**MASTER MANAGED SERVICES AGREEMENT**

This Managed Services Agreement (“**Agreement**”) is entered into as of this       day of       2022 (“**Effective Date***”*), by and between AudioCodes Ltd. Of 1 Hayarden Street, Airport City, Lod 70151, Israel (“**AudioCodes**”), and       of       (“**Customer**”).

WHEREAS, AudioCodes is in the business of developing, manufacturing, marketing and selling Voice over Packet products and professional related services;

WHEREAS, Customer wishes to engage AudioCodes in order to purchase and use or resell the AudioCodes services as further defined herein; and

1. **SCOPE.** AudioCodes shall provide managed services such as operating and installation of products, provision of the corresponding services and maintaining products belonging to AudioCodes as well as third party products/services/software for the Customer as detailed under the statement of work(s) that will be executed between the parties from time to time (hereinafter “SOW” and the “Managed Services” respectively). The Customer is allowed to purchase the Managed Services in order to use them for its internal use, or to resell them as stand-alone or as part of its services portfolio and use the Managed Services in order to provide services to its end-customers. The products or the software may be installed at AudioCodes premises, the Customer premises or at third-party hosting premises, all as agreed upon in the respective SOW. The products may or may not include physical hardware. For avoidance of doubt, title to physical hardware remains with AudioCodes at all times. Customer is responsible for preserving any AudioCodes products or any other additional equipment as detailed in the SOW intact and in a safe place and shall maintain during the Term of this Agreement an appropriate insurance coverage. The products can only be used for the purpose and in conjunction with the Managed Services and not for Customer’s additional purposes of any kind.
2. **PRICES & PAYMENT TERM**.
	1. The prices for the Managed Services shall be listed in the SOW, or under a valid quote provided by AudioCodes or its authorized distributor/reseller.

Payment of the on-time professional services setup fees detailed in the SOW or quote shall be paid by the Customer up-front upon invoicing. Payment of the recurring Managed Services fees for operational services shall be made by the Customer in periodic installments as agreed upon in the SOW or quote.

All payments (recurring and one-time fees) shall be paid within 30 days from invoice, unless otherwise agreed upon in the specific SOW. Any amounts not paid when due will accrue interest at LIBOR + 2% compounded annually or the maximum rate permitted under applicable law from the due date until actually paid by Customer. All payments are non-refundable.

All Fees are exclusive of any present or future sales, revenue, withholding, value added, or tax, import duty or other taxes applicable to Managed Services. Such taxes when applicable shall be paid by Customer unless Customer provides a proper tax exemption certificate.

* 1. If Customer purchases the Managed Services **through one of AudioCodes authorized distributors or resellers**, the prices shall be agreed upon between the Customer and the distributor/reseller. Breach of Customer’s obligations to distributor/reseller, and in particular Customer’s payment obligations, shall be considered a material breach of this Agreement and AudioCodes may apply any of its rights under this Agreement or by law in case of such material breach.
	2. Site expansion or addition of sites (data center, customer site, environment, cloud): In case Customer requires a site expansion of the Managed Services (i.e. add additional users or sessions as defined in the SOW, equipment etc.), or an addition of a new site, each Customer’s employee with access to the AudioCodes service portal shall log on to such portal and shall place a request for such expansion of addition. Upon receipt of such request, AudioCodes will be authorized to request that the Customer or the authorized distributor or reseller, issues a purchase order with regards to such request and Customer shall be obliged to issue such purchase order, directly or through the distributor/reseller. In case such purchase order is not issued, AudioCodes or its authorized distributor/reseller is authorized to invoice based on this Agreement (for example in case of additional users which are added on a monthly basis). AudioCodes will operate this request based on a change request procedure to be defined with the customer.
	3. Reporting Obligation: In case AudioCodes does not have access to the number of users or other measurement units for billing purposes, Customer must submit a monthly report detailing the number of users provisioned onto the Managed Services segmented by reseller (if applicable) and subsequent users. This report should be submitted to AudioCodes within five (5) business days from the end of each month. An authorized representative of the Customer (as defined and documented in the Customer’s CID) must certify that the monthly users report is accurate and complete. AudioCodes will provide the Customer with details with regards to the format of the reports and the procedure for their submission. Upon receipt of such usage report and agreement of the Parties on the actual final number of users, AudioCodes will be authorized to request from the Customer or the authorized distributor/reseller, to issue a purchase order with regards to the monthly users report and Customer shall be obliged to issue such purchase order, directly or through the distributor/reseller. In case such purchase order is not issued, AudioCodes or its authorized distributor/reseller is authorized to invoice based on this Agreement.
	4. Right to Audit: In case AudioCodes does not have access to the number of users or other measurement units for billing purposes, AudioCodes will have the right to audit the Customer network in order to verify the number of users provisioned. In the case of an audit being required the Customer must promptly provide AudioCodes or an independent auditor as AudioCodes sees fit, with any information it reasonably requests in furtherance of the verification of usage.
	5. Unlicensed Usage: If an action to verify compliance with this Agreement reveals unlicensed use, AudioCodes shall reserve the right to charge the Customer 125% of the agreed per month price of each user.  AudioCodes will presume that such unreported use began upon commencement of each user being provisioned, unless Customer reasonably demonstrates a different scope and duration.
1. **CUSTOMER RESPONSIBILITIES.** Customer will and procure that is end-customers (if applicable) will (a) be responsible for its compliance with this Agreement, Documentation and purchase orders, if any, (b) be responsible for the accuracy, quality and legality of Customer data, the means by which Customer acquired Customer data, Customer’s use of Customer data with the Managed Services, and the interoperation of any non-AudioCodes applications with which Customer uses Managed Services, (c) use commercially reasonable efforts to prevent unauthorized access to or use of Managed Services, and notify AudioCodes promptly of any such unauthorized access or use, (d) use Managed Services only in accordance with this Agreement, Documentation, purchase orders and applicable laws and government regulations. Any use of the Managed Services in breach of the foregoing by Customer that in AudioCodes’ judgment threatens the security, integrity or availability of AudioCodes’s Managed Services, may result in AudioCodes’ immediate suspension of the Managed Services, however AudioCodes will use commercially reasonable efforts under the circumstances to provide Customer with notice and an opportunity to remedy such violation or threat prior to any such suspension.
2. **USAGE RESTRICTIONS.** Customer will not and will procure that its end-customers (if applicable) will not (a) make any Managed Services available to anyone, or use any Managed Services for the benefit of anyone other than as expressly stated in the SOW or in a purchase order or the Documentation, (b) use the Managed Services to store or transmit infringing, libelous, or otherwise unlawful or tortious material, or to store or transmit material in violation of third-party privacy rights, (c) interfere with or disrupt the integrity or performance of any Managed Services or third-party data contained therein, (d) attempt to gain unauthorized access to the Managed Services or its related systems or networks, (e) permit direct or indirect access to or use of any Managed Services in a way that circumvents a contractual limit, or use the Managed Services to access or use any of AudioCodes intellectual property except as permitted under this Agreement, a purchase order, or the Documentation, (f) modify, copy, or create derivative works based on Managed Service or any part, feature, function or user interface thereof, (g) disassemble, reverse engineer, or decompile the Managed Services (h) make any changes to the Managed Services.
3. **TERM**.
	1. **Term of the Agreement:** This Managed Services Agreement shall be effective for a period of thirty six (36) months from the Effective Date (“**Fixed Term**”). Thereafter, the Agreement shall continue for successive terms of twelve months (the “Renewal Terms”) unless a Party gives written notice of termination to the other Party at least three (3) months before the end of the Fixed Term or any Renewal Term thereafter.
	2. **Term of a SOW:** During the Fixed Term and/or the Renewal Terms of this Agreement, the Parties may execute SOWs. The term of each SOW shall be defined within the SOW (**“SOW Term”**). Termination or expiration of the Agreement shall not affect a SOW executed by the Parties under this Agreement prior to its termination or expiration (except for termination due to material breach of any of the Parties as detailed herein).
4. **TERMINATION** –
	1. Except for material breach of this Agreement or a SOW by AudioCodes, Customer may not terminate or reduce the Managed Services provided under a SOW prior to expiration of the SOW Term. Termination of this Managed Services Agreement prior to the end of the Fixed Term or Renewal term or termination of a specific SOW prior to the end of the SOW Term shall be subject to termination fee equals to the one hundred percent (100%) of the payments remaining until expiry of the Fixed Term, Renewal term or SOW Term (“**Termination Fee**”) to be paid directly to AudioCodes, or to distributor/reseller, subject to section 2 above.
	2. AudioCodes may terminate this Agreement and any and all SOWs immediately if Customer violates any provision of this Agreement and does not cure such a breach within 30 days from receipt of a written notice from AudioCodes or becomes bankrupt or insolvent. Notwithstanding the foregoing, AudioCodes may immediately terminate or suspend Customer’s use of the Managed Services provided under any and all SOWs if Customer (i) fails to pay any applicable fees when due to AudioCodes or to the distributor/reseller, or (ii) breaches or otherwise fails to comply with this Agreement, and fails to remedy the breach under (i) or (ii) within thirty (30) days of being so notified. Any termination of this Agreement under the terms of this section 6.2 shall also terminate the license granted hereunder for the use of Managed Services thus Customer shall cease using the Managed Services immediately upon termination date.
5. **EFFECT OF TERMINATION**. Upon termination or expiration, Customer shall return any equipment provided to AudioCodes, in its original package, in the same conditions Customer received it (standard use and wear accepted) and at AudioCodes expense. Should any part of the equipment not be returned within thirty (30) days from expiration or termination, the Customer shall pay unreturned product fee, as detailed under AudioCodes current price list. Balances which remain unpaid three (3) days after the due date may be subject to late charges as detailed in section 2 herein. The Customer agrees to pay all costs and expenses, including without limitation reasonable attorneys’ fees, incurred by AudioCodes in collecting past due balances.
6. **PROPRIETARY RIGHTS.** Customer shall not copy any software, its manual(s) or written materials accompanying the Managed Services, ("**Documentation**") except for reasonable number of copies of the operational manual in order to use the Managed Services. The Managed Services, software, and related Documentation and all intellectual property rights in and for the Managed Services and software are and shall at all times remain the sole and exclusive property of AudioCodes and are protected by applicable intellectual property laws and treaties and by international copyright law. AudioCodes expressly reserves all rights in the Managed Services and software not specifically granted to Customer. It is acknowledged that all right, title and interest in the Managed Services and the software will remain with AudioCodes and that the Managed Services, including the equipment provided (if any) is licensed on a subscription basis and not "sold" to Customer. In addition, Customer shall offer the Managed Services only under the names and using the marks provided by AudioCodes and under no other name or mark without AudioCodes’ prior written consent. Use of AudioCodes' tradenames and trademarks shall be subject to AudioCodes' guidelines as provided to Customer from time to time. The parties agree that any publication or publicity intended for mass distribution, dissemination or publication referring to Customer as a reseller of AudioCodes or referring to the business, the Managed Services or trade names/marks of AudioCodes shall on each and every such occasion require the prior written approval of AudioCodes for each such instance. AudioCodes can use the Customer’s name and details in press releases, case studies and other marketing material.

OPEN SOURCE SOFTWARE. Portions of the software may be open source software and may be governed by and distributed under open source licenses, including the terms of the GNU General Public License (GPL), and terms of the Lesser General Public License (LGPL), which terms are located at: <https://www.audiocodes.com/services-support/open-source>.

1. **WARRANTIES & DISCLAIMERS.** AUDIOCODES WARRANTS THAT THE MANAGED SERVICES AND SOFTWARE WILL PERFORM IN ALL MATERIAL RESPECTS IN ACCORDANCE WITH AUDIOCODES’ PUBLISHED SPECIFICATIONS (AS UPDATED FROM TIME TO TIME). AUDIOCODES DOES NOT GUARANTEE THAT THE MANAGED SERVICES AND SOFTWARE WILL ALWAYS BE AVAILABLE OR BE PERFORMED ERROR-FREE OR UNINTERRUPTED, OR THAT AUDIOCODES WILL CORRECT ALL MANAGED SERVICES OR SOFTWARE ERRORS. CUSTOMER ACKNOWLEDGES THAT AUDIOCODES DOES NOT CONTROL THE TRANSFER OF DATA OVER COMMUNICATIONS FACILITIES, INCLUDING THE INTERNET, AND THAT THE MANAGED SERVICES MAY BE SUBJECT TO LIMITATIONS, DELAYS, AND OTHER PROBLEMS INHERENT IN THE USE OF SUCH COMMUNICATIONS FACILITIES.

EXCEPT FOR THE ABOVE WARRANTY THE MANAGED SERVICES AND SOFTWARE ARE PROVIDED TO THE CUSTOMER AND ACCEPTED BY CUSTOMER ON AN "AS IS" BASIS WITHOUT WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING WITHOUT LIMITATION WARRANTIES AS TO TITLE, THE DESCRIPTION, QUALITY, MERCHANTABILITY, NON-INFRINGEMENT, COMPLETENESS, THE CONDITION OR CAPABILITY IN WHOLE OR IN PART, OF THE SERVICES’ FITNESS FOR A PARTICULAR PURPOSE, THE DELIVERY, USE OR PERFORMANCE IN WHOE OR PART OF THE MANGED SERVICES AND SOFTWARE, ALL SUCH WARRANTIES BEING EXPRESSLY EXCLUDED AND DISCLAIMED. THIS WARRANTY DOES NOT COVER, AND AUDIOCODES AND ITS AFFILIATES ARE NOT RESPONSIBLE FOR ANY FAILURE OR DEFECT AND THE RESULTING DAMAGE CAUSED BY THE USE OF THE MANAGED SERVICES. AUDIOCODES SPECIFICALLY DOES NOT WARRANT THAT THE MANAGED SERVICE OR SOFTWARE CONFORMS TO ANY RELATED STATUTE OR REGULATION AND INDICATES THAT NOTHING STATED OR IMPLIED BY AUDIOCODES, ITS AFFILIATES AND ITS REPRESENTATIVES IS TO BE CONSIDERED LEGAL COUNSEL. FURTHER, AUDIOCODES ITS AFFILIATES AND ITS REPRESENTATIVES BEAR NO RESPONSIBILITY TO NOTIFY THE CUSTOMER OF ANY REGULATORY CHANGES WHICH MAY LIMIT USE OF THE MANAGED SERVICE OR SOFTWARE.

NO WARRANTY SHALL APPLY TO DEFECTS, FAILURES, DAMAGE, OR LOSS RESULTING FROM CORRECTIONS, REPAIRS OR SERVICE NECESSITATED BY: (i) CUSTOMER’S, ITS END-CUSTOMERS OR OTHER USER’S SYSTEM, OTHER EQUIPMENT OR ITS USE; (ii) ANY ACT OR OMISSION BY ANYONE OTHER THAN AUDIOCODES; (iii) INTERNET OR POWER SHORTAGES, IRREGULARITIES, OR FAILURES; (iv) MODIFICATION OF THE MANAGED SERVICES OR SOFTWARE BY ANYONE OTHER THAN AUDIOCODES; (v) OR ANY OTHER CAUSE BEYOND AUDIUCODES CONTROL.

1. **LIMITATIONS OF LIABILITY.** IN NO EVENT SHALL AUDIOCODES OR ITS SUPPLIERS BE LIABLE TO THE CUSTOMER OR ITS END CUSTOMERS UNDER ANY LEGAL OR EQUITABLE THEORY (INCLUDING, WITHOUT LIMITATION, CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE) ARISING OUT OF THE USE OF OR INABILITY TO USE THE MANAGED SERVICES OR ANY OTHER SUBJECT MATTER OF THIS AGREEMENT, FOR ANY (I) INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES WHATSOEVER (INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF PROFITS OR REVENUE, BUSINESS INTERRUPTION, LOSS OF INFORMATION, OR OTHER PUNITIVE LOSS), (II) MATTER BEYOND ITS REASONABLE CONTROL, (III) COST OF PROCUREMENT OF SUBSTITUTE GOODS, TECHNOLOGY, SERVICES OR RIGHTS OR (IV) DIRECT DAMAGES EXCEEDING ONE (1) YEAR'S SUBSCRIPTION FEES PAYABLE UNDER THE SEPCIFIC SOW AT ISSUE. THE FOREGOING LIMITATIONS SHALL APPLY EVEN IF CUSTOMER SHALL HAVE BEEN INFORMED OF THE POSSIBILITY OF SUCH DAMAGES. FOR AVOIDANCE OF ANY DOUBT, AUDIOCODES SHALL BE LIABLE ONLY TO CUSTOMER AND SHALL BEAR NO LIABLITY TO ANY OF THE END CUSTOMERS.
2. **CONFIDENTIAL INFORMATION.** Any Confidential Information shall be held in confidence and shall not be disclosed or used by the receiving party or its personnel without the prior written consent of the disclosing party.

####  Information shall not be deemed Confidential Information where the receiving party can document that the relevant Confidential Information: (a) was known to the receiving party before the time of receipt (as shown by documentary evidence); or (b) is or becomes generally known or generally available to the public other than by unauthorized disclosure by the receiving party; or (c) is lawfully obtained without restriction by the receiving party from a third party under no obligation of confidentiality; or (d) is independently developed by the receiving party without access to or violation of the Confidential Information (or any part thereof) of the disclosing party.

####  **REQUIRED DISCLOSURE.** Nothing in this Agreement will prohibit the receiving party from disclosing Confidential Information of the disclosing party only to the extent legally required to do so by judicial or governmental order or by deposition, interrogatory, request for documents, subpoena, civil investigative demand or similar process in a judicial or governmental proceeding; provided that the receiving party will (a) give the disclosing party prompt notice of such required disclosure prior to disclosure (unless it is prohibited from doing so), (b) cooperate with the disclosing party in the event that the disclosing party elects to contest such disclosure or seek a protective order with respect thereto, and (c) in any event, disclose only the minimum amount of Confidential Information specifically requested and required to be disclosed.

####  The provisions of this paragraph will survive termination or expiration of this Agreement and will remain in full force and in effect for a period of five (5) years after termination or expiration of this Agreement.

1. **PROTECTION OF CUSTOMER DATA.** AudioCodes will maintain appropriate administrative, physical, and technical safeguards for protection of the security, confidentiality and integrity of Customer’s data, as described in the Documentation. Those safeguards will include, but will not be limited to, measures designed to prevent unauthorized access to or disclosure of Customer’s data all as detailed in our DPA https://www.audiocodes.com/media/bshdhjni/audiocodes-as-a-processor-dpa.pdf. In the course of providing the Managed Services to Customer pursuant to the Agreement, AudioCodes may Process Personal Data (as such terms are defined under the GDPR) on behalf of Customer. Customer acknowledges and agrees that with regard to the Processing of Personal Data, Customer is the Controller and AudioCodes is the Processor. The Customer acknowledges and undertakes to comply with the applicable data privacy laws and regulations, especially but not limited to data retention periods and collection of the consent of the affected Data Subjects of Customer. For the avoidance of doubt, Customer’s instructions for the Processing of Personal Data shall comply with data protection laws and regulations and AudioCodes shall not be under any obligation to verify compliancy. Customer shall have sole responsibility for the accuracy, quality, and legality of Personal Data and the means by which Customer acquired Personal Data. The Customer shall hold AudioCodes completely harmless in case of any claim by a third party in this respect, in particular of its users.
2. **FORCE MAJEURE.** Non-performance of either Party's obligations pursuant to this Agreement or delay in performing same shall not constitute a breach of this Agreement if, and for as long as, it is due to a force majeure event, including, but not being limited to, governmental action, or requirement of a governmental, regulatory or administrative authority, lockouts, strikes, shortage of transportation, war, rebellion or other military action, fire, flood, natural catastrophes, or any other obstacles that a Party is not able to overcome with reasonable efforts, or non-performance of obligations by a third party operator. If such force majeure event continues for more than one (1) month, either Party shall have the right to terminate this Agreement with immediate effect by written notice. In no event shall force majeure excuse non-payment for products and services already rendered.
3. **MISCELLANEOUS** –
	1. This Agreement constitutes the entire agreement between Customer and AudioCodes pertaining to the subject matter hereof and supersedes any and all written or oral agreements with respect to such subject matter.
	2. This Agreement, and any disputes arising from or relating to the interpretation thereof, shall be governed by the laws of Israel. The competent courts in Tel Aviv shall have the exclusive jurisdiction over any dispute that may arise in relation to this Agreement. The U.N. Convention on Contracts for the International Sale of Goods and the Unfair Contracts Act shall not apply to this Agreement. Any claim against AudioCodes will be brought within one (1) year after it arose or be barred.
	3. This Agreement may be amended only by a written instrument executed by both parties. If any provision of this Agreement is held to be unenforceable for any reason, such provision shall be reformed only to the extent necessary to make it enforceable.
	4. The failure of AudioCodes to act with respect to a breach of this Agreement by Customer or others does not constitute a waiver and shall not limit AudioCodes’ rights with respect to such breach or any subsequent breaches.
	5. Customer confirms and acknowledges it was brought to its attention that sale of the Managed Services may be subject to U.S. export laws and regulations and/or laws and regulations related to or administered by the Office of Foreign Assets Control in the U.S. Department of Treasury, or to the export laws and regulations of the State of Israel, as well as any other trade law restrictions applicable to either Party.
	6. This Agreement is personal to Customer and may not be assigned or transferred for any reason whatsoever (including, without limitation, by operation of law, merger, reorganization, or as a result of an acquisition or change of control involving Customer) without AudioCodes’ prior written consent and any action or conduct in violation of the foregoing shall be void and without effect. AudioCodes expressly reserves the right to assign this Agreement and to delegate any of its obligations hereunder.
	7. Each Party is entitled to engage subcontractors to assist it in the fulfillment of any of its obligations arising under this Agreement, but in such event such Party shall be liable for any breach of such obligations by its sub-contractors.
	8. Neither Party shall be liable to the other Party’s customers in any manner whatsoever. Each Party (the “Indemnifying Party”) shall defend, indemnify and hold the other Party (the “Indemnified Party”) harmless from and against, and reimburse the Indemnified Party with respect to any and all losses, damages, liabilities, claims, judgments, settlements, fines, costs, and expenses (including reasonable attorney’s fees of every nature whatsoever) incurred by the Indemnified Party by reason of or arising out of or in connection with any claim, proceeding or suit instituted by any of the Indemnifying Party’s customers.
	9. Any notice required or authorized under the Agreement to be served or given by either of the Parties shall be given in writing in English. Notices shall be served at the Parties’ principal place of business as it appears in the Agreement. All notices shall be deemed to have been delivered when: (i) delivered in person; (ii) sent by registered or certified mail, postage prepaid; or (iii) sent by commercial courier with written verification of receipt.

SIGNED BY THE PARTIES ON \_\_\_\_\_\_\_\_\_\_, 2022 ("**Effective Date**"):

|  |  |
| --- | --- |
| **AudioCodes, Ltd.**  | **Customer** (full legal name) |
| By:  | By:  |
| Name:  | Name:  |
| Title:  | Title:  |