



Approved Partner Agreement

For American Partners

This Approved Partner Agreement (hereinafter referred to as the "Agreement") is made by and between Net Integration Technologies Incorporated (hereinafter referred to as "NITI") and the Partner (the entity that executes this Agreement).

This Agreement is a legal contract, and shall govern the sale of NITI products, by the Partner. NOW, THEREFORE, it is agreed:

1. Nonexclusive Appointment. Partner is hereby appointed as a non-exclusive Approved Partner for the purpose of valued added reselling of Net Integrator Servers (herein referred to as the "Products"), in North America, pursuant to this Agreement. Partner accepts such appointment and agrees to serve as an Approved Partner of the Products to end users as provided herein. This Agreement is not exclusive to Partner, and NITI reserves the unrestricted right to sell, license, market and distribute or to grant to others the right to sell, license, market and distribute the Products and value added versions thereof, anywhere in the world.

2. Purchase Orders. Purchase orders shall be made by Partner using Partner's regular purchase order form; provided, however, additional, modified or conflicting terms and conditions on Partner's purchase order form shall not modify or amend this Agreement unless expressly agreed to in writing by NITI. All orders must specify the Product or Products to be purchased; the appropriate purchase price; and, if applicable, state the appropriate tax exemption certificate number.

3. Pricing and Availability. Due to the nature of the industry, prices, promotions and availability are subject to change without notice. Prices do not include sales, use, services, excise or similar taxes. The current Approved Partner Price Lists, published by NITI, are always available to our Approved Partners, and specify the current Partner pricing on all Products and services available for resale. NITI reserves the right to change prices with seven (7) days prior notice to the Partner. Notice of a price change will be posted online, in our Partner Pages (<http://partner.netitech.com>).

4. Invoicing; Payment Terms; Orders; Quotes; Interest. NITI will invoice Partner as of the date their order(s) ship. Invoices shall include all charges relating to the particular shipment. Terms of payment are within NITI's sole discretion. Payment must be in United States Dollars at NITI specified pricing. Payment for the products will be made by credit card, wire transfer, or some other pre-arranged payment method, unless credit terms have been agreed to by NITI. If credit terms have been agreed to by NITI, invoices are due and payable within thirty (30) days after the date of the invoice. NITI may invoice parts of an order separately. Orders are not binding upon NITI until accepted by NITI. Partner agrees to pay interest on all past-due sums at the rate of 1.95% per month. At NITI's sole discretion, late or missed payments can cause a line of credit to be revoked or future credit orders to be denied.

5. Shipping Charges and Taxes. Shipment of the Products purchased by Partner hereunder shall be made F.O.B. NITI's facilities or such other location or locations as NITI may from time to time designate in writing. NITI shall have the right to make partial shipments, and each shipment

shall be deemed a separate order and payment therefore shall become due in accordance with the terms of Section 4. Separate charges for shipping and handling will be shown on NITI's invoice(s). If applicable, a separate charge for taxes will be shown on NITI's invoice.

6. Title and Risk. Unless otherwise specified by NITI, in writing, shipping terms are F.O.B. NITI origin point. Title and Risk of delay, loss or/and damage to the products shall pass to Partner upon delivery to the common carrier at shipping point. Partner must file, with NITI and the common courier, any claims resulting from products damaged in transit, shortages received or tampering.

7. Acceptance; Satisfaction Guarantee. Products ordered hereunder will be deemed accepted by Partner upon shipment by NITI. For all orders, except for specially discounted first-time Partner orders, Partner shall have thirty (30) days after receipt of the Product(s) at Partner's designated ship-to location ("Satisfaction Guarantee Period"), to inspect and test the Product(s). If Partner discovers any defect in a Product, or determines the Product is unsuitable for the Partner's end user customer, and reports such defect or unsuitability within the Satisfaction Guarantee Period, NITI will either provide technical assistance to remedy the issue, repair, replace or accept return of the Product or credit Partner for the applicable purchase price. In any event, Partner shall be responsible for complying with NITI's Return/Exchange Policies, as defined in Section 8. NITI reserves the right to modify or discontinue its Satisfaction Guarantee with fifteen (15) days written Notice to the Partner.

8. Return/Exchange Policies. All returns and exchanges must be approved by NITI, and an RMA (Return Merchandise Authorization) number will be issued upon approval. This RMA number is valid for 14 days after issuance and will be automatically voided after the 14th day. All returned merchandise must be accompanied with the RMA number on the outside packing box and received by the manufacturer before the RMA number expires. No refunds will be issued for lost parts, materials or Products, and for Products purchased over 35 days from the RMA number request date. Satisfaction Guarantee does not include paying the cost of inbound freight or outbound freight. No returned merchandise will be accepted without being in its original condition and without any physical damage. Returned Products must be 100% complete, must be in resalable condition, and must include all original packaging in order to be accepted for full credit to the Partner. The amount of credit issued on returned Products that are less than 100% complete, in a non-resalable condition, and/or do not include all original packaging material shall be determined solely by NITI.

9. Export Restriction. Partner agrees not to directly or indirectly export any products (whether or not modified by any services or other products), including, but not limited to parts, equipment, software or technical data/documentation without, where applicable, first obtaining the export license(s), required by the appropriate local governing body. Partner should recognize and acknowledge NITI products are subject to all relevant laws and regulations governing the export of technology. Partner should determine whether an export license or certain declarations required by the United States or Canadian Government regarding the nature of the products to be exported, their destination, or their use.

10. **Confidentiality.** In the performance of this Agreement, each party may have access to confidential, proprietary or trade secret information owned or provided by the other party relating to software computer programs, marketing plans, business plans, financial information, specifications, flow charts and other data ("Confidential Information"). All Confidential Information supplied by one party to another pursuant to this Agreement shall remain the exclusive property of the disclosing party. The receiving party shall use such Confidential Information only for the purposes of this Agreement and shall not copy, disclose, convey or transfer any of the Confidential Information or any part thereof to any third party. Neither party shall have any obligation with respect to Confidential Information which: (i) is or becomes generally known to the public by any means other than a breach of the obligations of a receiving party; (ii) was previously known to the a receiving party or rightly received by a receiving party from a third party; or (iii) is independently developed by the receiving party.

11. **NITI's Minimum Advertised Price (MAP) policy.** NITI Approved Partners shall comply with NITI's MAP (Minimum Advertised Price) policy. The MAP for any NITI product is the List Price for any NITI product specified in the NITI Approved Partner Price lists. However, NITI Approved Partners are free to set actual resale price of any MAP product. The MAP policy applies to commercial advertising placements, including, but not limited to: any information relating to NITI products on an Internet website, print ads (inserts, magazines, newspapers, etc.), broadcast (radio and TV), direct mail, faxes, Internet placements with third parties (banner ads, broadcast emails, destination pages, third-party sites), outdoor (Billboards, banners), etc. In-store advertising is not included in the foregoing. MAP policy rules:

- A. Advertising without reference to specific product prices does not violate the policy;
- B. Electronic mail sent in response to a customer inquiry is not considered to be advertising;
- C. Price variances of up to \$5 below MAP are permitted to allow for individual Partner conventions;
- D. Price matching policies on comparable NITI products sold by other dealers do not violate the policy;
- E. Advertising "free" accessories or services sold with a NITI product does not violate the policy (i.e., "free" media or installation services);
- F. Bundled promotions do not violate the policy provided the following criteria are met: (i) if a NITI product price is noted separately in the ad, the NITI MAP shall be used; and (ii) any discount expressed in the ad shall not be expressed as a direct discount off the NITI product MAP;
- G. Free Shipping and/or handling, 0% Sales Tax, or Free Financing promotions do not violate the policy;
- H. Advertised discounts off an entire category of products, expressed either in dollars or percentages, are permitted so long as the following criteria are met:
 - i) the discount must apply to all products in the category;
 - ii) the NITI product shall not be singularly called out or pictured in the ad (i.e., other products must also be pictured); and
 - iii) if non-discount prices are noted in the ad, NITI MAPs shall be used for NITI products.
- I. Discounts off the total price of a purchase that includes multiple components (e.g. personal computer, service and printer) are permitted so long as the following criteria are met:
 - i) the NITI product is not singularly called out or pictured in the ad (i.e., other items from the total purchase must also be pictured); and
 - ii) if the non-discount price for a NITI device is noted in the ad, the NITI MAP shall be used.

NITI may suspend indefinitely or permanently revoke any NITI Approved Partner's authorization to purchase and resell a Product if that NITI Approved Partner violates NITI's MAP Policy.

12. **Partner Obligations.** In connection with the performance of its obligations in this Agreement in a professional and businesslike manner, Partner agrees to:

- A. Compliance with NITI's MAP Policy;
- B. Employ at its place or places of business competent, professional and ethical sales, technical and support personnel to sell and support products;
- C. Stay current with respect to information concerning the Products and, where appropriate, attend NITI's training with respect to the Products;
- D. Maintain adequate human resource and other facilities to assure prompt handling of all inquiries, orders, shipments and after sale support for the Products;
- E. Maintain, for demonstration purposes, adequate equipment and other resources to properly demonstrate the Products;
- F. Provide prompt, reliable and competent technical and other assistance to Partner's end user customers with respect to the Products;
- G. Conduct its business in a professional, businesslike manner that will reflect favorably on NITI and the Products, and not engage in deceptive, fraudulent, misleading, illegal or unethical business practices, whether with respect to the Products or otherwise;
- H. **Purchase an Approved Partner training kit or a server Product with an Approved Partner training kit, as per section 32, Order Form;** and
- I. Provide NITI with sales forecast data.

13. **NITI's Obligations.** In connection with the performance of its obligations in this Agreement in a professional and businesslike manner, NITI agrees to:

- A. Provide reasonable commercial and technical assistance to Partner as may be necessary and appropriate to assist Partner in effectively carrying out its obligations under this Agreement and in the promotion and sale of the Products to Partner's end user customers. NITI will, from time to time and subject to availability, provide to Partner and its agents sales promotion materials, technical manuals, sales aides and other materials helpful in the promotion or sales of the Products;
- B. Provide all the support activities required to fulfill NITI's warranty obligations to end user customers;
- C. In situations where the Partner has made a reasonable effort and is unable to provide its end user customer with sufficient technical support on a NITI Product, NITI shall extend its best effort to resolve end user technical issues on NITI Product and train the Partner's technical support personnel. Depending on the situation, the end user may have to pay for NITI technical support;
- D. Extend its best efforts to make Product available to Partner on short notice, based on Partner's forecast data; and
- E. If an end user Customer that purchased a Net Integrator Server, from Partner, orders and pays NITI for "Integrator Plus! Software Module(s)", "Integrator PLUS! Extended Warranty Service", or other NITI supplied software module(s) (such as ExchangeIt!), NITI shall pay Partner an amount equal to the difference between NITI's then-current published list price and Partner's then-current price for the software module(s) within sixty (60) days of receiving full payment from the end user customer, provided that this Agreement has not been previously terminated. NITI reserves the right to withhold such payments if any NITI invoices to Partner are past due.

14. **Market Development Funds.** NITI shall make available to Partner marketing development funds ("MDF"). The amount of MDF made available shall be four percent (4%) of Partner's net purchases, and is subject to the following terms:

- A. MDF shall be used only in connection with expenditures on business development programs (such as: ad production assistance, direct mail programs, shows, advertising in regional or national trade and/or consumer publications, and sales training days) to be mutually agreed upon by NITI and Partner, in writing, prior to commencing any program for which Partner intends to receive MDF from NITI for. No verbal commitments will be accepted;
- B. MDF cannot be used to pay, in whole or in part, for any expenditure related to: the acquisition or consumption of alcoholic beverages, for travel expenditures, or to reduce cost;
- C. NITI reserves the right to require Partner to pay for these expenditures in advance;
- D. No MDF shall be provided, or accrued, on Partner's purchases whereby Partner fails to pay NITI within the payment terms NITI grants to Partner;

- E. Where Partner pays for these expenditures in advance, Partner shall provide NITI with an invoice to account for the use of MDF. NITI reserves the right to request and receive from Partner any third party invoice(s) required to substantiate the use of MDF;
- F. From time to time or when requested by Partner, NITI shall inform Partner of Partner's current MDF accrual;
- G. NITI reserves the right to change, modify, or discontinue the MDF program, with thirty (30) days prior written notice to Partner;
- H. At no time shall NITI withdraw MDF amounts that have been made available to Partner, through previously paid purchases, which have not been returned by Partner to NITI;
- I. Reimbursements of Partner expenditures, on programs approved for MDF funding, can be made in the form of a check from NITI to Partner, or in the form of a credit to be applied against any outstanding and currently past-due amounts owed to NITI by Partner; and
- J. Reimbursements owed to Partner shall become due net twenty-one (21) days after NITI receives all invoices required by NITI for such expenditure.

15. Cancellation of Purchase Orders. Partner Purchase Orders may be cancelled prior to the Order shipment date, unless NITI and Partner agree, in writing, to other arrangements for particular Purchase Order(s).

16. Product Changes. NITI's policy is one of on-going Product update and revision. NITI may revise and/or discontinue Products at any time. NITI reserves the right to ship Products that contain components which have the equivalent, or better, specifications with respect to performance than originally specified component.

17. Partner Inventory Requirements; Price Protection; Stock Rotation. Beyond Products for demonstration, NITI Approved Partners are NOT required to stock inventory of NITI products. Therefore, NITI does NOT offer any type of price protection or stock rotation.

18. Warranties. NITI warrants that it is the owner of or otherwise has the right to license the Products and otherwise perform its obligations set forth herein. NITI shall also honor its standard and upgraded warranty packages included with or sold in addition to the Products sold by the Partner as per NITI's Warranty Programs. Information on these programs may be obtained directly from the NITI web page (<http://www.net-tech.com>).

19. Disclaimer and Limitation of Liability. NITI DOES NOT ACCEPT LIABILITY BEYOND THE REMEDIES SET FORTH HEREIN SECTION 18, INCLUDING ANY LIABILITY FOR PRODUCTS NOT BEING AVAILABLE FOR USE OR FOR SYSTEM DOWNTIME, LOST OR CORRUPTED DATA OR SOFTWARE. NITI WILL NOT BE LIABLE FOR LOST PROFITS, LOSS OF BUSINESS OR OTHER CONSEQUENTIAL, SPECIAL, INDIRECT OR PUNITIVE DAMAGES, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, OR FOR ANY CLAIM BY ANY THIRD PARTY EXCEPT AS EXPRESSLY PROVIDED HEREIN.

20. Indemnification. Partner agrees to indemnify and hold harmless NITI from and against loss, suit, damage or claim including reasonable attorney's fees and costs, arising out of or connecting with the use of any of the Products that have been modified by Partner or anyone else. NITI shall, at its own expense, defend any suit that may be instituted against Partner or any end user customer of Partner for any alleged infringement of any patent, trademark or copyright related to the Product as provided by NITI hereunder, provided that: i. Such alleged infringement consists only of the use of the Product in the manner for which the Product was designed by itself, and does not relate to any modification or alteration or combination with other works. ii. Partner gives NITI immediate notice in writing of any such suit and permits NITI, with counsel of its choice, to defend such suits. iii. Partner provides NITI all of the necessary information, assistance and authority, to enable NITI to defend such suit, and similarly causes all Partner's end user customers to similarly provide all needed information, assistance and authority, all at Partner's expense. iv. NITI's indemnity shall not apply with respect to any claim arising out of or based upon any modification or alteration of the Products created by or for NITI.

21. Force Majeure. NITI shall not be liable for delays in delivery, for loss and damage or for failure to perform due to causes beyond the reasonable

control of NITI. These causes should include without limitation, acts of God, acts or omission of Partner, acts of civil or military authorities, fire, strikes, power, surges or outages, epidemics, flood, earthquakes, riot, or war.

22. Trademark; Use of NITI Copy Righted Materials. All trademarks and registered trademarks are of their respective companies. NITI hereby grants to Partner a limited, nonexclusive right to use NITI's regular trade names, trademarks, titles, copyrighted materials, and logos (the "Licensed Marks & Material") in the advertising, promotion and sale of the Products. Partner shall not make or permit alteration or removal of tags, labels, or identifying marks placed by NITI on or within the any Product. Partner will not use NITI's trade names or abbreviations (with the exception of a logo or mark or graphic design provided by NITI which indicates Partner is an authorized reseller of NITI) in Partner's corporate title, or name or in any way that might result in confusion as to separate and distinct identities of NITI and Partner. Upon the expiration or earlier termination of this Agreement, the license granted to Partner in the Licensed Marks & Materials shall immediately terminate, and Partner shall immediately cease and desist all use of the Licensed Marks.

23. Legal Fees. In the event of any breach of this agreement, where either party brings a law suit in order to enforce or interpret the provisions of this agreement, the prevailing party shall be entitled to reasonable attorney's fees in addition to any other relief to which that party may be entitled.

24. Governing Law and Forum. This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario without regard to conflict of law provisions.

25. Relationship of the Parties. It is expressly understood and agreed that the relationship between the parties is solely that of "seller" and "buyer". Partner is not, and shall not be, a partner, agent, representative or joint venture of NITI. Partner has no authority to assume or create any obligation for or on behalf of NITI, express or implied, with respect to the Products or otherwise.

26. Term and Termination. This Agreement shall continue for a Term of one year. Thereafter, this Agreement shall continue until a party shall give notice to the other party of its desire to terminate this Agreement upon at least thirty (30) days prior written notice. In the event that Partner has failed to pay any amount when due or is in breach or default of any other material obligation set forth in this Agreement, then NITI may notify Partner and if Partner has not paid the entire amount due or cured its other breach or default within 10 days following such notice, then NITI may elect to terminate this Agreement. In the event of any other breach or default of any material obligation owed by NITI in this Agreement, then the Partner may provide notice to NITI and if such breach or default is not cured within 10 days following such notice, the Agreement may be terminated by Partner.

27. Severability. If any term of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, then this Agreement, including all of the remaining terms, will remain in full force and effect as if such invalid or unenforceable term had never been included.

28. Final Agreement. This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

29. Headings. Headings used in this Agreement are provided for convenience only and shall not be used to construe meaning or intent.

30. Execution in Counterparts. The parties may sign this Agreement in counterparts, all of which shall be considered one and the same instrument.

31. Notices. Any notice required by this Agreement or given in connection with it, shall be in writing and shall be given to the appropriate party by personal delivery or by certified mail, postage prepaid, or recognized overnight delivery services, or email.

32. Order Form.

Item	New Partner 40% Off Discounted Price	Total First Unit Savings*	
<input type="checkbox"/> New Partner Registration	\$299	Not Applicable	
<input type="checkbox"/> New Partner Registration with Net Integrator Lite	\$1,498	\$849	
<input type="checkbox"/> New Partner Registration with Net Integrator Mark I	\$2,098	\$1,249	
<input type="checkbox"/> New Partner Registration with Net Integrator Mark II	\$3,298	\$2,049	
<input type="checkbox"/> New Partner Registration with Net Integrator Mark IIIIR	\$5,698	\$3,649	
* Includes savings from no-charge shipping			
Upgrades/Additional Items (Please use Prices from current Approved Partner Price Lists)			
Part Number	Quantity	Unit Price	Total Price
1.			
2.			
3.			
4.			

Credit Card Payment:	
Please provide the following information	
Check One: <input type="checkbox"/> VISA <input type="checkbox"/> American Express** <input type="checkbox"/> MasterCard	
Exact Name On Card	
Card Number	
Card Expiry Date	Today's Date
Credit Card Billing Address	
Company EIN Number	
Signature X:	
<small>** American Express charges certain American Express card holders a premium for purchasing products from outside their home county, on their American Express cards. Check with American Express to see if this applies to your account. American Express card holders are responsible for paying these charges to American Express.</small>	

IN WITNESS WHEREOF,
 the parties hereto have executed this Approved Partner Agreement effective

_____, 2003.

On behalf of Net Integration Technologies Inc.:

On behalf of Partner:

Signature

Signature

Dan Wensley
 NITI North American Partnership Director
 Net Integration Technologies Inc.

Name: _____

Title: _____

Company: _____

Fax back to: (905) 752-3532