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Policy Title: Systems Partner Policy
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Target Audience: QSC Sales/Channel Partners
Author: Systems BU

Purpose:

This Policy outlines the requirements for Partners who sell QSC Systems products. Reference is made to the QSC Master Channel Partner Agreement ("Agreement") between QSC, LLC ("QSC") and the channel partner ("Partner") as defined in the Agreement. Partner agrees to comply with this Systems Partner Policy, and any QSC policy as created or updated from time to time ("Policy"). Capitalized terms used but not otherwise defined in this Policy have the meanings ascribed to them in the Agreement. Partner is responsible for ensuring compliance with all QSC policies.

Partner Terms and Conditions:

Not Authorized for eCommerce. Partner may not publicize, sell, promote, market or list any QSC Product on any eCommerce site unless expressly authorized in writing by QSC.

Not Authorized for Q-SYS. Partner may sell not publicize, sell, promote, market or list any Q-SYS products unless expressly authorized in writing by QSC.

Subcontractors. Partner may engage subcontractors when installing audio-visual systems, provided, however, that Partner maintains complete responsibility for the proper installation and integration of all QSC Products.

Contractor's Licenses. Partner must (a) hold a valid contractor's license for each state in which it is doing business; (b) provide a copy of each contractor's license to QSC; and (c) notify QSC of the revocation or addition of any of its contractor's licenses within ten (10) business days.

Inventory. Partner agrees to keep a minimum level of commonly purchased and installed QSC Products for the purpose of maintaining a high level of service to End-Users and advance replacements, if necessary.

Training and Product Knowledge. Partner will ensure that employees in each Partner location have appropriate training and knowledge of QSC Products.

Insurance:

As a condition to performing services or supplying goods for QSC, Partner agrees to purchase and maintain for the duration of the Agreement and this Policy the insurance described below. The insurance provided for under this Policy does not limit or satisfy any indemnification or other obligation of Partner under the Agreement.

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|---------------------------|------------------|
| (a) Workers' Compensation | Statutory Limits |
| (b) Employers Liability | \$1,000,000 |

The policy will be endorsed to waive the insurance company's right of subrogation against QSC.

- (c) Commercial General Liability (including Premises and Operations, additional insured endorsement, QSC Products and Completed Operations, Broad Form Property Damage, Cross Liability and Contractual) with the following minimum limits:

Bodily Injury	\$1,000,000	Each Occurrence
Property Damage	\$1,000,000	Each Occurrence
Personal Injury	\$1,000,000	Each Offense
Annual Aggregate	\$2,000,000	

The policy will be endorsed to name QSC, its directors, officers, agents and employees as additional insureds and to state the coverage for QSC will apply on a primary and non-contributory basis. If coverage is "claims made", the retroactive date must be prior to Effective Date of the Agreement.

- (d) Excess Liability (providing additional limits for employer's liability, commercial general liability and automobile liability). Confirm coverage to be as broad as primary insurance with the following minimum limits:

Per Occurrence	\$5,000,000
Annual Aggregate	\$5,000,000

The policy will be endorsed to name QSC, its directors, officers, agents and employees as additional insureds.

- (e) Property Insurance to the full insurable value of any work at QSC site until final completion and acceptance by QSC. Policy to include the interest of QSC and Partner and cover the perils of fire, extended coverage, and "all risk" insurance for physical loss. Partner will be liable for any deductible under such policies. Where applicable, coverage will name QSC as loss payee.

Partner will: (1) provide QSC with certificates of insurance evidencing the insurance BEFORE commencing any performance under the Agreement; (2) carry the insurance required under the Agreement with insurance companies rated A VIII or better in the Best's Rating Guide; and (3) provide QSC with at least thirty (30) days' notice of cancellation, non-renewal, reduction or material change of any coverage.

Modifications:

This Policy may be modified by QSC at any time in its sole discretion, which shall become effective immediately.