1.1 Definition of Concurrent Licences

- (a) "Concurrent Licences" means the maximum number of Users that may concurrently use the relevant ReadiNow Application for the allocated User type licences (as purchased in an Order Form).
- (b) ReadiNow measures Concurrency based on the activity of Users within the Software (i.e. the number of Users undertaking activity on the system in a ten (10) minute period, where activity includes, without limitation, such activity as logging in, saving records, clicking links, navigating, running reports or the like.

1.2 Short Term Usage Burst

- (a) A short-term usage burst occurs when a Recipient exceeds the Concurrent Licences purchased in the relevant Order Form, ("Usage Burst") only in the following ReadiNow Applications:
 - (i) Incident Management;
 - (ii) IT Disaster Recovery Management; or
 - (iii) Business Continuity Management.
- (b) Either party will notify the other party, as soon as practicable, when it becomes aware of Usage Burst ("Notification").

1.3 Usage Burst

- (a) A Tenant Performance Cap is a multiplier of one and a half (1.5) times the Concurrent Licences purchased in the relevant Order Form ("**TPC**").
- (b) If Recipient exceeds the Concurrent Licences by more than 10%, more than two (2) times in any given month (but at any time no more than the TPC), then Usage Burst Fees are payable as set out in clauses 1.4(a)-1.4(b) ("Usage Burst Fees").
- (c) If Recipient exceeds the TPC at any given time, then TPC Burst Fees are payable as set out in clauses 1.4(c)-1.4(d) ("TPC Burst Fees").
- (d) Usage Burst Day is where a Usage Burst occurs at any time within a 24-hour period (12 midnight to 24-hour clock AEST/ADST).

1.4 Usage Burst Fees

- (a) <u>Usage Burst Fees up to TPC</u>: Usage Burst Fees are calculated at one per cent (1%) of the total annual Software Fees in the relevant Order Form (excluding GST), multiplied by the number of Usage Burst days where Recipient exceeds Concurrent Licences.
- (b) <u>Usage Burst Fees Calculation</u> = annual Software Fees x 1% x number of Usage Burst days exceeding the Concurrent Licences.
- (c) TPC Burst Fees at or above TPC: TPC Burst Fees are calculated at five times the Usage Burst Fees.
- (d) <u>TPC Burst Fees Calculation</u> = annual Software Fees x 5% x number of Usage Burst days exceeding the Concurrent Licences.

1.5 Options to resolve.

On receipt of Notification from ReadiNow of the Usage Burst and duration limit the following options to resolve apply:

- (a) Recipient may upgrade the Concurrent Licences (within 5 days of receiving the Notification);
- (b) Recipient may pay the Usage Burst Fees, or TPC Burst Fees, adjust and reduce its normal Licences usage so as not to continue to exceed the procured Concurrent Licences; or
- (c) If Recipient Licence usage continues to exceed the Concurrent Licences and the Recipient is unable or unwilling to upgrade the Concurrent Licences, then the Recipient must pay the relevant Usage Burst Fees or TPC Burst Fees and ReadiNow reserves the right to terminate that instance or the relevant Order Form.

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