

**BUSINESS BUILDER AGREEMENT**

**THIS AGREEMENT** made as of the        day of        , 20\_\_\_\_.

**BETWEEN:**

**TECH DATA CANADA CORPORATION**  
(hereinafter referred to as "Tech Data")

**OF THE FIRST PART**

- and -

\_\_\_\_\_  
(Name of the Reseller)  
(hereinafter referred to as the "Reseller")

**OF THE SECOND PART**

- and -

\_\_\_\_\_  
(Name of the End-User)  
(hereinafter referred to as the "End User")

**OF THE THIRD PART**

**WHEREAS:**

- (a) Tech Data is a vendor of computer hardware, software and related components, parts and accessories (the "Products");
- (b) Reseller is a vendor of Tech Data's Products;
- (c) From time to time the End User purchases Products from the Reseller by submitting purchase orders to the Reseller (an "Order");
- (d) Tech Data has agreed to supply Products to the Reseller on credit, which Products are to then be sold to the End User;
- (e) The parties have agreed to the terms and conditions of the sale of the Products set out herein are to apply in certain circumstances;

**NOW THEREFORE** in consideration of the covenants contained herein, the sum of one dollar (\$1.00) paid by each party to the other and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. When the Reseller receives a purchase order from the End User for the purchase of Products, it shall forward the purchase order forthwith to Tech Data for approval. Tech Data, in its sole and absolute discretion, can accept or reject any submitted purchase order. The parties agree that any Order accepted by Tech Data, shall be subject to the terms and conditions of this

Agreement should Tech Data notify the parties of same, in accordance with the terms of this Agreement.

2. To make the terms of this Agreement applicable to an Order, Tech Data shall complete and forward a completed direction, in the form attached hereto as Schedule "A" hereto (the "Direction") to the End User, with a copy being sent to the Reseller. Directions must be forwarded to the End User and may be sent to the Reseller by fax (receipt confirmed) or electronic communication (with evidence of transmission). The End User shall be deemed to have received and agreed to abide by the terms of the Direction unless Tech Data is sent a written notice to the contrary within two (2) business days, as defined herein, of the day the Direction is deemed received. Tech Data shall fill the applicable Order, subject to availability of Products, after a Direction is acknowledged to be received or is deemed to have been received.

3. The End User hereby covenants that it shall pay for an Order in accordance with the terms of the applicable Direction and in accordance with the terms of this Agreement, when it receives a Direction from Tech Data. Normal payment terms are net thirty (30) days.

4. (i) The parties agree that from time to time, Tech Data may, to facilitate payment, direct the End User to make the cheque, negotiable instrument or other method of payment payable to Reseller. However, in all circumstances the End User shall be directed to make payment to the following address:

**P.O.Box 3238,  
Postal Station A  
Toronto, ON,  
M5W 4K2**

which post office box shall be administered by Tech Data. Tech Data shall direct such payment to a "lock box account" it maintains at **The Bank of Nova Scotia (Lock Box Dept.), 61 Front St. W, Second Floor, Toronto, ON, M5J 1L1** ("the Bank") for the benefit of Tech Data. Reseller agrees that if an End User remits a payment to the Reseller instead of the above-noted address, Reseller shall forthwith forward the payment to the above-noted address. Tech Data agrees to handle each payment received as follows:

- (a) Tech Data will remit the payment to the Bank, to process on the same terms and conditions as applied to other commercial accounts;
- (b) deposit the payment into an account at the Bank showing the name of Tech Data and Reseller will have no ability to withdraw funds from the account;
- (c) all funds shall be received by Tech Data and applied first to the payment of any invoice rendered by Tech Data to Reseller relating to the Products and second, if any, remit all remaining amount to the Reseller forthwith;
- (d) if Tech Data receives notice from the Bank that the cheque or other instrument of payment has been dishonoured or payment refused, or if payment in full has not

been received, Tech Data will use its best effort to notify the Reseller within three (3) business days, as defined herein, of receiving the said notice. The Reseller shall notify the End User of such dishonour or refusal forthwith.

(ii) In the event a payment is dishonoured, refused, or otherwise not made, the Reseller, upon being notified of same by Tech Data shall forthwith contact the End User and arrange for a replacement payment in the form of a certified cheque, money order or bank draft to be issued and forwarded to Tech Data within two (2) business days, as defined herein.

5. Reseller does hereby make, constitute and appoint Tech Data to be the true and lawful attorney for Reseller in the name, place instead of Reseller, to endorse cheques, negotiable instruments and other methods of payment made payable to Reseller on account of an Order or presented for deposit, discount or collection and to execute the same in the name of Reseller and to remit the proceeds of said collections directly to Tech Data and granting to Tech Data by these presents full power and authority in and about the premises to have, use and take all lawful means in the name of Reseller for these purposes and Reseller hereby ratifies and confirms all and whatever shall be done or caused to be done by virtue of this power. This power of attorney is limited to the negotiation of cheques, other negotiable instruments and other methods of payment remitted to Tech Data in accordance with this Agreement. No other powers are contemplated or granted. This power of attorney shall remain in full force and effect until written notification shall be actually received by Tech Data and until all liability of Reseller to Tech Data has been fully satisfied.

6. Reseller acknowledges that if Tech Data fills an Order and the End User fails to make payment in accordance with the applicable Direction, the Reseller remains liable to Tech Data for the full amount owing to Tech Data under Tech Data's invoice to the Reseller for the Order in question. Reseller further acknowledges that it is responsible to collect all amounts owing to it by the End User.

7. Tech Data and Reseller agree that if the End User fails to comply with the terms of the applicable Direction and remits insufficient funds to one party and remits excess funds to another party (the "Excess Funds"), the Excess Funds shall be held in trust for the other party and the Excess funds shall be remitted to the appropriate party forthwith.

8. Reseller is responsible to pay, invoice, collect or remit any and all relevant sales taxes, custom duties and other like charges (collectively the "Taxes") related to the sales of Products made by Reseller to the End User including Goods and Services Tax and Provincial Sales Tax. The Reseller shall indemnify and save Tech Data harmless for any payment Tech Data must make to a competent taxing or government authority for payment of any Taxes that the Reseller should have but failed to collect or remit. Reseller is responsible to pay all late fees incurred for invoices aged over 40 days at the rate of 1.5% per month.

9. Reseller agrees that the terms of this Agreement are in addition to and not in substitution for the terms of any other agreements between Tech Data and the Reseller including any agreement relating to the maximum amount of credit to be extended by Tech Data for the purposes of purchasing Tech Data Products.

10. Reseller hereby authorizes Tech Data to complete and serve Directions pursuant to the terms of this Agreement.

11. This Agreement shall remain in full force and effect until written notice of its revocation is received by the remaining parties to this Agreement. This Agreement may be terminated on sixty (60) days notice to the other parties or immediately upon a breach of this Agreement. Termination of this Agreement shall not relieve a party of obligations and duties that accrued prior to the termination of the Agreement, which obligations shall remain in full force and effect. Upon being notified that this Agreement is being terminated, Tech Data shall be under no obligation to supply any further goods to the Reseller for sale to the End User.

12. Any notice, direction or other instrument required or permitted to be given pursuant to the Agreement shall be in writing and may be given by personal delivery, mailing the same postage prepaid or delivering or forwarding the same by facsimile or electronic mail, receipt confirmed,

in the case of Reseller, addressed to:

Phone No.: \_\_\_\_\_  
Fax No.: \_\_\_\_\_  
Attn: \_\_\_\_\_

in the case of End User, addressed to:

Phone No.: \_\_\_\_\_  
Fax No: \_\_\_\_\_  
Attn: \_\_\_\_\_

in the case of Tech Data:

6911 Creditview Road  
Mississauga, Ontario  
L5N 8G1  
Phone No.: 905-286-6800  
Fax No: 905-286-6966  
Attn: José Brito

Any notice, direction or other instrument aforesaid if delivered or given by facsimile, receipt confirmed, or electronic mail, receipt confirmed, shall be deemed to have been given or made on the date on which it was sent, receipt confirmed, provided that where transmission is receipt confirmed on any business day after 5:00 p.m., or on a day which is not a business day such notice, direction or other instrumentation shall be deemed received on the next business day as defined herein, if mailed, shall be deemed to have been given or made on the fifth (5th) business day, as defined herein after it was mailed. Any one of the parties hereto may change his or its address from time to time by notice given to the other in accordance with the foregoing. In the event of a mail strike or other interruption of postal deliveries, all notices, directions or other instruments required or permitted to be given to the parties hereto shall be delivered to such

parties. For the purposes of this Agreement a business day shall mean a day other than a Saturday, Sunday or statutory holiday in the Province Ontario.

13. This Agreement is personal to the parties and may not be assigned by any party without the written consent of the other party. Subject thereto, this Agreement shall enure to the benefit of and be binding upon the parties hereto and each party's respective heirs, executors, administrators, personal representatives, successors and permitted assigns.

14. The invalidity of any provision of this Agreement or any covenant herein contained on the part of any party shall not affect the validity of any other provision or covenant hereof or herein contained.

15. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

**SIGNED SEALED AND DELIVERED**

in the presence of

) \_\_\_\_\_  
 ) (Name of the Reseller)  
 )  
 ) Per: \_\_\_\_\_  
 )  
 ) Name \_\_\_\_\_  
 )  
 ) Position \_\_\_\_\_  
 )  
 )  
 )  
 )  
 )  
 )  
 ) \_\_\_\_\_  
 ) (Name of the End-User)  
 )  
 ) Per: \_\_\_\_\_  
 )  
 ) Name \_\_\_\_\_  
 )  
 ) Position \_\_\_\_\_  
 )  
 )  
 )  
 ) **Tech Data Canada Corporation**  
 )  
 ) Per: \_\_\_\_\_  
 )  
 ) Name \_\_\_\_\_  
 )  
 ) Position \_\_\_\_\_