



ORIGINAL
Microsoft

June 22, 1998

Jim Fish
Tech Data Product Management, Inc.
5350 Tech Data Drive
Clearwater, FL 34620

Dear Jim:

On behalf of Microsoft Corporation, I am pleased to offer Tech Data Product Management, Inc. ("Tech Data") the opportunity to earn up to a three and one half percent (3.5%) rebate on all sales made during the period July 4, 1998 through January 1, 1999. The 3.5% rebate is divided as follows:

- Up to one percent for achievement of total Non-Partner Microsoft sales of \$103,411,000 with a partial payment for achievement of first quarter Microsoft sales of \$51,706,000
- Up to one percent for achievement of Non-Partner Microsoft Business Systems product sales of \$43,516,000 with a partial payment for achievement of first quarter Non-Partner Microsoft Business Systems sales of \$21,758,000
- Up to one and one half percent for achievement of Non-Partner Microsoft Open License sales of \$43,114,000 with a partial payment for achievement of first quarter Non-Partner Microsoft Open License sales of \$21,557,000

Rebates are accrued and paid in accordance with the Rebate Guidelines, available from your Microsoft Account Manager.

Marketing funds are also available to Tech Data based on Tech Data's marketing proposal and plan. Specific information regarding the Marketing Fund Program is contained in the Marketing Fund Guidelines, available from your Microsoft Account Manager.

By accepting any rebates or marketing funds, Tech Data agrees to comply with the applicable program guidelines.

I look forward to our continued success during the next six months. The information contained in this letter is Microsoft's sole offer regarding rebates and marketing funds, and supersedes any previous oral or written offers. I ask that you review and acknowledge receipt of this offer by signing both copies of this letter, and returning one to your Microsoft Account Manager prior to June 30, 1998. If Tech Data is unable to sign and return this letter by June 30th, Tech Data shall not be eligible for any rebates or marketing funds during any month in which this letter remains unsigned. If you have any additional questions regarding rebates and marketing funds, please contact your Microsoft Account Manager, Brian Kernohan at (770) 392-7591.

Best Regards,

Monica N. Schultz
Monica N. Schultz
Director
Distribution Sales

**RECEIVED AND ACKNOWLEDGED
TECH DATA PRODUCT MANAGEMENT, INC.**

By: *PK Caldwell*

Peggy K. Caldwell SVP - Marketing

Name (please print) 6/29/98 Title

Date

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MICROSOFT CORPORATION
REBATE PROGRAM GUIDELINES
JULY - DECEMBER, 1998

General Information

Calculation and Payment

Rebates are calculated by multiplying the achieved rebate percentage by the total product rebate value for all sales for the Rebate Period. Rebates will be paid in the form of a purchase credit forty-five (45) days after the end of each quarterly Rebate Period (i.e. November 15th for the July - September quarter).

Rebate Payment Issues

Any issues regarding rebates should be sent in writing to Rebate Manager, Channel Policies, no later than thirty (30) days following receipt of Rebate payment. If such written notice is not provided within thirty (30) days, DISTRIBUTOR shall have no further right to dispute Rebate payment.

Contract Compliance

In order to receive rebates from Microsoft, DISTRIBUTOR must comply with Microsoft's established On-time Payment requirements, Street Date requirements, Reporting requirements, and Microsoft Select transaction requirements. Compliance with each and all of these terms will be measured on a monthly basis, and DISTRIBUTOR's failure to comply with each of these requirements will result in a loss of up to one twelfth (1/12) of its total quarterly rebate payment for each month in which DISTRIBUTOR is non-compliant. At the time of rebate payment, DISTRIBUTOR's entire rebate payment shall be withheld until DISTRIBUTOR is in compliance with the terms of this section. Contract compliance obligations are outlined below.

Payment Requirements

Microsoft requires its customers to pay its invoices within terms. In order to maintain compliance, ninety percent (90%) of the gross invoice value for Select and unapplied credits must be current as of Microsoft's fiscal month-end for the months of July, August, October and November, and ninety-five percent (95%) of the gross invoice value for Select and unapplied credits must be current as of Microsoft's fiscal month-end for the months of September and December. Additionally, one hundred percent (100%) of the gross invoice value for non-Select must be current as of Microsoft's fiscal month-end in all months. No more than one percent (1%) of the gross invoice value for Select and unapplied credits shall be older than net sixty (60) days past due. Unapplied credits will be excluded from the calculation. Agreed upon disputes shall be covered by the ten percent (10%) (five percent (5%) in September and December) allowance, unless agreed upon disputes exceed 10% (5% in September and December) of Select gross invoice value.

*Microsoft Corporation Rebate Guidelines
Distributor
As Of May 20, 1998*

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Street Date Requirements

From time to time, Microsoft may announce new a product or new versions of an existing product for which Microsoft shall set a Street Date. The Street Date Program requires Resellers to sell Product no sooner than the date specified as the "Street Date". In order to comply with the Street Date requirements, DISTRIBUTOR must:

- Agree to ship the product to its reseller customers in accordance with the distribution schedule set forth in writing to DISTRIBUTOR by MS;
- Agree to ship the product only to those reseller customers designated by MS, or who have executed a Street Date Agreement letter with DISTRIBUTOR in the form substantially similar to the form provided by Microsoft;
- Agree to not ship the product to any reseller or reseller sales office, retail store or outlet which Microsoft, in its sole discretion, as determined ineligible to participate in the Street Date Program; and
- Agree that should DISTRIBUTOR distribute any Street Date Product via Electronic Software Distribution ("ESD") that DISTRIBUTOR's Clearinghouses also comply with these Street Date terms and conditions.

In the event DISTRIBUTOR violates the Street Date for any special products specified in a Microsoft Street Date letter, DISTRIBUTOR shall forfeit up to the entire Achievement Rebate for the six month Rebate period in which the violation occurred.

Should DISTRIBUTOR fail to comply with the Street Date Requirements, Microsoft may also, for a period of up to twelve (12) months, withhold shipments to DISTRIBUTOR of future product until the Street Date of such product.

Should DISTRIBUTOR wish to report a Street Date violation, DISTRIBUTOR may fax a copy of a dated sales receipt to **Street Date Violations at Microsoft at (206) 936-7329**. Once a violation has been reported, Microsoft shall investigate the violation, and take remedial action as appropriate. Please note, in order to confirm a suspected violation, Microsoft must receive a dated sales receipt.

EDI Reporting Requirements

All EDI reporting must be Timely, Accurate, and Complete. For purposes of this agreement, "Timely" is defined as MS receipt of reporting by the due date and time indicated, "Accurate" is defined as the correct population of all reporting fields, and "Complete" is defined as the population of all required reporting fields.

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Microsoft

Sales Reporting Rules

Reporting includes, but is not limited to, reports sent to Microsoft via Electronic Data Interchange format ("EDI") of weekly Sales, and Inventory. DISTRIBUTOR must make the EDI Sales, and Inventory reports available to MS' EDI mailbox each Monday by Noon (Pacific time). These reports shall cover the seven-day period (Saturday through Friday EOB). Please refer to the EDI Reporting Guidelines for details on reporting requirements.

MS reserves the right to modify the EDI Reporting Guidelines. MS shall provide DISTRIBUTOR with sixty (60) days prior written notice of changes to existing EDI Guidelines. DISTRIBUTOR's failure to implement changes with sixty (60) days shall result in forfeiture of DISTRIBUTOR's Achievement Rebate in the month of months in which changes are not implemented.

- Each unit of Microsoft single license Full Package Product should be reported as one (1) unit.

EXAMPLE: Microsoft® Word for Windows® FPP-report as one (1) unit

- Any single Microsoft Multiple License Pack (MLP) should be reported as one (1) unit.

EXAMPLE: Microsoft® Windows NT™ Workstation License Pack 20 User - report as one (1) unit.

- All Microsoft Volume Licensing Agreements (such as Open Licenses, Select Variable Licenses and Enterprise Licenses) should be reported as one unit for each license sold.

EXAMPLE: Microsoft Select MVLP Level B (min 8000 licenses) Agreement - Customer buys 9356 Word - report 9356 Word units.

Accounts are required to report units sold (Sales) and units in inventory (Inventory) for each Microsoft SKU. All SKUs for these titles should be counted, including full packaged product, upgrades, license packs, initial sale of new maintenance and education and government SKUs of the foregoing. Additionally, if Microsoft Press SKUs are reported, such reported sales shall be eligible for rebates. Please refer to the EDI Reporting Guidelines for details on reporting requirements.

Market Share Reporting

DISTRIBUTOR shall submit Market Share Reporting to a Microsoft authorized third party (currently PC Data Corporation) via weekly email. Such reporting shall be in the format outlined and include the publishers listed at the end of these guidelines. Reports shall include weekly sales and inventory for all software products sold through retail, mail order, Internet or direct sales, including FPP,

ESD, volume licensing, upgrades, maintenance, and subscriptions. DISTRIBUTOR must make the report in ASCII text, comma or tab delimited to PC Data by noon (Pacific Time) Wednesday. These reports shall cover the seven-day period ending Friday EOB. Files shall be sent to data@pcdata.com.

Sales-Out Rebate Program

Rebate Goals

DISTRIBUTOR has first quarter Sales-out goals and total Semester Sales-out goals. DISTRIBUTOR's performance for the first three months of the Semester will be measured against the first quarter Sales-out goals. At the end of the first quarter, DISTRIBUTOR will receive the percentage of the eligible Rebates earned based on performance against the first quarter goals. At the end of the Semester, DISTRIBUTOR will be measured on their six-month performance against the total Semester goals. Even if DISTRIBUTOR does not meet one hundred percent (100%) of the first quarter goals, DISTRIBUTOR can still achieve one hundred percent (100%) of the Semester goals provided that the Semester goals are met at the end of the Rebate Period.

Definitions and Measurement

MS Product Sales-out is defined as those MS net product units sold through DISTRIBUTOR's outlet locations. DISTRIBUTOR's full packaged product, and upgrade sales-out units will be measured from the sales-out reported by DISTRIBUTOR to MS. Licensing sales (Microsoft Select, Microsoft Open Licenses, and Microsoft Maintenance) are captured and generated by MS' licensing systems and included in total Sales-out used to measure product Sales-out Rebate performance. Only sales to Non Partner resellers will be used to measure DISTRIBUTOR's Rebate performance. However, any Rebate earned will be paid on all DISTRIBUTOR sales.

Payment

At the end of the Semester, DISTRIBUTOR will be paid Sales-out Rebates based on performance against the Semester goals. If DISTRIBUTOR achieves greater than sixty percent (60%) of each Semester Sales-out goal, DISTRIBUTOR will receive the exact achieved percentage of the eligible Sales-out Rebate up to one hundred percent (100%). If DISTRIBUTOR achieves less than sixty percent (60%) of any Sales-out Rebate goal, DISTRIBUTOR will not receive any portion of that Sales-out Rebate.

End Of Rebate Program Guidelines

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ATTACHMENT A

MARKET SHARE REPORTING FORMATS

For all items sold or on hand during the reporting period

Field	Field Description	Optional/ Mandatory
1	Reseller Part Number	Mandatory
2	Sales Source (Retail/Mail Order/Internet/Direct Sales)	Mandatory
3	Publisher/Manufacturer Name	Mandatory
4	Production Description or Title	Mandatory
5	Publisher/Manufacturer Part Number	Mandatory
6	Publisher/Manufacturer UPC Number	Mandatory
7	Product Media/Platform	Mandatory
8	Product License Type (FPP, volume licenses, maintenance...)	Mandatory
9	Reseller Category/Department	Mandatory
10	Units Sold	Mandatory
11	User Licenses Sold (for volume license programs)	Mandatory
12	Dollars Sold	Optional
13	Period End Inventory Units	Optional

MARKET SHARE PUBLISHER LIST

Publisher	Publisher
Adobe	Netmanage
Apple	Netscape Communications
Banyon	Novadigm
Boderbund	Novell
Borland	Novonyx
Citrix	OnTechnology
Claris	O'Reilly
Computer Associates	Oracle
Corel	Primavera
Cosmi	Quarterdeck
DataEase	Santa Cruz Operation
Digital Equipment Corporation	Sapphire
Hewett Packard	Seagate Software
IBM	Software Publishing Corporation
Informix	Spry
Kaetron	Sun Microsystems
Learning Company	Sybase
Lotus	Symantec
MacroMedia	Tivoli
Microsoft	XYQuest
Mysoftware	

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*Microsoft Corporation Rebate Guidelines
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As Of May 20, 1998*

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Microsoft

MICROSOFT CORPORATION
REBATE PROGRAM GUIDELINES
DISTRIBUTION
JANUARY - JUNE, 1999

General Information

Calculation and Payment

Rebates are calculated by multiplying the achieved rebate percentage by the total product rebate value for all sales for the Rebate Period. Rebates will be paid in the form of a purchase credit forty-five (45) days after the end of each quarterly Rebate Period (i.e. May 15th for the January - March quarter). All Rebates for Microsoft Press sales shall be paid only forty-five days after the end of the Rebate Period.

Rebate Payment Issues

Any issues regarding rebates should be sent in writing to Rebate Manager, Channel Policies, no later than thirty (30) days following receipt of Rebate payment. If such written notice is not provided within thirty (30) days, DISTRIBUTOR shall have no further right to dispute Rebate payment.

Contract Compliance

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- Agree that should DISTRIBUTOR distribute any Street Date Product via Electronic Software Distribution ("ESD") that DISTRIBUTOR's Clearinghouses also comply with these Street Date terms and conditions.

In the event DISTRIBUTOR violates the Street Date for any special products specified in a Microsoft Street Date letter, DISTRIBUTOR shall forfeit up one fourth (1/4) of its entire Rebate earned for the six month Rebate period in which the violation occurred.

Should DISTRIBUTOR fail to comply with the Street Date Requirements, Microsoft may also, for a period of up to twelve (12) months, withhold shipments to DISTRIBUTOR of future product until the Street Date of such product.

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Although MS pays the Sales-out Rebate ultimately based on performance against a semester and annual Sales-out goal, Microsoft pays the Sales-out Rebate at the end each quarter based on performance against the quarter goal. Microsoft pays a portion of the Rebate after each quarter to provide incentive for DISTRIBUTOR to focus on Sales-out throughout the entire year. The first two quarter goals are measured together to determine performance in the first semester, and the second two quarter goals are

measured to determine performance in the second semester. Should DISTRIBUTOR's total first semester Rebate payment exceed the annual Rebate total as calculated at the end of the year, MS reserves the right to recover from DISTRIBUTOR any such Rebate overpayment. Conversely, if DISTRIBUTOR's second semester Rebate attainment entitles DISTRIBUTOR to an additional first semester Rebate payment, such payment shall be made at the end of the annual Rebate period.

End Of Rebate Program Guidelines

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4	Production Description or Title	Mandatory
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6	Publisher/Manufacturer UPC Number	Mandatory
7	Product Media/Platform	Mandatory
8	Product License Type (FPP, volume licenses, maintenance...)	Mandatory
9	Reseller Category/Department	Mandatory
10	Units Sold	Mandatory
11	User Licenses Sold (for volume license programs)	Mandatory
12	Dollars Sold	Optional
13	Period End Inventory Units	Optional

MARKET SHARE PUBLISHER LIST

Publisher	Publisher
Adobe	Netmanage
Apple	Netscape Communications
Banyon	Novadigm
Boderbund	Novell
Borland	Novonyx
Citrix	OnTechnology
Claris	O'Reilly
Computer Associates	Oracle
Corel	Primavera
Cosmi	Quarterdeck
DataEase	Santa Cruz Operation
Digital Equipment Corporation	Sapphire
Hewett Packard	Seagate Software
IBM	Software Publishing Corporation
Informix	Spry
Kaetron	Sun Microsystems
Learning Company	Sybase
Lotus	Symantec
MacroMedia	Tivoli
Microsoft	XYQuest
Mysoftware	

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