

Dealer Agreement

1. General

Subject to mutually agreed modification in writing, the terms and conditions of this agreement (the "Agreement") shall govern the sale and licensing of goods supplied by Interworld Electronics and Computer Industries Inc., its subsidiaries and related companies ("INTERWORLD") and _____ (the "DEALER").

2. Appointment

INTERWORLD hereby appoints the DEALER as a non-exclusive representative to resell the products listed in INTERWORLD's current Dealer Price List ("Price List") and subsequent Price Lists as they are published. Unless otherwise specified in writing the Dealer A pricing of the Price List is applicable to this Agreement.

3. New and Demonstration / Used Equipment Sales Terms and Conditions

All Sales Terms and Conditions and Demonstration / Used Equipment Sales Terms and Condition apply to the sale and licensing of goods supplied by INTERWORLD and form part of this Agreement. Where there is a conflict between those terms of this Agreement shall apply.

4. DEALER's Undertaking

The DEALER hereby agrees and undertakes to sell or lease all goods acquired from INTERWORLD under this Agreement to third party end user purchasers, except for those goods that are necessary for the DEALER to use as demonstration aids, and that the goods acquired shall not be sold on a mail order basis.

5. Commencement of Agreement

The terms of this Agreement shall commence on the date of INTERWORLD's execution of this Agreement and it shall be effective until terminated pursuant to Clause 13 of this Agreement.

6. Product inclusion and Scope

- (1) Products, as used in this Agreement, shall be defined as those products which are listed in INTERWORLD's then current Price List. INTERWORLD then reserves the right to add or delete product to or from the Price List.
- (2) This Agreement shall apply to all products purchased or licensed by the DEALER from INTERWORLD.

7. Discount Schedule

All orders issued by the DEALER and accepted by INTERWORLD under this Agreement, shall have the then current Dealer's Discount Schedule applied to them. The Dealer Discount Schedule is subject to change at any time without notice.

8. Returns and Restocking Charges

No return will be accepted by INTERWORLD without prior authorization. The DEALER will be responsible for a restocking charge equivalent to fifteen percent (15%) of the net invoice price per returned product. The dealer will prepay all freight and shipping charges. INTERWORLD reserves the right to refuse all unauthorized returns. Products which have been altered or defaced in any way will not be accepted for return and/or credit.

9. Warranties

Clause 6 of the Sales Terms and Conditions and Clause 4 of the Demonstration . Used Equipment Sales Terms and Conditions apply to the sale and licensing of goods supplied by INTERWORLD. The warranties contained herein shall extend to and be enforceable only by the DEALER.

10. Relationship and Conduct of Business

- (1) The DEALER shall use its best efforts and devote such time as may be reasonably necessary to promote, sell, install, and maintain INTERWORLD's products.
- (2) The DEALER will conduct all its business in its own name as it may see fit. The DEALER will pay all expenses whatever of its business and activities and be responsible for the acts and expenses of its employees.
- (3) Nothing in this Agreement shall be construed to constitute the DEALER as the partner, employee or agent of INTERWORLD nor shall either party have any authority to bind the other in any respect, it being understood that the DEALER shall remain an independent organization responsible only for its own action.
- (4) The DEALER agrees to secure from its customers the appropriate license agreements and registration, properly executed, for use of products in accordance with INTERWORLD's requirements for each product. The DEALER agrees to forward all such documents to INTERWORLD within fifteen (15) days of execution.

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11. Data and Proprietary Rights in Data

Where INTERWORLD supplies data necessary for the proper installation, test and operation of the products. Portions of this data are proprietary in nature and will be so marked. The DEALER agrees to abide by the terms of such markings and to be liable for all loss or damage incurred by INTERWORLD as a result of the improper or unauthorized use of such data. INTERWORLD retains for itself all proprietary rights in any and all products specified in this Agreement and to any and all products developed as a result thereof, including the sole right to manufacture any and all such products.

12. Changes to Product Specification

INTERWORLD reserves the right at any time to make changes to any products which it supplies under this Agreement.

13. Termination

- (1) INTERWORLD shall have the right to terminate this Agreement at any time at its sole discretion.
- (2) The DEALER shall have the right at any time to terminate this Agreement upon thirty (30) days written notice to INTERWORLD.
- (3) Any such termination shall not affect any of the DEALER's pre-termination obligations hereunder.
- (4) Upon termination of this Agreement all demonstration aids, proprietary data and INTERWORLD's products in possession of the DEALER shall be returned within ten (10) days to INTERWORLD.
- (5) In the event that the DEALER defaults on any of the terms and conditions of this Agreement or this Agreement is terminated by either of the parties, the DEALER agrees to allow quiet access to its place of business and such other locations where INTERWORLD's products in the possession of the dealer are stored and not to hinder in any way the removal of INTERWORLD's products from those locations.

14. Execution

This Agreement shall not be binding on INTERWORLD until executed by INTERWORLD.

15. Entire Agreement

This Dealer Agreement constitutes the entire agreement between INTERWORLD and the DEALER, and supercedes all prior Dealer Agreements.

16. DEALER Declaration

The DEALER declares that he has read and agrees to the Sales Terms and Conditions, the Demonstration / Used Equipment Sales Terms and Conditions which form part of this Agreement, and the Terms and Conditions of this Agreement.

17. Applicable Law

This Agreement shall be governed by the laws of the Province of British Columbia in Canada and State of Washington in the USA.

18. Confidentiality

The provisions of this Agreement shall be deemed confidential and the DEALER shall not divulge any of the provisions set forth herein to any third party except as may be required by law.

19. Successors and Assigns

This Agreement shall ensure to the benefit of INTERWORLD its successors and assigns; and the obligation created under it shall be binding on the DEALER and its successors and assigns.

Name: _____ Title: _____

Authorized Signature: _____ Date: _____

Accepted for INTERWORLD

Name _____ Title: _____

Authorized Signature: _____ Date: _____

Sales Terms and Conditions

1. General

Subject to mutually agreed modification in writing, these terms and conditions of sale apply to any sale or supply contract between **INTERWORLD Electronics and Computer Industries Inc.**, its subsidiaries and related companies ("Interworld") and the PURCHASER.

- (1) Unless there is a fixed time limit specified for acceptance, quotations are for immediate acceptance. All orders are subject to acceptance by **INTERWORLD** when received and such acceptance shall be strictly subject to these terms and conditions of sale.
- (2) Quotations are subject to change at any time and expire after 30 days from the date specified in the quotation, unless otherwise stated in writing.
- (3) **INTERWORLD** reserves the right to change prices, price discounts, terms and goods availability at any time without prior notice.
- (4) All orders received are subject to credit approval.

2. Prices

Prices quoted are F.O.B. **INTERWORLD**'s warehouse in Canada or the USA unless otherwise stated in writing.

- (1) The prices quoted do not include additional insurance coverage or sales taxes, use, excise and similar taxes unless so stated in writing. All such costs and taxes, except where the PURCHASER supplies **INTERWORLD** with a tax exemption certificate acceptable to the taxing authorities, shall be paid by the PURCHASER.
- (2) Where transportation costs are borne by **INTERWORLD**, and the PURCHASER request an alternate method of transportation other than the most economical one, the PURCHASER shall pay the excess cost of transportation.

3. Payment

Payments are due net 30 days after invoice. Interest on overdue accounts will be charged at the rate of 2 1/2% per month.

- (1) If in the judgment of **INTERWORLD**, conditions do not justify shipment on the terms specified, **INTERWORLD** may require full or partial payment in advance.
- (2) Pro rata payments shall be invoiced as shipments are made. If the PURCHASER delays shipment, invoices shall be issued on the date **INTERWORLD** is prepared to make shipment. Goods held for the PURCHASER shall be at risk and expense of the PURCHASER.
- (3) Payment of outstanding amounts shall not be stopped or delayed because of complaints.
- (4) Counter claims shall not be deducted from payments due to **INTERWORLD**, but may be claimed separately.

4. Delivery

Delivery dates are approximate and are based on prompt receipt by **INTERWORLD** of all information and approvals required. **INTERWORLD** reserves the right to make partial deliveries.

- (1) No cancellation for late delivery is allowed without **INTERWORLD**'s consent.
- (2) Carrier shall be selected by **INTERWORLD** unless advance designation of carrier is made by the PURCHASER.
- (3) On all shipments, if there is evidence of damage to or shortage of containers or contents, the PURCHASER will not acknowledge receipt "in good condition", but will acknowledge receipt. Claims for loss or damage shall be made by the PURCHASER to the delivering carrier without delay with a complete description of the damage or shortage.

5. Rejects and Returns

Goods shall not be returned without prior authorization of **INTERWORLD** and only in accordance with **INTERWORLD**'s terms and instructions. Returned items shall be at the PURCHASER's risk and expense.

6. Warranty

THIS WARRANTY IS EXPRESSLY IN LIEU OF ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

- (1) **INTERWORLD** warrants all goods supplied by it to be free from defects in material and workmanship, under normal use, care, storage and service, for the period specified by the factory from the date of delivery to the PURCHASER.
- (2) This warranty is limited to the repair or replacement, as **INTERWORLD** may elect and at an establishment authorized by it, of such items as shall appear to **INTERWORLD**, upon inspection to have been defective in material or workmanship. Installation and shipping costs shall be borne by the PURCHASER.
- (3) This warranty does not apply to normal maintenance service or to normal replacement of service goods.
- (4) Any claim under this warranty shall expire unless made in writing immediately after the appearance of a claimed defect.
- (5) This warranty excludes damage from negligence, misuse or abuse or any item of equipment which has been serviced or worked on by anyone other than **INTERWORLD**.

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7. Title and Risk

The title to goods shall pass to the PURCHASER when all payments due have been paid in full. Notwithstanding the above, risk will pass to the PURCHASER FOB INTERWORLD's warehouse.

8. Limitation of Liability

(1) **INTERWORLD** accepts all orders without liability for any delay in performance, delivery, shipment of goods, damages suffered by the PURCHASER, or similar circumstances, which results directly or indirectly from causes beyond the reasonable control of **INTERWORLD** including but not limited to force majeure.

(2) **INTERWORLD** shall not incur any liability on any claim except as specifically provided for in writing, whether that claim be in contract tort (including negligence) or otherwise for any loss or damage arising out of, connected with, or resulting from the manufacture, sale, delivery, resale, malfunction, repair, replacement or use of any goods or there of which gives rise to a claim. **INTERWORLD** shall not under any circumstances, be liable for special, indirect or consequential damages.

(3) **INTERWORLD** shall not, under any circumstance, be held responsible for the manner and type of application to which any of its good is put to use by the PURCHASER or anyone who subsequently becomes the owner of **INTERWORLD's** goods.

9. Insurance

If **INTERWORLD** has any liability to the PURCHASER or third party resulting from the negligence of **INTERWORLD**, its employees or agents, that liability shall be limited to the insurance coverage which can be obtained from policies presently carried by **INTERWORLD** or PURCHASER or third party on behalf of **INTERWORLD**.

10. Non-performance and Termination or Postponement

(1) If the PURCHASER defaults in any payments, **INTERWORLD** shall be entitled to immediate possession of the goods and shall be free to enter the premises where the goods may be located and remove it as its property and may retain any partial payments which have been made, without prejudice to its rights to recover any further expenses or damages it may suffer by reason of such non-payment.

(2) **INTERWORLD** may, without prejudice, cancel any accepted order or postpone delivery, if the PURCHASER is in breach of any of its covenants, or if the PURCHASER ceases to carry on in the normal course of business by becoming bankrupt, insolvent or in any other manner which might prejudice **INTERWORLD's** right with respect to the PURCHASER.

11. Cost Recovery

The PURCHASER agrees to pay **INTERWORLD** for all costs and expenses incurred by it in collecting the purchase price of goods and services and enforcing its rights including legal fees incurred whether or not formal legal action is commenced.

Initial: _____

DEALER INFORMATION

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Legal Name of Company (in full) _____

Address: _____

No. Street City Prov. PostCode

Head Office: — Branch: — Phone: — Fax No. —

If Branch Give Name & Address of HO: _____

Corporation: — Sole Proprietorship: — Partnership: — Other: —

FST NO: — PST Exempt No: — AC/PAYABLE PHONE: —

ACC.PAYABLE CONTACT: — Cheques Issued From: —

How Long Co.In Business: — Nature of Business: —

No.of Employees: — Annual Sales:\$ — Number of Branches: —

Principals (Owners):

Name: — Title: —

Home Address: — City: —

Province: — Home Telephone: —

Name: — Title: —

Home Address: — City: —

Province: — Home Telephone: —

Name: — Title: —

Home Address: — Home Telephone: —

No.of Salespeople: — Area of Specialty: —

Products for which you are authorized dealer: _____

Do you provide technical service: — No.of technicians: —

BANK: — Contact: — Title: —

Address: —

Phone: — Transit No: — ACCOUNT No.: —

NAME AND ADDRESS OF ESTABLISHED SUPPLIERS

Name: — Phone: — Fax: —

Address: —

Name: — Phone: — Fax: —

Address: —

Name: — Phone: — Fax: —

Address: —