

IMPORTANT - READ ALL OF THE FOLLOWING TERMS AND CONDITIONS

Sage 300 People – Sage VIP Classic and Premier Agreement

This agreement deals with direct (through Sage) and indirect (through a Reseller) sales of software. Please note clause 21 of this agreement, which deals with specific provisions when purchasing through a Reseller.

LAST UPDATE AUGUST 2024

The parties agree as follows:

1. Definitions and interpretations

1.1 In this Agreement, unless the context indicates a contrary intention, the following words and expressions shall bear the meanings assigned to them hereunder and cognate expressions shall bear corresponding meanings:

1.1.1 **“Affiliate/s”** means a company, corporation or other entity that directly or indirectly controls, or is under common control of, the End-User, where ‘control’ is the ownership or control (whether directly or indirectly) of at least 50% of the voting rights in the entity, or otherwise the power to direct the management and policies of the entity;

1.1.2 **“Agreement”** means this document and any documentation expressly incorporated herein

by reference, including, including the Data Processing Agreement (“DPA”) found at this link: <https://www.sage.com/en-za/legal/terms-and-conditions/product-and-service-terms-and-conditions/> , any applicable orders, amendments or supplementary agreements specifically referenced hereto and effected as amendments as provided herein;

- 1.1.3 **“Annual License Fee”** means the fee payable in terms of clauses 10.6 and 10.7 of this Agreement by the End-User;
- 1.1.4 **“Consent”** means any voluntary, specific and informed expression of will in terms of which permission is given for the processing of personal information ;
- 1.1.5 **“Controller”** means the person who processes Personal Information for a responsible party in terms of a contract or mandate, without coming under the direct authority of that party;
- 1.1.6 **“Documentation”** means the online or written user guides, specifications and manuals regarding the Software made available by us, and any updates thereto, but excluding marketing materials and sales publications;
- 1.1.7 **“Effective Date”** means the date on which you accept and sign the order or the date you do anything which indicates your acceptance of this Agreement or the date you access and use the Software for the first time, whichever date is earlier;
- 1.1.8 **“End-User”** means the licensee or customer making Use of the Software procured under the applicable Order;
- 1.1.9 **“End-User Data”** means the data, information or material the End-User (or its Personnel) provide, input, process or submit into the Software;
- 1.1.10 **“Force Majeure Event”** means an act of God (e.g. a natural disaster, accident or epidemic) or another event outside of a party’s reasonable control (e.g. acts of war, terrorism, government or regulatory authority or by another third party outside the party’s control);
- 1.1.11 **“Initial License Fee”** means the initial licence fee payable for the Licensed Materials as set out or referred to in this Agreement or any invoices or other documentation issued by the Supplier;
- 1.1.12 **“Intellectual Property Rights (“IP”)** means patents of any type, design rights, utility models or other similar invention rights, copyrights, mask work rights, trade secret, know-how or confidentiality rights, trademarks, trade names and service marks and any other intangible property rights, including applications and registrations for any of the foregoing, in any country, arising under statutory or common law or by contract and whether or not perfected, now existing or hereafter filed, issued, or acquired;
- 1.1.13 **“Licensed Materials”** means collectively the Software and all Documentation;
- 1.1.14 **“License File”** means the applicable order and the file with the Software components licensed to the End-User sent by Sage to the End-User;
- 1.1.15 **“Location”** means the address/es specified by the End-User in the License File;
- 1.1.16 **“Microsoft®”** means the Microsoft Corporation or one of its Group Companies;
- 1.1.17 **“Microsoft SQL”** means the optional additional product provided by Microsoft®, referred to as Microsoft® SQL™ (© Copyright 2021 Microsoft Corporation. All rights reserved), together with any associated media, printed materials, and “online” or electronic documentation relating to the same, that you may purchase via a Sage Partner with the Product (as applicable), subject to payment of an additional fee;
- 1.1.18 **“Order”** mean the applicable order document signed by Sage and the End-User and the Reseller and the End-User (in the event of the Software being purchased through a Reseller) containing the details of the Software procured by the End-User as well as the

fees which together with this Agreement forms a binding contract between the End-User and Sage;

- 1.1.19 **“Personal information”** means any information about a living human being or existing organisation (as applicable data protection laws require), provided that someone is capable of identifying them from that information “Personnel” of a party shall include employees, directors, agents, consultants, contractors, subcontractors, professional advisers, or other representatives of such party, while “Employees” of a party is limited to employees (whether permanent or fixed-term) and directors of the party;
 - 1.1.20 **“Personnel”** means, in relation to a party, without limitation, employees, directors, agents, consultants, contractors, subcontractors, professional advisers, or other representatives of such party, while “Employees” of a party is limited to employees (whether permanent or fixed-term) and directors of the party;
 - 1.1.21 **“Privacy Notice”** means the privacy notice posted on the website of the Sage Group plc entity with which you contracted with in terms of the Order (or such other URL as Sage may notify to you from time to time);
 - 1.1.22 **“Processing”** means any operation or activity or any set of operations, whether or not by automatic means, concerning personal information;
 - 1.1.23 **“Reseller”** means an independent third party authorised or certified by Sage to act as a Reseller or distributor of the Software;
 - 1.1.24 **“Responsible Party/Controller/ Operator”** means a public or private body or any other person which, alone or in conjunction with others, determines the purpose of and means for processing personal information;
 - 1.1.25 **“Restricted Territories”** means (i) Cuba, Sudan, Iran, North Korea, Syria and the territory of Crimea/Sevastopol; and (ii) any other country or territory that is subject to sanctions by the United Kingdom, the European Union, the U.S., United Nations or elsewhere;
 - 1.1.26 **“Sage ” “us” “we” “our”** means Sage South Africa Proprietary Limited, company registration number 2003/015693/07;
 - 1.1.27 **“Software”** means the computer programs licensed to the End-User by the Supplier under this Agreement, including any upgrades, modifications, enhancements or corrections thereto, in accordance with the specific provisions of clause 9 hereof, in machine-readable object code form, and/or any part thereof and any back-up copies made under this Agreement;
 - 1.1.28 **“Supplier ”** means the Sage or the Reseller as applicable ;
 - 1.1.29 **“Use”** means transmitting any portion of the Software for processing and/or compiling, executing or interpreting any machine instructions contained in the Software and/or displaying any portion of the Software in connection with the processing of such machine instructions. Other technical expressions shall have the meanings commonly attributed to them in the computer and information technology industry; and
 - 1.1.30 **“User”** means those individuals who are authorised by you to access and use the Software. Users may include your employees, consultants, contractors or agents.
- 1.2 In this Agreement: (a) the headings are for convenience only and shall not affect its construction or interpretation; (b) “including” and “includes” and similar expressions shall, if the context requires, be interpreted as illustrative, not exhaustive; (c) words of a technical nature shall be construed in accordance with the relevant general usage in the computer software industry; (d) references to a person include an individual, a body corporate and an unincorporated association of persons; and (e) use of the singular shall be treated as including the plural and vice versa.

- 1.3 In this Agreement, terms used that have meanings ascribed to them in applicable data protection laws, including “data subject”, “processing”, “personal data”, “controller”, “responsible party”, “processor” or “operator”, carry the meanings set out under those laws to the extent that this Agreement does not define them.

2. Licence and term

- 2.1 As from the Effective Date and until terminated pursuant to the terms of this Agreement, the Supplier grants the End-User a limited, non-exclusive, non-transferable, non-sublicensable licence to Use the Software and Licensed Materials (except as expressly permitted herein) for its own business purposes, solely on the following terms:
 - 2.1.1 To Use the Software for the number of users and software components specified in the License File.
 - 2.1.2 In the case of Software operating on a local area network or wide area network, the End-User may Use the Software on a single file server with more than one Affiliate workstation, provided that a licence fee is paid for each concurrent user that has a network access to the Software from the file server.
 - 2.1.3 The End-User may make up to two backup copies of the Software for security purposes only, provided that all backup copies bear the same copyright, trademark notices and other proprietary legends as the original copy.
- 2.2 The End-User accepts the licence granted to it in terms of clause 2.1 and acknowledges that it obtains no rights of ownership of the Software.
- 2.3 The End-User accepts that this Agreement governs the terms under which the right to use the Software is granted.
- 2.4 Save for the standard software maintenance plan set out in clause 14 which may form part of this Agreement, any services including implementation services acquired from Sage or a third party are contracted and billed separately from this Agreement.
- 2.5 Microsoft SQL is a service that integrates with certain eligible Sage products, which may include the Software and/or License Materials (if applicable) and if detailed in your Order. The Customer agrees and acknowledges that Microsoft SQL, is provided by Microsoft®.
- 2.6 You agree to be bound by the additional terms and conditions for Microsoft SQL which terms can be accessed at the following link <https://www.microsoftvolumelicensing.com/> . Where there is a conflict between the terms and conditions of this Agreement and the additional terms for Microsoft SQL, the Microsoft SQL terms shall prevail concerning Microsoft SQL.
- 2.7 Unless terminated earlier in accordance with the terms of this Agreement and subject always to clauses 10.9 and 10.10, the initial term of this Agreement shall be 12 months from the Effective Date (“Initial Term”) and will automatically renew for additional periods of 12 months (each a “Renewal Term”) unless either party gives the other notice of non-renewal at least 30 days before the end of the Initial Term or Renewal Term unless as otherwise stated in the Order.

3. Prohibited uses

- 3.1 The End-User may not reproduce or distribute copies of the Licensed Materials to others or electronically transfer the Software from one computer to another over a network or on disk.
- 3.2 The End-User may not make copies of the Documentation or procure their reproduction through any third party without the prior written consent of the Supplier, and such consent shall not be unreasonably withheld or delayed. If the End-User requires additional copies of the Documentation, these may be obtained from the Supplier at the then-prevailing rate.
- 3.3 The End-User may not Use the Software for personal, family, household, or other non-business

purposes.

- 3.4 The Licensed Materials contain intellectual property and know-how, system design and proprietary information which is the exclusive and valuable property of the Supplier, and the End-User may not disclose to others any such information or materials relating to the design, construction, operation or issue of the Licensed Materials except in connection with the Use permitted by this Agreement, or as agreed in writing by the Supplier.
- 3.5 Except to the extent expressly required to be permitted by law, the End-User may not modify, translate or create derivative works based on the Software, nor reverse assemble, decompile or reverse engineer the Software, whether in whole or in part, or otherwise attempt to derive the source code, underlying ideas, algorithms, file formats, programming of the Software or any files contained in or generated by the Software, nor shall it permit, whether directly or indirectly, any third party to do so.
- 3.6 The End-User may not without the Supplier's prior written consent, merge or combine the whole or any part of the Software with any other software or documentation.
- 3.7 The End-User may not without the Supplier's prior written consent, grant any third-party direct access to the Software, including, without limitation by way of lease, loan, resale, distribution or grant of sub-licences based on the Licensed Materials or any part thereof, nor use the same to act as a bureau or for time-sharing use.
- 3.8 End User and/or your Users must not use the Software and/or Licensed Materials in a way which is illegal, or which interferes with or disrupts other Internet users, service providers including the Supplier, their computers, software or hardware including without limitation:
 - 3.8.1 propagating computer worms, trojans or viruses;
 - 3.8.2 attempting a denial of service attack on the Software and/or Licensed Materials;
 - 3.8.3 hacking or breaking any security mechanism on the Software and/or Licensed Materials;
 - 3.8.4 using the Software and/or Licensed Materials to gain unauthorised access to another computer or network or in a way that disrupts or threatens the Software and/or Licensed Materials;
 - 3.8.5 sending harassing, obscene, indecent, offensive or threatening electronic mail;
 - 3.8.6 forgery (or attempted forgery) of electronic mail messages;
 - 3.8.7 placing, transmitting or storing any defamatory material; and
 - 3.8.8 using the Software in a bureau or outsourcing capacity to generate revenue.
- 3.9 The End-User acknowledges that the Licensed Materials, related product logos and product names are the trademarks or are otherwise proprietary to the Supplier, and the End-User may not remove any such notices or product identification or attempt to cover or disfigure the same.

4. Control of the software and equipment

- 4.1 The End-User shall follow all reasonable instructions given by the Supplier from time to time, in connection with the Use of the Software. The End-User shall permit the Supplier at reasonable times, and at the Supplier's expense, to verify that the Use of the Licensed Materials is within the terms of this Agreement.
- 4.2 the total number of users must not exceed the number specified in the License File. The additional licensed system must not be used for processing other than for backup purposes under any circumstances.
- 4.3 You will be responsible for providing and maintaining your own compatible equipment, software and communications lines which are required to connect you to the Internet and access the Software and for your compliance with any third-party terms or other third-party agreements in

relation to your use of your equipment, software and communications lines.

- 4.4 In the event you use on-premises Software that integrates with the Software, your use of such on-premises Software is subject to the terms and conditions of the relevant end-user license agreement, subscription agreement, or other agreement applicable to such on-premises Software. You are only authorized to access and Use the functionality of the Software through (i) your private Internet or extranet using an Internet connection you provide or (ii) a wireless communication network you connect to, on devices you provide.
- 4.5 You may not install any components of the Software on your devices unless Sage provides express instructions for you to do so.

5. Inter-group transfers

In certain circumstances, which must be agreed in advance and in writing by the Supplier and on payment of the Supplier's then prevailing fee (which shall not exceed one per cent of the then-current standard retail price of the impacted licenses), the End-User may be entitled to assign or otherwise dispose of its rights and obligations under this Agreement to any other Affiliate of the End-User, or if the End-User is disposed of as part of a going concern to another company. For the avoidance of doubt, the End-User shall not be entitled to assign or otherwise dispose of its rights and obligations under this Agreement if the End-User has a petition presented or passes a resolution for winding up or has a receiver or administrator appointed over its assets or makes an arrangement with its creditors to go into liquidation or, if the End-User being an individual, becomes bankrupt or commits any act of bankruptcy with its creditors.

6. Intellectual property rights

Unless agreed otherwise between the Supplier and the End-User and recorded in writing, the copyright and all other Intellectual Property Rights of whatever nature in the Licensed Materials and any modifications or changes thereto and all patents, trademarks and copyrights relating thereto are and shall remain the property of the Supplier and/or its Affiliates, and any rights in any other work prepared or carried out by the Supplier hereunder shall vest in the Supplier on creation thereof. The End-User shall notify the Supplier immediately if the End-User becomes aware of any unauthorised Use of the Licensed Materials in whole or in part by any third party.

7. Intellectual property rights indemnity

- 7.1 Supplier hereby indemnifies the End-User against any claim that the normal Use or possession of the Licensed Materials (including but not limited to any new updates and/or improved versions thereof) infringes intellectual property rights of any third party, provided that Supplier is given immediate and complete control of any such claim, and that the End-User gives Supplier such assistance as Supplier may reasonably require to settle or oppose any such claim, provided that Supplier shall meet the End-User's reasonable costs of so doing.
- 7.2 If any Licensed Materials are held or alleged to infringe any intellectual property rights, Supplier shall have the option, at its own expense, to (i) obtain for the End-User the right under the relevant intellectual property right to continue using the affected Licensed Materials; (ii) replace the relevant part of the Licensed Materials with a non-infringing replacement; (iii) modify the relevant part of the Licensed Materials to make it non-infringing; or (iv) refund the depreciated value of the relevant part of the Licensed Materials, and accept return of the same. Supplier shall, however, at all times use reasonable endeavours to ensure that the End-User is left with fully operational and functionally equivalent Licensed Materials.
- 7.3 Supplier shall not indemnify or be liable for any costs or damages if a claim of infringement of intellectual property rights arises out of; (i) compliance with the End-User's requests; (ii) incorporation of the End-User's or a third party's product or products in or with any Licensed Materials; (iii) modification of any Licensed Materials after delivery by Supplier; (iv) the End-User's Use of other than the latest supported releases of any Licensed Materials (if such release has been made available to the End-User); (v) the End-User's Use of any Licensed Materials after receiving

notice that the relevant Licensed Materials infringe any intellectual property rights; or (vi) any other fault, action or inaction of the End-User.

- 7.4 The End-User shall inform the Supplier of any claim or action brought against the End-User on the issue of infringement of any copyright and other intellectual property rights in the Licensed Materials.
- 7.5 The foregoing states the entire liability of Supplier to the End-User in respect of infringement or alleged infringement by the Licensed Materials of the intellectual property rights of any third party.
- 7.6 The foregoing obligations as to intellectual property rights indemnity shall survive any termination under this Agreement, howsoever caused.

8. Confidentiality

- 8.1 The End-User acknowledges that the Licensed Materials contain intellectual property rights and know-how, system design and proprietary information which is the exclusive and valuable property of Sage and/or its Affiliates. Subject to sub-clauses 8.2 and 8.3 the End-User undertakes to treat as confidential all information contained or embodied in the Licensed Materials and in any specifications thereof made available to the End-User and shall not save as provided in sub-clauses 8.2 and 8.3 disclose the same in the whole or in part to any third party, other than the Personnel of the End-User as described in clause 8.2 below, without the prior written consent of the Supplier.
- 8.2 The End-User shall be permitted to disclose aspects of the Licensed Materials to its Personnel to the extent necessary and to those Personnel having a legitimate need to know. The End-User is responsible for ensuring that such Personnel is made aware, before such disclosure, that the Licensed Materials are the confidential material of the Supplier, and that such Personnel may not disclose such material to outside third parties but keep the information confidential.
- 8.3 The provisions of sub-clause 8.1 shall not apply to:
 - 8.3.1 information in the public domain otherwise than by breach of this Agreement; and/or
 - 8.3.2 information already in the possession of the receiving party prior to disclosure with the right to use; and/or
 - 8.3.3 information received from a bona fide third party without breach of the obligation to the other party hereto, and/or
 - 8.3.4 information which is required to be publicly disclosed by law or by any statutory, governmental or regulatory body having jurisdiction over such party.
- 8.4 The End-User shall affect and maintain reasonable security measures to safeguard the Licensed Materials from theft, or access by any person other than the Personnel of the End-User in the normal course of their employment or other appropriate contractual arrangements with the End-User.
- 8.5 Both parties shall treat as confidential all information obtained from each other which is designated as confidential, or which either party may be told is confidential by the other party, or which either party might reasonably expect the other to regard as confidential and shall not, save as provided in Clauses 8.2 and 8.3, disclose the same to any third party without the prior written consent of the other.
- 8.6 The foregoing obligations as to confidentiality shall survive any termination under this Agreement, howsoever caused.

9. Upgrade system overlap

- 9.1 Where an End-User has purchased an upgrade from one licensed product to another then, save for a permitted period of dual processing, the End-User's licence for the product being replaced shall terminate on the first Use of the upgrade. The maximum period allowed for such dual

processing is three (3) months from the date in the month in which the upgrade was purchased.

- 9.2 At the end of the dual processing period, the End-User must confirm to the Supplier in writing that they have read-only access to the product purchased or licensed subsequent to the upgrade from one licensed product to the other. Failure to do so on request from the Supplier will result in a fee payable by the End-User for the Use of the non-current Licensed Materials for a period of at least six (6) months.
- 9.3 The Supplier reserves the right to require the End-User to remove unlicensed versions of the Licensed Materials from the computer hardware of the End-User, at any time after the end of the dual processing period.

10. Fees and payments

- 10.1 The End-User shall pay the Supplier or the Reseller (in the event the Software has been purchased through a Reseller) the Initial Licence Fee within (thirty) 30 days of the Effective the date of this Agreement upon receipt of the applicable invoice.
- 10.2 Thereafter, the Agreement will be renewed for a further period of 12 months subject to clause 2.7 and provided that the End User pays the Annual License Fee on or before each Renewal Term.
- 10.3 The Licence Fee for each subsequent year shall be determined, in part, by considering the number of Users as well as the modules purchased by the End-User. Module purchases are not refundable.
- 10.4 In the event that End-User elects a monthly payment option, the End-User shall be required to sign a monthly debit order form for the tax year ending on the last day of February with the amount stipulated in the Order.
- 10.5 No right to Use the Licensed Materials shall be granted until the Supplier or Reseller (in the event the Software has been purchased through a Reseller) has received full payment of the Initial License Fee and the Annual License Fee due regardless of implementation status.
- 10.6 An Annual License Fee (as stated in the applicable Order), is payable by the End-User for access to the Software and the Software Maintenance Services in clause 14 for 1 (one) year from the date of the relevant invoice for such Annual License Fee (“Maintenance Period”).
- 10.7 The Annual License Fee is due and payable on each Renewal Term to ensure continued access to and Use of the Software and Software Maintenance Services in clause 14.
- 10.8 Payment of the Annual License Fee stipulated in the applicable Order will result in the automatic renewal of the Agreement for a further period of 12 months subject to clause 2.7.
- 10.9 Sage shall be entitled to increase the Annual Licence Fee at the start of each Renewal Term upon giving you reasonable prior written notice.
- 10.10 In the event of non-payment of the Initial License Fee and/or Annual License Fee or other Fees, the Supplier will:
- 10.10.1 Have the right to terminate this Agreement with immediate effect;
 - 10.10.2 Suspend End-User or User access to the Software and Software and Maintenance Services;
 - 10.10.3 Terminate access to the Software and Software and Maintenance Services set out in clause 14; and/or
 - 10.10.4 Withhold the license renewal code.
- 10.11 Should the End-User wish to re-instate access to the Software and the Software Maintenance Services, a reinstatement fee will apply and will be calculated at the time of re-statement.
- 10.12 Any maintenance and support fees for third party software procured through Sage or Reseller will be collected by, and payable directly to, Sage or Reseller.

