immediately by notice to the other if
  - a. the other ceases to carry on its business,
  - b. a receiver or similar officer is appointed for the other and is not discharged within 30 days,
  - c. the Intellectual Property rights are conclusively annulled,
  - d. the other party becomes insolvent, admits in writing its inability to pay debts as they mature, is adjudicated bankrupt, or makes an assignment for the benefit or its creditors or another arrangement of similar import.
- (4) In addition to the grounds of termination specified hereunder, this Agreement may be terminated by written notice for any material breach of this Agreement by the other party if such breach is not cured within 60 (sixty) days after the breaching Party receives notice of such breach from the non-breaching party.
- (5) In case of the termination of this agreement all rights and obligations remain in force for a subsequent period of three (3) years with regard to the existing end customer contracts of Konica Minolta.

#### § 13 Labelling of Products

- (1) Konica Minolta shall label the Products when applicable with successive and permanently readable numbering and the clearly visible reference: "Released and manufactured under the licence of Kirchenpartner GmbH, Deutschland.
- (2) Konica Minolta shall not have the right to place its company name on the Products.

#### § 14 Confidentiality

- (1) Konica Minolta may not use the knowledge obtained in conjunction with the licensed intellectual property for any other purpose than to perform its obligations under this agreement.
- (2) Konica Minolta shall keep strictly confidential all information that shall be part of the Know-How that has been made available to it. Such confidentiality undertaking shall remain in force for an unlimited period of time from the time the termination of this Agreement becomes effective.
- (3) The secrecy shall not extend to technical information that Konica Minolta has been aware of prior to the transfer date.

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- (4) The secrecy shall also cease to exist if the confidential know-how shall become common knowledge unless the same shall have been caused by an infringement of contractual obligations by Konica Minolta.
- (5) Konica Minolta shall keep the secrecy/confidentiality beyond the expiry of this Agreement all technical knowledge that the Supplier shall have made available to it.

## § 15 Exchange of Experience and Undertakings as to Further Development

- (1) The parties hereto agree to without undue delay inform each other of any improvement, change or invention within the scope of this Agreement.
- (2) Any improvements and changes by the Supplier which facilitate the use of the Products shall immediately be implemented in the Products free of charge for Konica Minolta.
- (3) Updates for users will be provided twice a year by the Supplier at intervals set by the Supplier for the German Customers in German language free of charge by ways of normal communication, if not especially agreed by the parties otherwise. Updates and fixes for the purpose of remedying defects critical to the operation of the Products shall be developed within reasonable time and thereafter be provided without undue delay to the Supplier free of charge.
- (4) The parties undertake to meet once a year to discuss further development of the Products and to agree on a plan for this development and the terms under which the Supplier undertakes to implement such plans.
- (5) The Supplier shall under no circumstances be required to add functionality to KiP-Gemeinde that extends the functionality of KiP-Gemeinde beyond the scope of any normal set of features for a software package built for the purpose.
- (6) Regardless of the above, the Supplier shall not be under any duty whatsoever to undertake further development of new features of KiP-Gemeinde when the costs incurred for such development exceeds 30 % of the Supplier's net income. Updates and fixes for the purpose of remedying defects critical to the operation of the Products and the agreed initial changes as specified in Annex 2 (Adaption for users) shall not be limited by this cap of costs.

## § 16 Protection of Intellectual Property

- (1) The parties will use their best endeavours to prevent an infringement by third party individuals of the intellectual property rights within the Territory.
- (2) The parties hereto mutually agree to notify each other of any infringement of the intellectual property rights that they shall become aware of and the grant of all support necessary to fight the same.
- (3) Konica Minolta shall inform the Supplier immediately of any claims, lawsuits, etc., arising out of the use of the IPRs and allow the Supplier to join in potential litigation. Any and all costs arising out of or in connection with litigation or potential litigation and any compensatory damages awarded against the Parties shall be borne by the Supplier.

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#### § 17 Severance

- (1) If any provision or part-provision of this agreement is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of this agreement.
- (2) If any provision or part-provision of this agreement is invalid, illegal or unenforceable, the parties shall negotiate in good faith to amend such provision so that, as amended, it is legal, valid and enforceable, and, to the greatest extent possible, achieves the intended commercial result of the original provision.

# § 18 Governing law and jurisdiction

This agreement and any disputes or claims arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) are governed by and construed in accordance with Germany Law and the Germany courts shall have jurisdiction.

Signed by Einar Aasen for and on behalf of Kirchenpartner Software & Beratung GmbH

Signed by Johannes Bischof for and on behalf of Konica Minolta Business Solutions Deutschland GmbH Director

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30.08.2017

Konica Minolta

Business Solutions Deutschland GmbH

Europealie 17 · 30855 Langenhagen
Tel. 0511/7404-0 · Fax 0511/741050

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#### **ANNEXES**

#### Annex 1 - Product and Service Basket

#### 1A - KIP-GEMEINDE

**"KiP-Gemeinde"** by Kirchenpartner GmbH is a software aiding all aspects of managing the daily operations of church congregations, including, but not limited to, the planning and structuring of church and religious services, administration of members of the congregation, etc. KiP-Gemeinde shall contain the current liturgy of the Evangelical Church of Germany, and shall be updated with the liturgy coming into effect from 2017.

The Supplier provides Konica Minolta with updated Product Information, Education Material and Marketing Material.

To present the Product to potential customers the supplier grants to Konica Minolta demonstration licenses.

The Supplier provides the following service: third level support – support in any cases where the software is not working in an adequate manner (technical support, repair of software bugs, restore functionality). In addition Supplier will deliver first and second line support for customers/clients when requested by Konica Minolta and mutually agreed.

The Suppplier will grant the requested licences to Konica Minolta and provide everything that is needed to install the Product.

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# Annex 2 - Adaption for users

Supplier will do initial changes so that the Product can be used in the Countries where Konica Minolta has the right to distribute the Products.

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## Annex 3 - Documentation

The Supplier shall provide Konica Minolta with a user guide in German language, explaining in simple terms the functionality of the program. The user guide has to be provided (i) in a common electronic format (e.g. word- or pdf-file) and (ii) as hard copies (in sufficient quantities without additional costs). For the purpose of (re-) selling the products Konica Minolta is entitled to distribute the aforementioned documents and translations to its affiliates, distribution partners and end customers either in hard copy or electronically.

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# Annex 4 – Contractual Territory

- Germany
- Austria

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## Annex 5 - Quality Standards

#### Konica Minolta shall:

- market, sell, and operate in accordance with the highest standards of practice and ethics;
- amend its marketing materials as soon as updates and improvements are made available;
- use its best endeavours to promote the Products and increase the number of users of the Products;
- not do anything that could or might in the sole opinion of the Supplier bring the Supplier or the Products into disrepute or damage the reputation of the Supplier or the Products; and
- maintain staffing levels to meet reasonably anticipated demand from customers.

#### The Products shall be:

- provide third level support, as requested and mutually agreed provide first and second line support, for customer in accordance with the highest standard of practice and ethics;
- fit for all the purposes for which it is intended to be used in accordance with the Product description in Annex 1;
- free from all major defects the Supplier have knowledge of or reasonably could be expected to have knowledge of;
- regularly updated with bug fixes, content changes and improvements to the basic functionality;
- safe to use; and
- of satisfactory quality with regards to appearance, finish, ease of use and durability.

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## Annex 6 - Price

## Standard purchase-price for a single customer per anno

250 EURO including 3 users

25 EURO for each additional users

Example. One churchoffice with 7 employees:

 $250 EUR + 4 \times 25 EUR = 350 EUR$ 

# Price for a "Landeskirche" per anno

The price for a "Landeskirche" is based on the standard purchase-price (see above) minus a rebate of 10%

Example. The Landeskirche has 700 churchoffices with 4500 employees.

700 x 250 EUR	= 75000 EUR
(4500 employees – (700 x 3)) * 25	= 60000 EUR
	= 135000 EUR
- 10%	- 13500 EUR
Sum	= 121500 EUR

## **Project Prices / Campus License**

The parties agree on special prices for the order of bigger campus licenses.

# Prices for Trainings - § 9 II

If more than a 5 workdays training is needed, every additional day will be charged with 300 Euros.

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#### Annex 7 - SLA

# Service Level

Service Level will be defined individually and mutually agreed in each project between the parties.

The parties will enter into a Service Level Agreement after an initial phase. Therefore, the parties will enter into negotiations.

# **Response times**

The response time measures how long it takes the supplier to respond to a support request raised by Konica Minolta.

The supplier is deemed to have responded when it has replied to the client's initial request. This may be in the form of an email or telephone call, to either provide a solution or request further information.

		Issue severity (see Severity levels section, below)  Fatal Severe Medium Minor			
Item priority	1	15 minutes	15 minutes	30 minutes	60 minutes
	2	30 minutes	30 minutes	45 minutes	60 minutes
	3	60 minutes	60 minutes	75 minutes	90 minutes

Response times apply during standard working hours (9 - 15) only.

# **Severity levels**

The severity levels shown in the tables above are defined as follows:

- **Fatal:** Complete degradation all users and critical functions affected. Item or service completely unavailable.
- **Severe:** Significant degradation large number of users or critical functions affected.
- **Medium:** Limited degradation limited number of users or functions affected. Business processes can continue.
- Minor: Small degradation few users or one user affected. Business processes can continue.

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# **Resolution times**

- The supplier will always endeavour to resolve problems as swiftly as possible. It recognises
  that the client's computer systems are key to its business and that any downtime can cost
  money.
- However, the supplier is unable to provide guaranteed resolution times. This is because the nature and causes of problems can vary enormously.
- In all cases, the supplier will make its best efforts to resolve problems as quickly as possible. It will also provide frequent progress reports to the client.

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#### Annex 8 - License Terms

# Endnutzer Lizenz-Vereinbarung (Vertrag)

Letzte Überarbeitung: 02.05.2017

Bitte lesen Sie die Endnutzer Lizenz-Vereinbarung sorgfältig durch, bevor Sie das KiP-Gemeinde-Programm herunterladen oder mit diesem arbeiten.

Durch das Herunterladen oder die Anwendung des Programms stimmen Sie den allgemeinen Geschäftsbedingungen zu.

Sollten Sie mit den allgemeinen Geschäftsbedingungen nicht einverstanden sein, dann laden Sie das Programm bitte nicht herunter.

#### Lizenz

Die Kirchenpartner Software & Beratung GmbH garantiert Ihnen eine widerrufliche, nicht-exklusive und nicht-transferierbare Lizenz zum Herunterladen, Installieren und Verwenden des Programms in Übereinstimmung mit Ihren Geschäftsbeziehungen.

#### Vorbehalt

Es ist Ihnen und Dritten nicht gestattet:

- a) Änderungen sowie Anpassungen, Verbesserungen und Übersetzungen vorzunehmen sowie abgeleitete Codes aus dem Programm zu verwenden.
- b) gegen geltendes Recht, Regeln oder Vorschriften in Verbindung mit Ihrem Zugriff oder der Nutzung des Programms zu verstoßen.
- c) das Programm zur Erstellung eines Produkts zu verwenden, dass direkt oder indirekt in einen Wettbewerb mit dem Programm der Kirchenpartner Software & Beratung GmbH stehen würde. Des Weiteren darf kein Produkt entwickelt werden, dass das KiP-Programm in irgendeiner Weise ersetzten würde.
- d) den Quellcode zu dekompilieren, zurück zu entwickeln oder zu zerlegen, den Quellcode abzuleiten oder die Applikation zu entschlüsseln.
- e) Lizenzen zu vergeben, das Programm zu verkaufen, zu vermieten, zu verleasen, abzutreten, zu verteilen oder zu übertragen. Durch Hosting, Outsourcing, Offenlegung oder eine anderweitige kommerzielle Nutzung die Anwendung zu verwenden oder diese an Dritte weiterzugeben.

# Änderungen des Programms

Die Kirchenpartner Software & Beratung GmbH behält sich jedes Recht vor das Programm zu modifizieren. Davon betroffen sind auch alle anderen Serviceleistungen, die mit dem Programm verknüpft sind. Die Modifizierung ist auch ohne Ihr Wissen möglich. Die Haftung Ihrerseits ist ausgeschlossen.

# Laufzeit und Kündigung

Der Vertrag ist gültig bis zum Eingang Ihrer schriftlichen Kündigung.

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Nach der Kündigung des Vertrags sind Sie verpflichtet die Verwendung des Programms vollkommen und ohne Ausnahme zu stoppen und alle Kopien des Programms von Ihren Mobilgeräten oder Computern zu löschen.

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# Annex 9 – Training Concept

The Training Concept will be provided by the Supplier until the end of September 2017.

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