proofpoint™

SECURITY APPLIANCE AND SOFTWARE EXHIBIT

This Security Appliance and Software Exhibit is an exhibit to the General Terms and Conditions ("General Terms"). The General Terms are an integral part of this Security Appliance and Software Exhibit and are incorporated by reference.

IN WITNESS WHEREOF, Proofpoint and Customer represent and warrant to the other that the person entering into this Security Appliance and Software Exhibit is authorized to sign this Agreement on behalf of their respective party.

CUSTOMER:	**PROOFPOINT, INC.:**
Individual Signing: **[print name]**	**Individual Signing:** **[print name]**
Signature:	***Signature:***
Title:	**Title:**
Signing Date:	**Signing Date:**

1. DEFINITIONS. For purposes of this Security Appliance and Software Exhibit the following definitions shall apply. Capitalized terms used in this Security Appliance and Software Exhibit without separate definition shall have the meaning specified in the General Terms.

1.1 "Customer Data" means the rules and policies set by Customer in its use of the Security Appliance Services and Customer e-mail and associated content managed by the Security Appliance Services.

1.2 "Open Source Software" means various open source software, including GPL software which is software licensed under the GNU General Public License as published by the Free Software Foundation, and components licensed under the terms of applicable open source license agreements included in the materials relating to such software.

1.3 "Security Appliance Services" means the filtering and processing of email by use of an Appliance.

2. TERMS OF SECURITY APPLIANCE SERVICES.

2.1 Proofpoint shall make the Security Appliance Services available to Customer and its Affiliates in accordance with the General Terms, Order Form, this Security Appliance and Software Exhibit and the Security Appliance and Software Documentation. Customer's right to use the Security Appliance Services is limited to the maximum number of Mailboxes for each module specified in each Order Form.

2.2 Open Source Software. Open Source Software is composed of individual software components, each of which has its own copyright and its own applicable license conditions. Customer may obtain information, (including, if applicable, the source code) regarding the inclusion of Open Source Software in the Software by sending a request, with Customer's name and address to Proofpoint at the address specified in the Order Form. Customer may redistribute and/or modify the GPL software under the terms of the GPL. A copy of the GPL is included on the media on which Customer receives the Software or included in the files if the Software is electronically downloaded by Customer. This offer to obtain a copy of the source files for GPL software is valid for three (3) years from the date Customer acquired the Software product.

3. SHIPMENT, DELIVERY, TITLE, RISK OF LOSS. Proofpoint will ship the hardware Appliance F.O.B. Origin. With respect to hardware Appliances: (i) unless specified in advance by Customer, Proofpoint will select the carrier in its own discretion and (ii) Customer will be responsible for all freight, packing, duties, import fees and related taxes, insurance and other shipping-related expenses from Proofpoint's location. Title to the hardware Appliance (excluding any software or firmware embedded in the Appliance) and risk of loss will pass to Customer upon Proofpoint's delivery of the hardware Appliance to the carrier. Any Software Updates shall be delivered via file transfer protocol unless physical shipment (e.g. compact disk) is specifically requested by Customer.

4. WARRANTIES.

4.1 Proofpoint warrants to Customer that for a period of three (3) months from delivery of the Appliance, the Software will substantially conform in all material respects to the Documentation ("Software Warranty"). Proofpoint does not warrant that the Software will operate in the combinations that Customer may select for use, or that

the operation of the Software will be uninterrupted or error-free, or that all Software errors will be corrected. Customer will provide prompt written notice of any non-conformity.

4.2 This Software Warranty does not apply to: (a) Software that has been modified by any party other than Proofpoint; or (b) Software that has been improperly installed or used in a manner other than as authorized under the Agreement to the extent such modification(s) or improper installation cause the Software to be nonconforming. As Customer's sole and exclusive remedy and Proofpoint's entire liability for any breach of the foregoing warranty, Proofpoint will (i) use reasonable efforts to fix, provide a work around, or otherwise repair or replace the Software or, if Proofpoint is unable to do so, (ii) terminate this Product Exhibit and return the Subscription Fees paid to Proofpoint or Reseller for such allegedly defective Software for the period commencing from Customer's notice of nonconformity through the remainder of the Initial Term or Extension Term, as applicable.

4.3 Proofpoint warrants to Customer that the Appliance will be free from defects in materials and workmanship, under normal intended use, for twelve (12) months from the original shipment date of the Appliance ("Appliance Warranty"). Customer will provide prompt written notice of any non-conformity during the Appliance Warranty period. Provided that Proofpoint receives such timely notification, Customer's sole and exclusive remedy and Proofpoint's entire liability for any breach of the foregoing warranty is to ship a replacement Appliance. If the Appliance is replaced, such replacement Appliance is warranted for the unexpired portion of the original Appliance Warranty. If the Appliance is damaged due to Customer's negligence or willful misconduct, Customer will be responsible for all shipping and repair costs. Otherwise, Proofpoint will be responsible for all shipping costs related to shipping the replacement Appliance to Customer. Any Appliance that is replaced becomes the property of Proofpoint. Proofpoint will not be responsible for Customer's or any third party's software, firmware, information, or data contained in or stored on any Appliance returned to Proofpoint, whether under warranty or not.

4.4 This Appliance Warranty does not apply to (a) an Appliance that is improperly installed or used in a manner other than as authorized under the Agreement, to the extent such improper installation or use cause the breach of warranty; (b) an Appliance that has been modified or repaired by Customer or any party other than Proofpoint, to the extent such modifications cause the breach of warranty; (c) an Appliance that is damaged due to Customer's mishandling, abuse, negligence, or improper storage, servicing or operation; or (d) an Appliance that is damaged due to power failures, surges, lightning strikes, fire, flood, accident, and actions of third parties or other events outside Proofpoint's reasonable control.

4.5 If Customer has purchased Proofpoint's encryption module that includes Security Services Key Service ("PKS"), then the PKS System Availability SLA defined in the Hosted Services Service Level Agreement ("SLA Agreement") shall apply. The SLA Agreement is posted on Proofpoint's website at http://www.proofpoint.com/license. In the event of a breach of the foregoing warranty, as Customer's sole and exclusive remedy, Proofpoint will provide the remedy set forth in the respective SLA.

5. TERMINATION.

Within thirty (30) days after termination of this Security Appliance and Software Exhibit, Customer shall certify in writing to Proofpoint that all copies of the Software, Software Updates, and Documentation in any form, including partial copies within modified versions, have been destroyed or returned to Proofpoint.