

MAGSOFT ALLIANCE PROGRAM

OVERVIEW

MAGSOFT's Alliance Program has been developed to meet the needs of our ever-expanding customer base. The MAGSOFT Alliance Program enables MAGSOFT and its partners to mutually develop, promote and sell their products and services, while leveraging each other's respective strengths to achieve success in the market as defined by high quality implementations and satisfied customers.

MAGSOFT recognizes that by working with partners through the Alliance Program, the company is able to achieve more efficient and effective operations. Specific objectives for the Alliance Program include:

- Enhance MAGSOFT's product and service offerings.
- Enhance Partner product and service offerings.
- Reduce time to market.
- Expand existing markets.
- Increase global market penetration.
- Increase customer/user base.
- Increase the quality and success of clients' projects.
- Reduce the cost of implementation.
- Increase shareholder value for both MAGSOFT and Partner.

The Alliance Program is an integral part of MAGSOFT's strategy and partner initiatives are strongly supported throughout the organization. The company wide advocacy of the Alliance Program improves not only the quality and scope of the solution but also dramatically improves the overall timing and success of individual projects in all vertical markets and across all geographies.

MAGSOFT establish partner relationships with systems integrators, complementary independent software vendors, referral agents and value-added resellers.

ALLIANCE PROGRAM OBJECTIVES

The Alliance Program ensures the optimum integration and interoperability between selected business partners' products and services and MAGSOFT's suite of products and services.

The objectives of the Alliance Program are as follows:

Go to market proactively with those partners who in each geography or region, and in each market segment, provide the most synergy with MAGSOFT in marketing, sales, products and service.

Develop the reputation and awareness of MAGSOFT's products within partner Organizations and global standards organizations to become the vendor of choice and develop excellent communication channels to maximize knowledge transfer between MAGSOFT and its partners including:

- Target market offerings
- Project methodologies
- Self-sufficiency for successful implementations
- Communication of partner program success internally and externally, ensuring all stakeholders understand the value of the relationship.

All of MAGSOFT's partner relationships are non-exclusive and employ a co-implementing approach. The Alliance Program is based upon high levels of communication and knowledge transfer within MAGSOFT's partner community. This close association with partners will reduce customers' risk and increase the overall project value that they receive. This approach helps create a "win-win-win scenario," where customers, partners, and MAGSOFT all benefit implementing projects successfully.

CHANNEL PARTNERS

MAGSOFT's Channel Partners Alliance Program is structured to address specific customer and market driven requirements. These factors include integration expertise, bundled product offerings, increased integration with standard enterprise software solutions, and expanded global reach. A selection of technical, marketing and sales programs, tailored to specific Alliance Participation Levels, are available to MAGSOFT partners. Channel partners are divided into three categories: *Systems Integrators*, *Independent Software Vendors* in addition to *Referral Agents* Technology Partners.

i) *Systems Integrators (SI)* are channel partners with expertise and knowledge of MAGSOFT's vertical. These partners typically have subject matter expertise (industry domain knowledge) and technical skills in our target customers' industries. Systems integrators typically provide other services that help customers achieve the maximum benefit from MAGSOFT's product suite. Examples of value-added services provided by systems integrators include business process reengineering, integration with third-party software, training, custom Application Programming Interfaces (APIs) development, interface development, and overall vertical market consulting. Firms that act as *Value Added Resellers (VAR)*, and other *aggregators or companies providing solutions that utilize the Magsales application suite* are considered Channel SI partners for the purposes of the Alliance Program administration.

ii) *Independent Software Vendors (ISV)* provide MAGSOFT customers with applications that complement, inter-operate with, and add value to MAGSOFT's Magsales software product suite. ISV partner products interoperate with Magsales to the degree that a MAGSOFT SI partner or customer's internal IT organization could include them as part of the 100% solution that comprises the operational and/or business support systems of the enterprise.

iii) *Referral Agents - Technology Partners (RA)*: Magsoft's Referral Agents - Technology Partners work with Magsoft direct Sales force or Magsoft VARs on reasonably qualified new sales opportunities you bring to Magsoft. Your customers may be seeking a solution that Magsoft offers but you may not want to make the full commitment to becoming a VAR. The Referral Agent Program offers you a "referral fee" for bringing those opportunities involving leads that have not been advised to Magsoft. Referral partner must have at least one substantive meeting of any kind with decision maker to qualify the prospect. There will be a 6 month time frame on the 'life' of a lead subject to reasonable judgment on a case by case basis.

TOOLS AND BENEFITS

Members of the Channel Partner Program can take advantage of a number of benefits. We provide you with the kind of in-depth company information and sales tools you need to

successfully resell Magsoft products and expand your business opportunities. There are a number of marketing tools and services available for MAGSOFT Channel Partners:

- **Software Demonstration:** All Magsoft Resellers have access to tools, enabling your sales and marketing staff to demonstrate Magsoft products more effectively.
- **Right to Magsoft Partner Logo use:** Upon pre-approval, Alliance Program participants may use the MAGSOFT partner logo to promote their partnership with MAGSOFT to distinguish themselves from other products or services providers.
- **Demand Creation:** We help you grow your business by assisting you in building a marketing presence at industry seminars and trade shows, as well as cooperating in your Magsoft-related direct mail and press release activities.
- **Secure Partner Web Site:** Our secure Web site, designed specifically for Magsoft Channel Partners, provides you with instant online access to such up-to-date Magsoft information as company and product presentations, sales tools, and competitive analyses.
- **Dedicated Resources:** A solid relationship is based on a solid beginning. Magsoft's Partner Sales Enablement team act as your dedicated training resource to get you up and running quickly. As our partnership continues, Magsoft work with you to build joint marketing plans, assist with your Magsoft-related marketing events, and show you how to take advantage of Magsoft marketing tools and programs.
- **Joint Detailed Planning:** MAGSOFT's Alliance Manager coordinates joint planning sessions such as co marketing collateral (e.g. press releases, customer success stories), advertising, and media relations
- **Magsales License Discount Pricing:** For MAGSOFT's Channel partners (acting as prime contractor), preferred partner pricing is available on Magsales licenses for resale to customers.

ALLIANCE PROGRAM MANAGEMENT

PARTNER AGREEMENT

All partners are required to execute a partner agreement with MAGSOFT. The agreement sets out the obligations of each party, as well as the objectives to be realized by the alliance.

ALLIANCE MANAGER

Channel partners are assigned an Alliance Manager. The MAGSOFT Alliance Manager serves as the primary point of contact for all partner communications.