

Software Transfer and Relicensing Policy

This document sets forth Cisco's policy with respect to the transferability of any Cisco software ("Software"). A transfer occurs when: (1) the original or authorized subsequent licensee tries to convey or reassign its right to use the Software to another entity, or (2) the original lessor of Cisco used hardware (including bundled Software) ("Hardware") tries to reassign the original lessee's right to use the Software to another lessee, or the lessor tries to convey or reassign its right to lease the Hardware and Software bundle to another lessor. A rental would be treated the same as the lease situation as described in item 2 above.

This policy applies to all Software whether Standalone or Embedded. Standalone Software is Software which is not required to operate the Hardware upon which it resides (i.e., ICSG software such as call center, unified messaging, network management software). Embedded Software is Software which is incorporated into the Hardware and is required for its operation (i.e., operating system software, certain features of IOS).

Policy:

Cisco's policy is that Software, whether Standalone or Embedded, is not transferable, except where a listed exception below applies, and except, of course, where Cisco's contract expressly allows it. Any other transfers will require the payment of a new license fee (see Global Price List). For products where there is no separate line item for the Software (i.e. the prices for both the Hardware and Software are bundled), and therefore, a fee cannot be determined, an exception will be made to allow for the transfer without the customer being required to obtain a new license (the customer may be required to pay an inspection fee), if (A) Software to be transferred (i) will be under a support contract provided by either Cisco or a Cisco-authorized support partner or (ii) is still supported by Cisco; or (B) approval from the theatre Sales Controller has been obtained.

Use of the Software will be governed by either the original license terms and conditions in place between Cisco and the original Software licensee or by the new license between Cisco and the new user. Cisco may withhold its consent to any transfer not conforming to this policy.

License Fee:

The License Fee is generally the same amount as the fee charged for a new license or a portion of the fee of a new license, unless otherwise noted on the Global Price List.

It is the obligation of the transferor to obtain Cisco's consent and/or a new license before the transfer occurs.

Exceptions:

Provided the conditions of transfer are met as set forth below, the follow exceptions apply to the prohibition against transfer without written approval and payment of the applicable fee. These exceptions may be overridden by express terms in an applicable licensing agreement governing the transferability of Special License Software (Special License Software is the term now used in our templates to refer to ICSG Product)

Affiliate: An entity may transfer its right to use a certain piece of Software to its Affiliate. An Affiliate is another entity where at least 50.1% of its voting power is owned or controlled by the transferring entity or where as least 50.1% of the transferring entity's voting power is owned or controlled by the transferee.

Merger or Acquisition: An entity may transfer its right to use a certain piece of Software to the purchaser of all or substantially all of the capital stock of the transferor or all or substantially all of the assets of that portion of the transferor's business to which those licenses pertain.

Lease: In a leasing situation where the original lessee/customer would like to buy out the equipment from the leasing company during or at the end of the lease term, the original lessee/customer may retain the license without paying a new License Fee, provided leasing company gives Cisco prior written notice. Also, if the original lessee/customer defaults under the lease and the leasing company takes the equipment back before the end of the lease term, the leasing company may transfer the license to the another lessee for the remainder of the original lease term, without paying Cisco a License Fee, upon 30

days' prior written notice to Cisco, or as soon as practicable if the equipment is re-leased before such 30-day period. If the new lease term is in excess of the original lease term, the leasing company is expected to pay Cisco a new License Fee on or before the expiration date of the original lease term. [NOTE: In the situation where a leasing company leases Cisco equipment to Customer A for a specified term and at the end of the lease term, the leasing company desires to lease the same equipment to Customer B, leasing company may not transfer the license without obtaining a new license from Cisco.].

Outsource: Customer desires to outsource the operation, support and maintenance of its network to a third party (e.g. EDS) ("Third-Party Service Provider"), for the benefit of that customer. As part of the outsourcing, customer transfers all of its rights, title and interest to the assets, including certain Cisco products and software licenses, to the Third-Party Service Provider. Customer may transfer the license to the Third-Party Service Provider solely for the purposes of providing services to Customer upon 30 days' prior written notice to Cisco.

All notices should be sent to sw-license@cisco.com or as indicated in the agreement between Cisco and the customer or transferor, if any.

Conditions of Transfer:

Transfers, in any event, shall only be allowed under the following conditions:

- The parties involved in the transfer are not in breach of the agreement governing the use of the Software or any other agreement with Cisco;
- Any additional services or charges incurred by Cisco as the result of any transfer shall be borne by the transferor and transferee; and
- The parties involved in the transfer shall provide written prior notice of a permitted transfer to Cisco and the transferee shall, in a writing to Cisco, (i) assume all of the obligations of the transferor, and (ii) agree that transferee's use of the Software shall be governed by the terms of the then-current license agreement between Cisco and transferor or, at Cisco's sole discretion, by the terms of Cisco's then-current standard license agreement.