



DISTRIBUTOR TERMS

U.S. Version

These Distributor Terms are incorporated by reference into the CSS Terms and apply only if the Special Terms expressly authorize Customer to distribute Solutions and then only with respect to the territory specified in such Special Terms (the "Territory").

1. RIGHTS.

1.1 Scope. If the Special Terms expressly provide that Customer may distribute Solutions, then notwithstanding the other terms of the Agreement, Company grants Customer (hereinafter, "Distributor") the non-exclusive and non-transferable right to resell the Solutions to (a) resellers in the Territory who purchase the Solutions for resale to end users ("Resellers"); or (b) if permitted by Company, end users in the Territory ("Indirect Users"). To the fullest extent permitted under applicable law, Distributor will not solicit orders or resell the Solutions outside the Territory.

1.2 Non-Exclusive Agreement. For the avoidance of doubt, Distributor's resale rights are non-exclusive and nothing herein prevents Company from selling or licensing Solutions, directly or indirectly, through related or third parties, in the Territory. In no event will Distributor be entitled to any commission, fees or other amounts related to such sales or licenses.

2. **PRICING**. Distributor is free to establish the prices and discounts it charges to its direct customers for Solutions. The price Distributor pays to Company for Solutions is set forth in the Special Terms. Company's suggested retail or Reseller price is a suggested price only.

3. **ORDERS AND PAYMENT**. Distributor will order Solutions from Company in accordance with Company's order entry process. Company reserves the right to accept or reject any order at its discretion. If Company approves an order, Company will invoice Distributor for the Solution in accordance with the Special Terms. Distributor will remit payment within 30 days of the invoice date, regardless of whether Distributor has received payment for the Solution.

4. OPERATION.

4.1 Branding. All Solutions will be branded in accordance with Company's trademark usage and branding guidelines. As between the Distributor and Company, all trademarks, service marks, trade names and logos identifying the Solutions are and will remain the exclusive property of Company or its licensors. Distributor is granted the limited, non-exclusive, non-transferable right to use such marks in the Territory solely to market and promote the Solutions and only in accordance with Company's trademark usage and branding guidelines. Any and all goodwill appurtenant to the use of such trademarks shall accrue exclusively to the benefit of Company.

4.2 Business Conduct. Distributor will resell the Solutions in accordance with the Company's resale policies and procedures. Distributor will resell Solutions subject to these CSS Terms. Distributor will, at its expense, obtain and maintain any governmental authorizations that may be required under the laws of the Territory to resell the Solutions. Distributor is responsible for complying with local laws and regulations for each of the territories Distributor is authorized by Company to sell into.

4.3 Policies. Distributor will comply with all policies issued by Company relating to sales operations, including without limitation, stock rotation, price protection, minimum order quantity, warranty, market integrity and data reporting requirements as updated from time to time by Company ("Policies").

4.3 Reporting. Distributor shall provide to Company on request by Company, or as required by Company resale policies and procedures, (a) a written survey of the current and six-month forecast of demand for the Solutions in the Territory, especially in relation to similar or competing products; (b) complete and accurate daily inventory reports and daily point of sale (POS) reports via EDI or other electronic means specified by Company in a computer-readable format; and (c) any other information required to be provided under the Policies. Failure to accurately and timely provide complete daily inventory and daily POS reports, and any other violation of reporting obligations required by Company, constitutes a material breach of these Distributor Terms and, at the sole discretion of Company, will void Distributor's right to participate in Sales Programs, in addition to any other rights or remedies Company has under these Distributor Terms, statutes, law or equity.

4.4 Notices. Distributor shall not remove, alter or obscure any copyright, patent, trademark or other notice that appears on the Solutions.

4.5 EULA. All Software is subject to the terms and conditions of Seagate's standard end user license agreement ("EULA") available at www.seagate.com or otherwise provided by Seagate. As a condition to reselling Products, Distributor must provide a copy of the EULA to the Indirect User and shall use its reasonable efforts to obtain the consent of Indirect Users to EULA as part of its sales agreement and deliver relevant licenses and notices for third party software for the Software that are not otherwise available at www.seagate.com.

4.6 Training and Support. Distributor shall be responsible for providing customer support to Resellers. Company may, from time to time, develop and modify guidelines and procedures specifying the nature, level and manner of technical support Distributor is required to provide to its Resellers.

4.7 Sales Programs. Company may, from time to time, offer sales incentive programs on a one-time or periodic basis ("Sales Programs"). Company may modify Sales Programs and its policies at any time. Sales Programs may only be offered by authorized representatives of Company and are void where prohibited.

4.8 Non-Approved Product Use. Company's Products are not designed for use in environments requiring fail-safe performance, such as in the operation of nuclear facilities, aircraft systems, air traffic control, life support machines, weapons systems, or any other environment in which the failure of Products could lead directly to death, personal injury, or severe physical or environmental damage ("Non-Approved Product Use"). Company disclaims any and all liability for Non-Approved Product Use. If Distributor elects to make and sell any products for Non-Approved Product Use using Company's Products, then Distributor assumes all risk for any such use of Company's Products. Distributor agrees to indemnify Company against any and all claims arising out of any use of the Products in any Non-Approved Product Use.

5. **AT WILL TERM**. Neither Company nor Distributor has any ongoing obligation to supply or distribute Solutions. Unless expressly agreed otherwise in Special Terms, these Distributor Terms are effective on a month to month basis and either party may terminate these Distributor Terms at any time on 30 days prior notice. Upon termination, Distributor shall immediately pay all outstanding fees. If Distributor is entitled under local law or otherwise to any special payment or termination indemnity as a consequence of termination or expiration of these Distributor Terms, Distributor hereby waives and disclaims any right to such payment or indemnity.

6. **AUDIT**. Distributor agrees to keep complete, correct and detailed records relating to its resale of Solutions, including a list of all Resellers and Indirect Users. At Company's reasonable request and upon 5 days prior written notice, Company and/or its authorized representatives shall have the right to

inspect and audit, at Distributor's facilities and other applicable locations during normal business hours, Distributor's compliance with applicable law; compliance with these Distributor Terms; and all books, records and electronic data relating to transactions and Sales Programs and Policies ("Sales Data") for the Products. Distributor shall cooperate with such audit. If Distributor fails to maintain Sales Data as required by these Distributor Terms, then Company may take remedial action in its sole discretion, including without limitation, recovery of amounts paid for Sales Programs, collection of audit fees, and termination of these Distributor Terms.

7 INDEMNITY. Distributor will indemnify Company against any damage, loss, liability or expense (including lawyers' fees) that Company may incur as a result of (i) any promise granted by Distributor or provided by law in addition to or in lieu of the provisions set out in these and the CSS Terms, (ii) any omission or inaccuracy in Distributor's advertisements, promotional materials and documentation that relate to the Solutions, or (iii) any modification of or addition to the Solutions not provided by Company, in each case, on the condition that Company (a) notifies Distributor in writing promptly following the date on which Company becomes first aware of such claim, (b) gives Distributor, at Distributor's request and expense, sole authority and control of the defense or settlement of such claim, and (c) provides all reasonable information and assistance requested by Distributor to handle the defense or settlement of any such claim.. This Section will not be construed to limit or exclude any other claims or remedies which Company may assert under these Distributor Terms or by law.

8. COMPLIANCE WITH ANTI-BRIBERY LAWS. In performing its obligations, Distributor must comply strictly with anti-bribery laws applicable in any jurisdiction where Distributor does business and with the United States Foreign Corrupt Practices Act, 15 U.S.C. sec. 78dd-1 *et seq.* and any similar local laws. Distributor certifies that it has not offered to pay or authorized any third party to pay or give, and does not and will not offer to pay or authorize any third party to pay or give, any money or any other thing of value, directly or indirectly to any government official or employee; any political party or official or employee thereof; or any candidate for political office, in order to obtain or retain any business, or secure any improper advantage. Distributor acknowledges that its breach of this Compliance with Anti-Bribery Laws section is grounds for Company's immediate termination of this Agreement.

9. INDEPENDENT CONTRACTOR. The relationship between Company and Distributor is that of independent contractors. Neither party will be deemed to be the agent, employee, fiduciary, partner or co-venturer of the other party for any purpose. Distributor shall have no right (and will not represent to third parties that Distributor has the right) to (a) make any representations or warranties on behalf of Company; (b) receive or accept orders on behalf of Company; (c) collect or make payments for Company unless authorized in the Special Terms, or (d) otherwise create or assume any binding legal obligations or liabilities to third parties for Company. All financial obligations associated with Distributor's business are Distributor's sole responsibility.