

**TECH DATA CORPORATION**  
**MICROSOFT CLOUD PRODUCT RIDER**

**THIS MICROSOFT CLOUD PRODUCT RIDER** ("Rider") is by and between TECH DATA CORPORATION ("Tech Data") and \_\_\_\_\_ ("Authorized Reseller" or "Reseller"). Tech Data and Subreseller are sometimes individually referred to as a "Party," and collectively referred to as the "Parties".

**Recitals**

Microsoft has selected Tech Data to participate in the Microsoft Cloud Agreement Program. In order to satisfy Microsoft's resale requirements, the Parties are hereby entering into this Rider.

**Agreement**

**NOW, THEREFORE**, for and in consideration of the mutual covenants contained in this Rider and other good and valuable consideration, the Parties agree as follows:

1. **TERM.** The term of this Rider shall commence on the date of the last signature below and, unless terminated by either party as set forth herein, shall remain in full force and effect for a term of one (1) year, and will be automatically renewed for successive one (1) year terms until terminated by either Party.

2. **EXISTING TERMS.** Reseller's purchases are subject to this Rider, the Terms and Conditions of Sale (the "Terms and Conditions") stated on Tech Data's website ([www.techdata.com](http://www.techdata.com)) and on invoices issued by Tech Data, incorporated herein by reference and any additional terms and conditions specified in Tech Data's online StreamOne portal and/or related eCommerce terms. In the event of a conflict between the terms of this Rider and the Terms and Conditions, this Rider shall take precedence over with respect to the sale of the Products.

**3. AUTHORIZED RESELLER MINIMUM TERMS.**

**A. Definitions.**

- i. **"Customer"** means the entity to which the Authorized Reseller resells the Products which acquires Products for use as an end user.
- ii. **"Customer Agreement"** means the agreement that Microsoft uses to convey or provide Products to Customers. Microsoft may revise Customer Agreements for future Customers on not less than thirty (30) days' notice.
- iii. **"Customer Data"** has the meaning assigned to it in the Customer Agreement.
- iv. **"Marks"** means (i) either party's names, word marks, logos, logotypes, trade dress, designs or other trademarks; (ii) the trademark and trade name "Microsoft," and all trademarks and trade names derived from it, and the trademarks owned by Microsoft and used in association with all Products or which are set out at <http://www.microsoft.com/en-us/legal/intellectualproperty/Trademarks/default.aspx>, or any successor site, as Microsoft may amend; and (iii) any and all copyrights either party owns.
- v. **"Microsoft"** means Microsoft Corporation.

- vi. **"Product"** means the Microsoft online services, which may include Microsoft software technology, on the then-current Microsoft price list for the Microsoft Cloud Solutions Provider Program.
- vii. **"Program Guide"** means the information about the Microsoft Cloud Solutions Provider Program that is available on Tech Data's StreamOne platform.
- viii. **"SLA"** means the service level agreement commitments Microsoft makes to Customers regarding delivery and/or performance of the applicable Product.
- ix. **"Subscription"** means an order for a quantity of Product for a defined term (e.g., 30 days or 12 months).
- x. **"Territory"** means the United States and Canada.

B. **Authorization.** This Agreement gives Reseller the right to participate in the Microsoft Cloud Solutions Provider Program as offered by Tech Data and to provide certain Products to Customers in the Territory. Tech Data may give Company the right to participate in additional cloud services programs, which may require Company to accept additional terms.

C. **Orders and Territory.** Reseller is only authorized to resell, market or otherwise dispose of Products within its designated Territory. Reseller may not collect orders or receive payments for Products from any Customer located outside the Territory. Reseller's Affiliates are not authorized to perform under this Agreement, unless otherwise agreed to by Company.

D. **New Releases of Existing Products.** Reseller acknowledges and agrees that Microsoft may modify a Product, or may release a new version of a Product at any time and for any reason including, but not limited to, to address customer needs or otherwise address competitive demands, to respond to a government regulation, order, or law, or to advance innovation in its Product offerings. Microsoft reserves the right to add new features or functionality to, or remove existing features or functionality from, a Product.

E. **Product and Subscription Management.** Reseller will perform certain functions associated with the purchase, activation, support and management of Customer Subscriptions and Products. Those functions shall be performed via the processes or tools identified in the Program Guide. Any required functions may be further described in the Program Guide. Reseller acknowledges and agrees that from time to time Tech Data may update the processes and tools needed to perform those functions, as Tech Data in its sole reasonable discretion deems appropriate, and Reseller may be required to implement such updates or changes to continue to perform the functions.

F. **Academic, Charity and Government Products.** Microsoft may offer Products that are identified on the price list as academic, charity or government. Reseller must have Microsoft's approval to purchase such Products and Reseller may provide such Products only to Customers that meet Microsoft's qualification criteria.

**4. Customer Agreement Acceptance and Subscription Terms.**

a. **Customer Agreement Acceptance.** Each Customer must accept a Customer Agreement to order Products from Reseller. By placing an order with Tech Data, Reseller (i) represents and warrants that Customer has accepted the Customer Agreement terms and (ii) agrees to pay Microsoft for

all Customer orders it submits for Products. Microsoft may accept or reject any proposed Customer at Microsoft's discretion.

If Customer does not accept the terms of the Customer Agreement, Reseller shall be liable to Tech Data for any costs and damages incurred by Tech Data as a result of such failure.

**b. Fixed term.** Reseller may sell the Products for a term of any length as determined by Reseller, provided, however (i) Products will be sold by Tech Data to Reseller for a one (1) year term, and (ii) Reseller's election to sell Products to Customers for a period longer than the fixed term set forth in the Program Guide will not alter or enlarge Tech Data's obligations under this Agreement.

**c. Auto-Renewal.** Subscriptions will automatically renew at the end of any term. Reseller may opt a Customer out of this automatic renewal system by updating the Subscription in a timely manner. Each renewal term will be for the period specified in the Program Guide. Pricing for a renewal term will be Tech Data's pricing in effect as of the commencement of the renewal term.

**d. Disablement.** Reseller may disable a Customer's Subscription. Reseller will need to separately disable each active Subscription. Depending on the Product, Reseller will have limited or no access to the Product. Tech Data will not be liable in any manner whatsoever to Reseller or to Customer arising out of Reseller's disablement of the Customer's Subscriptions. Microsoft or Tech Data may disable a Customer's Subscription for legal or regulatory reasons or as otherwise permitted under this Agreement and Tech Data will notify Reseller of a disablement as soon as commercially reasonable. If Microsoft or Tech Data disables a Customer's Subscription, Tech Data also will suspend billing to Reseller for that Customer's Subscription until the Subscription is re-enabled.

**e. Cancellation.** Reseller may cancel a Subscription for a Product for a Customer, however: 1) no refund is allowed for fees that already have been paid or fees that have already been incurred and 2) an "Early Termination Charge", meaning fees due from Reseller in the event of cancellation of a Subscription before its term ends, may be applied as set forth in the Program Guide.

Upon cancellation, Reseller will have ninety (90) days to migrate any Customer Data to either a new Subscription with Reseller, with Microsoft directly, or some other service. Reseller may incur a charge for Tech Data's assistance in migrating its Customer's Data.

**f. Service Level Agreement Credits.** Microsoft makes certain service levels commitments to Customers in the SLA provided in the Customer Agreement. If a Customer makes a claim on the SLA, Reseller must escalate the claim to Tech Data for review. The claim will be reviewed according to the standard SLA review process. If applicable, Tech Data will then apply any credit due on Reseller's next billing reconciliation report. Reseller must then credit the Customer that submitted the SLA claim at least the amount Tech Data has paid Reseller for the SLA credit. Customer is eligible for credits not to exceed the total monthly Subscription estimated retail price ("ERP"). Microsoft and Tech Data reserve the right to audit outages on a per Subscription or per service basis at any time.

Nothing in this section will preclude Reseller from proactively providing credits to Customers who make a claim on the SLA prior to submitting a claim to Tech Data; provided, however, that the claim will remain subject to

validation according to the standard SLA review process and, in the event the claim is determined not to be valid, Reseller will be solely liable for any credits it advanced to Customers.

## **5. Ordering, Reporting and Fulfillment.**

**a. Ordering.** Company should review the Program Guide for complete information about the ordering process.

**b. Delivery of Products.** Products will be provisioned based on the Customer information provided by Reseller. Reseller must provide Customers with the administrative log in credentials Tech Data provides for accessing the applicable Product. Upon receipt and acceptance of a valid order for Products, Microsoft will provision the Product for the benefit of the applicable Customer.

**c. Credit Worthiness and Collection Guidelines.** Reseller will decide whether or not to extend credit to its Customers. A Customer's failure to pay Reseller will not relieve Reseller of its payment obligations to Tech Data.

## **6. Support**

**a. Support.** Reseller must provide support services to Customers for all Products it resells and will include this requirement in its agreements with its Customers. Reseller must provide Customer support for Products on a continuous basis (24 hours per day, 365 days per year) pursuant to the options detailed in the Program Guide.

## **7. Privacy; Customer Data.**

**a. Privacy.** Reseller shall (i) comply with all applicable legal requirements regarding privacy and data protection; and (ii) provide sufficient notice to, and obtain sufficient consent and authorization from, Customers and any other party providing personal data to Reseller, Tech Data and Microsoft to permit the processing of the data by Reseller, Tech Data, Microsoft, and their respective Affiliates, subsidiaries, and service providers as contemplated by this Agreement. Microsoft may collect, use, transfer, disclose, and otherwise process each Customer's data, including personal data, as described in the Customer Agreement.

Microsoft may send direct communications to Customers related to the terms of the Customer Agreement or the operation or delivery of the Product. Reseller must provide accurate contact information for the administrator of each Customer domain.

### **b. Customer Data.**

**(i)** Reseller warrants that it is the data controller of the Customer Data or agent of the data controller of the Customer Data. The security, privacy and data protection commitments made by Microsoft in any Customer Agreement only apply to the Products purchased from Microsoft and not to any services or products provided by Reseller.

**(ii)** Except as Reseller and Customer may otherwise agree, Reseller shall use Customer Data only to provide Customer with the Products and the support services specified in this Agreement and the Program Guide and to assist Customer in the proper administration of the Products. Additionally, Reseller shall only access and disclose to law enforcement or other government authorities to the extent required by law data from, about or related to Customer, including the content of communications (or to provide law enforcement or other government entities access to such data).

(iii) If Reseller receives a request for Customer Data either directly from a law enforcement agency or as redirected to Reseller by Tech Data or Microsoft, then Reseller shall redirect the law enforcement agency to request that data directly from Customer. If compelled to disclose Customer Data to law enforcement, then Reseller shall promptly notify Customer and provide a copy of the demand, unless legally prohibited from doing so.

(iv) Reseller consents and authorizes Tech Data and Microsoft (and its service providers and subcontractors) at Reseller's direction to access and disclose to law enforcement or other government authorities data from, about or related to Customer, including the content of communications (or to provide law enforcement or other government entities access to such data). Reseller shall notify the individual users of the Products that their data may be processed for the purpose of disclosing it to law enforcement or other governmental authorities as directed by Reseller, and shall obtain the users' consent to the same.

## **8. Other Rights and Obligations.**

**a. Reseller's Representations and Warranties.** Reseller represents and warrants that it will: (i) have current access to all of the applicable online tools necessary to perform its obligations; (ii) use commercially reasonable efforts to service and support its Customers; (iii) inform Tech Data of any difficulties it encounters in servicing its Customers (iv) obtain a Customer's acceptance of the terms of the Customer Agreement before placing an order for such Customer; and; (v) promptly tell Tech Data about any known or suspected violations of the terms and conditions of a Customer Agreement by a Customer.

**b. Negotiation of Pricing and Payment Terms.** Reseller has complete discretion to negotiate and set pricing and payment terms and conditions with its Customers. Reseller's negotiation of those terms will not be subject to Tech Data's review or approval in any way.

**c. Product Warranties.** Reseller's instructions to Customers on the use of Products must be consistent with the Program Guide, this Agreement, Microsoft's written warranty document, online services terms, Microsoft's end user documentation, and the Customer Agreement. Reseller must not make any representation, condition or warranty about the Products.

**d. Use Restrictions.** Reseller may not use Products acquired under this Agreement internally. Reseller may not distribute or otherwise transfer Products acquired under this Agreement to any of its Affiliates. These restrictions do not apply to Products acquired under other licensing programs.

**d. Excluded License.** Reseller's rights to any of the Products do not include any license, right, power or authority to cause any part of the Products to become subject to the terms of an excluded license. An "excluded license" is any license, such as an open source software license, that requires as a condition of use, modification or distribution of software subject to the excluded license, that it or other software combined or distributed with it be: (i) disclosed or distributed in source code form; (ii) licensed for the purpose of making derivative works; or (iii) redistributable at no charge.

## **e. Compliance with laws and Microsoft's Anti-Corruption Policy.**

(i) **Compliance with laws and Microsoft's Anti-Corruption Policy.** Reseller will comply with all applicable laws against bribery, corruption,

inaccurate books & records, inadequate internal controls and money-laundering, including the U.S. Foreign Corrupt Practices Act ("Anti-Corruption Laws"). Reseller certifies that it has reviewed and will comply with the Anti-Corruption Policy for Microsoft Representatives available at: <http://www.microsoft.com/en-us/Legal/Compliance/anticorruption/Default.aspx/>.

Reseller acknowledges that it is prohibited from paying expenses for travel, lodging, gifts, hospitality, or charitable contributions for government officials on Tech Data's or Microsoft's behalf. Reseller also acknowledges that it is prohibited from using any funds provided by either Tech Data or Microsoft, or any proceeds resulting from any Tech Data or Microsoft business, to pay expenses for travel, lodging, gifts, hospitality or charitable contributions for government officials.

(ii) **Audit Rights.** During the term of this Agreement and for two years after the later of either (i) the termination of this Agreement, or (ii) the date of issuance of final payment between Tech Data and Reseller, Tech Data or its audit-related agents shall have access to, and the Reseller shall maintain, any books, documents, records, papers, or other materials of the Reseller related to this Agreement (the "Relevant Records"). Reseller shall establish and maintain a reasonable accounting system that enables Tech Data and its audit-related agents to identify Reseller's assets, expenses, expenditures, costs of goods, margins, discounts, rebates or other payments and compensation received, and use of funds related to this Agreement. Reseller shall maintain a system of internal controls to prevent the payment of bribes and provide reasonable assurance that financial statements and reporting are accurate. Reseller shall not have undisclosed or unrecorded accounts for any purpose. False, misleading, incomplete, inaccurate, or artificial entries in the books and records are prohibited.

Tech Data will provide Reseller with at least ten days written notice of its intent to exercise its rights under this provision. The Relevant Records and, if requested, relevant employees, shall be made available to Tech Data or its audit-related agents during normal business hours at the Reseller's office or place of business. If no such location is available, then the Relevant Records, and if requested, relevant employees, shall be made available at a time and location that Tech Data will determine.

## **9. Payment.**

**a. Payment Due Date.** The Program Guide specifies the reporting and payment requirements for the Products. Payments are due on the date and in the currency stated in the Program Guide. If Reseller does not receive an invoice within ten (10) days after its standard monthly invoice date, it must promptly notify Tech Data, and Tech Data will promptly send a new invoice. Reseller must manage its own credit risk. Reseller's payment to Tech Data is not dependent on receipt of payments from Customers even in the case of insolvency.

If Reseller fails to make any payments by the due date, Tech Data may take any of the following actions:

(i) Tech Data may hold all pending orders, suspend further shipments or Customer access to Products under any agreement between Tech Data and Reseller until Tech Data receives all payments due under this Agreement;

(ii) Tech Data may charge interest on the past due amount from the first day the amount is past due until the amount is paid in full. This includes any

before or after judgment amounts. Interest will be charged at the rates set forth in the Program Guide. Reseller will pay Tech Data interest on demand.

If Tech Data chooses to take any of these actions, it does not waive any other right or remedy it may possess.

Reseller may not withhold payment or take deductions from any invoice amount (by offset, counterclaim, or otherwise) before Tech Data issues a credit. This includes returns, rebates, price adjustments, billing errors, shipping claims, handling fees, allowances, remittance costs and other charges.

#### **10. Warranty and Indemnity Obligations.**

**a. Warranty.** Microsoft warrants its Products to Customers as described in the Customer Agreement.

**b. No Warranty.** Unless required by applicable laws, neither Tech Data nor Microsoft gives any other express warranties, representations or conditions. To the maximum extent permitted under applicable laws, Tech Data excludes all implied warranties and conditions, such as implied warranties of merchantability, non-infringement, and fitness for a particular purpose.

**c. No Warranties for Other Items.** Neither Tech Data nor Microsoft makes any warranties or conditions as to items distributed under a third party name, copyright, trademark or trade name that may be offered with or incorporated with the Products. To the maximum extent permitted by applicable law, neither Tech Data nor Microsoft will have any liability in connection with the third party items (such as any supply or failure to supply them).

**d. Indemnification.** Reseller shall defend, indemnify and hold harmless Tech Data from and against any third party claims and any damages, liability, costs and expenses (including attorney's fees) that arise out of Reseller's (i) negligence or misconduct in its performance under this Rider, (ii) failure to abide by the terms of this Rider and/or (iii) misuse and/or non-compliance with Microsoft's Trademark Guidelines. Tech Data will promptly notify the other party of the claim and cooperate with the other party in defending the claim. Reseller shall have full control and authority over the defense, except that any settlement requiring Tech Data to admit liability or to pay any money will require Tech Data's prior written consent, and Tech Data may join in the defense with its own counsel at its own expense.

#### **11. Limitations on and Exclusions of Damages.**

**a. Limitation.** Unless applicable law requires otherwise, the only remedy that either party will have for anything related to this Agreement is to obtain direct damages from the liable party up to the amount actually paid by Reseller to Tech Data during the prior one-year period, minus any amounts paid by the liable party during that same period for any prior liability. Neither party can recover any other damages from the other, including loss of revenue or indirect, special, incidental, consequential, punitive, or exemplary damages, or damages for lost profits, revenues, business interruption, or loss of business information, even if the party knew they were possible.

The limitations in this section apply to: (i) anything related to the Products; and (ii) claims for breach of contract, breach of warranty, strict liability, negligence or other tort to the extent permitted by applicable law. It also applies even if Reseller is not fully compensated

for any losses, or Tech Data knew or should have known about the possibility of damages.

The limitations do not apply to claims for non-payment, fraud, breach of confidentiality, Reseller's violation of Tech Data's or Microsoft's intellectual property rights, third party claims and the failure to obtain acceptance of a Customer Agreement. **Each party's liability for loss or damage of any kind (including loss or damage caused by negligence) is reduced to the extent that the other's agents caused or contributed to that loss or damage.**

#### **13. Intellectual Property.**

**a. Use of Marks.** Reseller may use Microsoft's corporate name, technology names and trademarks in plain text (but not logos, trade dress, designs or word marks in stylized form) to accurately identify and refer to Microsoft and its technology and services in accordance with the guidelines for Referential Use of Microsoft Trademarks located at <http://www.microsoft.com/en-us/legal/intellectualproperty/Trademarks/default.aspx>.

**b. Proprietary Notices.** Reseller must not remove any copyright, trademark or patent notices from any of the Products. Reseller must include Microsoft's copyright notice on any documentation for the Products, including online documentation. The first time Reseller mentions the name of Microsoft's Products in communications, it must use the appropriate trademark, Product descriptor and trademark symbol (either "™" or "®"), and clearly indicate Microsoft's (or Microsoft's suppliers') ownership of the trademark(s).

**14. Reservation of Rights.** At any time during the term of this Agreement, Microsoft may terminate any Customer's status as a Customer. Tech Data will promptly notify Reseller of the termination of any of its Customers. Following such a notice, Reseller will immediately stop collecting orders for Products from the terminated Customers. Reseller will also stop delivery of any program information and materials to the terminated Customer. Termination will not affect the Customer's obligation to file the next required order or report, if any. Termination will not affect Tech Data's right to invoice Reseller for the order, or Reseller's obligation to pay Tech Data. If either Tech Data or Microsoft terminates a Customer, Reseller will not have any claim against Tech Data or Microsoft for damages or lost profits resulting from the termination. Reseller will be entitled to invoice the Customer for the Products that the Customer ordered before termination.

#### **15. Government Restrictions.**

**a. Export Restrictions.** The Products, software, services and technology sold pursuant to this Agreement are subject to U.S. export jurisdiction. All parties must comply with all applicable international and national laws, including the U.S. Export Administration Regulations, the International Traffic in Arms Regulations, and end-user, end use and destination restrictions by U.S. and other governments.

**b. Government Approvals.** Reseller (and its Affiliates) must obtain the government approvals (and demonstrate other compliance) that are necessary for Reseller to resell Products or otherwise perform under this Agreement. This is at Reseller's expense. Reseller may import and provide the Products in or to a country or Territory only if allowed by, and in compliance with, all applicable laws and regulations of the country or Territory, as well as this Agreement.

**16. Termination**

**a. TERMINATION FOR VIOLATION OF APPLICABLE LAW OR AT MICROSOFT'S REQUEST.** Tech Data may terminate this Rider immediately upon written notice to Reseller if (i) Tech Data believes, in good faith, that Reseller has violated or caused Tech Data to violate any anti-bribery laws, or that such violation is reasonably likely to occur or (ii) at Microsoft's request.

**b. TERMINATION FOR CONVENIENCE.** Either Party may terminate this Rider by giving thirty (30) days prior written notice to the other Party.

**c. TERMINATION FOR BREACH.** Tech Data may suspend performance or terminate this Rider if Reseller: (i) is in material breach and fails to cure within 30 days after receipt of written notice; (ii) suspends, or threatens to suspend, payment of its debts or admits inability to pay its debts; (iii) ceases its business operations or becomes subject to insolvency proceedings which are not dismissed within 90 days.

**d. EFFECT OF TERMINATION.** Upon any termination or expiration of this Rider: (i) all rights and licenses granted to Reseller will immediately cease; (ii) all payments owed under this Rider become immediately due and payable; and (iii) Reseller will inform Customers that its relationship with Microsoft (through Tech Data) has terminated. Termination of this Agreement terminates all Program Guides under this Agreement, and any amendments or addenda.

If this Agreement expires or is terminated for any reason other than a breach by Reseller:

1. Tech Data will, subject to the terms of this Agreement, continue to provide Products to Reseller in respect of Customers with an active Subscription for the shorter of 12 months or the minimum period of required performance by Reseller under its applicable Customer Agreement;

2. Reseller will, subject to the terms of this Agreement, continue to provide Products to Customers with a binding Customer Agreement for the shorter of 12 months or the minimum period of required performance by Reseller under such Customer Agreement.

**17. No Assignment.** Authorized Subreseller shall not assign this Rider without the prior written consent of Tech Data.

**a. Entire Agreement.** This Agreement is Tech Data's entire agreement relating to Reseller's provision of Products under the Microsoft Cloud Agreement Program (or other licensing program that Tech Data has authorized Reseller to provide) and Program Guide. It supersedes any prior or contemporaneous communications. Except for the Program Guides, this Agreement can be changed only if both parties who entered into this Agreement sign an amendment. Tech Data may change the Program Guide from time to time without Reseller's approval. If there are material changes in the Program Guide, Microsoft will give Reseller thirty (30) days' prior written notice. In case of any inconsistency in determining the reseller relationship, this Agreement takes priority over the Program Guide.

**IN WITNESS WHEREOF,** the Parties have each caused this Rider to be signed and delivered by its duly authorized officer or representative as of the date set forth below.

**TECH DATA CORPORATION**

BY: \_\_\_\_\_  
Martin Bauerlein

SVP, US Sales

DATE: \_\_\_\_\_

**"AUTHORIZED RESELLER"**

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_