

Schedule B: SCLogic 2010 VAR Program & FAQ

Program Overview



Authorized SCLogic Value Added Reseller (VAR)

For companies with more advanced knowledge of mobile enterprise tracking systems, becoming an Authorized SCLogic VAR can be a very lucrative partnership. This program is recommended for value added resellers who have the internal expertise and resources to market, sell, deploy and support SCLogic's SCLIntra™ tracking system. All SCLogic VARs must employ a sales staff, trained by SCLogic, who can effectively demonstrate the SCLIntra solution to prospective clients, and a technical staff who can deploy it. All SCLogic VARs are educated to provide installation, training and Tier 1 support to their clients.

SCLogic will:

- Provide discounted systems and services to the VAR
- Provide either Tier 1 or Tier 2 support for systems based on client
- Provide two days of free factory training in our Annapolis, MD headquarters for VAR to receive Certification
- Perform initial installation for the first order VAR provides to SCLogic at a discounted cost to the VAR
- Re-direct any non-SCLIntra™ related product requests to the VAR
- Represent SCLogic related software and services

Authorized SCLogic VAR will:

- Actively market, sell, implement and service SCLogic systems
- Have its Software Specialists and/or staff certified by SCLogic to install and support SCLogic products
- Work directly with the client to conduct a needs assessment
- Manage all phases of the sales and consulting cycle
- Market SCLogic as its primary mobile enterprise tracking solution

Frequently Asked Questions

Q: How do I become a VAR for SCLogic?

A: Our program Manager, Bruce Little, will discuss our VAR program with you. In order to merit consideration for our program, your organization must meet certain established criteria, detailed in our Business Partner Agreement and in this document. If our program is a good fit for your organization, you will be asked to review and sign our standard Business Partner Agreement. Upon acceptance, SCLogic will return to you a counter-signed copy of the agreement along with a supply of brochures, a demo CD and a copy of our VAR Program Guide.

Q: Are there quotas or minimum sales requirements for VARs to meet?

A: SCLogic is more concerned with overall sales activity rather than meeting a specific quota. We look for our VARs to demonstrate steady activity and to make sales to multiple customers over time. SCLogic conducts periodic assessments of our VARs and their sales activity.

Q: Does SCLogic have a Referral Agreement if I don't want to become a VAR?

A: Yes. We encourage organizations that may only be pursuing a single opportunity to apply for a Referral Agreement rather than attempting to become a VAR. We also welcome and honor Referral Agreement requests from our VARs for specific accounts that they may prefer to have SCLogic manage directly.

Q: Who markets your products?

A: VARS earn their margins by marketing and selling the product(s) at their own expense. SCLogic provides our VARs free training on how to demonstrate, install and support the product. We also provide free brochures, proposal templates, a demo CD and a variety of other resources to assist in your success. Even with this assistance, VARs are expected to pursue and execute sales using their own sales force, administration, demonstration hardware, travel time and expense. The VAR is always responsible for on-site sales calls, needs analysis, proposal writing, and closing.

Q: Will I have a specific territory?

A: No. You are welcome to sell our product anywhere in the country that you have the ability to make face-to-face sales calls and perform product installations. We do not assign specific territories to our VARs. VARs selling outside their geographic area should evaluate their capabilities and costs in managing remote customers, as SCLogic expects full VAR on-site involvement in every opportunity. For geographically remote opportunities, VARs may want to consider collaborating with another local VAR especially for larger Enterprise sales. Another option is applying for a Referral Agreement to earn substantial fees and having our direct sales force manage the opportunity.

Q: Who supports the End Users?

A: SCLogic offers two tiers of support to our VARs. With Tier 1 support, SCLogic supplies maintenance and all end-user telephone technical support. Under Tier 2, maintenance is also available, but the VAR takes all end user support calls and SCLogic backs up your staff with telephone support. Under Tier 2 support, SCLogic does not field calls directly from your end-users. See our current VAR price sheet for dealer margins on both support options.

Q: How are support renewals handled?

A: The standard terms of our Business Partner Agreement require the first year of support to be part of the initial sale, sold through the VAR. SCLogic invoices subsequent support renewals, directly to the end user. Certified VARs may request an addendum to the Business Partner Agreement on a customer-by-customer basis to modify this provision and have support renewals invoiced to the VAR (at a discounted price) who in turn invoices and collects from the end user.

Q: Whom do I call if I have additional questions?

A: Contact Bruce Little at our corporate sales office at 888.700.7027 x227 or visit on us on the web at www.scllogic.com. We welcome your inquiries.