TECH DATA CORP

FORM 10-K
(Annual Report)

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

x **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended January 31, 2012

OR

¨ **TRANSITION REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to .

Commission File Number 0-14625

TECH DATA CORPORATION

(Exact name of Registrant as specified in its charter)

Florida	**59-1578329**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification Number)**
5350 Tech Data Drive Clearwater, Florida	**33760**
(Address of principal executive offices)	**(Zip Code)**

(Registrant's Telephone Number, including Area Code): (727) 539-7429

Securities registered pursuant to Section 12(b) of the Act:
Common stock, par value $.0015 per share

Securities registered pursuant to Section 12 (g) of the Act: None

Indicate by a check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes x No ¨

Indicate by a check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ¨ No x

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No ¨

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No ¨

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. x

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "accelerated filer", "large accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer x Accelerated Filer ¨

Non-accelerated Filer ¨ Smaller Reporting Company Filer ¨

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ¨ No x

Aggregate market value of the voting stock held by non-affiliates was $1,846,959,416 based on the reported last sale price of common stock on July 31, 2011, which is the last business day of the registrant's most recently completed second fiscal quarter.

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

Class	Outstanding at February 24, 2012
Common stock, par value $.0015 per share	41,131,386

DOCUMENTS INCORPORATED BY REFERENCE

The registrant's Proxy Statement for use at the Annual Meeting of Shareholders on May 30, 2012, is incorporated by reference in Part III of this Form 10-K to the extent stated herein.

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PART I

ITEM 1. *Business.*

Overview

Tech Data Corporation ("Tech Data," "we," "our," "us," or the "Company"), is one of the world's largest wholesale distributors of technology products. We serve as an indispensable link in the technology supply chain by bringing products from the world's leading technology vendors to market, as well as providing our customers with advanced logistics capabilities and value-added services. Our customers include more than 125,000 value-added resellers ("VARs"), direct marketers, retailers and corporate resellers who support the diverse technology needs of end users. We sell to customers in more than 100 countries throughout North America, South America, Europe, the Middle East and Africa. Throughout this document we will make reference to the two primary geographic markets we serve as the Americas (including North America and South America) and Europe. For a discussion of our geographic reporting segments, see "Item 8. Financial Statements and Supplemental Data."

The Company's financial objectives are to grow sales at or above the market, gain share in select markets, improve profitability, generate positive cash flow, and earn a return on invested capital well above our weighted average cost of capital. To achieve this, we focus on a strategy of execution, diversification and innovation that we believe differentiates our business in the marketplace.

Execution is fundamental to our business success, and at its core are 29 logistics centers where each day, tens of millions of dollars of technology products are received, packaged and shipped to our customers. Products are generally shipped from regionally located logistics centers the same day the orders are received. In addition, execution is marked by a high level of service provided to our customers through our company's technical, sales and marketing support, electronic commerce tools, product integration services and financing programs.

Our diversification strategy seeks to continuously remix our product and customer portfolios towards higher growth and higher return market segments through organic growth initiatives and acquisitions. We believe that as industry standardization, mobility, cloud computing, the convergence of consumer and professional devices and other potentially disruptive factors transform the way technology is used and delivered, we will leverage our highly efficient logistics infrastructure to capture new market opportunities emerging in specialty areas, such as data center, software, consumer electronics and mobility.

The final tenet of our strategy is innovation. Our IT systems and e-business tools and programs have provided our business with the flexibility to effectively navigate fluctuations in market conditions, structural changes in the technology industry, as well as changes created by products we sell. These IT systems and e-business tools and programs have also worked to strengthen our vendor and customer relationships, while at the same time improving the efficiency and profitability of these business partners.

We believe our strategy of execution, diversification and innovation will continue to strengthen our position in the technology supply chain and positions us for continued growth and improved profitability in the future.

History

Tech Data was incorporated in 1974 to market data processing supplies such as tapes, disk packs, and custom and stock tab forms for mini and mainframe computers directly to end users. With the advent of microcomputer dealers, we made the transition to a wholesale distributor in 1984 by broadening our product line to include hardware products and withdrawing entirely from end-user sales.

From fiscal 1989 through fiscal 2007, we expanded our geographic footprint and strengthened our position in certain product and customer segments through the acquisitions of several distribution companies in both the Americas and Europe.

In fiscal 2008, we executed a joint venture agreement with Brightstar Corp., one of the world's largest wireless products distributors and supply chain solutions providers. The joint venture distributes mobile phones and other wireless devices to a variety of customers including mobile operators, dealers, agents, retailers and e-tailers in certain European markets. This joint venture generated revenues of approximately $1.8 billion during the year ended January 31, 2012.

In fiscal 2011, we continued to support our diversification strategy by completing five acquisitions in Europe, including the acquisition of Triade Holding B.V. ("Triade"), a privately-held portfolio of leading value-added distributors of consumer electronics and information technology products in the Benelux region, Denmark and Norway. We believe the acquisition of Triade strengthened our presence in Benelux, Denmark and Norway and enabled us to accelerate our diversification strategy into the consumer electronics business in Europe, while leveraging our logistics infrastructure. In a related transaction, Brightstar Europe Limited ("BEL"), our consolidated joint venture with Brightstar Corp., acquired Triade's mobility subsidiaries in Belgium and the Netherlands ("MCC"), significantly extending BEL's mobility operations in Europe.

In fiscal 2012, expanding upon the success of our mobility distribution joint venture in Europe, we executed an agreement with Brightstar Corp. to establish a joint venture in the United States, hereinafter referred to as TDMobility. TDMobility simplifies the selling, delivery and support of mobile services for our resellers serving the small and medium business markets. In addition, during the fiscal year we made two acquisitions in the European technology distribution marketplace. While the acquisitions did not have a significant impact on our consolidated results of operations, the addition of these businesses expanded our product and customer portfolios and continued to add desired skill sets, while leveraging our logistics infrastructure in Europe. Lastly, in fiscal 2012 we exited our commercial in-country operations in Brazil and Colombia. Brazil's complex legal, tax and regulatory environments prevented us from generating an adequate level of profitability and a sufficient return on invested capital. In Colombia, a small greenfield operation launched in fiscal 2010, we were unable to gain a level of traction equal to our investment in that market, and thus we ceased our in-country operations at the end of fiscal 2012. We will continue to serve both the Brazil and Colombia markets through our Miami-based export business.

Industry

The wholesale distribution model has proven to be well suited for both manufacturers and publishers of technology products (also referred to in this document as "vendors") and resellers of those products. The large number of resellers makes it cost efficient for vendors to rely on wholesale distributors to serve this diverse and highly fragmented customer base.

Resellers in the traditional distribution model are able to build efficiencies and reduce costs by relying on distributors, such as Tech Data, for a number of services, including multi-vendor solutions, product configuration/integration, marketing support, financing, technical support, and inventory management, which includes direct shipment to end-users and, in some cases, provides end-users with the distributors' inventory availability.

Due to the large number of vendors and products, resellers often cannot, or choose not to, establish direct purchasing relationships with vendors. As a result, they frequently rely on wholesale distributors, such as Tech Data, who can leverage purchasing costs across multiple vendors to satisfy a significant portion of their product procurement, logistics, financing, marketing and technical support needs.

The technology distribution industry continues to address a broad spectrum of reseller and vendor requirements. While some vendors have elected to sell directly to resellers or end-users for particular customer and product segments, we believe that a growing number of vendors continue to embrace traditional distributors that have proven capabilities to manage multiple products and resellers, provide access to fragmented markets, and deliver products in an efficient manner.

New products and market opportunities have helped to offset the impact of vendor direct sales on technology distributors. Further, vendors continue to seek the logistics expertise of distributors to penetrate highly fragmented markets like the small- and medium-sized business ("SMB") sector, which rely on VARs, our primary customer base, to gain access to and support for new technology. The economies of scale and global reach of large industry-leading and well-capitalized distributors are expected to continue to be significant competitive advantages in this marketplace.

Products and Vendors

We distribute and market more than 150,000 products from more than 500 of the world's leading computer hardware suppliers, networking equipment suppliers, software publishers, and other suppliers of computer peripherals, physical security, consumer electronics, digital signage and mobility hardware. These products are typically purchased directly from the vendor on a non-exclusive basis. Conversely, our vendor agreements do not restrict us from selling similar products manufactured by competitors, nor do they require us to sell a specified quantity of product. As a result, we have the flexibility to terminate or curtail sales of one product line in favor of another due to technological change, pricing considerations, product availability, customer demand, or vendor distribution policies. Overall, we believe that our diversified and evolving product portfolio will provide a solid platform for continued growth.

We continually strengthen our product line in order to provide our customers with access to the latest technology products. However, from time to time, the demand for certain products that we sell exceeds the supply available from the vendor. In such cases, we generally receive an allocation of the available products. We believe that our ability to compete is not adversely affected by these periodic shortages and the resulting allocations.

We believe that our vendor agreements are in the form customarily used by manufacturers and distributors. Agreements typically contain provisions that allow termination by either party upon a short notice period. In most instances, a vendor who elects to terminate a distribution agreement will repurchase from the distributor the vendor's products carried in the distributor's inventory.

Most of our vendor agreements also allow for stock rotation and price protection provisions. Stock rotation rights give us the ability, subject to certain limitations, to return for credit or exchange a portion of those inventory items purchased from the vendor. Price protection situations occur when a vendor credits us for declines in inventory value resulting from the vendor's price reductions. Along with our inventory management policies and practices, these provisions reduce our risk of loss due to slow-moving inventory, vendor price reductions, product updates or obsolescence.

Sometimes the industry practices discussed above are not embodied in agreements and do not protect us in all cases from declines in inventory value. However, we believe that these practices provide a significant level of protection from such declines, although no assurance can be given that such practices will continue or that they will adequately protect us against declines in inventory value. We sell products in various countries throughout the world, and product categories may vary from region to region. On a consolidated basis, over the years, our revenue mix which may fluctuate between and within different operating regions, has shifted from commoditized products to more specialized offerings, reflected in an increase in systems and networking and a decrease in peripherals as a percentage of total sales. During fiscal 2012, sales within our consolidated product categories approximated the following:

Systems	35%
Peripherals	29%
Networking	19%
Software	17%

We generated approximately 25%, 27% and 28% of our consolidated net sales in fiscal 2012, 2011 and 2010, respectively, from products purchased from Hewlett-Packard Company. There were no other vendors that accounted for 10% or more of our consolidated net sales in fiscal 2012, 2011 or 2010.

Customers and Services

Our products are purchased directly from vendors in significant quantities and are marketed to an active reseller base of more than 125,000 VARs, direct marketers, retailers and corporate resellers. While we sell products in various countries throughout the world, and customer channels may vary from region to region, during fiscal 2012, sales within our consolidated customer channels approximated the following:

VARs	53%
Direct marketers and retailers	26%
Corporate resellers	21%

No single customer accounted for more than 10% percent of our net sales during fiscal 2012, 2011 or 2010.

The market for VARs is attractive because VARs generally rely on distributors as their principal source of technology products and financing. This reliance is due to VARs typically lacking the resources to establish a large number of direct purchasing relationships or stock significant product inventories. Direct marketers, retailers and corporate resellers may establish direct relationships with vendors for higher volume products, but utilize distributors as the primary source for other product requirements and an alternative source for products acquired directly.

In addition to a strong product offering, we provide resellers a high level of customer service through our training and technical support, suite of electronic commerce tools (including internet order entry and electric data interchange ("EDI") services), customized shipping documents, product configuration/integration services and access to flexible financing programs. We also provide services to our vendors by providing them the opportunity to participate in a number of special promotions, and marketing services targeted to the needs of our resellers. While we believe that services such as these help to set us apart from our competition, they contribute less than 10% of our consolidated net sales.

We provide our vendors with one of the largest bases of resellers throughout the Americas and Europe, delivering products to customers from our 29 regionally located logistics centers. We have located our logistics centers near our customers which enables us to deliver products on a timely basis, thereby reducing the customers' need to invest in inventory (see also "Item 2—Properties" for further discussion of our locations and logistics centers).

Sales and Electronic Commerce

Our sales representatives consist of field and inside telemarketing sales representatives. The sales representatives are provided comprehensive training regarding our policies and procedures, technical characteristics of our products and product seminars offered by our vendors. Field sales representatives are typically located in major metropolitan areas in their respective geographies and are supported by inside telemarketing sales teams covering a designated territory. Our team concept provides a strong personal relationship between our customers' representatives and Tech Data. Territories with no field representation are serviced exclusively by the inside telemarketing sales teams. Customers typically call our inside sales teams on dedicated telephone numbers or contact us through various electronic methods to place orders. If the product is in stock and the customer has available credit, customer orders are generally shipped the same day from the logistics center nearest the customer or the intended end-user.

Customers often utilize our electronic ordering and information systems. Through our website, customers can gain remote access to our information systems to place orders, or check order status, inventory availability and pricing. Certain of our larger customers have EDI services available whereby orders, order acknowledgments, invoices, inventory status reports, customized pricing information and other industry standard EDI transactions are consummated on-line, which improves efficiency and timeliness for ourselves and our customers. In fiscal 2012, approximately $11.6 billion (44%) of our consolidated net sales originated from orders received electronically, compared to approximately $10.7 billion (44%) of our consolidated net sales in fiscal 2011.

Competition

We operate in a market characterized by intense competition, based upon such factors as rapid technological changes, product availability, credit availability, price, speed of delivery, ability to tailor solutions to customer needs, quality and depth of product lines and training, as well as service and support provided by the distributor to the customer. We believe that we are well equipped to compete effectively with other distributors in all of these areas.

We compete against several distributors in the Americas market, including broadline product distributors such as Ingram Micro Inc., Synnex Corp., and to a lesser extent, more specialized distributors such as Arrow Electronics, Inc. ("Arrow") and Avnet, Inc. ("Avnet"), along with some regional and local distributors. The competitive environment within Europe is highly fragmented, with market share spread among many regional and local competitors such as ALSO/Actebis and international distributors such as Ingram Micro Inc., Westcon Group, Inc. (including its Comstor business unit), Arrow and Avnet.

The Company also faces competition from companies entering or expanding into the logistics and product fulfillment and e-commerce supply chain services market and the evolving direct sales relationships between manufacturers, resellers, and end-users continue to introduce change into the competitive environment of our industry. As we expand our business into new areas, we may face increased competition from other distributors as well as vendors. However, we believe vendors will continue to sell their products through distributors, such as Tech Data, due to our ability to provide them with access to our broad customer base and serve them in a highly efficient manner. Our network of logistics centers and our sales, credit and product management expertise allow our vendors to expand their coverage markets, while lowering their selling, inventory and fulfillment costs.

Employees

On January 31, 2012, we had approximately 8,300 employees (as measured on a full-time equivalent basis). Certain of our employees in various countries outside of the United States are subject to laws providing representation rights to employees on workers councils. Our success depends on the talent and dedication of our employees and we strive to attract, hire, develop and retain outstanding employees. We believe we realize significant benefits from having a strong and seasoned management team with many years of experience in the technology distribution and related industries. We consider relations with our employees to be good.

Foreign and Domestic Operations and Export Sales

We operate predominately in a single industry segment as a distributor of technology products, logistics management, and other value-added services. While we operate primarily in one industry, we manage our business in two geographic segments: the Americas (including North America and South America) and Europe.

Over the past several years, we have entered new markets, expanded our presence in existing markets and exited certain markets based upon our assessment of, among other factors, our earnings potential and the risk exposure in those markets, including foreign currency exchange, regulatory and political risks. To the extent we decide to close any of our operations, we may incur charges and operating losses related to such closures and recognize a portion of our accumulated other comprehensive income (loss) in connection with such a disposition.

Asset Management

We manage our inventories in an effort to maintain sufficient quantities to achieve high order fill rates while attempting to stock only those products in high demand with a rapid turnover rate. Our business, like that of other distributors, is subject to the risk that the value of inventory will be impacted adversely by suppliers' price reductions or by technological changes affecting the usefulness or desirability of the products comprising the inventory. Our contracts with most of our vendors provide price protection and stock rotation privileges to reduce the risk of loss due to manufacturer price reductions and slow moving or obsolete inventory. In the event of a vendor price reduction, we generally receive a credit for the impact on products in inventory and we have the right to rotate a certain percentage of purchases, subject to certain limitations. Historically, price protection and stock rotation privileges, as well as our inventory management procedures, have helped to reduce the risk of loss of inventory value.

We attempt to control losses on credit sales by closely monitoring customers' creditworthiness through our IT systems, which contain detailed information on each customer's payment history and other relevant information. In certain countries, we have obtained credit insurance that insures a percentage of the credit extended by us to certain customers against possible loss. Customers who qualify for credit terms are typically granted net 30-day payment terms in the Americas. While credit terms in Europe vary by country, the vast majority of customers are granted credit terms ranging from 30-60 days. We also sell products on a prepay, credit card and cash-on- delivery basis. In addition, certain of the Company's vendors subsidize floorplan financing arrangements for the benefit of our customers.

Additional Information Available

Our principal Internet address is www.techdata.com . We provide our annual and quarterly reports free of charge on www.techdata.com, as soon as reasonably practicable after they are electronically filed with, or furnished to, the Securities and Exchange Commission ("SEC"). We provide a link to all SEC filings where current reports on Form 8-K and any amendments to previously filed reports may be accessed, free of charge. Information on Tech Data's website is not incorporated into this Form 10-K or the Company's other securities filings and is not a part of them.

Executive Officers

The following table sets forth the name, age and title of each of the persons who were serving as executive officers of Tech Data as of March 2, 2012:

Name	Age	Title
Robert M. Dutkowsky	57	Chief Executive Officer
Jeffery P. Howells	54	Executive Vice President and Chief Financial Officer
Néstor Cano	47	President, Europe
Murray Wright	55	President, the Americas
John Tonnison	43	Executive Vice President and Chief Information Officer
Charles V. Dannewitz	56	Senior Vice President and Treasurer
Joseph B. Trepani	51	Senior Vice President and Corporate Controller
David R. Vetter	52	Senior Vice President and General Counsel and Secretary

Robert M. Dutkowsky, Chief Executive Officer , joined Tech Data as Chief Executive Officer and was appointed to the Board of Directors in October 2006. He has over 30 years of experience in the IT industry including senior management positions in sales, marketing and channel distribution with leading manufacturers and software publishers, including International Business Machines Corporation ("IBM"), EMC Corporation and J.D. Edwards, Inc. His IT career began in 1977 with IBM. During his 20 years with IBM, he served in several senior management positions, including executive assistant to former IBM CEO Lou Gerstner, and Vice President, Distribution – IBM Asia/Pacific. Prior to joining Tech Data, Mr. Dutkowsky was chairman, president and CEO of GenRad, Inc., J.D. Edwards, Inc. and most recently Egenera, Inc. He earned a bachelor's degree in labor and industrial relations from Cornell University.

Jeffery P. Howells, Executive Vice President and Chief Financial Officer , joined the Company in October 1991 as Vice President of Finance and assumed the responsibilities of Chief Financial Officer in March 1992. In March 1993, he was promoted to Senior Vice President and Chief Financial Officer and was promoted to Executive Vice President and Chief Financial Officer in March 1997. In 1998, Mr. Howells was appointed to the Company's Board of Directors. From 1979 to 1991, he was employed by Price Waterhouse. Mr. Howells is a Certified Public Accountant and holds a Bachelor of Business Administration Degree in Accounting from Stetson University.

Néstor Cano, President, Europe , joined the Company (via the Computer 2000 acquisition) in July 1989 as a Software Product Manager and served in various management positions within the Company's operations in Spain and Portugal from 1990 to 1995, after which time he was promoted to Regional Managing Director. In March 1999 he was appointed Executive Vice President of U.S.

Sales and Marketing, and in January 2000 he was promoted to President of the Americas. He was promoted to President, Worldwide Operations in August 2000 and was appointed to the position of President, Europe in June 2007. Mr. Cano holds a PDG (similar to an Executive MBA) from IESE Business School in Barcelona and an Engineering Degree from Barcelona University.

Murray Wright, President, the Americas joined Tech Data in November 2006 as Senior Vice President, U.S. Sales, and in 2010, he was promoted to President, the Americas. Mr. Wright has more than 25 years of experience in the IT industry including senior executive positions with leading manufacturers and a global IT distributor. Prior to joining Tech Data, Mr. Wright was President of Lenovo Canada, where he had responsibility for all company operations including sales, marketing and channel strategies. Prior to Lenovo, Mr. Wright spent seven years with IT distributor, Ingram Micro Canada, where he served as General Manager. Mr. Wright also served as General Manager of Sharp Electronics of Canada, Ltd., and began his career with Xerox Canada Inc. He earned a bachelor's degree from Clarkson University.

John Tonnison, Executive Vice President and Chief Information Officer , joined the Company in March 2001 as Vice President, Worldwide E-Business and assumed the responsibilities of Senior Vice President of Information Technology in December 2006. In February 2010, he was promoted to Executive Vice President and Chief Information Officer. Prior to joining Tech Data, Mr. Tonnison held executive management positions in the U.S., United Kingdom and Germany with Computer 2000, Technology Solutions Network and Mancos Computers. Mr. Tonnison was educated in the United Kingdom and became a U.S. citizen in 2006.

Charles V. Dannewitz, Senior Vice President and Treasurer , joined the Company in February 1995 as Vice President of Taxes. He was promoted to Senior Vice President of Taxes in March 2000, and assumed responsibility for worldwide treasury operations in July 2003. Prior to joining the Company, he was employed by Price Waterhouse for 13 years, most recently as a Tax Partner. Mr. Dannewitz is a Certified Public Accountant and holds a Bachelor of Science Degree in Accounting from Illinois Wesleyan University.

Joseph B. Trepani, Senior Vice President and Corporate Controller , joined the Company in March 1990 as Controller and held the position of Director of Operations from October 1991 through January 1995. In February 1995, he was promoted to Vice President and Worldwide Controller and to Senior Vice President and Corporate Controller in March 1998. Prior to joining the Company, Mr. Trepani was Vice President of Finance for Action Staffing, Inc. from July 1989 to February 1990. From 1982 to 1989, he was employed by Price Waterhouse. Mr. Trepani is a Certified Public Accountant and holds a Bachelor of Science Degree in Accounting from Florida State University.

David R. Vetter, Senior Vice President, General Counsel and Secretary , joined the Company in June 1993 as Vice President and General Counsel and was promoted to Corporate Vice President and General Counsel in April 2000. In March 2003, he was promoted to his current position of Senior Vice President, and effective July 2003, was appointed Corporate Secretary. Prior to joining the Company, he was employed by the law firm of Robbins, Gaynor & Bronstein, P.A. from 1984 to 1993, most recently as a partner. Mr. Vetter is a member of the Florida Bar Association and holds Bachelor of Arts Degrees in English and Economics from Bucknell University and a Juris Doctorate Degree from the University of Florida.

ITEM 1A. *Risk Factors.*

The following are certain risk factors that could affect our business, financial position and results of operations. These risk factors should be considered in connection with evaluating the forward-looking statements contained in this Annual Report on Form 10-K because these factors could cause the actual results and conditions to differ materially from those projected in the forward-looking statements. Before you buy our common stock or other securities, you should know that making such an investment involves risks, including the risks described below. The risks that have been highlighted below are not the only risks of our business. If any of the risks actually occur, our business, financial condition or results of operations could be negatively affected. In that case, the trading price of our common stock or other securities could decline, and you may lose all or part of your investment. Risk factors that could cause actual results to differ materially from our forward-looking statements are as follows:

Global Economic and Political Instability

Although there are indications that the global economy is improving, there can be no assurance that it will continue to improve. High levels of unemployment in many of the markets we serve, including the United States and certain countries in Europe, as well as austerity measures that may be implemented by governments in those markets, may constrain growth, increase unemployment and depress consumer confidence. Sovereign credit issues, particularly in Europe, may also adversely affect credit markets in that region and elsewhere. If a country within the euro area were to default on its debt or withdraw from the euro currency, or in a more extreme case, if the euro currency were to be dissolved entirely, the impact on markets around the world could be immediate and significant. Persistent political unrest in the Middle East and Africa may also have more general negative effects on the global economy. The uncertain global economic environment creates several risks relating to our financial results, operations and prospects. We may experience a rapid decline in demand for the products we sell resulting in a more competitive environment and pressure to reduce the cost of operations. The benefits from cost reductions may take longer to fully realize and may not fully mitigate the impact of the reduced demand. The

fragile economic environment may also result in changes in vendor terms and conditions, such as rebates, cash discounts and cooperative marketing efforts, which may result in downward pressure on our gross margins. Deterioration in the financial and credit markets heightens the risk of customer bankruptcies and delay in payment. Future deterioration in the credit markets could result in reduced availability of credit insurance to cover customer accounts. This, in turn, may result in our reducing the credit lines we provide to customers, thereby having a negative impact on our net sales. In addition, in such an environment, there is a greater uncertainty in the capital markets related to our cost of or access to capital to finance our business, including the ability of financial institutions to fund their commitments to us.

Competition

The Company operates in a highly competitive environment. The technology distribution industry is characterized by intense competition, based primarily on product availability, credit availability, price, speed of delivery, ability to tailor specific solutions to customer needs, quality and depth of product lines and training, service and support. Our business strategy depends substantially on our ability to continue to provide a diverse and innovative line of products to our customers, and if we fail to do so, our competitive position could deteriorate. Demand weakness, such as occurred during the recent financial crisis, also intensifies the competitive environment in which the Company operates. The Company competes with a variety of regional, national and international wholesale distributors, some of which may have greater financial resources than the Company. If the Company's competitive position declines, its results of operations and prospects will be adversely affected.

Narrow Margins

Like other companies in the technology distribution industry, the Company's business is characterized by narrow gross and operating margins. These narrow margins magnify the impact on the Company's operating results attributed to variations in sales and operating costs and place a premium on our ability to leverage our infrastructure. Future gross and operating margins may be adversely affected by changes in product mix, vendor pricing actions and competitive and economic pressures. In addition, failure to attract new sources of business from expansion of products or services or entry into new markets may adversely affect future gross and operating margins.

Dependence on Information Systems

The Company is highly dependent upon its internal computer and telecommunication systems to operate its business. There can be no assurance that the Company's information systems will not fail or experience disruptions, that the Company will be able to attract and retain qualified personnel necessary for the operation of such systems, that the Company will be able to expand and improve its information systems, that the Company will be able to convert to new systems efficiently, or that the Company will be able to integrate new programs effectively with its existing programs or that the Company's information systems' security controls will prevent a cybersecurity incident. In fiscal 2013, the Company will continue to deploy core applications currently operating in the European business into the Americas region and continue to invest in the IT infrastructure in Europe. There can be no assurances that there will be no disruptions, delays and/or negative operational impact from these ongoing implementations.

Acquisitions and Divestitures

As part of its growth and diversification strategies, the Company pursues the acquisition of companies that complement and/or expand its existing business. As a result, the Company regularly evaluates potential acquisition opportunities, which may be material in size and scope. Acquisitions involve a number of risks and uncertainties, including expansion into new geographic markets and business areas, the requirement to understand local business practices, the diversion of management's attention to the assimilation of the operations and personnel of the acquired companies, the possible requirement to upgrade the acquired companies' management information systems to the Company's standards, potential adverse short-term effects on the Company's operating results and the amortization or impairment of any acquired intangible assets. The Company also regularly evaluates the divestiture of business units that may not meet the Company's strategic, financial and/or risk tolerance objectives. No assurance can be given that the Company will be able to dispose of business units on favorable terms or without significant costs.

Exposure to Natural Disasters, War, and Terrorism

The Company's headquarters facilities and some of its logistics centers, as well as certain vendors and customers, are located in areas prone to natural disasters such as floods, hurricanes, tornadoes, or earthquakes. In addition, demand for the Company's services is concentrated in major metropolitan areas. Adverse weather conditions or other natural disasters, major electrical failures or other similar events may disrupt the Company's business should its ability to distribute products be impacted by such an event. As a company which operates in multiple geographic segments, the Company's business, as well as those of its vendors or customers, can also be adversely affected by acts of war and terrorism or by pandemics or other health events. Any of these events could disrupt the Company's distribution of products or significantly affect product demand or availability in ways that could materially and adversely affect the Company's results and prospects.

Dependence on Independent Shipping Companies

The Company relies on arrangements with independent shipping companies for the delivery of its products from vendors and to customers. The failure or inability of these shipping companies to deliver products, or the unavailability of their shipping services, even temporarily, could have an adverse effect on the Company's business. The Company may also be adversely affected by an increase in freight surcharges due to rising fuel costs and added security. The recent significant and ongoing political unrest in oil-producing nations has caused oil prices to rise, which in turn has affected fuel prices and can be expected to continue to do so. There can be no assurance that Tech Data will be able to pass along the full effect of these costs to its customers.

Impact of Policy Changes

The Company may implement or modify policies designed to offset certain costs, such as our policies concerning freight and handling fees to customers. These policies are designed to help offset specific costs that have significantly increased or that can no longer be included in the overall price of the products the Company sells. Given the competitive nature of the markets in which the Company operates, these policies may result in customers seeking alternative sources for their technology products, and therefore, could have an adverse effect on the Company's business.

Labor Strikes

The Company's labor force is currently non-union with the exception of employees of certain European and Latin American subsidiaries, which are subject to collective bargaining or similar arrangements. The Company does business in certain foreign countries where labor disruption is more common than is experienced in the United States and some of the freight carriers used by the Company are unionized. A labor strike by a group of the Company's employees, one of the Company's freight carriers, one of its vendors, a general strike by civil service employees, or a governmental shutdown could have an adverse effect on the Company's business. Many of the products the Company sells are manufactured in countries other than the countries in which the Company's logistics centers are located. The inability to receive products into the logistics centers because of government action or labor disputes at critical ports of entry may have an adverse effect on the Company's business.

Risk of Declines in Inventory Value

The Company is subject to the risk that the value of its inventory will decline as a result of price reductions by vendors or technological obsolescence. It is the policy of most of the Company's vendors to protect distributors from the loss in value of inventory due to technological change or the vendors' price reductions. Some vendors, however, may be unwilling or unable to pay the Company for price protection claims or products returned to them under purchase agreements. Moreover, industry practices are sometimes not embodied in written agreements and do not protect the Company in all cases from declines in inventory value. No assurance can be given that such practices to protect distributors will continue, that unforeseen new product developments will not adversely affect the Company, or that the Company will be able to successfully manage its existing and future inventories.

Product Availability

The Company is dependent upon the supply of products available from its vendors. The industry is characterized by periods of product shortages due to vendors' difficulties in projecting demand for certain products distributed by the Company. When such product shortages occur, the Company typically receives an allocation of products from the vendor. There can be no assurance that vendors will be able to maintain an adequate supply of products to fulfill all of the Company's customer orders on a timely basis. Failure to obtain adequate product supplies could have an adverse effect on the Company's business.

Vendor Terms and Conditions

The Company relies on various rebates, cash discounts, and cooperative marketing programs offered by its vendors to support expenses associated with distributing and marketing the vendors' products. Currently, the rebates and purchase discounts offered by vendors are influenced by sales volumes and are subject to changes. Additionally, certain of the Company's vendors subsidize floorplan financing arrangements for the benefit of our customers. Terminations of a supply or services agreement or a significant change in vendor terms or conditions of sale could negatively affect our revenue, operating margins, or the level of capital required to fund our operations.

The Company receives a significant percentage of revenues from products it purchases from relatively few vendors. A vendor may make rapid, significant and adverse changes in its sales terms and conditions, such as reducing the amount of price protection and return rights as well as reducing the level of purchase discounts and rebates they make available to us, or may merge with or acquire

other significant vendors. The Company's gross margins could be negatively impacted if the Company is unable to pass through the impact of these changes to the Company's customers or cannot develop systems to manage ongoing vendor programs. In addition, the Company's standard vendor distribution agreement permits termination without cause by either party upon 30 days notice. The loss of a relationship with any of the Company's key vendors, a change in their strategy (such as increasing direct sales); the merging of significant vendors, or significant changes in terms on their products may adversely affect the Company's business.

Loss of Significant Customers

Customers do not have an obligation to make purchases from the Company. In some cases, the Company has made adjustments to its systems, vendor offerings, and processes, and made staffing decisions, in order to accommodate the needs of an important and / or significant customer. In the event a significant customer decides to make its purchases from another distributor, experiences a significant change in demand from its own customer base, becomes financially unstable, or is acquired by another company, the Company's revenues may be negatively impacted, resulting in an adverse effect on the Company's business.

Customer Credit Exposure

The Company sells its products to a large customer base of value-added resellers, direct marketers, retailers and corporate resellers. The Company finances a significant portion of such sales through trade credit. As a result, the Company's business could be adversely affected in the event of a deterioration of the financial condition of its customers, resulting in the customers' inability to repay the Company. This risk may increase during a general economic downturn affecting a large number of the Company's customers and in the event the Company's customers do not adequately manage their business or properly disclose their financial condition.

The Company also offers our customers financing alternatives provided by financing companies. In the event these financing companies no longer offer these programs or significantly change the terms, our customers may move their business to another distributor or reduce their purchases from the Company, which may adversely affect the Company's business.

Need for Liquidity and Capital Resources; Fluctuations in Interest Rates

The Company's business requires substantial capital to operate and to finance accounts receivable and product inventory that are not financed by trade creditors. The Company has historically relied upon cash generated from operations, bank credit lines, trade credit from vendors, proceeds from public offerings of its common stock and proceeds from debt offerings to satisfy its capital needs and finance growth. The Company utilizes various financing instruments such as receivables securitization, leases, revolving credit facilities and trade receivable purchase facilities. As the financial markets change and new regulations come into effect, the cost of acquiring financing and the methods of financing may change. Changes in our credit rating or other market factors may increase our interest expense or other costs of capital or capital may not be available to us on acceptable terms to fund our working capital needs. The inability to obtain such sources of capital could have an adverse effect on the Company's business. The Company's credit facilities contain various financial and other covenants that may limit the Company's ability to borrow or limit the Company's flexibility in responding to business conditions. These financing instruments involve variable rate debt, thus exposing the Company to risk of fluctuations in interest rates. Such fluctuations in interest rates could have an adverse effect on the Company's business.

Foreign Currency Exchange Risks; Exposure to Foreign Markets

The Company conducts business in countries outside of the United States, which exposes the Company to fluctuations in foreign currency exchange rates. The Company may enter into short-term forward exchange or option contracts to hedge this risk; nevertheless, volatile foreign currency exchange rates increase our risk related to products purchased in a currency other than the currency in which those products are sold. While we maintain policies to protect against fluctuation in currency exchange rates, extreme fluctuations have resulted in our incurrence of losses in some countries. The realization of any or all of these risks could have a significant adverse effect on our financial results. In addition, the value of the Company's equity investment in foreign countries may fluctuate based upon changes in foreign currency exchange rates. These fluctuations, which are recorded in a cumulative translation adjustment account, may result in losses in the event a foreign subsidiary is sold or closed at a time when the foreign currency is weaker than when the Company made investments in the country.

International Operations

The Company's international operations are subject to other risks such as the imposition of governmental controls, export license requirements, restrictions on the export of certain technology, political instability, trade restrictions, tariff changes, difficulties in staffing and managing international operations, changes in the interpretation and enforcement of laws (in particular related to items such as duty and taxation), difficulties in collecting accounts receivable, longer collection periods and the impact of local economic conditions and practices. There can be no assurance that these and other factors will not have an adverse effect on the Company's business.

Changes in Income Tax and Other Regulatory Legislation

The Company operates in compliance with applicable laws and regulations. When new legislation is enacted with minimal advance notice, or when new interpretations or applications of existing laws are made, the Company may need to implement changes in its policies or structure.

The Company makes plans for its structure and operations based upon existing laws and anticipated future changes in the law. The Company is susceptible to unanticipated changes in legislation, especially relating to income and other taxes, import/export laws, product labeling and compliance requirements, hazardous materials and electronic waste recovery legislation, and other laws related to trade and business activities. Such changes in legislation, both domestic and international, may have a significant adverse effect on the Company's business.

Potential Adverse Effects of Litigation or Regulatory Enforcement Actions

The Company cannot predict what losses we might incur in litigation matters, regulatory enforcement actions and contingencies that we may be involved with from time to time. There are various claims, lawsuits and pending actions against us. It is our opinion that the ultimate resolution of these matters will not have a material adverse effect on our consolidated financial position. However, the resolution of certain of these matters could be material to our operating results for any particular period, depending on the level of income for such period. We can make no assurances that we will ultimately be successful in our defense of any of these matters.

Changes in Accounting Rules

The Company prepares its financial statements in conformity with accounting principles generally accepted in the United States. These accounting principles are subject to interpretation by the Financial Accounting Standards Board, the Public Company Accounting Oversight Board, the Securities and Exchange Commission, the American Institute of Certified Public Accountants and various other bodies formed to interpret and create appropriate accounting policies. A change in these policies or a new interpretation of an existing policy could have a significant effect on our reported results and may affect our reporting of transactions before a change is adopted.

Volatility of Common Stock Price

Because of the foregoing factors, as well as other variables affecting the Company's operating results, past financial performance should not be considered an indicator of future performance, and investors should not use historical trends to anticipate results or trends in future periods. In addition, the Company's participation in a highly dynamic industry often results in significant volatility of the common stock price. Some of the factors that may affect the market price of the common stock, in addition to those discussed above, are changes in investment recommendations by securities analysts, changes in market valuations of competitors and key vendors, and fluctuations in the overall stock market, but particularly in the technology sector.

ITEM 1B. *Unresolved Staff Comments.*

Not applicable.

ITEM 2. *Properties.*

Our executive offices are located in Clearwater, Florida. As of January 31, 2012, we operated a total of 29 logistics centers to provide our customers timely delivery of products. These logistics centers are located in the following principal markets: Americas – 15, and Europe – 14.

As of January 31, 2012, we leased or owned approximately 7.8 million square feet of space. The majority of our office facilities and logistics centers are leased. Our facilities are well maintained and are adequate to conduct our current business. We do not anticipate significant difficulty in renewing our leases as they expire or securing replacement facilities.

ITEM 3. *Legal Proceedings.*

Prior to fiscal 2004, one of the Company's European subsidiaries was audited in relation to various value-added tax ("VAT") matters. As a result of those audits, the subsidiary received notices of assessment that allege the subsidiary did not properly collect and remit VAT. It is management's opinion, based upon the opinion of outside legal counsel, that the Company has valid defenses related to a substantial portion of these assessments. Although the Company is vigorously pursuing administrative and judicial action to challenge the assessments, no assurance can be given as to the ultimate outcome. The resolution of such assessments will not be material to the Company's consolidated financial position; however, it could be material to the Company's operating results for any particular period, depending upon the level of income for such period.

In December 2010, in a non-unanimous decision, a Brazilian appellate court overturned a 2003 trial court which had previously ruled in favor of the Company's Brazilian subsidiary related to the imposition of certain taxes on payments abroad related to the licensing of commercial software products, commonly referred to as "CIDE tax". The Company estimates the total exposure where the CIDE tax, including interest, may be considered due, to be approximately $32.0 million as of January 31, 2012. The Brazilian subsidiary has moved for clarification of the ruling and intends to appeal if the court does not rule in its favor. However, in order to pursue the next level of appeal, the Brazilian subsidiary may be required to make a deposit or to provide a guarantee to the courts for the payment of the CIDE tax pending the outcome of the appeal. Based on the legal opinion of outside counsel, the Company believes that the chances of success on appeal of this matter are favorable and the Brazilian subsidiary intends to vigorously defend its position that the CIDE tax is not due. However, no assurance can be given as to the ultimate outcome of this matter. The resolution of this matter will not be material to the Company's consolidated financial position or liquidity; however, it could be material to the Company's operating results for any particular period, depending upon the level of income for such period.

The Company is subject to various other legal proceedings and claims arising in the ordinary course of business. The Company's management does not expect the outcome in any of these other legal proceedings, individually or collectively, will have a material adverse effect on the Company's financial condition, results of operations or cash flows.

ITEM 4. Mine Safety Disclosures .

Not applicable.

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PART II

ITEM 5. *Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.*

Our common stock is traded on the NASDAQ Stock Market, Inc. ("NASDAQ") under the symbol "TECD". We have not paid cash dividends since fiscal 1983 and the Board of Directors has no current plans to institute a cash dividend payment policy in the foreseeable future. The table below presents the quarterly high and low sale prices for our common stock as reported by the NASDAQ. As of February 24, 2012, there were 263 holders of record and we believe that there are approximately 18,000 beneficial holders.

	Sales Price	
	High	Low
Fiscal year 2012		
Fourth quarter	$ 53.30	$ 44.16
Third quarter	52.05	38.21
Second quarter	53.91	44.38
First quarter	54.25	46.62
Fiscal year 2011		
Fourth quarter	$ 47.88	$ 42.39
Third quarter	44.41	35.30
Second quarter	43.54	34.82
First quarter	46.02	39.62

Stock Performance Chart

The five-year stock performance chart below assumes an initial investment of $100 on February 1, 2007 and compares the cumulative total return for Tech Data, the NASDAQ Stock Market (U.S.) Index, and the Standard Industrial Classification, or SIC, Code 5045 – Computer and Peripheral Equipment and Software. The comparisons in the table are provided in accordance with SEC requirements and are not intended to forecast or be indicative of possible future performance of our common stock.

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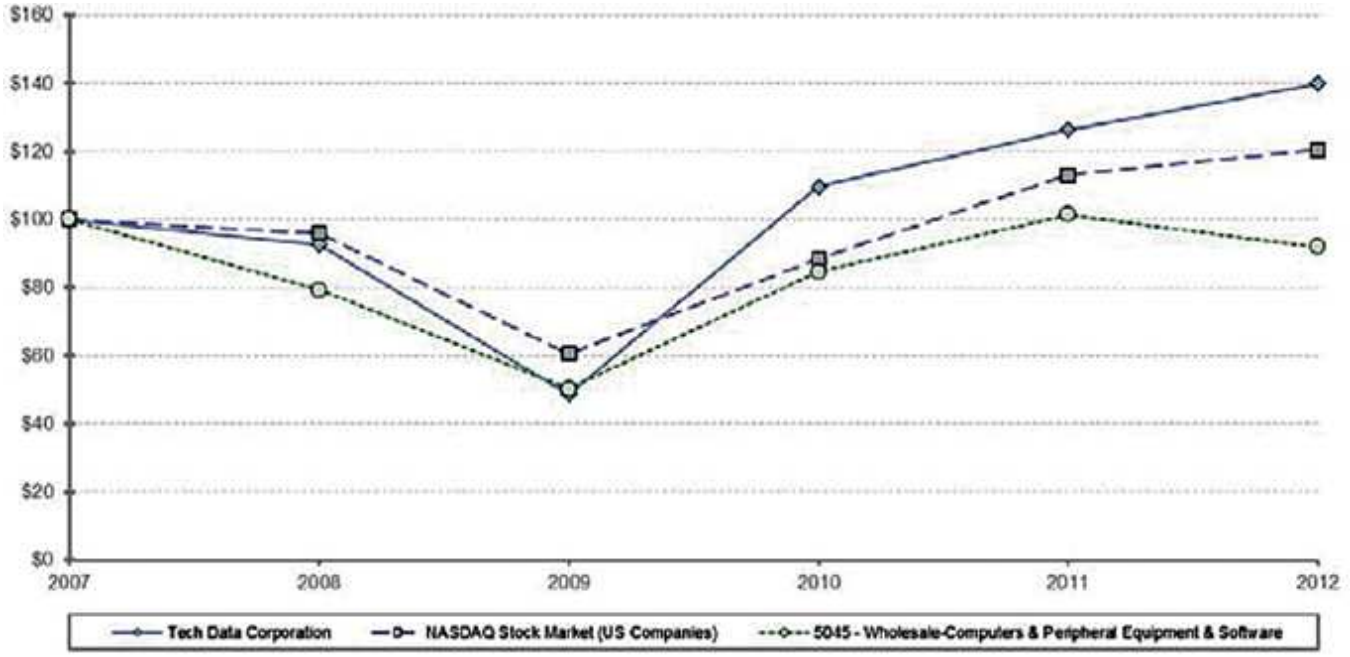
Comparison of Cumulative Total Return
Assumes Initial Investment of $100 on February 1, 2007
Among Tech Data Corporation,
NASDAQ Stock Market (U.S.) Index and SIC Code 5045



	2007	2008	2009	2010	2011	2012
Tech Data Corporation	100	93	49	110	126	140
NASDAQ Stock Market (U.S.) Index	100	96	61	88	113	121
SIC Code 5045 – Computer and Peripheral Equipment and Software	100	79	50	85	101	92

Unregistered Sales of Equity Securities

None.

Issuer Purchases of Equity Securities

During fiscal 2012, the Company's Board of Directors authorized share repurchase programs for the repurchase of up to a total of $400.0 million of the Company's common stock. Throughout fiscal 2012, the Company's share repurchases were made on the open market through block trades or otherwise. The number of shares purchased and the timing of the purchases were based on regulatory requirements, working capital requirements, general business conditions and other factors, including alternative investment opportunities. Shares repurchased by the Company are held in treasury for general corporate purposes, including issuances under equity incentive plans and the Company's Employee Stock Purchase Plan ("ESPP").

During fiscal 2012, the Company repurchased 6,736,436 shares at an average of $46.74 per share, for a total cost, including expenses, of $314.9 million under these programs.

The following table presents information with respect to purchases of common stock by the Company under the share repurchase programs during the quarter ended January 31, 2012:

	Issuer Purchases of Equity Securities			
Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plan or programs	Maximum dollar value of shares that may yet be purchased under the plan or programs
November 1 – November 30, 2011	0	$ 0	0	
December 1 – December 31, 2011	135,931	$ 50.64	135,931	
January 1 – January 31, 2012	157,963	$ 50.66	157,963	

	Issuer Purchases of Equity Securities			
	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plan or programs	Maximum dollar value of shares that may yet be purchased under the plan or programs
Total	293,894	$ 50.65	293,894	$ 85,113,808

In conjunction with the share repurchase programs discussed above, we executed 10b5-1 plans that instruct the broker selected by us to repurchase shares on behalf of the Company. The amount of common stock repurchased in accordance with the 10b5-1 plans on any given trading day is determined by a formula in the plan, which is based on the market price of our common stock. Shares repurchased by us are held in treasury for general corporate purposes, including issuances under equity incentive plans and the ESPP.

ITEM 6. ***Selected Financial Data.***

The following table sets forth certain selected consolidated financial data. This information should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and notes thereto appearing elsewhere in this Annual Report.

FIVE-YEAR FINANCIAL SUMMARY
(In thousands, except per share data)

	Year ended January 31,				
	2012	2011	2010	2009	2008
Income statement data: [1]					
Net sales	$26,488,124	$24,375,973	$22,099,876	$24,080,484	$23,423,078
Gross profit	1,393,991	1,283,288	1,152,354	1,181,995	1,138,402
Operating income [2][3][4]	327,858	333,985	259,476	211,158	192,348
Consolidated net income [5]	216,848	218,863	181,200	115,456	98,570
Net (income) loss attributable to noncontrolling interest	(10,452)	(4,620)	(1,045)	1,822	3,559
Net income attributable to shareholders of Tech Data Corporation [5]	$ 206,396	$ 214,243	$ 180,155	$ 117,278	$ 102,129
Net income per share attributable to shareholders of Tech Data Corporation—basic	$ 4.72	$ 4.41	$ 3.57	$ 2.29	$ 1.86
Net income per share attributable to shareholders of Tech Data Corporation—diluted	$ 4.66	$ 4.36	$ 3.54	$ 2.28	$ 1.85
Dividends per common share	0	0	0	0	0
Balance sheet data:					
Working capital	$ 1,739,323	$ 1,902,111	$ 2,250,430	$ 1,891,897	$ 2,044,418
Total assets [6]	5,785,418	6,412,083	5,696,453	4,815,384	5,009,144
Revolving credit loans and current maturities of long-term debt, net	48,490	434,435	65,860	58,888	19,558
Long-term debt, net	57,253	60,076	338,157	331,233	323,810
Equity attributable to shareholders of Tech Data Corporation	1,973,823	2,114,466	2,088,895	1,737,693	1,945,332

(1) See Note 5 of Notes to Consolidated Financial Statements for discussion of the Company's acquisitions in fiscal 2012 and 2011.
(2) During fiscal 2012, the Company incurred a $28.3 million loss on disposal of subsidiaries related to the closure of certain of the Company's operations in Latin America (see further discussion in Note 6 of Notes to the Consolidated Financial Statements).
(3) During fiscal 2008, the Company incurred a $14.5 million loss on disposal of subsidiaries related to the closure of the Company's operations in the United Arab Emirates and the sale of its Israel operations.
(4) During fiscal 2008, the Company recorded restructuring costs of $16.1 million related to the Company's European restructuring programs.
(5) During fiscal 2012, the Company recorded a $13.6 million reversal of deferred tax valuation allowances which was substantially offset by the write-off of deferred income tax assets associated with the closure of Brazil's commercial operations. During fiscal 2010, the Company recorded a $5.4 million decrease in the deferred tax valuation allowance See Note 8 of Notes to Consolidated Financial Statements. In fiscal 2009 the Company recorded a net reversal of $8.7 million in income tax reserves and in fiscal 2008, the Company recorded a decrease in the deferred tax valuation allowance of $7.5 million.
(6) See Note 1 of Notes to Consolidated Financial Statements for discussion of the Company's adjustment of prior fiscal years due to its accounting for book overdrafts.

ITEM 7. *Management's Discussion and Analysis of Financial Condition and Results of Operations.*

Forward-Looking Statements

This Annual Report on Form 10-K, including this Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A"), contains forward-looking statements, as described in the "safe harbor" provision of the Private Securities Litigation Reform Act of 1995. These statements involve a number of risks and uncertainties and actual results could differ materially from those projected. These forward-looking statements regarding future events and the future results of Tech Data Corporation are based on current expectations, estimates, forecasts, and projections about the industries in which we operate and the beliefs and assumptions of our management. Words such as "expects," "anticipates," "targets," "goals," "projects," "intends," "plans," "believes," "seeks," "estimates," variations of such words, and similar expressions are intended to identify such forward-looking statements. In addition, any statements that refer to projections of our future financial performance, our anticipated growth and trends in our businesses, and other characterizations of future events or circumstances, are forward-looking statements. Readers are cautioned that these forward-looking statements are only predictions and are subject to risks, uncertainties, and assumptions. Therefore, actual results may differ materially and adversely from those expressed in any forward-looking statements. Readers are referred to the cautionary statements and important factors discussed in Item 1A. Risk Factors in this Annual Report on Form 10-K for the year ended January 31, 2012 for further information. We undertake no obligation to revise or update publicly any forward-looking statements for any reason.

Factors that could cause actual results to differ materially include the following:

- global economic and political instability
- competition
- narrow margins
- dependence on information systems
- acquisitions and divestitures
- exposure to natural disasters, war and terrorism
- dependence on independent shipping companies
- impact of policy changes
- labor strikes
- risk of declines in inventory value
- product availability
- vendor terms and conditions
- loss of significant customers
- customer credit exposure
- need for liquidity and capital resources; fluctuations in interest rates
- foreign currency exchange rates; exposure to foreign markets
- international operations
- changes in income tax and other regulatory legislation
- potential adverse effects of litigation or regulatory enforcement actions
- changes in accounting rules
- volatility of common stock price

Overview

Tech Data is one of the world's largest wholesale distributors of technology products. We serve as an indispensable link in the technology supply chain by bringing products from the world's leading technology vendors to market, as well as providing our customers with advanced logistics capabilities and value-added services. Our customers include value-added resellers ("VARs") direct marketers, retailers and corporate resellers who support the diverse technology needs of end users. We manage our business in two geographic segments: the Americas (including North America and South America) and Europe.

The Company's financial objectives are to grow sales at or above the market rate of growth for technology products, gain share in select markets, improve profitability, generate positive cash flow, and earn a return on invested capital above our weighted average cost of capital. To achieve this, we are focused on a strategy of execution, diversification and innovation that we believe differentiates our business in the marketplace.

The fundamental element of our strategy is superior execution. Our execution strategy is supported by our highly efficient logistics infrastructure, combined with our multiple service offerings, to generate demand, develop markets and provide supply chain services for our vendors and customers. The technology distribution industry in which we operate is characterized by narrow gross profit as a percentage of sales ("gross margin") and narrow income from operations as a percentage of sales ("operating margin"). Historically, our gross and operating margins have been impacted by intense price competition and declining average selling prices per unit, as well as changes in terms and conditions with our vendors, including those terms related to rebates, price protection, product returns and other incentives. We expect these conditions to continue in the foreseeable future and, therefore, we will continue to proactively evaluate our pricing policies and inventory management practices in response to potential changes in our vendor terms and conditions and the general market environment. From a balance sheet perspective, we require working capital primarily to finance accounts receivable and inventory. We have historically relied upon debt, trade credit from our vendors, and accounts receivable financing programs for our working capital needs. At January 31, 2012, we had a debt to capital ratio (calculated as total debt divided by the aggregate of total debt and total equity) of 5%.

In addition to driving superior execution, we continue to diversify and realign our customer and product portfolios to improve long-term profitability throughout our operations. Our broadline distribution business, characterized as high volume, more commoditized offerings, and comprised primarily of personal computer systems, peripherals, supplies and other similar products, continues to be the foundation of our business and represents a significant percentage of our revenue. However, as technology advances, we have continued to evolve our business model, product mix, and value-added offerings in order to provide our vendors with the most efficient distribution channel for their products, and our customers with a broad array of innovative solutions to sell. We have responded to a changing IT landscape with investments in higher growth specialty areas, namely, the data center, software, consumer electronics and mobility, all of which now contribute significantly to our financial results. Our investments in our European mobility joint venture with Brightstar Corp. ("Brightstar"), which began in 2008, generated revenues of approximately $1.8 billion during fiscal 2012. The most recent examples of such investments are acquisitions made in Europe during the second half of fiscal 2012. In October 2011, we acquired the distribution business of Mensch und Maschine Software SE, a leading value-added distributor in the design software market in several European countries for a purchase price of $41.0 million, including deferred payments and earnouts, (based on the foreign currency exchange rates on the date of acquisition). In December 2011, we acquired an additional value-added specialty software distributor in Belgium. These acquisitions, while not material to our consolidated financial results, strengthen our position as Autodesk, Inc.'s leading value-added distributor by establishing a presence in Benelux and Romania, extend our product portfolio to include the Autodesk, Inc. software for the manufacturing industry in Italy, France, UK and Poland, and add a number of highly skilled and qualified professionals to our team across Europe. In addition, in April 2011, we executed an agreement with Brightstar to establish a U.S. joint venture to capitalize on the mobility market serving small and medium size businesses ("SMB"). The joint venture will assist our reseller customers in providing SMB end users with a wide array of products and services including wireless activation and renewal processes, data services, software, hardware, technical support and billing management. Finally, another strategic area of investment for us is our integrated supply chain services designed to provide innovative third party logistics and other offerings to our business partners. Our evolving mix of products, services, customers and geographies have played a key role in delivering balanced and improved operating results, and are important factors in achieving our strategic financial goals. As we execute our diversification strategy we continuously monitor the extension of credit and other terms and conditions offered to our customers to prudently balance risk, profitability and return on invested capital.

The final tenet of our strategy is innovation. Our IT systems and e-business tools and programs have provided our business with the flexibility to effectively navigate fluctuations in market conditions, structural changes in the technology industry, as well as changes created by products we sell. One of our most recent and significant innovations is our StreamOne Solutions Store. The StreamOne Solutions Store provides independent software vendors and cloud providers with a platform to market software-as-a-service and other offerings to more than 20,000 of our resellers in the United States, thereby establishing a previously unavailable route to market for these independent software vendors and cloud providers. Another example of our investment in innovation and one that we believe is providing us with the flexibility to meet the demands of the ever-evolving technology market, is our continued deployment of internal IT systems across both the Americas and Europe. We believe our pan-European IT systems provide us with a competitive advantage allowing us to drive efficiencies throughout our business while delivering innovative solutions for our business partners. In the past, we have implemented several components of our European IT systems into our North American IT infrastructure, including standardizing our North America financial systems and logistics network on SAP. In fiscal 2013, we will continue to deploy core applications currently operating our European business into our Americas region and continue to invest in our IT infrastructure in Europe. While we have had numerous successful IT system implementations in both Europe and in North America to date, we can make no assurances that we will not have disruptions, delays and/or negative operational impacts from these ongoing implementations.

We believe our strategy of execution, diversification and innovation is differentiating us in the markets we serve and is delivering solid sales growth, select market share gains, higher earnings per share, strong operating cash flow, and industry-leading returns on invested capital. We are constantly monitoring the factors that we can control, including our net sales growth, management of costs,

working capital and capital spending. We also continuously evaluate the current and potential profitability and return on our investments in all geographies and consider changes in current and future investments based on risks, opportunities and current and anticipated market conditions. In connection with these evaluations, we may incur additional costs to the extent we decide to increase or decrease our investments in certain geographies. We will also continue to evaluate targeted strategic investments across our operations and new business opportunities. For example, during the fourth quarter of fiscal 2012, in response to current and anticipated market conditions, we realigned our personnel resources in Europe, reducing personnel in certain lower growth, lower margin markets and increasing personnel in those markets providing the greatest opportunity for profitability and shareholder returns, resulting in an incremental year-over-year increase of $11.0 million in severance costs during the quarter, and a net reduction of our personnel in Europe. We will continue to invest in those markets and product segments we believe provide us with the greatest opportunities for profitable growth. In addition, during the fourth quarter of fiscal 2012 as part of our ongoing initiatives to optimize profitability and return on invested capital, we closed our in-country commercial operations in Brazil and Colombia. Both of these operations failed to meet our goals for profitability and return on investment. As a result of these closures, we incurred total cash and non-cash charges of $28.3 million during the fourth quarter of fiscal 2012. These costs do not include any estimated costs associated with the Brazilian subsidiary's contingencies related to CIDE and other non-income related tax examinations previously disclosed. We will maintain a legal entity in Brazil to address our future fiscal and legal responsibilities. We will continue to serve both of these markets through our Miami-based export business.

Critical Accounting Policies and Estimates

The information included within MD&A is based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosures. On an ongoing basis, we evaluate these estimates, including those related to bad debts, inventory, vendor incentives, goodwill and intangible assets, deferred taxes, and contingencies. Our estimates and judgments are based on currently available information, historical results, and other assumptions we believe are reasonable. Actual results could differ materially from these estimates. We believe the critical accounting policies discussed below affect the more significant judgments and estimates used in the preparation of our consolidated financial statements.

Accounts Receivable

We maintain allowances for doubtful accounts for estimated losses resulting from the inability of our customers to make required payments. In estimating the required allowance, we take into consideration the overall quality and aging of the receivable portfolio, the existence of credit insurance and specifically identified customer risks. Also influencing our estimates are the following: (1) the large number of customers and their dispersion across wide geographic areas; (2) the fact that no single customer accounts for more than 10% of our net sales; (3) the value and adequacy of collateral received from customers, if any; (4) our historical loss experience; and (5) the current economic environment. If actual customer performance were to deteriorate to an extent not expected by us, additional allowances may be required which could have an adverse effect on our consolidated financial results. Conversely, if actual customer performance were to improve to an extent not expected by us, a reduction in allowances may be required which could have a favorable effect on our consolidated financial results.

Inventory

We value our inventory at the lower of its cost or market value, with cost being determined on the first-in, first-out method. We write down our inventory for estimated obsolescence equal to the difference between the cost of inventory and the estimated market value based upon an aging analysis of the inventory on hand, specifically known inventory-related risks (such as technological obsolescence and the nature of vendor terms surrounding price protection and product returns), foreign currency fluctuations for foreign-sourced product, and assumptions about future demand. Market conditions or changes in terms and conditions by our vendors that are less favorable than those projected by management may require additional inventory write-downs, which could have an adverse effect on our consolidated financial results.

Vendor Incentives

We receive incentives from vendors related to cooperative advertising allowances, infrastructure funding, volume rebates and other incentive agreements. These incentives are generally under quarterly, semi-annual or annual agreements with the vendors; however, some of these incentives are negotiated on an ad-hoc basis to support specific programs mutually developed with the vendor. Unrestricted volume rebates and early payment discounts received from vendors are recorded when they are earned as a reduction of inventory and as a reduction of cost of products sold as the related inventory is sold. Vendor incentives for specifically identified cooperative advertising programs and infrastructure funding are recorded when earned as adjustments to product costs or selling, general and administrative expenses, depending on the nature of the programs.

We also provide reserves for receivables on vendor programs for estimated losses resulting from vendors' inability to pay or rejections by vendors of claims. Should amounts recorded as outstanding receivables from vendors be deemed uncollectible, additional allowances may be required which could have an adverse effect on our consolidated financial results.

Goodwill, Intangible Assets and Other Long-Lived Assets

The carrying value of goodwill is reviewed at least annually for impairment and may also be reviewed more frequently if current events and circumstances indicate a possible impairment. An impairment loss, if any, is charged to expense in the period identified. The Company performed its annual goodwill impairment test as of January 31, 2012 and determined there was no impairment. We also examine the carrying value of our intangible assets with finite lives, which includes capitalized software and development costs, purchased intangibles, and other long-lived assets as current events and circumstances warrant determining whether there are any impairment losses. If indicators of impairment are present and future cash flows are not expected to be sufficient to recover the assets' carrying amount, an impairment loss is charged to expense in the period identified. Factors that may cause a goodwill, intangible asset or other long-lived asset impairment include negative industry or economic trends and significant underperformance relative to historical or projected future operating results. Our valuation methodologies include, but are not limited to, a discounted cash flow model, which estimates the net present value of the projected cash flows of our reporting units and a market approach, which evaluates comparative market multiples applied to our reporting units' businesses to yield a second assumed value of each reporting unit. If actual results are substantially lower than our projections underlying these assumptions, or if market discount rates substantially increase, our future valuations could be adversely affected, potentially resulting in future impairment charges.

Income Taxes

We record valuation allowances to reduce our deferred tax assets to the amount expected to be realized. In assessing the adequacy of a recorded valuation allowance, we consider all positive and negative evidence and a variety of factors including the scheduled reversal of deferred tax liabilities, historical and projected future taxable income, and prudent and feasible tax planning strategies. If we determine it is more likely than not that we will be able to use a deferred tax asset in the future in excess of its net carrying value, an adjustment to the deferred tax asset valuation allowance would be made to reduce income tax expense, thereby increasing net income in the period such determination was made. Should we determine that we are not likely to realize all or part of our net deferred tax assets in the future, an adjustment to the deferred tax asset valuation allowance would be made to income tax expense, thereby reducing net income in the period such determination was made.

Contingencies

We accrue for contingent obligations, including estimated legal costs, when the obligation is probable and the amount is reasonably estimable. As facts concerning contingencies become known, we reassess our position and make appropriate adjustments to the financial statements. Estimates that are particularly sensitive to future changes include those related to tax, legal, and other regulatory matters such as imports and exports, the imposition of international governmental controls, changes in the interpretation and enforcement of international laws (in particular related to items such as duty and taxation), and the impact of local economic conditions and practices, which are all subject to change as events evolve and as additional information becomes available during the administrative and litigation process.

Recent Accounting Pronouncements and Legislation

See Note 1 of Notes to Consolidated Financial Statements for the discussion on recent accounting pronouncements.

Results of Operations

We do not consider stock-based compensation expense in assessing the performance of our operating segments, and therefore the Company reports stock-based compensation expense separately. The following table summarizes our net sales, change in net sales, operating income and Non-GAAP operating income by geographic region for the fiscal years ended January 31, 2012, 2011 and 2010:

	2012	% of net sales	2011	% of net sales	2010	% of net sales
Net sales by geographic region ($ in thousands):						
Americas	$ 10,839,044	40.9%	$ 10,534,531	43.2%	$ 9,570,088	43.3%
Europe	15,649,080	59.1	13,841,442	56.8	12,529,788	56.7
Total	$ 26,488,124	100.0%	$ 24,375,973	100.0%	$ 22,099,876	100.0%

	2012	2011	2010
Year-over-year increase (decrease) in net sales (%):			
Americas (US$)	2.9%	10.1%	(9.8)%
Europe (US$)	13.1%	10.5%	(7.0)%
Europe (Euro)	8.1%	17.5%	(4.2)%
Total (US$)	8.7%	10.3%	(8.2)%

	2012	% of net sales	2011	% of net sales	2010	% of net sales
Operating income ($ in thousands):						
Americas	$ 174,882	1.61 %	$ 183,639	1.74 %	$ 143,869	1.50 %
Europe	163,675	1.05 %	160,233	1.16 %	126,832	1.01 %
Stock-based compensation expense	(10,699)	(0.04)%	(9,887)	(0.04)%	(11,225)	(0.05)%
Total	$ 327,858	1.24 %	$ 333,985	1.37 %	$ 259,476	1.17 %

	2012	% of net sales	2011	% of net sales	2010	% of net sales
Non-GAAP Operating income ($ in thousands):						
Americas	$ 203,176	1.87 %	$ 183,639	1.74 %	$ 143,869	1.50 %
Europe	163,675	1.05 %	160,233	1.16 %	126,832	1.01 %
Stock-based compensation expense	(10,699)	(0.04)%	(9,887)	(0.04)%	(11,225)	(0.05)%
Total	$ 356,152	1.34 %	$ 333,985	1.37 %	$ 259,476	1.17 %

Non-GAAP operating income excludes the loss on disposal of subsidiaries of $28.3 million for the exit of the Company's in-country commercial operations in Brazil and Colombia in the fourth quarter of fiscal 2012. Management believes that this non-GAAP measure, which excludes the costs of these actions, is useful to investors because it provides meaningful comparisons to prior periods' financial results.

We sell many products purchased from the world's leading systems, peripherals, networking and software vendors. Products purchased from Hewlett-Packard Company generated 25%, 27% and 28% of our net sales in fiscal 2012, 2011 and 2010, respectively. There were no other vendors that accounted for 10% or more of our net sales in the past three fiscal years.

The following table sets forth our Consolidated Statement of Income as a percentage of net sales for each of the three most recent fiscal years:

	2012	2011	2010
Net sales	100.00%	100.00%	100.00%
Cost of products sold	94.74	94.74	94.79
Gross profit	5.26	5.26	5.21
Operating expenses:			
Selling, general and administrative expenses	3.91	3.89	4.04
Loss on disposal of subsidiaries	0.11	0	0
	4.02	3.89	4.04
Operating income	1.24	1.37	1.17
Interest expense	0.12	0.12	0.12
Other expense (income), net	0	0	(0.01)
Income before income taxes	1.12	1.25	1.06
Provision for income taxes	0.30	0.35	0.24
Consolidated net income	0.82	0.90	0.82
Net income attributable to noncontrolling interest	(0.04)	(0.02)	0.00
Net income attributable to shareholders of Tech Data Corporation	0.78%	0.88%	0.82%

Net Sales

Our consolidated net sales were $26.5 billion in fiscal 2012, an increase of 8.7% when compared to fiscal 2011. The strengthening of certain foreign currencies against the U.S. dollar positively impacted the year-over-year net sales comparison by approximately three percentage points. On a regional basis, during fiscal 2012, net sales in the Americas increased by 2.9% compared to fiscal 2011 and increased by 13.1% in Europe (an increase of 8.1% on a euro basis).

Throughout fiscal 2012, we were impacted by an overall slowing of the IT market and a challenging macro economic environment within certain European countries. Despite these factors, net sales in both the Americas and Europe regions increased during fiscal 2012 compared to fiscal 2011 primarily as a result of the flexibility of our business model to successfully navigate the changing IT market. The increase in net sales in the Americas during fiscal 2012 was primarily attributable to a generally stable demand for technology products in the region in comparison to the prior fiscal year, offset by the impact of lower sales in Brazil and Colombia during fiscal 2012 as a result of our decision to close both of these operations. The reduction in net sales in Brazil and Colombia negatively impacted the Americas growth rate in fiscal 2012 by approximately one percentage point. The increase in net sales in Europe (on a euro basis) during fiscal 2012 was primarily attributable to our acquisitions of Triade Holding B.V.'s ("Triade") mobility, consumer electronics and IT distribution businesses in October 2010 and continued demand in the European commercial sector and for mobility products in the region compared to the prior fiscal year. While difficult to quantify due to the integration of the acquisitions into our operations, we believe the fiscal 2011 mobility and consumer electronics acquisitions contributed approximately four percentage points to our European growth rates, on a euro basis. During fiscal 2012, we experienced lower European demand for IT products in certain geographies resulting from weak economies in countries such as Spain and Portugal. This lower demand, however, was largely offset by strong sales performance in other European markets, such as Germany, U.K., France and the Netherlands.

Our consolidated net sales were $24.4 billion in fiscal 2011, an increase of 10.3% when compared to fiscal 2010. The weakening of certain foreign currencies against the U.S. dollar negatively impacted the year-over-year net sales comparison by approximately three percentage points. On a regional basis, during fiscal 2011, net sales in the Americas increased by 10.1% compared to fiscal 2010 and increased by 10.5% in Europe (an increase of 17.5% on a euro basis). The increase in net sales in both the Americas and Europe during fiscal 2011 was attributable to the robust demand environment in both regions brought about by a recovery in IT spending throughout the fiscal year and, to a lesser extent, the impact of our five acquisitions in Europe.

Gross Profit

Gross profit as a percentage of net sales ("gross margin") during fiscal both 2012 and 2011 was 5.26% and was 5.21% in fiscal 2010. The relative stability in our year-over-year gross margin is indicative of our product diversification efforts, disciplined approach to managing our customer and vendor portfolios and effective execution of our pricing management practices.

Operating Expenses

Selling, general and administrative expenses ("SG&A")

SG&A as a percentage of net sales increased to 3.91% in fiscal 2012, compared to 3.89% in fiscal 2011. The relative stability of our SG&A as a percentage of net sales during fiscal 2012 compared to the prior year is primarily the result of increased costs incurred related to acquisitions and to support our sales growth and diversification strategies being largely offset by operating leverage on the increase in net sales and cost savings initiatives during both fiscal 2012 and 2011. In absolute dollars, SG&A increased $88.5 million in fiscal 2012 compared to fiscal 2011. The increase in SG&A during fiscal 2012 is primarily attributable to the impact of the acquisition of Triade's mobility and consumer electronics businesses in the third quarter of fiscal 2011, the strengthening of certain foreign currencies against the U.S. dollar, increased costs incurred to support our sales growth and diversification strategies, and increased severance costs in Europe resulting from a realignment of resources in the region during the fourth quarter of fiscal 2012.

SG&A as a percentage of net sales declined to 3.89% in fiscal 2011, compared to 4.04% in fiscal 2010. The decrease in SG&A as a percentage of sales was primarily attributable to the operating leverage achieved as our net sales increased at a more rapid rate than our operating expenses. In absolute dollars, SG&A increased $56.4 million in fiscal 2011 compared to fiscal 2010. The increase in SG&A during fiscal 2011 was primarily attributable to continued investments to support sales growth and strategic initiatives and operating expenses related to acquisitions made during fiscal 2011, partially offset by the impact of weaker foreign currencies.

Loss on Disposal of Subsidiaries

We incurred losses on disposal of subsidiaries of $28.3 million during fiscal 2012 as a result of closing the Company's in-country commercial operations in Brazil and Colombia. The loss on disposal of these subsidiaries includes a $9.9 million impairment charge on the Company's investments in Brazil and Colombia due to a foreign currency exchange loss (previously recorded in shareholders' equity as accumulated other comprehensive income), $15.3 million related to the write-off of certain value-added tax receivables, and $3.1 million comprised primarily of severance costs, fixed asset write-offs and lease termination penalties. These costs do not include any

estimated costs associated with the Brazilian subsidiary's contingencies related to CIDE and other non-income related tax examinations. The operating losses of Brazil and Colombia for the fiscal year ended January 31, 2012, were not significant to the Company's consolidated operating results (see Note 6 and Note 13 of Notes to Consolidated Financial Statements for further discussion).

Interest Expense

Interest expense increased 4.7% to $31.3 million in fiscal 2012 compared to $29.9 million in fiscal 2011. The increase in interest expense in fiscal 2012 is primarily attributable to an increase in the average outstanding revolving credit loan balances as compared to fiscal 2011.

Interest expense increased 8.3% to $29.9 million in fiscal 2011 compared to $27.6 million in fiscal 2010. The increase in interest expense in fiscal 2011 is primarily attributable to an increase in the average outstanding revolving credit loan balances as compared to fiscal 2010.

During the fiscal years 2012, 2011 and 2010, interest expense includes non-cash interest expense of $9.0 million, $10.3 million and $10.3 million, respectively, related to the $350 million convertible senior debentures (see Note 7 of Notes to Consolidated Financial Statements for further discussion).

Other Expense (Income), Net

Other expense (income), net, consists primarily of interest income, discounts on the sale of accounts receivable and net foreign currency exchange gains (losses) on certain financing transactions and the related derivative instruments used to hedge such financing transactions. Other expense (income), net, approximated $1.2 million of net expense in fiscal 2012 compared to $0.4 million of net expense in fiscal 2011. The change in other expense (income), net, during fiscal 2012 is primarily attributable to an increase in foreign currency exchange losses on derivative instruments used to hedge certain financing transactions and an increase in the discount expense on the sale of accounts receivable compared to the prior year, partially offset by an increase in interest income resulting from an increase in the average short-term cash investment balances in Europe. Other expense (income), net, approximated $0.4 million of net expense in fiscal 2011 compared to $3.3 million of income in fiscal 2010. The change in other expense (income), net, during fiscal 2011 is primarily attributable to a decrease in interest income, resulting from a decrease in the average short-term cash investment balances, and greater discount expense on the sale of accounts receivable compared to the prior year. Discount on sale of accounts receivable totaled $1.1 million and $0.5 million, respectively in fiscal 2012 and 2011. There was no discount on sale of accounts receivable for fiscal 2010 as we did not sell accounts receivable during the fiscal year.

Provision for Income Taxes

Our effective tax rate was 26.6% in fiscal 2012 and 27.9% in fiscal 2011. The change in the effective tax rate during fiscal 2012 compared to fiscal 2011 is primarily due to the relative mix of earnings and losses within the taxing jurisdictions in which we operate and changes in the amounts of income tax reserves and valuation allowances during the respective periods. In fiscal 2012, we recorded an income tax benefit of $13.6 million for the reversal of deferred income tax valuation allowances primarily related to specific jurisdictions in Europe, which had been recorded in prior fiscal years. This income tax benefit was substantially offset by an income tax expense associated with the write-off of deferred and other income tax assets related to the closure of our Brazil in-country operations. On an absolute dollar basis, the provision for income taxes decreased 7.4% to $78.5 million in fiscal 2012 compared to $84.8 million in fiscal 2011. The change in the provision for income taxes is primarily due to the relative mix of earnings and losses within certain countries in which we operate and the adjustments to income tax reserves and valuation allowances discussed above.

Our effective tax rate was 27.9% in fiscal 2011 and 22.9% in fiscal 2010. The change in the effective tax rate during fiscal 2011 compared to fiscal 2010 is primarily due to the relative mix of earnings and losses within the taxing jurisdictions in which we operate and changes in the amounts of income tax reserves and valuation allowances during the respective periods. In fiscal 2010, we reversed a $5.4 million deferred tax valuation allowance in a specific European jurisdiction and recorded the amount as an income tax benefit. On an absolute dollar basis, the provision for income taxes increased 57.1% to $84.8 million in fiscal 2011 compared to $53.9 million in fiscal 2010. The change in the provision for income taxes is primarily due to higher taxable income, the relative mix of earnings and losses within certain countries in which we operate and the adjustments to income tax reserves and valuation allowances discussed above.

To the extent we generate future consistent taxable income within those operations currently requiring valuation allowances, the valuation allowances on the related deferred tax assets will be reduced, thereby reducing tax expense and increasing net income in the same period. The underlying net operating loss carryforwards remain available to offset future taxable income in the specific jurisdictions requiring the valuation allowance, subject to applicable tax laws and regulations.

The effective tax rate differed from the U.S. federal statutory rate of 35% during fiscal 2012, 2011 and 2010, due to the relative mix of earnings or losses within the tax jurisdictions in which we operate and other adjustments, including: i) losses in tax jurisdictions where we are not able to record a tax benefit; ii) earnings in tax jurisdictions where we have previously recorded valuation allowances, on deferred tax assets; iii) the reversal of income tax reserves; iv) the write-off of deferred tax assets; and (v) earnings in lower-tax jurisdictions for which no U.S. taxes have been provided because such earnings are planned to be reinvested indefinitely outside the United States.

The overall effective tax rate will continue to be dependent upon the geographic distribution of our earnings or losses and changes in tax laws or interpretations of these laws in these operating jurisdictions. We monitor the assumptions used in estimating the annual effective tax rate and make adjustments, if required, throughout the year. If actual results differ from the assumptions used in estimating our annual income tax rates, future income tax expense could be materially affected.

Our future effective tax rates could be adversely affected by lower earnings than anticipated in countries with lower statutory rates, changes in the relative mix of taxable income and taxable loss jurisdictions, changes in the valuation of our deferred tax assets or liabilities or changes in tax laws or interpretations thereof. In addition, our income tax returns are subject to continuous examination by the Internal Revenue Service and other tax authorities. We regularly assess the likelihood of adverse outcomes from these examinations to determine the adequacy of our provision for income taxes. To the extent we prevail in matters for which accruals have been established or are required to pay amounts in excess of such accruals, our effective tax rate could be materially affected.

Net income attributable to noncontrolling interest

Net income attributable to noncontrolling interest was $10.5 million, $4.6 million and $1.0 million, respectively, in fiscal 2012, 2011 and 2010. The net income attributable to noncontrolling interest represents Brightstar's share of the improving results of Brightstar Europe Limited, a joint venture between Tech Data and Brightstar as the joint venture is a consolidated subsidiary in our financial statements. The year-over-year changes can be attributed to both the improving results in the joint venture's operations and the acquisition of Triade's mobility subsidiaries in Belgium and the Netherlands ("MCC") during the third quarter of fiscal 2011.

Impact of Inflation

During the fiscal years ended January 31, 2012, 2011 and 2010, we do not believe that inflation had a material impact on our consolidated results of operations or on our financial position.

Quarterly Data—Seasonality

Our quarterly operating results have fluctuated significantly in the past and will likely continue to do so in the future as a result of currency fluctuations and seasonal variations in the demand for the products and services we offer. Narrow operating margins may magnify the impact of these factors on our operating results. Recent historical seasonal variations have included an increase in European demand during our fiscal fourth quarter and decreased demand in other fiscal quarters, particularly quarters that include summer months. Given that the majority of our net sales are derived from Europe, our consolidated results closely follow the seasonality trends in Europe. Additionally, the life cycles of major products, as well as the impact of future acquisitions and divestitures, may also materially impact our business, financial condition, or results of operations (see Note 15 of Notes to Consolidated Financial Statements for further information regarding our quarterly results).

Liquidity and Capital Resources

Our discussion of liquidity and capital resources includes an analysis of our cash flows and capital structure for all periods presented.

Cash Flows

The following table summarizes Tech Data's Consolidated Statement of Cash Flows for the fiscal years ended January 31, 2012, 2011 and 2010:

	Years ended January 31,		
	2012	2011	2010
		(In thousands)	
Net cash provided by (used in):			
Operating activities	$ 503,412	$ 161,300	$ 535,465
Investing activities	(69,268)	(173,040)	(31,527)
Financing activities	(670,841)	(206,358)	37,360

	Years ended January 31,		
	2012	2011	2010
		(In thousands)	
Effect of exchange rate changes on cash and cash equivalents	(21,850)	(1,090)	38,793
Net (decrease) increase in cash and cash equivalents	$ (258,547)	$ (219,188)	$ 580,091

As a distribution company, our business requires significant investment in working capital, particularly accounts receivable and inventory, partially financed through our accounts payable to vendors. Overall, as our sales volume increases, our net investment in working capital typically increases, which, in general, results in decreased cash flow from operating activities. Conversely, when sales volume decreases, our net investment in working capital typically decreases, which, in general, results in increased cash flow from operating activities.

Another important driver of our operating cash flows is our cash conversion cycle (also referred to as “net cash days”). Our net cash days are defined as days of sales outstanding in accounts receivable (“DSO”) plus days of supply on hand in inventory (“DOS”), less days of purchases outstanding in accounts payable (“DPO”). We manage our cash conversion cycle on a daily basis throughout the year and our reported financial results reflect that cash conversion cycle at the balance sheet date. Our net cash days were 20 days at the end of fiscal 2012, which was a decrease from fiscal 2011 of four days. The following table presents the components of our cash conversion cycle, in days, as of January 31, 2012, 2011 and 2010:

	As of January 31,		
	2012	2011	2010
Days of sales outstanding	37	37	38
Days of supply in inventory	24	30	26
Days of purchases outstanding	(41)	(43)	(41)
Cash conversion cycle (days)	20	24	23

Historically, we have presented certain book overdrafts, representing checks issued and wire transfers that have been initiated which have not been presented for payment to the banks, as accounts payable. Based on agreements with our banks in certain countries, we have determined that a significant portion of these book overdrafts are covered by rights of setoff in favor of the respective banks and therefore, we have classified these amounts as a reduction of cash and accounts payable as of January 31, 2012. We have adjusted the financial statements for the years ended January 31, 2011 and 2010 to reflect the right of setoff. The impact of this adjustment on prior periods was to decrease cash and accounts payable as of January 31, 2011 by $76.2 million and to increase cash flows from operating activities by $57.5 million for the year ended January 31, 2011, and to decrease cash flows from operating activities by $8.5 million for the year ended January 31, 2010. This change had the effect of reducing days of purchases outstanding by approximately one day in both fiscal 2011 and 2010. The impact of this adjustment on prior quarters in fiscal 2012 was to decrease cash and accounts payable as of October 31, July 31, and April 30, 2011 by $74.5 million, $97.8 million and $115.5 million, respectively, and to increase cash flows from operating activities by $1.7 million for the year to date period ended October 31, 2011 and to decrease cash flows from operating activities by $21.6 million and $39.2 million for the year to date periods ended July 31, 2011 and April 30, 2011, respectively. Management concluded that these adjustments are immaterial to the consolidated financial statements.

Net cash provided by operating activities was $503.4 million in fiscal 2012 compared to $161.3 million of cash provided by operating activities in fiscal 2011. The increase in cash resulting from operating activities in fiscal 2012 compared to the same period of the prior year can be attributed to i) a significant reduction in our inventories levels, and ii) the timing of both cash receipts from our customers and payments to our vendors. Net cash provided by operating activities was $161.3 million in fiscal 2011 compared to $535.5 million of cash provided by operating activities in fiscal 2010. The change in cash resulting from operating activities in fiscal 2011 compared to the same period of the prior year can be attributed to i) the timing of both cash receipts from our customers and payments to our vendors, and ii) additional working capital requirements due to the stronger net sales performance in fiscal 2011 compared to fiscal 2010 as a result of a recovery in IT spending throughout fiscal 2011.

Net cash used in investing activities of $69.3 million during fiscal 2012 is the result of $24.9 million of cash used for acquisitions in Europe and $44.4 million of expenditures for the continuing expansion and upgrading of our IT systems, office facilities and equipment for our logistics centers in both the Americas and Europe. We expect to make total capital expenditures of approximately $40.0 million during fiscal 2013 for equipment and machinery in our logistics centers, office facilities and IT systems.

Net cash used in investing activities of $173.0 million during fiscal 2011 is the net result of $141.1 million of cash used for acquisitions in Europe and $31.9 million of expenditures for the continuing expansion and upgrading of our IT systems, office facilities and equipment for our logistics centers in both the Americas and Europe.

Net cash used in financing activities of $670.9 million during fiscal 2012 is primarily the result of $314.9 million of cash used in the repurchase of 6,736,436 shares of our common stock under our share repurchase programs, $45.4 million of net repayments on our revolving credit lines and the $350.0 million repayment of our convertible senior debentures, partially offset by $35.1 million of proceeds received from the reissuance of treasury stock related to the vesting and exercise of equity-based incentive awards and purchases made through our Employee Stock Purchase Plan ("ESPP").

Net cash used in financing activities of $206.4 million during fiscal 2011 is primarily the result of $200.0 million of cash used in the repurchase of 5,084,770 shares of our common stock under our share repurchase programs and $47.1 million of net repayments on the revolving credit lines and long-term debt, partially offset by $34.6 million of net borrowings and a capital contribution from our joint venture partner related to our consolidated joint venture.

Capital Resources and Debt Compliance

We have maintained a conservative capital structure and have a debt to capital ratio of 5% at January 31, 2012. We believe this conservative approach to our capital structure will continue to support us in a global economic environment that remains uncertain. Within our capital structure, we have a range of financing facilities, which are diversified by type and geographic region with various financial institutions worldwide. A significant portion of our cash and cash equivalents balance generally resides in our operations outside of the United States and are deposited and/or invested with various financial institutions globally which we monitor regularly for credit quality. However, we are exposed to risk of loss on funds deposited with the various financial institutions and we may experience significant disruptions in our liquidity needs if one or more of these financial institutions were to declare bankruptcy or other similar restructuring. We believe that our existing sources of liquidity, including cash resources and cash provided by operating activities, supplemented as necessary with funds available under our credit arrangements, will provide sufficient resources to meet our working capital and cash requirements for at least the next 12 months. Changes in our credit rating or other market factors may increase our interest expense or other costs of capital or capital may no longer be available to us on acceptable terms to fund our working capital needs. The inability to obtain sufficient capital could have an adverse effect on the Company's business. The Company's credit facilities contain various financial and other covenants that may limit the Company's ability to borrow or limit the Company's flexibility in responding to business conditions.

The following is a detailed discussion of our various financing facilities.

Convertible Senior Debentures

In December 2006, we issued $350.0 million of 2.75% convertible senior debentures due 2026. In accordance with the terms of the debentures, in November 2011, we announced our election to fully redeem the debentures on December 20, 2011, at a redemption price equal to the principal amount of the debentures plus any accrued and unpaid interest to, but excluding, the redemption date.
As of January 31, 2012, all of the debentures had either been redeemed by us or put to us and there were no debentures outstanding. We funded the repayment of the debentures with available cash and our $500.0 million Credit Agreement, discussed below.

Loans Payable to Brightstar Corp.

As of January 31, 2012, we have two loans payable to our joint venture partner, Brightstar. The first loan was executed in October 2010, when Brightstar entered into an agreement to loan BEL its share of the funding requirements related to BEL's acquisition of MCC (the "Acquisition Loan") (see Note 7 of Notes to Consolidated Financial Statements). The outstanding balance of the Acquisition Loan from Brightstar, plus any accrued interest, has a repayment date of September 2015, or earlier if agreed between the two parties, and bears interest at the applicable LIBOR rate plus 4.0% per year, which is payable annually on October 1. The Acquisition Loan at January 31, 2012 totaled $14.9 million. The second loan is an interest-free revolving credit loan

issued in connection with BEL's operations (the "Brightstar Revolver"). The terms of the Brightstar Revolver contain no contractual repayment date and allow the revolving credit loan to increase or decrease in accordance with the working capital requirements of BEL, as determined by the Company. The amount outstanding under the Brightstar Revolver at January 31, 2012 totaled $36.6 million. Effective October 2010, a resolution of BEL's board was approved stating that the Brightstar Revolver will not be repaid for the foreseeable future and therefore this revolving credit loan has been classified as long-term debt in our Consolidated Balance Sheet at both January 31, 2012 and 2011.

Other Credit Facilities

In September 2011, we entered into a $500.0 million Credit Agreement with a syndicate of banks (the "Credit Agreement"), which replaced our $250.0 million Multi-currency Revolving Credit Facility scheduled to expire in March 2012. The Credit Agreement, among other things, i) provides for a maturity date of September 27, 2016, ii) provides for an interest rate on borrowings, facility fees and letter of credit fees based on our non-credit enhanced senior unsecured debt rating as determined by Standard & Poor's Rating Service and Moody's Investor Service, and iii) may be increased up to $750.0 million, subject to certain conditions. The Credit Agreement includes various covenants, limitations and events of default customary for similar facilities for similarly rated borrowers, including a maximum debt to capitalization ratio and minimum interest coverage. We have also provided a guarantee of certain of our significant subsidiaries. The Credit Agreement expires in September 2016 and we pay interest on advances under the Credit Agreement at the applicable LIBOR rate plus a predetermined margin that is based on our debt rating. There are no amounts outstanding under either of these facilities at either January 31, 2012 or 2011, respectively.

As of January 31, 2012, we maintained a Receivables Securitization Program with a syndicate of banks which allows us to transfer an undivided interest in a designated pool of U.S. accounts receivable, on an ongoing basis, to provide security or collateral for borrowings up to a maximum of $400.0 million. This program was renewed in August 2011 and amended in December 2011. The program will expire in December 2012 and interest is to be paid on the Receivables Securitization Program at the applicable commercial paper or LIBOR rate plus an agreed-upon margin. There were no amounts outstanding under the Receivables Securitization Program at January 31, 2012 or 2011.

In addition to the facilities described above, we have various other committed and uncommitted lines of credit and overdraft facilities totaling approximately $550.2 million at January 31, 2012 to support our operations.

In consideration of the financial covenants discussed below, our maximum borrowing availability on the credit facilities is approximately $1.5 billion, of which $48.0 million was outstanding at January 31, 2012. Our credit facilities contain limitations on the amounts of annual dividends and repurchases of common stock. Additionally, the credit facilities require compliance with certain warranties and covenants. The financial ratio covenants contained within the credit facilities include a debt to capitalization ratio and a minimum interest coverage ratio. At January 31, 2012, the Company was in compliance with all such covenants. The ability to draw funds under these credit facilities is dependent upon sufficient collateral (in the case of the Receivables Securitization Program) and meeting the aforementioned financial covenants, which may limit the Company's ability to draw the full amount of these facilities. At January 31, 2012, we had also issued standby letters of credit of $75.1 million. These letters of credit typically act as a guarantee of payment to certain third parties in accordance with specified terms and conditions. The issuance of these letters of credit reduces our available capacity under the above-mentioned facilities by the same amount.

In September 2011, we filed a shelf registration statement with the Securities and Exchange Commission for the issuance of debt securities. The net proceeds from any issuance of debt securities are expected to be used for general corporate purposes, including the repayment or refinancing of debt, capital expenditures and to meet working capital needs. As of January 31, 2012, we had not issued any debt securities under this shelf registration statement, nor can any assurances be given that we will issue any debt securities under this registration in the future.

Share Repurchase Programs

During fiscal 2012, the Company's Board of Directors authorized share repurchase programs for the repurchase of up to a total of $400.0 million of the Company's common stock. Throughout fiscal 2012, the Company's share repurchases were made on the open market through block trades or otherwise. The number of shares purchased and the timing of the purchases were based on regulatory requirements, working capital requirements, general business conditions and other factors, including alternative investment opportunities. Shares repurchased by the Company are held in treasury for general corporate purposes, including issuances under equity incentive plans and our ESPP.

During fiscal 2012, we repurchased 6,736,436 shares at an average of $46.74 per share, for a total cost, including expenses, of $314.9 million under these programs.

In conjunction with the share repurchase programs discussed above, we executed 10b5-1 plans that instruct the broker selected by us to repurchase shares on behalf of the Company. The amount of common stock repurchased in accordance with the 10b5-1 plans on any given trading day is determined by a formula in the plan, which is based on the market price of the Company's common stock. Shares repurchased by the Company are held in treasury for general corporate purposes, including issuances under equity incentive plans and our ESPP.

Contractual Obligations

As of January 31, 2012, future payments of debt and amounts due under future minimum lease payments, including minimum commitments under IT outsourcing agreements, are as follows (in thousands):

	Operating leases	Capital lease	Debt [1]	Total
Fiscal year:				
2013	$ 58,500	$ 763	$47,985	$107,248
2014	49,800	763	0	50,563
2015	43,600	763	0	44,363
2016	35,100	723	14,940	50,763
2017	14,000	643	0	14,643
Thereafter	20,200	3,320	36,306	59,826
Total payments	221,200	6,975	99,231	327,406
Less amounts representing interest	0	(463)	0	(463)
Total principal payments	$ 221,200	$6,512	$99,231	$326,943

(1) Amounts include all debt outstanding at January 31, 2012 under the Company's committed and uncommitted revolving credit facilities and loan payable and revolving credit loan payable to Brightstar and excludes estimated interest as the revolving credit facilities and loans payable are at variable rates of interest or interest free.

Fair value renewal and escalation clauses exist for a substantial portion of the operating leases included above. Purchase orders for the purchase of inventory and other goods and services are not included in the table above. We are not able to determine the aggregate amount of such purchase orders that represent contractual obligations, as purchase orders typically represent authorizations to purchase rather than binding agreements. For the purposes of this table, contractual obligations for purchase of goods or services are defined as agreements that are enforceable and legally binding on the Company and that specify all significant terms, including: fixed or minimum quantities to be purchased; fixed, minimum or variable price provisions; and the approximate timing of the transaction. Our purchase orders are based on our current demand expectations and are fulfilled by our vendors within short time horizons. We do not have significant non-cancelable agreements for the purchase of inventory or other goods specifying minimum quantities or set prices that exceed our expected requirements for the next three months. We also enter into contracts for outsourced services; however, the obligations under these contracts were not significant, other than the IT outsourcing agreement included above, and the contracts generally contain clauses allowing for cancellation without significant penalty.

At January 31, 2012, we have $1.1 million recorded as a current liability for uncertain tax positions. We are not able to reasonably estimate the timing of long-term payments, or the amount by which our liability will increase or decrease over time; therefore, the long-term portion of our liability for uncertain tax position has not been included in the contractual obligations table above and is not material to our consolidated financial statements (see Note 8 of Notes to Consolidated Financial Statements).

Off-Balance Sheet Arrangements

Synthetic Lease Facility

We have a synthetic lease facility (the "Synthetic Lease") with a group of financial institutions under which we lease certain logistics centers and office facilities from a third-party lessor. During the second quarter of fiscal 2009, the Company renewed its existing Synthetic Lease with a new agreement that expires in June 2013. Properties leased under the Synthetic Lease are located in Clearwater and Miami, Florida; Fort Worth, Texas; Fontana, California; Suwanee, Georgia; Swedesboro, New Jersey; and South Bend, Indiana. The Synthetic Lease has been accounted for as an operating lease and rental payments are calculated at the applicable LIBOR rate plus a margin based on our credit ratings.

During the first four years of the lease term, we may, at our option, purchase any combination of the seven properties, at an amount equal to each of the property's cost, as long as the lease balance does not decrease below a defined amount. During the last year of the lease term, until 180 days prior to the lease expiration, we may, at our option, i) purchase a minimum of two of the seven properties, at an amount equal to each of the property's cost, ii) exercise the option to renew the lease for a minimum of two of the seven properties or iii) exercise the option to remarket a minimum of two of the seven properties and cause a sale of the properties. If we elect to remarket the properties, we have guaranteed the lessor a percentage of the cost of each property, in the aggregate amount of approximately $107.4 million (the "residual value"). We have also provided a residual value guarantee related to the Synthetic Lease, which has been recorded at the estimated fair value of the residual guarantee.

The sum of future minimum lease payments under the Synthetic Lease is approximately $2.7 million at January 31, 2012 and such amounts are included in the future minimum lease payments presented above. The Synthetic Lease contains covenants that must be complied with, similar to the covenants described in certain of the credit facilities. As of January 31, 2012, we were in compliance with all such covenants.

Guarantees

As is customary in the technology industry, to encourage certain customers to purchase product from us, we have arrangements with certain finance companies that provide inventory-financing facilities for our customers. In conjunction with certain of these arrangements, we have agreements with the finance companies that would require us to repurchase certain inventory, which might be repossessed from the customers by the finance companies. Due to various reasons, including among other items, the lack of information regarding the amount of saleable inventory purchased from us still on hand with the customer at any point in time, our repurchase obligations relating to inventory cannot be reasonably estimated. Repurchases of inventory by us under these arrangements have been insignificant to date. We also provide additional financial guarantees to finance companies on behalf of certain customers. The majority of these guarantees are for an indefinite period of time, where we would be required to perform if the customer is in default with the finance company related to purchases made from the Company. The Company reviews the underlying credit for these guarantees on at least an annual basis. As of January 31, 2012 and 2011, the aggregate amount of guarantees under these arrangements totaled approximately $65.4 million and $62.1 million, respectively, of which approximately $28.4 million and $43.0 million, respectively, was outstanding. We believe that, based on historical experience, the likelihood of a material loss pursuant to the above guarantees is remote.

ITEM 7A. *Quantitative and Qualitative Disclosures About Market Risk.*

As a large global organization, we face exposure to adverse movements in foreign currency exchange rates. These exposures may change over time as business practices evolve and could have a material impact on our financial results in the future. In the normal course of business, we employ established policies and procedures to manage our exposure to fluctuations in the value of foreign currencies. It is our policy to utilize financial instruments to reduce risks where internal netting cannot be effectively employed. Additionally, we do not enter into derivative instruments for speculative or trading purposes. With respect to our internal netting practices, we will consider inventory as an economic hedge against foreign currency exposure in accounts payable in certain circumstances. This practice offsets such inventory against corresponding accounts payables denominated in currencies other than the functional currency of the subsidiary buying the inventory, when determining our net exposure to be hedged using traditional forward contracts. Under this strategy, we would expect to increase or decrease our selling prices for product purchased in foreign currencies based on fluctuations in foreign currency exchange rates affecting the underlying accounts payable. To the extent we incur a foreign currency exchange loss (gain) on the underlying accounts payable denominated in the foreign currency, we would expect to see a corresponding increase (decrease) in gross profit as the related inventory is sold. This strategy can result in a certain degree of quarterly earnings volatility as the underlying accounts payable is remeasured using the foreign currency exchange rate prevailing at the end of each period, or settlement date if earlier, whereas the corresponding increase (decrease) in gross profit is not realized until the related inventory is sold.

Our foreign currency exposure relates to our transactions in Europe, Canada and Latin America, where the currency collected from customers can be different from the currency used to purchase the product. During fiscal 2012 and 2011, the underlying exposures are denominated primarily in the following currencies: U.S. dollar, Brazilian real, British pound, Canadian dollar, Chilean Peso, Colombian Peso, Czech koruna, Danish krone, euros, Mexican Peso, Norwegian krone, Peruvian new sol, Polish zloty, Romanian leu, Swedish krona and Swiss franc. Our foreign currency risk management objective is to protect our earnings and cash flows from the adverse impact of exchange rate changes through the use of foreign currency forward and swap contracts to primarily hedge loans, accounts receivable and accounts payable. We are also exposed to changes in interest rates primarily as a result of our short-term debt used to maintain liquidity and to finance working capital, capital expenditures and acquisitions. Interest rate risk is also present in the forward foreign currency contracts hedging intercompany and loans. Our interest rate risk management objective is to limit the impact of interest rate changes on earnings and cash flows and to minimize overall borrowing costs. To achieve our objective, we use a combination of fixed and variable rate debt. The nature and amount of our long-term and short-term debt can be expected to vary as a result of future business requirements, market conditions and other factors. We utilize various financing instruments, such as receivables securitization, leases, revolving credit facilities, and trade receivable purchase facilities, to finance working capital needs. In order to provide an assessment of the Company's foreign currency exchange rate and interest rate risk, the Company performed a sensitivity analysis using a value-at-risk ("VaR") model. The VaR model consisted of using a Monte Carlo simulation to generate 1,000 random market price paths. The VaR model determines the potential impact of the fluctuation in foreign exchange rates and interest rates assuming a one-day holding period, normal market conditions and a 95% confidence level. The VaR is the maximum expected loss in fair value for a given confidence interval to the Company's foreign exchange portfolio due to adverse movements in the rates. The model is not intended to represent actual losses but is used as a risk estimation and management tool. Firm commitments, assets and liabilities denominated in foreign currencies were excluded from the model.

The following table represents the estimated maximum potential one-day loss in fair value at a 95% confidence level, calculated using the VaR model at January 31, 2012 and 2011. We believe that the hypothetical loss in fair value of our foreign exchange derivatives would be offset by the gains in the value of the underlying transactions being hedged.

	VaR as of	
	January 31, 2012	January 31, 2011
	(in thousands)	
Currency rate sensitive financial instruments	$ (2,322)	$ (1,910)
Interest rate sensitive financial instruments	0	(82)
Combined portfolio	$ (2,322)	$ (1,992)

Actual future gains and losses associated with the Company's derivative positions may differ materially from the analyses performed as of January 31, 2012, due to the inherent limitations associated with predicting the changes in the timing and amount of interest rates, foreign currency exchanges rates, and the Company's actual exposures and positions.

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ITEM 8. ***Financial Statements and Supplementary Data.***

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All schedules and exhibits not included are not applicable, not required or would contain information which is shown in the financial statements or notes thereto.

Report of Independent Registered Certified Public Accounting Firm

The Board of Directors and Shareholders of
Tech Data Corporation

We have audited the accompanying consolidated balance sheets of Tech Data Corporation and subsidiaries as of January 31, 2012 and 2011, and the related consolidated statements of income, comprehensive income, shareholders' equity, and cash flows for each of the three years in the period ended January 31, 2012. Our audits also included the financial statement schedule listed in the Index at Item 15(a). These financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Tech Data Corporation and subsidiaries at January 31, 2012 and 2011, and the consolidated results of their operations and their cash flows for each of the three years in the period ended January 31, 2012, in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Tech Data Corporation's internal control over financial reporting as of January 31, 2012, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated March 21, 2012, expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP

Tampa, Florida
March 21, 2012

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TECH DATA CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(In thousands, except share amounts)

	January 31, 2012	January 31, 2011
ASSETS		
Current assets:		
Cash and cash equivalents	$ 505,178	$ 763,725
Accounts receivable, less allowance for doubtful accounts of $52,713 and $56,811	2,871,243	2,896,671
Inventories	1,802,976	2,205,394
Prepaid expenses and other assets	202,505	181,147
Total current assets	5,381,902	6,046,937
Property and equipment, net	88,595	94,315
Other assets, net	314,921	270,831
Total assets	$5,785,418	$6,412,083
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	$3,042,809	$3,147,753
Accrued expenses and other liabilities	551,280	562,638
Revolving credit loans and current maturities of long-term debt, net	48,490	434,435
Total current liabilities	3,642,579	4,144,826
Long-term debt, less current maturities	57,253	60,076
Other long-term liabilities	83,438	68,754
Total liabilities	3,783,270	4,273,656
Commitments and contingencies (Note 13)		
Shareholders' equity:		
Common stock, par value $.0015; 200,000,000 shares authorized; 59,239,085 shares issued at January 31, 2012 and 2011	89	89
Additional paid-in capital	769,826	768,757
Treasury stock, at cost (18,166,761 and 12,517,538 shares at January 31, 2012 and 2011)	(739,614)	(466,635)
Retained earnings	1,659,767	1,453,371
Accumulated other comprehensive income	283,755	358,884
Equity attributable to shareholders of Tech Data Corporation	1,973,823	2,114,466
Noncontrolling interest	28,325	23,961
Total equity	2,002,148	2,138,427
Total liabilities and equity	$5,785,418	$6,412,083

The accompanying Notes to Consolidated Financial Statements are an integral part of these financial statements.

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TECH DATA CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF INCOME
(In thousands, except per share amounts)

	Year ended January 31,		
	2012	2011	2010
Net sales	$26,488,124	$24,375,973	$22,099,876
Cost of products sold	25,094,133	23,092,685	20,947,522
Gross profit	1,393,991	1,283,288	1,152,354
Operating expenses:			
Selling, general and administrative expenses	1,037,839	949,303	892,878
Loss on disposal of subsidiaries	28,294	0	0
	1,066,133	949,303	892,878
Operating income	327,858	333,985	259,476
Interest expense	31,343	29,926	27,639
Other expense (income), net	1,193	444	(3,303)
Income before income taxes	295,322	303,615	235,140
Provision for income taxes	78,474	84,752	53,940
Consolidated net income	216,848	218,863	181,200
Net income attributable to noncontrolling interest	(10,452)	(4,620)	(1,045)
Net income attributable to shareholders of Tech Data Corporation	$ 206,396	$ 214,243	$ 180,155
Net income per share attributable to shareholders of Tech Data Corporation			
Basic	$ 4.72	$ 4.41	$ 3.57
Diluted	$ 4.66	$ 4.36	$ 3.54
Weighted average common shares outstanding:			
Basic	43,749	48,587	50,517
Diluted	44,327	49,085	50,938

The accompanying Notes to Consolidated Financial Statements are an integral part of these financial statements.

TECH DATA CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(In thousands)

	Year ended January 31,		
	2012	2011	2010
Consolidated net income	$216,848	$218,863	$181,200
Other comprehensive income:			
Foreign currency translation adjustment	(76,664)	(614)	125,285
Total comprehensive income	140,184	218,249	306,485
Comprehensive income attributable to noncontrolling interest	8,917	4,703	1,318
Comprehensive income attributable to shareholders of Tech Data Corporation	$131,267	$213,546	$305,167

The accompanying Notes to Consolidated Financial Statements are an integral part of these financial statements.

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TECH DATA CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY
(In thousands)

	Tech Data Corporation Shareholders							
	Common Stock		Additional paid-in capital	Treasury stock	Retained earnings	Accumulated other comprehensive income	Noncontrolling interest	Total equity
	Shares	Amount						
Balance—January 31, 2009	59,239	$ 89	$775,754	$(331,692)	$1,058,973	$ 234,569	$ 4,320	$1,742,013
Issuance of treasury stock for benefit plans and equity-based awards exercised, including related tax benefit of $1,873	0	0	(17,684)	52,494	0	0	0	34,810
Stock-based compensation expense	0	0	11,225	0	0	0	0	11,225
Currency translation adjustment	0	0	0	0	0	125,012	273	125,285
Net income	0	0	0	0	180,155	0	1,045	181,200
Balance—January 31, 2010	59,239	89	769,295	(279,198)	1,239,128	359,581	5,638	2,094,533
Purchase of treasury stock, at cost	0	0	0	(200,000)	0	0	0	(200,000)
Issuance of treasury stock for benefit plans and equity-based awards exercised, including related tax benefit of $1,072	0	0	(10,425)	12,563	0	0	0	2,138
Stock-based compensation expense	0	0	9,887	0	0	0	0	9,887
Capital contributions from joint venture partner	0	0	0	0	0	0	13,620	13,620
Currency translation adjustment	0	0	0	0	0	(697)	83	(614)
Net income	0	0	0	0	214,243	0	4,620	218,863
Balance—January 31, 2011	59,239	89	768,757	(466,635)	1,453,371	358,884	23,961	2,138,427
Purchase of treasury stock, at cost	0	0	0	(314,886)	0	0	0	(314,886)
Issuance of treasury stock for benefit plan and equity-based awards exercised, including related tax benefit of $2,245	0	0	(9,630)	41,907	0	0	0	32,277
Stock-based compensation expense	0	0	10,699	0	0	0	0	10,699
Currency translation adjustment	0	0	0	0	0	(75,129)	(1,535)	(76,664)
Declaration of return of capital to joint venture partner	0	0	0	0	0	0	(4,553)	(4,553)
Net income	0	0	0	0	206,396	0	10,452	216,848
Balance—January 31, 2012	59,239	$ 89	$769,826	$(739,614)	$1,659,767	$ 283,755	$ 28,325	$2,002,148

The accompanying Notes to Consolidated Financial Statements are an integral part of these financial statements.

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TECH DATA CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
(In thousands)

	Year ended January 31,		
	2012	2011	2010
Cash flows from operating activities:			
Cash received from customers	$ 26,435,178	$ 24,258,805	$ 21,927,372
Cash paid to vendors and employees	(25,827,475)	(24,008,367)	(21,329,102)
Interest paid, net	(18,313)	(15,927)	(14,015)
Income taxes paid	(85,978)	(73,211)	(48,790)
Net cash provided by operating activities	503,412	161,300	535,465
Cash flows from investing activities:			
Acquisition of businesses, net of cash acquired	(24,898)	(141,138)	(8,153)
Proceeds from sale of property and equipment	0	0	5,491
Expenditures for property and equipment	(13,385)	(18,614)	(14,486)
Software and software development costs	(30,985)	(13,288)	(14,379)
Net cash used in investing activities	(69,268)	(173,040)	(31,527)
Cash flows from financing activities:			
Proceeds from the reissuance of treasury stock	35,093	5,005	37,959
Cash paid for purchase of treasury stock	(314,886)	(200,000)	0
Capital contributions and borrowings from joint venture partner	460	34,556	23,208
Net (repayments) borrowings on revolving credit loans	(41,195)	(46,645)	(19,116)
Principal payments on long-term debt	(352,316)	(454)	(5,654)
Excess tax benefit from stock-based compensation	2,003	1,180	963
Net cash (used in) provided by financing activities	(670,841)	(206,358)	37,360
Effect of exchange rate changes on cash and cash equivalents	(21,850)	(1,090)	38,793
Net (decrease) increase in cash and cash equivalents	(258,547)	(219,188)	580,091
Cash and cash equivalents at beginning of year	763,725	982,913	402,822
Cash and cash equivalents at end of year	$ 505,178	$ 763,725	$ 982,913
Reconciliation of net income to net cash provided by operating activities:			
Net income attributable to shareholders of Tech Data Corporation	$ 206,396	$ 214,243	$ 180,155
Net income attributable to noncontrolling interest	10,452	4,620	1,045
Consolidated net income	216,848	218,863	181,200
Adjustments to reconcile net income to net cash provided by (used in) operating activities:			
Loss on disposal of subsidiaries	28,294	0	0
Depreciation and amortization	57,332	47,285	45,954
Provision for losses on accounts receivable	10,546	11,517	10,953
Stock-based compensation expense	10,699	9,887	11,225
Accretion of debt discount on convertible senior debentures	8,994	10,278	10,278
Deferred income taxes	(29,746)	6,972	(2,541)
Excess tax benefit from stock-based compensation	(2,003)	(1,180)	(963)
Changes in operating assets and liabilities, net of acquisitions:			
Accounts receivable	(48,887)	(113,303)	(168,152)
Inventories	370,858	(349,429)	116,543
Prepaid expenses and other assets	(43,358)	(34,601)	21,290
Accounts payable	(41,081)	335,813	328,122
Accrued expenses and other liabilities	(35,084)	19,198	(18,444)
Total adjustments	286,564	(57,563)	354,265
Net cash provided by operating activities	$ 503,412	$ 161,300	$ 535,465

The accompanying Notes to Consolidated Financial Statements are an integral part of these financial statements.

TECH DATA CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 — BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Business

Tech Data Corporation ("Tech Data" or the "Company") is one of the world's largest wholesale distributors of technology products. The Company serves as an indispensable link in the technology supply chain by bringing products from the world's leading technology vendors to market, as well as providing customers with advanced logistics capabilities and value-added services. Tech Data's customers include value-added resellers, direct marketers, retailers and corporate resellers who support the diverse technology needs of end users. The Company is managed in two geographic segments: the Americas (including North America and South America) and Europe.

Principles of Consolidation

The consolidated financial statements include the accounts of Tech Data and its subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation. Noncontrolling interest is recognized for the portion of a consolidated joint venture not owned by the Company. The Company operates on a fiscal year that ends on January 31.

Basis of Presentation

The consolidated financial statements have been prepared by the Company pursuant to the rules and regulations of the United States Securities and Exchange Commission ("SEC"). The Company prepares its financial statements in conformity with generally accepted accounting principles in the United States ("U.S. GAAP"). These principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition

Revenue is recognized once four criteria are met: (1) the Company must have persuasive evidence that an arrangement exists; (2) delivery must occur, which generally happens at the point of shipment (this includes the transfer of both title and risk of loss, provided that no significant obligations remain); (3) the price must be fixed or determinable; and (4) collectability must be reasonably assured. Shipping revenue is included in net sales while the related costs, including shipping and handling costs, are included in the cost of products sold. The Company allows its customers to return product for exchange or credit subject to certain limitations. A provision for such returns is recorded at the time of sale based upon historical experience. Taxes imposed by governmental authorities on the Company's revenue-producing activities with customers, such as sales taxes and value-added taxes, are excluded from net sales.

Service revenue associated with configuration, training and other services is recognized when the work is complete and the four criteria discussed above have been met. Service revenues have represented less than 10% of consolidated net sales for fiscal years 2012, 2011 and 2010.

The Company generated approximately 25%, 27% and 28% of consolidated net sales in fiscal 2012, 2011 and 2010, respectively, from products purchased from Hewlett-Packard Company. There were no other vendors and no customers that accounted for 10% or more of the Company's consolidated net sales in fiscal 2012, 2011 or 2010.

Cash and Cash Equivalents

Short-term investments which are highly liquid and have an original maturity of 90 days or less are considered cash equivalents.

Historically, the Company presented certain book overdrafts, representing checks issued and wire transfers that have been initiated which have not been presented for payment to the banks, as accounts payable. Based on its agreements with its banks in certain countries, the Company has determined that a significant portion of these book overdrafts are covered by rights of setoff in favor of the respective banks and therefore, the Company has classified these amounts as a reduction of cash and accounts payable as of January 31, 2012. The Company has adjusted its financial statements for the years ended January 31, 2011 and 2010 to reflect the right of setoff. The impact of this adjustment on prior periods was to decrease cash and accounts payable as of January 31, 2011 by $76.2 million and to increase cash flows from operating activities by $57.5 million for the year ended January 31, 2011 and to decrease cash flows from operating activities by $8.5 million for the year ended January 31, 2010. The impact of this adjustment on prior quarters in fiscal 2012 was to decrease cash and accounts payable as of October 31, July 31, and April 30, 2011 by $74.5 million, $97.8 million and $115.5 million, respectively, and to increase cash flows from operating activities by $1.7 million for the year to date period ended October 31, 2011 and to decrease cash flows from operating activities by $21.6 million and $39.2 million for the year to date periods ended July 31, 2011 and April 30, 2011, respectively. Management concluded that these adjustments are immaterial to the consolidated financial statements.

The Company had other book overdrafts included in accounts payable of $28.7 million and $20.1 million at January 31, 2012 and 2011, respectively, related to bank accounts where a right of setoff does not exist.

Accounts Receivable

The Company maintains an allowance for doubtful accounts for estimated losses resulting from the inability of our customers to make required payments. In estimating the required allowance, the Company takes into consideration the overall quality and aging of the receivable portfolio, the large number of customers and their dispersion across wide geographic areas, the existence of credit insurance, specifically identified customer risks, historical write-off experience and the current economic environment. If actual customer performance were to deteriorate to an extent not expected by the Company, additional allowances may be required which could have an adverse effect on the Company's financial results. Conversely, if actual customer performance were to improve to an extent not expected by us, a reduction in the allowance may be required which could have a favorable effect on the Company's consolidated financial results.

Inventories

Inventories, consisting entirely of finished goods, are stated at the lower of cost or market, cost being determined on the first-in, first-out ("FIFO") method. Inventory is written down for estimated obsolescence equal to the difference between the cost of inventory and the estimated market value, based upon an aging analysis of the inventory on hand, specifically known inventory-related risks (such as technological obsolescence and the nature of vendor terms surrounding price protection and product returns), foreign currency fluctuations for foreign-sourced product and assumptions about future demand. Market conditions or changes in terms and conditions by the Company's vendors that are less favorable than those projected by management may require additional inventory write-downs, which could have an adverse effect on the Company's consolidated financial results.

Vendor Incentives

The Company receives incentives from vendors related to cooperative advertising allowances, infrastructure funding, volume rebates and other incentive agreements. These incentives are generally under quarterly, semi-annual or annual agreements with the vendors; however, some of these incentives are negotiated on an ad-hoc basis to support specific programs mutually developed with the vendor. Unrestricted volume rebates and early payment discounts received from vendors are recorded when they are earned as a reduction of inventory and as a reduction of cost of products sold as the related inventory is sold. Vendor incentives for specifically identified cooperative advertising programs and infrastructure funding are recorded when earned as adjustments to product costs or selling, general and administrative expenses, depending on the nature of the program.

Reserves for receivables on vendor programs are recorded for estimated losses resulting from vendors' inability to pay or rejections of claims by vendors. Should amounts recorded as outstanding receivables from vendors be deemed uncollectible, additional allowances may be required which could have an adverse effect on the Company's consolidated financial results. Conversely, if amounts recorded as outstanding receivables from vendor were to improve to an extent not expected by us, a reduction in the allowance may be required which could have a favorable effect on the Company's consolidated financial results.

Property and Equipment

Property and equipment are stated at cost and property and equipment under capital leases are stated at the present value of the future minimum lease payments determined at the inception of the lease. Depreciation expense includes depreciation of purchased property and equipment and assets recorded under capital leases. Depreciation expense is computed over the shorter of the estimated economic lives or lease periods using the straight-line method as follows:

	Years
Buildings and improvements	15-39
Leasehold improvements	3-10
Furniture, fixtures and equipment	3-10

Expenditures for renewals and improvements that significantly add to productive capacity or extend the useful life of an asset are capitalized. Expenditures for maintenance and repairs are charged to operations when incurred. When assets are sold or retired, the cost of the asset and the related accumulated depreciation are eliminated and any gain or loss is recognized at such time.

Long-Lived Assets

Long-lived assets are reviewed for potential impairment at such time when events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. An impairment loss is evaluated when the sum of the expected, undiscounted future net cash flows is less than the carrying amount of the asset. Any impairment loss is measured by comparing the fair value of the asset to its carrying value.

Goodwill

The Company performs an annual review for the potential impairment of the carrying value of goodwill, or more frequently if current events and circumstances indicate a possible impairment. An impairment loss is charged to expense in the period identified. This testing includes the determination of each reporting unit's fair value using market multiples and discounted cash flow modeling. The Company performs its annual review for goodwill impairment as of January 31st of each fiscal year.

Intangible Assets

Included within other assets at both January 31, 2012 and 2011 are certain intangible assets including capitalized software and development costs, as well as customer and vendor relationships, noncompete agreements and trademarks acquired in connection with various business acquisitions. Such capitalized costs and intangible assets are being amortized over a period of three to ten years.

The Company's capitalized software has been obtained or developed for internal use only. Development and acquisition costs are capitalized for computer software only when management authorizes and commits to funding a computer software project through the approval of a capital expenditure requisition, and the software project is either for the development of new software, to increase the life of existing software or to add significantly to the functionality of existing software. Once these requirements have been met, capitalization would begin at the point that conceptual formulation, evaluation, design, and testing of possible software project alternatives have been completed. Capitalization ceases when the software project is substantially complete and ready for its intended use.

Costs of computer software developed or obtained for internal use that are capitalized include external direct costs of materials and services consumed in developing or obtaining internal-use computer software and payroll and payroll-related costs for the Company's IT programmers performing software coding and testing activities (including development of data conversion programs) directly associated with the internal-use computer software project. Prepaid maintenance fees associated with a software application are accounted for separately from the related software and amortized over the life of the maintenance agreement. General, administrative, overhead, training, non-development data conversion processes, and maintenance costs, as well as the costs associated with the preliminary project and post-implementation stages are expensed as incurred.

The Company's accounting policy is to amortize capitalized software costs on a straight-line basis over periods ranging from three to ten years, depending upon the nature of the software, the stability of the hardware platform on which the software is installed, its fit in the Company's overall strategy, and our experience with similar software. It is the Company's policy to amortize personal computer-related software, such as spreadsheet and word processing applications, over three years, which reflects the rapid changes in personal computer software. Mainframe software licenses are amortized over five years, which is in line with the longer economic life of mainframe systems compared to personal computer systems. Finally, strategic applications such as customer relationship management and enterprise-wide systems are amortized over seven to ten years based on their strategic fit and the Company's historical experience with such applications.

Product Warranty

The Company's vendors generally warrant the products distributed by the Company and allow the Company to return defective products, including those that have been returned to the Company by its customers. The Company does not independently warrant the products it distributes; however, in several countries where the Company operates, the Company is responsible for defective product as a matter of law. The time period required by law in certain countries exceeds the warranty period provided by the manufacturer. The Company is obligated to provide warranty protection for sales of certain IT products within the European Union ("EU") for up to two years as required under the EU directive where vendors have not affirmatively agreed to provide pass-through protection. To date, the Company has not incurred any significant costs for defective products under these legal requirements. The Company does warrant services with regard to products integrated for its customers. A provision for estimated warranty costs is recorded at the time of sale and periodically adjusted to reflect actual experience. To date, the Company has not incurred any significant service warranty costs. Fees charged for products configured by the Company represented less than 10% of net sales for fiscal years 2012, 2011 and 2010.

Income Taxes

Income taxes are accounted for under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are determined based on differences between the financial statements and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the fiscal period that includes the enactment date. Deferred taxes have not been provided on the cumulative undistributed earnings of foreign subsidiaries or the cumulative translation adjustment related to those investments because such amounts are expected to be reinvested indefinitely.

The Company's future effective tax rates could be adversely affected by earnings being lower than anticipated in countries with lower statutory rates, changes in the relative mix of taxable income and taxable loss jurisdictions, changes in the valuation of deferred tax assets or liabilities or changes in tax laws or interpretations thereof. In addition, the Company is subject to the continuous examination of its income tax returns by the Internal Revenue Service and other tax authorities. The Company regularly assesses the likelihood of adverse outcomes resulting from these examinations to determine the adequacy of its provision for income taxes. To the extent the Company were to prevail in matters for which accruals have been established or to be required to pay amounts in excess of such accruals, the Company's effective tax rate in a given financial statement period could be materially affected.

Concentration of Credit Risk

The Company's financial instruments which are subject to concentrations of credit risk consist primarily of cash and cash equivalents, accounts receivable and foreign currency exchange contracts. The Company's cash and cash equivalents are deposited and/or invested with various financial institutions globally that are monitored on a regular basis by the Company for credit quality.

The Company sells its products to a large base of value-added resellers, direct marketers, retailers and corporate resellers throughout North America, South America and Europe. The Company performs ongoing credit evaluations of its customers and generally does not require collateral. The Company has obtained credit insurance, primarily in Europe, which insures a percentage of credit extended by the Company to certain of its customers against possible loss. The Company makes provisions for estimated credit losses at the time of sale. No single customer accounted for more than 10% of the Company's net sales during fiscal years 2012, 2011 or 2010.

The Company also enters into foreign currency exchange contracts. In the event of a failure to honor one of these contracts by one of the banks with which the Company has contracted, the Company believes any loss would be limited in most circumstances to the exchange rate differential from the time the contract was executed until the time the contract was settled. The Company's foreign currency exchange contracts are executed with various financial institutions globally that are monitored on a regular basis by the Company for credit quality.

Foreign Currency Translation

Assets and liabilities of foreign operations that operate in a local functional currency environment are translated to U.S. dollars at the exchange rates in effect at the balance sheet date, with the related translation gains or losses reported as components of accumulated other comprehensive income in shareholders' equity. All income and expense accounts of foreign operations operating in a local functional currency environment are translated at weighted average exchange rates for each period during the year.

Derivative Financial Instruments

The Company faces exposure to changes in foreign currency exchange rates and interest rates. The Company reduces its exposure by creating offsetting positions through the use of derivative financial instruments, in the form of foreign currency forward contracts, in situations where there are not offsetting balances that create an economic hedge. The majority of these instruments have terms of 90 days or less. It is the Company's policy to utilize financial instruments to reduce risk where appropriate and prohibit entering into derivative financial instruments for speculative or trading purposes.

Derivative financial instruments are marked-to-market each period with gains and losses on these contracts recorded in the Company's Consolidated Statement of Income within "cost of products sold" for derivative instruments used to manage the Company's exposure to foreign denominated accounts receivable and accounts payable and within "other expense (income), net" for derivative instruments used to manage the Company's exposure to foreign denominated financing transactions. Such mark-to-market gains and losses are recorded in the period in which their value changes, with the offsetting entry for unsettled positions being recorded to either other current assets or other current liabilities.

Comprehensive Income

Comprehensive income is defined as the change in equity (net assets) of a business enterprise during a period from transactions and other events and circumstances from non-owner sources, and is comprised of "net income" and "other comprehensive income."

The Company's accumulated other comprehensive income (loss) included in total equity is comprised exclusively of changes in the Company's currency translation adjustment account ("CTA account"), including income taxes attributable to those changes. Total accumulated other comprehensive income includes $23.0 million of income taxes at January 31, 2012, 2011 and 2010, respectively.

Comprehensive income attributable to shareholders of the Company decreased during the fiscal year ended January 31, 2012 as compared to the prior year primarily as a result of the strengthening of the U.S. dollar against most currencies in which the Company operated at January 31, 2012 compared to January 31, 2011. Comprehensive income attributable to shareholders of the Company decreased during the fiscal year ended January 31, 2011 as compared to the prior year due to strengthening U.S. dollar against most foreign currencies in which the Company operated during fiscal 2011. The spot rate of the U.S. dollar was relatively stable versus other foreign currencies at January 31, 2011 compared to January 31, 2010.

Stock-Based Compensation

The Company records all equity-based incentive grants to employees and non-employee members of the Company's Board of Directors in "selling, general and administrative expenses" in the Company's Consolidated Statement of Income based on their fair values determined on the date of grant. Compensation expense, reduced for estimated forfeitures, is recognized on a straight-line basis over the requisite service period of the award, which is generally the vesting term of the outstanding equity awards. The Company estimates forfeiture rates based on its historical experience during the preceding five fiscal years.

Treasury Stock

Treasury stock is accounted for at cost. The reissuance of shares from treasury stock for exercises of equity-based awards or other corporate purposes is based on the weighted average purchase price of the shares.

Contingencies

The Company accrues for contingent obligations, including estimated legal costs, when the obligation is probable and the amount is reasonably estimable. As facts concerning contingencies become known, the Company reassesses its position and makes appropriate adjustments to the financial statements. Estimates that are particularly sensitive to future changes include those related to tax, legal and other regulatory matters such as imports and exports, the imposition of international governmental controls, changes in the interpretation and enforcement of international laws (particularly related to items such as duty and taxation), and the impact of local economic conditions and practices, which are all subject to change as events evolve and as additional information becomes available during the administrative and litigation process.

Recently Adopted Accounting Standards

In December 2010, the Financial Accounting Standards Board ("FASB") issued an accounting standard which modifies the two-step goodwill impairment testing process for entities that have a reporting unit with a zero or negative carrying amount. For those reporting units, an entity is required to perform step two of the goodwill impairment test if it is more likely than not that goodwill impairment exists. In determining whether it is more likely than not that a goodwill impairment exists, an entity should consider whether there are any adverse qualitative factors indicating that an impairment exists. This accounting standard is effective for the Company beginning with the quarter ending April 30, 2011. The Company has adopted this standard for the quarter ended April 30, 2011, which had no impact on its consolidated financial position, results of operations or cash flows.

In October 2009, the FASB issued an accounting standard requiring an entity to allocate revenue arrangement consideration at the inception of a multiple-deliverable revenue arrangement to all of its deliverables based on their relative selling prices. This accounting standard is effective for revenue arrangements entered into or materially modified by the Company beginning February 1, 2011 with early adoption permitted. The Company has adopted this standard effective February 1, 2011, which did not have a material impact on the Company's consolidated financial position, results of operations or cash flows.

In October 2009, the FASB issued an accounting standard addressing how entities account for revenue arrangements that contain both hardware and software elements. Due to the significant difference in the level of evidence required for separation of multiple deliverables within different accounting standards, this particular accounting standard will modify the scope of accounting guidance for software revenue recognition. Many tangible products containing software and non-software components that function together to deliver the tangible products' essential functionality will be accounted for under the revised multiple-element arrangement revenue recognition guidance discussed above. This accounting standard is effective for revenue arrangements entered into or materially modified by the Company beginning February 1, 2011 with early adoption permitted. The Company has adopted this standard effective February 1, 2011, which did not have a material impact on the Company's consolidated financial position, results of operations or cash flows.

In June 2011, the FASB issued a new accounting standard related to the presentation of comprehensive income. This standard requires presentation of comprehensive income in either a single statement of comprehensive income or two separate but consecutive statements. This standard does not change the definitions of the components of net income and other comprehensive income, when an item must be reclassified from other comprehensive income to net income, or earnings per share, which is calculated using net income.

This standard is effective for the Company beginning February 1, 2012, and is required to be applied retrospectively, with early adoption permitted. The Company has early adopted this standard as of January 31, 2012, which had no impact on its consolidated financial position, results of operations or cash flows.

Recently Issued Accounting Standards

In September 2011, the FASB issued an accounting standard which simplifies how entities test goodwill for impairment. The accounting standard permits an entity to first assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the two-step goodwill impairment test described below. The accounting standard is effective for the Company beginning February 1, 2012, with early adoption permitted. The Company does not expect the adoption of this guidance will have a material impact on its consolidated financial position, results of operations or cash flows.

In May 2011, the FASB and International Accounting Standards Board issued a new accounting standard that amends the wording used to describe many of the requirements in U.S. GAAP for measuring fair value and for disclosing information about fair value measurements. This accounting standard does not extend the use of fair value accounting, but provides guidance on how it should be applied where its use is already required or permitted by other standards within U.S. GAAP or International Financial Reporting Standards. This accounting standard is effective for the Company beginning with the quarter ending April 30, 2012. The Company does not expect the adoption of this guidance will have a material impact on its consolidated financial position, results of operations or cash flows.

NOTE 2 — EARNINGS PER SHARE ("EPS")

The Company reports a dual presentation of basic and diluted EPS. Basic EPS is computed by dividing net income attributable to shareholders of Tech Data by the weighted average number of shares outstanding during the reported period. Diluted EPS reflects the potential dilution related to equity-based incentives (further discussed in Note 9—Employee Benefit Plans) using the if-converted and treasury stock methods, as applicable. The composition of basic and diluted EPS is as follows:

	Year ended January 31, 2012			Year ended January 31, 2011			Year ended January 31, 2010		
	Net income	Weighted average shares	Per share amount	Net income	Weighted average shares	Per share amount	Net income	Weighted average shares	Per share amount
	(In thousands, except per share data)								
Net income per common share-attributable to shareholders of Tech Data - basic	$206,396	43,749	$ 4.72	$214,243	48,587	$ 4.41	$180,155	50,517	$ 3.57
Effect of dilutive securities:									
Equity-based awards	0	578		0	498		0	421	
Net income per common share attributable to shareholders of Tech Data - diluted	$206,396	44,327	$ 4.66	$214,243	49,085	$ 4.36	$180,155	50,938	$ 3.54

At January 31, 2012, 2011 and 2010, there were 16,382, 564,776 and 2,421,279 shares, respectively, excluded from the computation of diluted earnings per share because their effect would have been antidilutive.

The Company's $350.0 million convertible senior debentures issued in December 2006 were repaid during December 2011. The $350.0 million convertible senior debentures did not impact earnings per share at January 31, 2011 or 2010, as the conditions for the contingent conversion feature had not been met (see further discussion in Note 7—Debt).

NOTE 3 — PROPERTY AND EQUIPMENT, NET

	January 31,	
	2012	2011
	(In thousands)	
Land	$ 4,727	$ 4,938
Buildings and leasehold improvements	81,818	77,794
Furniture, fixtures and equipment	338,789	340,109
	425,334	422,841
Less accumulated depreciation	(336,739)	(328,526)
	$ 88,595	$ 94,315

Depreciation expense included in income for the years ended January 31, 2012, 2011 and 2010 totaled $21.9 million, $21.0 million and $23.8 million, respectively.

NOTE 4 — GOODWILL AND INTANGIBLE ASSETS

The Company's goodwill balance of $97.3 million and $70.4 million at January 31, 2012 and 2011, respectively, is included within "other assets, net" in the Consolidated Balance Sheet.

The changes in the carrying amount of goodwill, by geographic segment, for the fiscal year ended January 31, 2012, are as follows:

	Americas	Europe	Total
		(In thousands)	
Balance as of February 1, 2011	$ 2,966	$ 67,460	$70,426
Goodwill acquired during the year	0	31,011	31,011
Foreign currency translation adjustment	0	(4,156)	(4,156)
Balance as of February 1, 2012	$ 2,966	$ 94,315	$97,281

The increase in goodwill during fiscal 2012 is the result of the Company's acquisitions in Europe (see also Note 5 – Acquisitions).

In conjunction with the Company's annual impairment testing, the Company's goodwill was tested for impairment as of January 31, 2012. The impairment testing included a determination of the fair value of the Company's reporting units, which are also the Company's operating segments, using market multiples and discounted cash flows modeling. The results of the testing indicated that the fair value of the Company's reporting units was greater than the carrying value of the Company's reporting units, including goodwill. As a result, no goodwill impairment was recorded at January 31, 2012.

Also included within "other assets, net" are intangible assets as follows:

	January 31, 2012			January 31, 2011		
	Gross carrying amount	Accumulated amortization	Net book value	Gross carrying amount	Accumulated amortization	Net book value
		(In thousands)			(In thousands)	
Capitalized software and development costs	$302,326	$ 223,148	$ 79,178	$280,751	$ 208,799	$ 71,952
Customer and vendor relationships	98,080	36,544	61,536	85,076	26,059	59,017
Other intangible assets	9,636	4,505	5,131	10,041	3,031	7,010
Total	$410,042	$ 264,197	$145,845	$375,868	$ 237,889	$137,979

The Company capitalized intangible assets of $48.2 million, $76.5 million and $19.1 million for the years ended January 31, 2012, 2011 and 2010, respectively. For fiscal 2012, these capitalized assets related primarily to software and software development expenditures to be used in the Company's operations and customer and vendor relationships related to the Company's acquisitions during fiscal 2012. For fiscal 2011, these capitalized assets resulted primarily from customer and vendor relationships related to the Company's acquisitions during fiscal 2011 (see also Note 5 – Acquisitions). There was no interest capitalized during any of the fiscal years ended January 31, 2012, 2011 and 2010.

The weighted average amortization period for all intangible assets capitalized during fiscal 2012 approximated six years and approximated five years and six years for fiscal 2011 and 2010, respectively. The weighted average amortization period of all intangible assets was approximately six years for fiscal 2012, 2011 and 2010, respectively.

Amortization expense for the fiscal years ended January 31, 2012, 2011 and 2010, totaled $35.4 million, $26.3 million and $22.2 million, respectively. Estimated amortization expense of capitalized software and development costs placed in service at January 31, 2012, and customer and vendor relationships and other intangible assets is as follows (in thousands):

Fiscal year:	
2013	$30,700
2014	27,300
2015	21,800
2016	14,300
2017	10,500

NOTE 5 — ACQUISITIONS

Acquisition of Triade Holding B.V. ("Triade")

On October 1, 2010, the Company completed the acquisition of all of the outstanding shares of Triade, a privately-held portfolio of leading value-added distributors of consumer electronics and information technology products in the Benelux region, Denmark and Norway, for a purchase price of $58.5 million, of which $57.2 million was paid in cash (based on the foreign currency exchange rate on the date of acquisition). The Company believes the acquisition of Triade strengthens the Company's presence in these countries and has enabled the Company to accelerate its diversification strategy into the consumer electronics business in Europe, while leveraging the Company's existing infrastructure.

The Company has accounted for the Triade acquisition as a business combination and the purchase price was assigned to the assets acquired, including cash of $1.1 million, accounts receivable, inventory and certain other tangible assets totaling $181.3 million, and liabilities assumed totaling $185.2 million, at their estimated fair value as of the acquisition date. The allocation of identifiable intangible assets and goodwill, based on foreign currency exchange rates on the date of acquisition, includes $25.5 million for customer and vendor relationships with estimated useful lives of seven years, $1.9 million for trademarks with an estimated useful life of 10 years and $33.9 million of goodwill, none of which are deductible for tax purposes.

Acquisition of Mobile Communication Company B.V. and Mobile Communications Company Belgium N.V. (collectively "MCC")

In a transaction related to the discussion above, on October 1, 2010, Brightstar Europe Limited ("BEL"), a consolidated joint venture between the Company and Brightstar Corp. ("Brightstar") completed the acquisition of all of the outstanding shares of certain of Triade's mobility subsidiaries in Belgium and the Netherlands ("MCC") for a purchase price of $58.8 million, of which $57.8 million was paid in cash (based on the foreign currency exchange rates on the date of acquisition). The Company and Brightstar each contributed 50% of the purchase price to BEL to fund the acquisition. Brightstar's funding was comprised of a capital contribution and a loan to BEL. The Company believes BEL's acquisition of MCC has significantly extended BEL's mobility operations in Europe.

BEL's acquisition of MCC and the related financing was a reconsideration event under the variable interest entity ("VIE") accounting standards. Based on the final structure of BEL and related analysis of the MCC acquisition, the Company concluded that the joint venture continued to be a VIE and the results of BEL (including MCC) will continue to be consolidated in the Company's financial statements. The portion of the joint venture not owned by the Company will continue to be recognized as a noncontrolling interest in the Company's consolidated financial statements.

The Company has accounted for the MCC acquisition as a business combination and the purchase price has been assigned to the assets acquired, including cash of $1.9 million, accounts receivable, inventory and certain other assets totaling $116.1 million, and liabilities assumed totaling $84.3 million, at their estimated fair value as of the acquisition date. The allocation of identifiable intangible assets and goodwill, based on foreign currency exchange rates on the date of the acquisition, includes $14.8 million for customer and vendor relationships with estimated useful lives of seven years and $10.3 million of goodwill, none of which are deductible for tax purposes.

Other Acquisitions

During fiscal 2012, the Company made two business acquisitions in the European technology distribution marketplace comprised of the distribution business of Mensch und Maschine Software SE, a leading value-added distributor in the design software market in several European countries and an additional value-added specialty software distributor in Belgium. These acquisitions, while not material to the Company's consolidated financial results, strengthen the Company's position as Autodesk, Inc.'s leading value-added distributor by establishing a presence in Benelux and Romania, extending the Company's product portfolio to include the Autodesk, Inc. software for the manufacturing industry in Italy, France, UK and Poland and adding a number of highly skilled and qualified professionals, while leveraging the Company's existing logistics infrastructure in Europe.

In addition to the Triade and MCC acquisitions in fiscal 2011, the Company completed four other acquisitions in Europe that further strengthened the Company's European enterprise, broadline and mobility businesses. The aggregate purchase price for these acquisitions was $36.4 million, of which $29.0 million was paid in cash (based on the foreign currency exchange rate on the date of acquisition). The acquisitions have been accounted for as business combinations and the total purchase price of the acquisitions has been assigned to the assets acquired, including accounts receivable, inventory and certain other assets totaling $24.4 million and liabilities assumed totaling $13.9 million, at their estimated fair value as of the acquisition dates. The allocation of the identifiable intangible assets includes $13.3 million for customer and vendor relationships with estimated useful lives of five years, $5.4 million for a noncompete agreement with an estimated useful life of four years, and $7.2 million of goodwill, none of which are deductible for tax purposes.

Proforma Financial Information

Proforma information for the Company's acquisitions during fiscal 2012, 2011 and 2010 has not been presented as these acquisitions were not material, either individually or in the aggregate, to the Company's consolidated financial position or results of operations.

NOTE 6 — LOSS ON DISPOSAL OF SUBSIDIARIES

In the fourth quarter of fiscal 2012, as part of the Company's ongoing initiatives to optimize profitability and return on invested capital in Latin America, the decision was made to close the Company's in-country commercial operations in Brazil and Colombia by the end of fiscal 2012. During the fourth quarter of fiscal 2012, the Company recorded a loss on disposal of these subsidiaries of $28.3 million, which includes a $9.9 million impairment on the Company's investments in Brazil and Colombia due to a foreign currency exchange loss (previously recorded in shareholders' equity as accumulated other comprehensive income), $15.3 million related to the write-off of certain value-added tax receivables and $3.1 million comprised primarily of severance costs, fixed asset write-offs and lease termination penalties. These costs are reflected in the Consolidated Statement of Operations as "loss on disposal of subsidiaries", which is a component of operating income. These costs do not include any estimated costs associated with the Brazilian subsidiary's contingencies related to CIDE and other non-income related tax examinations (see further discussion in Note 13—Commitments and Contingencies). The operating losses of Brazil and Colombia for the fiscal year ended January 31, 2012 were not significant to the Company's consolidated operating results.

NOTE 7 — DEBT

	January 31,	
	2012	2011
	(In thousands)	
Convertible senior debentures, interest at 2.75% payable semi-annually, due December 2026	$ 0	$ 350,000
Less—unamortized debt discount	0	(8,993)
Convertible senior debentures, net	0	341,007
Capital leases	6,512	7,325
Loan payable to Brightstar Corp., interest at LIBOR plus 4.0% payable annually, due September 2015	14,940	15,203
Interest-free revolving credit loan payable to Brightstar Corp.	36,306	38,045
Other committed and uncommitted revolving credit facilities, average interest rate of 6.27% and 3.27% at January 31, 2012 and 2011, expiring on various dates through fiscal 2013	47,985	92,931
	105,743	494,511
Less—current maturities (included as "Revolving credit loans and current portion of long-term debt, net")	(48,490)	(434,435)
Total Long-term debt	$ 57,253	$ 60,076

Convertible Senior Debentures

In December 2006, the Company issued $350.0 million of 2.75% convertible senior debentures due 2026. In accordance with the accounting rules regarding the accounting treatment for convertible debt instruments requiring or permitting partial cash settlement upon conversion, the Company accounted for the debt and equity components of the debentures in a manner that reflects the estimated non-convertible debt borrowing rate at the date of the issuance of the debentures at 6.30%. Under this accounting treatment, during the fiscal year ended January 31, 2012, the Company recorded contractual interest expense of $8.4 million and non–cash interest expense of $9.0 million related to the debentures and for each of the fiscal years ended January 31, 2011 and 2010, the Company recorded contractual interest expense of $9.6 million and non-cash interest expense of $10.3 million, respectively, related to the debentures.

In accordance with the terms of the debentures, in November 2011, the Company announced its election to fully redeem the debentures on December 20, 2011, at a redemption price equal to the principal amount of the debentures plus any accrued and unpaid interest to, but excluding, the redemption date. As of January 31, 2012, all of the debentures had either been redeemed or put to the Company and there were no debentures outstanding. The Company funded the repayment of the debentures with available cash and the Company's $500.0 million Credit Agreement, discussed below.

Loans Payable to Brightstar Corp.

In October 2010, Brightstar entered into an agreement to loan BEL its share of the funding requirements related to BEL's acquisition of MCC (the "Acquisition Loan") (see Note 5 – Acquisitions). The Acquisition Loan from Brightstar, plus any accrued interest, has a repayment date of September 2015, or earlier if agreed between the two parties, and bears interest of the applicable LIBOR rate plus 4.0% per year, which is payable annually on October 1.

The Company also has an interest-free revolving credit loan from Brightstar that was issued in connection with the operations of BEL (the "Brightstar Revolver"). The terms of the Brightstar Revolver contain no contractual repayment date and allow for the revolving credit loan to increase or decrease in accordance with the working capital requirements of BEL, as determined by the Company. Effective October 2010, a resolution of BEL's board was approved stating that the Brightstar Revolver will not be repaid for the foreseeable future and therefore the revolving credit loan has been classified as long-term debt in the Company's Consolidated Balance Sheet at both January 31, 2012 and 2011.

Other Facilities

In September 2011, the Company entered into a $500.0 million Credit Agreement with a syndicate of banks (the "Credit Agreement"), which replaced the Company's $250.0 million Multi-currency Revolving Credit Facility scheduled to expire in March 2012. The Credit Agreement, among other things, i) provides for a maturity date of September 27, 2016, ii) provides for an interest rate on borrowings, facility fees and letter of credit fees based on the Company's non-credit enhanced senior unsecured debt rating as determined by Standard & Poor's Rating Service and Moody's Investor Service, and iii) may be increased up to $750.0 million, subject to certain conditions. The Credit Agreement includes various covenants, limitations and events of default customary for similar facilities for similarly rated borrowers, including a maximum debt to capitalization ratio and minimum interest coverage. The Company has also provided a guarantee of certain of its significant subsidiaries. The Company pays interest on advances under the Credit Agreement at the applicable LIBOR rate plus a predetermined margin that is based on the Company's debt rating. There are no amounts outstanding under either of these facilities at either January 31, 2012 or 2011, respectively.

The Company has an agreement (the "Receivables Securitization Program") with a syndicate of banks that allows the Company to transfer an undivided interest in a designated pool of U.S. accounts receivable, on an ongoing basis, to provide security or collateral for borrowings up to a maximum of $400.0 million. Under this program, which was renewed in August 2011 and amended in December 2011, the Company legally isolates certain U.S. trade receivables into a wholly-owned bankruptcy remote special purpose entity. Such receivables, which are recorded in the Consolidated Balance Sheet, totaled $619.8 million and $549.8 million at January 31, 2012 and 2011, respectively. As collections reduce accounts receivable balances included in the security or collateral pool, the Company may transfer interests in new receivables to bring the amount available to be borrowed up to the maximum. The program will expire in December 2012 and the Company will pay interest on advances under the Receivables Securitization Program at the applicable commercial paper or LIBOR rate plus an agreed-upon margin. There are no amounts outstanding under this program at either January 31, 2012 or 2011.

In addition to the facilities described above, the Company has various other committed and uncommitted lines of credit and overdraft facilities totaling approximately $550.2 million at January 31, 2012 to support its operations. Most of these facilities are provided on an unsecured, short-term basis and are reviewed periodically for renewal.

In consideration of the financial covenants discussed below, the Company's maximum borrowing availability on the credit facilities is approximately $1.5 billion, of which $48.0 million was outstanding at January 31, 2012. The Company's credit facilities contain limitations on the amounts of annual dividends and repurchases of common stock. Additionally, the credit facilities require compliance with certain warranties and covenants. The financial ratio covenants contained within the credit facilities include a debt to capitalization ratio and a minimum interest coverage ratio. At January 31, 2012, the Company was in compliance with all such covenants. The ability to draw funds under these credit facilities is dependent upon sufficient collateral (in the case of the Receivables Securitization Program) and meeting the aforementioned financial covenants, which may limit the Company's ability to draw the full amount of these facilities. At January 31, 2012, the Company had also issued standby letters of credit of $75.1 million. These letters of credit typically act as a guarantee of payment to certain third parties in accordance with specified terms and conditions. The issuance of these letters of credit reduces the Company's available capacity under the above-mentioned facilities by the same amount.

Future payments of debt and capital leases at January 31, 2012 and for succeeding fiscal years are as follows (in thousands):

Fiscal year:	
2013	$ 48,748
2014	763
2015	763
2016	15,663
2017	643
Thereafter	39,626
Total payments	106,206
Less amounts representing interest on capital leases	(463)
Total principal payments	$105,743

NOTE 8 — INCOME TAXES

The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. The Company performs an evaluation of the realizability of the Company's deferred tax assets on a quarterly basis. This evaluation considers all positive and negative evidence and factors, such as the scheduled reversal of temporary differences, historical and projected future taxable income, and prudent and feasible tax planning strategies. The estimates and assumptions used by the Company in computing the income taxes reflected in the Company's consolidated financial statements could differ from the actual results reflected in the income tax returns filed during the subsequent year. Adjustments are recorded based on filed returns when such returns are finalized or the related adjustments are identified.

Significant components of the provision for income taxes are as follows:

	Year ended January 31,		
	2012	2011	2010
		(In thousands)	
Current:			
Federal	$ 65,526	$46,356	$27,431
State	1,694	897	916
Foreign	41,000	30,527	28,134
Total current	108,220	77,780	56,481
Deferred:			
Federal	(20,119)	(1,496)	2,403
State	115	1,862	538
Foreign	(9,742)	6,606	(5,482)
Total deferred	(29,746)	6,972	(2,541)
	$ 78,474	$84,752	$53,940

The reconciliation of income tax computed at the U.S. federal statutory tax rate to income tax expense is as follows:

	Year ended January 31,		
	2012	2011	2010
U.S. statutory rate	35.0%	35.0%	35.0%
State income taxes, net of federal benefit	0.4	0.6	0.5
Net changes in deferred tax valuation allowances	(3.4)	(1.2)	(3.3)
Tax on foreign earnings different than U.S. rate	(10.1)	(8.3)	(9.7)
Nondeductible interest	1.5	1.3	3.0
Reserve established for foreign income tax contingencies	0.1	0.5	0.1
Reversal of previously accrued income tax reserves	(0.4)	(0.2)	(1.4)
Effect of company-owned life insurance	0	(0.5)	(1.0)
Disposal of subsidiaries	2.9	0	0
Other, net	0.6	0.7	(0.3)
	26.6%	27.9%	22.9%

In fiscal 2012, the Company recorded an income tax benefit of $13.6 million for the reversal of deferred tax valuation allowances primarily related to specific jurisdictions in Europe, which had been recorded in prior fiscal years. This income tax benefit was substantially offset by an income tax expense associated with the write-off of deferred and other income tax assets related to the closure of the Brazil in-country commercial operations.

In fiscal 2010, an income tax benefit of $5.4 million was recognized for the reversal of a deferred tax valuation allowance related to a specific European jurisdiction, which had been recorded in prior fiscal years.

The components of pretax income are as follows:

	Year ended January 31,		
	2012	2011	2010
	(In thousands)		
United States	$133,274	$135,039	$ 92,551
Foreign	162,048	168,576	142,589
	$295,322	$303,615	$235,140

The significant components of the Company's deferred tax liabilities and assets are as follows:

	January 31,	
	2012	2011
	(In thousands)	
Deferred tax liabilities:		
Depreciation and amortization	$ 48,111	$ 40,431
Capitalized marketing program costs	4,008	2,639
Convertible senior debentures interest	0	27,514
Goodwill	2,711	3,061
Deferred costs currently deductible	14,468	13,914
Other, net	5,333	8,050
Total deferred tax liabilities	74,631	95,609
Deferred tax assets:		
Accrued liabilities	43,521	52,137
Loss carryforwards	130,396	140,558
Amortizable goodwill	16,109	19,627
Depreciation and amortization	5,945	4,902
Disallowed interest expense	16,693	19,236
Other, net	15,960	12,381
	228,624	248,841
Less: valuation allowances	(158,613)	(186,586)
Total deferred tax assets	70,011	62,255
Net deferred tax liability	$ 4,620	$ 33,354

The net change in the deferred tax valuation allowances was a decrease of $28.0 million in fiscal 2012, primarily resulting from the utilization of net operating losses. The net change in the deferred tax valuation allowances was an increase of $0.7 million in fiscal 2011 and an increase of $10.2 million in fiscal 2010. The valuation allowances at both January 31, 2012 and 2011 primarily relate to foreign net operating loss carryforwards. The Company's foreign net operating loss carryforwards totaled $641.0 million and $686.4 million at January 31, 2012 and 2011, respectively. The majority of the net operating losses have an indefinite carryforward period with the remaining portion expiring in fiscal years 2013 through 2025. The Company evaluates a variety of factors in determining the realizability of deferred tax assets, including the scheduled reversal of temporary differences, historical and projected future taxable income, and prudent and feasible tax planning strategies.

To the extent that the Company generates consistent taxable income within those operations with valuation allowances, the Company may reduce the valuation allowances, thereby reducing the income tax expense and increasing net income in the period the determination was made.

In conjunction with the acquisitions of Triade and MCC during fiscal 2011, the Company recorded a $9.2 million long-term deferred tax liability (see also Note 5 – Acquisitions).

At January 31, 2012, there are $207.3 million of consolidated cumulative undistributed earnings of foreign subsidiaries. It is not currently practical to estimate the amount of unrecognized deferred U.S. income tax that might be payable if any earnings were to be distributed by individual foreign subsidiaries.

A reconciliation of the beginning and ending balances of the total amount of gross unrecognized tax benefits, excluding accrued interest and penalties, for the years ended January 31, 2012 and 2011 and 2010 is as follows (in thousands):

Gross unrecognized tax benefits at January 31, 2009	$ 4,663
Increases in tax positions for current year	1,071
Expiration of statutes of limitation	(2,770)
Settlements	(223)
Changes due to translation of foreign currencies	366
Gross unrecognized tax benefits at January 31, 2010	3,107
Increases in tax positions for prior years	2,742
Increases in tax positions for current year	86
Expiration of statutes of limitation	(860)
Gross unrecognized tax benefits at January 31, 2011	5,075
Increases in tax positions for prior years	1,590
Decreases in tax positions for prior years	(208)
Increases in tax positions for current year	56
Expiration of statutes of limitation	(791)
Settlements	(1,990)
Changes due to translation of foreign currencies	(47)
Gross unrecognized tax benefits at January 31, 2012	$ 3,685

At January 31, 2012, 2011 and 2010, the amount of unrecognized tax benefits that, if recognized, would impact the effective tax rate was $2.5 million, $5.1 million and $3.1 million, respectively.

Unrecognized tax benefits that have a reasonable possibility of significantly decreasing within the 12 months following January 31, 2012 totaled $2.5 million and were primarily related to the foreign taxation of certain transactions. Consistent with prior periods, the Company recognizes interest and penalties related to unrecognized tax benefits in the provision for income taxes. The Company’s accrued interest at January 31, 2012, would not have a material impact on the effective tax rate if reversed. The provision for income taxes for each of the fiscal years ended January 31, 2012, 2011 and 2010 includes interest expense on unrecognized income tax benefits for current and prior years which is not significant to the Company’s Consolidated Statement of Income. The change in the balance of accrued interest for fiscal 2012, 2011 and 2010, includes the current year end accrual, an interest benefit resulting from the expiration of statutes of limitation, and the translation adjustments on foreign currencies.

The Company conducts business primarily in the Americas and Europe and, as a result, one or more of its subsidiaries files income tax returns in the U.S. federal, various state, local and foreign tax jurisdictions. In the normal course of business, the Company is subject to examination by taxing authorities. The Company is no longer subject to examinations by the Internal Revenue Service for years before fiscal 2009. Income tax returns of various foreign jurisdictions for fiscal 2006 and forward are currently under taxing authority examination or remain subject to audit.

NOTE 9 — EMPLOYEE BENEFIT PLANS

Overview of Equity Incentive Plans

At January 31, 2012, the Company had awards outstanding from four equity-based compensation plans, only one of which is currently active. The active plan was approved by the Company's shareholders in June 2009 and includes 4.0 million shares available for grant, of which approximately 3.2 million shares remain available for future grant at January 31, 2012. Under the active plan, the Company is authorized to award officers, employees, and non-employee members of the Board of Directors restricted stock, options to purchase common stock, maximum value stock-settled stock appreciation rights ("MV Stock-settled SARs"), maximum value options ("MVOs"), and performance awards that are dependent upon achievement of specified performance goals. Equity-based compensation awards are used by the Company to attract talent and as a retention mechanism for the award recipients and have a maximum term of ten years, unless a shorter period is specified by the Compensation Committee of the Company's Board of Directors ("Compensation Committee") or is required under local law. Awards under the plans are priced as determined by the Compensation Committee and under the terms of the Company's active equity-based compensation plan are required to be priced at, or above, the fair market value of the Company's common stock on the date of grant. Awards generally vest between one and four years from the date of grant.

For the fiscal years ended January 31, 2012, 2011 and 2010, the Company recorded $10.7 million, $9.9 million and $11.2 million, respectively, of stock-based compensation expense, and related income tax benefits of $2.9 million, $2.8 million and $2.6 million, respectively. Cash received from equity-based incentives exercised during the fiscal years ended January 31, 2012, 2011 and 2010 was $35.1 million, $5.0 million and $38.0 million, respectively, and the actual benefit received from the tax deduction from the exercise of equity-based incentives was $2.2 million, $1.1 million and $1.9 million, respectively, for the fiscal years ended January 31, 2012, 2011 and 2010.

Restricted Stock

The Company's restricted stock awards are primarily in the form of restricted stock units ("RSUs") and typically vest annually between three and four years from the date of grant, unless a different vesting schedule is mandated by country law. All of the RSUs have a fair market value equal to the closing price of the Company's common stock on the date of grant. Stock-based compensation expense includes $9.4 million, $7.5 million and, $7.4 million for the vesting of RSUs during fiscal 2012, 2011 and 2010, respectively.

A summary of the status of the Company's RSU activity for the fiscal year ended January 31, 2012 is as follows:

	Shares	Weighted-average grant date fair value
Outstanding at January 31, 2011	543,841	$38.60
Granted	272,949	48.53
Vested	(210,094)	37.40
Canceled	(38,198)	41.35
Outstanding at January 31, 2012	568,498	43.74

The total fair value of RSUs which vested during the fiscal years ended January 31, 2012, 2011 and 2010 is $7.9 million, $7.1 million and $9.4 million, respectively. As of January 31, 2012, the unrecognized stock-based compensation expense related to non-vested RSUs was $19.9 million, which the Company expects to be recognized over the next three years (over a remaining weighted average period of two years).

MV Stock-settled SARs, MVOs and Stock Options

MV Stock-settled SARs and MVOs are similar to traditional stock options, except these instruments contain a predetermined cap on the maximum earnings potential a recipient can expect to receive upon exercise. In addition, upon exercise, holders of an MV Stock-settled SAR will only receive shares with a value equal to the spread (the difference between the current market price per share of the Company's common stock subject to the predetermined cap and the grant price). The grant price of the MV Stock-settled SARs and MVOs is determined using the last sale price of the Company's common stock as quoted on the NASDAQ Stock Market, Inc. on the date of grant (or such higher price as may be required by applicable laws and regulations of specific foreign jurisdictions). MV Stock-settled SARs, MVOs and stock options vest annually between three and four years from the date of grant and have a contractual term of ten years.

A summary of the status of the Company's MV Stock-settled SARs, MVOs and stock options activity for the fiscal year ended January 31, 2012 is as follows:

	Shares	Weighted-average exercise price	Weighted-Average remaining contractual term (in years)	Aggregate intrinsic value (in thousands)
Outstanding at January 31, 2011	2,881,356	$35.36		
Granted	12,882	48.79		
Exercised	(1,215,028)	37.76		
Canceled	(27,810)	23.95		
Outstanding at January 31, 2012	1,651,400	33.89	4.2	$ 29,783
Vested and expected to vest at January 31, 2012	1,638,799	33.95	4.1	29,444
Exercisable at January 31, 2012	1,296,587	36.72	3.3	19,712

Stock-based compensation expense includes $1.3 million, $2.4 million and $3.8 million for the vesting of MV Stock-settled SARS and MVOs during fiscal 2012, 2011 and 2010, respectively.

The aggregate intrinsic value in the table above represents the difference between the closing price of the Company's common stock on January 31, 2012 and the grant price for all "in-the-money" equity-based awards at January 31, 2012. The intrinsic value of the equity-based awards changes based on the fair market value of the Company's common stock. The intrinsic value of the MV Stock-settled SARs, MVO and stock option awards exercised during the fiscal year ended January 31, 2012, 2011 and 2010 was $14.1 million, $5.3 million and $19.7 million, respectively. As of January 31, 2012, the Company expects $2.0 million of total unrecognized compensation cost related to MV Stock-settled SARs and MVOs to be recognized over the next three fiscal years (over a weighted-average period of one year). The total fair value of MV Stock-settled SARs and MVOs which vested during the fiscal years ended January 31, 2012, 2011 and 2010 was $1.5 million, $4.5 million and $1.9 million, respectively. The weighted-average estimated fair value of the 12,882 and 17,799 MVOs granted during the fiscal years ended January 31, 2012 and 2011 was $10.78 and $7.97, respectively, based on a two-step valuation utilizing both the Hull-White Lattice (binomial) and Black-Scholes option-pricing models.

A summary of the status of the Company's stock-based equity incentives outstanding, representing MV Stock-settled SARs, MVOs and stock options, at January 31, 2012, is as follows:

	Outstanding			Exercisable	
Range of exercise prices	Number outstanding at 1/31/12	Weighted-average remaining contractual life (years)	Weighted-average exercise price	Number exercisable at 1/31/12	Weighted-average exercise price
$21.13 – $21.13	339,766	7.1	$ 21.13	23,648	$ 21.13
24.04 – 35.38	340,329	3.9	31.80	332,914	31.81
35.95 – 36.66	84,000	4.5	36.58	84,000	36.58
37.04 – 37.04	295,130	4.2	37.04	295,130	37.04
37.06 – 41.08	450,116	2.7	39.24	446,725	39.25
41.55 – 48.79	138,559	2.2	44.09	110,670	43.38
51.17 – 51.17	3,500	0.1	51.17	3,500	51.17
	1,651,400	4.2	33.89	1,296,587	36.72

The Company's policy is to utilize shares of its treasury stock, to the extent available, to satisfy its obligation to issue shares upon the exercise of awards (see further discussion of the Company's share repurchase program in Note 10 – Shareholders' Equity below).

Employee Stock Purchase Plan

Under the 1995 Employee Stock Purchase Plan (the "ESPP"), the Company is authorized to issue up to 1,000,000 shares of common stock to eligible employees in the Company's U.S. and Canadian subsidiaries. Under the terms of the ESPP, employees can choose to have a fixed dollar amount or percentage deducted from their bi-weekly compensation to purchase the Company's common stock and/or elect to purchase shares once per calendar quarter. The purchase price of the stock is 85% of the market value on the purchase date and employees are limited to a maximum purchase of $25,000 in fair market value each calendar year. From the inception of the ESPP through January 31, 2012, the Company has issued 472,442 shares of common stock to the ESPP. All shares purchased under the ESPP must be held by the employees for a period of one year.

Retirement Savings Plan

The Company sponsors the Tech Data Corporation 401(k) Savings Plan (the "401(k) Savings Plan") for its U.S. employees. At the Company's discretion, participant deferrals are matched monthly in cash, in an amount equal to 50% of the first 6% of participant deferrals and participants are fully vested following four years of qualified service. Aggregate contributions made by the Company to the 401(k) Savings Plan were $2.5 million, $2.3 million and $0.1 million for fiscal years 2012, 2011 and 2010, respectively. The Company suspended the employer match for the 401(k) during the calendar year ended December 31, 2009, which was subsequently reinstated effective January 2010. At January 31, 2012 and 2011, the number of shares of Tech Data common stock held by the Company's 401(k) Savings Plan totaled 157,722 and 184,699 shares, respectively.

NOTE 10 — SHAREHOLDERS' EQUITY

During fiscal 2012, the Company's Board of Directors authorized share repurchase programs for the repurchase of up to a total of $400.0 million of the Company's common stock. The Company's share repurchases were made on the open market through block trades or otherwise. The number of shares purchased and the timing of the purchases were based on regulatory requirements, working capital requirements, general business conditions and other factors, including alternative investment opportunities. Shares repurchased by the Company are held in treasury for general corporate purposes, including issuances under equity incentive plans and the ESPP.

The Company's common share repurchase and issuance activity for fiscal 2012 and 2011 is summarized as follows:

	Shares	Weighted-average price per share
Treasury stock balance at January 31, 2010	7,776,419	$ 35.90
Shares of common stock repurchased under share repurchase programs	5,084,770	39.33
Shares of treasury stock reissued	(343,651)	
Treasury stock balance at January 31, 2011	12,517,538	37.28
Shares of common stock repurchased under share repurchase programs	6,736,436	46.74
Shares of treasury stock reissued	(1,087,213)	
Treasury stock balance at January 31, 2012	18,166,761	40.71

NOTE 11 — FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company's assets and liabilities carried or disclosed at fair value are classified in one of the following three categories: Level 1 – quoted market prices in active markets for identical assets and liabilities; Level 2 – inputs other than quoted market prices included in level 1 above that are observable for the asset or liability, either directly or indirectly; and, Level 3 – unobservable inputs for the asset or liability. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The Company's foreign currency forward contracts are measured on a recurring basis based on foreign currency spot rates and forward rates quoted by banks or foreign currency dealers (level 2 criteria) and are marked-to-market each period with gains and losses on these contracts recorded in the Company's Consolidated Statement of Income on a basis consistent with the classification of the change in the fair value of the underlying transactions giving rise to these foreign currency exchange gains and losses in the period in which their value changes, with the offsetting amount for unsettled positions being included in either other current assets or other current liabilities in the Consolidated Balance Sheet. The fair value of the Company's outstanding foreign currency forward contracts at January 31, 2012 and 2011 was an unrealized gain of $6.6 million and $11.1 million, respectively, included in other current assets and an unrealized loss of $11.9 million and $11.3 million, respectively, included in other current liabilities (see further discussion below in Note 12 – Derivative Instruments).

The Company utilizes life insurance policies to fund the Company's nonqualified deferred compensation plan. The investments contained within the life insurance policies are marked-to-market each period by analyzing the change in the underlying value of the invested assets (level 2 criteria) and the gains and losses are recorded in the Company's Consolidated Statement of Income. The related deferred compensation liability is also marked-to-market each period based upon the various investment return alternatives selected by the plan participants (level 2 criteria) and the gains and losses are recorded in the Company's Consolidated Statement of Income. The fair value of the Company's nonqualified deferred compensation plan investments and related liability at January 31, 2012 is $32.7 million and $29.5 million, respectively.

The carrying amounts of cash and cash equivalents, accounts receivable, accounts payable and accrued expenses approximate fair value because of the short maturity of these items. The carrying amount of debt outstanding pursuant to revolving credit facilities and loans payable approximates fair value as the majority of these instruments have variable interest rates which approximate current market rates (level 2 criteria).

NOTE 12 — DERIVATIVE INSTRUMENTS

In the ordinary course of business, the Company is exposed to movements in foreign currency exchange rates. The Company's foreign currency risk management objective is to protect earnings and cash flows from the impact of exchange rate changes primarily through the use of foreign currency forward contracts to hedge both intercompany and third party loans, accounts receivable and accounts payable. These derivatives are not designated as hedging instruments.

The Company employs established policies and procedures to manage the exposure to fluctuations in the value of foreign currencies. It is the Company's policy to utilize financial instruments to reduce risks where internal netting cannot be effectively employed. Additionally, the Company does not enter into derivative instruments for speculative or trading purposes.

The Company's foreign currency exposure relates to international transactions in Europe, Canada and Latin America, where the currency collected from customers can be different from the currency used to purchase the product. The Company's transactions in its foreign operations are denominated primarily in the following currencies: U.S. dollar, Brazilian real, British pound, Canadian dollar, Chilean peso, Colombian peso, Czech koruna, Danish krone, euros, Mexican peso, Norwegian krone, Peruvian new sol, Polish zloty, Romanian leu, Swedish krona and Swiss franc.

The Company considers inventory as an economic hedge against foreign currency exposure in accounts payable in certain circumstances. This practice offsets such inventory against corresponding accounts payable denominated in currencies other than the functional currency of the subsidiary buying the inventory, when determining the net exposure to be hedged using traditional forward contracts. Under this strategy, the Company would expect to increase or decrease selling prices for product purchased in foreign currencies based on fluctuations in foreign currency exchange rates affecting the underlying accounts payable. To the extent the Company incurs a foreign currency exchange loss (gain) on the underlying accounts payable denominated in the foreign currency, a corresponding increase (decrease) in gross profit would be expected as the related inventory is sold. This strategy can result in a certain degree of quarterly earnings volatility as the underlying accounts payable is remeasured using the foreign currency exchange rate prevailing at the end of each period, or settlement date if earlier, whereas the corresponding increase (decrease) in gross profit is not realized until the related inventory is sold.

The Company classifies foreign currency exchange gains and losses on its derivative instruments used to manage its exposures to foreign currency denominated accounts receivable and accounts payable as a component of "cost of products sold" which is consistent with the classification of the change in fair value upon remeasurement of the underlying hedged accounts receivable or accounts payable. The Company classifies foreign currency exchange gains and losses on its derivative instruments used to manage its exposures to foreign currency denominated financing transactions as a component of "other expense (income), net" which is consistent with the classification of the change in fair value upon remeasurement of the underlying hedged loans. The total amount recognized in earnings on the Company's foreign currency forward contracts, which is included as a component of either "cost of products sold" or "other expense (income), net", was a net foreign currency exchange loss of $4.1 million, $6.7 million and $34.9 million, respectively, for the fiscal years ended January 31, 2012, 2011 and 2010. The gains and losses on the Company's foreign currency forward contracts are largely offset by the change in the fair value of the underlying hedged assets or liabilities. The Company's foreign currency forward contracts are also discussed in Note 11 – Fair Value of Financial Instruments.

The notional amount of forward exchange contracts is the amount of foreign currency to be bought or sold at maturity. Notional amounts are indicative of the extent of the Company's involvement in the various types and uses of derivative financial instruments and are not a measure of the Company's exposure to credit or market risks through its use of derivatives. The estimated fair value of derivative financial instruments represents the amount required to enter into similar offsetting contracts with similar remaining maturities based on quoted market prices.

The Company's monthly average notional amounts of derivative financial instruments outstanding during the fiscal years ended January 31, 2012 and 2011 are $1.5 billion and $1.3 billion, respectively, with average maturities of 37 days and 40 days, respectively. As discussed above, under the Company's hedging policies, gains and losses on the derivative financial instruments would be expected to be largely offset by the gains and losses on the underlying assets or liabilities being hedged.

The Company's foreign currency forward contracts are also discussed in Note 11 – Fair Value of Financial Instruments.

NOTE 13 — COMMITMENTS AND CONTINGENCIES

Operating Leases

The Company leases logistics centers, office facilities and certain equipment under non-cancelable operating leases, the majority of which expire at various dates through fiscal 2019. Fair value renewal and escalation clauses exist for a substantial portion of the

operating leases. Rental expense for all operating leases, including minimum commitments under IT outsourcing agreements, totaled $56.5 million, $53.5 million and $55.5 million in fiscal years 2012, 2011 and 2010, respectively. Future minimum lease payments at January 31, 2012, under all such leases, including minimum commitments under IT outsourcing agreements, for succeeding fiscal years and thereafter are as follows (in thousands):

Fiscal year:	
2013	$ 58,500
2014	49,800
2015	43,600
2016	35,100
2017	14,000
Thereafter	20,200
Total payments	$ 221,200

Synthetic Lease Facility

The Company has a synthetic lease facility (the "Synthetic Lease") with a group of financial institutions under which the Company leases certain logistics centers and office facilities from a third-party lessor. During the second quarter of fiscal 2009, the Company renewed its existing Synthetic Lease with a new lease agreement that expires in June 2013. Properties leased under the Synthetic Lease are located in Clearwater and Miami, Florida; Fort Worth, Texas; Fontana, California; Suwanee, Georgia; Swedesboro, New Jersey; and South Bend, Indiana. The Synthetic Lease has been accounted for as an operating lease and rental payments are calculated at the applicable LIBOR rate plus a margin based on the Company's credit ratings.

During the first four years of the lease term, the Company may, at its option, purchase any combination of the seven properties, at an amount equal to each of the property's cost, as long as the lease balance does not decrease below a defined amount. During the last year of the lease term, until 180 days prior to the lease expiration, the Company may, at its option, i) purchase a minimum of two of the seven properties, at an amount equal to each of the property's cost, ii) exercise the option to renew the lease for a minimum of two of the seven properties or iii) exercise the option to remarket a minimum of two of the seven properties and cause a sale of the properties. If the Company elects to remarket the properties, it has guaranteed the lessor a percentage of the cost of each property, in the aggregate amount of approximately $107.4 million (the "residual value"). The Company's residual value guarantee related to the Synthetic Lease has been recorded at the estimated fair value of the residual guarantee.

The sum of future minimum lease payments under the Synthetic Lease at January 31, 2012, which are included in the future minimum lease payments presented above, was approximately $2.7 million.

The Synthetic Lease contains covenants that must be complied with, similar to the covenants described in certain of the credit facilities discussed in Note 7—Debt. As of January 31, 2012, the Company was in compliance with all such covenants.

Contingencies

Prior to fiscal 2004, one of the Company's European subsidiaries was audited in relation to various value-added tax ("VAT") matters. As a result of those audits, the subsidiary received notices of assessment that allege the subsidiary did not properly collect and remit VAT. It is management's opinion, based upon the opinion of outside legal counsel, that the Company has valid defenses related to a substantial portion of these assessments. Although the Company is vigorously pursuing administrative and judicial action to challenge the assessments, no assurance can be given as to the ultimate outcome. The resolution of such assessments will not be material to the Company's consolidated financial position or liquidity; however, it could be material to the Company's operating results for any particular period, depending upon the level of income for such period.

In December 2010, in a non-unanimous decision, a Brazilian appellate court overturned a 2003 trial court which had previously ruled in favor of the Company's Brazilian subsidiary related to the imposition of certain taxes on payments abroad related to the licensing of commercial software products, commonly referred to as "CIDE tax". The Company estimates the total exposure where the CIDE tax, including interest, may be considered due, to be approximately $32.0 million as of January 31, 2012. The Brazilian subsidiary has moved for clarification of the ruling and intends to appeal if the court does not rule in its favor. However, in order to pursue the next level of appeal, the Brazilian subsidiary may be required to make a deposit or to provide a guarantee to the courts for the payment of the CIDE tax pending the outcome of the appeal. Based on the legal opinion of outside counsel, the Company believes that the chances of success on appeal of this matter are favorable and the Brazilian subsidiary intends to vigorously defend its position that the CIDE tax is not due. However, no assurance can be given as to the ultimate outcome of this matter. The resolution of this litigation will not be material to the Company's consolidated financial position or liquidity; however, it could be material to the Company's operating results for any particular period, depending upon the level of income for such period. In addition to the discussion regarding the CIDE tax above, the Company's

Brazilian subsidiary has been undergoing several examinations of non-income related taxes. Due to the complex nature of the Brazilian tax system, the Company is unable to determine the likelihood of these examinations resulting in assessments. Such assessments cannot be reasonably estimated at this time, but could be material to the Company's consolidated results of operations for any particular period, depending upon the level of income for such period. However, the Company believes such assessments, if they were to occur, would not have a material adverse effect on the Company's consolidated financial position or liquidity.

The Company is subject to various other legal proceedings and claims arising in the ordinary course of business. The Company's management does not expect that the outcome in any of these other legal proceedings, individually or collectively, will have a material adverse effect on the Company's financial condition, results of operations, or cash flows.

Guarantees

As is customary in the technology industry, to encourage certain customers to purchase products from Tech Data, the Company has arrangements with certain finance companies that provide inventory financing facilities to the Company's customers. In conjunction with certain of these arrangements, the Company would be required to purchase certain inventory in the event the inventory is repossessed from the customers by the finance companies. As the Company does not have access to information regarding the amount of inventory purchased from the Company still on hand with the customer at any point in time, the Company's repurchase obligations relating to inventory cannot be reasonably estimated. Repurchases of inventory by the Company under these arrangements have been insignificant to date. The Company believes that, based on historical experience, the likelihood of a material loss pursuant to these inventory repurchase obligations is remote.

The Company provides additional financial guarantees to finance companies on behalf of certain customers. The majority of these guarantees are for an indefinite period of time, where the Company would be required to perform if the customer is in default with the finance company related to purchases made from the Company. The Company reviews the underlying credit for these guarantees on at least an annual basis. As of January 31, 2012 and 2011, the aggregate amount of guarantees under these arrangements totaled $65.4 million and $62.1 million, respectively, of which $28.4 million and $43.0 million, respectively, was outstanding. The Company believes that, based on historical experience, the likelihood of a material loss pursuant to the above guarantees is remote.

NOTE 14 — SEGMENT INFORMATION

Tech Data operates predominately in a single industry segment as a distributor of technology products, logistics management, and other value-added services. While the Company operates primarily in one industry, it is managed based on geographic segments: the Americas (including North America and South America) and Europe. The Company assesses performance of and makes decisions on how to allocate resources to its operating segments based on multiple factors including current and projected operating income and market opportunities. The Company does not consider stock-based compensation expense in assessing the performance of its operating segments, and therefore the Company is reporting stock-based compensation expense as a separate amount. The accounting policies of the segments are the same as those described in Note 1—Business and Summary of Significant Accounting Policies.

Financial information by geographic segment is as follows:

	Year ended January 31,		
	2012	2011	2010
Net sales to unaffiliated customers			
Americas	$10,839,044	$10,534,531	$ 9,570,088
Europe	15,649,080	13,841,442	12,529,788
Total	$26,488,124	$24,375,973	$22,099,876
Operating income			
Americas [1]	$ 174,882	$ 183,639	$ 143,869
Europe	163,675	160,233	126,832
Stock-based compensation expense	(10,699)	(9,887)	(11,225)
Total	$ 327,858	$ 333,985	$ 259,476
Depreciation and amortization			
Americas	$ 16,338	$ 16,200	$ 16,004
Europe	40,994	31,085	29,950
Total	$ 57,332	$ 47,285	$ 45,954
Capital expenditures			
Americas	$ 29,338	$ 18,392	$ 17,365
Europe	15,032	13,510	11,500
Total	$ 44,370	$ 31,902	$ 28,865
Identifiable assets			
Americas	$ 1,855,914	$ 1,996,765	$ 2,119,467
Europe	3,929,504	4,415,318	3,576,986
Total	$ 5,785,418	$ 6,412,083	$ 5,696,453

Goodwill :

Americas	$ 2,966	$ 2,966	$ 2,966
Europe [2]	94,315	67,460	14,053
Total	$ 97,281	$ 70,426	$ 17,019
Acquisition-related intangible assets, net :			
Americas	$ 0	$ 0	$ 0
Europe [2]	61,000	53,581	11,286
Total	$ 61,000	$ 53,581	$ 11,286

(1) The decrease in operating income in the Americas for the fiscal year ended January 31, 2012, is primarily the result of $28.3 million loss related to the closure of the operations in Brazil and Colombia during the fourth quarter of fiscal 2012.

(2) The increase in goodwill and acquisition-related intangible assets, net, at both January 31, 2012 and 2011, is the result of the European acquisitions completed during fiscal 2012 and fiscal 2011, respectively (see further discussion in Note 4—Goodwill and Intangible Assets and Note 5—Acquisitions).

NOTE 15 — INTERIM FINANCIAL INFORMATION *(UNAUDITED)*

Interim financial information for fiscal years 2012 and 2011 is as follows:

	Quarter ended			
	April 30	July 31	October 31	January 31
	(In thousands, except per share amounts)			
Fiscal year 2012:				
Net sales	$6,332,128	$6,449,461	$6,593,983	$7,112,552
Gross profit	$ 333,462	$ 340,838	$ 344,747	$ 374,944
Consolidated net income	$ 48,720	$ 51,756	$ 57,163	$ 59,209
Net income attributable to shareholders of Tech Data Corporation	$ 48,701	$ 50,107	$ 53,519	$ 54,069
Net income per share attributable to shareholders of Tech Data Corporation:				
Basic	$ 1.04	$ 1.11	$ 1.27	$ 1.31
Diluted	$ 1.03	$ 1.10	$ 1.26	$ 1.29

	Quarter ended			
	April 30	July 31	October 31	January 31
	(In thousands, except per share amounts)			
Fiscal year 2011:				
Net sales	$5,621,055	$5,473,961	$6,163,762	$7,117,195
Gross profit	$ 292,803	$ 287,537	$ 324,202	$ 378,746
Consolidated net income	$ 45,644	$ 40,832	$ 51,163	$ 81,224
Net income attributable to shareholders of Tech Data Corporation	$ 45,633	$ 40,855	$ 50,458	$ 77,297
Net income per share attributable to shareholders of Tech Data Corporation:				
Basic	$ 0.89	$ 0.82	$ 1.08	$ 1.66
Diluted	$ 0.88	$ 0.82	$ 1.07	$ 1.63

During the fourth quarter of fiscal 2012, the Company recorded a $28.3 million loss on disposal of subsidiaries related to the closure of the commercial operations in Brazil and Colombia, which decreased diluted earnings per share by $0.46 for the quarter ended January 31, 2012 (see also Note 6 – Loss on Disposal of Subsidiaries).

ITEM 9. ***Changes in and Disagreements With Accountants on Accounting and Financial Disclosure.***

None.

ITEM 9A. ***Controls and Procedures.***

Evaluation of Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures designed to ensure that information required to be disclosed in reports filed under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is recorded, processed, summarized and reported within the specified time periods. In designing and evaluating our disclosure controls and procedures, management recognized that disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the disclosure controls and procedures are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Tech Data's management, with the participation of the Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), has evaluated, the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act), as of January 31, 2012. Based on that evaluation, the Company's CEO and CFO concluded that the Company's disclosure controls and procedures were effective in providing reasonable assurance that the objectives of the disclosure controls and procedures are met as of January 31, 2012.

Management's Report on Internal Control over Financial Reporting

Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a-15(f) under the Exchange Act. The Company's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of the effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. Under the supervision, and with the participation of management, including our principal executive officer and principal financial officer, we assessed the effectiveness of the Company's internal control over financial reporting as of January 31, 2012. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in Internal Control—Integrated Framework. Based on our assessment, we have concluded that, as of January 31, 2012, the Company's internal control over financial reporting was effective based on those criteria.

The effectiveness of internal control over financial reporting as of January 31, 2012 has been audited by Ernst & Young LLP, the independent registered certified public accounting firm who also audited the Company's consolidated financial statements, as stated in their report included herein.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) identified in connection with management's evaluation during our last quarter of fiscal 2012 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Report of Independent Registered Certified Public Accounting Firm

The Board of Directors and Shareholders of
Tech Data Corporation

We have audited Tech Data Corporation and subsidiaries' internal control over financial reporting as of January 31, 2012, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (the COSO criteria). Tech Data Corporation and subsidiaries' management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, Tech Data Corporation and subsidiaries maintained, in all material respects, effective internal control over financial reporting as of January 31, 2012, based on the COSO criteria **.**

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Tech Data Corporation and subsidiaries as of January 31, 2012 and 2011, and the related consolidated statements of income, comprehensive income, shareholders' equity and cash flows for each of the three years in the period ended January 31, 2012, of Tech Data Corporation and subsidiaries and our report dated March 21, 2012, expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP

Tampa, Florida
March 21, 2012

ITEM 9B. ***Other Information***

None.

PART III

ITEM 10. ***Directors, Executive Officers and Corporate Governance.***

The information required by Item 10 relating to executive officers of the Company is included under the caption "Executive Officers" of Item 1 of this Form 10-K. The information required by Item 10 relating to Directors and corporate governance disclosures of the Company is incorporated herein by reference to the Company's definitive proxy statement for the 2012 Annual Meeting of Shareholders ("Proxy Statement"). The Proxy Statement for the 2012 Annual Meeting of Shareholders will be filed with the SEC prior to May 31, 2012.

Audit Committee

Tech Data has a separately designated, standing Audit Committee established in accordance with Section 3(a) (58) (A) of the Exchange Act. The members of the Audit Committee are Charles E. Adair, Maximilian Ardelt, Harry J. Harczak, Jr., and Savio W. Tung.

Audit Committee Financial Expert

The Board of Directors of Tech Data has determined that Charles E. Adair, Chairman of the Audit Committee, and Harry J. Harczak, Jr. are audit committee financial experts as defined by Item 407(d)(5)(ii) of Regulation S-K under the Exchange Act, and all members of the Audit Committee are independent within the meaning of applicable SEC rule and listing standards.

Code of Ethics

Tech Data has adopted a code of business conduct and ethics for directors, officers (including Tech Data's principal executive officer, principal financial officer, and principal accounting officer) and employees, known as the Code of Ethics. The Code of Ethics is available, and may be obtained free of charge, on Tech Data's website at http://www.techdata.com/content/td_ethics/main.aspx . Tech Data intends to provide information required by Item 5.05 of Form 8-K by disclosing any amendment to, or waiver from, a provision of the Code of Ethics that applies to Tech Data's principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions on the Company's website at the web address noted in this section.

ITEM 11. ***Executive Compensation.***

The information required by this item is incorporated herein by reference to the Company's Proxy Statement.

ITEM 12. ***Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.***

Equity Compensation Plan Information

The number of shares issuable upon exercise of outstanding share-based equity incentives granted to employees and non-employee directors, as well as the number of shares remaining available for future issuance, under our equity compensation and equity purchase plans as of January 31, 2012 are summarized in the following table:

Plan category	Number of shares to be issued upon exercise of outstanding equity-based incentives	Weighted average exercise price of outstanding equity-based incentives [1]	Number of shares remaining available for future issuance under equity compensation plans
Equity compensation plans approved by shareholders for:			
Employee equity compensation [2]	2,168,336	$24.87	3,247,797
Employee stock purchase	0	0	527,558
Non-employee directors' equity compensation	22,500	35.25	0
Total	2,190,836	24.98	3,775,355
Employee equity compensation plan not approved by shareholders	29,062	42.56	0
Total	2,219,898	25.21	3,775,355

(1) The calculation of the weighted average exercise price includes restricted stock awards that do not have an exercise price. Excluding the restricted stock awards, the weighted average exercise price of outstanding options and maximum value stock-settled stock appreciation rights ("MV Stock-settled SARs") would be $33.73 for equity compensation plans approved by security holders, $42.56 for equity compensation plans not approved by shareholders and $33.89 for all equity compensation plans.

(2) The equity-based incentives outstanding include 984,934 MV Stock-settled SARs at an average exercise price of $32.57. Assuming the maximum cap of $20 is reached, the maximum number of shares that would be issued from the exercise of MV Stock-settled SARs would be approximately 382,000 shares. The total of equity-based incentives outstanding also includes 62,994 shares outstanding for non-employee directors.

The information required by Item 12 relating to Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters is incorporated by reference to the Company's Proxy Statement.

ITEM 13. ***Certain Relationships and Related Transactions, and Director Independence.***

The information required by this item is incorporated herein by reference to the Company's Proxy Statement. However, the information included in such Proxy Statement included under the caption entitled "Report of the Audit Committee" shall not be deemed incorporated by reference in this Form 10-K and shall not otherwise be deemed filed under the Securities Act of 1933, as amended, or under the Exchange Act.

ITEM 14. ***Principal Accountant Fees and Services.***

Information regarding principal accountant fees and services is set forth under the caption "Independent Registered Certified Public Accounting Firm Fees" in the Company's Proxy Statement.

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PART IV

ITEM 15. ***Exhibits, Financial Statement Schedules.***

(a) See index to financial statements and schedules included in Item 8.

(b) The exhibit numbers on the following list correspond to the numbers in the exhibit table required pursuant to Item 601 of Regulation S-K.

Exhibit Number	Description
3-N (20)	Amended and Restated Articles of Incorporation of Tech Data Corporation filed on June 23, 2009 with the Secretary of the State of Florida
3(ii) (19)	Bylaws of Tech Data Corporation as adopted by the Board of Directors on March 24, 2009 and approved by the Shareholders on June 10, 2009.
10-NN (4)	Non-Employee Directors' 1995 Non-Statutory Stock Option Plan
10-OO (4)	1995 Employee Stock Purchase Plan
10-AAa (5)	Transfer and Administration Agreement dated May 19, 2000
10-AAi (6)	2000 Non-Qualified Stock Option Plan of Tech Data Corporation
10-AAt (7)	Trust Agreement Between Tech Data Corporation and Fidelity Management Trust Company, Tech Data Corporation 401(k) Savings Plan Trust, effective August 1, 2003
10-AAaa (3)	2005 Deferred Compensation Plan
10-AAbb (2)	Amendment Number 8 to Transfer and Administration Agreement dated as of May 19, 2000
10-AAcc (8)	Executive Severance Plan, effective March 31, 2005
10-AAdd (8)	First Amendment to the Tech Data Corporation 2005 Deferred Compensation Plan, effective January 1, 2005
10-AAee (8)	Executive Incentive Plan – April 2005
10-AAii (9)	Amendment No. 10 to Transfer and Administration Agreement
10-AAjj (10)	Uncommitted Account Receivable Purchase Agreement dated as of January 23, 2006
10-AAnn (11)	Amended and Restated 2000 Equity Incentive Plan of Tech Data Corporation
10-AAoo (11)	First Amendment to the Amended and Restated 2000 Equity Incentive Plan of Tech Data Corporation
10-AApp (12)	Employment Agreement Between Tech Data Corporation and Robert M. Dutkowsky, dated October 2, 2006
10-AArr (13)	Third Amended and Restated Credit Agreement dated as of March 20, 2007 (including related Amended and Restated Guaranty Agreement and Increditor Agreement)
10-AAss (13)	Third Omnibus Amendment dated as of March 20, 2007
10-AAtt (13)	Amendment Number 11 to Transfer and Administration Agreement dated as of March 20, 2007

Exhibit Number	Description
10-AAuu [13]	Indenture for New 2.75% Convertible Senior Debentures due 2026 between Tech Data and U.S. Bank National Association
10-AAvv [14]	Equity Incentive Bonus Plan
10-AAxx [14]	Trade Receivables Purchase Agreement
10-AAyy [15]	Amendment Number 12 to Transfer and Administration Agreement dated as of December 18, 2007
10-AAzz [16]	First Amendment to Trade Receivables Purchase Agreement.
10-BBa [17]	Third Amended and Restated Lease Agreement dated June 27, 2008
10-BBb [17]	Third Amended and Restated Credit Agreement dated June 27, 2008
10-BBc [17]	Third Amended and Restated Participation Agreement dated June 27, 2008
10-BBd [18]	Amendment No. 13 to Transfer and Administration Agreement dated as of October 22, 2008
10-BBe [20]	2009 Equity Incentive Plan of Tech Data Corporation
10-BBf [21]	Amendment Number 14 to Transfer and Administration Agreement dated as of October 16, 2009
10-BBg [22]	Revolving Uncommitted Trade Receivables Purchase Agreement dated January 27, 2010
10-BBh [23]	Amendment Number 15 to Transfer and Administration Agreement dated as of October 15, 2010
10-BBi [24]	First Amendment to the Third Amended and Restated Credit Agreement dated as of March 20, 2007
10-BBj [25]	Amendment No. 16 to Transfer and Administration Agreement dated as of August 31, 2011
10-BBk [25]	Credit Agreement dated as of September 27, 2011
10-BBl [1]	Amendment No. 17 to Transfer and Administration Agreement dated as of December 13, 2011
10-BBm [1]	Tech Data Corporation 401(k) Savings Plan (as amended and restated January 1, 2006) and Amendments 1 through 5
21-A [1]	Subsidiaries of Registrant
23-A [1]	Consent of Ernst & Young LLP
24 [1]	Power of Attorney (included on signature page)
31-A [1]	Certification of Chief Executive Officer Pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31-B [1]	Certification of Chief Financial Officer Pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32-A [1]	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32-B [1]	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Exhibit Number	Description
101 (26)	Interactive data files pursuant to Rule 405 of Regulation S-T: (i) Consolidated Balance Sheet as of January 31, 2012 and January 31, 2011; (ii) Consolidated Statement of Income for the fiscal years ended January 31, 2012, 2011 and 2010; (iii) Consolidated Statement of Comprehensive Income for the fiscal years ended January 31, 2012, 2011 and 2010; (iv) Consolidated Statement of Shareholders' Equity for the fiscal years ended January 31, 2012, 2011 and 2010; (v) Consolidated Statement of Cash Flows for the fiscal years ended January 31, 2012, 2011 and 2010; (vi) Notes to the Consolidated Financial Statements, detail tagged and (vii) Financial Statement Schedule II detail tagged.

(1) Filed herewith.
(2) Incorporated by reference to the Exhibits included in the Company's Form 8-K dated December 31, 2004, File No. 0-14625.
(3) Incorporated by reference to the Exhibits included in the Company's Form 8-K dated December 8, 2004, File No. 0-14625.
(4) Incorporated by reference to the Exhibits included in the Company's Definitive Proxy Statement for the 1995 Annual Meeting of Shareholders, File No. 0-14625.
(5) Incorporated by reference to the Exhibits included in the Company's Form 10-Q for the quarter ended July 31, 2000, File No. 0-14625.
(6) Incorporated by reference to the Exhibits included in the Company's Registration Statement on Form S-8, File No. 333-59198.
(7) Incorporated by reference to the Exhibits included in the Company's Form 10-Q for the quarter ended July 31, 2003, File No. 0-14625.
(8) Incorporated by reference to the Exhibits included in the Company's Form 10-Q for the quarter ended April 30, 2005, File No. 0-14625.
(9) Incorporated by reference to the Exhibits included in the Company's Form 10-Q for the quarter ended October 31, 2005, File No. 0-14625.
(10) Incorporated by reference to the Exhibits included in the Company's Form 10-K for the year ended January 31, 2006, File No. 0-14625.
(11) Incorporated by reference to the Exhibits included in the Company's Form 10-Q for the quarter ended April 30, 2006, File No. 0-14625.
(12) Incorporated by reference to the Exhibits included in the Company's Form 10-Q for the quarter ended October 31, 2006, File No. 0-14625.
(13) Incorporated by reference to the Exhibits included in the Company's Form 10-K for the year ended January 31, 2007, File No. 0-14625.
(14) Incorporated by reference to the Exhibits included in the Company's Form 10-Q for the quarter ended April 30, 2007, File No. 0-14625.
(15) Incorporated by reference to the Exhibits included in the Company's Form 10-K for the year ended January 31, 2008, File No. 0-14625.
(16) Incorporated by reference to the Exhibits included in the Company's Form 10-Q for the quarter ended April 30, 2008, File No. 0-14625.
(17) Incorporated by reference to the Exhibits included in the Company's Form 10-Q for the quarter ended July 31, 2008, File No. 0-14625.
(18) Incorporated by reference to the Exhibits included in the Company's Form 10-Q for the quarter ended October 31, 2008, File No. 0-14625 .
(19) Incorporated by reference to the Exhibits included in the Company's Form 8-K dated June 10, 2009, File No. 0-14625.
(20) Incorporated by reference to the Exhibits included in the Company's Form 10-Q for the quarter ended July 31, 2009, File No. 0-14625.
(21) Incorporated by reference to the Exhibits included in the Company's Form 10-Q for the quarter ended October 31, 2009, File No. 0-14625.
(22) Incorporated by reference to the Exhibits included in the Company's Form 10-K for the year ended January 31, 2010, File No. 0-14625.
(23) Incorporated by reference to the Exhibits included in the Company's Form 10-Q for the quarter ended October 31, 2010, File No. 0-14625.
(24) Incorporated by reference to the Exhibits included in the Company's Form 10-Q for the quarter ended July 31, 2011, File No. 0-14625.
(25) Incorporated by reference to the Exhibits included in the Company's SC-TO I dated September 27, 2011, File No. 005-37498.

(26) Pursuant to the applicable securities laws and regulations, we are deemed to have complied with the reporting obligation relating to the submission of interactive data files in such exhibits and are not subject to liability under anti-fraud provisions of the federal securities laws as long as we have made a good faith attempt to comply with the submission requirements and promptly amend the interactive data files after becoming aware that the interactive data files fail to comply with the submission requirements. Users of this data are advised that, pursuant to Rule 406T, these interactive data files are deemed not filed and otherwise are not subject to liability.

SCHEDULE II

TECH DATA CORPORATION AND SUBSIDIARIES
VALUATION AND QUALIFYING ACCOUNTS
(In thousands)

Allowance for doubtful accounts receivable and sales returns	Balance at beginning of period	Activity: Charged to cost and expenses	Activity: Deductions	Activity: Other [1]	Balance at end of period
January 31,					
2012	$56,811	$ 10,546	$(30,772)	$16,128	$52,713
2011	54,627	11,517	(20,970)	11,637	56,811
2010	55,598	10,953	(38,564)	26,640	54,627

(1) "Other" primarily includes recoveries, dispositions and the effect of fluctuations in foreign currency.

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Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on March 21, 2012.

TECH DATA CORPORATION

By /S/ ROBERT M. DUTKOWSKY

Robert M. Dutkowsky
Chief Executive Officer

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POWER OF ATTORNEY

Each person whose signature to this Annual Report on Form 10-K appears below hereby appoints Jeffery P. Howells and David R. Vetter, or either of them, as his or her attorney-in-fact to sign on his or her behalf individually and in the capacity stated below and to file all amendments and post-effective amendments to this Annual Report on Form 10-K, and any and all instruments or documents filed as a part of or in connection with this Annual Report on Form 10-K or the amendments thereto, and the attorney-in-fact, or either of them, may make such changes and additions to this Annual Report on Form 10-K as the attorney-in-fact, or either of them, may deem necessary or appropriate.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Robert M. Dutkowsky **Robert M. Dutkowsky**	Chief Executive Officer, Director (principal executive officer)	March 21, 2012
/s/ Jeffery P. Howells **Jeffery P. Howells**	Executive Vice President and Chief Financial Officer, Director (principal financial officer)	March 21, 2012
/s/ Joseph B. Trepani **Joseph B. Trepani**	Senior Vice President and Corporate Controller (principal accounting officer)	March 21, 2012
/s/ Steven A. Raymund **Steven A. Raymund**	Chairman of the Board of Directors	March 21, 2012
/s/ Charles E. Adair **Charles E. Adair**	Director	March 21, 2012
/s/ Maximilian Ardelt **Maximilian Ardelt**	Director	March 21, 2012
/s/ Harry J. Harczak, Jr. **Harry J. Harczak, Jr.**	Director	March 21, 2012
/s/ Kathleen Misunas **Kathleen Misunas**	Director	March 21, 2012
/s/ Thomas I. Morgan **Thomas I. Morgan**	Director	March 21, 2012

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Signature	Title	Date
/s/ S AVIO W. T UNG Savio W. Tung	Director	March 21, 2012
/s/ D AVID M. U PTON **David M. Upton**	Director	March 21, 2012

Exhibit 10-BBL

AMENDMENT NUMBER 17 TO
TRANSFER AND ADMINISTRATION AGREEMENT

AMENDMENT NUMBER 17 TO TRANSFER AND ADMINISTRATION AGREEMENT (this " Amendment "), dated as of December 13, 2011 among TECH DATA CORPORATION, a Florida corporation ("Tech Data"), as collection agent (in such capacity, the " Collection Agent "), TECH DATA FINANCE SPV, INC., a Delaware corporation headquartered in California, as transferor (in such capacity, the " Transferor "), LIBERTY STREET FUNDING CORP., a Delaware corporation, (" Liberty "), CHARIOT FUNDING LLC, a Delaware limited liability company, as successor by merger to Falcon Asset Securitization Company LLC (" Falcon " and collectively with Atlantic and Liberty, the " Class Conduits "), THE BANK OF NOVA SCOTIA, a banking corporation organized and existing under the laws of Canada, acting through its New York Agency (" Scotia Bank "), as a Liberty Bank Investor and as agent for Liberty and the Liberty Bank Investors (in such capacity, the " Liberty Agent "), JPMORGAN CHASE BANK, N.A. (successor by merger to Bank One, N.A.), a national banking association (" JPMorgan Chase "), as a Falcon Bank Investor and as agent for Falcon and the Falcon Bank Investors (in such capacity, the " Falcon Agent ") and BANK OF AMERICA, NATIONAL ASSOCIATION, a national banking association (" Bank of America "), as agent for Liberty, Falcon, the Liberty Bank Investors, and the Falcon Bank Investors (in such capacity, the " Administrative Agent "), and as a SUSI Issuer Bank Investor and Lead Arranger, amending that certain Transfer and Administration Agreement dated as of May 19, 2000, among the Transferor, the Collection Agent, the Class Conduits (as defined thereunder) and the Bank Investors (as amended to the date hereof, the " Original Agreement " and said agreement as amended hereby, the " Agreement ").

WHEREAS, the Transferor has requested that the term of the Original Agreement be extended;

WHEREAS, the Agent, the Class Conduits, the Class Agents and the Bank Investors on the terms and conditions set forth herein, consent to such extension;

WHEREAS, capitalized terms used herein shall have the meanings assigned to such terms in the Original Agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the parties hereto agree as follows:

SECTION 1. Amendment to Original Agreement . The Original Agreement is hereby amended, effective as of the Effective Date, to incorporate the

changes set forth in Exhibit A hereto, wherein deletions to the Original Agreement are marked as stricken text and additions are marked as double-underscored text. No exhibits or schedules or the like are attached to Exhibit A hereto.

SECTION 2. Affirmations . All parties hereto agree and acknowledge that with respect to each Bank Investor party hereto, each Bank Investor has a Commitment and such Commitment of such Bank Investor shall be the dollar amount set forth opposite such Bank Investor's signature on the signature page hereto, which may be different from the Original Agreement.

SECTION 3. Conditions Precedent . This Amendment shall not become effective until the later of (i) December 13, 2011 and (ii) the day on which the Administrative Agent shall have received the following:

(a) A copy of this Amendment executed by each party hereto;

(b) A copy of the Resolutions of the Board of Directors of the Transferor and Tech Data certified by its Secretary approving this Amendment and the other documents to be delivered by the Transferor and Tech Data hereunder;

(c) A Certificate of the Secretary of the Transferor and Tech Data certifying (i) the names and signatures of the officers authorized on its behalf to execute this Amendment and any other documents to be delivered by it hereunder (on which Certificates the Class Conduits, the Class Agents, the Administrative Agent and the Bank Investors may conclusively rely until such time as the Administrative Agent shall receive from the Transferor and Tech Data a revised Certificate meeting the requirements of this clause (b)(i)) and (ii) a copy of the Transferor's and Tech Data's By-Laws; and

(d) The Renewal Fee shall have been received by each Class Agent pursuant to the Fee Letter, dated as of December 13, 2011, among the parties hereto.

SECTION 4. Representations and Warranties . The Transferor hereby makes to the Class Investors, the Class Agents and the Administrative Agent, on and as of the date hereof, all of the representations and warranties set forth in Section 3.1 of the Original Agreement. In addition, the Collection Agent hereby makes to the Class Investors, the Class Agents and the Administrative Agent, on the date hereof, all the representations and warranties set forth in Section 3.3 of the Original Agreement.

SECTION 5. Successors and Assigns . This Amendment shall bind, and the benefits hereof shall inure to the parties hereof and their respective successors and permitted assigns;

SECTION 6. Governing Law . THIS AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK. THE TRANSFEROR HEREBY SUBMITS TO THE NONEXCLUSIVE JURISDICTION OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK AND OF ANY NEW YORK STATE COURT SITTING IN THE CITY OF NEW YORK FOR PURPOSES OF ALL LEGAL PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AMENDMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

SECTION 7. Severability; Counterparts . This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same instrument. Any provisions of this Amendment which are prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

SECTION 8. Captions . The captions in this Amendment are for convenience of reference only and shall not define or limit any of the terms or provisions hereof.

SECTION 9. Ratification . Except as expressly affected by the provisions hereof, the Original Agreement as amended by this Amendment shall remain in full force and effect in accordance with its terms and ratified and confirmed by the parties hereto. On and after the date hereof, each reference in the Original Agreement to “this Agreement”, “hereunder”, “herein” or words of like import shall mean and be a reference to the Original Agreement as amended by this Amendment.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Amendment as of the date first written above.

TECH DATA FINANCE SPV, INC.,
as Transferor

By: /s/ Charles V. Dannewitz
Name: Charles V. Dannewitz
Title: Senior Vice President and Treasurer

TECH DATA CORPORATION,
as Collection Agent

By: /s/ Charles V. Dannewitz
Name: Charles V. Dannewitz
Title: Senior Vice President and Treasurer

LIBERTY STREET FUNDING CORP.

By: /s/ Jill A. Russo
Name: Jill A. Russo
Title: Vice President

CHARIOT FUNDING LLC

By: /s/ Laura V. Chittick
Name: Laura V. Chittick
Title: Vice President

Commitment
$136,680,000

BANK OF AMERICA, NATIONAL ASSOCIATION, as Administrative Agent and as a SUSI Issuer Bank Investor

By: /s/ Robert R. Wood
Name: Robert R Wood
Title: Director

Commitment
$135,660,000

THE BANK OF NOVA SCOTIA, as Liberty Agent and as a Liberty Bank Investor

By: /s/ Diane Emanuel
Name: Diane Emanuel
Title: Managing Director

Commitment
$135,660,000

JPMORGAN CHASE BANK, N.A, as Falcon Agent and as a Falcon Bank Investor

By: /s/ Laura V. Chittick
Name: Laura V. Chittick
Title: Vice President

Exhibit A

TRANSFER AND ADMINISTRATION AGREEMENT

among

YC SUSI TRUST,

LIBERTY STREET FUNDING CORP.,

~~FALCON ASSET SECURITIZATION COMPANY LLC,~~
CHARIOT FUNDING LLC,

TECH DATA FINANCE SPV, INC.,

as Transferor

and

TECH DATA CORPORATION,

as Collection Agent

THE BANK OF NOVA SCOTIA,

as a Liberty Bank Investor

JPMORGAN CHASE BANK, N.A.,

as a Falcon Bank Investor

and

BANK OF AMERICA, NATIONAL ASSOCIATION,

as Administrative Agent, an SUSI Issuer Bank Investor and Lead Arranger

Dated as of May 19, 2000
(composite through Amendment ~~16~~ 17 , dated as of ~~August 31~~ December 13 , 2011)

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TRANSFER AND ADMINISTRATION AGREEMENT

TRANSFER AND ADMINISTRATION AGREEMENT (this " Agreement "), dated as of May 19, 2000 among TECH DATA CORPORATION, a Florida corporation (" Tech Data "), as collection agent (in such capacity, the " Collection Agent "), TECH DATA FINANCE SPV, INC., a Delaware corporation headquartered in California, as transferor (in such capacity, the " Transferor "), YC SUSI TRUST, a Delaware statutory trust (" SUSI Issuer " (assignee of RECEIVABLES CAPITAL CORPORATION, a Delaware corporation (" RCC ")), LIBERTY STREET FUNDING CORP., a Delaware corporation, (" Liberty "), ~~FALCON ASSET SECURITIZATION COMPANY~~ CHARIOT FUNDING LLC, a Delaware limited liability company ~~(formerly known~~ , as successor by merger to Falcon Asset Securitization ~~Corporation)~~ LLC , (" Falcon " and collectively with SUSI Issuer, and Liberty, the " Class Conduits "), THE BANK OF NOVA SCOTIA, a banking corporation organized and existing under the laws of Canada, acting through its New York Agency (" Scotia Bank "), as a Liberty Bank Investor and as agent for Liberty and the Liberty Bank Investors (in such capacity, the " Liberty Agent "), JPMORGAN CHASE BANK, N.A. (successor by merger to Bank One, NA), a national banking association (" JPMorgan "), as a Falcon Bank Investor and as agent for Falcon and the Falcon Bank Investors (in such capacity, the " Falcon Agent ") and BANK OF AMERICA, NATIONAL ASSOCIATION, a national banking association (" Bank of America "), as agent for SUSI Issuer, Liberty, Falcon, the SUSI Issuer Bank Investors, the Liberty Bank Investors, and the Falcon Bank Investors (in such capacity, the " Administrative Agent "), as an SUSI Issuer Bank Investor, as agent for SUSI Issuer and the SUSI Issuer Bank Investors (in such capacity, the " SUSI Issuer Agent ") and Lead Arranger,

PRELIMINARY STATEMENTS

WHEREAS, Tech Data Finance, Inc., the Collection Agent, Enterprise Funding Corporation, Atlantic, Liberty and Bank of America, Credit Lyonnais and Scotia Bank, as agents and bank investors, have terminated that certain Second Amended and Restated Transfer and Administration Agreement, dated as of February 10, 1999, among Tech Data, as collection agent, Tech Data Finance, Inc., a California corporation, as transferor, Enterprise, Atlantic, Liberty, Bank of America, Credit Lyonnais and Scotia Bank, as amended to the date hereof (the " Existing Agreement ");

WHEREAS, the parties hereto desire to enter into this Agreement to provide, among other things, for the transfer of certain accounts receivable from the Transferor to the Administrative Agent on behalf of the Class Conduits and the Bank Investors, as applicable;

NOW, THEREFORE, the parties hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Certain Defined Terms . As used in this Agreement, the following terms shall have the following meanings:

" Administrative Agent " means Bank of America, National Association, in its capacity as agent for the Class Investors, and any successors thereto and permitted assigns appointed pursuant to Article X.

" Adverse Claim " means a lien, security interest, charge or encumbrance, or other right or claim in, of or on any Person's assets or properties in favor of any other Person (including any UCC financing statement or any similar instrument filed against such Person's assets or properties).

" Affected Assets " means, collectively, the Receivables and the Related Security, Collections and Proceeds relating thereto.

" Affiliate " means, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control with, such Person. A Person shall be deemed to control another Person if the controlling Person possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of the controlled Person, whether through ownership of voting stock, by contract or otherwise.

" Affiliated Obligor " means any Obligor which is an Affiliate of another Obligor.

" Aggregate Facility Limit " means the sum of the Facility Limits for each Class, which shall not exceed $ ~~306~~ 408 ,000,000.

" Aggregate Maximum Net Investment " means the sum of the Maximum Net Investments for each Class, which shall not exceed $ ~~300~~ 400 ,000,000.

" Aggregate Net Investment " means the sum of the Net Investments for each Class.

" Aggregate Percentage Factor " means the sum of the Percentage Factors for each Class.

" Aggregate Unpaids " means, with respect to each Class Investor, as applicable, at any time, an amount equal to the sum of (i) the aggregate accrued and unpaid Discount payable to such Class Investor with respect to all Tranche Periods of such Class Investor at such time, (ii) such Class Investor's Net Investment at such time and (iii) all other amounts owed (whether due or accrued) hereunder by the Transferor (or the Collection Agent) to the Class Investors at such time.

" Assignment Amount " means with respect to each Class and with respect to each Bank Investor in such Class at any time an amount equal to the lesser of (i) such Bank Investor's Pro Rata Share of the Net Investment for the related Class at such time, (ii) such Bank Investor's unused Commitment and (iii) such other amount as may be separately agreed by a Class Conduit and each applicable Bank Investor, pursuant to a Liquidity Provider Agreement.

" Assignment and Assumption Agreement " means an Assignment and Assumption Agreement substantially in the form of Exhibit G attached hereto.

" Average Collection Period " means at any time a period of days equal to the product of (i) a fraction the numerator of which shall be the amount set forth in the most recent Investor Report as the "Beginning Balance" of the Receivables and the denominator of which shall be the Collections as set forth in the most recent Investor Report and (ii) thirty (30).

" Bank Investor " means (i) with respect to the Class of which SUSI Issuer is a member, the SUSI Issuer Bank Investors, (ii) with respect to the Class of which Liberty is a member, the Liberty Bank Investors, (iii) with respect to the Class of which Falcon is a member, the Falcon Bank Investors, and (iv) with respect to any other Class, the financial institutions specified as such in any supplement hereto and their respective successors and permitted assigns.

" Base Rate " or " BR " means, a rate per annum equal to the greater of (i) the prime rate of interest announced by the Administrative Agent from time to time, changing when and as said prime rate changes (such rate not necessarily being the lowest or best rate charged by the Administrative Agent); (ii) sum of (a) 1.50% and (b) the rate equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average of the quotations for such day for such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by it; and (iii) the one-month LIBOR Rate plus 1.00%.

" Benefit Plan " means any employee benefit plan as defined in Section 3(3) of ERISA in respect of which the Transferor or any ERISA Affiliate of the Transferor, is or at any time during the immediately preceding six years was, an "employer" as defined in Section 3(5) of ERISA.

" BR Tranche " means, with respect to a Class, a Tranche of such Class as to which Discount is calculated at the Base Rate.

" BR Tranche Period " means, with respect to a BR Tranche, either (i) prior to the Termination Date for the applicable Class, a period of up to 30 days requested by the Transferor and agreed to by the applicable Class Agent commencing on a Business Day requested by the Transferor and agreed to by such Class Agent, or (ii) after such Termination Date, a period of one day. If such BR Tranche Period would end on a day which is not a Business Day, such BR Tranche Period shall end on the next succeeding Business Day.

" Business Day " means any day excluding Saturday, Sunday and any day on which banks in New York, New York, Charlotte, North Carolina, San Francisco, California, Clearwater, Florida or Chicago, Illinois are authorized or required by law to close, and, when used with respect to the determination of any Eurodollar Rate or any notice with respect thereto, any such day which is also a day for trading by and between banks in United States dollar deposits in the London interbank market.

" Capitalized Lease " of a Person means any lease of property by such Person as lessee which would be capitalized on a balance sheet of such Person prepared in accordance with generally accepted accounting principles.

" Certificate " means the certificate issued to the Administrative Agent for the benefit of the Class Investors pursuant to Section 2.2 (d) hereof.

" Class " means each of the following groups of Class Investors: (i) SUSI Issuer and the SUSI Issuer Bank Investors, (ii) Liberty and the Liberty Bank Investors, (iii) Falcon and the Falcon Bank Investors, or (iv) any other Class consisting of a multi-seller commercial paper conduit, its related Bank Investors and its respective assigns and participants, as added from time to time with the consent of the Administrative Agent and the Transferor as set forth in Section 11.2(b) hereof.

" Class A Obligor ", " Class B Obligor ", " Class C Obligor " and " Class D Obligor ", respectively, shall mean, as of any date of determination, an Obligor having a short-term rating or unsecured long-term debt rating or both a short-term rating and an unsecured long-term rating from either of Moody's or S&P in accordance with the definition of "Class of Obligor" as determined in the following manner:

Class of Obligor	Short-Term Rating	Long-Term Rating of Obligor
Class A Obligor	A-1/P-1 or higher	A-/A3 or higher
Class B Obligor	A-2/P-2	BBB+/Baa1 or BBB/Baa2
Class C Obligor	A-3/P-3	BBB-/Baa3
Class D Obligor	Lower than A-3/P-3 or not rated	Below BBB-/Baa3 or not rated

" Class Agent " means (i) with respect to the Class of which SUSI Issuer is a member, the SUSI Issuer Agent, (ii) with respect to the Class of which Liberty is a member, the Liberty Agent, (iii) with respect to the Class of which Falcon is a member, the Falcon Agent, and (iv) with respect to any other Class, the financial institution or other Person specified as such in any amendment or supplement hereto for such Class.

" Class Conduit " shall mean, with respect to any Class, the member in such Class which is a multi-seller commercial paper conduit (and if more than one member in such Class is a multi-seller commercial paper conduit, " Class Conduit " shall mean such members collectively).

" Class Investors " means (i) with respect to the Class of which SUSI Issuer is a member, SUSI Issuer and the SUSI Issuer Bank Investors, (ii) with respect to the Class of which Liberty is a member, Liberty and the Liberty Bank Investors, (iii) with respect to the Class of which Falcon is a member, Falcon and the Falcon Bank Investors, and (iv) with respect to any other Class, the related Class Conduit and the related Bank Investors.

"Class of Obligor " for any Obligor shall be determined by the Administrative Agent as follows: (i) the short-term rating issued by S&P for such Obligor shall be used to determine the "Class of Obligor"; provided , however , that if such short-term rating is unavailable, the long-term unsecured rating issued by S&P for the Obligor shall be used, (ii) concomitantly with (i), the short-term rating issued by Moody's for such Obligor shall be used to determine the "Class of Obligor"; provided , however , that if such short-term rating is unavailable, the long-term unsecured rating issued by Moody's for the Obligor shall be used, and (iii) only if there is a difference between the "Class of Obligor" indicated in (i) and (ii), determined concomitantly, then the Obligor shall be deemed a member of the lower of the determined "Class of Obligor".

" Class Percentage" means, with respect to any Class and at any time of determination, the Net Investment with respect to such Class expressed as a percentage of the aggregate Net Investment with respect to all Classes, each as of such time of determination.

" Closing Date " means May 19, 2000.

" Collateral Agent " means with respect to any Class, the Class Agent for such Class, as collateral agent for any Liquidity Provider, any Credit Support Provider, the holders of Commercial Paper and certain other parties.

" Collection Account " means the account, established by the Administrative Agent, for the benefit of the Class Investors pursuant to Section 2.12.

" Collection Agent " means at any time the Person then authorized pursuant to Section 6.1 to service, administer and collect Receivables.

" Collection Agent Account " means the account, established by the Collection Agent, for the benefit of the Class Investors pursuant to Section 2.8(b).

" Collection Agent Default " shall mean the Collection Agent shall violate any of the covenants set forth in Section 5.5.

" Collections " means, with respect to any Receivable, all cash collections and other cash proceeds of such Receivable, including, without limitation, all Finance Charges, if any, insurance proceeds, and cash proceeds of Related Security with respect to such Receivable and any Deemed Collections of such Receivable.

" Commercial Paper " means the promissory notes issued by one or all, as applicable, of the Class Conduits (or by such Class Conduit's related commercial paper issuer if the Class Conduit does not itself issue commercial paper) in the commercial paper market.

" Commitment " means (i) with respect to each Bank Investor party hereto, the commitment of such Bank Investor to make acquisitions from the Transferor or its related Class Conduit in accordance herewith in an amount not to exceed the dollar amount set forth opposite such Bank Investor's signature on the signature page hereto under the heading " Commitment ", minus the dollar amount of any Commitment or portion thereof assigned pursuant to an Assignment and Assumption Agreement plus the dollar amount of any increase to such Bank Investor's Commitment consented to by such Bank Investor prior to the time of determination, (ii) with respect to any assignee of each Bank Investor party hereto taking pursuant to an Assignment and Assumption Agreement, the commitment of such assignee to make acquisitions from the Transferor or the related Class Conduit, as applicable, not to exceed the amount set forth in such Assignment and Assumption Agreement minus the dollar amount of any Commitment or portion thereof assigned pursuant to an Assignment and Assumption Agreement prior to such time of determination plus the dollar amount of any increase to such assignee's Commitment consented to by such assignee prior to the time of determination and (iii) with respect to any assignee of an assignee referred to in clause (ii), the commitment of such assignee to make acquisitions from the Transferor or the related Class Conduit not to exceed the amount set forth in an Assignment and Assumption Agreement between such assignee and its assign minus the dollar amount of any Commitment or portion thereof assigned pursuant to an Assignment and Assumption Agreement plus the dollar amount of any increase to such assignee's Commitment consented to by such assignee prior to the time of determination.

" Commitment Termination Date " means, with respect to each Class, the earlier of (i) the date on or after the Termination Date which the Transferor has designated in a written notice to the Administrative Agent as the "Commitment Termination Date" provided that all

Aggregate Unpaids have been paid on or prior to such date or (ii) ~~August 29~~ December 11 , 2012, or such later date to which such Commitment Termination Date may be extended by Transferor, the related Class Agent and the related Bank Investors not later than 30 days prior to the then current Commitment Termination Date for such Class, provided, however, that the Transferor hereby agrees that unless it notifies each Class Agent and all related Bank Investors to the contrary prior to the commencement of such 30-day period in each year, it shall automatically be deemed to have requested an extension of the then current Commitment Termination Date to the date 364 days following the then current Commitment Termination Date, and if such consent is given the Transferor shall be deemed to have agreed, without any further acts or amendments, to an extension of the Commitment Termination Date to the date 364 days from the then current Commitment Termination Date, provided always that such date as extended shall not be later than December 31, ~~2012~~ 2013 .

" Concentration Factor " means (I) for any Designated Obligor or Financing Party as of any date of determination, for the Obligors comprising each Class of Obligor specified in the table below, on an individual basis, a percentage not to exceed the corresponding "Individual Obligor Percentage" as set forth below:

Class of Obligor	Individual Obligor Percentage
Class A	6.00%
Class B	4.00%
Class C	3.00%
Class D	2.40%

or such other greater amount determined by the Administrative Agent in the reasonable exercise of its good faith judgment and with the consent of all of the Class Agents and disclosed in a written notice delivered to the Transferor and the Collection Agent and (II) for each Special Obligor, the Special Concentration Limit (which is expressed as a percentage) applicable to such Special Obligor of the Outstanding Balance of all Eligible Receivables at such time, provided, however, that any such Special Concentration Limit may be revoked at any time effective upon three Business Days' written notice from the Agent or any Class Agent to the Transferor, the Collection Agent, the Agent (if the Agent did not deliver such notice) and the Class Agents, such notice to be given in good faith and based on reasonable criteria.

" Concentration Reserve Floor " means the percentage calculated as of the last day of each month equal to the greater of (i) 12.0%; (ii) the highest Special Concentration Limit in effect at any time during such month or (iii) the Loss Reserve Percentage.

" Conduit Assignee " means, with respect to a Class Conduit, any commercial paper conduit that finances its activities directly or indirectly through asset backed commercial paper and is administered by the Class Agent with respect to such Class Conduit or any of its Affiliates and designated by such Class Agent from time to time to accept an assignment from such Class Conduit of all or a portion of the Net Investment held by such Class Conduit.

" Contract " means an agreement or invoice in substantially the form of one of the forms set forth in Exhibit A attached hereto or otherwise approved by the Administrative Agent, pursuant to or under which an Obligor shall be obligated to pay for merchandise purchased or services rendered.

" Contractual Dilution Ratio " means the ratio (expressed as a percentage) computed as of the last day of each calendar month by dividing (i) the aggregate amount of contractual rebates granted to any Obligor during such month as required under the terms of any Contract or any other written agreement or exchange of writings evidencing an agreement between the Seller and the applicable Obligor, by (ii) the aggregate amount of sales by the Seller giving rise to Receivables in the month that occurs two months prior to the month of determination.

" Corporate Services Provider " means, (i) with respect to SUSI Issuer, Amacar Investments LLC, and (ii) with respect to Liberty, Global Securitization Services, LLC.

" CP Rate " for each Class Conduit listed below, shall have the meaning specified in the Annex set forth below for such Class Conduit:

Class Conduit	Annex
SUSI Issuer	Annex 1
Falcon	Annex 2
Liberty	Annex 3

" CP Tranche " means, with respect to a Class, a Tranche of such Class as to which Discount is calculated at the CP Rate.

" CP Tranche Period " means, with respect to a CP Tranche, a period of days not to exceed 90 days commencing on a Business Day requested by the Transferor and agreed to by the applicable Class Agent pursuant to Section 2.3, or if applicable, such a period selected by the applicable Class Agent. If a CP Tranche Period would end on a day which is not a Business Day, such CP Tranche Period shall end on the next succeeding Business Day.

" Credit Agreement " means that certain Credit Agreement, dated as of May 19, 2000, between Tech Data and the Transferor.

" Credit and Collection Policy " shall mean Tech Data's and the Transferor's credit and collection policy or policies and practices, relating to Contracts and Receivables existing on the date hereof and referred to in Exhibit B attached hereto, as modified from time to time in compliance with Section 5.2(c).

" Credit Support Agreement " means with respect to each Class Conduit, any agreement between such Class Conduit (or any related commercial paper issuer that finances the Class Conduit) and a Credit Support Provider evidencing the obligation of such Credit Support Provider to provide credit support to such Class Conduit (or such related issuer) in connection with the issuance by such Class Conduit (or such related issuer) of its Commercial Paper.

" Credit Support Provider " means, with respect to each Class, the Person or Persons who provides credit support to the related Class Conduit (or any related commercial paper issuer that finances the Class Conduit), in connection with the issuance by such Class Conduit (or such related issuer) of Commercial Paper.

" Current Receivable " means any Receivable with respect to which no payment is outstanding beyond the date on which such payment was due.

" Dealer Fee " means, with respect to each Class, the fee , if any, payable by the Transferor to the Administrative Agent on behalf of the related Class Conduit, pursuant to Section 2.4 hereof, the terms of which are set forth in the Fee Letter.

" Deemed Collections " means any Collections on any Receivable deemed to have been received pursuant to Section 2.9(a) or (b) hereof.

" Default Ratio " for any calendar month means the quotient, calculated as of the last day of each month and expressed as a percentage, of (a) the aggregate Outstanding Balance of all Receivables which became Defaulted Receivables during such month (such amount shall exclude credits), divided by (b) the aggregate amount of sales by the Seller giving rise to Receivables in the month that occurs four months prior to the month of determination.

" Defaulted Receivable " means a Receivable: (i) as to which any payment, or part thereof, remains unpaid for 91 days or more from the original due date for such Receivable; (ii) as to which an Event of Bankruptcy has occurred with respect to the Obligor thereof; (iii) which has been identified by the Collection Agent as uncollectible; or (iv) which, consistent with the Credit and Collection Policy, has been or should be written off the Transferor's books as uncollectible.

" Defaulting Bank Investor " shall have the meaning set forth in Section 2.2 hereof.

" Deficit " shall have the meaning set forth in Section 2.2 hereof.

" Delinquency Ratio " for any calendar month means the quotient, calculated as of the last day of each month and expressed as a percentage, of (a) the aggregate Outstanding Balance of all outstanding Receivables as to which on the date of determination, any payment or part thereof, remains unpaid for more than 30 days from the original due date for such Receivable and which is not a Defaulted Receivable, divided by (b) the aggregate Outstanding Balance of all Receivables as of such date less Defaulted Receivables as of such date. For purposes of this calculation, any credits shall be excluded.

" Delinquent Receivable " means a Receivable: (i) as to which any payment, or part thereof, remains unpaid for more than 60 days from the original due date for such Receivable and (ii) which is not a Defaulted Receivable.

" Designated Obligor " means, at any time, each Obligor; provided , however , that any Obligor shall cease to be a Designated Obligor upon notice from the Administrative Agent to the Transferor and the Collection Agent, delivered at any time in good faith and based upon reasonable criteria.

" Dilution Horizon Ratio " means, at any time, the result of (I) the quotient, expressed as a percentage, of (a) the aggregate amount of sales by the Seller giving rise to Receivables in the two month period ending on the last day of the most recent month, divided by (b) the aggregate initial Outstanding Balance of Eligible Receivables at the last day of the most recent month, multiplied by (II) 0.75.

" Dilution Ratio " means, the ratio (expressed as a percentage) computed as of the last day of each calendar month by dividing (i) the aggregate amount of credits, rebates, discounts, disputes, warranty claims, repossessed or returned goods, charge back allowances and other dilutive factors, and any other billing or other adjustment by the Transferor or the Collection Agent, provided to Obligor in respect of Receivables during the current month, by (ii) the aggregate amount of sales by the Seller giving rise to Receivables in the month that occurs two months prior to the month of determination.

" Dilution Reserve Floor " means: the greater of (i) the product computed as of the last day of each calendar month as

EDR x DHR

Where

EDR = the Expected Dilution Ratio at such time; and

DHR = the Dilution Horizon Ratio at such time; and

(ii) 3.0%.

" Dilution Reserve Percentage " means the percentage computed as of the last day of each calendar month as:

[(2.25 x EDR) - ECDR] + [(DS - EDR) x (DS /EDR)] x DHR

Where

DS = the Dilution Spike at such time;

EDR = the Expected Dilution Ratio at such time;

ECDR = the Expected Contractual Dilution Ratio at such time; and

DHR = the Dilution Horizon Ratio at such time.

" Dilution Spike " means, at any time, the highest average of the Dilution Ratios for any two consecutive months occurring in the twelve months ending on the last day of the most recent calendar month.

" Discount " means, with respect to any Tranche Period:

$$(TR \times TNI \times \frac{AD}{360})$$

Where:

TR = the Tranche Rate applicable to such Tranche Period.

TNI = the portion of the Net Investment for the applicable Class allocated to such Tranche Period.

AD = the actual number of days during such Tranche Period.

provided , however , that no provision of this Agreement shall require the payment or permit the collection of Discount in excess of the maximum amount permitted by applicable law; and provided , further , that Discount shall not be considered paid by any distribution if at any time such distribution is rescinded or must be returned for any reason. For any Discount computed by reference to the CP Rate with respect to any Class Conduit that utilizes "pool" funding, the applicable Tranche Rate shall be determined by the applicable Class Agent on or prior to the fifth Business Day of the calendar month following the applicable Tranche Period. For any Discount computed by reference to a Tranche Rate that is calculated on more than one occasion during the Tranche Period, the aggregate Discount for such Tranche Period shall be calculated as the sum of each portion of the Discount computed for each such calculated Tranche Rate for each of the actual days on which such Tranche Rate applied.

" Early Collection Fee " means, with respect to any Tranche and for any Tranche Period (such Tranche Period to be determined without regard to the last sentence in Section 2.3(a) hereof) during which the portion of the Net Investment that was allocated to such Tranche Period is reduced for any reason whatsoever, the excess, if any, of (i) the additional Discount that would have accrued during such Tranche Period if such reductions had not occurred, minus (ii) the income, if any, received by the recipients of such reductions from investing the proceeds of such reductions.

" Eligible Investments " means any of the following: (a) negotiable instruments or securities represented by instruments in bearer or registered or in book-entry form which evidence (i) obligations fully guaranteed by the United States of America; (ii) time deposits in, or bankers acceptances issued by, any depositary institution or trust company incorporated under the laws of the United States of America or any state thereof and subject to supervision and examination by Federal or state banking or depositary institution authorities; provided , however , that at the time of investment or contractual commitment to invest therein, the certificates of deposit or short-term deposits, if any, or long-term unsecured debt obligations (other than such obligation whose rating is based on collateral or on the credit of a Person other than such institution or trust company) of such depositary institution or trust company shall have a credit rating from Moody', S&P and Fitch of at least "P-1", "A-1" and "F-1", respectively, in the case of the certificates of deposit or short-term deposits, or a rating not lower than one of the two highest investment categories granted by Moody's, S&P and by Fitch; (iii) certificates of deposit having, at the time of investment or contractual commitment to invest therein, a rating from Moody's, S&P, and Fitch of at least "P-1", "A-1" and "F-1", respectively; or (iv) investments in money market funds rated in the highest investment category or otherwise approved in writing by the applicable rating agencies, (b) demand deposits in any depositary institution or trust company referred to in (a)(ii) above; (c) commercial paper (having original or remaining maturities of no more than 30 days) having, at the time of investment or contractual commitment to invest therein, a credit rating from Moody's, S&P and Fitch of at least "P-1", "A-1" and "F-1", respectively; (d) Eurodollar time deposits having a credit rating from Moody's, S&P and Fitch of at least "P-1", "A-1" and "F-1", respectively; and (e) repurchase agreements involving any of the Eligible Investments described in clauses (a)(i), (a)(iii) and (d) hereof so long as the other party to the repurchase agreement has at the time of investment therein, a rating from Moody's, S&P and Fitch of at least "P-1", "A-1" and "F-1", respectively.

" Eligible Receivable " means, at any time, any Receivable:

(i) which has been transferred by Tech Data to the Transferor pursuant to the Purchase Agreement and to which the Transferor has good title thereto, free and clear of all Adverse Claims;

(ii) the Obligor of which is a United States resident, is a Designated Obligor at the time of the initial creation of an interest therein hereunder, is not an Affiliate or employee of any of the parties hereto, and is not a government or a governmental subdivision or agency;

(iii) which is not a Defaulted Receivable at the time of the initial creation of an interest of the Administrative Agent therein hereunder;

(iv) which is not a Delinquent Receivable at the time of the initial creation of an interest of the Administrative Agent therein;

(v) which, (A) arises pursuant to a Contract that contains an obligation to pay a specified sum of money and with respect to which each of the Seller and the Transferor has performed all obligations required to be performed by it thereunder, although payment under such Receivable may be contingent only upon the shipment of the merchandise and/or the performance of the services purchased thereunder; (B) has been billed; and (C) according to the Contract related thereto, is required to be paid in full within (x) 60 days of the original billing date therefor (it being understood that a Receivable payable in accordance with "no terms" does not satisfy this criteria) or (y) for Receivables with respect to which the Obligor or Financing Party has been designated as a Special Obligor and until three (3) Business Days after such designation may be revoked by the Agent or any Class Agent, such longer period approved by the Agent and the Class Agents at the time such Obligor or Financing Party was designated a Special Obligor;

(vi) which is an "eligible asset" as defined in Rule 3a-7 under the Investment Company Act of 1940, as amended;

(vii) a purchase of which with the proceeds of Commercial Paper would constitute a "current transaction" within the meaning of Section 3(a)(3) of the Securities Act of 1933, as amended;

(viii) which is an "account" or "chattel paper" within the meaning of Article 9 of the UCC of all applicable jurisdictions;

(ix) which is denominated and payable only in United States dollars in the United States;

(x) which, arises under a Contract that together with the Receivable related thereto, is in full force and effect and constitutes the legal, valid and binding obligation of the related Obligor enforceable against such Obligor in accordance with its terms and, to the best knowledge of the Collection Agent or the Transferor is not subject to any litigation, dispute, offset, counterclaim or other defense at such time, it being understood that if the Transferor or the Seller owes an amount (whether or not then due) to an Obligor, the amount(s) payable by the Transferor and the Seller shall be subtracted from the amount of any Receivable due from such Obligor for the purposes of calculating the Outstanding Balance of Eligible Receivables;

(xi) which, together with the Contract related thereto, does not contravene in any material respect any laws, rules or regulations applicable thereto (including, without limitation, laws, rules and regulations relating to truth in lending, fair credit billing, fair credit reporting, equal credit opportunity, fair debt collection practices and privacy) and with respect to which no part of the Contract related thereto is in violation of any such law, rule or regulation in any material respect;

(xii) which (A) satisfies, in all material respects, all applicable requirements of the applicable Credit and Collection Policy and (B) is assignable without the consent of, or notice to, the Obligor or Financing Party thereunder unless such consent has been obtained and is in effect or such notice has been given;

(xiii) which was generated in the ordinary course of Tech Data's business;

(xiv) the Obligor or Financing Party of which has been directed to make all payments to a specified account of the Collection Agent with respect to which there shall be a Lock-Box Agreement in effect;

(xv) which has not been compromised, adjusted or modified (including by the extension of time for payment or the granting of any discounts, allowances or credits); provided , however , that only such portion of such Receivable that is the subject of such compromise, adjustment or modification shall be deemed to be ineligible pursuant to the terms of this clause (xv);

(xvi) the assignment of which under the Purchase Agreement by the Seller to the Transferor and hereunder by the Transferor to the Administrative Agent does not violate, conflict or contravene any applicable Law or any contractual or other restriction, limitation or encumbrance;

(xvii) which is not subject to any Adverse Claim and with respect to which no financing statement has been filed except as permitted by this Agreement or any other Transaction Document; and

(xviii) with respect to the Obligor thereof, not more than 25% of the Receivables (as of the preceding month-end) owed by such Obligor are Defaulted Receivables.

" ERISA " means the U.S. Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

" ERISA Affiliate " means, with respect to any Person, (i) any corporation which is a member of the same controlled group of corporations (within the meaning of Section 414(b) of the Code (as in effect from time to time, the " Code ")) as such Person; (ii) a trade or business (whether or not incorporated) under common control (within the meaning of Section 414(c) of the Code) with such Person; or (iii) a member of the same affiliated service group (within the meaning of Section 414(n) of the Code) as such Person, any corporation described in clause (i) above or any trade or business described in clause (ii) above.

" Eurodollar Rate " means, with respect to any Eurodollar Tranche Period, a rate which is 2.50% in excess of (provided , however , that if no Termination Event shall have occurred and provided that the only portion of the Transferred Interest which is funded by reference to the Eurodollar Rate is the portion thereof held by the Bank of America as a SUSI Issuer Bank Investor, the margin applicable to that portion of the Transferred Interest held by Bank of America as a SUSI Issuer Bank Investor shall be 0.0%) a rate per annum equal to the sum (rounded upwards, if necessary, to the next higher 1/100 of 1%) of (A) the rate obtained by dividing (i) the applicable LIBOR Rate by (ii) a percentage equal to 100% minus the reserve percentage used for determining the maximum reserve requirement as specified in Regulation D (including, without limitation, any marginal, emergency, supplemental, special or other reserves) that is applicable to the Administrative Agent during such Eurodollar Tranche Period in respect of eurocurrency or eurodollar funding, lending or liabilities (or, if more than one percentage shall be so applicable, the daily average of such percentage for those days in such Eurodollar Tranche Period during which any such percentage shall be applicable) plus (B) the then daily net annual assessment rate (rounded upwards, if necessary, to the nearest 1/100 of 1%) as estimated by the Administrative Agent for determining the current annual assessment payable by the Administrative Agent to the Federal Deposit Insurance Corporation in respect of eurocurrency or eurodollar funding, lending or liabilities.

" Eurodollar Tranche " means, with respect to a Class, a Tranche of such Class as to which Discount is calculated at the Eurodollar Rate.

" Eurodollar Tranche Period " means, with respect to a Eurodollar Tranche, prior to the applicable Termination Date, a period of one month, commencing on a Business Day requested by the Transferor and agreed to by the applicable Class Agent; provided, however, that if such Eurodollar Tranche Period would expire on a day which is not a Business Day, such Eurodollar Tranche Period shall expire on the next succeeding Business Day; provided, further, that if such Eurodollar Tranche Period would expire on (a) a day which is not a Business Day but is a day of the month after which no further Business Day occurs in such month, such Eurodollar Tranche Period shall expire on the next preceding Business Day or (b) a Business Day for which there is no numerically corresponding day in the applicable subsequent calendar month, such Eurodollar Tranche Period shall expire on the last Business Day of such month.

" Event of Bankruptcy ", means, with respect to any Person, (i) that such Person (a) shall generally not pay its debts as such debts become due or (b) shall admit in writing its inability to pay its debts generally or (c) shall make a general assignment for the benefit of creditors; (ii) any proceeding shall be instituted by or against such Person seeking to adjudicate it as bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee or other similar official for it or any substantial part of its property or (iii) if such Person is a corporation, such Person or any Subsidiary shall take any corporate action to authorize any of the actions set forth in the preceding clauses (i) or (ii).

" Existing Law " means (a) the final rule titled "Risk-Based Capital Guidelines; Capital Adequacy Guidelines; Capital Maintenance: Regulatory Capital; Impact of Modifications to Generally Accepted Accounting Principles; Consolidation of Asset-Backed Commercial Paper Programs; and Other Related Issues," adopted by the United States bank regulatory agencies on December 15, 2009 (the " FAS 166/167 Capital Guidelines "); (b) the Dodd-Frank Wall Street Reform and Consumer Protection Act (" Dodd Frank Act "); (c) the revised Basel Accord prepared by the Basel Committee on Banking Supervision as set out in the publication entitled: "International Convergence of Capital Measurements and Capital Standards: a Revised Framework," as updated from time to time (" Basel II "); or (d) any rules, regulations, guidance, interpretations, directives or requests from any Governmental Authority relating to, or implementing the FAS 166/167 Capital Guidelines, the Dodd-Frank Act or Basel II (whether or not having the force of law).

" Expected Contractual Dilution Ratio " means, at any time, the average of the Contractual Dilution Ratios for the twelve consecutive months ending on the last day of the most recent calendar month.

" Expected Dilution Ratio " means, at any time, the average of the Dilution Ratios for the twelve consecutive months ending on the last day of the most recent calendar month.

" Facility Fee " means, with respect to each Class, the fee payable by the Transferor to the Administrative Agent, for distribution to the Class Investors, pursuant to Section 2.7 hereof, the terms of which are set forth in the Fee Letter.

" Facility Limit " means (i) with respect to the Class of which SUSI Issuer is a member, $ ~~102,000~~ 136,680 ,000; provided that such amount may not at any time exceed the aggregate Commitments with respect to the SUSI Issuer Bank Investors, (ii) with respect to the Class of which Liberty is a member, $ ~~102,000~~ 135,660 ,000; provided that such amount may not at any time exceed the aggregate Commitments with respect to the Liberty Bank Investors, in each case, at any time in effect, (iii) with respect to the Class of which Falcon is a member, $ ~~102,000~~ 135,660 ,000; provided that such amount may not at any time exceed the aggregate Commitments with respect to the Falcon Bank Investors, in each case, at any time in effect, and (iv) with respect to any other Class, the amount specified as such in any supplement hereto for such Class; provided that, with respect to any other Class, the Facility Limit for such Class shall not at any time exceed the aggregate Commitments for the Bank Investors in such Class.

" Falcon " means Chariot Funding LLC, as successor by merger to Falcon Asset Securitization Company LLC, and its successors and assigns.

" Falcon Agent " means JPMorgan, in its capacity as agent for Falcon and the Falcon Bank Investors, and any successor thereto appointed pursuant to Article IX.

" Falcon Bank Investors " shall mean JPMorgan and its successors and assigns who are or become parties to this Agreement as such pursuant to an Assignment and Assumption Agreement.

" Fee Letter " means the letter agreement dated ~~August 31~~ December 13 , 2011 among the Transferor, the Collection Agent, the Class Conduits, the Administrative Agent, and the Class Agents with respect to the fees to be paid by the Transferor hereunder, as amended, modified or supplemented from time to time.

" Finance Charges " means, with respect to a Contract, any finance, interest, late or similar charges owing by an Obligor pursuant to such Contract.

" Financing Party " means a third-party who receives an invoice from the Company billed to an Obligor with respect to the provision goods and services to such Obligor under a Contract whereby the Financing Party remits payment to the Company on behalf of such Obligor in connection with a financing of the goods and/or services covered under such Contract.

" Fitch " means Fitch, Inc.

" Fluctuation Factor " means 1.2.

" Governmental Authority " means the government of the United States of America and any political subdivisions thereof, whether state or local, and the government of Canada and any political subdivisions thereof, whether provincial or municipal, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

" Governmental Rules " means any and all laws, statutes, codes, rules, regulations, ordinances, orders, writs, decrees and injunctions, of any Governmental Authority and any and all legally binding conditions, standards, prohibitions, requirements and judgments of any Governmental Authority.

" Incremental Transfer " means a Transfer which is made pursuant to Section 2.2(a) hereof.

" Indebtedness " means, with respect to any Person, such Person's (i) obligations for borrowed money, (ii) obligations representing the deferred purchase price of property other than accounts payable arising in the ordinary course of such Person's business on terms customary in the trade, (iii) obligations, whether or not assumed, secured by liens or payable out of the proceeds or production from property now or hereafter owned or acquired by such Person, (iv) obligations which are evidenced by notes, acceptances, or other instruments, (v) Capitalized Lease obligations and (vi) obligations for which such Person is obligated pursuant to a Guaranty.

" Indemnified Amounts " has the meaning specified in Section 8.1 hereof.

" Indemnified Parties " has the meaning specified in Section 8.1 hereof.

" Interest Component " shall mean, (A) with respect to any Class Conduit (or any related commercial paper issuer that finances the Class Conduit) not utilizing "pool" funding (i) with respect to any Commercial Paper issued on an interest-bearing basis, the interest payable on such Commercial Paper at its maturity (including any dealer commissions) and (ii) with respect to any Commercial Paper issued on a discount basis, the portion of the face amount of such Commercial Paper representing the discount incurred in respect thereof (including any dealer commissions) and (B) with respect to any Class Conduit (or any related commercial paper issuer that finances the Class Conduit) utilizing "pool funding," the aggregate Discount accrued and to accrue through the end of the current Tranche Period for the portion of Net Investment accruing Discount calculated by reference to the CP Rate at such time (determined for such purpose using the CP Rate most recently determined by the applicable Class Agent, multiplied by the Fluctuation Factor).

" Investor Report " means a report, in substantially the form attached hereto as Exhibit E or in such other form as is mutually agreed to by the Transferor and the Administrative Agent, furnished by the Collection Agent pursuant to Section 2.11.

" JPMorgan " means JPMorgan Chase Bank, N.A. , a national banking association, and its successors and assigns.

" Law " means any law (including common law), constitution, statute, treaty, regulation, rule, ordinance, order, injunction, writ, decree or award of any Official Body.

" Lease Agreement " means the Sublease Agreement, effective as of the date of the effectiveness of this Agreement, between the Transferor, David G. Cartwright and David R. Kelly.

" Liberty Agent " means The Bank of Nova Scotia, a banking corporation organized and existing under the laws of Canada, acting through its New York Agency, in its capacity as agent for Liberty and the Liberty Bank Investors, and any successor thereto appointed pursuant to Article IX.

" Liberty Bank Investors " shall mean The Bank of Nova Scotia, and its successors and assigns who are or become parties to this Agreement as such pursuant to an Assignment and Assumption Agreement.

" LIBOR Rate " means, for each day during a Eurodollar Tranche Period: (a) the rate per annum (carried out to the fifth decimal place) equal to the rate determined by the Administrative Agent to be the offered rate that appears on the page of the Reuters Screen on such day that displays an average British Bankers Association Interest Settlement Rate (such page currently being LIBOR01) for deposits in United States dollars (for delivery on a date two Business Days later) with a term equivalent to one month; (b) in the event that either (i) the rate referenced in the preceding subsection (a) does not appear on such page or service or such page or service shall cease to be available or (ii) the Administrative Agent shall determine in its discretion to use a different source to determine the British Bankers Association Interest Settlement Rate, the rate per annum (carried to the fifth decimal place) equal to the rate determined by the Administrative Agent to be the offered rate on such day on such other page or other service that displays an average British Bankers Association Interest Settlement Rate for deposits in United States dollars (for delivery on a date two Business Days later) with a term equivalent to one month; or (c) in the event the rates referenced in the preceding clauses (a) and (b) are not available, the rate per annum determined by the Administrative Agent on such day as the rate of interest at which Dollar deposits (for delivery on a date two Business days later than

such day) in same day funds in the approximate amount of the applicable investment to be funded by reference to the LIBOR Rate and with a term equivalent to one month would be offered by its London Branch to major banks in the London interbank Eurodollar market at their request.

" Liquidity Provider " means, with respect to each Class Conduit (or its related commercial paper issuer if the Class Conduit does not itself issue commercial paper), the Person or Persons who will provide liquidity support to such Class Conduit (or such related commercial paper issuer), in connection with the issuance by such Class Conduit (or such related commercial paper issuer) of its Commercial Paper.

" Liquidity Provider Agreement " means the agreement between each Class Conduit (or, if the Class Conduit does not itself issue commercial paper, either such Class Conduit or its related commercial paper issuer) and the related Liquidity Provider(s) evidencing the obligation of such Liquidity Provider(s) to provide liquidity support to such Class Conduit (or its related commercial paper issuer) in connection with the issuance by such Class Conduit (or such related commercial paper issuer) of its Commercial Paper.

" Lock - Box Account " means an account maintained by the Collection Agent at a Lock-Box Bank for the purpose of receiving Collections from Receivables.

" Lock - Box Agreement " means an agreement between the Collection Agent and a Lock-Box Bank in substantially the form of Exhibit D hereto.

" Lock - Box Bank " means each of the banks set forth in Exhibit C hereto and such banks as may be added thereto or deleted therefrom pursuant to Section 2.8 hereof.

" Loss and Dilution Reserve " means, with respect to each Class, at any time, an amount equal to the product of (i) the Loss and Dilution Reserve Percentage and (ii) the Net Receivables Balance and (iii) the Class Percentage with respect to such Class at such time.

" Loss and Dilution Reserve Percentage " means the greater of (x) the sum of the Loss Reserve Percentage and the Dilution Reserve Percentage and (y) the Minimum Reserve Ratio.

" Loss Horizon Ratio " means, as of the last day of any month, the quotient, expressed as a percentage, of (a) the aggregate amount of sales by the Seller giving rise to Receivables in the four month period ending on such day, divided by (b) the aggregate initial Outstanding Balance of Eligible Receivables at such day.

" Loss Reserve Percentage " means on any day the product of (i) 2.25, (ii) the highest three month average of the Default Ratio occurring during the twelve month period ending on the last day of the most recent month, and (iii) the Loss Horizon Ratio; provided , however , that, until such time as the Class Agents and the Bank Investors shall agree in writing (upon written notice from the Transferor received at least 10 days prior to the Settlement Date as to which such requested consent is to be effective, it being the intention of the parties hereto to modify the below definition of "Defaulted Receivable" to replace "61 and 90 days" with "91 and 120" days when the Transferor is able to calculate the amount of such Receivables) solely for the purposes of the calculation of the Loss Reserve Percentage, the Default Ratio shall be calculated on the basis of the following definition of "Defaulted Receivable":

> "Defaulted Receivable" means any Receivable (i) as to which any payment, or part thereof, remains unpaid for between 61 and 90 days from the original due date for such Receivable; (ii) as to which an Event of Bankruptcy has occurred with respect to the Obligor thereof; (iii) which has been identified by the Collection Agent as uncollectible; or (iv) which, consistent with the Credit and Collection Policy, has been or should be written off the Transferor's books as uncollectible.

" Majority Investors " shall have the meaning specified in Section 10.1(a) hereof.

" Maximum Net Investment " means (i) with respect to the Class of which SUSI Issuer is a member, $ ~~100~~ 134 ,000,000, (ii) with respect to the Class of which Liberty is a member, $ ~~100~~ 133 ,000,000, (iii) with respect to the Class of which Falcon is a member, $ ~~100~~ 133 ,000,000, and (iv) with respect to any other Class, the amount set forth pursuant to Section 11.2(b) hereof.

" Maximum Percentage Factor " means 98%.

" Minimum Reserve Ratio " means the sum calculated as of the last day of each calendar month as the sum of the Concentration Reserve Floor, as at such time, and the greater of (i) Dilution Reserve Floor, as at such time or (ii) the Dilution Reserve Percentage, as at such time.

" Moody's " means Moody's Investors Service, Inc.

" Multiemployer Plan " means a "Multi employer plan" as defined in Section 4001(a)(3) of ERISA which is or was at any time during the current year or the immediately preceding five years contributed to by the Transferor, or any ERISA Affiliate of the Transferor on behalf of its employees.

" Net Investment " means, with respect to each Class, the sum of the cash amounts paid to the Transferor by or on behalf of the Class Investors of such Class for each Incremental

Transfer less the aggregate amount of Collections received and applied by the Administrative Agent to reduce such Net Investment pursuant to Sections 2.5, 2.6 or 2.9 hereof; provided that such Net Investment shall be restored and reinstated in the amount of any Collections so received and applied if at any time the distribution of such Collections is rescinded or must otherwise be returned for any reason; and provided further that such Net Investment may be increased by the amount described in Section 10.7(d) as described therein.

" Net Receivables Balance " means at any time the Outstanding Balance of the Eligible Receivables at such time reduced by the sum of (i) the aggregate amount by which the Outstanding Balance of all Eligible Receivables of each Designated Obligor or Financing Party exceeds the Concentration Factor for such Designated Obligor or Financing Party, plus (ii) the aggregate Outstanding Balance of all Eligible Receivables which are Defaulted Receivables, plus (iii) the aggregate Outstanding Balance of all Eligible Receivables which are Delinquent Receivables, plus (iv) the aggregate amount of cash received from or on behalf of Obligors and not designated and applied by the Collection Agent to one or more Receivables.

" Non-Defaulting Bank Investor " shall have the meaning set forth in Section 2.2 hereof.

" Obligor " means a Person obligated to make payments for the provision, to such Person or a third party, of goods and services pursuant to a Contract.

" Official Body " means any government or political subdivision or any agency, authority, bureau, central bank, commission, department or instrumentality of any such government or political subdivision, or any court, tribunal, grand jury or arbitrator, or any accounting board or authority (whether or not a part of government) which is responsible for the establishment or interpretation of national or international accounting principles, in each case whether foreign or domestic.

" Other Transferor " means any Person other than the Transferor that has entered into a receivables purchase agreement or transfer and administration agreement with any Class Conduit.

" Outstanding Balance " means, with respect to any Receivable at any time, the then outstanding principal amount thereof including any accrued and outstanding Finance Charges related thereto.

" Percentage Factor " shall mean, with respect to each Class, the fraction (expressed as a percentage) computed at any time of determination as follows:

$$\frac{NI + LDR + YSFR}{NRB}$$

Where:

NI = the Net Investment for such Class at the time of such computation;

LDR = the Loss and Dilution Reserve for such Class at the time of such computation;

YSFR = the Yield and Servicing Fee Reserve for such Class at the time of such computation; and

NRB = the Net Receivables Balance at the time of such computation.

Notwithstanding the foregoing the calculation of Percentage Factor is subject to the last sentence of Section 2.2(e).

" Person " means any corporation, limited liability company, natural person, firm, joint venture, partnership, trust, unincorporated organization, enterprise, government or any department or agency of any government.

" Potential Termination Event " means an event which but for the lapse of time or the giving of notice, or both, would constitute a Termination Event.

" Program Fee " with respect to each Class, means the fee payable by the Transferor to the Administrative Agent, for distribution to the Class Investors, pursuant to Section 2.7 hereof, the terms of which are set forth in the Fee Letter.

" Promissory Note " means that certain Promissory Note, dated as of May 19, 2000, between Tech Data and the Transferor.

" Pro Rata Share " means, (a) for an SUSI Issuer Bank Investor, the Commitment of such SUSI Issuer Bank Investor divided by the sum of the Commitments of all the SUSI Issuer Bank Investors, (b) for a Liberty Bank Investor, the Commitment of such Liberty Bank Investor divided by the sum of the Commitments of all Liberty Bank Investors, (c) for a Falcon Bank Investor, the Commitment of such Falcon Bank Investor divided by the sum of the Commitments of all Falcon Bank Investors, and (d) with respect to any other Class, for each Bank Investor of such Class, the Commitment of such Bank Investor divided by the sum of the Commitments of all Bank Investors of such Class.

" Proceeds " means "proceeds" as defined in Section 9-306(1) of the UCC.

" Purchase Agreement " means the Receivables Purchase Agreement dated as of May 19, 2000, between Tech Data and the Transferor, as the same may be amended, supplemented or otherwise modified.

" Purchase Termination Date " means the date upon which the Transferor shall cease, for any reason whatsoever, to make purchases of Receivables from Tech Data under the Purchase Agreement or the Purchase Agreement shall terminate for any reason whatsoever.

" Purchased Interest " means the interest in the Receivables acquired by a Liquidity Provider through purchase pursuant to the terms of a Liquidity Provider Agreement.

" Receivable " means the indebtedness owed to the Transferor or Tech Data by any Obligor (without giving effect to any purchase hereunder by any Class Investor at any time) under a Contract whether constituting an account, chattel paper, instrument or general intangible, arising in connection with the sale of merchandise or services by Tech Data and thereafter transferred to the Transferor by Tech Data pursuant to the Purchase Agreement, and includes the right to payment of any Finance Charges and other obligations of such Obligor with respect thereto. Notwithstanding the foregoing, once a Receivable has been deemed collected pursuant to Section 2.9 hereof, it shall no longer constitute a Receivable hereunder with respect to such portion which has been deemed collected.

" Receivables Systems " means the computer applications involved in the origination, collection, management or servicing of the Receivables.

" Records " means all Contracts and other documents, books, records and other information (including, without limitation, computer programs, tapes, discs, punch cards, data processing software and related property and rights) maintained with respect to Receivables and the related Obligors.

" Reinvestment Termination Date " means, with respect to each Class, the second Business Day after the delivery by the related Class Agent to the Transferor of written notice that the related Class Conduit elects to commence the amortization of the Net Investment for such Class or otherwise liquidate its interest in the Transferred Interest.

" Related Commercial Paper " shall mean, with respect to Commercial Paper issued by the Class Conduits (or their related commercial paper issuer(s) if the Class Conduits do not themselves issue commercial paper) the proceeds of which were used to acquire, or refinance the acquisition of, an interest in Receivables with respect to the Transferor.

" Related Security " means with respect to any Receivable, all of the Transferor's and the Seller's rights, title and interest in, to and under:

(i) the merchandise (including returned or repossessed merchandise), if any, the sale of which by the Seller gave rise to such Receivable;

(ii) all other security interests or liens and property subject thereto from time to time, if any, purporting to secure payment of such Receivable, whether pursuant to the Contract related to such Receivable or otherwise, together with all financing statements signed by an Obligor describing any collateral securing such Receivable;

(iii) all guarantees, indemnities, warranties, insurance (and proceeds and premium refunds thereof) or other agreements or arrangements of any kind from time to time supporting or securing payment of such Receivable whether pursuant to the Contract related to such Receivable or otherwise;

(iv) all Records related to such Receivable; and

(v) all rights and remedies of the Transferor under the Purchase Agreement, together with all financing statements filed by the Transferor against the Seller in connection therewith; and

(vi) all Collections on and Proceeds of any of the foregoing.

" Required Reserves " means as of the last day of each month an amount equal to the sum of (i) the Loss and Dilution Reserve for all Classes at such time and (ii) the Yield and Servicing Fee Reserve for all Classes at such time.

" Responsible Officer " means, with respect to any Person, the president, the chief executive officer, the chief financial officer, treasurer or chief accounting officer of such Person.

" Revolving Subordinated Note " has the meaning specified in the Purchase Agreement.

" Scotia Bank " means The Bank of Nova Scotia, a banking corporation organized and existing under the laws of Canada, acting through its New York Agency.

" Section 8.2 Costs " has the meaning specified in Section 8.2(d) hereof.

" Seller " means Tech Data Corporation, a Florida corporation and its successors and permitted assigns.

" Servicing Fee " means, with respect to each Class, the fees payable by the Class Investors of such Class to the Collection Agent, with respect to a Tranche in an amount equal to 0.75% per annum on the amount of the Net Investment for such Class, allocated to such Tranche pursuant to Section 2.3. Such fee shall accrue from the date of the initial purchase of an interest in the Receivables to the later of the Termination Date for such Class or the date on which the Net Investment for such Class is reduced to zero. On or prior to such Termination Date such fee shall be payable only from Collections pursuant to, and subject to the priority of payments set forth in, Section 2.5 hereof. After such Termination Date, such fee shall be payable only from Collections pursuant to, and subject to the priority of payments set forth in, Section 2.6 hereof.

" SFA " means the formula designated in BASEL II (or any law or regulation that may supplement, amend, restate or replace BASEL II in part or in whole) as the "Supervisory Formula Approach" for determining a bank's risk-based capital requirement for securitization transactions.

" SFA Event " means an event which shall be deemed to have occurred if any Class Agent, at any time in its sole discretion, to be exercised reasonably, determines that it cannot, for any reason, use the SFA to calculate its (or any related Bank Investor's or provider of liquidity or credit support in respect of the related Class Conduit) regulatory capital requirement in respect of the facility contemplated by this Agreement.

" Special Concentration Limit" means, for any Obligor or Financing Party while such Obligor or Financing Party is a Special Obligor, the percentage applicable to such Special Obligor and designated as the "Special Concentration Limit" in the written approval of such Obligor or Financing Party as a Special Obligor by the Agent and the Class Agents.

" Special Obligor" means an Obligor or Financing Party which upon the request of the Transferor is approved in writing by the Agent and each Class Agent as a Special Obligor and with respect to which none of the Agent or any Class Agent shall have revoked such designation, such revocation to be effective upon 3 Business Days written notice from the Agent or a Class Agent, as applicable, to the Collection Agent, the Transferor, the Agent (if such notice is not given by the Agent) and each Class Agent and which revocation shall be given in good faith and based upon reasonable criteria.

" Standard & Poor's " or " S&P " means Standard & Poor's, a division of The McGraw-Hill Companies, Inc.

" Subsidiary " of a Person means any corporation, partnership, association, limited liability company, joint venture or similar business organization having 50% or more of the outstanding voting interests of which shall at any time be owned or controlled, directly or indirectly, by such Person or by one or more Subsidiaries of such Person or any similar business organization which is so owned or controlled.

" Supplemental Fee Letter " means that certain fee letter, dated as of May 19, 2000, between the Collection Agent, the Transferor and the Administrative Agent.

" SUSI Issuer " means YC SUSI Trust, a Delaware statutory trust, and its successors and assigns.

" SUSI Issuer Agent " means Bank of America, National Association, in its capacity as agent for SUSI Issuer and the SUSI Issuer Bank Investors, and any successor thereto appointed pursuant to Article IX.

" SUSI Issuer Bank Investors " shall mean Bank of America, National Association and its successors and assigns who are or become parties to this Agreement as such pursuant to an Assignment and Assumption Agreement.

" Tech Data " means Tech Data Corporation, a Florida corporation, and its successors and assigns.

" Termination Date " means, with respect to each Class, the earliest of (i) the Business Day designated by the Transferor to the Administrative Agent and the related Class Agent as the Termination Date for such Class at any time following 30 days' written notice to the Administrative Agent and such Class Agent, (ii) the date of termination of the commitment of all related Liquidity Providers under the related Liquidity Provider Agreement for the related Class Conduit for such Class, (iii) the date of termination of the commitment of the related Credit Support Provider under the related Credit Support Agreement for the related Class Conduit, (iv) the day upon which a Termination Date for such Class is declared or automatically occurs pursuant to Section 7.2(a) hereof, (v) two Business Days prior to the Commitment Termination Date for such Class, (vi) the day on which a Reinvestment Termination Date for such Class shall occur (provided, that this clause (vi) shall not cause a Termination Date if the applicable Class Conduit assigns its interest in whole to its related Bank Investors pursuant to Section 10.7), (vii) the Purchase Termination Date, and (viii) the day designated by the Administrative Agent to the Transferor as the Termination Date as a result of the failure of Tech Data to comply with its obligations under Section 5.3(l).

" Termination Event " means an event described in Section 7.1 hereof.

" Tranche " means, with respect to each Class, a portion of the Net Investment for such Class allocated to a Tranche Period for such Class pursuant to Section 2.3 hereof.

" Tranche Period " means a CP Tranche Period, a Eurodollar Tranche Period or a BR Tranche Period.

" Tranche Rate " means either (i) the CP Rate quoted for the CP Tranche; (ii) the Eurodollar Rate for a Eurodollar Tranche; or (iii) the Base Rate for a BR Tranche.

" Transaction Documents " means, collectively, this Agreement, the Purchase Agreement, the Fee Letter, the Supplemental Fee Letter, the Lock-Box Agreements, the Certificate, the Transfer Certificate, the Credit Agreement, the Promissory Note, the Revolving Subordinated Note and all of the other instruments, documents and other agreements executed and delivered by Tech Data or the Transferor in connection with any of the foregoing, in each case, as the same may be amended, restated, supplemented or otherwise modified from time to time.

" Transfer " means a conveyance, transfer and assignment by the Transferor to the Class Investors, as applicable, of an undivided percentage ownership interest in Receivables and Related Security hereunder (including, without limitation, as a result of any reinvestment of Collections in the Transferred Interest pursuant to Section 2.2(b) and 2.5 hereof).

" Transfer Certificate " has the meaning specified in Section 2.2(a) hereof.

" Transfer Date " means, with respect to each Transfer, the Business Day on which such Transfer is made.

" Transfer Price " means with respect to any Incremental Transfer, the amount paid to the Transferor by the applicable Class Investors as described in the applicable Transfer Certificate.

" Transferor " means Tech Data Finance SPV, Inc., a Delaware corporation, and its successors and permitted assigns.

" Transferred Interest " means, at any time of determination, an undivided percentage ownership interest in (i) each and every then outstanding Receivable, (ii) all Related Security with respect to each such Receivable, (iii) all Collections with respect thereto, and (iv) other Proceeds of the foregoing, which undivided ownership interest shall be equal to the Aggregate Percentage Factor at such time, and only at such time (without regard to prior calculations). The Transferred Interest in each Receivable, together with Related Security,

Collections and Proceeds with respect thereto, shall at all times be equal to the Transferred Interest in each other Receivable, together with Related Security, Collections and Proceeds with respect thereto. To the extent that the Transferred Interest shall decrease as a result of a recalculation of the Aggregate Percentage Factor, the Administrative Agent on behalf of the applicable Class Investors shall be considered to have reconveyed to the Transferor an undivided percentage ownership interest in each Receivable, together with Related Security, Collections and Proceeds with respect thereto, in an amount equal to such decrease such that in each case the Transferred Interest in each Receivable shall be equal to the Transferred Interest in each other Receivable.

" UCC " means, with respect to any state, the Uniform Commercial Code as from time to time in effect in such state.

" Unpaid Balance " means, at any time, with respect to any Receivable, the outstanding principal amount of the indebtedness of the related Obligor incurred in connection with a particular purchase under or evidenced by such Receivable, exclusive of any sales or other tax, if any, included in or payable with respect to such purchase.

" Yield and Servicing Fee Reserve " means, with respect to each Class, at any time the product of (i) 2.0%, (ii) the Net Receivables Balance at such time, and (iii) the Class Percentage with respect to such Class.

Section 1.2 Other Terms . All accounting terms not specifically defined herein shall be construed in accordance with generally accepted accounting principles. All terms used in Article 9 of the UCC in the State of New York, California or Delaware, as applicable, and not specifically defined herein, are used herein as defined in such Article 9.

Section 1.3 Computation of Time Periods . Unless otherwise stated in this Agreement, in the computation of a period of time from a specified date to a later specified date, the word "from" means "from and including", the words "to" and "until" each means "to but excluding" and the word "within" means "from and excluding a specified date and to and including a later specified date".

ARTICLE II

PURCHASES AND SETTLEMENTS

Section 2.1 Facility . With respect to each Class, upon the terms and subject to the conditions herein set forth and provided that the Termination Date for such Class shall not have occurred, (x) the Transferor may, at its option, convey, transfer and assign to the Administrative Agent, on behalf of the applicable Class Investors for such Class and (y) the Administrative Agent, on behalf of the Class Conduit for such Class may, at the option of such Class Conduit, or the Administrative Agent on behalf of the Bank Investors for such Class, provided that such Bank Investors shall have previously accepted the assignment by the related

Class Conduit of all of such Class Conduit's interest in the Affected Assets, shall, if so requested, accept such conveyance, transfer and assignment from the Transferor of, without recourse except as provided herein, undivided percentage ownership interests in the Receivables, together with Related Security, Collections and Proceeds with respect thereto, from time to time. By accepting any conveyance, transfer and assignment hereunder, neither any Class Investor, Class Agent nor the Administrative Agent assumes or shall have any obligations or liability under any of the Contracts, all of which shall remain the obligations and liabilities of the Transferor and the Seller.

Section 2.2 Transfers; Certificates; Eligible Receivables .

(a) Incremental Transfers . With respect to each Class, upon the terms and subject to the conditions herein set forth and provided that a Termination Event or a Potential Termination Event or the Termination Date for such Class shall not have occurred and be continuing, the Transferor may, at its option, convey, transfer and assign to the Administrative Agent on behalf of the applicable Class Investors for such Class and the Administrative Agent, on behalf of the Class Conduit for such Class may, at the option of such Class Conduit, or the Administrative Agent on behalf of the Bank Investors for such Class provided that such Bank Investors shall have previously accepted the assignment by the related Class Conduit of all of such Class Conduit's interest in the Affected Assets, shall, if so requested by the Transferor, accept such conveyance, transfer and assignment from the Transferor, without recourse except as provided herein, undivided percentage ownership interests in the Receivables, together with Related Security, Collections and Proceeds with respect thereto (each, an " Incremental Transfer "); provided that after giving effect to the payment to the Transferor of the Transfer Price therefor (i) the Net Investment for such Class shall not exceed the Maximum Net Investment for such Class, (ii) the sum of the Net Investment for such Class plus , in the case where the Class Conduit for such Class holds a portion of the Transferred Interest, the Interest Component of all outstanding Related Commercial Paper issued by such Class Conduit (or its related commercial paper issuer if the Class Conduit does not itself issue commercial paper) shall not exceed the Facility Limit for such Class and (iii) the Aggregate Percentage Factor shall not exceed the Maximum Percentage Factor; and, provided , that the representations and warranties set forth in Section 3.1 shall be true and correct both immediately before and immediately after giving effect to any such Transfer. All Incremental Transfers shall be made on a pro rata basis to each Class (based upon the relation of the Maximum Net Investment for such Class to the Aggregate Maximum Net Investment).

The Transferor shall, by notice to the Administrative Agent given by telecopy, offer to convey, transfer and assign to the Administrative Agent, on behalf of any of the applicable Class Investors, undivided percentage ownership interests in the Receivables and the other Affected Assets relating thereto not later than 3:00 p.m. (New York time) on the Business Day prior to the proposed date of any Incremental Transfer. With respect to each Class, each such notice shall specify (w) whether such request is made to the Administrative Agent on behalf of the Class Conduit for such Class or the related Bank Investors for such Class (it being understood and agreed that once any of such Bank Investors acquire any interest in the Transferred Interest hereunder, such Bank Investors shall be required to purchase all of the portion of the Transferred Interest held by the related Class Conduit in accordance with Section

10.7 and thereafter such Class Conduit shall no longer accept any additional Incremental Transfers hereunder), (x) the desired Transfer Price (which shall be at least $5,000,000 per Class or integral multiples of $1,000,000 in excess thereof) or, to the extent that the then available unused portion of the Aggregate Maximum Net Investment is less than such amount, such lesser amount equal to such available portion of such Aggregate Maximum Net Investment), (y) the desired date of such Incremental Transfer and (z) the desired Tranche Period(s) and allocations of the Net Investment for such Class of such Incremental Transfer thereto as required by Section 2.3. The Administrative Agent will promptly notify each Class Agent and each Class Conduit or related Bank Investors for such Class, as applicable, of the Administrative Agent's receipt of any request for an Incremental Transfer to be made to such Person. To the extent that any such Incremental Transfer is requested of a Class Conduit, such Class Conduit shall accept or reject such offer by notice given to the Transferor and the Administrative Agent by telephone or telecopy by no later than the close of its business on the Business Day following its receipt of any such request. Each notice of proposed Transfer shall be irrevocable and binding on the Transferor and the Transferor shall indemnify each Class Investor against any loss or expense incurred by such Class Investor, either directly or through a Liquidity Provider Agreement, as a result of any failure by the Transferor to complete such Incremental Transfer including, without limitation, any loss (including loss of anticipated profits) or expense incurred by such Class Investor, either directly or pursuant to a Liquidity Provider Agreement by reason of the liquidation or reemployment of funds acquired by such Class Investor (or a related Liquidity Provider) (including, without limitation, funds obtained by issuing commercial paper or promissory notes or obtaining deposits as loans from third parties) to fund such Incremental Transfer.

On the date of the initial Incremental Transfer to the Class Investors, the related Class Agent on behalf of such Class shall deliver written confirmation to the Transferor of the Transfer Price, the Tranche Period(s) and the Tranche Rate(s) relating to such Transfer and the Transferor shall deliver to the Administrative Agent the Transfer Certificate in the form of Exhibit F hereto (the " Transfer Certificate "). The Administrative Agent shall indicate the amount of the initial Incremental Transfer together with the date thereof on the grid attached to the Transfer Certificate. On the date of each subsequent Incremental Transfer, the applicable Class Agent shall send written confirmation to the Transferor of the Transfer Price, the Tranche Period(s), the Transfer Date and the Tranche Rate(s) applicable to such Incremental Transfer. The Administrative Agent shall indicate the amount of the Incremental Transfer together with the date thereof as well as any decrease in each Net Investment, on the grid attached to the Transfer Certificate. The Transfer Certificate shall evidence the Incremental Transfers.

By no later than 11:00 a.m. (New York time) on any Transfer Date, each Class Investor participating in the Incremental Transfer occurring on such date shall remit its share (which, in the case of an Incremental Transfer to the Bank Investors for any Class shall be equal to each such Bank Investor's Pro Rata Share) of the aggregate Transfer Price for such Transfer to the account of the Administrative Agent specified therefor from time to time by the Administrative Agent by notice to such Persons. The obligation of each Bank Investor of any Class to remit its Pro Rata Share of any such Transfer Price shall be several from that of each other Bank Investor of such Class and the failure of any such Bank Investor to so make such

amount available to the Administrative Agent shall not relieve any other Bank Investor of such Class of its respective obligation hereunder. Following each Incremental Transfer and the Administrative Agent's receipt of funds from the applicable Class Investors, as aforesaid, the Administrative Agent shall remit to the Transferor's account at the location indicated in Section 11.3 hereof, in immediately available funds, an amount equal to the Transfer Price for such Incremental Transfer. Unless the Administrative Agent shall have received notice from a Class Investor that such Person will not make its share of any Transfer Price relating to any Incremental Transfer available on the applicable Transfer Date therefor, the Administrative Agent may (but shall have no obligation to) make such Person's share of any such Transfer Price available to the Transferor in anticipation of the receipt by the Administrative Agent of such amount from such Person. To the extent any Class Investor fails to remit any such amount to the Administrative Agent after any such advance by the Administrative Agent on such Transfer Date, such Class Investor, on the one hand, and the Transferor on the other hand, shall be required to pay such amount, together with interest thereon at a per annum rate equal to the Federal funds rate (as determined in accordance with clause (ii) of the definition of " Base Rate "), in the case of such Class Investor, or the Base Rate, in the case of the Transferor, to the Administrative Agent upon its demand therefor (provided that no Class Conduit shall have any obligation to pay such interest amounts except to the extent that it shall have sufficient funds to pay the face amount of its Commercial Paper (or the commercial paper of its related issuer if the Class Conduit does not itself issue commercial paper) in full). Until such amount shall be repaid, such amount shall be deemed to be Aggregate Net Investment paid by the Administrative Agent and the Administrative Agent shall be deemed to be the owner of a Transferred Interest hereunder. Upon the payment of such amount to the Administrative Agent (x) by the Transferor, the amount of the Aggregate Net Investment shall be reduced by such amount or (y) by such Class Investor, such payment shall constitute such Class Investor's payment of its share of the applicable Transfer Price for such Transfer.

(b) Reinvestment Transfers . With respect to each Class, on each Business Day occurring after the initial Incremental Transfer hereunder and prior to the Termination Date for such Class, and provided that no Termination Event or Potential Termination Event for such Class shall have occurred and be continuing, the Transferor hereby agrees to convey, transfer and assign to the Administrative Agent, on behalf of the Class Investors of such Class then owning any portion of the Transferred Interest, and in consideration of the Transferor's agreement to maintain at all times prior to such Termination Date a Net Receivables Balance in an amount at least sufficient to maintain the Aggregate Percentage Factor at an amount not greater than the Maximum Percentage Factor, the Administrative Agent on behalf of the applicable Class Conduit may (at the option of such Class Conduit), and the Administrative Agent on behalf of the applicable Bank Investors shall (in either case, to the extent such Persons then own any portion of the Transferred Interest), purchase from the Transferor undivided percentage ownership interests in each and every Receivable, together with Related Security, Collections and Proceeds with respect thereto, to the extent that Collections are available for such Transfer in accordance with Section 2.5 hereof, such that after giving effect to such Transfer, (i) the amount of the Net Investment for such Class at the close of business on such Business Day shall be equal to the amount of the Net Investment for such Class at the close of business on the Business Day immediately preceding such Business Day plus the Transfer Price of any Incremental Transfer made by or on behalf of such Class Investors, as applicable, on

such day, if any, and (ii) the Transferred Interest in each Receivable, together with Related Security, Collections and Proceeds with respect thereto, shall be equal to the Transferred Interest in each other Receivable, together with Related Security, Collections and Proceeds with respect thereto provided , that the representations and warranties set forth in Section 3.1 shall be true and correct both immediately before and immediately after giving effect to any such Transfer.

(c) All Transfers . With respect to each Class, each Transfer shall constitute a purchase by the Administrative Agent, on behalf of the applicable Class Investors for such Class, of an undivided percentage ownership interest in each and every Receivable, together with Related Security, Collections and Proceeds with respect thereto, then existing, as well as in each and every Receivable, together with Related Security, Collections and Proceeds with respect thereto, which arises at any time after the date of such Transfer. The Administrative Agent's aggregate undivided percentage ownership interest in the Receivables, together with the Related Security, Collections and Proceeds with respect thereto, held on behalf of all Class Investors, shall equal the Aggregate Percentage Factor in effect from time to time. With respect to each Class, so long as the Administrative Agent on behalf of either the Class Conduit for such Class, on the one hand, or the Bank Investors for such Class, on the other hand, owns all of the Transferred Interest related to the Net Investment for such Class at such time, each of such Class Conduit's and each such Bank Investor's undivided percentage ownership interest in the Affected Assets shall equal such Person's ratable share (determined on the basis of the relationship that such Person's portion of Net Investment for such Class bears to the Aggregate Net Investment for all Classes at such time) of the Aggregate Percentage Factor at such time.

(d) Certificate . The Transferor shall issue to the Administrative Agent the Certificate, in the form of Exhibit M, on or prior to the date hereof.

(e) Aggregate Percentage Factor . The Aggregate Percentage Factor shall be initially computed as of the opening of business on May 19, 2000. Thereafter, with respect to each Class, until the Termination Date for such Class, the Percentage Factor for such Class shall be automatically recomputed as of the close of business of the Collection Agent on each day. The Percentage Factor for each Class shall remain constant from the time as of which any such computation or recomputation is made until the time as of which the next such recomputation, if any, shall be made. The Percentage Factor with respect to each Class, as computed as of the day immediately preceding the Termination Date for such Class, shall remain constant at all times on and after such Termination Date, until the date on which the Net Investment for such Class has been reduced to zero, and all accrued Discounts and Servicing Fees for such Class have been paid in full and all other Aggregate Unpaids owing to the applicable Class Investor(s) for such Class have been paid in full to such Class Investors.

At no time shall the Aggregate Percentage Factor exceed one hundred percent (100%). Notwithstanding anything to the contrary contained herein, should the Aggregate Percentage Factor exceed one hundred percent (100%) at any time, the Percentage Factor for each Class shall be calculated pro rata , based upon the relationship of the Net Investment for such Class to the Aggregate Net Investment.

(f) Defaulting Bank Investor . If, by 2:00 p.m. (New York City time), one or more Bank Investors in any Class (each, a " Defaulting Bank Investor ," and each Bank Investor in such class other than any Defaulting Bank Investor being referred to as a " Non-Defaulting Bank Investor ") fails to make its Pro Rata Share of the Transfer Price available to the Administrative Agent pursuant to Section 2.2 (a), or any Assignment Amount payable by it to its related Class Conduit pursuant to Section 10.7(a) (the aggregate amount not so made available being herein called in either case the " Deficit "), then the Administrative Agent shall, by no later than 2:30 p.m. (New York City time) on the applicable Transfer Date or the applicable date that such Assignment Amount is payable (the " Assignment Date "), as the case may be, instruct each Non-Defaulting Bank Investor to pay or deposit, by no later than 3:00 p.m. (New York City time), in immediately available funds, to the Administrative Agent or such Class Conduit, an amount equal to the lesser of (i) such Non-Defaulting Bank Investor's proportionate share (based upon the relative Commitments of the Non-Defaulting Bank Investors) of the Deficit and (ii) its unused Commitment. A Defaulting Bank Investor shall forthwith, upon demand, pay to the Administrative Agent for the ratable benefit of the Non-Defaulting Bank Investors all amounts paid by each Non-Defaulting Bank Investor on behalf of such Defaulting Bank Investor, together with interest thereon, for each day from the date a payment was made by a Non-Defaulting Bank Investor until the date such Non-Defaulting Bank Investor has been paid such amounts in full, at a rate per annum equal to the sum of the Base Rate, plus 2.00% per annum . In addition, if, after giving effect to the provisions of the immediately preceding sentence, any Deficit with respect to any Assignment Amount continues to exist, each such Defaulting Bank Investor shall pay interest to the Administrative Agent, for the account of the related Class Conduit, on such Defaulting Bank Investor's portion of such remaining Deficit, at a rate per annum , equal to the sum of the Base Rate, plus 2.00% per annum , for each day from the applicable Assignment Date until the date such Defaulting Bank Investor shall pay its portion of such remaining Deficit in full to such Class Conduit. For the avoidance of doubt, no Bank Investor shall be obligated pursuant to this paragraph (f) with respect to any Deficit created by a Bank Investor which is not a member of the same Class.

Section 2.3 Selection of Tranche Periods and Tranche Rates .

(a) Transferred Interest held by a Class Conduit Prior to a Termination Event . With respect to each Class, at all times hereafter, but prior to the occurrence of a Termination Event for such Class and not with respect to any portion of the Transferred Interest held by the Bank Investors for such Class (or any of them), the Transferor may, subject to the applicable Class Conduit's approval and the limitations described below, request Tranche Periods with respect to such Class and allocate a portion of the Net Investment for such Class to each such selected Tranche Period, so that the aggregate amounts allocated to such outstanding Tranche Periods at all times shall equal the Net Investment held by such Class Conduit. The Transferor shall give the Administrative Agent irrevocable notice (which notice the Administrative Agent shall forward to the applicable Class Agent) by telephone of the new requested Tranche Period(s) and whether the requested Tranche Rate applicable thereto shall be the applicable CP Rate, the Base Rate or the Eurodollar Rate at least (i) three (3) Business Days prior to the expiration of any then existing Tranche Period if the Tranche Rate to be applicable to the new requested Tranche Period shall be the applicable Eurodollar Rate, (ii) two (2) Business Days prior to the expiration of any then existing Tranche Period if the Tranche Rate to be

applicable to the new requested Tranche Period shall be the Base Rate, and (iii) two (2) Business Days prior to the expiration of any then existing Tranche Period if the Tranche Rate to be applicable to the new requested Tranche Period shall be the CP Rate; provided , however , that such Class Agent may select, in its reasonable discretion, any such new Tranche Period and the Tranche Rate if (i) the Transferor fails to provide such notice on a timely basis or (ii) such Class Agent determines, in its reasonable discretion, that the Tranche Rate or the Tranche Period requested by the Transferor is unavailable or for any reason commercially undesirable. Each Class Conduit confirms that it is its intention to allocate all or substantially all of the Net Investment held by it to one or more of its CP Tranche Periods; provided that such Class Conduit may determine from time to time, in its sole discretion, that funding such Net Investment by means of one or more of its CP Tranche Periods is not desirable for any reason. If a Liquidity Provider acquires from any Class Conduit a Purchased Interest with respect to the Receivables pursuant to the terms of the applicable Liquidity Provider Agreement, the applicable Class Agent, on behalf of such Liquidity Provider, may exercise the right of selection granted to such Class Conduit hereby. The initial Tranche Period applicable to any such Purchased Interest shall be a period of not greater than 14 days. In the case of any Tranche Period selected pursuant to this paragraph that is outstanding upon the occurrence of a Termination Event, such Tranche Period shall end on such date. Notwithstanding the foregoing, with respect to any portion of the Transferred Interest held by a Class Conduit which utilizes "pool" funding, such Class Conduit or its Class Agent shall select, in its sole discretion, all Tranche Periods and shall allocate a portion of the Net Investment for such Class to such Tranche Periods so that the aggregate amounts allocated to such outstanding Tranche Periods at all times shall equal the Net Investment held by such Class Conduit.

(b) Transferred Interest Held by a Class Conduit After a Termination Event . With respect to each Class, at all times on and after the occurrence of a Termination Event for such Class, with respect to any portion of the Transferred Interest held by a Class Conduit which shall not have been transferred to the related Bank Investors (or any of them), subject to Section 7.2(b) such Class Conduit or its Class Agent shall select all Tranche Periods and Tranche Rates applicable thereto.

(c) Transferred Interest Held by the Bank Investors Prior to a Termination Event . With respect to each Class, at all times with respect to any portion of the Transferred Interest held by the related Bank Investors (or any of them), but prior to the occurrence of a Termination Event for such Class, the initial Tranche Period applicable to such portion of the Net Investment for such Class allocable thereto shall be a period of not greater than 14 days and such Tranche shall be a BR Tranche. Thereafter, with respect to such portion, and with respect to any other portion of the Transferred Interest held by such Bank Investors (or any of them), provided that the Termination Date shall not have occurred, the Tranche Period applicable thereto shall be, at the Transferor's option, either a BR Tranche Period or a Eurodollar Tranche Period. If no Termination Event shall have occurred and the only portion of the Transferred Interest which is funded by reference to the Eurodollar Rate is the portion thereof held by the Bank of America as a SUSI Issuer Bank Investor, the margin applicable to the Eurodollar Rate shall be adjusted as provided in the definition thereof. The Transferor shall give the Administrative Agent irrevocable notice by telephone of the new requested Tranche Period at

least two (2) Business Days prior to the expiration of any then existing Tranche. In the case of any Tranche Period selected pursuant to this paragraph that is outstanding upon the occurrence of a Termination Event, the related Tranche Period shall end on the date of such occurrence.

(d) Transferred Interest Held by the Bank Investors After a Termination Date . With respect to each Class, at all times on and after the occurrence of a Termination Event for such Class and with respect to any portion of the Transferred Interest held by the related Bank Investors for such Class (or any of them), subject to Section 7.2(b), the applicable Class Agent shall select all Tranche Periods and Tranche Rates applicable thereto.

(e) Eurodollar Rate Protection; Illegality . (i) If the applicable Class Agent is unable to obtain on a timely basis the information necessary to determine the Eurodollar Rate for any proposed Eurodollar Tranche, then:

(A) the Administrative Agent shall forthwith notify the applicable Class Investors and the Transferor that the Eurodollar Rate cannot be determined for such Eurodollar Tranche, as applicable; and

(B) while such circumstances exist, neither any Class Investor nor the Administrative Agent shall allocate any portion of the Net Investment purchased by such Person during such period or reallocate the Net Investment allocated to any then existing Tranche ending during such period, to a Eurodollar Tranche.

(ii) If, with respect to any outstanding Eurodollar Tranche, any Class Investor owning any portion of the Transferred Interest therein notifies the Administrative Agent that it is unable to obtain matching deposits in the London interbank market to fund its purchase or maintenance of such portion of the Transferred Interest or that the Eurodollar Rate applicable to such portion of the Transferred Interest will not adequately reflect the cost to such Class Investor of funding or maintaining its respective portion of the Transferred Interest for such Tranche Period then the Administrative Agent shall forthwith so notify the Transferor, whereupon neither the Administrative Agent nor any of the Class Investors, as applicable, shall, while such circumstances exist, allocate any portion of the Net Investment with respect to such Class of any additional Transferred Interest purchased during such period or reallocate the Net Investment with respect to such Class allocated to any Tranche Period ending during such period, to an applicable Eurodollar Tranche.

(iii) Notwithstanding any other provision of this Agreement, if any Class Investor, as applicable, shall notify the Administrative

Agent that such Class Investor has determined (or has been notified by any related Liquidity Provider) that the introduction of or any change in or in the interpretation of any law or regulation makes it unlawful (for such Class Investor or such related Liquidity Provider, as applicable), or any central bank or other governmental authority asserts that it is unlawful, for such Class Investor or Liquidity Provider, as applicable, to fund the purchases or maintenance of the Transferred Interest at the Eurodollar Rate, then (x) as of the effective date of such notice from such Person to the Administrative Agent, the obligation or ability of such Class Investor to fund its purchase or maintenance of the Transferred Interest at the Eurodollar Rate shall be suspended until such Person notifies the Administrative Agent that the circumstances causing such suspension no longer exist and (y) the Net Investment of each Eurodollar Tranche in which such Person owns an interest shall either (1) if such Person may lawfully continue to maintain such Transferred Interest at the Eurodollar Rate until the last day of the applicable Tranche Period be reallocated on the last day of such Tranche Period to another Tranche Period in respect of which such Net Investment allocated thereto accrues Discount at the applicable Tranche Rate other than the Eurodollar Rate or (2) if such Person shall determine that it may not lawfully continue to maintain such Transferred Interest at the Eurodollar Rate until the end of the applicable Tranche Period such Person's share of the Net Investment allocated to such Eurodollar Tranche shall be deemed to accrue Discount at the Base Rate from the effective date of such notice until the end of such Tranche Period.

Section 2.4 Discount, Fees and Other Costs and Expenses . The Transferor shall pay, as and when due in accordance with this Agreement, all fees hereunder, all amounts payable pursuant to Article VIII hereof, if any, and the Servicing Fees. With respect to each Class, on the last day of each Tranche Period or, for any Conduit (or its related commercial paper issuer if the Conduit does not itself issue commercial paper) that utilizes "pool funding" on or prior to the fifth Business Day of the calendar month following the applicable Tranche Period, the Transferor shall pay to the Administrative Agent on behalf of the related Class Conduit (or its related commercial paper issuer), and the Administrative Agent shall pay such payment to such Class Conduit (or its related commercial paper issuer), in the event any portion of the Transferred Interest is held by such Class Conduit (or its related commercial paper issuer), an amount equal to the Discount accrued on such Class Conduit's (or its related commercial paper issuer's) Commercial Paper to the extent such Commercial Paper was issued in order to fund such portion of the Transferred Interest in an amount in excess of the Transfer Price of an Incremental Transfer, which excess amount shall not exceed $5,000. The Transferor shall pay to the Administrative Agent on behalf of the applicable Class Conduit (or its related commercial paper issuer) each day on which Commercial Paper is issued by such Class Conduit (or its related commercial paper issuer), the applicable Dealer Fee, and the Administrative Agent shall pay such Dealer Fee to such Class Conduit; provided , however , that at the election of a Class Conduit, Dealer Fees accrued over the course of any calendar month in respect of Related Commercial Paper may be payable by the Transferor on the last day of one or more Tranche Periods ending during the succeeding calendar month. The applicable Discount shall accrue with respect to each respective Tranche on each day occurring during the Tranche Period related thereto. Nothing in this Agreement shall limit in any way the obligations of the Transferor to pay the amounts set forth in this Section 2.4.

Section 2.5 Non-Liquidation Settlement and Reinvestment Procedures . With respect to each Class, on each day after the date of any Incremental Transfer but prior to the Termination Date for such Class and provided in each case that no Termination Event or Potential Termination Event for which there is no grace period shall have occurred and be continuing for such Class, the Collection Agent shall out of the Percentage Factor for such Class of Collections received on or prior to such day and not previously applied or accounted for: (i) set aside and hold in trust for the applicable Class Investors for such Class (or deposit into the Collection Account if so required pursuant to Section 2.12 hereof), an amount equal to all Discount (which, in the case of Discount computed by reference to the CP Rate with respect to any Class Conduit that utilizes "pool" funding, shall be determined for such purpose using the CP Rate most recently determined by the related Class Agent, multiplied by the Fluctuation Factor) for such Class and the Servicing Fee accrued through such day and not so previously set aside or paid and (ii) apply the balance of the Aggregate Percentage Factor of Collections remaining after application of Collections as provided in clause (i) of this Section 2.5 to the Transferor, for the benefit of the Class Investors, as applicable, to the purchase of additional undivided percentage interests in each Receivable pursuant to Section 2.2(b) hereof. On the last day of each Tranche Period for each Class from the amounts set aside as described in clause (i) of the first sentence of this Section 2.5, the Collection Agent shall deposit to the Administrative Agent's account, for the benefit of the applicable Class Investors for such Class, an amount equal to the accrued and unpaid Discount for such Class and for such Tranche Period and shall deposit to its own account an amount equal to the accrued and unpaid Servicing Fee for such Tranche Period. The Administrative Agent, upon its receipt of such amounts in the Administrative Agent's account, shall distribute such amounts to the Class Investors entitled thereto as set forth above; provided that if the Administrative Agent shall have insufficient funds to pay all of the above amounts in full on any such date, the Administrative Agent shall pay such amounts ratably (based on the amounts owing to each such Class Investor) to all such Class Investors entitled to payment thereof. In addition, the Collection Agent shall remit to the Transferor at the end of each Tranche Period, as provided in Section 6.2(b), such portion of Collections not allocated to the Class Investors.

Section 2.6 Liquidation Settlement Procedures . If at any time on or prior to the Termination Date for such Class the Aggregate Percentage Factor is greater than the Maximum Percentage Factor, then the Transferor shall immediately pay to the Administrative Agent, for the benefit of the Class Investors from previously received Collections, an amount equal to the amount such that, when applied in reduction of the Aggregate Net Investment, will result in an Aggregate Percentage Factor less than or equal to the Maximum Percentage Factor. Such amounts shall be applied pro rata to the reduction of the Net Investment for each Class of the Tranche Periods selected by the Class Agent for such Class.

With respect to each Class, on the Termination Date for such Class and on each day thereafter, and on each day on which a Termination Event or Potential Termination Event has occurred and is continuing for such Class, the Collection Agent shall set aside and hold in trust for the applicable Class Investors for such Class (or deposit into the Collection Account if

so required pursuant to Section 2.12 hereof) the Percentage Factor for such Class of all Collections received on such day and shall set aside and hold in trust for the Transferor such portion of Collections not allocated to the Class Investors. On each such Termination Date or the day on which a Termination Event or Potential Termination Event for such Class for which there is no grace period occurs, the Collection Agent shall deposit to the Administrative Agent's account, for the benefit of the applicable Class Investors for such Class, any amounts set aside pursuant to Section 2.5 above. With respect to each Class, on the last day of each Tranche Period to occur on or after such Termination Date for such Class or during the continuance of a Termination Event or Potential Termination Event for such Class, the Collection Agent shall deposit to the Administrative Agent's account to the extent not already so deposited, for the benefit of the Class Investors for such Class, the amounts so set aside for such Class Investors, pursuant to the second preceding sentence, but not to exceed the sum of (i) the accrued Discount (which, in the case of Discount computed by reference to the CP Rate with respect to any Class Conduit that utilizes "pool" funding, shall be determined for such purpose using the CP Rate most recently determined by the related Class Agent, multiplied by the Fluctuation Factor) for such Tranche Period (ii) the portion of the Net Investment allocated to such Tranche Period and (iii) all other Aggregate Unpaids owing to such Class Investors. On such day, the Collection Agent shall deposit to its account, from the amounts set aside for such Class, pursuant to the preceding sentence which remain after payment in full of the aforementioned amounts, the accrued Servicing Fee for such Tranche Period. If there shall be insufficient funds on deposit for the Collection Agent to distribute funds in payment in full of the aforementioned amounts, the Collection Agent shall distribute funds first , if the Transferor, Tech Data or any Affiliate of the Transferor or Tech Data is not then the Collection Agent, to the Collection Agent's account, in payment of the Servicing Fee payable to the Collection Agent, second , in payment of all fees payable by the Transferor to the Administrative Agent or any of the Class Investors, third , in payment of the accrued Discount to each Class, fourth , in reduction of the Net Investment allocated to any Tranche Period ending on such date, fifth , in payment of all other Aggregate Unpaids owing to the Class Investors, as applicable, and sixth , if the Transferor, Tech Data or any Affiliate of the Transferor or Tech Data is the Collection Agent, to its account as Collection Agent, in payment of the Servicing Fee payable to such Person as Collection Agent. The Administrative Agent, upon its receipt of such amounts in the Administrative Agent's account, shall distribute such amounts to the Class Investors, each as entitled thereto as set forth above; provided that if the Administrative Agent shall have insufficient funds to pay all of the above amounts in full on any such date, the Administrative Agent shall pay such amounts in the order of priority set forth above and, with respect to any such category above for which the Administrative Agent shall have insufficient funds to pay all amounts owing on such date, ratably (based on the amounts in such categories owing to such Persons) among all such Persons entitled to payment thereof.

Following the date after all Termination Dates on which the Aggregate Net Investment has been reduced to zero, all accrued Discount and Servicing Fees have been paid in full and all other Aggregate Unpaids have been paid in full, (i) the Collection Agent shall recompute the Percentage Factor for each Class, (ii) the Administrative Agent, on behalf of the Class Investors, shall be considered to have reconveyed to the Transferor all of the Class Investors' right, title and interest in and to the Affected Assets (including the Transferred Interest), (iii) the Collection Agent shall pay to the Transferor any remaining Collections set

aside and held by the Collection Agent pursuant to the third sentence of this Section 2.6 and (iv) the Administrative Agent, on behalf of the applicable Class Investor(s), shall execute and deliver to the Transferor, at the Transferor's expense, such documents or instruments as are necessary to terminate the Class Investors' respective interests in the Affected Assets. Any such documents shall be prepared by or on behalf of the Transferor. On the last day of each Tranche Period, the Collection Agent shall remit to the Transferor such portion of Collections set aside for the Transferor pursuant to this Section 2.6.

Section 2.7 Fees . Notwithstanding any limitation on recourse contained in this Agreement, the Transferor shall pay, on the last day of each month, to the Administrative Agent, for distribution to the Class Investors, in each case as agreed between themselves, all of the applicable Program Fee and the applicable Facility Fee. In addition, the Transferor shall pay to the Administrative Agent an administrative fee as set forth in the Supplemental Fee Letter. The Transferor acknowledges that the foregoing fees are non-refundable.

Section 2.8 Protection of Ownership Interest of the Class Investors . (a) The Transferor agrees that it will, and will cause the Seller to, from time to time, at its expense, promptly execute and deliver all instruments and documents and take all actions as may be necessary or as the Administrative Agent or any Class Agent may reasonably request in order to perfect or protect the Transferred Interest or to enable the Administrative Agent or any of the Class Investors to exercise or enforce any of their respective rights hereunder. Without limiting the foregoing, the Transferor will, and will cause the Seller to, upon the reasonable request of the Administrative Agent or any of the Class Investors, in order to accurately reflect this purchase and sale transaction, (x) execute and file such financing or continuation statements or amendments thereto or assignments thereof (as permitted pursuant to Section 11.6 hereof) as may be requested by the Administrative Agent or any of the Class Investors and (y) mark its and the Seller's respective master data processing records and other documents with a legend describing the conveyance to the Transferor and the conveyance to the Administrative Agent, for the benefit of the Class Investors, of the Transferred Interest in the manner required by Section 5.1(n). The Transferor shall, and will cause the Seller to, upon the reasonable request of the Administrative Agent or any of the Class Investors, obtain such additional search reports as the Administrative Agent or any of the Class Investors shall request. To the fullest extent permitted by applicable law, the Administrative Agent shall be permitted to sign and file continuation statements and amendments thereto and assignments thereof without the Transferor's or the Seller's signature. The Transferor shall not, and shall not permit the Seller to, change its respective name, identity or corporate structure (within the meaning of Section 9-402(7) of the UCC as in effect in the State of New York, Delaware or California, as applicable,) nor relocate its respective chief executive office or any office where Records are kept unless it shall have: (i) given the Administrative Agent at least thirty (30) days prior notice thereof and (ii) prepared at Transferor's expense and delivered to the Administrative Agent all financing statements, instruments and other documents necessary to preserve and protect the Transferred Interest or requested by the Administrative Agent or any Class Agent in connection with such change or relocation. Any filings under the UCC or otherwise that are occasioned by such change in name or location shall be made at the expense of Transferor.

(b) The Collection Agent shall instruct all Obligors and Financing Parties to cause all Collections to be deposited directly with a Lock-Box Bank. Any Lock-Box Account maintained by a Lock-Box Bank pursuant to the related Lock-Box Agreement shall be under the exclusive ownership and control of the Administrative Agent which is hereby granted to the Administrative Agent by the Seller and the Transferor. The Collection Agent shall be permitted to give instructions to the Lock-Box Banks for so long as neither a Collection Agent Default nor any other Termination Event has occurred hereunder. The Collection Agent shall not add any bank as a Lock-Box Bank to those listed on Exhibit C attached hereto unless such bank has entered into a Lock-Box Agreement. The Collection Agent shall not terminate any bank as a Lock-Box Bank unless the Administrative Agent shall have received fifteen (15) days' prior notice of such termination. If the Transferor receives any Collections or is deemed to receive any Collections pursuant to Section 2.9, the Transferor shall immediately remit such Collections to a Lock-Box Account. Any Collections that are received by the Seller or the Collection Agent shall be immediately, but in any event within forty-eight (48) hours of receipt, deposited into a Lock-Box Account or a bank account (the " Collection Agent Account ") established by the Collection Agent pursuant to an agreement between the Collection Agent, the Administrative Agent and a bank consented to by the Administrative Agent, which shall be substantially in the form of a Lock-Box Agreement.

Section 2.9 Deemed Collections; Application of Payments . (a) If on any day the Outstanding Balance of a Receivable is either (x) reduced as a result of any defective, rejected or returned merchandise or services, any discount, credit, rebate, dispute, warranty claim, repossessed or returned goods, chargeback, allowance, any billing adjustment, dilutive factor or other adjustment, or (y) reduced or canceled as a result of a setoff or offset in respect of any claim by any Person (whether such claim arises out of the same or a related transaction or an unrelated transaction), the Transferor shall be deemed to have received on such day a Collection of such Receivable (each, a " Deemed Collection ") in the amount of such reduction or cancellation and the Transferor shall pay to the Collection Agent an amount equal to such reduction or cancellation and such amount shall be applied by the Collection Agent as a Collection in accordance with Section 2.5 or 2.6 hereof, as applicable. The Net Investment with respect to each Class shall be reduced by the amount of such payment applied to the reduction of such Net Investment and actually received by the Administrative Agent for the benefit of the Class Investors.

(b) If on any day any of the representations or warranties in Article III was or becomes untrue with respect to a Receivable (whether on or after the date of any transfer of an interest therein to the Administrative Agent or any of the Class Investors as contemplated hereunder), the Transferor shall be deemed to have received on such day a Collection of such Receivable (each, a " Deemed Collection ") in full and the Transferor shall on such day pay to the Collection Agent an amount equal to the Outstanding Balance of such Receivable and such amount shall be allocated and applied by the Collection Agent as a Collection allocable to the Transferred Interest in accordance with Section 2.5 or 2.6 hereof, as applicable. The Net Investment with respect to each Class shall be reduced by the amount of such payment applied to the reduction of such Net Investment, and actually received by the Administrative Agent for the benefit of the Class Investors.

(c) Any payment by an Obligor (or by a Financing Party on its behalf) in respect of any indebtedness owed by it to the Transferor shall, except as otherwise specified by such Obligor or otherwise required by contract or law and unless otherwise instructed by the Administrative Agent, be applied as a Collection of any Receivable of such Obligor included in the Transferred Interest (starting with the oldest such Receivable) to the extent of any amounts then due and payable thereunder before being applied to any other receivable or other indebtedness of such Obligor.

Section 2.10 Payments and Computations, Etc. All amounts to be paid or deposited by the Transferor or the Collection Agent hereunder shall be paid or deposited in accordance with the terms hereof no later than 11:00 a.m. (New York City time) on the day when due in immediately available funds; if such amounts are payable to any Class Investor they shall be paid or deposited in the account notified by the Administrative Agent. The Transferor shall, to the extent permitted by law, pay to the Administrative Agent, for the benefit of the Class Investors, upon demand, interest on all amounts not paid or deposited when due hereunder at a rate equal to 1% per annum plus the Base Rate. All computations of Discount, interest and all per annum fees hereunder shall be made on the basis of a year of 360 days for the actual number of days (including the first but excluding the last day) elapsed. Any computations by the Administrative Agent of amounts payable by the Transferor hereunder shall be binding upon the Transferor absent manifest error.

Section 2.11 Reports . (a) Prior to the 15th day of each month, the Collection Agent shall prepare and forward to each Class Agent and the Administrative Agent (i) an Investor Report (including without limitation, a settlement statement and a certification as to the Net Receivables Balance) together with an aging of all Receivables, as of the close of business of the Collection Agent on the last day of the immediately preceding month, (ii) if requested by any of the Class Agents, a listing by Obligor of all Receivables together with an aging of such Receivables and (iii) such other information as any Class Agent or the Administrative Agent may reasonably request, which may include collection, payment rate, default and delinquency data with respect to any one or more Special Obligors.

(b) Notwithstanding anything in the foregoing Section 2.11(a), if the long term debt rating of Tech Data shall be "BB" or below from Standard & Poor's or "Ba2" or below from Moody's, prior to the first Business Day of each week, the Collection Agent shall prepare and forward to each Class Agent and the Administrative Agent an Investor Report (including without limitation, a settlement statement and a certification as to the Net Receivables Balance and the calculation thereof).

Section 2.12 Collection Account . There shall be established on the day of the initial Incremental Transfer hereunder and maintained, for the benefit of the Class Investors, with the Administrative Agent, a segregated account (the " Collection Account "), bearing a designation clearly indicating that the funds deposited therein are held for the benefit of the Class Investors. On and after the occurrence of a Collection Agent Default or a Termination Event, the Collection Agent shall remit daily within forty-eight hours of receipt to the Collection Account all Collections received with respect to any Receivables. Funds on deposit in the Collection Account (other than investment earnings) shall be invested by the Administrative Agent in

Eligible Investments that will mature so that such funds will be available prior to the last day of each successive Tranche Period following such investment. On the last day of each calendar month, all interest and earnings (net of losses and investment expenses) on funds on deposit in the Collection Account shall be retained in the Collection Account and be available to make any payments required to be made hereunder (including any Discount) to the Administrative Agent or the applicable Class Investors. On the date after all Termination Dates on which the Aggregate Net Investment is zero, all accrued Discount and Servicing Fees have been paid in full and all other Aggregate Unpaids have been paid in full, any funds remaining on deposit in the Collection Account shall be paid to the Transferor.

Section 2.13 Sharing of Payments, Etc. If any Class Investor (for purposes of this Section only, being a " Recipient ") shall obtain any payment (whether voluntary, involuntary, through the exercise of any right of setoff, or otherwise) on account of any portion of the Transferred Interest owned by it (other than pursuant to Section 2.7, or Article VIII and other than as a result of the differences in the timing of the applications of Collections pursuant to Section 2.5 or 2.6) in excess of its ratable share of payments on account of any portion of the Transferred Interest obtained by such Class Investor, each as entitled thereto, such Recipient shall forthwith purchase from the other Class Investors entitled to a share of such amount participations in the portion of the Transferred Interest owned by such Class Investors as shall be necessary to cause such Recipient to share the excess payment ratably with each such other Person entitled thereto; provided , however , that if all or any portion of such excess payment is thereafter recovered from such Recipient, such purchase from each such other Class Investor shall be rescinded and each such other Class Investor shall repay to the Recipient the purchase price paid by such Recipient for such participation to the extent of such recovery, together with an amount equal to such other Class Investor's ratable share (according to the proportion of (a) the amount of such other Person's required payment to (b) the total amount so recovered from the Recipient) of any interest or other amount paid or payable by the Recipient in respect of the total amount so recovered.

Section 2.14 Rights of Set-off . Without in any way limiting the provisions of Section 2.13, each Class Investor is hereby authorized (in addition to any other rights it may have) at any time after the occurrence of the Termination Date for its Class or during the continuance of a Termination Event or a Potential Termination Event for its Class to set-off, appropriate and apply (without presentment, demand, protest or other notice which are hereby expressly waived) any deposits and any other indebtedness held or owing by such Class Investor to, or for the account of, the Transferor against the amount of the Aggregate Unpaids owing by the Transferor to such Class Investor (even if contingent or unmatured).

ARTICLE III

REPRESENTATIONS AND WARRANTIES

Section 3.1 Representations and Warranties of the Transferor . The Transferor represents and warrants to the Class Investors, the Class Agents and the Administrative Agent:

(a) Organization Existence; Compliance with Law . The Transferor (i) is duly organized, validly existing, and in good standing under the laws of the jurisdiction of its organization, (ii) has the corporate power or other organizational power and authority and the legal right to own and operate its property and to conduct its business, and (iii) is in compliance with all Requirements of Law except where the failure to be in compliance would not have a Material Adverse Effect.

(b) Corporate and Governmental Authorization; Contravention . The execution, delivery and performance by the Transferor of this Agreement, the Purchase Agreement, the Fee Letter, the Supplemental Fee Letter, the Certificate and the Transfer Certificate are within the Transferor's corporate powers, have been duly authorized by all necessary corporate action, require no action by or in respect of, or filing with, Official Body or official thereof (except as contemplated by Section 2.8 hereof), and do not contravene, or constitute a default under, any provision of applicable law or regulation or of the Certificate of Incorporation or Bylaws of the Transferor or of any agreement, judgment, injunction, order, decree or other instrument binding upon the Transferor or result in the creation or imposition of any Adverse Claim on the assets of the Transferor or any of its Subsidiaries (except as contemplated by Section 2.8 hereof).

(c) Binding Effect . Each of this Agreement, the Purchase Agreement, the Fee Letter, the Supplemental Fee Letter and the Certificate constitutes and the Transfer Certificate upon payment of the Transfer Price set forth therein will constitute, the legal, valid and binding obligation of the Transferor, enforceable against it in accordance with its terms, subject to applicable bankruptcy, insolvency, moratorium or other similar laws affecting the rights of creditors generally.

(d) Perfection . Immediately preceding each Transfer hereunder, the Transferor shall be the owner of all of the Receivables, free and clear of all Adverse Claims. On or prior to each Transfer and each recomputation of the Transferred Interest, all financing statements and other documents required to be recorded or filed in order to perfect and protect the Transferred Interest against all creditors of and purchasers from the Transferor and Tech Data will have been duly filed in each filing office necessary for such purpose and all filing fees and taxes, if any, payable in connection with such filings shall have been paid in full.

(e) Accuracy of Information . All information heretofore furnished by the Transferor (including without limitation, the Investor Report furnished on a monthly basis and the Transferor's financial statements) to any Class Investor, any Class Agent or the Administrative Agent for purposes of or in connection with this Agreement or any transaction contemplated hereby is, and all such information hereafter furnished by the Transferor to any Class Investor, any Class Agent or the Administrative Agent will be, true and accurate in every material respect, on the date such information is stated or certified.

(f) Tax Status . The Transferor has filed all tax returns (federal, state and local) required to be filed and has paid or made adequate provision for the payment of all taxes, assessments and other governmental charges.

(g) Action, Suits . Except as set forth in Exhibit H, there are no actions, suits or proceedings pending, or to the knowledge of the Transferor threatened, against or affecting the Transferor or any Affiliate of the Transferor or their respective properties, in or before any court, arbitrator or other body, which may materially adversely affect the financial condition of the Transferor and the Subsidiaries taken as a whole or materially adversely affect the ability of Transferor to perform its obligations under this Agreement.

(h) Use of Proceeds . No proceeds of any Transfer will be used by the Transferor to acquire any security in any transaction which is subject to Section 13 or 14 of the Securities Exchange Act of 1934, as amended.

(i) Place of Business . The principal place of business and chief executive office of the Transferor are located at the address of the Transferor indicated in Section 11.3 hereof and the offices where the Transferor keeps all its Records, are located at the address(es) described on Exhibit I or such other locations notified to the Administrative Agent in accordance with Section 2.8 hereof in jurisdictions where all action required by Section 2.8 hereof has been taken and completed.

(j) Good Title . Upon each Transfer and each recomputation of the Transferred Interest, the Administrative Agent, on behalf of the applicable Class Investor(s), shall acquire a valid and perfected first priority undivided percentage ownership interest to the extent of the Transferred Interest or a first priority perfected security interest in each Receivable that exists on the date of such Transfer and recomputation and in the Related Security and Collections with respect thereto free and clear of any Adverse Claim.

(k) Tradenames, Etc. As of the date hereof: (i) the Transferor has only the Subsidiaries and divisions listed on Exhibit J hereto; and (ii) the Transferor has, within the last five (5) years, operated only under the tradenames identified in Exhibit J hereto, and, within the last five (5) years, has not changed its name, merged with or into or consolidated with any other corporation or been the subject of any proceeding under Title 11, United States Code (Bankruptcy), except as disclosed in Exhibit J hereto.

(l) Nature of Receivables . Each Receivable (x) represented by the Transferor or the Collection Agent to be an Eligible Receivable (including in any Investor Report or other report delivered pursuant to Section 2.11 hereof) or (y) included in the calculation of the Net Receivables Balance in fact satisfies at such time the definition of "Eligible Receivable" set forth herein and is an "eligible asset" as defined in Rule 3a-7 under the Investment Company Act of 1940, as amended and, in the case of clause (y) above, is not a Receivable of the type described in clauses (i) through (iii) of the definition of "Net Receivables Balance."

(m) Coverage Requirement; Amount of Receivables . The Aggregate Percentage Factor does not exceed the Maximum Percentage Factor.

(n) No Termination Event . No event has occurred and is continuing and no condition exists which constitutes a Termination Event or a Potential Termination Event for any Class or if either such event has occurred, the Transferor has notified the Administrative Agent in writing of either such event immediately upon learning of the occurrence thereof, describing the same and if applicable, the steps being taken by the Person(s) affected with respect thereto.

(o) Not an Investment Company . The Transferor is not an "investment company" within the meaning of the Investment Company Act of 1940, as amended, or is exempt from all provisions of such Act.

(p) ERISA . The Transferor and each of its ERISA Affiliates is in compliance in all material respects with ERISA and no ERISA lien exists on any of the Receivables.

(q) Lock-Box Accounts . The name and address of the Bank where the Collection Agent Account is maintained, together with the account number of such account, and the names and addresses of all the Lock-Box Banks, together with the account numbers of the Lock-Box Accounts at such Lock-Box Banks, are specified in Exhibit C hereto (or at such other Lock-Box Banks and/or with such other Lock-Box Accounts as have been notified to the Administrative Agent and for which Lock-Box Agreements have been executed in accordance with Section 2.8(b) hereof and delivered to the Collection Agent). All Obligors and Financing Parties have been instructed to make payment to a Lock-Box Account and only Collections are deposited into the Lock-Box Accounts.

(r) Nonconsolidation . The Transferor is operated in such manner that the separate corporate existence of the Transferor, on the one hand, and Tech Data or any Affiliate thereof, on the other hand, shall not be disregarded and, without limiting the generality of the foregoing:

(i) the Transferor is a limited purpose corporation whose activities are restricted in its Certificate of Incorporation to activities related to purchasing or otherwise acquiring receivables and related property (including the Receivables and the Related Security) and related assets and rights and conducting any related or incidental business or activities it deems necessary or appropriate to carry out its primary purpose, including entering into agreements like the Transaction Documents;

(ii) the Transferor has not engaged, and does not presently engage, in any activity other than those activities expressly permitted hereunder and under the other Transaction Documents, nor has the Transferor entered into any agreement other than this Agreement, the other Transaction Documents to which it is a party, and with the prior written consent of each Class Agent and the Administrative Agent, any other agreement necessary to carry out more effectively the provisions and purposes hereof or thereof;

(iii) (A) the Transferor maintains its own deposit account or accounts, separate from those of any of its Affiliates, with commercial banking institutions, (B) the funds of the Transferor are not and have not been diverted to any other Person or for other than the corporate use of the Transferor and (C), except as may be expressly permitted by this Agreement, the funds of the Transferor are not and have not been commingled with those of any of its Affiliates;

(iv) to the extent that the Transferor contracts or does business with vendors or service providers where the goods and services provided are partially for the benefit of any other Person, the costs incurred in so doing are fairly allocated to or among the Transferor and such entities for whose benefit the goods and services are provided, and each of the Transferor and each such entity bears its fair share of such costs; and all material transactions between the Transferor and any of its Affiliates shall be only on an arm's-length basis;

(v) the Transferor maintains a principal executive and administrative office through which its business is conducted and a telephone number and stationery through which all business correspondence and communication are conducted, in each case separate from those of Tech Data and its Affiliates;

(vi) the Transferor conducts its affairs strictly in accordance with its certificate of incorporation and observes all necessary, appropriate and customary corporate formalities, including (A) holding all regular and special stockholders' and directors' meetings appropriate to authorize all corporate action (which, in the case of regular stockholders' and directors' meetings, are held at least annually), (

(vii) B) keeping separate and accurate minutes of such meetings, (C) passing all resolutions or consents necessary to authorize actions taken or to be taken, and (D) maintaining accurate and separate books, records and accounts, including intercompany transaction accounts;

(viii) all decisions with respect to its business and daily operations are independently made by the Transferor (although the officer making any particular decision may also be an employee, officer or director of an Affiliate of the Transferor) and are not dictated by any Affiliate of the Transferor;

(ix) the Transferor acts solely in its own corporate name and through its own authorized officers and agents, and no Affiliate of the Transferor shall be appointed to act as its agent, except as expressly contemplated by this Agreement;

(x) no Affiliate of the Transferor advances funds to the Transferor, other than as is otherwise provided herein or in the other Transaction Documents, and no Affiliate of the Transferor otherwise supplies funds to, or guaranties debts of, the Transferor; provided , however , that an Affiliate of the Transferor may provide funds to the Transferor in connection with the capitalization of the Transferor;

(xi) other than organizational expenses and as expressly provided herein, the Transferor pays all expenses, indebtedness and other obligations incurred by it;

(xii) the Transferor does not guarantee, and is not otherwise liable, with respect to any obligation of any of its Affiliates;

(xiii) any financial reports required of the Transferor comply with generally accepted accounting principles and are issued separately from, but may be consolidated with, any reports prepared for any of its Affiliates;

(xiv) at all times the Transferor is adequately capitalized to engage in the transactions contemplated in its certificate of incorporation;

(xv) the financial statements and books and records of the Transferor and Tech Data reflect the separate corporate existence of the Transferor;

(xvi) the Transferor does not act as agent for Tech Data or any Affiliate thereof, but instead presents itself to the public as a corporation separate from each such member and independently engaged in the business of purchasing and financing the Receivables;

(xvii) the Transferor maintains a three-person board of directors, including at least one independent director, who has never been, and shall at no time be a stockholder, director, officer, employee or associate, or any relative of the foregoing, of Tech Data or any Affiliate thereof (other than the Transferor and any other bankruptcy-remote special purpose entity formed for the sole purpose of securitizing, or facilitating the securitization of, financial assets of any Tech Data or any Affiliate thereof), all as provided in its certificate or articles of incorporation, and is otherwise reasonably acceptable to each Class Agent and the Administrative Agent; and

(xviii) the certificate of incorporation of the Transferor requires the affirmative vote of the independent director before a voluntary petition under Section 301 of the Bankruptcy Code may be filed by the Transferor, and the Transferor to maintain correct and complete books and records of account and minutes of the meetings and other proceedings of its stockholders and board of directors.

(s) Compliance with Credit and Collection Policy . The Transferor has complied in all material respects with the Credit and Collection Policy with regard to each Receivable and the related Contract, and has not made any material changes to such Credit and Collection Policy, except such material change as to which the Agent has been notified.

(t) Accounting . The manner in which the Transferor accounts for the transactions contemplated by this Agreement and the Purchase Agreement does not jeopardize the trust sale analysis pursuant to the Purchase Agreement.

Section 3.2 Reaffirmation of Representations and Warranties by the Transferor . On each day that a Transfer is made hereunder, the Transferor, by accepting the proceeds of such Transfer, whether delivered to the Transferor pursuant to Section 2.2(a) or Section 2.5 hereof, shall be deemed to have certified that all representations and warranties described in Section 3.1 hereof are correct on and as of such day as though made on and as of such day. Each Incremental Transfer shall be subject to the further condition precedent that prior to the date of such Transfer, the Collection Agent shall have delivered to each Class Agent and the Administrative Agent, in form and substance satisfactory to the each Class Agent and the Administrative Agent, a completed Investor Report dated within 14 days prior to the date of such Transfer, together with a listing by Obligor, if requested, and such additional information as may be reasonably requested by any Class Agent or the Administrative Agent; and the Transferor shall be deemed to have represented and warranted that such conditions precedent have been satisfied.

Any document, instrument, certificate or notice delivered to any Class Investor hereunder shall be deemed a representation and warranty by the Transferor to the extent that such document, instrument, certificate or notice contains any statement of fact, which shall not include forward-looking statements.

Section 3.3 Representations and Warranties of Tech Data, as Collection Agent . Tech Data, as Collection Agent represents and warrants to the Class Investors, the Class Agents and the Administrative Agent that:

(a) Corporate Existence and Power . Tech Data is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation and has all corporate power and all material governmental licenses, authorizations, consents and approvals required to carry on its business in each jurisdiction in which its business is now conducted.

(b) Corporate and Governmental Authorization; Contravention . The execution, delivery and performance by Tech Data of this Agreement, the Fee Letter, the Supplemental Fee Letter and the Purchase Agreement are within Tech Data's corporate powers, have been duly authorized by all necessary corporate action, require no action by or in respect of, or filing with, any Official Body or official thereof (except for the filing of UCC financing statements in connection with the Purchase Agreement), and do not contravene, or constitute a default under, any provision of applicable law or regulation or of the Certificate of Incorporation or Bylaws of Tech Data or of any agreement, judgment, injunction, order, decree or other instrument binding upon Tech Data or result in the creation or imposition of any Adverse Claim on the assets of Tech Data or any of its Subsidiaries except as contemplated by this Agreement and the Purchase Agreement.

(c) Binding Effect . Each of this Agreement, the Fee Letter, the Supplemental Fee Letter and the Purchase Agreement constitute the legal, valid and binding obligation of Tech Data, enforceable in accordance with their respective terms, subject to applicable bankruptcy, insolvency, moratorium or other similar laws affecting the rights of creditors.

(d) Accuracy of Information . All information heretofore furnished by Tech Data to the Transferor, any Class Agent, any Class Investor or the Administrative Agent for purposes of or in connection with this Agreement or any transaction contemplated hereby is, and all such information hereafter furnished by Tech Data to the Transferor, any Class Agent, any Class Investor or the Administrative Agent will be, true and accurate in every material respect, on the date such information is stated or certified.

(e) Tax Status . Tech Data has filed all tax returns (federal, state and local) required to be filed and has paid or made adequate provision for the payment of all taxes, assessments and other governmental charges.

(f) Action, Suits . Except as set forth in Exhibit H hereto, there are no actions, suits or proceedings pending, or to the knowledge of Tech Data threatened, against or affecting Tech Data or any Affiliate of Tech Data or their respective properties, in or before any court, arbitrator or other body, which may materially adversely affect the financial condition of Tech Data and its Subsidiaries taken as a whole or materially adversely affect the ability of Tech Data to perform its obligations under this Agreement.

(g) Credit and Collection Policy . Since March 30, 2000 there have been no material changes in Tech Data's Credit and Collection Policy; since such date, no material adverse change has occurred in the overall rate of collection of the Receivables.

(h) Collections and Servicing . Since March 30, 2000 there has been no material adverse change in the ability of Tech Data to service and collect the Receivables.

(i) Place of Business . The principal place of business and chief executive office of Tech Data are located at the address of Tech Data indicated in Section 11.3 hereof and the offices where Tech Data keeps all its Records, are located at the address(es) described on Exhibit I or such other locations notified to the Administrative Agent in accordance with Section 2.8 hereof in jurisdictions where all action required by Section 2.8 hereof has been taken and completed.

(j) Tradenames, Etc. As of the date hereof: (i) Tech Data has, within the last five (5) years, operated only under the tradenames that it has protected, and, within the last five (5) years, has not changed its name, merged with or into or consolidated with any other corporation or been the subject of any proceeding under Title 11, United States Code (Bankruptcy), except as disclosed in Exhibit J hereto.

(k) Nature of Receivables . Each Receivable is an "eligible asset" as defined in Rule 3a-7 under the Investment Company Act of 1940, as amended.

(l) No Termination Event . No event has occurred and is continuing and no condition exists which constitutes a Termination Event or a Potential Termination Event for any Class or if either such event has occurred, Tech Data has notified the Administrative Agent in writing of either such event immediately upon learning of the occurrence thereof, describing the same and if applicable, the steps being taken by the Person(s) affected with respect thereto.

(m) Not an Investment Company . Tech Data is not an "investment company" within the meaning of the Investment Company Act of 1940, as amended, or is exempt from all provisions of such Act.

(n) ERISA . Tech Data is in compliance in all material respects with ERISA and no lien exists in favor of the Pension Benefit Guaranty Corporation on any of the Receivables.

Section 3.4 Reaffirmation of Representations and Warranties by Tech Data, as Collection Agent . On each day that a Transfer is made hereunder, Tech Data shall be deemed to have certified that all representations and warranties described in Section 3.3 are correct on and as of such day as though made on and as of such day.

Any document, instrument, certificate or notice delivered to the Administrative Agent, any Class Agent or any Class Investor hereunder shall be deemed a representation and warranty by Tech Data.

ARTICLE IV

CONDITIONS PRECEDENT

Section 4.1 Conditions to Closing . On or prior to the date of execution hereof, the Transferor shall deliver to the Administrative Agent and each Class Agent the following documents, instruments and fees all of which shall be in a form and substance acceptable to the Administrative Agent and each Class Agent:

(a) A copy of the resolutions of the Board of Directors of the Transferor and Tech Data certified by its Secretary approving the execution, delivery and performance by the Transferor and Tech Data of this Agreement, the Purchase Agreement and the other Transaction Documents to be delivered by the Transferor and Tech Data hereunder or thereunder.

(b) The Articles of Incorporation of the Transferor and of Tech Data certified by the Secretary of State or other similar official of the Transferor's and Tech Data's respective jurisdictions of incorporation, each dated a date reasonably prior to the Closing Date.

(c) A Good Standing Certificate for the Transferor and a Certificate of Status for Tech Data issued by the Secretary of State or a similar official of the Transferor's and Tech Data's respective jurisdictions of incorporation and certificates of qualification as a foreign corporation issued by the Secretaries of State or other similar officials of each jurisdiction where such qualification is material to the transactions contemplated by this Agreement and the other Transaction Documents, in each case, dated a date reasonably prior to the Closing Date.

(d) A Certificate of the Secretary of the Transferor and Tech Data substantially in the form of Exhibit L attached hereto certifying (i) the names and signatures of the officers authorized on its behalf to execute this Agreement, the Purchase Agreement, the

Certificate, the Fee Letter, the Supplemental Fee Letter and any other documents to be delivered by it hereunder (on which Secretary's Certificates each Class Investor may conclusively rely until such time as the Administrative Agent shall receive from the Transferor and Tech Data a revised Certificate meeting the requirements of this clause (d)(i)) and (ii) a copy of the Transferor's and Tech Data's By-Laws.

(e) Copies of proper financing statements (Form UCC-1), dated a date reasonably near to the date of the initial Incremental Transfer naming the Transferor as the debtor in favor of the Administrative Agent, as secured party for the benefit of the Class Investors, or other similar instruments or documents as may be necessary or in the reasonable opinion of the Administrative Agent desirable under the UCC of all appropriate jurisdictions or any comparable law to perfect the Administrative Agent's undivided percentage interest in all Receivables and the Related Security and Collections relating thereto.

(f) Copies of proper financing statements (Form UCC-1), dated a date reasonably near to the date of the initial Incremental Transfer naming Tech Data as the debtor in favor of the Transferor as secured party and the Administrative Agent, for the benefit of the Class Investors, as assignee of the secured party or other similar instruments or documents as may be necessary or in the reasonable opinion of the Administrative Agent desirable under the UCC of all appropriate jurisdictions or any comparable law to perfect the Transferor's ownership interest in all Receivables.

(g) Copies of proper financing statements (Form UCC-3) necessary to terminate all security interests and other rights of any person in Receivables previously granted by Tech Data or any of its Subsidiaries.

(h) Certified copies of requests for information or copies (Form UCC-11) (or a similar search report certified by parties acceptable to the Administrative Agent) dated a date reasonably near the date of the initial Incremental Transfer listing all effective financing statements which name the Transferor or the Seller (under their respective present names and any previous names) as debtor and which are filed in jurisdictions in which the filings were made pursuant to items (e) or (f) above together with copies of such financing statements (none of which shall cover any Receivables or Contracts).

(i) Executed copies of the Lock-Box Agreements, relating to each of the Lock-Boxes and the Lock-Box Accounts, and an executed copy of the agreement referred to in Section 2.8(b).

(j) An opinion of David Vetter, counsel to Tech Data, addressing certain corporate matters relating to Tech Data, covering the appropriate matters set forth in Exhibit K hereto.

(k) An opinion of Holland & Knight, LLP, special counsel to the Transferor, addressing certain corporate and bankruptcy matters relating to the Transferor, covering the appropriate matters set forth in Exhibit K hereto, which shall include, among other things, opinions as to "true sale" and nonconsolidation.

(l) A certificate of the Transferor and Tech Data in the form of Exhibit L-1 and Exhibit L-2 hereto.

(m) A hard copy, microfiche or computer tape setting forth all Receivables and the Outstanding Balances thereon and such other information as the Administrative Agent may reasonably request.

(n) An executed copy of this Agreement, the Purchase Agreement and the Fee Letter.

(o) The Transfer Certificate, duly executed by the Transferor.

(p) The Certificate, duly executed by the Transferor and appropriately completed.

(q) The agreements necessary to terminate the Existing Agreement and any agreements and other ancillary documents related thereto.

(r) Such other documents, instruments, certificates and opinions as the Administrative Agent or any Class Agent, shall reasonably request.

ARTICLE V

COVENANTS

Section 5.1 Affirmative Covenants of Transferor . At all times from the date hereof to the later to occur of (i) the Termination Dates or (ii) the date on which the Aggregate Net Investment has been reduced to zero, all accrued Discount and Servicing Fees shall have been paid in full and all other Aggregate Unpaids shall have been paid in full, in cash, unless the Administrative Agent, with the consent of the Majority Investors, shall otherwise consent in writing:

(a) Reports . The Transferor shall deliver to the Administrative Agent and each Class Agent:

(i) Annual Reporting . Within ninety-five (95) days after the close of each of its fiscal years, for itself consolidated and consolidating unaudited balance sheets as at the close of such fiscal year and consolidated and consolidating profit and loss and reconciliation of surplus statements and a statement of cash flows for the period from the beginning of such fiscal year to the end of such fiscal year, all certified by one of its Responsible Officers.

(ii) Quarterly Reporting . Within fifty (50) days after the close of the first three quarterly periods of each of its fiscal years, for itself consolidated and consolidating unaudited balance sheets as at the close of each such period and consolidated and consolidating profit and loss and reconciliation of surplus statements and a statement of cash flows for the period from the beginning of such fiscal year to the end of such quarter, all certified by one of its Responsible Officers.

(iii) Compliance Certificate . Within ninety-five (95) days of the close of each of its fiscal years and within fifty (50) days of the close of each of the first three fiscal quarters of each of its fiscal years, a compliance certificate signed by one of its Responsible Officers stating that no Termination Event or Potential Termination Event exists for any Class, or if any Termination Event or Potential Termination Event exists for any Class, stating the nature and status thereof.

(iv) Notice of Termination Events or Potential Termination Events . As soon as possible and in any event within two days after the occurrence of each Termination Event or each Potential Termination Event for each Class, a statement of the chief financial officer or chief accounting officer of the Transferor setting forth details of such Termination Event or Potential Termination Event and the action which the Transferor proposes to take with respect thereto.

(v) Change in Credit and Collection Policy . Within 15 days after the date any material change in or amendment to the Credit and Collection Policy is made, a copy of the Credit and Collection Policy then in effect indicating such change or amendment.

(vi) ERISA . Promptly after the filing or receiving thereof, copies of all reports and notices with respect to any "reportable event" (as defined in Article IV of ERISA) which the Transferor, Tech Data or any domestic Affiliate of the Transferor files under ERISA with the Internal Revenue Service, the Pension Benefit Guaranty Corporation or the U.S. Department of Labor or which the Transferor, Tech Data or any domestic Affiliates of the Transferor receives from the Internal Revenue Service, the Pension Benefit Guaranty Corporation or the U.S. Department of Labor.

(vii) Other Information . Such other information (including non-financial information) as the Administrative Agent, or the Administrative Agent, may from time to time reasonably request.

(b) Conduct of Business . The Transferor will carry on and conduct its business in substantially the same manner and in substantially the same fields of enterprise as it is presently conducted and do all things necessary to remain duly incorporated, validly existing and in good standing as a domestic corporation in its jurisdiction of incorporation and maintain all requisite authority to conduct its business in each jurisdiction in which its business is conducted.

(c) Compliance with Laws . The Transferor will comply in all material respects with all laws, rules, regulations, orders, writs, judgments, injunctions, decrees or awards to which it may be subject.

(d) Furnishing of Information and Inspection of Records . The Transferor will furnish to the Administrative Agent from time to time such information with respect to the Receivables as the Administrative Agent may reasonably request, including, without limitation, listings identifying the Obligor and the Outstanding Balance for each Receivable. The Transferor will at any time and from time to time during regular business hours upon forty-eight (48) hours prior written notice, permit the Administrative Agent, or its agents or representatives, (i) to examine and make copies of and abstracts from all Records and (ii) to visit the offices and properties of the Transferor or Tech Data, as applicable, for the purpose of examining such Records, and to discuss matters relating to Receivables or the Transferor's performance hereunder with any of the officers, directors, employees or independent public accountants of the Transferor having knowledge of such matters.

(e) Keeping of Records and Books of Account . The Transferor will maintain and implement administrative and operating procedures (including, without limitation, an ability to recreate records evidencing Receivables in the event of the destruction of the originals thereof), and keep and maintain, all documents, books, records and other information reasonably necessary or advisable for the collection of all Receivables (including, without limitation, records adequate to permit the daily identification of each new Receivable and all Collections of and adjustments to each existing Receivable); provided , that the Transferor shall not be required to keep and maintain such records with respect to any Receivables for a period of more than sixty (60) days after such Receivables shall have been paid in full by the Obligors thereof. The Transferor will give the Administrative Agent notice of any material change in the administrative and operating procedures referred to in the previous sentence.

(f) Performance and Compliance with Receivables and Contracts . The Transferor will at its expense timely and fully perform and comply with all material provisions, covenants and other promises required to be observed by it under the Contracts related to the Receivables.

(g) Credit and Collection Policies . The Transferor will comply in all material respects with the Credit and Collection Policy in regard to each Receivable and the related Contract.

(h) Collections . The Transferor shall instruct, or cause to be instructed, all Obligors and Financing Parties to cause all Collections to be deposited directly to a Lock-Box Account.

(i) Collections Received by Transferor . The Transferor shall hold in trust, and deposit, immediately, but in any event not later than forty-eight (48) hours of its receipt thereof, to a Lock-Box Account all Collections received from time to time by the Transferor (including without limitation, in the case of the Transferor, all Collections deemed to have been received by the Transferor under Section 2.9(a)).

(j) Sale Treatment . The Transferor shall not (i) account for (including for accounting and tax purposes), or otherwise treat, the transactions contemplated by the Purchase Agreement in any manner other than as a sale of Receivables by Tech Data to the Transferor, or (ii) account for (other than for tax purposes) or otherwise treat the transactions contemplated hereby in any manner other than as a sale of the Receivables by the Transferor to the Administrative Agent on behalf of the Class Investors. In addition the Transferor shall disclose (in a footnote or otherwise) in all of its financial statements (including any such financial statements consolidated with any other Persons' financial statements) the existence and nature of the transaction contemplated hereby and by the Purchase Agreement and the interest of the Transferor (in the case of Tech Data's financial statements) and the Administrative Agent, on behalf of the Class Investors, in the Affected Assets.

(k) Organizational Documents . The Transferor shall only amend, alter, change or repeal its Certificate of Incorporation with the prior written consent of the Administrative Agent and each Class Agent.

(l) Minimum Net Worth . The Transferor shall at all times maintain a net worth in accordance with GAAP which is not less than an amount equal to the sum of (i) the Outstanding Balance of all Defaulted Receivables at such time, (ii) the Outstanding Balance of all Delinquent Receivables at such time and (iii) the sum of the Outstanding Balance of the three largest Receivables of the non-investment grade Obligors; provided , however , that in any case, the net worth shall never be less than 7.5% of the Aggregate Facility Limit.

(m) Credit Agreement . Prior to a Termination Event, the Transferor shall exercise its rights against Tech Data under the Credit Agreement (including its set-off rights) in a manner such that it shall be able to meet all of its obligations under this Agreement (to the extent permitted by the terms of the Credit Agreement). After a Termination Event, the Transferor shall exercise its rights under the Credit Agreement (including its set-off rights) as directed by the Administrative Agent with the approval of the Majority Investors.

(n) Legends . At all times from and after September 30, 2005, the Transferor shall cause each and every electronic representation of any Receivable (whether in disk, tape or other medium), as well as any paper printout of any such electronic records, to be clearly marked with the following legend: "ANY PROSPECTIVE PURCHASER OF THE ACCOUNTS DESCRIBED HEREIN OR ANY SECURED PARTY WITH RESPECT THERETO IS HEREBY NOTIFIED THAT AN INTEREST IN THESE ACCOUNTS HAS BEEN SOLD OR TRANSFERRED TO A THIRD PARTY LENDER, PURCHASER OR SECURED PARTY." Such legend shall be in bold, in type face at least as large as 10 point and shall be entirely in capital letters.

(o) Insurance . The Transferor will maintain or cause to be maintained with financially sound and reputable insurers, insurance with respect to its properties and business, and the properties and business of its Subsidiaries, against loss or damage of the kinds customarily insured against by reputable companies in the same or similar businesses, such insurance to be of such types and in such amounts as is customary for such companies under similar circumstances; provided, however, that in any event the Transferor shall use its best efforts to maintain, or cause to be maintained, insurance in amounts and with coverages not materially less favorable to the Transferor or any of its Subsidiaries as in effect on the date of this Agreement.

Section 5.2 Negative Covenants of Transferor . At all times from the date hereof to the later to occur of (i) the Termination Dates or (ii) the date on which the Aggregate Net Investment has been reduced to zero, all accrued Discount and Servicing Fees shall have been paid in full and all other Aggregate Unpaids shall have been paid in full, in cash, unless the Administrative Agent, with the consent of the Majority Investors, shall otherwise consent in writing:

(a) No Sales, Liens, Etc . Except as otherwise provided herein, the Transferor will not sell, assign (by operation of law or otherwise) or otherwise dispose of, or create or suffer to exist any Adverse Claim upon (or the filing of any financing statement) or with respect to (x) any of the Affected Assets, (y) any inventory or goods, the sale of which may give rise to a Receivable or any Receivable or related Contract, or (z) any account which concentrates in a Lock-Box Bank to which any Collections of any Receivable are sent, or assign any right to receive income in respect thereof. Notwithstanding the foregoing, the Transferor may sell, assign (by operation of law or otherwise) or otherwise dispose of, or create or suffer to exist an Adverse Claim on any (i) goods or inventory held on consignment solely with respect to the consignor's interest; and (ii) Receivable for which Transferor has procured credit insurance,

all Collections to be received thereon, and all Related Security and Proceeds in respect of or in connection with such insured Receivable, where (a) such credit insurance has paid all or part of the Outstanding Balance of such Receivable; (b) such Receivable (i.e., the portion of such Receivable covered by the credit insurance as well as the portion not covered by such credit insurance) has been written off by the Transferor and the Collection Agent in accordance with the Credit and Collection Policy; and (c) if a Termination Event shall have occurred, the Administrative Agent shall have consented to such release in writing.

(b) No Extension or Amendment of Receivables . Except as otherwise permitted in Section 6.2 hereof, the Transferor will not extend, amend or otherwise modify the terms of any Receivable, or amend, modify or waive any term or condition of any Contract related thereto.

(c) No Change in Business or Credit and Collection Policy . The Transferor will not engage in any business other than acquiring accounts receivable from Tech Data pursuant to the Purchase Agreement, financing such acquisition pursuant hereto, making loans to Tech Data and Subsidiaries of Tech Data and other activities incidental thereto. The Transferor will not make any change in the Credit and Collection Policy, which change would impair the collectibility of the Receivables in a material respect.

(d) No Mergers, Etc . The Transferor will not (i) consolidate or merge with or into any other Person, or (ii) sell, lease or transfer all or substantially all of its assets to any other person.

(e) Change in Payment Instructions to Obligors . The Transferor will not add or terminate any bank as a Lock-Box Bank or any account as a Lock-Box Account to or from those listed in Exhibit C hereto or make any change in its instructions to Obligors or Financing Parties regarding payments to be made to any Lock-Box Account, unless (i) such instructions are to deposit such payments to another existing Lock-Box Account or (ii) the Administrative Agent shall have received written notice of such addition, termination or change at least 30 days prior thereto and the Administrative Agent shall have received a Lock-Box Agreement executed by each new Lock-Box Bank or an existing Lock-Box Bank with respect to each new Lock-Box Account, as applicable.

(f) Deposits to Lock-Box Accounts . The Transferor will not deposit or otherwise credit, or cause or permit to be so deposited or credited, to any Lock-Box Account cash or cash proceeds other than Collections of Receivables or cash proceeds of other receivables that were originally Receivables but were not Eligible Receivables on the date of the initial Transfer hereunder and so were subsequently repurchased by the Transferor pursuant to Section 2.9 and, upon any deposit of any proceeds of such other receivables to any Lock-Box Account, remove such proceeds within two Business Days following such deposit.

(g) Change of Name, Etc. The Transferor will not change its name, identity or structure or the location of its chief executive office or its jurisdiction of organization, unless at least 10 days prior to the effective date of any such change the Transferor delivers to the Administrative Agent (i) such documents, instruments or agreements, executed by the Transferor, necessary to reflect such change and to continue the perfection of the Administrative Agent's ownership interests or security interests in the Affected Assets and (ii) new or revised Lock-Box Agreements executed by the Lock-Box Banks which reflect such change and enable the Administrative Agent to continue to exercise its rights contained in Section 2.8 hereof.

(h) Amendment to Purchase Agreement . The Transferor will not amend, modify or supplement the Purchase Agreement or any other Transaction Document, or waive any provision thereof, or enter into any consent with respect thereto, in each case except with the prior written consent of the Administrative Agent and the Majority Investors; nor shall the Transferor take, or permit Tech Data to take, any other action under the Purchase Agreement that could have a material adverse effect on the Administrative Agent or any Class Investor or which is inconsistent with the terms of this Agreement.

(i) Separate Business; Nonconsolidation . The Transferor shall not (i) engage in any business not permitted by its Certificate of Incorporation as in effect on the Closing Date or (ii) conduct its business or act in any other manner which is inconsistent with Section 3.1(r). The officers and directors of the Transferor (as appropriate) shall make decisions with respect to the business and daily operations of the Transferor independent of and not dictated by Tech Data or any other controlling Person.

(j) Other Agreements . The Transferor shall not enter into any other agreements except this Agreement and the other Transaction Documents, unless the Administrative Agent consents in writing. The Administrative Agent hereby consents to the Transferor entering into the Lease Agreement, provided that such consent is limited to the Lease Agreement in the form and substance reviewed by the Administrative Agent.

(k) Other Indebtedness . The Transferor shall not incur any Indebtedness other than (i) as permitted by the Transaction Documents and (ii) Indebtedness existing under the Lease Agreement.

Section 5.3 Affirmative Covenants of Tech Data . At all times from the date hereof to the later to occur of (i) the Termination Dates or (ii) the date on which the Aggregate Net Investment has been reduced to zero, all accrued Discount and Servicing Fees shall have been paid in full and all other Aggregate Unpaids shall have been paid in full, in cash, unless the Administrative Agent, with the consent of the Majority Investors, shall otherwise consent in writing:

(a) Financial Reporting . Tech Data will maintain, for itself, a system of accounting established and administered in accordance with generally accepted accounting principles, and furnish to the Administrative Agent (who shall forward such information to the Class Agents):

(i) Annual Reporting . Within ninety-five (95) days after the close of each of its fiscal years, an unqualified audit report certified by independent certified public accountants prepared in accordance with generally accepted accounting principles on a consolidated and consolidating basis (consolidating statements need not be certified by such accountants) for itself including balance sheets as of the end of such period, related profit and loss and reconciliation of surplus statements, and a statement of cash flows, accompanied by any management letter prepared by said accountants and by a certificate of said accountants that, in the course of the foregoing, they have obtained no knowledge of any Termination Event or Potential Termination Event, or if, in the opinion of such accountants, any Termination Event or Potential Termination Event shall exist, stating the nature and status thereof. The independent certified public accountants shall be either KPMG, PricewaterhouseCoopers, Ernst & Young LLP, Deloitte and Touche, Arthur Andersen or any other independent certified public accountants acceptable to the Administrative Agent.

(ii) Quarterly Reporting . Within fifty (50) days after the close of the first three quarterly periods of each of its fiscal years, for itself consolidated and consolidating unaudited balance sheets as at the close of each such period and consolidated and consolidating profit and loss and reconciliation of surplus statements and a statement of cash flows for the period from the beginning of such fiscal year to the end of such quarter, all certified by one of its Responsible Officers.

(iii) Compliance Certificate . Together with the financial statements required hereunder, a compliance certificate signed by one of its Responsible Officers stating that no Termination Event or Potential Termination Event exists for any Class, or if any Termination Event or Potential Termination Event exists for any Class, stating the nature and status thereof and containing a computation of, and showing compliance with, each of the financial ratios and restrictions contained in this Agreement.

(iv) Shareholders Statements and Reports . Promptly upon the furnishing thereof to the shareholders of Tech Data, copies of all financial statements, reports and proxy statements so furnished.

(v) S.E.C. Filings . Promptly upon the filing thereof, copies of all registration statements and annual, quarterly, monthly or other regular reports which Tech Data or any subsidiary files with the Securities and Exchange Commission; provided , that Tech Data may alternatively notify the Administrative Agent (which notice the Administrative Agent shall forward to each Class Agent) that such reports are available on the EDGAR Database.

(vi) Other Information . Such other information (including non-financial information) as the Administrative Agent may from time to time reasonably request.

(b) Conduct of Business . Tech Data will, and will cause each of its Subsidiaries to, carry on and conduct its business in substantially the same manner and in substantially the same fields of enterprise as it is presently conducted and to do all things necessary to remain duly incorporated, validly existing and in good standing as a domestic corporation in its jurisdiction of incorporation and maintain all requisite authority to conduct its business in each jurisdiction in which its business is conducted, except to the extent that any failure with respect to the foregoing does not have a material adverse effect on the business or operations of Tech Data or the performance by Tech Data under any of the Transaction Documents.

(c) Compliance with Laws . Tech Data will, and will cause each of its Subsidiaries to, comply in all material respects with all laws, rules, regulations, orders, writs, judgments, injunctions, decrees or awards to which it or its properties may be subject.

(d) Furnishing of Information and Inspection of Records . Tech Data will furnish to the Transferor and the Administrative Agent from time to time such information with respect to the Receivables as the Transferor or the Administrative Agent may reasonably request, including, without limitation, listings identifying the Obligor and the Outstanding Balance for each Receivable. Tech Data will at any time and from time to time during regular business hours upon forty-eight (48) hours prior written notice, permit the Administrative Agent, or its agents or representatives, (i) to examine and make copies of and abstracts from all Records and (ii) to visit the offices and properties of Tech Data for the purpose of examining such Records, and to discuss matters relating to Receivables or Tech Data's performance hereunder with any of the officers, directors, employees or independent public accountants of Tech Data having knowledge of such matters.

(e) Keeping of Records and Books of Account . Tech Data will maintain and implement administrative and operating procedures (including, without limitation, an ability to recreate records evidencing Receivables in the event of the destruction of the originals thereof), and keep and maintain, all documents, books, records and other information reasonably necessary or advisable for the collection of all Receivables (including, without limitation, records adequate to permit the daily identification of each new Receivable and all Collections of and adjustments to each existing Receivable); provided , that Tech Data shall not be required to keep and maintain such records with respect to any Receivables for a period of more than sixty (60) days after such Receivables shall have been paid in full by the Obligors thereof. Tech Data will give the Administrative Agent notice of any material change in the administrative and operating procedures referred to in the previous sentence.

(f) Performance and Compliance with Receivables and Contracts . Tech Data, at its expense, will timely and fully perform and comply with all material provisions, covenants and other promises required to be observed by it under the Contracts related to the Receivables and all purchase orders and other agreements related to such Receivables.

(g) Credit and Collection Policies . Tech Data will comply in all material respects with the Credit and Collection Policy in regard to each Receivable and the related Contract.

(h) Collections . Tech Data shall instruct all Obligors and Financing Parties to cause all Collections to be deposited directly to a Lock-Box Account.

(i) Collections Received by Tech Data . Tech Data shall hold in trust, and deposit, immediately, but in any event not later than forty-eight (48) hours of its receipt thereof, to a Lock-Box Account or the Collection Agent Account all Collections received from time to time by Tech Data.

(j) Transfer of Receivables . Tech Data shall sell or contribute Receivables (as defined in the Purchase Agreement) to the Transferor at such time or times as necessary in order to cause the Aggregate Percentage Factor not to exceed the Maximum Percentage Factor.

(k) Legends . At all times from and after ~~July 31, 2000~~ December 13, 2011 , Tech Data shall cause each and every electronic representation of any Receivable (whether in disk, tape or other medium), as well as any paper printout of any such electronic records, to be clearly marked with the following legend: " ANY PROSPECTIVE PURCHASER OF THE ACCOUNTS DESCRIBED HEREIN ~~HAVE BEEN SOLD TO TECH DATA FINANCE SPV, INC. AND~~ OR ANY SECURED PARTY WITH RESPECT THERETO IS HEREBY NOTIFIED THAT AN INTEREST IN THESE ACCOUNTS HAS BEEN SOLD OR TRANSFERRED TO ~~BANK OF AMERICA, N.~~ A ~~., AS ADMINISTRATIVE AGENT, ON BEHALF OF CERTAIN INVESTORS."~~ THIRD PARTY LENDER, PURCHASER OR SECURED PARTY. " Such legend shall be in bold, in type face at least as large as 10 point and shall be entirely in capital letters.

(l) Rating Confirmation. Following the occurrence of an SFA Event and upon written request of any Class Agent, the Tech Data shall (at its own expense) obtain a rating, in form satisfactory to the such Class Agent and the Administrative Agent, of the facility contemplated by this Agreement (the " External Rating ") from a nationally-recognized rating agency reasonably acceptable to such Class Agent and the Administrative Agent within sixty (60) days from the date of such written request, at least equal to "A" (the " Implied Rating ").

If the External Rating is less than the Implied Rating, then Tech Data may effect a Ratings Cure (as defined below). Tech Data may effect only one such Ratings Cure prior to obtaining an External Rating that is equal to or better than the Implied Rating. A " Ratings Cure " means the satisfaction by Tech Data of each of the following conditions: (i) promptly following receipt of the External Rating, Tech Data notifies the Administrative Agent of its intention to effect a Ratings Cure, (ii) Tech Data takes, or causes the Transferor to take, any actions permitted under this Agreement and the Purchase Agreement that Tech Data reasonably believes would improve the rating of the facility contemplated by this Agreement and (iii) within thirty (30) days following receipt of the External Rating, obtains a new external rating of the facility contemplated by this Agreement from the rating agency that provided the External Rating (or, with the Administrative Agent's consent (and the consent of any Class Agent which may have requested a rating), from another nationally-recognized rating agency) and such new rating is at least equal to the Implied Rating.

Section 5.4 Negative Covenants of Tech Data . At all times from the date hereof to the later to occur of (i) the Termination Dates or (ii) the date on which the Aggregate Net Investment has been reduced to zero, all accrued Discount and Servicing Fees shall have been paid in full and all other Aggregate Unpaids shall have been paid in full, in cash, unless the Administrative Agent, with the consent of the Majority Investors, shall otherwise consent in writing:

(a) No Sales, Liens, Etc . Except as otherwise provided herein, Tech Data will not sell, assign (by operation of law or otherwise) or otherwise dispose of, or create or suffer to exist any Adverse Claim upon (or the filing of any financing statement) or with respect to (x) any of the Affected Assets, (y) any inventory or goods, the sale of which may give rise to a Receivable or any Receivable or related Contract, or (z) any account which concentrates in a Lock-Box Bank to which any Collections of any Receivable are sent, or assign any right to receive income in respect thereof. Notwithstanding the foregoing, Tech Data may sell, assign (by operation of law or otherwise) or otherwise dispose of, or create or suffer to exist an Adverse Claim on any goods or inventory held on consignment solely with respect to the consignor's interest.

(b) No Extension or Amendment of Receivables . Except as otherwise permitted in Section 6.2 hereof, Tech Data will not extend, amend or otherwise modify the terms of any Receivable, or amend, modify or waive any term or condition of any Contract related thereto.

(c) No Change in Business or Credit and Collection Policy . Tech Data will not make any change in the character of its business or in the Credit and Collection Policy, which change would, in either case, impair the collectibility of the Receivables in a material respect.

(d) No Mergers, Etc . Tech Data will not (i) consolidate or merge with or into any other Person if such action shall result in a Potential Termination Event or a Termination Event for any Class or Tech Data shall not be the surviving entity or (ii) sell, lease or transfer all or substantially all of its assets to any other person.

(e) Change in Payment Instructions to Obligors . Tech Data will not add or terminate any bank as a Lock-Box Bank or any account as a Lock-Box Account to or from those listed in Exhibit C hereto or make any change in its instructions to Obligors and Financing Parties regarding payments to be made to any Lock-Box Account, unless (i) such instructions are to deposit such payments to another existing Lock-Box Account or (ii) the Administrative Agent shall have received written notice of such addition, termination or change at least 30 days prior thereto and the Administrative Agent shall have received a Lock-Box Agreement executed by each new Lock-Box Bank or an existing Lock-Box Bank with respect to each new Lock-Box Account, as applicable.

(f) Deposits to Lock-Box Accounts . Tech Data will not deposit or otherwise credit, or cause or permit to be so deposited or credited, to any Lock-Box Account cash or cash proceeds other than Collections of Receivables or cash proceeds or other receivables that were originally Receivables but were not Eligible Receivables on the date of the initial Transfer hereunder and so were subsequently repurchased by the Transferor pursuant to Section 2.9 and, upon any deposit of any proceeds of such other receivables to any Lock-Box Account, remove such proceeds within two Business Days following such deposit.

(g) Change of Name, Etc. Tech Data will not change its name, identity or structure or location of its chief executive office or its jurisdiction of organization, unless at least 10 days prior to the effective date of any such change Tech Data delivers to the Transferor and the Administrative Agent (i) such documents, instruments or agreements, executed by the Transferor, as are necessary to reflect such change and to continue the perfection of the Transferor's ownership interest in the Receivables and (ii) new or revised Lock-Box Agreements executed by the Lock-Box Banks which reflect such change and enable the Administrative Agent on behalf of the Class Investors to continue to exercise its rights contained in Section 2.8 hereof.

Section 5.5 Financial Covenants of the Collection Agent . At all times from the date hereof to the later to occur of (i) the Termination Dates or (ii) the date on which the Aggregate Net Investment has been reduced to zero, all accrued Discount and Servicing Fees shall have been paid in full and all other Aggregate Unpaids shall have been paid in full, in cash, unless the Administrative Agent, each Class Conduit (so long as such Class Conduit holds any portion of the Transferred Interest), each Class Agent and the Majority Investors shall otherwise consent in writing, the Collection Agent hereby covenants and agrees to observe and perform the financial covenants set forth on and as of the date hereof in Section 8.13 of the Third Amended and Restated Credit Agreement dated as of March 20, 2007 among Tech Data Corporation, each lender from time to time party thereto, and Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer (the " Tech Data Credit Agreement "). In the event that the

Tech Data Credit Agreement is replaced by a successor or replacement credit agreement on or about September 2011 (such successor or replacement credit agreement, the " Replacement Tech Data Credit Agreement "), then the financial covenants set forth in Section 8.13 of the Tech Data Credit Agreement shall immediately and automatically replaced and superseded by those set forth in the Replacement Tech Data Credit Agreement, and the Collection Agent agrees to observe and perform such new financial covenants in the Replacement Tech Data Credit Agreement, in lieu of those set forth in Section 8.13 of the Tech Data Credit Agreement. In connection with the foregoing, each Class Conduit and Class Agent hereby consents to the replacement of such financial covenants on the terms set forth above, and hereby authorizes the Administrative Agent to consent to any Replacement Tech Data Credit Agreement in its sole discretion. Other than in respect of the Replacement Tech Data Credit Agreement, no amendment, modification or waiver of or to the Tech Data Credit Agreement or any successor thereto or replacement thereof (including in respect of Section 8.13 of the Tech Data Credit Agreement or any equivalent provision in any successor or replacement credit agreement or in respect of the definition of any financial term or any method of calculation under any such agreement), nor any termination or expiration of the Tech Data Credit Agreement or any successor thereto or replacement thereof, shall have any effect hereunder unless consented to by the Administrative Agent, each Class Conduit (so long as such Class Conduit holds any portion of the Transferred Interest), each Class Agent and the Majority Investors.

ARTICLE VI

ADMINISTRATION AND COLLECTIONS

Section 6.1 Appointment of Collection Agent . The servicing, administering and collection of the Receivables shall be conducted by such Person (the " Collection Agent ") so designated from time to time in accordance with this Section 6.1. Until the Administrative Agent gives notice to Tech Data of the designation of a new Collection Agent, Tech Data is hereby designated as, and hereby agrees to perform the duties and obligations of, the Collection Agent pursuant to the terms hereof. The Collection Agent may not delegate any of its rights, duties or obligations hereunder, or designate a substitute Collection Agent, without the prior written consent of the Administrative Agent, and provided that the Collection Agent shall continue to remain solely liable for the performance of the duties as Collection Agent hereunder. The Administrative Agent may, with the consent of and upon the direction of the Majority Investors, shall, after the occurrence of a Collection Agent Default or any other Termination Event for any Class designate as Collection Agent any Person (including itself) to succeed Tech Data or any successor Collection Agent, on the condition in each case that any such Person so designated shall agree to perform the duties and obligations of the Collection Agent pursuant to the terms hereof. The Administrative Agent, at any time following the occurrence of a Termination Event for any Class, may notify any Obligor of the Transferred Interest.

Section 6.2 Duties of Collection Agent .

(a) Subject to the limitations contained herein, the Collection Agent shall take or cause to be taken all such action as may be necessary or advisable to collect each

Receivable from time to time, all in accordance with applicable laws, rules and regulations, with reasonable care and diligence, and in accordance with the Credit and Collection Policy. Each of the Transferor, the Administrative Agent and the Class Investors hereby appoints as its agent the Collection Agent, from time to time designated pursuant to Section 6.1 hereof, to enforce its respective rights and interests in and under the Affected Assets. To the extent permitted by applicable law, each of the Transferor and the Seller (to the extent not then acting as Collection Agent hereunder) hereby grants to any Collection Agent appointed hereunder an irrevocable power of attorney to take any and all steps in the Transferor's and/or the Seller's name and on behalf of the Transferor or the Seller necessary or desirable, in the reasonable determination of the Collection Agent, to collect all amounts due under any and all Receivables, including, without limitation, endorsing the Transferor's and/or the Seller's name on checks and other instruments representing Collections and enforcing such Receivables and the related Contracts. The Collection Agent shall set aside for the account of the Transferor and the Class Investors, as applicable, their respective allocable shares of the Collections of Receivables in accordance with Sections 2.5 and 2.6 hereof. The Collection Agent shall segregate and deposit to the Administrative Agent's account each Class Investor's allocable share of Collections of Receivables when required pursuant to Article II hereof. So long as no Termination Event shall have occurred and be continuing for any Class, the Collection Agent may, in accordance with the Credit and Collection Policy, extend the maturity of Receivables, but not beyond 60 days, and extend the maturity or adjust the Outstanding Balance as the Collection Agent may determine to be appropriate to maximize Collections thereof; provided , however , that such extension or adjustment shall not alter the status of such Receivable as a Delinquent Receivable or a Defaulted Receivable. The Transferor shall deliver to the Administrative Agent all Records which evidence or relate to Receivables or Related Security. The Administrative Agent shall forward all such Records to the Collection Agent and the Collection Agent shall hold in trust for the Transferor and the Class Investors, in accordance with their respective interests, such Records. Notwithstanding anything to the contrary contained herein, the Administrative Agent shall have the absolute and unlimited right to direct the Transferor, if Tech Data is the Collection Agent, or if Tech Data is not the Collection Agent, the Collection Agent to commence or settle any legal action to enforce collection of any Receivable or to foreclose upon or repossess any Related Security. The Collection Agent shall not make the Administrative Agent or any of the Class Investors a party to any litigation without the prior written consent of such Person.

(b) Subject to the terms and conditions set forth in this Agreement (including Article II) Collection Agent shall, as soon as practicable following receipt of any Collections, turn over to the Transferor an amount equal to such Collections minus the Aggregate Percentage Factor of such Collections. In addition, the Collection Agent shall, as soon as practicable following receipt thereof, turn over to the Transferor any collections of any indebtedness of any Obligor which is not a Receivable. If the Collection Agent is not Tech Data or the Transferor or any Affiliate of the Transferor or Tech Data, the Collection Agent, by giving three Business Days' prior written notice to the Administrative Agent, may revise the percentage used to calculate the Servicing Fee so long as the revised percentage will not result in a Servicing Fee that exceeds 110% of the reasonable and appropriate out-of-pocket costs and expenses of such Collection Agent incurred in connection with the performance of its obligations hereunder as documented to the reasonable satisfaction of the Administrative Agent. The Collection Agent, if other than Tech Data, shall as soon as practicable upon demand, deliver to the Transferor all Records in its possession which evidence or relate to indebtedness of an Obligor which is not a Receivable, and copies of Records in its possession which evidence or relate to Receivables.

(c) On or before July 31 of each year of the Collection Agent, beginning with the fiscal year ending January 31, 2009, the Collection Agent shall cause a firm of independent public accountants (who may also render other services to the Collection Agent or the Transferor) to furnish a report to the Administrative Agent to the effect that they have (i) confirmed the Net Receivables Balance as of the end of each Tranche Period during such fiscal year, and (ii) confirmed that the Receivables treated by the Collection Agent as Eligible Receivables in fact satisfied the requirements of the definition thereof contained herein, except, in each case for (a) such exceptions as such firm shall believe to be immaterial (which exceptions need not be enumerated) and (b) such other exceptions as shall be set forth in such statement.

(d) Notwithstanding anything to the contrary contained in this Article VI, the Collection Agent, if not Tech Data, the Transferor, or any Affiliate of the Transferor or Tech Data, shall have no obligation to collect, enforce or take any other action described in this Article VI with respect to any indebtedness that is not included in the Transferred Interest other than to deliver to the Transferor the collections and documents with respect to any such Receivable as described in Section 6.2(b) hereof.

Section 6.3 Rights After Designation of New Collection Agent . At any time following the designation of a Collection Agent (other than Tech Data, the Transferor, or any Affiliate of Tech Data or the Transferor) pursuant to Section 6.1 hereof:

(i) The Administrative Agent may direct that payment of all amounts payable under any Receivable be made directly to the Administrative Agent or its designee for the benefit of the Class Investors.

(ii) Tech Data shall, at the Administrative Agent's request and at Tech Data's expense, give notice of the Administrative Agent's, the Transferor's, or each Class Investor's ownership of Receivables to each Obligor and direct that payments be made directly to the Administrative Agent or its designee for the benefit of the Class Investors.

(iii) Tech Data shall, at the Administrative Agent's request, (A) assemble all of the Records, and shall make the same available to the Administrative Agent at a place selected by the Administrative Agent or its designee, and (B) segregate all cash, checks and other instruments received by it from time to time constituting Collections of Receivables in a manner acceptable to the Administrative Agent and shall, promptly upon receipt, remit all such cash, checks and instruments, duly endorsed or with duly executed instruments of transfer, to the Administrative Agent or its designee for the benefit of the Class Investors.

(iv) The Transferor and Tech Data hereby authorize the Administrative Agent to take any and all steps in the Transferor's or Tech Data's name and on behalf of the Transferor or Tech Data necessary or desirable, in the determination of the Administrative Agent, to collect all amounts due under any and all Receivables, including, without limitation, endorsing the Transferor's or Tech Data's name on checks and other instruments representing Collections and enforcing such Receivables and the related Contracts.

Section 6.4 Responsibilities of the Transferor and Tech Data . Anything herein to the contrary notwithstanding, the Transferor and Tech Data, as seller under the Purchase Agreement, shall (i) perform all of their respective obligations under the Contracts related to the Receivables to the same extent as if interests in such Receivables had not been sold hereunder and the exercise by the Administrative Agent of its rights hereunder shall not relieve the Transferor or Tech Data, as seller under the Purchase Agreement, from such obligations and (ii) pay when due any taxes, including without limitation, any sales taxes payable in connection with the Receivables and their creation and satisfaction. Neither the Administrative Agent, any Class Agent, any Class Conduit nor any of the Bank Investors shall have any obligation or liability with respect to any Receivable or related Contracts, nor shall any of them be obligated to perform any of the obligations of the Transferor or Tech Data thereunder.

ARTICLE VII

TERMINATION EVENTS

Section 7.1 Termination Events . The occurrence of any one or more of the following events shall constitute a Termination Event for any Class:

(a) (i) the Collection Agent shall fail to perform or observe any term, covenant or agreement hereunder (other than as referred to in clause (ii) of this Section 7.1(a)) and such failure shall remain unremedied for 15 days, or (ii) either the Collection Agent or the Transferor shall fail to make any payment or deposit to be made by it hereunder when due or the Collection Agent shall fail to observe or perform any term, covenant or agreement on the Collection Agent's part to be performed under Section 2.8(b) hereof; or

(b) any representation, warranty, certification or statement made by Tech Data or the Transferor in this Agreement or in any other document delivered pursuant hereto shall prove to have been incorrect in any material respect when made or deemed made; or

(c) (i) the Transferor shall default in the observance or performance of the terms, covenants, conditions or agreements on the Transferor's part to be performed or observed under Section 5.1(a)(iv), 5.1(h), Section 5.1(i), Section 5.1(j), Section 5.1(k), Section 5.1(l), Section 5.1(m), Section 5.1(n), Section 5.2(a), Section 5.2(c), Section 5.2(d), Section 5.2(e), Section 5.2(f), Section 5.2(g) Section 5.2(h) Section 5.2(i), Section 5.2(j) or Section 5.2(k) hereof or (ii) the Transferor shall default in the observance or performance of the terms,

covenants, conditions or agreements on the Transferor's part to be performed or observed under Section 5.1(a)(i), Section 5.1(a)(ii), Section 5.1 (a)(iii), Section 5.1(a)(v), Section 5.1(b), Section 5.1(c), Section 5.1(d), Section 5.1(e), Section 5.1(f), Section 5.1(g) or Section 5.2(b) hereof and such failure shall remain unremedied for 15 days; or

(d) (i) Tech Data shall default in the observance or performance of the terms, covenants, conditions or agreements on Tech Data's part to be performed or observed under Section 5.3(h), Section 5.3(i), Section 5.3(j), Section 5.3(k), Section 5.3(l), Section 5.4(a), Section 5.4(c), Section 5.4(d), Section 5.4(e), Section 5.4(f), Section 5.4(g) or Section 5.5 or (ii) Tech Data shall default in the observance or performance of the terms, covenants, conditions or agreements on Tech Data's part to be performed under Section 5.3(a), Section 5.3(b), Section 5.3(c), Section 5.3(d), Section 5.3(e), Section 5.3(f), Section 5.3(g) or Section 5.4(b) hereof and such failure shall remain unremedied for 15 days; or

(e) the Transferor or Tech Data shall default in the observance or performance of any other term, covenant, condition or agreement on the Transferor's or Tech Data's part to be performed or observed under this Agreement and such default shall continue for 30 days after the earlier of (i) the date that such written notice thereof is given to the Transferor or Tech Data, as applicable, by the Administrative Agent or (ii) the date the Transferor or Tech Data, as applicable, becomes aware of such default; or

(f) failure of Tech Data or any Subsidiary of Tech Data to pay any Indebtedness greater than $50,000,000 when due; or the default by Tech Data or any Subsidiary of Tech Data in the performance of any term, provision or condition contained in any agreement under which any Indebtedness greater than $50,000,000 was created or is governed, the effect of which is to cause, or to permit the holder or holders of such Indebtedness greater than $50,000,000 to cause, such Indebtedness to become due prior to its stated maturity; or any Indebtedness greater than $50,000,000 shall be declared to be due and payable or required to be prepaid (other than by a regularly scheduled payment) prior to the date of maturity thereof; or

(g) any Event of Bankruptcy shall occur with respect to the Transferor, the Collection Agent, Tech Data or any Subsidiary of either the Transferor or Tech Data; or

(h) the Administrative Agent, on behalf of the Class Investors shall, for any reason, fail or cease to have a valid and perfected first priority ownership or security interest in the Affected Assets free and clear of any Adverse Claims; or

(i) Tech Data shall enter into any transaction or merger whereby it is not the surviving entity; or the Transferor shall no longer be wholly owned by Tech Data; or

(j) there shall have occurred any material adverse change in the operations of Tech Data since March 20, 2000, or any other event shall have occurred which materially affects Tech Data's ability to either collect the Receivables or to perform under this Agreement or under the Purchase Agreement; or

(k) any Liquidity Provider or any Credit Support Provider shall have given notice that an event of default has occurred and is continuing under any of its respective agreements with the applicable Class Conduit(s) (or their related commercial paper issuer(s)); or

(l) the Commercial Paper issued by any of the Class Conduits (or their related commercial paper issuer if the Class Conduit does not itself issue commercial paper) shall not be rated at least "A-2" by Standard & Poor's, at least "P-2" by Moody's and at least "F-1" by Fitch, unless such downgrading is the result of the Credit Support Provider being downgraded; or

(m) the Aggregate Percentage Factor exceeds the Maximum Percentage Factor unless the Transferor reduces, on a pro rata basis, the Net Investment of each Class on the next day or increases the balance of the Affected Assets on the next Business Day so as to reduce the Aggregate Percentage Factor to less than or equal to 98%; or

(n) the Aggregate Percentage Factor equals or exceeds 100% for a period of one full Business Day (provided that in such case the Termination Event caused thereby shall be deemed to have occurred at the start of such one full Business Day period) or the Aggregate Percentage Factor as reported on any Investor Report shall equal or exceed 100% or for any Class, the sum of the Net Investment for such Class plus , in the case where the related Class Conduit holds a portion of the Transferred Interest, the Interest Component of all outstanding Related Commercial Paper issued by such Class Conduit (or its related commercial paper issuer if the Class Conduit does not itself issue commercial paper) exceeds the Facility Limit for such Class; or

(o) the average of the Dilution Ratio for any two consecutive months shall exceed 6.0%; or

(p) the average of the Default Ratio for any three consecutive months exceeds 1.25%; or

(q) the average Delinquency Ratio for any three consecutive months exceeds 4.5%; or

(r) a Collection Agent Default shall have occurred and be continuing.

Section 7.2 Termination . (a) Upon the occurrence of any Termination Event (i) the Administrative Agent may by notice to the Transferor and the Collection Agent declare the Termination Date for all Classes to have occurred or (ii) any Class Agent may by notice to the Transferor and the Collection Agent declare the Termination Date for its respective Class to have occurred; provided , however , that in the case of any event described in Section 7.1(g), 7.1(h), 7.1(i) or 7.1(n) above, the Termination Date shall be deemed to have occurred automatically upon the occurrence of such event. Upon any such declaration or automatic occurrence, the Administrative Agent shall have, in addition to all other rights and remedies under this Agreement or otherwise, all other rights and remedies provided under the UCC of the applicable jurisdiction and other applicable laws, all of which rights shall be cumulative.

(b) At all times after the declaration or automatic occurrence of the Termination Date pursuant to Section 7.2(a) (other than a declaration following the occurrence of a Termination Event set forth in Section 7.1(k) or Section 7.1(l)), the Base Rate plus 2.50% shall be the Tranche Rate applicable to the Aggregate Net Investment for all existing and future Tranches.

ARTICLE VIII

INDEMNIFICATION; EXPENSES; RELATED MATTERS

Section 8.1 Indemnities by the Transferor . Without limiting any other rights which the Administrative Agent or any of the Class Investors may have hereunder or under applicable law, the Transferor hereby agrees to indemnify each Class Agent, each Class Investor, the Administrative Agent, the Collateral Agent, any Liquidity Provider, any Credit Support Provider and any related commercial paper issuer that finances a Class Conduit and any successors and any permitted assigns and their respective officers, directors and employees (collectively, " Indemnified Parties ") from and against any and all damages, losses, claims, liabilities, costs and expenses, including, without limitation, reasonable attorneys' fees (which such attorneys may be employees of any Liquidity Provider, any Credit Support Provider, any Class Agent, the Administrative Agent or the Collateral Agent, as applicable) and disbursements (all of the foregoing being collectively referred to as " Indemnified Amounts ") awarded against or incurred by any of them arising out of or as a result of this Agreement or the ownership, either directly or indirectly, by the Administrative Agent or any Class Investor of the Transferred Interest excluding, however, (i) Indemnified Amounts to the extent resulting from gross negligence or willful misconduct on the part of such Indemnified Party or (ii) recourse (except as otherwise specifically provided in this Agreement) for uncollectible Receivables or (iii) claims arising from credit losses. Without limiting the generality of the foregoing, the Transferor shall indemnify each Indemnified Party for Indemnified Amounts relating to or resulting from:

(i) reliance on any representation or warranty made by the Transferor (or any officers of the Transferor) under or in connection with this Agreement, any Investor Report or any other information or report delivered by the Transferor pursuant hereto, which shall have been false or incorrect in any material respect when made or deemed made;

(ii) the failure by the Transferor to comply with any applicable law, rule or regulation with respect to any Receivable or the related Contract, or the nonconformity of any Receivable or the related Contract with any such applicable law, rule or regulation;

(iii) the failure to vest and maintain vested in the Administrative Agent on behalf of the Class Investors an undivided percentage ownership or security interest, to the extent of the Transferred Interest, in the Receivables included in the Transferred Interest, free and clear of any Adverse Claim;

(iv) the failure to file, or any delay in filing, financing statements, continuation statements, or other similar instruments or documents under the UCC of any applicable jurisdiction or other applicable laws with respect to any of the Affected Assets;

(v) any dispute, claim, offset or defense (other than discharge in bankruptcy) of the Obligor to the payment of any Receivable included in the Transferred Interest (including, without limitation, a defense based on such Receivable or the related Contract not being legal, valid and binding obligation of such Obligor enforceable against it in accordance with its terms), or any other claim resulting from the sale of merchandise or services related to such Receivable or the furnishing or failure to furnish such merchandise or services;

(vi) any failure of Tech Data, as Collection Agent or otherwise, to perform its duties or obligations in accordance with the provisions of Article VI; or

(vii) any products liability claim or personal injury or property damage suit or other similar or related claim or action of whatever sort arising out of or in connection with merchandise or services which are the subject of any Receivable; ”

provided , however , that if any Class Conduit enters into agreements for the purchase of interests in receivables from one or more Other Transferors, such Class Conduit shall allocate such Indemnified Amounts which are in connection with a Liquidity Provider Agreement, a Credit Support Agreement or the credit support furnished by a Credit Support Provider to the Transferor and each Other Transferor.

Section 8.2 Increased Cost and Reduced Return . (a) If any Indemnified Party shall have determined that after the date hereof (A) the adoption of any Governmental Rule or bank regulatory guideline, or any change therein, or any clarification or change in the interpretation or administration thereof by any Governmental Authority, (B) any request, guidance or directive of any Governmental Authority (whether or not having the force of law), or (C) the compliance, application or implementation by any Indemnified Party with any of preceding clauses (A) or (B) or any Existing Law:

(i) shall subject any Indemnified Party to any taxes, duty or other charge (except for changes in the rate of tax on the overall net income of such Indemnified Party) with respect to this Agreement, the other Transaction Documents, the ownership, maintenance or financing of the Transferred Interest, or payments of amounts due hereunder, or shall change the basis of taxation of payments to any Indemnified Party or amounts payable in respect of this Agreement, the other Transaction Documents, the ownership, maintenance or financing of the Transferred Interest;

(ii) shall impose, modify or deem applicable any reserve, special deposit or similar requirement (including any such requirement imposed by the Board of Governors of the Federal Reserve System) against assets of, deposits with or for the account of, or credit extended by, any Indemnifed Party or shall impose on any Indemnified Party or on the United States market for certificates of deposit any other condition affecting this Agreement, the other Transaction Documents, the ownership, maintenance or financing of the Transferred Interest; or

(iii) shall impose upon any Indemnified Party any other condition or expense (including any loss of margin, reasonable attorneys' fees and expenses, and expenses of litigation or preparation therefor in contesting any of the foregoing, (except for changes in the rate of tax on the overall net income of such Indemnified Party) with respect to this Agreement, the other Transaction Documents, the ownership, maintenance or financing of the Transferred Interest, or payments of amounts due hereunder,

and the result of any of the foregoing is to increase the cost to, or to reduce the amount of any sum received or receivable by, such Indemnified Party with respect to this Agreement, the other Transaction Documents, the ownership, maintenance or financing of the Transferred Interest by an amount deemed by such Indemnified Party to be material, then from time to time, after the demand by such Indemnified Party through the Administrative Agent, the Transferor shall pay to the Administrative Agent, for the benefit of such Indemnified Party, such additional amount or amounts as will compensate such Indemnified Party for such increased cost or reduction.

(b) If any Indemnified Party shall have determined that after the date hereof (i) the adoption of any Governmental Rule or bank regulatory guideline regarding capital adequacy, or any change therein, or any clarification or change in the interpretation or administration thereof by any Governmental Authority, (ii) any request, guidance or directive regarding capital adequacy (whether or not having the force of law) of any Governmental Authority, or (iii) the compliance, application or implementation by any Indemnified Party with any of preceding clauses (i) or (ii) or any Existing Law has or would have the effect of reducing the rate of return on capital of such Indemnified Party (or its parent) as a consequence of such Indemnified Party's obligations hereunder or with respect hereto to a level below that which such Indemnified Party (or its parent) could have achieved but for any of the occurrences set forth in any of preceding clauses (i), (ii) or (iii) (taking into consideration its policies with respect to capital adequacy) by an amount deemed by such Indemnified Party to be material, then from time to time, after demand by such Indemnified Party through the Administrative Agent, the Transferor shall pay to the Administrative Agent, for the benefit of such Indemnified Party, such additional amount or amounts as will compensate such Indemnified Party (or its parent) for such reduction, increased cost or payment.

(c) In determining any amount provided for in this Section 8.2, an Indemnified Party may use any reasonable averaging and attribution methods. Any Indemnified Party making a claim under this Section shall submit to the Transferor a written description as to such amounts (including reasonable detail regarding the calculation of such amounts). Failure or delay on the part of any Indemnified Party to demand amounts pursuant to this Section shall not constitute a waiver of such Indemnified Party's right to demand such amounts.

Section 8.3 Other Costs, Expenses and Related Matters . (a) The Transferor agrees, upon receipt of a written invoice, to pay or cause to be paid, and to save each Class Agent, each Class Investor and the Administrative Agent harmless against liability for the payment of, all reasonable out of pocket expenses (including, without limitation, attorneys', accountants', rating agencies', and other third parties' fees and expenses, any filing fees and expenses incurred by officers or employees of any Class Investor, as applicable and/or the Administrative Agent or any Class Agent) or intangible, documentary or recording taxes incurred by or on behalf of any of the Class Investors, Class Agents or the Administrative Agent (i) in connection with the preparation, negotiation, execution and delivery of this Agreement, the other Transaction Documents and any documents or instruments delivered pursuant hereto and thereto and the transactions contemplated hereby or thereby (including the perfection or protection of the Transferred Interest) and (ii) from time to time (A) relating to any amendments, waivers or consents under this Agreement and the other Transaction Documents, (B) arising in connection with any Class Investor's, any Class Agent's the Administrative Agent's or the Collateral Agent's enforcement or preservation of rights (including the perfection and protection of the Transferred Interest under this Agreement), or (C) arising in connection with any audit, dispute, disagreement, litigation or preparation for litigation involving this Agreement or any of the other Transaction Documents.

(b) The Transferor agrees, upon receipt of a written invoice, to pay or cause to be paid, and to save each Class Agent, each Class Investor and the Administrative Agent

harmless against liability for the payment of, all reasonable out-of-pocket expenses (including, without limitation, attorneys', accountants' and other third parties' fees and expenses, any filing fees and expenses incurred by officers or employees of any Class Investor, as applicable, and/or the Administrative Agent or any Class Agent) incurred by or on behalf of any of the Class Investors, Class Agents or the Administrative Agent from time to time (i) arising in connection with any Class Investor's, any Class Agent's, the Administrative Agent's or the Collateral Agent's enforcement or preservation of rights (including, without limitation, the perfection and protection of the Transferred Interest under this Agreement), or (ii) arising in connection with any audit, dispute, disagreement, litigation or preparation for litigation involving this Agreement.

(c) The Transferor shall pay the Administrative Agent, for the account of the Class Investors, as applicable, on demand any Early Collection Fee due on account of the reduction of a Tranche on a day prior to the last day of its Tranche Period.

Section 8.4 Reconveyance Under Certain Circumstances . The Transferor agrees to accept the reconveyance from the Administrative Agent, on behalf of the Class Investors of the Transferred Interest if the Administrative Agent notifies Transferor of a material breach of any representation or warranty made or deemed made pursuant to Article III of this Agreement and Transferor shall fail to cure such breach within 15 days (or, in the case of the representations and warranties in Sections 3.1(d) and 3.1(j), 3 days) of such notice. The reconveyance price shall be paid by the Transferor to the Administrative Agent, for the account of the Class Investors, as applicable, in immediately available funds on such 15th day (or 3rd day, if applicable) in an amount equal to the Outstanding Balance of such Receivable and all other amounts outstanding with respect to such Receivable, including Discount accrued and unpaid with respect to such Receivable.

Section 8.5 Indemnities by Tech Data . Without limiting any other rights which the Administrative Agent or any of the Class Agents or Class Investors or the other Indemnified Parties may have hereunder or under applicable law, Tech Data hereby agrees to indemnify the Indemnified Parties from and against any and all Indemnified Amounts arising out of or resulting from (whether directly or indirectly) (a) the failure of any information contained in any Investor Report (to the extent provided by Tech Data) to be true and correct, or the failure of any other information provided to any Indemnified Party by, or on behalf of, the Collection Agent to be true and correct, (b) the failure of any representation, warranty or statement made or deemed made by Tech Data (or any of its officers) under or in connection with this Agreement or any other Transaction Document to have been true and correct as of the date made or deemed made, (c) the failure by Tech Data to comply with any applicable Law with respect to any Receivable or the related Contract, (d) any dispute, claim, offset or defense of the applicable Obligor to the payment of any Receivable resulting from or related to the collection activities in respect of such Receivable, or (e) any failure of Tech Data to perform its duties or obligations in accordance with the provisions of this Agreement or any other Transaction Document.

Section 8.6 Accounting Based Consolidation Event . (a) If an Accounting Based Consolidation Event shall at any time occur then, upon demand by the Administrative Agent, Seller shall pay to the Administrative Agent, for the benefit of the relevant Affected Entity, such amounts as such Affected Entity reasonably determines will compensate or

reimburse such Affected Entity for any resulting (i) fee, expense or increased cost charged to, incurred or otherwise suffered by such Affected Entity, (ii) reduction in the rate of return on such Affected Entity's capital or reduction in the amount of any sum received or receivable by such Affected Entity or (iii) internal capital charge or other imputed cost determined by such Affected Entity to be allocable to Seller or the transactions contemplated in this Agreement in connection therewith. Amounts under this Section 8.6 may be demanded at any time without regard to the timing of issuance of any financial statement by a Class Conduit or by any Affected Entity.

(b) For purposes of this Section 8.6, the following terms shall have the following meanings:

" Accounting Based Consolidation Event " means the consolidation, for financial and/or regulatory accounting purposes, of all or any portion of the assets and liabilities of any Class Conduit that are the subject of this Agreement or any other Transaction Document with all or any portion of the assets and liabilities of any Class Investor or any Class Agent in such Class Conduit's Class or any of their Affiliates as the result of the determination after the date hereof by such Class Investor or Class Agent that the occurrence of any change (whether before, on or after the date hereof) in accounting standards or any pronouncement, interpretation or release has been issued by any accounting body or any other governmental body charged with the promulgation or administration of accounting standards, including the Financial Accounting Standards Board, the International Accounting Standards Board, the American Institute of Certified Public Accountants, the Federal Reserve Board of Governors, the Securities and Exchange Commission and the Office of the Superintendent of Financial Institutions Canada.

" Affected Entity " means (i) any Bank Investor, (ii) any insurance company, bank or other funding entity providing liquidity, credit enhancement or back-up purchase support or facilities to a Class Conduit, (iii) any agent, administrator or manager of the Class Conduit, or (iv) any bank holding company in respect of any of the foregoing.

ARTICLE IX

THE CLASS AGENTS

Section 9.1 Authorization and Action .

(a) Each Class Investor hereby appoints and authorizes the related Class Agent to take such action as agent on its behalf and to exercise such powers under this Agreement and the other Transaction Documents as are delegated to such Class Agent by the terms hereof and thereof, together with such powers as are reasonably incidental thereto. The Class Conduits and/or the Bank Investors of any Class holding Commitments aggregating in excess of 66 and 2/3% of the Facility Limit of the related Class (the " Majority Class Investors ") may direct their respective Class Agent to take any such incidental action hereunder, however,

with respect to such actions which are incidental to the actions specifically delegated to such Class Agent hereunder, such Class Agent shall not be required to take any such incidental action hereunder, but shall be required to act or to refrain from acting (and shall be fully protected in acting or refraining from acting) upon the direction of the Majority Class Investors; provided , however , that such Class Agent shall not be required to take any action hereunder if the taking of such action, in the reasonable determination of such Class Agent, shall be in violation of any applicable law, rule or regulation or contrary to any provision of this Agreement or shall expose such Class Agent to liability hereunder or otherwise. In furtherance, and without limiting the generality, of the foregoing, each Class Investor hereby appoints its related Class Agent as its agent to execute and deliver all further instruments and documents, and take all further action that such Class Agent may deem necessary or appropriate or that a Class Investor may reasonably request in order to perfect, protect or more fully evidence the interests transferred or to be transferred from time to time by the Transferor hereunder, or to enable any of them to exercise or enforce any of their respective rights hereunder, including, without limitation, the execution by such Class Agent as secured party/assignee of such financing or continuation statements, or amendments thereto or assignments thereof, relative to all or any of the Receivables now existing or hereafter arising, and such other instruments or notices, as may be necessary or appropriate for the purposes stated herein above. Upon the occurrence and during the continuance of any Termination Event or Potential Termination Event, no Class Agent shall take any action hereunder (other than ministerial actions or such actions as are specifically provided for herein) without the prior consent of the related Majority Class Investors (which consent shall not be unreasonably withheld or delayed). In the event a Class Agent requests a Class Investor's consent pursuant to the foregoing provisions and such Class Agent does not receive a consent (either positive or negative) from such Class Investor within 10 Business Days of such Class Investor's receipt of such request, then such Class Investor (and its percentage interest hereunder) shall be disregarded in determining whether such Class Agent shall have obtained sufficient consent hereunder.

(b) The Class Agents shall exercise such rights and powers vested in it by this Agreement and the other Transaction Documents, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

Section 9.2 Class Agent's Reliance, Etc. Neither the Class Agents nor any of their directors, officers, agents or employees shall be liable for any action taken or omitted to be taken by them as Class Agents under or in connection with this Agreement or any of the other Transaction Documents, except for its or their own gross negligence or willful misconduct. Without limiting the foregoing, each Class Agent: (i) may consult with legal counsel (including counsel for the Transferor or the Seller), independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts; (ii) makes no warranty or representation to any Class Investor and shall not be responsible to any Class Investor for any statements, warranties or representations made in or in connection with this Agreement; (iii) shall not have any duty to ascertain or to inquire as to the performance or observance of any of the terms, covenants or conditions of this Agreement or any of the other Transaction Documents on the part of the Transferor, the Collection Agent or Tech Data or to inspect the property

(including the books and records) of the Transferor, the Collection Agent or Tech Data (iv) shall not be responsible to any Class Investor for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement, any of the other Transaction Documents or any other instrument or document furnished pursuant hereto or thereto; and (v) shall incur no liability under or in respect of this Agreement or any of the other Transaction Documents by acting upon any notice (including notice by telephone), consent, certificate or other instrument or writing (which may be by telex) believed by it to be genuine and signed or sent by the proper party or parties.

Section 9.3 Credit Decision . Each Class Investor acknowledges that it has, independently and without reliance upon its related Class Agent, any of such Class Agent's Affiliates, any other Bank Investor or Class Conduit (in the case of any of their related Bank Investors) and based upon such documents and information as it has deemed appropriate, made its own evaluation and decision to enter into this Agreement and the other Transaction Documents to which it is a party and, if it so determines, to accept the transfer of any undivided ownership interest in the Affected Assets hereunder. Each Class Investor also acknowledges that it will, independently and without reliance upon their respective Class Agent, any of such Class Agent's Affiliates, any other Bank Investor or Class Conduit (in the case of their related Bank Investors) and based on such documents and information as it shall deem appropriate at the time, continue to make its own decisions in taking or not taking action under this Agreement and the other Transaction Documents to which it is a party.

Section 9.4 Indemnification of the Class Agents . The Bank Investors each agree to indemnify their related Class Agent (to the extent not reimbursed by the Transferor), ratably in accordance with their Pro Rata Shares, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against each Class Agent in any way relating to or arising out of this Agreement or any action taken or omitted by each Class Agent, any of the other Transaction Documents hereunder or thereunder, provided that the Bank Investors shall not be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from such Class Agent's gross negligence or willful misconduct. Without limitation of the foregoing, the Bank Investors each agree to reimburse their related Class Agent, ratably in accordance with their Pro Rata Shares, promptly upon demand for any out-of-pocket expenses (including counsel fees) incurred by each Class Agent in connection with the administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement and the other Transaction Documents, to the extent that such expenses are incurred in the interests of or otherwise in respect of any of the Bank Investors hereunder and/or thereunder and to the extent that each Class Agent is not reimbursed for such expenses by the Transferor.

Section 9.5 Successor Class Agent . Each Class Agent may resign at any time by giving written notice thereof to each related Class Investor and the Transferor and may be removed at any time for cause by agreement of the related Majority Class Investors. Upon any such resignation or removal, the Class Investor with the consent of the related Majority Class Investors shall appoint a successor Class Agent. Each of the applicable Class Investors, as

applicable, each agrees that it shall not unreasonably withhold or delay its approval of the appointment of a successor Class Agent for such Class. If no such successor Class Agent shall have been so appointed, and shall have accepted such appointment, within 30 days after the retiring Class Agent's giving of notice of resignation or the related Majority Class Investors' removal of the retiring Class Agent, then the retiring Class Agent may, on behalf of the related Class Investors, appoint a successor Class Agent which successor Class Agent shall be either (i) a commercial bank organized under the laws of the United States or of any state thereof and have a combined capital and surplus of at least $50,000,000 or (ii) an Affiliate of such a bank. Upon the acceptance of any appointment as Class Agent hereunder by a successor Class Agent, such successor Class Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Class Agent, and the retiring Class Agent shall be discharged from its duties and obligations under this Agreement. After any retiring Class Agent's resignation or removal hereunder as Class Agent, the provisions of this Article IX shall continue to inure to its benefit as to any actions taken or omitted to be taken by it while it was Class Agent under this Agreement.

Section 9.6 Payments by the Class Agents . Unless specifically allocated to a Class Investor pursuant to the terms of this Agreement, all amounts received by each Class Agent on behalf of any of the related Class Investors shall be paid by such Class Agent to such Class Investors (at their respective accounts specified to such Class Agent) in accordance with their respective related pro rata interests in the applicable Net Investment on the Business Day received by each Class Agent, unless such amounts are received after 12:00 noon on such Business Day, in which case each Class Agent shall use its reasonable efforts to pay such amounts to any of the Bank Investors, as applicable, on such Business Day, but, in any event, shall pay such amounts to such Bank Investors in accordance with their respective related pro rata interests in the applicable Net Investment not later than the following Business Day.

ARTICLE X

THE ADMINISTRATIVE AGENT; BANK COMMITMENT

Section 10.1 Authorization and Action .

(a) Each Class Investor hereby appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers under this Agreement and the other Transaction Documents as are delegated to the Administrative Agent by the terms hereof and thereof, together with such powers as are reasonably incidental thereto. The Class Conduits and/or the Majority Investors may direct the Administrative Agent to take any such incidental action hereunder, however, with respect to such actions which are incidental to the actions specifically delegated to the Administrative Agent hereunder, the Administrative Agent shall not be required to take any such incidental action hereunder, but shall be required to act or to refrain from acting (and shall be fully protected in acting or refraining from acting) upon the direction of the Majority Investors; provided , however , that Administrative Agent shall not be required to take any action hereunder if the taking of such action, in the reasonable determination of the Administrative Agent, shall be in violation of any

applicable law, rule or regulation or contrary to any provision of this Agreement or shall expose the Administrative Agent to liability hereunder or otherwise. In furtherance, and without limiting the generality, of the foregoing, each Class Investor hereby appoints the Administrative Agent as its agent to execute and deliver all further instruments and documents, and take all further action that the Administrative Agent may deem necessary or appropriate or that a Class Investor may reasonably request in order to perfect, protect or more fully evidence the interests transferred or to be transferred from time to time by the Transferor hereunder, or to enable any of them to exercise or enforce any of their respective rights hereunder, including, without limitation, the execution by the Administrative Agent as secured party/assignee of such financing or continuation statements, or amendments thereto or assignments thereof, relative to all or any of the Receivables now existing or hereafter arising, and such other instruments or notices, as may be necessary or appropriate for the purposes stated herein above. Upon the occurrence and during the continuance of any Termination Event or Potential Termination Event, the Administrative Agent shall take no action hereunder (other than ministerial actions or such actions as are specifically provided for herein) without the prior consent of the Majority Investors (which consent shall not be unreasonably withheld or delayed). " Majority Investors " shall mean, at any time, the Administrative Agent and the Class Agents whose related Classes hold Commitments aggregating in excess of 66 and 2/3% of the Aggregate Facility Limit as of such date. In the event the Administrative Agent requests a Class Investor's consent pursuant to the foregoing provisions and the Administrative Agent does not receive a consent (either positive or negative) from such Class Investor within 10 Business Days of such Class Investor's receipt of such request, then such Class Investor (and its percentage interest hereunder) shall be disregarded in determining whether the Administrative Agent shall have obtained sufficient consent hereunder.

(b) The Administrative Agent shall exercise such rights and powers vested in it by this Agreement and the other Transaction Documents, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(c) The Administrative Agent hereby agrees to provide to each Class Agent (promptly following receipt thereof), copies of all material correspondence, notices, reports or other similar information provided by or to the Administrative Agent in connection with this Agreement or any other Transaction Document, or any other correspondence, notices, reports or similar information provided by or to the Administrative Agent under such documents that any Class Agent reasonably requests.

Section 10.2 Administrative Agent's Reliance, Etc. Neither the Administrative Agent nor any of its directors, officers, agents or employees shall be liable for any action taken or omitted to be taken by it or them as Administrative Agent under or in connection with this Agreement or any of the other Transaction Documents, except for its or their own gross negligence or willful misconduct. Without limiting the foregoing, the Administrative Agent: (i) may consult with legal counsel (including counsel for the Transferor or the Seller), independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants

or experts; (ii) makes no warranty or representation to any Class Investor and shall not be responsible to any Class Investor for any statements, warranties or representations made in or in connection with this Agreement; (iii) shall not have any duty to ascertain or to inquire as to the performance or observance of any of the terms, covenants or conditions of this Agreement or any of the other Transaction Documents on the part of the Transferor, the Collection Agent or Tech Data or to inspect the property (including the books and records) of the Transferor, the Collection Agent or Tech Data (iv) shall not be responsible to any Class Investor for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement, any of the other Transaction Documents or any other instrument or document furnished pursuant hereto or thereto; and (v) shall incur no liability under or in respect of this Agreement or any of the other Transaction Documents by acting upon any notice (including notice by telephone), consent, certificate or other instrument or writing (which may be by telex) believed by it to be genuine and signed or sent by the proper party or parties.

Section 10.3 Credit Decision . Each Class Investor acknowledges that it has, independently and without reliance upon the Administrative Agent, any of the Administrative Agent's Affiliates, any other Bank Investor or Class Conduit (in the case of any of their related Bank Investors) and based upon such documents and information as it has deemed appropriate, made its own evaluation and decision to enter into this Agreement and the other Transaction Documents to which it is a party and, if it so determines, to accept the transfer of any undivided ownership interest in the Affected Assets hereunder. Each Class Investor also acknowledges that it will, independently and without reliance upon the Administrative Agent, any of the Administrative Agent's Affiliates, any other Bank Investor or Class Conduit (in the case of their related Bank Investors) and based on such documents and information as it shall deem appropriate at the time, continue to make its own decisions in taking or not taking action under this Agreement and the other Transaction Documents to which it is a party.

Section 10.4 Indemnification of the Administrative Agent . The Bank Investors each agree to indemnify the Administrative Agent (to the extent not reimbursed by the Transferor), ratably in accordance with such Bank Investor's Commitment as a percentage of the aggregate Commitments for all Bank Investors, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Administrative Agent in any way relating to or arising out of this Agreement or any action taken or omitted by the Administrative Agent, any of the other Transaction Documents hereunder or thereunder, provided that the Bank Investors shall not be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Administrative Agent's gross negligence or willful misconduct. Without limitation of the foregoing, the Bank Investors each agree to reimburse the Administrative Agent, ratably in accordance with their Pro Rata Shares, promptly upon demand for any out-of-pocket expenses (including counsel fees) incurred by the Administrative Agent in connection with the administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement and the other Transaction Documents, to the extent that such expenses are incurred in the interests of or otherwise in respect of any of the Bank Investors hereunder and/or thereunder and to the extent that the Administrative Agent is not reimbursed for such expenses by the Transferor.

Section 10.5 Successor Administrative Agent . The Administrative Agent may resign at any time by giving written notice thereof to each Class Investor and the Transferor and may be removed at any time with cause by agreement of Bank Investors which hold Commitments aggregating in excess of 50% of the Aggregate Facility Limit as of such date. Upon any such resignation or removal, (i) if no Termination Event shall have occurred, the Transferor, with the consent of the Majority Investors, shall appoint a successor Administrative Agent and (ii) if a Termination Event shall have occurred, the Class Investors which hold Commitments aggregating in excess of 50% of the Aggregate Facility Limit as of such date shall appoint a successor Administrative Agent. The Transferor and each of the Class Investors, as applicable, each agrees that it shall not unreasonably withhold or delay its approval of the appointment of a successor Administrative Agent. If no such successor Administrative Agent shall have been so appointed, and shall have accepted such appointment, within 30 days after the retiring Administrative Agent's giving of notice of resignation or the Majority Investors' removal of the retiring Administrative Agent, then the retiring Administrative Agent may, on behalf of the Class Investors, appoint a successor Administrative Agent which successor Administrative Agent shall be either (i) a commercial bank organized under the laws of the United States or of any state thereof and have a combined capital and surplus of at least $50,000,000 or (ii) an Affiliate of such a bank. Upon the acceptance of any appointment as Administrative Agent hereunder by a successor Administrative Agent, such successor Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations under this Agreement. After any retiring Administrative Agent's resignation or removal hereunder as Administrative Agent, the provisions of this Article X shall continue to inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent under this Agreement.

Section 10.6 Payments by the Administrative Agent . Unless specifically allocated to a Class Investor pursuant to the terms of this Agreement, all amounts received by the Administrative Agent on behalf of any of the Class Investors shall be paid by the Administrative Agent to such Class Investors (or their respective Class Agents on their behalf) (at their respective accounts specified to the Administrative Agent in accordance with their respective related pro rata interests in the applicable Net Investment on the Business Day received by the Administrative Agent, unless such amounts are received after 12:00 noon on such Business Day, in which case the Administrative Agent shall use its reasonable efforts to pay such amounts to any of the Class Investors, as applicable, on such Business Day, but, in any event, shall pay such amounts to such Class Investors in accordance with their respective related pro rata interests in the applicable Net Investment not later than the following Business Day.

Section 10.7 Bank Commitment; Assignment to Bank Investors .

(a) Bank Commitment . With respect to each Class, at any time on or prior to the Commitment Termination Date for such Class in the event that any Class Conduit for such Class does not effect an Incremental Transfer as requested under Section 2.2(a), then at any time, the Transferor shall have the right to require such Class Conduit, by written notice to the Administrative Agent and such Class Conduit's related Class Agent, to assign its interest in the Net Investment for such Class in whole to the Bank Investors for such Class pursuant to this

Section 10.7. In addition, at any time for such Class on or prior to such Commitment Termination Date (i) upon the occurrence of a Termination Event that results in a Termination Date for such Class or (ii) the applicable Class Conduit elects to give notice to the Transferor of the Reinvestment Termination Date for such Class, the Transferor hereby requests and directs that such Class Conduit assign its interest in the Net Investment for such Class in whole to the related Bank Investors pursuant to this Section 10.7 and the Transferor hereby agrees to pay the amounts described in Section 10.7(d) below. Upon any such election by any Class Conduit or any such request by the Transferor, such Class Conduit shall make such assignment and the related Bank Investors shall accept such assignment on such day (or the next day if such notice was received after 11:00 A.M. (New York time)) and shall assume all of such Class Conduit's obligations hereunder. No documentation or action shall be required to effect any such assignment of the Net Investment by any Class Conduit to its related Bank Investors other than, in the case of the circumstance contemplated by the first sentence hereof, the giving of the notices contemplated thereby and the forwarding of such notice by the related Class Agent to each applicable Bank Investor. In connection with any assignment from any Class Conduit to its related Bank Investors pursuant to this Section 10.7, each such Bank Investor, as applicable, agrees to and shall, unconditionally and irrevocably and under all circumstances, by 2:00 P.M. (New York time) on the date of such assignment, pay to such Class Conduit without setoff, counterclaim or defense of any kind, an amount (in immediately available funds) equal to its Assignment Amount. Upon any assignment by any Class Conduit to its respective Bank Investors contemplated hereunder, such Class Conduit shall cease to make any additional Incremental Transfers hereunder (it being understood that the Bank Investors, as assignees, shall (x) be obligated to effect Incremental Transfers under Section 2.2(a) in accordance with the terms thereof, notwithstanding that such Class Conduit was not so obligated and (y) not have the right to elect the commencement of the amortization of the applicable Net Investment pursuant to the definition of " Reinvestment Termination Date " notwithstanding that the Class Conduits had such right).

(b) Assignment . No Bank Investor may assign all or a portion of its interest in the Net Investment or in the Receivables, Collections, Related Security and Proceeds with respect thereto and its rights and obligations hereunder to any Person unless approved in writing by the Administrative Agent, such approval not to be unreasonably withheld. In the case of an assignment by any Bank Investor to another Person, the assignor shall deliver to the assignee(s) an Assignment and Assumption Agreement in substantially the form of Exhibit G attached hereto, duly executed, assigning to the assignee a pro rata interest in the applicable Net Investment and also in the Receivables, Collections, Related Security and Proceeds with respect thereto and the assignor's rights and obligations hereunder and the assignor shall promptly execute and deliver all further instruments and documents, and take all further action, that the assignee may reasonably request, in order to protect, or more fully evidence the assignee's right, title and interest in and to such interest and to enable the Administrative Agent, on behalf of such assignee, to exercise or enforce any rights hereunder and under the other Transaction Documents to which such assignor is or, immediately prior to such assignment, was a party. Upon any such assignment, (i) the assignee shall have all of the rights and obligations of the assignor hereunder and under the other Transaction Documents to which such assignor is or, immediately prior to such assignment, was a party with respect to such interest for all purposes of this Agreement and under the other Transaction Documents to which such assignor is or, immediately prior to such

assignment, was a party, and (ii) the assignor shall relinquish its rights with respect to such interest for all purposes of this Agreement and under the other Transaction Documents to which such assignor is or, immediately prior to such assignment, was a party. No such assignment shall be effective unless the Administrative Agent, on behalf of the related Class Conduit, and the Transferor (except that the Transferor's consent shall not be required for an assignment by Bank of America to Danske Bank of a portion of its obligations as a SUSI Issuer Bank Investor under this Agreement) shall have consented thereto and a fully executed copy of the related Assignment and Assumption Agreement shall be delivered to the Administrative Agent. All costs and expenses of the Administrative Agent and the applicable initial Bank Investor, as assignor, incurred in connection with any assignment hereunder shall be borne by the Transferor and not by the Administrative Agent or such initial Bank Investor. No Bank Investor, as applicable, shall assign any portion of its Commitment hereunder without also simultaneously assigning an equal portion of its interest in the related Liquidity Provider Agreement. Notwithstanding the foregoing, the agreements set forth in Section 11.9 herein shall be continuing and shall survive any assignment pursuant to this Section 10.7(b).

(c) Effects of Assignment . By executing and delivering an Assignment and Assumption Agreement, the assignor and assignee thereunder confirm to and agree with each other and the other parties hereto as follows: (i) other than as provided in such Assignment and Assumption Agreement, the assignor makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Agreement, the other Transaction Documents or any other instrument or document furnished pursuant hereto or thereto or the execution, legality, validity, enforceability, genuineness, sufficiency or value or this Agreement, the other Transaction Documents or any such other instrument or document; (ii) the assignor makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Transferor, the Seller or the Collection Agent or the performance or observance by the Transferor, the Seller or the Collection Agent of any of their respective obligations under this Agreement, the Purchase Agreement, the other Transaction Documents or any other instrument or document furnished pursuant hereto; (iii) such assignee confirms that it has received a copy of this Agreement, the Purchase Agreement and such other instruments, documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into such Assignment and Assumption Agreement and to purchase such interest; (iv) such assignee will, independently and without reliance upon the Administrative Agent, or any of its Affiliates, or the assignor and based on such agreements, documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement and the other Transaction Documents; (v) such assignee appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers under this Agreement, the other Transaction Documents and any other instrument or document furnished pursuant hereto or thereto as are delegated to the Administrative Agent by the terms hereof or thereof, together with such powers as are reasonably incidental thereto and to enforce its respective rights and interests in and under this Agreement, the other Transaction Documents, the Receivables, the Contracts and the Related Security; (vi) such assignee agrees that it will perform in accordance with their terms all of the obligations which by the terms of this Agreement and the other Transaction Documents are required to be performed by it as the assignee of the assignor; and (vii) such assignee agrees that it will not institute against any Class

Conduit any proceeding of the type referred to in Section 11.9 prior to the date which is one year and one day after the payment in full of all of such Class Conduit's Commercial Paper issued by such Person.

(d) Transferor's Obligation to Pay Certain Amounts; Additional Assignment Amount . With respect to each Class, the Transferor shall pay to the Administrative Agent, for the account of the Class Conduit for such Class, in connection with any assignment by such Class Conduit to its related Bank Investors pursuant to this Section 10.7, an aggregate amount equal to all the applicable Discount for such Class Conduit to accrue through the end of each outstanding Tranche Period for such Class Conduit (which Discount, in the case of a Class Conduit utilizing "pool" funding, shall be determined for such purpose using the CP Rate most recently determined by the applicable Class Agent) plus all other Aggregate Unpaids owing to such Person (other than the Net Investment for such Class). To the extent that such Discount relates to interest or discount on Related Commercial Paper, if the Transferor fails to make payment of such amounts at or prior to the time of assignment by such Class Conduit to its related Bank Investors such amount shall be paid by the applicable Bank Investors (in accordance with their respective Pro Rata Shares) to such Class Conduit as additional consideration for the interests assigned to such Bank Investors and the amount of the " Net Investment ," hereunder held by such Bank Investors shall be increased by an amount equal to the additional amount so paid by such Bank Investors.

(e) Payments . After any assignment by any Class Conduit to its related Bank Investors pursuant to this Section 10.7, all payments to be made hereunder by the Transferor or the Collection Agent to any Bank Investor shall be made to the Administrative Agent for the account of such Bank Investor as such account shall have been notified to the Transferor and the Collection Agent. With respect to each Class, in the event that the related Assignment Amount paid by the Bank Investors for such Class pursuant to Section 10.7(a) is less than the sum of the applicable Net Investment for such Class plus the Interest Component of all outstanding Related Commercial Paper of the related Class Conduit then to the extent payments made hereunder in respect of the Net Investment for such Class exceed the related Assignment Amount, such excess amounts shall be remitted by such Bank Investors to (or as directed by) the applicable Class Conduit.

(f) Downgrade of Bank Investor . If at any time prior to any assignment by any Class Conduit to its related Bank Investors as contemplated pursuant to this Section 10.7, the short term debt rating of any Bank Investor shall be "A-2", "P-2" or "F-2" from Standard & Poor's, Moody's or Fitch, respectively, with negative credit implications (and there is no fronting arrangement or other arrangement in place which is acceptable to the Transferor and the Administrative Agent), such Bank Investor upon request of the applicable Class Agent shall, within 30 days of such request, assign its rights and obligations hereunder to another financial institution (which institution's short term debt shall be rated at least "A-2", "P-2" and "F-2" from Standard & Poor's, Moody's and Fitch, respectively, and which shall not be so rated with negative credit implications). If the short term debt rating of a Bank Investor shall be "A-3", "P-3" or "F-3", or lower, from Standard & Poor's, Moody's or Fitch, respectively (or such rating shall have been withdrawn by Standard & Poor's, Moody's or Fitch), such Bank Investor upon

request of the applicable Class Agent shall, within five (5) Business Days of such request, assign its rights and obligations hereunder to another financial institution (which institution's short term debt shall be rated at least "A-2", "P-2" and "F-2" from Standard & Poor's, Moody's and Fitch, respectively, and which shall not be so rated with negative credit implications). In either such case, if any such Bank Investor shall not have assigned its rights and obligations under this Agreement within the applicable time period described above the related Class Conduit shall have the right to require such Bank Investor to accept the assignment of such Bank Investor's Pro Rata Share of the applicable Net Investment; such assignment shall occur in accordance with the applicable provisions of this Section 10.7. Such Bank Investor shall be obligated to pay to the applicable Class Conduit in connection with such assignment, in addition to the Pro Rata Share of the applicable Net Investment an amount equal to the interest component of the outstanding Commercial Paper issued to fund the portion of the applicable Net Investment being assigned to such Bank Investor as reasonably determined by the applicable Class Agent. In addition, such Bank Investor shall pay to the applicable Class Agent the amount (the " Unused Commitment Amount ") of any unused Commitment of such downgraded Bank Investor. The applicable Class Agent shall deposit such Unused Commitment Amount in an account of such Class Agent's name, and shall apply such amounts to fund such Bank Investor's Pro Rata Share of any Incremental Transfer required to be funded by such Bank Investors subject to the terms and conditions hereof. The proceeds of such account shall be invested in Eligible Investments and any investment income with respect thereto shall be paid to the applicable Bank Investor on a monthly basis. All amounts remaining in such account shall be released to such Bank Investor on the Business Day immediately following the earliest of: (x) the effective date of any replacement of such Bank Investor or removal thereof as a party to this Agreement, (y) the date on which such Bank Investor shall furnish the applicable Class Agent with evidence that its short term debt rating is higher than "A-2", "P-2" or "F-2" from Standard & Poor's, Moody's and Fitch, respectively, and (z) the applicable Termination Date (except for a Reinvestment Termination Date). Notwithstanding anything contained herein to the contrary, upon any such assignment to a downgraded Bank Investor as contemplated pursuant to the immediately preceding sentence, the aggregate available amount of the Aggregate Facility Limit, solely as it relates to new Incremental Transfers by any Class Conduit shall be reduced by the amount of unused Commitment of such downgraded Bank Investor; it being understood and agreed, that nothing in this sentence or the two preceding sentences shall affect or diminish in any way any such downgraded Bank Investor's Commitment to the Transferor or such downgraded Bank Investor's other obligations and liabilities hereunder and under the other Transaction Documents.

ARTICLE XI

MISCELLANEOUS

Section 11.1 Term of Agreement . This Agreement shall terminate on the date following all of the Termination Dates upon which the Aggregate Net Investment has been reduced to zero, all accrued Discount and all Servicing Fees have been paid in full, and all other Aggregate Unpaids have been paid in full, in each case, in cash; provided, however, that (i) the rights and remedies of each Class Agent, the Class Investors and the Administrative Agent with respect to any representation and warranty made or deemed to be made by the Transferor pursuant to this Agreement, (ii) the indemnification and payment provisions of Article VIII, (iii) Tech Data's obligations under Article IX and (iv) the agreements set forth in Section 11.8 and 11.9 hereof, shall be continuing and shall survive any termination of this Agreement.

Section 11.2 Waivers; Amendments . (a) No failure or delay on the part of any Class Agent, the Administrative Agent or any Class Investor in exercising any power, right or remedy under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any such power, right or remedy preclude any other further exercise thereof or the exercise of any other power, right or remedy. The rights and remedies herein provided shall be cumulative and nonexclusive of any rights or remedies provided by law.

(b) Any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed by the Transferor, the Administrative Agent, each Class Conduit (so long as such Class Conduit holds any portion of the Transferred Interest), each Class Agent and the Majority Investors; provided , that no such amendment or waiver shall, without the prior written consent of all Bank Investors, amend, modify or waive any provision of this Agreement in any way which would reduce or impair Collections or the payment of the applicable Net Investment, Discount or fees payable hereunder to the Bank Investors; provided further , that no such amendment or waiver shall, without the prior written consent of each Bank Investor directly affected thereby, amend, modify or waive any provision of this Agreement in any way which would (A) increase the Servicing Fee (other than as permitted pursuant to Section 6.2(b)), (B) modify any provision of this Agreement or the Purchase Agreement relating to the timing of payments required to be made by the Transferor or the Seller or the application of the proceeds of such payments, (C)permit the appointment of any Person (other than the Administrative Agent) as successor Collection Agent, or (D) release any property from the lien provided by this Agreement (other than as expressly contemplated herein). Notwithstanding the foregoing, the Administrative Agent, the Transferor, Tech Data and the applicable Class Conduit and Bank Investor(s) may amend this Agreement to (A) increase the dollar amount of any Bank Investor's Commitment (and similarly increase the Facility Limit and the Maximum Net Investment) or (B) increase the Facility Limit (and similarly increase the Maximum Net Investment) by adding a financial institution as a Bank Investor party hereto; provided , that in each case after giving effect to any such amendment the aggregate of the respective Bank Investors' Commitment at least equals the applicable Facility Limit. In addition, notwithstanding anything to the contrary herein (but subject to the first, second and third provisions set forth in this Section 11.2(b)), this Agreement may be amended by the Transferor, the Collection Agent and the Administrative Agent solely for the purpose of adding an additional Class (which addition may result in an increased Facility Limit and Maximum Net Investment and changes to any definitions or terms of this Agreement which are specific to one or more particular Classes).

(c) In addition to the provisions set forth in Section 11.2(b) in respect of increasing any applicable Maximum Net Investment, Facility Limit or Commitment, the Transferor may make a written request to one or more Classes, within each Class to their respective Class Agent, Class Conduit and Bank Investor(s), to increase the Maximum Net Investment, the Facility Limit and/or the Bank Investors' Commitment for such Class. Any such request shall (i) set forth with specificity the dollar amounts of the requested increases and the

requested date of the effectiveness of such increases, (ii) specifically state that upon acceptance of such request by the applicable Class Agent, Class Conduit and Bank Investor(s) this Agreement shall be deemed to have been amended and supplemented to reflect the increased Maximum Net Investment and Facility Limit in respect of the applicable Class and Commitment of the Bank Investor(s) in such Class, and (iii) be signed by the Transferor and the Collection Agent. Any Class Agent, Class Investor and/or Bank Investor(s) to which any such request is made may, in their sole and absolute discretion, agree to any such request, and if accepted, such request shall be accepted within a period of five (5) Business Days and upon such acceptance this Agreement shall be supplemented by a writing signed by the applicable Class Agent(s), Bank Investor(s) and Class Conduit(s) setting forth the new Maximum Net Investment, Facility Limit and/or Commitment for each applicable Class and the effective date of any such increase, provided, however , that with respect to any Class, the Facility Limit for such Class shall not at any time exceed the aggregate Commitments for the Bank Investor(s) in such Class. The parties hereto agree that upon the execution of any such supplement, this Agreement shall be deemed amended as provided by such supplement and shall be binding on the parties hereto as so supplemented. Unless otherwise agreed, the terms of any fee letter in effect between the Transferor, the Collection Agent and the applicable Class Conduit(s), Class Agent(s) and/or Bank Investor(s) shall continue in effect with respect to any such increased amounts. In connection with the effectiveness of any such supplement, the Transferor shall deliver an opinion of counsel reasonably acceptable to the applicable Class Agent (s) in respect of corporate matters and the enforceability of this Agreement, as so supplemented, against the Collection Agent and the Transferor.

Section 11.3 Notices . Except as provided below, all communications and notices provided for hereunder shall be in writing (including bank wire, telex, telecopy or electronic facsimile transmission or similar writing) and shall be given to the other party at its address or telecopy number set forth below or at such other address or telecopy number as such party may hereafter specify for the purposes of notice to such party. Each such notice or other communication shall be effective (i) if given by telecopy, when such telecopy is transmitted to the telecopy number specified in this Section 11.3 and confirmation is received, (ii) if given by mail 3 Business Days following such posting, postage prepaid, U.S. certified or registered, (iii) if given by overnight courier, one (1) Business Day after deposit thereof with a national overnight courier service, or (iv) if given by any other means, when received at the address specified in this Section 11.3. However, anything in this Section 11.3 to the contrary notwithstanding, the Transferor hereby authorizes a Class Conduit to effect Transfers, the Tranche Periods and the Tranche Rates selections based on telephonic notices made by any Person which such Class Conduit in good faith believes to be acting on behalf of the Transferor. The Transferor agrees to deliver promptly to the Administrative Agent a written confirmation of each telephonic notice signed by an authorized officer of Transferor (which confirmation the Administrative Agent shall forward to the applicable Class Agent). However, the absence of such confirmation shall not affect the validity of such notice. If the written confirmation differs in any material respect from the action taken by any Class Conduit the records of such Class Conduit shall govern absent manifest error.

If to YC SUSI Trust:

YC SUSI Trust
c/o Bank of America, National Association,
as Administrative Trustee
214 North Tryon Street, 19 th Floor
NC1-027-19-01
Charlotte, NC 28255
Telephone: (704) 386-7922
Facsimile: (704) 386-9169

(with a copy to the Administrative Agent)

If to Liberty:

Liberty Street Funding Corp.
c/o Global Securitization Services, LLC
114 West 47 th St., Suite 1715
New York, New York 10036
Attention: Andrew L. Stidd
Telephone: (212) 302-5151
Telecopy: (212) 302-8767

with a copy to:

The Bank of Nova Scotia
One Liberty Plaza
New York, New York 10006
Attention: Richard D. Garritt
Telephone: (212) 225-5000
Telecopy: (212) 225-5090

If to Falcon:

~~Falcon Asset Securitization LLC~~
~~c/o Asset Backed Finance~~
~~Suite IL1-0594~~
~~Chicago, Illinois 60670~~
~~Telecopy No.: (312) 732-1844~~

Chariot Funding LLC
c/o JPMorgan Chase Bank, N.A.
10 S. Dearborn
Chicago, Illinois 60603-0594
Attention: Asset Backed Securities Conduit Group
Telecopy: (312) 732-1844

with a copy to:

JPMorgan Bank, N.A.
10 South Dearborn
Suite IL1-0079
Chicago, Illinois 60603
Telecopy No.: (312) 732-1844

If to the Transferor:

Tech Data Finance SPV, Inc.
1655 N. Main Street, Suite 295
Walnut Creek, California 34596
Telephone: (925) 933-6390
Telecopy: (925) 933-6390

If to Tech Data:

Tech Data Corporation
5350 Tech Data Drive
Clearwater, Florida 33760
Attention: Treasurer
Telephone: (727) 539-7429
Telecopy: (727) 538-5860

(with a copy to General Counsel)
Telecopy: (727) 538-7803

If to the Administrative Agent:

Bank of America, National Association
214 North Tryon Street
NCI – 027 – 19 – 01
Charlotte, North Carolina 28255
Attention: ABCP Conduit Group
Telephone: (704) 386-7922
Facsimile: (704) 386-9169

If to the Bank Investors, at their respective addresses set forth on the signature pages hereto or of the Assignment and Assumption Agreement pursuant to which it became a party hereto.

Section 11.4 Governing Law; Submission to Jurisdiction; Integration .

(a) THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK. THE TRANSFEROR HEREBY SUBMITS TO THE NONEXCLUSIVE JURISDICTION OF

THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK AND OF ANY NEW YORK STATE COURT SITTING IN THE CITY OF NEW YORK FOR PURPOSES OF ALL LEGAL PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. The Transferor hereby irrevocably waives, to the fullest extent it may effectively do so, any objection which it may now or hereafter have to the laying of the venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient forum. Nothing in this Section 11.4 shall affect the right of any Class Investor to bring any action or proceeding against the Transferor or its property in the courts of other jurisdictions.

(b) This Agreement contains the final and complete integration of all prior expressions by the parties hereto with respect to the subject matter hereof and shall constitute the entire Agreement among the parties hereto with respect to the subject matter hereof superseding all prior oral or written understandings.

Section 11.5 Severability; Counterparts . This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same Agreement. Execution and delivery of this Agreement may be made by facsimile. Any provisions of this Agreement which are prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 11.6 Successors and Assigns .

(a) This Agreement shall be binding on the parties hereto and their respective successors and assigns; provided , however , that the Transferor may not assign any of its rights or delegate any of its duties hereunder without the prior written consent of the Administrative Agent and the Majority Investors. No provision of this Agreement shall in any manner restrict the ability of any Class Conduit to assign, participate, grant security interests in, or otherwise transfer any portion of the Transferred Interest held by it.

(b) The Transferor hereby agrees and consents to the assignment by any Class Conduit from time to time of all or any part of its rights under, interest in and title to this Agreement and the Transferred Interest held by it to any related Liquidity Provider. In addition, the Transferor hereby consents to and acknowledges the assignment by any Class Conduit of all of its rights under, interest in and title to this Agreement and the Transferred Interest held by it to the related Collateral Agent.

(c) Without limiting the foregoing, any Class Conduit may, from time to time, with prior or concurrent notice to Transferor and Collection Agent, in one transaction or

a series of transactions, assign all or a portion of its Net Investment and its rights and obligations under this Agreement and any other Transaction Documents to which it is a party to a Conduit Assignee. Upon and to the extent of such assignment by such Class Conduit to a Conduit Assignee, (i) such Conduit Assignee shall be the owner of the assigned portion of such Net Investment, (ii) the related administrative or managing agent for such Conduit Assignee will act as the Class Agent for such Conduit Assignee, with all corresponding rights and powers, express or implied, granted to the applicable Class Agent hereunder or under the other Transaction Documents, (iii) such Conduit Assignee and its liquidity support provider(s) and credit support provider(s) and other related parties shall have the benefit of all the rights and protections provided to such Class Conduit and its Liquidity Support Provider(s) and Credit Support Provider(s), respectively, herein and in the other Transaction Documents (including, without limitation, any limitation on recourse against such Conduit Assignee or related parties, any agreement not to file or join in the filing of a petition to commence an insolvency proceeding against such Conduit Assignee, and the right to assign to another Conduit Assignee as provided in this paragraph), (iv) such Conduit Assignee shall assume all (or the assigned or assumed portion) of such Class Conduit's obligations, if any, hereunder or any other Transaction Document, and such Class Conduit shall be released from such obligations, in each case to the extent of such assignment, and the obligations of such Class Conduit and such Conduit Assignee shall be several and not joint, (v) all distributions in respect of such Net Investment shall be made to the applicable agent or administrative agent, as applicable, on behalf of such Class Conduit and such Conduit Assignee on a pro rata basis according to their respective interests, (vi) the definition of the term " CP Rate " with respect to the portion of such Net Investment funded with commercial paper issued by such Class Conduit from time to time shall be determined in the manner set forth in the definition of " CP Rate " applicable to such Class Conduit on the basis of the interest rate or discount applicable to commercial paper issued by such Conduit Assignee (rather than such Class Conduit), (vii) the defined terms and other terms and provisions of this Agreement and the other Transaction Documents shall be interpreted in accordance with the foregoing, and (viii) if requested by the Administrative Agent or the agent or administrative agent with respect to the Conduit Assignee, the parties will execute and deliver such further agreements and documents and take such other actions as the Administrative Agent or such agent or administrative agent may reasonably request to evidence and give effect to the foregoing. No Assignment by such Class Conduit to a Conduit Assignee of all or any portion of its Net Investment shall in any way diminish the related Bank Investors' obligation under Section 10.7 to fund any Incremental Transfer not funded by such Class Conduit or such Conduit Assignee or to acquire from such Class Conduit or such Conduit Assignee all or any portion of the applicable Net Investment.

(d) Federal Reserve . Notwithstanding any other provision of this Agreement, any Bank Investor may at any time pledge or grant a security interest in all or any portion of its rights (including, without limitation, any Transferred Interest and all rights to payment of capital and yield in respect of the Transferred Interest) under this Agreement and the other Transaction Documents to secure obligations of such Bank Investor to a Federal Reserve Bank, the U.S. Treasury or the Federal Deposit Insurance Corporation, without notice to or consent of the Transferor, the Administrative Agent any other Person; provided, however, that no such pledge or grant of a security interest shall release any Bank Investor from any of its obligations hereunder or substitute any such pledgee or grantee for such Bank Investor as a party hereto.

Section 11.7 Treatment of Certain Information; Confidentiality . Each of the Administrative Agent, the Class Investors and the Class Agents agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its and its Affiliates' respective partners, directors, officers, employees, agents, advisors and representatives (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority purporting to have jurisdiction over it (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) among the Administrative Agent and the Bank Investors only, and in respect of Information relating to the Collection Agent's servicing hereunder and the Receivables (including information relating to defaults, delinquencies, collection, payment and/or liquidation rates and concentrations), to any party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Transaction Document or any action or proceeding relating to this Agreement or any other Transaction Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or participant in, or any prospective assignee of or participant in, any of its rights or obligations under this Agreement or (ii) any potential Bank Investor, any related commercial paper issuer that finances a Class Conduit, any related Liquidity Provider or any related Credit Support Provider in relation to this Agreement, (g) solely in respect of Information relating to the Collection Agent's servicing hereunder and the Receivables (including information relating to defaults, delinquencies, collection, payment and/or liquidation rates and concentrations), to any nationally recognized statistical rating organization in compliance with Rule 17g-5 under the Securities Exchange Act of 1934 (or to any other rating agency in compliance with any similar rule or regulation in any relevant jurisdiction), (h) with the consent of the Collection Agent or the Transferor or (i) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to the Administrative Agent, any Class Investor, Class Agent or any of their respective Affiliates on a nonconfidential basis from a source other than the Collection Agent or the Transferor.

For purposes of this Section, " Information " means all information received from the Collection Agent or the Transferor relating to the Collection Agent or the Transferor or any of their respective businesses, other than any such information that is available to the Administrative Agent, any Class Investor or Class Agent on a nonconfidential basis prior to disclosure by the Collection Agent or the Transferor, provided that, in the case of information received from the Collection Agent or the Transferor after the date of Amendment Number 10 to this Agreement, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

Each of the Administrative Agent, the Class Investors and the Class Agents acknowledges that (a) the Information may include material non-public information concerning the Collection Agent or the Transferor, as the case may be, (b) it has developed compliance procedures regarding the use of material non-public information and (c) it will handle such material non-public information in accordance with applicable Law, including Federal and state securities Laws.

Section 11.8 Confidentiality Agreement . The Transferor and Tech Data hereby agree that they will not disclose the contents of this Agreement or any other proprietary or confidential information of any Class Agent, the Class Conduits, the Administrative Agent, any Bank Investor, the Collateral Agent, any related Liquidity Provider or any related Credit Support Provider to any other Person except (i) its auditors and attorneys, employees or financial advisors (other than any commercial bank) and any nationally recognized rating agency, provided such auditors, attorneys, employees, financial advisors or rating agencies are informed of the highly confidential nature of such information or (ii) as otherwise required by applicable law or order of a court of competent jurisdiction. Notwithstanding Section 11.7, this Section 11.8 or any provision in this Agreement to the contrary, the Transferor, the Collection Agent, Tech Data, each Class Investor, each Class Agent, the Administrative Agent, each Indemnified Party and any successor or assign of any of the foregoing (and each employee, representative or other agent of any of the foregoing) may disclose to any and all Persons, without limitation of any kind, the "tax treatment" and "tax structure" (in each case, within the meaning of Treasury Regulation Section 1.6011-4) of the transactions contemplated herein and all materials of any kind (including opinions or other tax analyses) that are or have been provided to any of the foregoing relating to such tax treatment or tax structure, and it is hereby confirmed that each of the foregoing have been so authorized since the commencement of discussions regarding the transactions.

Section 11.9 No Bankruptcy Petition Against any Class Conduit . Each party hereto hereby covenants and agrees that, prior to the date which is one year and one day after the payment in full of all outstanding Commercial Paper or other indebtedness of any Class Conduit (or any related commercial paper issuer that finances the Class Conduit), it will not institute against, or join any other Person in instituting against, such Class Conduit (or such related issuer) any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings or other similar proceeding under the laws of the United States or any state of the United States.

Section 11.10 No Recourse Against Stockholders, Officers or Directors . Notwithstanding anything to the contrary contained in this Agreement, the obligations of each Class Conduit (or any related commercial paper issuer that finances the Class Conduit) under this Agreement and all other Transaction Documents are solely the corporate obligations of such Class Conduit (or such related issuer) and shall be payable solely to the extent of funds received from the Transferor in accordance herewith or from any party to any Transaction Document in accordance with the terms thereof in excess of funds necessary to pay matured and maturing Commercial Paper of the applicable Class Conduit (or its related issuer). No recourse under any obligation, covenant or agreement of any Class Conduit (or its related issuer) contained in this Agreement shall be had against such Class Conduit's (or such related issuer's) Corporate Services Provider (or any Affiliate thereof), or any stockholder, employee, officer, director or incorporator of any Class Conduit (or its related issuer) or beneficial owner of any of them, as such, by the

enforcement of any assessment or by any legal or equitable proceeding, by virtue of any statute or otherwise; it being expressly agreed and understood that this Agreement is solely a corporate obligation of each Class Conduit (or its related issuer), and that no personal liability whatsoever shall attach to or be incurred by the Corporate Services Provider (or any Affiliate thereof), or the stockholder, employee, officer, director or incorporator of any Class Conduit (or its related issuer) or beneficial owner of any of them, as such, or any of them, under or by reason of any of the obligations, covenants or agreements of any Class Conduit (or its related issuer) contained in this Agreement, or implied therefrom, and that any and all personal liability for breaches by any Class Conduit (or its related issuer) of any of such obligations, covenants or agreements, either at common law or at equity, or by statute or constitution, of the Corporate Services Provider (or any Affiliate thereof) and every such stockholder, employee, officer, director or incorporator of a Class Conduit (or its related issuer) or beneficial owner of any of them is hereby expressly waived as a condition of and consideration for the execution of this Agreement; provided , however , that a Class Conduit (or its related issuer) shall be considered to be an Affiliate of the Corporate Services Provider; and provided , further , that this Section 11.2 shall not relieve any such stockholder, employee, officer, director or incorporator of any Class Conduit (or its related issuer) or beneficial owner of any of them of any liability it might otherwise have for its own intentional misrepresentation or willful misconduct.

Section 11.11 Characterization of the Transactions Contemplated by the Agreement . It is the intention of the parties that the transactions contemplated hereby constitute the sale of the Transferred Interest, conveying good title thereto free and clear of any Adverse Claims to the Administrative Agent, on behalf of the Class Investors, and that the Transferred Interest not be part of the Transferor's estate in the event of an insolvency. If, notwithstanding the foregoing, the transactions contemplated hereby should be deemed a financing, the parties intend that the Transferor shall be deemed to have granted to the Administrative Agent, on behalf of the Class Investors, and the Transferor hereby grants to the Administrative Agent, on behalf of the Class Investors, a first priority perfected security interest in all of the Transferor's right, title and interest in, to and under the Receivables, together with Related Security and Collections with respect thereto, and that this Agreement shall constitute a security agreement under applicable law. The Transferor hereby grants a security interest in and assigns to the Administrative Agent, on behalf of the Class Investors, all of its rights and remedies under the Purchase Agreement with respect to the Receivables and with respect to any obligations thereunder of Tech Data with respect to the Receivables.

Section 11.12 Optional Reconveyance of All Receivables . The Transferor shall have the option at any time to require the Administrative Agent, on behalf of the Class Investors, as applicable, to reconvey all of its interest in the Receivables to the Transferor subject to the following terms and conditions: (a) the Transferor shall give the Administrative Agent and each Class Agent not less than 10 Business Days notice of the Transferor's exercise of this option and (b) simultaneously with the reconveyance by the Administrative Agent to the Transferor of the Administrative Agent's interest in the Receivables, the Transferor shall pay to the Administrative Agent, for the benefit of the applicable Class Investors, an amount equal to the Aggregate Net Investment plus all discount accrued and to accrue on the Class Conduit's (or, if a related commercial paper issuer finances the Class Conduit, the related issuer's) Related Commercial Paper to maturity, together with any other costs associated with the receipt by each Class Conduit (or its related issuer) of its Net Investment on a day other than the last day of an applicable Tranche Period along with any other amounts owing hereunder to the Class Investors by the Transferor.

Section 11.13 Mandatory Reconveyance of Certain Receivables . The Administrative Agent, on behalf of the Class Investors, as applicable, upon each occasion on which the Transferor shall be required to reconvey any Receivables to Tech Data pursuant to Section 7.2(a) of the Purchase Agreement, shall be considered to have reconveyed and does hereby reconvey to the Transferor such Receivables (including the Transferred Interest therein) and upon such reconveyance, hereby terminates its interest in any such Receivables; provided that no such reconveyance by the Administrative Agent shall occur or be deemed to have occurred if (a) any Event of Termination shall have occurred and be continuing hereunder or (b) Tech Data shall not have contemporaneously with such reconveyance sold to the Transferor a substitute receivable as described in Section 7.2(b) of the Purchase Agreement.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Transfer and Administration Agreement as of the day first written above.

TECH DATA FINANCE SPV, INC.,
as Transferor

By: /s/ Charles V. Dannewitz
Name: Charles V. Dannewitz
Title: Senior Vice President and Treasurer

TECH DATA CORPORATION,
as Collection Agent

By: /s/ Charles V. Dannewitz
Name: Charles V. Dannewitz
Title: Senior Vice President and Treasurer

LIBERTY STREET FUNDING CORP.

By: /s/ Jill A. Russo
Name: Jill A. Russo
Title: VicePresident

~~FALCON ASSET SECURITIZATION CORPORATION~~ CHARIOT FUNDING LLC

By: /s/ Laura V Chittick
Name: Laura V. Chittick
Title: Vice President

Commitment
$ ~~102,000~~ 136,680 ,000

BANK OF AMERICA, NATIONAL ASSOCIATION, as Administrative Agent, SUSI Issuer Agent and as a SUSI Issuer Bank Investor

By: /s/ Robert R. Wood
Name: Robert R Wood
Title: Director

Commitment
$ ~~102,000~~ 135,660 ,000

THE BANK OF NOVA SCOTIA, as Liberty Agent and as a Liberty Bank Investor

By: /s/ Diane Emanuel
Name: Diane Emanuel
Title: Managing Director

Commitment
$ ~~102,000~~ 135,660 ,000

JPMORGAN CHASE BANK, N.A, as Falcon Agent and as a Falcon Bank Investor

By: /s/ Laura V Chittick
Name: Laura V. Chittick
Title: Vice President

CP Rate Definition for SUSI Issuer

" CP Rate " shall mean for any CP Tranche Period, the per annum rate equivalent to the "weighted average cost" (as defined below) related to the issuance of Commercial Paper that is allocated, in whole or in part, to fund the SUSI Issuer's Net Investment (and which may also be allocated in part to the funding of other assets of the SUSI Issuer); provided, however, that if any component of such rate described above is a discount rate in calculating the CP Rate for the SUSI Issuer's Net Investment for such CP Tranche Period, the rate used to calculate such component of such rate shall be a rate resulting from converting such discount rate to an interest bearing equivalent rate per annum. As used in this definition, the "weighted average cost" shall consist of (A) the actual interest rate (or discount) paid to purchasers of Commercial Paper issued by the SUSI Issuer or any related commercial paper issuer that finances the SUSI Issuer (other than the commissions of placement agents and dealers), (B) certain documentation and transaction costs associated with the issuance of such Commercial Paper, (c) any incremental carrying costs incurred with respect to Commercial Paper maturing on dates other than those on which corresponding funds are received by the related Class Agent on behalf of the SUSI Issuer (or its related commercial paper issuer), and (D) other borrowing by the SUSI Issuer (or its related commercial paper issuer) (other than under any program support agreement), including to fund small or odd dollar amounts that are not easily accommodated in the commercial paper market.

ANNEX 2

CP Rate Definition for Falcon

~~" CP Rate " shall mean for any CP Tranche Period, unless otherwise provided for under the Transaction Documents, the sum of (i) discount or yield accrued on Falcon pooled Commercial Paper during such Tranche Period, plus (ii) any and all accrued commissions in respect of placement agents and Commercial Paper dealers, and issuing and paying agent fees incurred, in respect of such pooled Commercial Paper for such Tranche Period plus (iii) other costs associated with funding small or odd-lot amounts with respect to all receivable purchase facilities which are funded by Falcon pooled Commercial Paper for such Tranche Period, minus (iv) any accrual of income net of expenses received during such Tranche Period from investment of collections received under all receivable purchase facilities funded substantially with Falcon pooled Commercial Paper, minus (v) any payment received during such Tranche Period net of expenses in respect of broken funding costs related to the prepayment of any portion of the Net Investment of Falcon pursuant to the terms of any receivable purchase facilities funded substantially with pooled Commercial Paper. In addition to the foregoing costs, if Seller shall request from Falcon any Incremental Transfer during any period of time determined by the Class Agent in its sole discretion to result in an incrementally higher CP Rate applicable to such Incremental Transfer, the Net Investment associated with any such Incremental Transfer shall, during such period, be deemed to be funded by Falcon in a special pool (which may include capital associated with other receivable purchase facilities) for purposes of determining such additional CP Rate applicable only to such special pool and charged each day during such period against such Net Investment.~~

"CP Rate" shall mean, for any day, a rate per annum equal to the thirty (30) day London-Interbank Offered Rate appearing on the Bloomberg BBAM (British Bankers Association) Page (or on any successor or substitute page of such service, providing rate quotations comparable to those currently provided on such page of such service, as determined by the Administrative Agent from time to time in accordance with its customary practices for purposes of providing quotations of interest rates applicable to U.S. Dollar deposits in the London interbank market) at approximately 11:00 a.m. (London time) on such day or, if such day is not a Business Day in London, the immediately preceding Business Day in London. In the event that such rate is not available on any day at such time for any reason, then the "CP Rate" for such day shall be the rate at which thirty (30) day U.S. Dollar deposits of $5,000,000 are offered by the principal London office of the Administrative Agent in immediately available funds in the London interbank market at approximately 11:00 a.m. (London time) on such day; and if the Administrative Agent is for any reason unable to determine the CP Rate in the foregoing manner or has determined in good faith that the CP Rate determined in such manner does not accurately reflect the cost of acquiring, funding or maintaining a Purchased Interest, the CP Rate for such day shall be the Base Rate.

CP Rate Definition for Liberty

" CP Rate " shall mean for any CP Tranche Period, the per annum rate equivalent to the "weighted average cost" (as defined below) related to the issuance of Commercial Paper that is allocated, in whole or in part, to fund Liberty's Net Investment (and which may also be allocated in part to the funding of other assets of Liberty); provided, however, that if any component of such rate described above is a discount rate in calculating the CP Rate for Liberty's Net Investment for such CP Tranche Period, the rate used to calculate such component of such rate shall be a rate resulting from converting such discount rate to an interest bearing equivalent rate per annum. As used in this definition, the "weighted average cost" shall consist of (A) the actual interest rate (or discount) paid to purchasers of Commercial Paper issued by Liberty (other than the commissions of placement agents and dealers), (B) certain documentation and transaction costs associated with the issuance of such Commercial Paper, (C) any incremental carrying costs incurred with respect to Commercial Paper maturing on dates other than those on which corresponding funds are received by the related Class Agent on behalf of Liberty, and (D) other borrowing by Liberty (other than under any program support agreement), including to fund small or odd dollar amounts that are not easily accommodated in the commercial paper market.

EXHIBIT 10BBm

TECH DATA CORPORATION

401(K) SAVINGS PLAN

(As Amended and Restated Effective January 1, 2006)

TECH DATA CORPORATION
401(K) SAVINGS PLAN

(As Amended and Restated Effective January 1. 2006)

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TECH DATA CORPORATION
401(K) SAVINGS PLAN

(As Amended and Restated Effective January 1, 2006)

Tech Data Corporation (the "Company") hereby amends and restates the Tech Data Corporation 401(k) Savings Plan (the "Plan") effective for all purposes as of January 1. 2006, except as otherwise set forth herein.

W I T N E S S E T H :

WHEREAS , the Company established the Tech Data Corporation Retirement Savings Plan effective May 1, 1987;

WHEREAS , the Company established the Tech Data Corporation Employee Stock Ownership Plan effective February 1, 1984;

WHEREAS , the Company established this Tech Data Corporation 401(k) Savings Plan effective January 1, 2000, and merged the Tech Data Corporation Retirement Savings Plan and the Tech Data Corporation Employee Stock Ownership Plan into this Plan, effective as of January 1, 2000; and

WHEREAS , the officers of the Company have been authorized and directed by the Board of Directors to adopt this amendment and restatement of the Plan.

NOW, THEREFORE , in consideration of the premises, it is agreed as follows:

ARTICLE I

Definitions

(a) " **Account** " or " **Accounts** " shall mean a Participant's Elective Contribution Account, Matching Contribution Account, Nonelective Contribution Account, Qualified Nonelective Contribution Account, Rollover Contribution Account, ESOP Merger Account, Retirement Savings Plan Merger Account, Transfer Contribution Account and/or such other accounts as may be established by the Plan Administrator.

(b) " **Actual Contribution Percentage** " shall mean, with respect to a group of Participants for the Plan Year, the average of the Actual Contribution Ratios (calculated separately for each member of the group) of each Participant who is a member of such group.

(c) " **Actual Contribution Ratio** " shall mean the ratio of the amount of matching contributions (including elective and qualified nonelective contributions, if any, treated as matching contributions) made on behalf of a Participant for a Plan Year to the Participant's compensation for the Plan Year taken into account for nondiscrimination testing purposes under Section 401(m) of the Code. The Actual Contribution Ratio shall not include matching contributions that are forfeited either to correct excess aggregate contributions or because the contributions to which they relate are excess deferrals, excess elective contributions, or excess aggregate contributions. The Employer may include qualified nonelective contributions in the Actual Contribution Ratio. The Employer also may elect to use elective contributions in the Actual Contribution Ratio so long as the ADP test is met before the elective contributions are used in the ACP test and continues to be met following the exclusion of those elective contributions that are used to meet the ACP test.

(1) Qualified nonelective contributions, if any, may be treated as matching contributions for this purpose only if such contributions are nonforfeitable when made, subject to the same distribution restrictions that apply to the Participant's elective contributions and satisfy the requirements of Section 1.401(m)-1(b)(5) of the Treasury Regulations.

(2) (A) Compensation taken into account for purposes of this paragraph must satisfy Section 414(s) of the Code.

(B) An Employer may limit the period for which compensation is taken into account to that portion of the Plan Year in which the Employee was a Participant so long as this limit is applied uniformly to all eligible Employees under the Plan for the Plan Year.

(3) (A) If no matching contributions, qualified nonelective contributions or elective contributions are taken into account with respect to an eligible Employee, the Actual Contribution Ratio of the Employee is zero.

(B) For this purpose, 'eligible Employee' shall mean any Employee who is eligible to make an elective contribution (if the Employer takes such contributions into account in the calculation of the Actual Contribution Ratio), or to receive a matching contribution (including forfeitures).

(C) 'Matching Contribution' shall mean an employer contribution made to this or any other defined contribution plan on behalf of a Participant on account of an employee contribution made by such Participant, or on account of a participant's elective contribution, under a plan maintained by the Employer.

(4) For Plan Years beginning after December 31, 2001, if Matching Contributions are used to satisfy the minimum contribution requirements of Section 416(c)(2) of the Code, as described in Section VI(d)(4), they shall nonetheless be treated as Matching Contributions for purposes of determining a Participant's Actual Contribution Ratio, and for other requirements of Section 401(m) of the Code.

(d) " **Actual Deferral Percentage** " shall mean, with respect to a group of Participants for the Plan Year, the average of the Actual Deferral Ratios (calculated separately for each member of the group) of each Participant who is a member of such group

(e) " **Actual Deferral Ratio** " shall mean the ratio of the amount of elective contributions (including qualified nonelective contributions, if any, treated as elective contributions and excess deferrals of Highly Compensated Employees, but excluding Catch-up Contributions, excess deferrals of Non-highly Compensated Employees that arise solely from elective contributions made under the Plan or plans of this Employer and elective contributions that are taken into account in the Actual Contribution Percentage test (provided the ADP test is satisfied both with and without exclusion of these elective contributions)) made on behalf of a Participant for a Plan Year to the Participant's compensation for the Plan Year taken into account for nondiscrimination testing purposes under Section 401(k) of the Code.

(1) Qualified nonelective contributions, if any, may be treated as elective contributions for this purpose only if such contributions are nonforfeitable when made, subject to the same distribution restrictions that apply to a Participant's elective contributions and satisfy the requirements of Section 1.401(k)-1(b)(5) of the Treasury Regulations.

(2) (A) Compensation taken into account for purposes of this paragraph must satisfy Section 414(s) of the Code.

(B) An Employer may limit the period for which compensation is taken into account to that portion of the Plan Year in which the Employee was a Participant so long as this limit is applied uniformly to all eligible Employees under the Plan for the Plan Year.

(3) (A) If an eligible Employee makes no elective contributions, and no qualified nonelective contributions are treated as elective contributions, the Actual Deferral Ratio of the Employee is zero.

(B) For this purpose, an "eligible Employee" is any Employee who is directly or indirectly eligible to make a cash or deferred election into the Plan for all or a portion of the Plan Year as described in Section 1.401(k)-1(g)(4) of the Treasury Regulations.

(f) " **Affiliate** " shall mean, with respect to an Employer, any corporation other than such Employer that is a member of a controlled group of corporations, within the meaning of Section 414(b) of the Code, of which such Employer is a member; all other trades or businesses (whether or not incorporated) under common control, within the meaning of Section 414(c) of the Code, with such Employer; any service organization other than such Employer that is a member of an affiliated service group, within the meaning of Section 414(m) of the Code, of which such Employer is a member; and any other organization that is required to be aggregated with such Employer under Section 414(o) of the Code. For purposes of determining the limitations on Annual Additions, the special rules of Section 415(h) of the Code shall apply.

(g) " **Annual Additions** " shall mean, with respect to a Limitation Year, the sum of:

(1) the amount of Employer contributions (including elective contributions) allocated to the Participant under any defined contribution plan maintained by an Employer or an Affiliate;

(2) the amount of the Employee's contributions (other than rollover contributions, if any) to any contributory defined contribution plan maintained by an Employer or an Affiliate;

(3) any forfeitures allocated to the Participant under any defined contribution plan maintained by an Employer or an Affiliate; and

(4) amounts allocated to an individual medical account, as defined in Section 415(l)(2) of the Code that is part of a pension or annuity plan maintained by an Employer or an Affiliate, and amounts derived from contributions that are attributable to post-retirement medical benefits allocated to the separate account of a key employee (as defined in Section 419A(d)(3) of the Code) under a welfare benefit plan (as defined in Section 419(e) of the Code) maintained by an Employer or an Affiliate; provided, however, the percentage limitation set forth in paragraph (e)(1) of Article VI shall not apply to: (A) any contribution for medical benefits (within the meaning of Section 419A(f)(2) of the Code) after separation from service which is otherwise treated as an "Annual Addition," or (2) any amount otherwise treated as an "Annual Addition" under Section 415(l)(1) of the Code.

(h) " **Board of Directors** " and " **Board** " shall mean, if applicable, the board of directors of the Company or, when required by the context, the board of directors of an Employer other than the Company.

(i) " **Code** " shall mean the Internal Revenue Code of 1986, as amended, or any successor statute. Reference to a specific section of the Code shall include a reference to any successor provision.

(j) " **Company** " shall mean Tech Data Corporation and its successors.

(k) **" Compensation "** shall mean wages within the meaning of Section 3401(a) of the Code and all other payments of compensation to an Employee by the Employer (in the course of the Employer's trade or business) for which the Employer is required to furnish the Employee a written statement under Sections 6041(d), 6051(a)(3) and 6052 of the Code (wages, tips and other compensation as reported on Form W-2).

(1) (A) Compensation must be determined without regard to any rules under Section 3401(a) of the Code that limit the remuneration included in wages based on the nature or location of the employment of the services performed.

(B) Compensation shall also include elective contributions made on behalf of a Participant to this Plan or salary reduction contribution made pursuant to a plan described in Section 125 of the Code, and, effective for Plan Years beginning on or after January 1, 2001, elective amounts that are not includable in the gross income of the Employee by reason of Section 132(f)(4) of the Code.

(C) Compensation shall exclude fringe benefits (cash and noncash), reimbursements or other expense allowances, moving expenses, deferred compensation and welfare benefits.

(2) (A) To the extent required by law, no Compensation in excess of the $150,000 limit under Section 401(a)(17) of the Code (as adjusted in accordance with law) shall be taken into account for any Employee. For purposes of this section, for Plan Years beginning prior to January 1, 1997, in determining the Compensation of a Participant for purposes of this limitation, the rules of Section 414(q)(6) of the Code shall apply, except that in applying such rules, the term "family shall include only the spouse of the Participant and any lineal descendants of the Participant who have not attained age 19 before the end of the Plan Year. If as a result of the application of these rules, the adjusted dollar limitation under Section 401(a)(17) of the Code is exceeded the limitation shall be prorated among the affected individuals in proportion to each individual's Compensation as determined under this section prior to the application of this limitation.

(B) Notwithstanding paragraph (A) above, for Plan Years beginning after December 31, 2001, the annual Compensation of each participant taken into account in determining allocations for any Plan Year beginning after December 31, 2001, shall not exceed $200,000, as adjusted for cost-of-living increases in accordance with section 401(a)(17)(B) of the Code. Annual Compensation means compensation during the Plan Year or such other consecutive 12-month period over which compensation is otherwise determined under the Plan (the

determination period). The cost-of-living adjustment in effect for a calendar year applies to annual Compensation for the determination period that begins with or within such calendar year.

(3) For purposes of crediting contributions pursuant to Article VI (other than elective contributions) with respect to any Plan Year, no Compensation paid by an Employer with respect to an Employee prior to the Employee's first day of participation shall be taken into account.

(l) " **Effective Date** " of this Plan shall mean January 1, 2000, except as otherwise set forth herein.

(m) " **Elective Contribution Account** " shall mean an account established pursuant to paragraph (b) of Article VI with respect to contributions made under salary reduction arrangements pursuant to Article V.

(n) " **Employee** " shall mean:

(1) any person employed by an Employer other than:

(A) a member of a collective bargaining unit if retirement benefits were a subject of good faith bargaining between such unit and an Employer; provided, however, that this subparagraph (A) shall not apply to a member of a collective bargaining unit if such unit and Employer agree that the member shall participate in the Plan;

(B) a non-resident alien who does not receive earned income from sources within the United States;

(C) an individual whose employment status has not been recognized by completion of Internal Revenue Service Form W-4 and who is not initially treated as a common law employee of an Employer on the payroll records of an Employer;

(D) leased employees;

(E) individuals who are classified as expatriates by the Employer and who become subject to the tax laws of a foreign country under circumstances where participation in the Plan is not practical, as determined by the Employer in its sole discretion; or

(F) persons employed on a temporary basis, including but not limited to seasonal employees, interns, and other persons whose employment with the Employer is not intended to be of a permanent or regular nature.

(2) For purposes of this paragraph, the term 'leased employee' means any person (other than an Employee of the Employer) who, pursuant to an agreement between the Employer and any other person ('leasing organization'), has performed services for the Employer (or for the Employer and one or more Affiliates) on a substantially full time basis for a period of at least one year and the individual's services are performed under the primary direction or control of such Employer.

(o) " **Employer** " shall mean the Company and any Affiliate that adopts this Plan with the consent of the Company.

(p) " **Employer Securities** " shall mean common stock, any other type of stock or any marketable obligation (as defined in Section 407(e) of ERISA) issued by the Company or any Affiliate of the Company; provided, however, that if Employer Securities are purchased with borrowed funds, Employer Securities, to the extent required by Section 4975 of the Code, shall only include:

(1) such securities that are readily tradable on an established securities market, or

(2) if none of the stock of an Employer (or any Affiliate of such Employer other than a member of an affiliated service group that includes such Employer) is readily tradable on an established securities market, common stock issued by the Employer having a combination of voting power and dividend rights equal to or in excess of (A) that class of common stock of the Employer or any Affiliate having the greatest voting power, and (B) that class of common stock of the Employer or any Affiliate having the greatest dividend rights, or

(3) noncallable preferred stock that is convertible at any time into stock meeting the requirements of subparagraph (1) or (2) (whichever is applicable), if such conversion is at a reasonable price (determined pursuant to Treasury Regulation §54.4975-11(d)(5) as of the date of acquisition by the Trustee).

(q) " **Entry Date** " shall mean the first day of each month.

(r) " **ESOP Merger Account** " shall mean an account established pursuant to paragraph (b) of Article VI with respect to each Participant for whom assets from the Tech Data Corporation Employee Stock Ownership Plan have been merged into this Plan.

(s) (1) **" Highly Compensated Employee "** shall mean any Employee:

(A) who was a 5% owner (as defined in Section 416 of the Code) of an Employer during the Plan Year or the immediately preceding Plan Year; or

(B) whose Section 415 Compensation was more than $80,000 (adjusted under such regulations as may be issued by the Secretary of the Treasury) for the preceding Plan Year and, if elected by the Employer, was a member of the "top paid group" for such preceding year: provided, that as used herein, "top paid group" shall mean all Employees who are in the top 20% of the Employer's work force on the basis of Section 415 Compensation paid during the year; provided, further, that for purposes of determining the number of Employees in the top paid group. Employees described in Section 414(q)(5) of the Code shall be excluded.

(2) In determining who is a Highly Compensated Employee, Employees who are nonresident aliens and who receive no earned income (within the meaning of Section 911(d)(2) of the Code) from an Employer constituting United States source income (within the meaning of Section 861(a)(3) of the Code) shall not be treated as Employees.

(3) For purposes of determining who is a Highly Compensated Employee, an Employer and any Affiliate shall be taken into account as a single Employer.

(4) The term "Highly Compensated Employee" shall also mean any former Employee who is separated from service (or was deemed to have separated from service) prior to the Plan Year, performs no service for an Employer during the Plan Year, and was an actively employed Highly Compensated Employee in the separation year or any Plan Year ending on or after the date the Employee attained age 55.

(t) " **Hour of Service** " shall mean:

(1) (A) an hour for which an Employee is paid, or entitled to payment, for the performance of duties for an Employer or an Affiliate;

(B) an hour for which an Employee is paid, or entitled to payment, by an Employer or an Affiliate on account of a period of time during which no duties are performed (irrespective of whether the employment relationship has terminated) due to vacation, holiday, illness, incapacity (including disability), lay-off, jury duty, military duty, severance or leave of absence. Notwithstanding the preceding,

(i) no more than 501 Hours of Service shall be credited under this subparagraph (i) to an Employee on account of any single continuous period during which the Employee performs no duties (whether or not such period occurs in a single Plan Year);

(ii) an hour for which an Employee is directly or indirectly paid, or entitled to payment, on account of a period during which no duties are performed shall not be credited to the Employee if such payment is made or due under a plan maintained solely for the purpose of complying with applicable workmen's compensation, or unemployment compensation or disability insurance laws; and

(iii) an hour shall not be credited for a payment which solely reimburses an Employee for medical or medically related expenses incurred by the Employee; and

(C) an hour for which back pay, irrespective of mitigation of damages, is either awarded or agreed to by an Employer or an Affiliate; provided, that the same Hour of Service shall not be credited both under subparagraph (1)(A) or subparagraph (1)(B), as the case may be, and under this subparagraph (1)(C). Crediting of an Hour of Service for back pay awarded or agreed to with respect to periods described in subparagraph (1)(B) shall be subject to the limitations set forth in that section.

The definition set forth in this subparagraph (1) is subject to the special rules contained in Department of Labor Regulations Sections 2530.200b-2(b) and (c), and any regulations amending or superseding such sections, which special rules are hereby incorporated in the definition of "Hour of Service" by this reference.

(2) (A) Notwithstanding the other provisions of this "Hour of Service" definition, in the case of an Employee who is absent from work for any period by reason of her pregnancy, by reason of the birth of a child of the Employee, by reason of the placement of a child with the Employee in

connection with the adoption of such child by the Employee or for purposes of caring for such child for a reasonable period beginning immediately following such birth or placement, the Employee shall be treated as having those Hours of Service described in subparagraph (2)(B).

(B) The Hours of Service to be credited to an Employee under the provisions of subparagraph (2)(A) are the Hours of Service that otherwise would normally have been credited to such Employee but for the absence in question or, in any case in which the Plan is unable to determine such hours, eight Hours of Service per day of such absence; provided, however, that the total number of hours treated as Hours of Service under this subparagraph (2) by reason of any such pregnancy or placement shall not exceed 501 hours.

(C) The hours treated as Hours of Service under this subparagraph (2) shall be credited only in the Plan Year in which the absence from work begins, if the crediting is necessary to prevent a One Year Break in Service in such Plan Year or, in any other case, in the immediately following Plan Year.

(D) Credit shall be given for Hours of Service under this subparagraph (2) solely for purposes of determining whether a One Year Break of Service has occurred for participation or vesting purposes; credit shall not be given hereunder for any other purposes (including, without limitation, benefit accrual).

(E) Notwithstanding any other provision of this subparagraph (2), no credit shall be given under this subparagraph (2) unless the Employee in question furnishes to the Plan Administrator such timely information as the Plan Administrator may reasonably require to establish that the absence from work is for reasons referred to in subparagraph (2)(A) and the number of days for which there was such an absence.

(3) For purposes of this section, the term "Employee" shall include any individual employed by an Employer, including a leased employee.

(u) **" Key Employee "** shall mean:

(1) For Plan Years beginning prior to January 1, 2002, "Key Employee" shall mean any Employee or former Employee who is at any time during the Plan Year (or was at any time during the four preceding Plan Years) (i) an officer of an Employer (within the meaning of Section 416(i)(1) of the Code) having an aggregate annual compensation from the Employer an its Affiliates in excess of 50% of the amount in effect under Section 415(b)(1)(A) of the Code for any such Plan Year, (ii) one of the ten Employees owning (or considered as owning) the

largest interests in any Employer, owning more than a 1/2% interest in the Employer, and having an aggregate annual compensation from the Employer an its Affiliates of more than the limitation in effect under Section 415(c)(1)(A) of the Code for the calendar year that includes the last day of the Plan Year (if two Employees have equal interests in an Employer, the Employee having the greater annual compensation from the Employer shall be deemed to have a larger interest), (iii) a 5% owner of an Employer (within the meaning of Section 416(i)(1)(B) of the Code) or (iv) a 1% owner of an Employer (within the meaning of Section 416(i)(1)(B) of the Code) having an aggregate annual compensation from the Employer and its Affiliates of more than $150,000. For purposes of this paragraph the term "compensation" shall mean an Employee's Section 415 Compensation.

(2) For Plan Years beginning after December 31, 2001, "Key Employee" means any Employee or former Employee (including any deceased Employee) who at any time during the Plan Year that includes the determination date was an officer of the Employer having annual compensation greater than $130,000 (as adjusted under Section 416(i)(1) of the Code for Plan Years beginning after December 31, 2002), a 5-percent owner of the Employer, or a 1-percent owner of the Employer having annual compensation of more than $150,000. For this purpose, annual compensation means compensation within the meaning of Section 415(c)(3) of the Code. The determination of who is a Key Employee will be made in accordance with Section 416(i)(1) of the Code and the applicable regulations and other guidance of general applicability issued thereunder.

(v) " **Limitation Year** " shall mean the Plan Year.

(w) " **Matching Contribution Account** " shall mean an account established pursuant to paragraph (b) of Article VI with respect to matching contributions to this Plan on behalf of a Participant by an Employer pursuant to Article V.

(x) **" Non-Highly Compensated Employee "** shall mean, with respect to any Plan Year, an Employee or former Employee who is not a Highly Compensated Employee.

(y) " **Non-Key Employee** " shall mean, with respect to any Plan Year, an Employee or former Employee who is not a Key Employee (including any such Employee who formerly was a Key Employee).

(z) " **Nonelective Contribution Account** " shall mean an account established pursuant to paragraph (b) of Article VI with respect to Employer nonelective contributions made pursuant to Article V.

(aa) " **Normal Retirement Date** " shall mean the date on which a Participant attains the age of 65 years.

(bb) " **One Year Break in Service** " shall mean a Plan Year in which an Employee has 500 or fewer Hours of Service, and it shall be deemed to occur on the last day of any such Plan Year. For eligibility purposes, "One Year Break in Service" shall also mean the initial consecutive 12-month period described in the "Year of Service" definition in which an Employee has 500 or fewer Hours of Service, and it shall be deemed to occur on the last day of such consecutive 12-month period.

(cc) " **Participant** " shall mean any eligible Employee of an Employer who has become a Participant under the Plan and shall include any former employee of an Employer who became a Participant under the Plan and who still has a balance in an Account under the Plan.

(dd) " **Plan** " shall mean the 401(k) plan as herein set forth, as it may be amended from time to time.

(ee) " **Plan Administrator** " shall mean the Company.

(ff) " **Plan Year** " shall mean the 12-month period ending on December 31.

(gg) " **Qualified Joint and Survivor Annuity** " shall mean:

(1) in the case of a Participant who has a spouse, an immediate annuity for the life of the Participant with a survivor annuity for the life of his spouse that is 50% (or, at the election of the Participant, 100%) of the amount of the annuity payable during the joint lives of the Participant and his spouse; provided, however, that such annuity shall be the actuarial equivalent of the benefit that would otherwise be paid to the Participant; and

(2) in the case of any other Participant, an immediate annuity for the life of the Participant.

(hh) " **Qualified Nonelective Contribution Account** " shall mean an account established pursuant to paragraph (b) of Article VI with respect to qualified nonelective contributions made by an Employer pursuant to Article V.

(ii) " **Qualified Preretirement Survivor Annuity** " shall mean a survivor annuity for the life of the surviving spouse of the Participant equal to the death benefit provided in paragraph (d) of Article VII and that begins within a reasonable time following the death of the Participant.

(jj) " **Retirement Savings Plan Merger Account** " shall mean an account established pursuant to paragraph (b) of Article VI with respect to each participant for whom assets from the Tech Data Corporation Retirement Savings Plan have been merged into this Plan.

(kk) " **Rollover Contribution Account** " shall mean an account established pursuant to paragraph (b) of Article VI with respect to rollover contributions made pursuant to V.

(ll) " **Section 415 Compensation** " shall mean:

(1) Wages, salaries, and fees for professional services and other amounts received (without regard to whether or not an amount is paid in cash) for personal services actually rendered in the course of employment with the Employer to the extent that the amounts are includable in gross income (including, but not limited to, commissions paid salesmen, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips, bonuses, fringe benefits, and reimbursements or other expense allowances under a nonaccountable plan (as described in Section 1.62-2(c) of the Income Tax Regulations), any elective deferral (as defined in Section 402(g)(3) of the Code), any amount which is contributed or deferred by the Employer at the election of the Employee and which is not includable in the gross income of the Employee by reason of Sections 125 or 457 of the Code, and, effective January 1, 2001, elective amounts that are not includible in the gross income of the Employee by reason of Section 132(f)(4) of the Code.

(2) Section 415 Compensation shall exclude the following:

(A) Employer contributions (except as set forth in subparagraph (1) above) to a plan of deferred compensation which are not includable in the Employee's gross income for the taxable year in which contributed, or Employer contributions (except as set forth in subparagraph (1) above) under a simplified employee pension or any distributions from a plan of deferred compensation; provided, however, that any amounts received by an Employee pursuant to an unfounded non-qualified plan are permitted to be considered as Section 415 Compensation in the year the amounts are includable in the gross income of the Employee;

(B) Amounts realized from the exercise of a non-qualified stock option, or when restricted stock (or property) held by the Employee either becomes freely transferable or is no longer subject to a substantial risk of forfeiture; and

(C) Amounts realized from the sale, exchange or other disposition of stock acquired under a qualified stock option.

(mm) " **Top Heavy Plan** " shall mean:

(1) This Plan if the aggregate account balances (not including voluntary rollover contributions made by any Participant from an unrelated plan) of the Key Employees and their beneficiaries for such Plan Year exceed 60% of

the aggregate account balances (not including voluntary rollover contributions made by any Participant from an unrelated plan) for all Participants and their beneficiaries. Such values shall be determined for any Plan Year as of the last day of the immediately preceding Plan Year (or, for the first Plan Year, the last day of the first Plan Year). The account balances on any determination date shall include the aggregate distributions made with respect to Participants during the five-year period ending on the determination date. For the purposes of this definition, the aggregate account balances for any Plan Year shall include the account balances and accrued benefits of all retirement plans qualified under Section 401(a) of the Code with which this Plan is required to be aggregated to meet the requirements of Section 401 (a)(4) or 410 of the Code (including terminated plans that would have been required to be aggregated with this Plan) and all plans of an Employer or an Affiliate in which a Key Employee participates; and such term may include (at the discretion of the Plan Administrator) any other retirement plan qualified under Section 401(a) of the Code that is maintained by an Employer or an Affiliate, provided the resulting aggregation group satisfies the requirements of Sections 401(a) and 410 of the Code. All calculations shall be on the basis of actuarial assumptions that are specified by the Plan Administrator and applied on a uniform basis to all plans in the applicable aggregation group. The account balance of any Participant shall not be taken into account if:

(A) he is a Non-Key Employee for any Plan Year, but was a Key Employee for any prior Plan Year, or

(B) he has not performed any service for an Employer during the five-year period ending on the determination date.

(2) Notwithstanding paragraph (1) above, for Plan Years beginning after December 31, 2001, the determination of a Top Heavy Plan shall be made in accordance with the following rules:

(A) The amounts of account balances of an Employee as of the determination date shall be increased by the distributions made with respect to the Employee under the Plan and any plan aggregated with the Plan under Section 416(g)(2) of the Code during the 1-year period ending on the determination date. The preceding sentence shall also apply to distributions under a terminated plan which, had it not been terminated, would have been aggregated with the Plan under Section 416(g)(2)(A)(i) of the Code. In the case of a distribution made for a reason other than separation from service, death, or disability, this provision shall be applied by substituting "5-year period" for "1-year period."

(B) The accounts of any individual who has not performed services for the Employer during the 1-year period ending on the determination date shall not be taken into account.

(nn) **" Transfer Contribution Account "** shall mean an account established pursuant to paragraph (b) of Article VI with respect to direct transfers made to this Plan from another qualified plan pursuant to Article V.

(oo) " **Trust** " shall mean the trust established by the Trust Agreement.

(pp) " **Trust Agreement** " shall mean the agreement providing for the Trust Fund, as it may be amended from time to time.

(qq) " **Trust Fund** " shall mean the trust fund established under the Trust Agreement from which the amounts of supplementary compensation provided for by the Plan are to be paid or are to be funded.

(rr) " **Trustee** " shall mean the individual, individuals or corporation designated as trustee under the Trust Agreement.

(ss) " **Valuation Date** " shall mean the last day of each Plan Year and/or each day securities are traded on a national stock exchange.

(tt) " **Year of Service** " shall mean

(1) for all purposes of this Plan except for purposes of Article IV:

(A) For Plan Years beginning on and after January 1, 2001, a Plan Year during which an Employee completes 1,000 or more Hours of Service.

(B) For the Plan Year beginning on January 1, 2000, the Plan Year ending December 31, 2000 only if the employee completes 1,000 or more Hours of Service during such Plan Year.

(i) Notwithstanding any provision of the Plan to the contrary, for purposes of this subparagraph (tt)(1)(B), an employee's Hours of Service shall be equal to the sum of:

a. The employee's Hours of Service as defined in paragraph (t) of Article I, and

b. The number of full months that has elapsed since the most recent anniversary of the employee's hire date multiplied by 190 hours.

(C) For periods beginning before January 1, 2000, the number of years included in an Employee's Periods of Service determined by aggregating all his years and days of service and converting days into years based upon the assumption that a year includes 365 days. Any Period of Service remaining after the aggregation that totals less than 365 days shall be disregarded in determining an Employee's number of Years of Service.

(i) For purposes of this paragraph, the following terms shall have the following meanings:

a. " Period of Service " shall mean, with respect to an Employee, the period (expressed in years and fractional years) beginning with the date the Employee last commenced employment with an Employer or an Affiliate and ending with the date that a Period of Severance begins; provided, however, that any Period of Severance of less than twelve (12) consecutive months shall be disregarded and such time shall be included in the Period of Service.

I. For purposes of this section,

1. the date an Employee commenced employment is the first day an Employee performs an Hour of Service, and

2. fractional periods of less than a year shall be expressed in terms of days.

II. For purposes of determining a Participant's vested percentage under the Plan:

1. If an Employee incurs a Break in Service and is thereafter reemployed by an Employer, his Periods of Service before such date shall be added to his Periods of Service after reemployment for purposes of determining his vested percentage in his Accounts attributable to contributions made after his reemployment.

2. Notwithstanding the foregoing, Periods of Service shall not include any Period of Service prior to a Break in Service if the Participant had no vested interest in the balance of his Accounts attributable to Employer contributions at the time of such Break in Service and if the number of consecutive Breaks in Service equaled or exceeded the greater of five or the number of

Years of Service completed by the Participant prior thereto (not including any Periods of Service not required to be taken into consideration under this subsection as a result of any prior Break in Service).

b. " Period of Severance " shall mean, with respect to an Employee, the period beginning with the earlier of the date the Employee separates from the service of an Employer or an Affiliate by reason of quitting, discharge, death or retirement, or the date twelve (12) months after the date the Employee separates from the service of the Employer or Affiliate for any reason other than quitting, retirement, discharge or death (e.g., vacation, holiday, sickness, disability, leave of absence or day off), and ending with the date the Employee performs an Hour of Service.

(2) For purposes of Article IV, the consecutive 12-month period beginning with the date of the Employee's first Hour of Service for his Employer or an Affiliate thereof if, during such consecutive 12-month period, the Employee completes 1,000 Hours of Service; provided, however, that if, during such consecutive 12-month period, the Employee does not complete 1,000 Hours of Service, then "Year of Service" shall mean any Plan Year beginning after the date of the Employee's first Hour of Service during which the Employee completes 1,000 or more Hours of Service. In either event, for purposes of Article IV, the Year of Service is not completed until the end of the consecutive 12-month period or the Plan Year, as the case may be, without regard to when during the period that the 1,000 Hours of Service are completed.

(3) Effective for Plan Years beginning on and after January 1, 2000, for purposes of Article VII, an Employee's "Years of Service" shall not include the following:

(A) Any Year of Service prior to a One Year Break in Service, but only prior to such time as the Participant has completed a Year of Service after such One Year Break in Service.

(B) (i) In the case of a Participant who has no vested interest in the balance of his Accounts (other than the Rollover Contribution Account), Years of Service before any period of consecutive One Year Breaks in Service shall not be required to be taken into account if the number of consecutive One Year Breaks in Service equals or exceeds the greater of five (5) or the aggregate number of Years of Service completed by the Participant prior to such period of consecutive One Year Breaks in Service.

(ii) For purposes of this subparagraph (2)(B), any Years of Service not required to be taken into account by reason of the application of this subparagraph shall not be taken into account in applying this subparagraph (2)(B) to a subsequent period of One Year Breaks in Service.

(4) For purposes of eligibility and vesting, an Employee shall be credited with service he earned with a predecessor employer in calculating the Employee's Years of Service. For purposes of this subparagraph, the term "predecessor employer" shall mean an entity that is acquired by or merged with the Company or otherwise becomes an Affiliated Employer. The term "predecessor employer" shall also include GE Capital Information Technology Systems-North America, Inc. ("GE") with respect to Employees hired by the Employer from GE in the Frederick, Maryland Distribution and Configuration facility.

(5) For purposes of this section, the term "Employee" shall include any individual employed by an Employer, including a leased employee.

ARTICLE II

Name and Purpose of the Plan and the Trust

(a) **Name of Plan** . A 401(k) plan is hereby established in accordance with the terms hereof and shall be known as the " **TECH DATA CORPORATION 401(K) SAVINGS PLAN** ."

(b) **Exclusive Benefit** . This Plan has been established for the sole purpose of providing benefits to the Participants and enabling them to share in the growth of their Employer. Except as otherwise permitted by law, in no event shall any part of the principal or income of the Trust be paid to or reinvested in any Employer or be used for or diverted to any purpose whatsoever other than for the exclusive benefit of the Participants and their beneficiaries.

(c) **Return of Contribution** . Notwithstanding the foregoing provisions of paragraph (b), any contribution made by an Employer to this Plan by a mistake of fact may be returned to the Employer within one year after the payment of the contribution; and any contribution made by an Employer that is conditioned upon the deductibility of the contribution under Section 404 of the Code (each contribution shall be presumed to be so conditioned unless the Employer specifies otherwise) may be returned to the Employer if the deduction is disallowed and the contribution is returned (to the extent disallowed) within one year after the disallowance of the deduction.

(d) **Participants' Rights** . The establishment of this Plan shall not be considered as giving any Employee, or any other person, any legal or equitable right against any Employer, any Affiliate, the Plan Administrator, the Trustee or the principal or the income of the Trust, except to the extent otherwise provided by law. The establishment of this Plan shall not be considered as giving any Employee, or any other person, the right to be retained in the employ of any Employer or any Affiliate.

(e) **Qualified Plan** . This Plan and the Trust are intended to qualify under the Code as a tax-qualified employees' plan and trust as described in Sections 401(a) and 501(a) of the Code.

ARTICLE III

Plan Administrator

(a) **Administration of the Plan** . The Plan Administrator shall control and manage the operation and administration of the Plan, except with respect to investments. The Plan Administrator shall have no duty with respect to the investments to be made of the funds in the Trust except as may be expressly assigned to it by the terms of the Trust Agreement.

(b) **Powers and Duties** . The Plan Administrator shall have complete control over the administration of the Plan herein embodied, with all powers necessary to enable it to carry out its duties in that respect. Not in limitation, but in amplification of the foregoing, the Plan Administrator shall have the power and discretion to interpret or construe this Plan and to determine all questions that may arise as to the status and rights of the Participants and others hereunder.

(c) **Direction of Trustee** . It shall be the duty of the Plan Administrator to direct the Trustee with regard to the allocation and the distribution of the benefits to the Participants and others hereunder.

(d) **Summary Plan Description and Reports** . The Plan Administrator shall prepare or cause to be prepared a summary plan description (if required by law) and such periodic and annual reports as are required by law.

(e) **Disclosure** . The Plan Administrator shall from time to time furnish to each Participant a statement containing the value of his interest in the Trust Fund and such other information as may be required by law.

(f) **Conflict in Terms** . The Plan Administrator shall notify each Employee, in writing, as to the existence of the Plan and Trust and the basic provisions thereof. In the event of any conflict between the terms of this Plan and the Trust Agreement and any explanatory booklet or other description, this Plan and the Trust Agreement shall control.

(g) **Records** . The Plan Administrator shall keep a complete record of all its proceedings as such Plan Administrator and all data necessary for the administration of the Plan. All of the foregoing records and data shall be located at the principal office of the Plan Administrator.

(h) **Final Authority** . Except to the extent otherwise required by law, the decision of the Plan Administrator in matters within its jurisdiction shall be final, binding and conclusive upon each Employer and each Employee, member and beneficiary and every other interested or concerned person or party.

(i) **Claims** .

(1) Claims for benefits under the Plan may be made by a Participant or a beneficiary of a Participant on forms supplied by the Plan Administrator. Written notice of the disposition of a claim shall be furnished to the claimant by the Plan Administrator within ninety (90) days after the application is filed with the Plan Administrator, unless special circumstances require an extension of time for processing, in which event action shall be taken as soon as possible, but not later than one hundred eighty (180) days after the application is filed with the Plan Administrator; and, in the event that no action has been taken within such ninety (90) or one hundred eighty (180) day period, the claim shall be deemed to be denied for the purposes of subparagraph (2). In the event that the claim is denied, the denial shall be written in a manner calculated to be understood by the claimant and shall include the specific reasons for the denial, specific references to pertinent Plan provisions on which the denial is based, a description of the material information, if any, necessary for the claimant to perfect the claim, an explanation of why such material information is necessary and an explanation of the claim review procedure.

(2) If a claim is denied (either in the form of a written denial or by the failure of the Plan Administrator, within the required time period, to notify the claimant of the action taken), a claimant or his duly authorized representative shall have sixty (60) days after the receipt of such denial to petition the Plan Administrator in writing for a full and fair review of the denial, during which time the claimant or his duly authorized representative shall have the right to review pertinent documents and to submit issues and comments in writing. The Plan Administrator shall promptly review the claim and shall make a decision not later than sixty (60) days after receipt of the request for review, unless special circumstances require an extension of time for processing, in which event a decision shall be rendered as soon as possible, but not later than one hundred twenty (120) days after the receipt of the request for review. If such an extension is required because of special circumstances, written notice of the extension shall be furnished to the claimant prior to the commencement of the extension. The decision of the review shall be in writing and shall include specific reasons for the decision, written in a manner calculated to be understood by the claimant, with specific references to the Plan provisions on which the decision is based.

(j) **Appointment of Advisors** . The Plan Administrator may appoint such accountants, counsel (who may be counsel for an Employer), specialists and other persons that it deems necessary and desirable to assist in the administration of this Plan. The Plan Administrator, by action of its Board of Directors, may designate one or more of its employees to perform the duties required of the Plan Administrator hereunder.

ARTICLE IV

Eligibility and Participation

(a) **Eligibility and Participation** .

(1) Any Employee of an Employer shall be eligible to participate in the Plan with respect to elective contributions upon completing 30 days of employment with the Employer and attaining 18 years of age.

(2) Any Employee of an Employer shall be eligible to participate in the Plan with respect to Employer nonelective contributions, matching contributions and qualified nonelective contributions upon completing one Year of Service and attaining 18 years of age.

(3) Upon completion of the eligibility requirements described in paragraphs (a)(1) and (a)(2) above, an Employee shall enter the Plan as a Participant, if he is still an Employee of an Employer, on the first Entry Date concurring therewith or occurring thereafter. An Employee who has completed the eligibility requirements described in paragraphs (a)(1) and (a)(2) above prior to becoming an Employee shall enter the Plan as a Participant on the date he becomes an Employee of an Employer (or, of later, on the first Entry Date following the completion of his eligibility requirements).

(b) **Former Employees** .

(1) An Employee who ceases to be a Participant and who subsequently reenters the employ of an Employer shall be eligible again to become a Participant on the date of his reemployment.

(2) An Employee who satisfies the eligibility requirements set forth above and who terminates employment with the Employer prior to becoming a Participant will become a Participant on the later of the Entry Date on which he would have entered the Plan had he not terminated employment or the date of his reemployment.

(3) An Employee who incurs a One Year Break in Service prior to satisfying the eligibility requirements set forth above shall be eligible to become a Participant upon completion of such requirements.

(c) **Change in Employment Classification** .

(1) A Participant who ceases to be an Employee will no longer actively participate in the Plan after the date he ceases to be an Employee. If such individual subsequently resumes his status as an Employee, he shall be eligible again to become an active Participant on the date of his reemployment, regardless of whether such date is a normal Entry Date. This requirement is

satisfied if such Employee is permitted to commence or resume, as the case may be, making elective contributions no later than the beginning of the first payroll period commencing after the date he resumes his status as an Employee.

(2) If an individual who is employed by an Employer but who is not an Employee becomes an Employee, such Employee shall enter the Plan as an active Participant on the later of (1) the date the individual becomes an Employee or (2) the Entry Date on which he would have entered the Plan had he been an Employee throughout his employment with the Employer. If the Employee must enter the Plan as an active Participant on the date the he becomes an Employee, then he must be permitted to commence making elective contributions no later than the beginning of the first payroll period commencing after the date he becomes an Employee.

ARTICLE V

Contributions to the Trust

(a) **Participants' Elective Contributions** .

(1) The Employer shall contribute to the Trust, on behalf of each Participant, an elective contribution as specified in a written salary reduction agreement (if any) between the Participant and such Employer, subject to the following:

(A) Such contribution for a Participant shall not exceed the lesser of (i) or (ii):

(i) With respect to elective contributions made under this Plan, or any other plan, contract or arrangement maintained by the Employer, during any calendar year, the dollar limitation contained in Code Section 402(g) in effect for the Participant's taxable year beginning in such calendar year. In the case of a Participant aged 50 or over by the end of the taxable year, the dollar limitation described in the preceding sentence includes the amount of elective contributions that can be Catch-up Contributions. The dollar limitation contained in Code Section 402(g) is $10,500 for taxable years beginning in 2000 and 2001 increasing to $11,000 for taxable years beginning in 2002 and increasing by $1,000 for each year thereafter up to $15,000 for taxable years beginning in 2006 and later years. After 2006, the $15,000 limit will be adjusted by the Secretary of the Treasury for cost-of-living increases under Section 402(g)(4). Any such adjustments shall be in multiples of $500.

(ii) 90% of the Participant's Compensation for such Plan Year.

(B) Catch-up Contributions are elective contributions made to the Plan that are in excess of an otherwise applicable plan limit and that are made by Participants who are aged 50 or over by the end of their taxable years. An otherwise applicable plan limit is a limit in the Plan that applies to elective contributions without regard to Catch-up Contributions, such as the limits on annual additions, the dollar limitation on elective contributions under Code §402(g) (not counting Catch-up Contributions) and the limit imposed by the actual deferral percentage (ADP) test under §401(k)(3). Catch-up Contributions for a Participant for a taxable year may not exceed the dollar limit on Catch-up Contributions under Code §414(v)(2)(B)(i) for the taxable year. The dollar limit on

Catch-up Contributions under Code §414(v)(2)(B)(i) is $1,000 for taxable years beginning in 2002, increasing by $1,000 for each year thereafter up to $5,000 for taxable years beginning in 2006 and later years. After 2006, the $5,000 limit will be adjusted by the Secretary of the Treasury for cost-of-living increases under Code §414(v)(2)(C). Any such adjustments will be in multiples of $500.

Catch-up Contributions are not subject to the limits on annual additions, are not counted in the ADP test and are not counted in determining the minimum allocation under Code §416 (but Catch-up Contributions made in prior years are counted in determining whether the Plan is top-heavy). Provisions in the Plan relating to Catch-up Contributions apply to elective contributions made after 2001.

(2) (A) The minimum deferral percentage made on behalf of a Participant electing to make a contribution for any Plan Year shall be 1% of his Compensation.

(B) Deferrals made on behalf of a Participant shall be in whole percentages.

(3) If the Plan Administrator is notified that a Participant's elective contributions, together with any employer contributions made on behalf of such Participant pursuant to an election to defer under any qualified cash or deferred arrangement ('CODA') described in Code Section 401(k), any salary reduction simplified employee pension described in § 408(k)(6), any SIMPLE IRA plan described in § 408(p) and any plan described under § 501(c)(18), and any employer contributions made on behalf of a participant for the purchase of an annuity contract under § 403(b) pursuant to a salary reduction agreement, exceed the limitation set forth in paragraph (a)(1) of this Article V, the Plan Administrator shall refund to such Participant the portion of such excess deferrals that are attributable to such elective contributions to the Plan, plus the earnings thereon. The Participant may assign to this Plan any excess elective contributions made during a taxable year of the Participant. For this purpose, the Plan Administrator shall be deemed to have been notified of such excess if the excess arises solely from elective contributions made under the Plan or any other plan, contract or arrangement of the Employer. The Plan Administrator may use any reasonable method for computing the income allocable to such excess deferrals, provided that the method does not violate Section 401(a)(4) of the Code, is used consistently for all Participants and for all corrective distributions under the Plan for the Plan Year, and is used by the Plan for allocating income to Participants' Accounts. Any such refund shall be made on or before April 15 of the Plan Year following the Plan Year in which the excess deferral is made. The amount of excess deferrals that may be distributed under this paragraph (a)(3) with respect to a Participant for any taxable year shall be reduced by any excess contributions previously distributed pursuant to paragraph (a)(7) with respect to such Participant for the Plan Year ending with or within such taxable year.

(4) (A) Any Employee who has satisfied the requirements to participate in the Plan with respect to elective contributions may elect to have the Employer contribute amounts to the Plan in the form of elective contributions or to receive such amounts directly in cash. Any such election shall be made through the execution of a salary reduction agreement. To be effective, the salary reduction agreement must be executed and in effect prior to the end of the pay period to which it applies. Any such agreement may be revised by the Participant, in accordance with rules and procedures established by the Plan Administrator, which rules must provide a reasonable period at least once each Plan Year during which a Participant may elect to modify the amount of his elective contributions.

(B) A salary reduction agreement may be executed with respect to a bonus provided the amount of any such bonus is not "currently available" to an Employee on the date such salary reduction agreement is executed. For this purpose, an amount is not currently available to an Employee if there is a significant limitation or restriction on the Employee's right to receive the amount currently or if the Employee may under no circumstances receive the amount before a particular time in the future.

(5) A Participant may suspend further elective contributions to the Plan at any time, provided the request for such suspension is received by the Plan Administrator prior to the first day of the first pay period to which such suspension applies. Any Participant who suspends further contributions relating to periodic pay may resume making elective contributions to the Plan by providing notice in accordance with rules and procedures established by the Plan Administrator.

(6) (A) The Plan Administrator may establish such other rules and procedures regarding Participant salary reduction agreements and elective contributions as it deems necessary, which rules and procedures shall be applied in a uniform, nondiscriminatory manner.

(B) The Plan Administrator shall have the right to require any Participant to reduce his elective contributions under any such agreement, or to refuse deferral of all or part of the amount set forth in such agreement, if necessary to comply with the requirements of this Plan and the Code.

(7) (A) In the event that the elective contributions of Highly Compensated Employees exceed the limitations set forth in paragraph (e), such excess (plus the earnings thereon), determined as set forth in subparagraph (7)(B) below, may be distributed to the Highly Compensated

Employees described in subparagraph (7)(C), below, on or before the 15th day of the third month after the close of the Plan Year to which the excess contributions relate. Notwithstanding the preceding sentence, the Plan Administrator shall in no event delay the distribution of any excess elective contributions (plus the earnings thereon) beyond the date that is 12 months after the close of the Plan Year to which the excess contributions relate. If such excess amounts (other than Catch-up Contributions) are distributed more than 2 $^{1}/_{2}$ months after the last day of the Plan Year in which such excess amounts arose, a 10-percent excise tax will be imposed on the Employer maintaining the Plan with respect to such amounts. Excess elective contributions shall be treated as annual additions under the Plan even if distributed.

(B) (i) The amount of such excess for the Plan Year shall be equal to the amount by which the Actual Deferral Ratio of the Highly Compensated Employee with the highest Actual Deferral Ratio for the Plan Year would be reduced to the extent required to

a. enable the arrangement to satisfy the limitations set forth in paragraph (e), or

b. cause such Highly Compensated Employee's Actual Deferral Ratio to equal the Actual Deferral Ratio of the Highly Compensated Employee with the next highest Actual Deferral Ratio.

This process shall be repeated until the arrangement satisfies the limitations set forth in paragraph (e).

(ii) For each Highly Compensated Employee described in subparagraph (7)(B)(i) above, the amount of such excess shall be deemed to equal

a. the total elective contributions, plus qualified nonelective contributions, if any, that are treated as elective contributions, on behalf of the Participant (determined prior to the application of this paragraph (a)(7)), minus

b. the amount determined by multiplying the Participant's Actual Deferral Ratio (determined after application of this paragraph (a)(7)) by his compensation used in determining such ratio.

(C) The elective contributions of the Highly Compensated Employee with the highest dollar amount of elective contributions for the Plan Year shall be reduced by an amount equal to the excess elective contributions determined under subparagraph (7)(B). The reduced

amount shall be distributed to such Highly Compensated Employee in accordance with subparagraph (7)(A); provided, further, that such Highly Compensated Employee's elective contributions shall be reduced to a level that is equal to the elective contributions of the Highly Compensated Employee with the next highest dollar amount of elective contributions. Thereafter, the elective contributions of the Highly Compensated Employees with the same dollar amounts of elective contributions shall be reduced on an equal basis by an amount equal to any additional excess elective contributions determined under subparagraph (7)(B) above, which reduced amounts shall be distributed to such Highly Compensated Employees in accordance with subparagraph (7)(A). For purposes of this subparagraph, elective contributions shall include amounts treated as elective contributions. To the extent a Highly Compensated Employee has not reached his or her Catch-up Contribution limit under the Plan, excess elective contributions allocated to such Highly Compensated Employee are Catch-up Contributions and will not be treated as excess elective contributions.

(D) The amount of excess elective contributions that may be distributed under this paragraph (a)(7) with respect to a Participant for a Plan Year shall be reduced by any excess deferrals previously distributed to such Participant under paragraph (a)(3) for the Participant's taxable year ending with or within such Plan Year.

(E) The Plan Administrator may use any reasonable method for computing the income allocable to excess contributions, provided that the method does not violate Section 401(a)(4) of the Code, is used consistently for all Participants and for all corrective distributions under the Plan for the Plan Year, and is used by the Plan for allocating income to Participants' Accounts.

(b) **Matching Contributions** .

(1) Each Employer may make matching contributions to the Trust in each Plan Year, as follows:

(A) Basic Matching Contributions .

Each Employer, in its discretion, may contribute a basic matching contribution on behalf of each Participant for whom an elective contribution is made during the Plan Year. The amount of such basic matching contribution will be equal to a discretionary percentage of each Participant's elective contribution for the Plan Year. No basic matching contribution shall be made with respect to a Participant's elective contribution per payroll period that exceeds a specified percentage of his Compensation for such payroll period as determined by the Employer.

(B) Incentive Matching Contributions .

Each Employer, in its discretion, may contribute an incentive matching contribution on behalf of each Participant (i) for whom an elective contribution is made during the Plan Year, and (ii) who is employed on January 31 in the Plan Year immediately following the Plan Year for which the incentive matching contribution is made. The amount of such incentive matching contribution will be equal to a discretionary percentage of each eligible Participant's elective contribution for the Plan Year. No incentive matching contribution shall be made with respect to a Participant's elective contribution for the Plan year that exceeds a specified percentage of his Compensation for such Plan year as determined by the Employer.

(C) Basic matching contributions and incentive matching contributions may be made by each Employer independent of any other Employer, and the matching percentage and Compensation caps applicable to each such type of matching contribution for a Plan Year shall be separately stated by each Employer.

(D) Except where specifically provided otherwise, the basic matching contributions and incentive matching contributions under this paragraph (1) shall be aggregated and treated together as "matching contributions" under this Plan.

(2) No matching contribution shall be made for the portion of a Participant's elective contribution (i) that is subject to the refund requirements of paragraphs (a)(3) and (a)(7) or (ii) that exceeds the limitations of paragraph (e) of Article VI.

(3) Any matching contribution made by an Employer on account of an elective contribution that has been refunded pursuant to paragraph (a)(3) or paragraph (a)(7), above, or distributed to satisfy the limitations set forth in paragraph (e) of Article VI shall be forfeited and used as an additional matching contribution for the Plan Year in which the forfeiture occurs.

(4) In the event that the matching contributions of Highly Compensated Employees exceed the limitations of paragraph (e):

(A) The nonvested portion of such excess (including earnings thereon), if any, determined as set forth in subparagraph (4) (C) below, shall be forfeited and used as an additional matching contribution for the benefit of Non-Highly Compensated Employees for the Plan Year in which the forfeiture occurs.

(B) The vested portion of such excess (including earnings thereon), if any, determined as set forth in subparagraph (4)(C) below, shall be distributed to the Highly Compensated Employees described in subparagraph (4)(F) below, on or before the 15th day of the third month after the close of the Plan Year to which the matching contributions relate. Notwithstanding the preceding sentence, the Plan Administrator shall in no event delay the distribution of any excess matching contributions (plus the earnings thereon) beyond the date that is 12 months after the close of the Plan Year to which the excess contributions relate. If such Excess Aggregate Contributions are distributed more than 2 $^{1}/_{2}$ months after the last day of the Plan Year in which such excess amounts arose, a 10-percent excise tax will be imposed on the employer maintaining the Plan with respect to those amounts. Excess Aggregate Contributions shall be treated as annual additions under the Plan even if distributed.

(C) The amount of such excess for the Plan Year shall be equal to the amount determined by the following leveling method, under which the Actual Contribution Ratio of the Highly Compensated Employee with the highest Actual Contribution Ratio would be reduced to the extent required to

(i) enable the Plan to satisfy the limitations set forth in paragraph (e), or

(ii) cause such Highly Compensated Employee's Actual Contribution Ratio to equal the Actual Contribution Ratio of the Highly Compensated Employee with the next highest Actual Contribution Ratio.

This process shall be repeated until the Plan satisfies the limitations set forth in paragraph (e). For each Highly Compensated Employee, the amount of such excess is equal to the total matching contributions, plus elective contributions and qualified nonelective contributions, if any, treated as matching contributions, on behalf of the Employee (determined prior to the application of this paragraph (b)(4)(C)) minus the amount determined by multiplying the Employee's Actual Contribution Ratio (determined after application of this paragraph (b)(4)(C)) by his compensation used in determining such ratio.

(D) In determining the amount of such excess, Actual Contribution Ratios shall be rounded to the nearest one-hundredth of one percent of the Employee's compensation.

(E) In no case shall the amount of such excess with respect to any Highly Compensated Employee exceed the amount of matching contributions on behalf of such Highly Compensated Employee for such Plan Year.

(F) The matching contributions of the Highly Compensated Employee with the highest dollar amount of matching contributions for the Plan Year shall be reduced by an amount equal to the excess matching contributions determined in accordance with subparagraph (4)(C) above. The reduced amount shall be either forfeited or distributed to such Highly Compensated Employee in accordance with subparagraphs (4)(A) and (B) above, provided, further, that such Highly Compensated Employee's matching contributions shall be reduced to a level that is equal to the matching contributions of the Highly Compensated Employee with the next highest dollar amount of matching contributions. Thereafter, the matching contributions of the Highly Compensated Employees with the same dollar amounts of matching contributions shall be reduced on an equal basis by an amount equal to any additional excess matching contributions determined in accordance with subparagraph (4)(C) above, which reduced amounts shall be either forfeited or distributed to such Highly Compensated Employees in accordance with subparagraphs (4)(A) and (B) above. For purposes of this subparagraph, matching contributions shall include amounts treated as matching contributions.

(G) The Plan Administrator may use any reasonable method for computing the income allocable to excess contributions, provided that the method does not violate Section 401(a)(4) of the Code, is used consistently for all Participants and for all corrective distributions under the Plan for the Plan Year, and is used by the Plan for allocating income to Participants' Accounts.

(5) For purposes of paragraph (3) and subparagraph (4)(A), above, any forfeitures of matching contributions shall first be made from incentive matching contributions (as described in subparagraph (1)(A)), to the extent thereof, and only then from basic matching contributions (as described in subparagraph (1)(B)). Forfeitures of incentive matching contributions shall be allocated as additional incentive matching contributions, and forfeitures of basic matching contributions shall be allocated as additional basic matching contributions.

(6) For purposes of subparagraph (4)(B), above, distributions of excess matching contributions shall first be made from vested incentive matching contributions (as described in subparagraph (1)(A)), to the extent thereof, and only then from vested basic matching contributions (as described in subparagraph (1)(B)).

(c) **Nonelective Contributions .** An Employer, in its discretion, may make nonelective contributions to the Nonelective Contribution Accounts of Participants.

(d) **Qualified Nonelective Contributions .** An Employer, in its discretion, may make qualified nonelective contributions to the Qualified Nonelective Contribution Accounts of Participants.

(e) **Actual Deferral Percentage and Actual Contribution Percentage Tests .** The amounts contributed as elective and matching contributions shall be limited as follows:

(1) The Actual Deferral Percentage for the group of eligible Highly Compensated Employees for the Plan Year shall bear a relationship to the Actual Deferral Percentage for all other eligible Employees for the current Plan Year which meets either of the following tests:

(A) The Actual Deferral Percentage for the group of eligible Highly Compensated Employees for a Plan Year shall not exceed the Actual Deferral Percentage for the group of all other eligible Employees multiplied by 1.25, or

(B) The excess of the Actual Deferral Percentage for the group of eligible Highly Compensated Employees for a Plan Year over the Actual Deferral Percentage for the group of all other eligible Employees shall not exceed two (2) percentage points (or such lesser amount as may be required by the Secretary of the Treasury, through regulations or otherwise); and the Actual Deferral Percentage for the group of eligible Highly Compensated Employees shall not exceed the Actual Deferral Percentage for the group of all other eligible Employees, multiplied by 2.0.

(2) (A) The Actual Contribution Percentage for the group of eligible Highly Compensated Employees for a Plan Year shall not exceed the greater of:

(i) 125% of the Actual Contribution Percentage for the group of all other eligible Employees for the current Plan Year, or

(ii) The lesser of 200% of the Actual Contribution Percentage for the group of all other eligible Employees for the current Plan Year, or the Actual Contribution Ratio for the group of all other eligible Employees for the current Plan Year, plus two (2) percentage points (or such lesser amount as may be required by the Secretary of the Treasury, through regulations or otherwise).

(B) The Actual Contribution Percentage for the group of eligible Employees who are not Highly Compensated Employees shall be determined on the basis of the current Plan Year.

(3) (A) In the event that this Plan satisfies the requirements of Code §§401(k), 401(m), 401(a)(4), or 410(b) only if aggregated with one or more other plans, or if one or more other plans satisfy the requirements of such sections of the Code only if aggregated with this Plan, then this section shall be applied by determining the ADP and ACP of employees as if all such plans were a single plan. Plans may be aggregated in order to satisfy Code §401(k) or Code §401(m) only if they have the same Plan Year and use the same ADP and ACP testing methods.

(B) (i) The Actual Deferral Ratio of a Highly Compensated Employee who is eligible to participate in more than one cash or deferred arrangement maintained by an Employer shall be determined by treating all such cash or deferred arrangements in which the Employee is eligible to participate (other than arrangements that may not be permissively aggregated) as a single arrangement. If a Highly Compensated Employee participates in two or more CODAs of the Employer that have different plan years, all Elective Deferrals made during the Plan Year under all such arrangements shall be aggregated. For plan years beginning before 2006, all such CODAs ending with or within the same calendar year shall be treated as a single arrangement. Notwithstanding the foregoing, certain plans shall be treated as separate if mandatorily disaggregated under regulations under Code §401(k).

(ii) The Actual Contribution Ratio of a Highly Compensated Employee who is eligible to participate in more than one plan of an Employer to which Employee or matching contributions are made shall be determined by treating all such plans (other than arrangements that may not be permissively aggregated) as a single plan. If a Highly Compensated Employee participates in two or more such plans or arrangements that have different plan years, all Contribution Percentage Amounts made during the Plan Year under all such plans and arrangements shall be aggregated. For plan years beginning before 2006, all such plans and arrangements ending with or within the same calendar year shall be treated as a single plan or arrangement. Notwithstanding the foregoing, certain plans shall be treated as separate if mandatorily disaggregated under regulations under Code §401(m).

(4) (A) An elective contribution will be taken into account in determining the Actual Deferral Percentage only if it relates to Compensation that either would have been received by the Employee in the Plan Year but for the Employee's election to defer under the cash or deferred arrangement or is attributable to services performed by the Employee in the Plan Year and, but for the Employee's election to defer, would have been received by the Employee within 2 1/2 months after the close of the Plan Year.

(B) An elective contribution will be taken into account in determining the Actual Deferral Percentage only if it is allocated to the Participant as of a date within that Plan Year; and provided further, that such allocation shall not be contingent on participation or performance of services and that such elective contribution shall be paid to the Trust no later than twelve (12) months after the Plan Year to which the contribution relates.

(5) For any Plan Year, the Employer can elect to perform the tests described in (e)(1) and (e)(2) above by comparing the ADP and ACP of Highly Compensated Employees for the current Plan Year to the ADP and ACP of all other eligible Employees for the prior Plan Year, but only if the Plan has used the method described in (e)(1) and (e)(2) above for each of the preceding five Plan Years or if, as a result of a merger or acquisition described in Code § 410(b)(6)(C)(i), the Employer maintains both a plan using the prior year testing method and a plan using the current year testing method and the change is made within the transition period described in § 410(b)(6)(C)(ii). If more than 10 percent of the Employer's Non-highly Compensated Employees are involved in a plan coverage change as defined in Regulations §1.401(k)-2(c)(4) or 1.401(m)-2(c)(4), then any adjustments to the Nonhighly Compensated Employees' ADP for the prior year will be made in accordance with such Regulations, unless the Employer is using the Current Year Testing method described in (e)(1) and (e)(2) above.

(6) For any Plan Year, the Employer can elect to utilize the permissive disaggregation rules contained in Treasury Regulation §1.401(k)-1(b)(4)(iv)(A) or §1.401(k)-2(a)(1)(iii)(A) in performing the ADP or ACP tests described in subparagraphs (1) and (2) above.

(f) **Form and Timing of Contributions** . Payments on account of the contributions due from an Employer for any Plan Year shall be made in cash or Employer Stock. Such payments may be made by a contributing Employer at any time, but payment of the Employer contributions for any Plan Year shall be completed on or before the time prescribed by law, including extensions thereof, for filing such Employer's federal income tax return for its taxable year with which or within which such Plan Year ends. Payment of any elective contribution must be made as soon as is administratively feasible following the date on which the contribution is withheld from a Participant's pay, but in any case, no later than the fifteenth business day of the month following the month in which the contribution is withheld from a Participant's pay.

(g) **Rollover Contributions and Direct Transfers** . The Trustee may accept rollover contributions and direct transfers, as follows:

(1) For Plan Years beginning prior to January 1, 2002, and with the consent of the Plan Administrator and in such manner as prescribed by the Plan Administrator, the Trustee may accept:

(A) a rollover contribution (as defined in the applicable sections of the Code) on behalf of an Employee, and

(B) a direct transfer from a trustee of another qualified plan in which an Employee is or was a participant.

(2) For Plan Years beginning after December 31, 2001, the Plan will accept Participant rollover contributions and/or direct rollovers of an eligible rollover distribution from the following types of plans described in Section 401(a) or 403(a) of the Code, excluding after-tax Employee contributions:

(A) General . The Plan will accept a direct rollover of an eligible rollover distribution from a qualified plan described in Section 401(a) or 403(a) of the Code.

(B) Participant Rollover Contributions from Other Plans . The Plan will accept a Participant contribution of an eligible rollover distribution from a qualified plan described in Section 401(a) or 403(a) of the Code.

(C) Participant Rollover Contributions from IRAs . The Plan will accept a Participant rollover contribution of the portion of a distribution from an individual retirement account or annuity described in Section 408(a) or 408(b) of the Code (including an account or annuity described in Section 408(p)) that is eligible to be rolled over and would otherwise be includible in gross income.

(3) Any Transfer Contribution Account, ESOP Merger Account or Retirement Savings Plan Merger Account that would cause this Plan to be a transferee plan within the meaning of Section 401(a)(11)(B)(iii)(III) of the Code shall be accounted for separately, and shall be subject to the requirements of Sections 401(a)(11) and 417 of the Code.

(h) **No Duty to Inquire** . The Trustee shall have no right or duty to inquire into the amount of any contribution made by an Employer or any Participant or the method used in determining the amount of any such contribution, or to collect the same, but the Trustee shall be accountable only for funds actually received by it.

ARTICLE VI

Participants' Accounts and Allocation of Contributions

(a) **Common Fund** . The assets of the Trust shall constitute a common fund in which each Participant shall have an undivided interest.

(b) **Establishment of Accounts** .

(1) The Plan Administrator shall establish and maintain with respect to each Participant an account, designated as a Nonelective Contribution Account, Elective Contribution Account, Matching Contribution Account and Qualified Nonelective Contribution Account.

(2) (A) For each Participant who has been credited with a rollover contribution or a transfer from another qualified plan pursuant to Article V, the Plan Administrator shall establish and maintain a Rollover Contribution Account or a Transfer Contribution Account.

(B) In the case of a direct transfer of assets from another plan, the protected benefits (within the meaning of Section 411(d)(6) of the Code) attributable to the transferor plan shall apply to the assets in the Participant's Transfer Contribution Account.

(3) The Plan Administrator shall establish and maintain an ESOP Merger Account and/or a Retirement Savings Plan Merger Account for each Participant for whom assets from the Tech Data Corporation Employee Stock Ownership Plan and/or the Tech Data Corporation Retirement Savings Plan have been merged into this Plan.

(4) The Plan Administrator may establish such additional Accounts as are necessary to reflect a Participant's interest in the Trust Fund.

(c) **Interests of Participants** . The interest of a Participant in the Trust Fund shall be the vested balance remaining from time to time in his Accounts after making the adjustments required in paragraph (d).

(d) **Adjustments to Accounts .** Subject to the provisions of paragraph (e), the Accounts of a Participant shall be adjusted from time to time as follows:

(1) First , the value of a Participant's Accounts shall be converted into units or shares.

(2) Next , contributions made on each Valuation Date shall be credited in accordance with the following and shall be used to purchase additional units or shares:

(A) The Elective Contribution Account of a Participant shall be credited with any elective contributions not previously credited.

(B) The Matching Contribution Account of a Participant shall be credited with any matching contributions made by his Employer not previously credited.

(C) The Nonelective Contribution Account of a Participant shall be credited with his share of the nonelective contribution not previously credited, if any, made by his Employer with respect to the Plan Year to which such contribution relates. The amount of the nonelective contribution credited to a Participant shall be the amount that bears the same ratio to the total of such nonelective contributions as the Participant's Compensation bears to the total Compensation of all Participants who are entitled to share in the nonelective contributions for the Plan Year.

(i) A Participant shall not be entitled to share in the nonelective contribution for a Plan Year unless (a) the Plan Year constitutes a Year of Service for such Participant and he is employed by his Employer on the last day of the Plan Year, or (b) his employment is terminated during the Plan Year as a result of retirement, disability or death.

(ii) a. I. In the event that the requirements set forth in subparagraph (i) above would cause this Plan to fail to satisfy the coverage requirement described in subparagraph (ii)a.II. below, a Participant shall be entitled to share in the nonelective contribution if he satisfies the requirements of subparagraph (ii)b. below.

II. In order to satisfy the coverage requirement of this subparagraph (ii)a.II. for the Plan Year, the Plan's ratio percentage (as described in subparagraph (ii)a.III. below) with respect to the Employer contribution for the Plan Year shall be at least seventy percent (70%).

III. For purposes of this subparagraph (ii)a., "ratio percentage" shall mean the percentage (rounded to the nearest hundredth of a percentage point) determined by dividing the percentage of the Non-Highly Compensated Employees (as defined below) who benefit under the Plan by the percentage of the Highly Compensated Employees who benefit under the Plan.

1. For purposes of determining the ratio percentage applicable to any contribution made pursuant to Article V and allocated pursuant to Article VI, the percentage of the Non-Highly Compensated Employees who benefit under the Plan shall be determined by dividing the number of Non-Highly Compensated Employees who are Participants in the Plan and are entitled to share in the applicable contribution under the Plan by the total number of Non-Highly Compensated Employees who have met the service requirements of paragraph (b) of Article IV. The percentage of the Highly Compensated Employees who benefit under the Plan shall be determined by dividing the number of Highly Compensated Employees who are Participants in the Plan and are entitled to share in the applicable contribution under the Plan by the total number of Highly Compensated Employees who have met the service requirements of paragraph (b) of Article IV.

2. The Plan's ratio percentage shall be determined as of the last day of the Plan Year, taking into account all Employees who were Employees on any day during the Plan Year.

b. If this Plan would otherwise fail to satisfy the requirements of subparagraph (ii)a. for the Plan Year, a Participant shall be entitled to share in the Employer nonelective contribution credited if the following requirements are satisfied:

I. he is a Non-Highly Compensated Employee;

II. he completes more than 500 Hours of Service during such Plan Year, regardless of whether he is employed by his Employer on the last day of the Plan Year; and

III. the crediting of a share of the contribution to the Participant is required by this subparagraph (ii)b.III. The number of Participants

required to be credited with a contribution by this subparagraph (ii)b.III. (the "Required Number of Participants"), when added to the Non-Highly Compensated Employees who are eligible to be credited with a contribution pursuant to the provisions of subparagraph (C)(i), shall be equal to the minimum number of Non-Highly Compensated Employees who are required to be credited with an Employer contribution under the Plan during the Plan Year in order to satisfy the minimum coverage requirement of subparagraph (ii)a. A Participant will be credited with a contribution under this subparagraph (ii)b.III. if the Participant is among the Required Number of Participants paid the lowest Compensation by his Employer for the Plan Year (determined without regard to those Participants who are entitled to be credited with a contribution pursuant to subparagraph (C)(i) above).

(D) The Qualified Nonelective Contribution Account of a Participant shall be credited with his share of the qualified nonelective contribution made by his Employer not previously credited as follows:

(i) The amount of the qualified nonelective contribution shall be credited first to the Participant who is a Non-Highly Compensated Employee and whose eligible Compensation as described in paragraph (k) of Article I for the Plan Year is the lowest of all Plan Participants in an amount that does not exceed the limitations on Annual Additions described in paragraph (e) of this Article; provided, however, that such qualified nonelective contribution shall not exceed the Compensation of the Non-Highly Compensated Employee times the greater of 5% or twice the Plan's representative contribution rate. The Plan's representative contribution rate is the lowest applicable contribution rate of any eligible Non-Highly Compensated Employee among a group of eligible Non-Highly Compensated Employees that consists of half of all such eligible Employees for the Plan Year (or of any eligible Non-Highly Compensated Employee in the group of all eligible Non-Highly Compensated Employees for the Plan Year who are employed by the Employer on the last day of the Plan Year, if greater). The applicable contribution rate is the sum of the qualified nonelective contributions made for the eligible Non-Highly Compensated Employee for the Plan Year, divided by the eligible Non-Highly Compensated Employee's Compensation for the same

period. If any qualified nonelective contributions remain to be credited, then such qualified nonelective contributions shall be credited to the Non-Highly Compensated Employee whose eligible Compensation as described in paragraph (k) of Article I for the Plan Year is the second lowest of all Plan Participants in the same manner as the first level of crediting and such crediting process shall continue until all of the qualified nonelective contributions are credited; provided, however, that a Participant who is a Highly Compensated Employee or a Non-Highly Compensated Employee who has not met the minimum age and service requirements of Section 410(a)(1)(a) of the Code as of the last day of the Plan Year for which the qualified nonelective contribution is being made shall not be eligible to be credited with qualified nonelective contributions.

(ii) Adequate accounting procedures shall be established so that portions credited to the Qualified Nonelective Contribution Account and used to determine the Actual Contribution Percentage and the Actual Deferral Percentage may be separately identified.

(E) The Rollover Contribution Account and Transfer Contribution Account of a Participant shall be credited with any rollover or transfer contributions not previously credited.

(F) Elective, Employer (matching and nonelective) and qualified nonelective contributions shall be attributable to the Plan Year with respect to which such contributions relate.

(3) Finally , the amount of distributions, withdrawals or transfers between investment funds, or other fees not previously charged to the Participant's Accounts shall be charged to the appropriate Accounts of the Participant and the number of units or shares equal in value to the amount paid from the Participant's Accounts shall be deducted from the Participant's outstanding units or shares.

(4) For each Plan Year in which this Plan is a Top Heavy Plan, a Participant who is employed by an Employer on the last day of such Plan Year and who is a Non-Key Employee for such Plan Year shall be entitled to receive a combined credit of contributions and forfeitures to his Nonelective Contribution Account and his Qualified Nonelective Contribution Account equal in the aggregate to at least three percent (3%) of his Section 415 Compensation (or, if less, the highest percentage of such Section 415 Compensation credited to a Key Employee's Account hereunder, as well as his employer contribution accounts under any other defined contribution plan maintained by such Employer or an Affiliate, including any elective contribution to any plan subject to Section 401(k) of the Code), except to the extent such a contribution is made by an

Employer or an Affiliate on behalf of the Employee for the Plan Year to any other defined contribution plan maintained by such Employer or Affiliate. For Plan years beginning after December 31, 2001, Employer matching contributions shall be taken into account for purposes of satisfying the minimum contribution requirements of Section 416(c)(2) of the Code and the Plan. The preceding sentence shall apply with respect to matching contributions under the Plan or, if the Plan provides that the minimum contribution requirement shall be met in another plan, such other plan. Employer matching contributions that are used to satisfy the minimum contribution requirements shall be treated as matching contributions for purposes of the actual contribution percentage test and other requirements of Section 401(m) of the Code.

(5) The Plan Administrator also may adopt such additional accounting procedures as are necessary to accurately reflect each Participant's interest in the Trust Fund, which procedures shall be effective upon approval by the Employer. All such procedures shall be applied in a consistent and nondiscriminatory manner.

(e) **Limitation on Allocation of Contributions .**

(1) Notwithstanding anything contained in this Plan to the contrary, for Plan Years beginning after December 31, 2001, and except to the extent permitted under Section V(a)(1)(B) and Section 414(v) of the Code, if applicable, the Annual Addition that may be contributed or allocated to a Participant's account under the Plan for any limitation year shall not exceed the lesser of:

(A) $40,000, as adjusted for increases in the cost-of-living under Section 415(d) of the Code; or

(B) 100 percent of the Participant's compensation, within the meaning of Section 415(c)(3) of the Code, for the limitation year.

(2) The compensation limit referred to in subparagraph (e)(1)(B) above shall not apply to any contribution for medical benefits after separation from service (within the meaning of Section 401(h) or Section 419A(f)(2) of the Code) which is otherwise treated as an annual addition.

(3) In the event that the Annual Additions, under the normal administration of the Plan, would otherwise exceed the limits set forth above for any Participant, or in the event that any Participant participates in both a defined benefit plan and a defined contribution plan maintained by any Employer or any Affiliate and the aggregate annual additions to and projected benefits under all of such plans, under the normal administration of such plans, would otherwise exceed the limits provided by law, then the Plan Administrator shall take such actions, applied in a uniform and nondiscriminatory manner, as will keep the annual additions and projected benefits for such Participant from exceeding the

applicable limits provided by law. Excess Annual Additions shall be disposed of as provided in subparagraph (3). Adjustments shall be made to this Plan, if necessary to comply with such limits, before any adjustments may be made to other plans.

(4) If as a result of the allocation of forfeitures, a reasonable error in estimating a Participant's Section 415 Compensation, a reasonable error in determining the amount of elective contributions that may be made with respect to any Participant under the limits of Section 415 of the Code, or other circumstances permitted under Section 415 of the Code, the Annual Additions attributable to Employer contributions for a particular Participant would cause the limitations set forth in this paragraph (e) to be exceeded, the excess amount shall be deemed first to consist of elective contributions, which excess shall be returned to the Participant. Any remaining excess amount shall be used to reduce Employer contributions for the next Plan Year (and succeeding Plan Years, as necessary) for that Participant if that Participant is covered by the Plan as of the end of the Plan Year. If the Participant is not covered by the Plan as of the end of the Plan Year, such excess amount shall be held unallocated in a suspense account for the Plan Year and reallocated among the Participants as of the end of the next Plan Year to all of the Participants in the Plan in the same manner as an Employer contribution under the terms of paragraph (d) of this Article VI before any further Employer contributions are allocated to the Accounts of the Participants, and such allocations shall be treated as Annual Additions to the Accounts of the Participants. In the event that the limits on Annual Additions for any Participant would be exceeded before all of the amounts in the suspense account are allocated among the Participants, then such excess amounts shall be retained in the suspense account to be reallocated as of the end of the next Plan Year and any succeeding Plan Years until all amounts in the suspense account are exhausted.

(f) **Exercise of Voting and Other Rights** . Any voting and other rights with respect to shares of Employer Securities held as part of each Participant's Accounts, or a part of any suspense account within the Trust Fund shall be exercised as follows:

(1) (A) If any Employer does not have a registration-type class of securities, as defined in Section 409(e) of the Code, each Participant who is an Employee of such Employer shall be entitled to direct the Trustee as to the exercise of any voting rights, attributable to shares allocated to his Accounts, with respect to the approval or disapproval of any corporate merger or consolidation, recapitalization, reclassification, liquidation, dissolution, or sale of substantially all assets of a trade or business.

(B) If any Employer has a registration-type security, as defined in Section 409(e) of the Code, any voting and other rights with respect to Employer Securities (including fractional shares) allocated to any Participant's Accounts shall be exercised by the Trustee in accordance with instructions received from such Participant.

(C) In connection with the exercise of the rights set forth in subparagraphs (A) and (B) above, the Trustee shall notify each Participant at least thirty (30) days prior to the date upon which such rights are to be exercised; provided, however, that the Trustee shall not be under any obligation to notify the Participants sooner that it receives such information as a security holder of record. In the event the notice received by the Trustee makes it impossible for the Trustee to comply with such thirty (30) day notice requirement, the Trustee shall notify the Participants regarding the exercise of such rights as soon as practicable. The notification shall include all information distributed to the security holders of record by the Employer regarding the exercise of such rights.

(D) Any voting and other rights with respect to Employer Securities (including fractional shares) held by the Trustee that are not allocated to the Participants' Accounts shall be exercised by the Trustee in its discretion.

ARTICLE VII

Benefits Under the Plan

(a) **Retirement Benefit**

(1) A Participant shall be entitled to a retirement benefit upon his Normal Retirement Date. Until a Participant actually retires from the employ of his Employer, his retirement benefit shall not be paid and he shall continue to be treated in all respects as a Participant.

(2) Upon the retirement of a Participant as provided in subparagraph (1), such Participant shall be entitled to a retirement benefit paid in accordance with Article VIII in an amount equal to 100% of the balance in his Accounts as of the date of distribution of his benefit.

(b) **Disability Benefit**

(1) In the event a Participant's employment with his Employer is terminated by reason of his total and permanent disability, such Participant shall be entitled to a disability benefit paid in accordance with Article VIII in an amount equal to 100% of the balance in his Accounts as of the date of distribution of his benefit.

(2) Total and permanent disability shall mean a medically determinable physical or mental impairment of a Participant which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than twelve (12) months and which renders him unable to engage in any substantial gainful activity. The disability of a Participant will be deemed to have occurred only when certified by a physician who is acceptable to the Plan Administrator and only if such proof is received by the Administrator within sixty (60) days after the date of the termination of such Participant's employment.

(c) **Termination of Employment Benefit**

(1) In the event a Participant's employment with his Employer is terminated for reasons other than retirement, total and permanent disability or death, such Participant shall be entitled to a termination of employment benefit paid in accordance with Article VIII in an amount equal to his vested interest in the balance in his Accounts as of the date of distribution of his benefit.

(2) (A) A Participant's vested interest in his Matching Contribution Account and his Nonelective Contribution Account shall be a percentage of the balance of such Accounts as of the applicable Valuation Date, based upon such Participant's Years of Service as of the date of the termination of his employment, as follows:

TOTAL NUMBER OF YEARS OF SERVICE	VESTED INTEREST
Less than 1 Year of Service	0%
1 year, but less than 2 years	25%
2 years, but less than 3 years	50%
3 years, but less than 4 years	75%
4 or more years	100%

(B) Notwithstanding the foregoing, a Participant shall be 100% vested in his Matching Contribution Account and his Nonelective Contribution Account upon attaining his Normal Retirement Date if he is still an Employee. A Participant's vested interest in his Elective Contribution Account, Qualified Nonelective Contribution Account, Retirement Savings Plan Merger Account and his Rollover Contribution Account shall be 100% regardless of the number of his Years of Service.

(C) A Participant's vested interest in his ESOP Merger Account shall be a percentage of the balance of such Accounts as of the applicable Valuation Date, based upon such Participant's Years of Service as of the date of the termination of his employment, as follows:

TOTAL NUMBER OF YEARS OF SERVICE	VESTED INTEREST
Less than 3 Years of Service	0%
3 years, but less than 4 years	20%
4 years, but less than 5 years	40%
5 years, but less than 6 years	60%
6 years, but less than 7 years	80%
7 or more years	100%

(D) Notwithstanding the provisions of paragraph (c)(2)(C), above, for any Plan Year in which this Plan is a Top Heavy Plan, a Participant's vested interest in his ESOP Merger Account shall be a percentage of the balance of his ESOP Merger Account based upon such Participant's Years of Service as of the date of the termination of his employment, as follows:

TOTAL NUMBER OF YEARS OF SERVICE	VESTED INTEREST
Less than 2 Years of Service	0%
2 years, but less than 3 years	20%
3 years, but less than 4 years	40%
4 years, but less than 5 years	60%
5 years, but less than 6 years	80%
6 or more years	100%

(E) If at any time this Plan ceases to be a Top Heavy Plan after being a Top Heavy Plan for one or more Plan Years, such change from being a Top Heavy Plan shall be treated as if it were an amendment to the Plan's vesting schedule for purposes of paragraph 1 of Article XII.

(F) Notwithstanding the foregoing, a Participant shall be 100% vested in his ESOP Merger Account upon attaining his Normal Retirement Date if he is still an Employee.

(3) If the termination of employment results in five consecutive One Year Breaks in Service, then upon the occurrence of such five consecutive One Year Breaks in Service, the nonvested interest of the Participant in his Matching Contribution Account, Nonelective Contribution Account and ESOP Merger Account as of the Valuation Date concurring with the date of his termination of employment shall be deemed to be forfeited. Such forfeited amount shall be used to reduce his Employer's contributions (other than elective contributions) under Article V. If the Participant is later reemployed by an Employer or an Affiliate, the unforfeited balance, if any, in his Matching Contribution Account, Nonelective Contribution Account and ESOP Merger Account that has not been distributed to such Participant shall be set aside in a separate account, and such Participant's Years of Service after any five consecutive One Year Breaks in Service resulting from such termination of employment shall not be taken into account for the purpose of determining the vested interest of such Participant in the balance of his Matching Contribution Account, Nonelective Contribution Account and ESOP Merger Account that accrued before such five consecutive One Year Breaks in Service.

(4) (A) Notwithstanding any other provision of this paragraph (c), if at any time a Participant is less than 100% vested in his Accounts and, as a result of his termination of employment, he receives his entire vested termination of employment benefit pursuant to the provisions of Article VIII, and the distribution of such benefit is made not later than the close of the fifth Plan Year following the Plan Year in which such termination occurs (or such longer period as may be permitted by the Secretary of the Treasury, through regulations or otherwise), then upon the occurrence of such distribution, the non-vested interest of the Participant in his Accounts shall be deemed to be forfeited. Such forfeited amount shall be used to reduce his Employer's contributions (other than elective contributions) under Article V.

(B) If a Participant is not vested as to any portion of his Accounts, he will be deemed to have received a distribution immediately following his termination of employment. Upon the occurrence of such deemed distribution, the non-vested interest of the Participant in his Accounts shall be deemed to be forfeited. Such forfeited amount shall be used to reduce his Employer's contributions (other than elective contributions) under Article V.

(C) If a Participant whose interest is forfeited under this subparagraph (4) is reemployed by an Employer prior to the occurrence of five consecutive One Year Breaks in Service commencing after his distribution, then such Participant shall have the right to repay to the Trust, before the date that is the earlier of (1) five years after the Participant's resumption of employment, or (2) the close of a period of five consecutive One Year Breaks in Service, the full amount of the termination of employment benefit previously distributed to him. If the Participant elects to repay such amount to the Trust within the time periods prescribed herein, or if a non-vested Participant whose interest was forfeited under this subparagraph (4) is reemployed by an Employer prior to the occurrence of five consecutive One Year Breaks in Service, the non-vested interest of the Participant previously forfeited pursuant to the provisions of this subparagraph (4) shall be restored to the Accounts of the Participant, such restoration to be made from forfeitures of non-vested interests and, if necessary, by contributions of his Employer, so that the aggregate of the amounts repaid by the Participant and restored by the Employer shall not be less than the Account balances of the Participant at the time of forfeiture unadjusted by any subsequent gains or losses.

(d) **Death Benefit**

(1) In the event of the death of a Participant while actively employed by the Employer, the Participant's beneficiary shall be entitled to a death benefit paid in accordance with Article VIII in an amount equal to 100% of the balance in his Accounts as of the date of distribution of his benefit.

(2) Subject to the provisions of Article VIII, at any time and from time to time, each Participant shall have the unrestricted right to designate a beneficiary to receive his death benefit and to revoke any such designation. Each designation or revocation shall be evidenced by written instrument filed with the Plan Administrator, signed by the Participant and bearing the signature of a witness to his signature. In the event that a Participant has not designated a beneficiary or beneficiaries, or if for any reason such designation shall be legally ineffective, or if such beneficiary or beneficiaries shall predecease the Participant, then the personal representative of the estate of such Participant shall be deemed to be the beneficiary designated to receive such death benefit, or if no personal representative is appointed for the estate of such Participant, then his next of kin under the statute of descent and distribution of the state of such Participant's domicile at the date of his death shall be deemed to be the beneficiary or beneficiaries to receive such death benefit.

(3) Notwithstanding the foregoing, if the Participant is married as of the date of his death, the Participant's surviving spouse shall be deemed to be his designated beneficiary and shall receive the full amount of the death benefit attributable to the Participant unless the spouse consents or has consented to the Participant's designation of another beneficiary. Any such consent to the designation of another beneficiary must acknowledge the effect of the consent, must be witnessed by a Plan representative or by a notary public and shall be effective only with respect to that spouse. A spouse's consent shall be a restricted consent (which may not be changed as to the beneficiary unless the spouse consents to such change in the manner described herein). Notwithstanding the preceding provisions of this subparagraph (3), a Participant shall not be required to obtain spousal consent to his designation of another beneficiary if (A) the Participant is legally separated or the Participant has been abandoned, and the Participant provides the Plan Administrator with a court order to such effect, or (B) the spouse cannot be located.

ARTICLE VIII

Payment of Benefits

(a) **Time of Benefit Payment** .

(1) (A) The distribution of the retirement, disability, termination of employment or death benefit to which a Participant is entitled under paragraph (a), (b), (c) or (d) of Article VII shall commence as soon as administratively practicable following the Participant's retirement, disability, death or termination of employment.

(B) For Plan Years beginning after December 31, 2001, a Participant's elective contributions, qualified nonelective contributions and earnings attributable to these contributions shall be distributed on account of the Participant's severance from employment. However, such a distribution shall be subject to the other provisions of the Plan regarding distributions, other than provisions that require a separation from service before such amounts may be distributed.

(2) Notwithstanding the foregoing, in the case of a Participant's ESOP Merger Account, the distribution of the retirement, disability, termination of employment or death benefit to which a Participant is entitled under paragraph (a), (b), (c) or (d) of Article VII which is attributable to his ESOP Merger Account shall commence not later than the date provided for in this subparagraph (2).

(A) The distribution of the retirement, disability or death benefit to which a Participant is entitled under paragraph (a), (b) or (d) of Article VII shall commence within the 12 month period following the close of the Plan Year in which the Participant's employment with an Employer terminates on or after his Normal Retirement Date, disability or death, as the case may be.

(B) The distribution of the termination of employment benefit to which a Participant is entitled under paragraph (c) of Article VII shall commence within the 12 month period following the close of the Plan Year that is the fifth Plan Year following the Plan Year in which the Participant's termination of employment occurs, except that this subparagraph (2)(B) shall not apply if the Participant is reemployed by an Employer before the first day of such fifth Plan Year.

(3) Notwithstanding the foregoing provisions of this paragraph, no distribution shall be made of the retirement, disability or termination of employment benefit to which a Participant is entitled under paragraph (a), (b) or (c) of Article VII unless the value of his benefit attributable to Employer contributions and Employee contributions, if any, determined at the time of

distribution, does not exceed $5,000, or unless the Participant consents to the distribution, except as provided in subparagraph (4) below. In the event of a distribution greater than $1,000 and less than $5,000, if the Participant does not elect to have such distribution paid directly to an eligible retirement plan specified by the Participant in a direct rollover or to receive the distribution directly, then the Plan Administrator will pay the distribution in a direct rollover to an individual retirement plan designated by the Plan Administrator.

(3) Notwithstanding anything contained herein to the contrary, any distribution paid to a Participant (or, in the case of a death benefit, to his beneficiary or beneficiaries) pursuant to this paragraph shall commence not later than the earlier of:

(A) the 60th day after the last day of the Plan Year in which the Participant's employment is terminated or, if later, in which occurs the Participant's Normal Retirement Date, provided the Participant or his beneficiary(ies) consents to such distribution; or

(B) April 1 of the calendar year immediately following

(i) the calendar year in which the Participant reaches age 70- $^{1}/_{2}$, or

(ii) if later, the calendar year in which the Participant retires; provided, however, that this subparagraph (4)(B)(ii) shall not apply in the case of a Participant who is a 5% owner (as defined in Section 416 of the Code) with respect to the Plan Year ending in the calendar year in which the Participant attains age 70- $^{1}/_{2}$.

Any distributions required to be made pursuant to this Section VIII(a)(4)(B) will be made in accordance with Treasury Regulation §§1.401(a)(9)-1 through 1.401(a)(9)-9.

(4) If a distribution is one to which Sections 401(a)(11) and 417 of the Code do not apply, such distribution may commence less than 30 days after the notice required under Section 1.411(a)-11(c) of the Income Tax Regulations is given, provided that:

(A) the Plan Administrator clearly informs the Participant that the Participant has a right to a period of at least 30 days after receiving the notice to consider the decision of whether or not to elect a distribution (and, if applicable, a particular distribution option), and

(B) the Participant, after receiving the notice, affirmatively elects a distribution.

(b) **Form of Benefit Payment** . The form of benefit payment shall be a single sum distribution in cash; provided, however, that a Participant (or, in the case of a deceased Participant, his beneficiary(ies)) may elect to have all or any portion of his Account that is invested in Employer Securities paid to him in the form of whole shares of Employer Securities.

(1) Notwithstanding anything to the contrary herein:

(A) In the case of a retirement, disability or termination of employment benefit, in no event shall payments extend beyond the life expectancy of the Participant or the joint life expectancy of the Participant and his designated beneficiary. If the Participant dies before receiving the entire amount payable to him, the balance shall be paid to his designated beneficiary or, if there is none, to the beneficiary specified in Article VII; in each case the balance shall be distributed at least as rapidly as under the method being used prior to the Participant's death.

(B) In the case of a death benefit,

(i) payment to the designated beneficiary shall begin within one year following the Participant's death (unless the designated beneficiary is the Participant's surviving spouse, in which case such benefit shall begin no later than the date the Participant would have reached age 70- 1 / 2) and shall not, in any event, extend beyond the life expectancy of the designated beneficiary, and

(ii) payment to a non-designated beneficiary shall be totally distributed within five years from the date of the Participant's death.

(C) (A) Notwithstanding the foregoing, payments under any of the options described in this paragraph shall satisfy the incidental death benefit requirements and all other applicable provisions of Section 401(a)(9) of the Code, the regulations issued thereunder (including Treasury Reg. Section 1.401(a)(9)-2), and such other rules thereunder as may be prescribed by the Commissioner.

(D)

(c)

(d)

(1)

(e) **Share Legend** . Shares of Employer Securities held or distributed by the Trustee may include such legend restrictions on transferability as the Company may reasonably require in order to assure compliance with applicable federal and state securities laws.

(f) **Distribution for a Minor Beneficiary** . In the event a distribution is to be made to a beneficiary who is a minor under the laws of the state in which the beneficiary resides, the Plan Administrator may, in the Plan Administrator's sole discretion, direct that such distribution be paid to the legal guardian or custodian of such beneficiary as permitted by the laws of the state in which said beneficiary resides. A payment to the legal guardian or custodian of a minor beneficiary shall fully discharge the Trustee, Employer, Plan Administrator, and Plan from further liability on account thereof.

(g) **Location of Participant or Beneficiary Unknown.** In the event that all, or any portion of the distribution payable to a Participant or his beneficiary, hereunder shall remain unpaid after the Participant has incurred five consecutive One Year Breaks in Service solely by reason of the inability of the Plan Administrator, after sending a registered letter, return receipt requested, to the last known address, and after further diligent effort, to ascertain the whereabouts of such Participant or his Beneficiary, the amount so distributable shall be treated as a forfeiture pursuant to the provisions of Article VII. In the event a Participant or beneficiary of such Participant is located subsequent to his benefit being forfeited, the amount forfeited (unadjusted for gains and losses) shall be restored to the Participant's Accounts. Such restoration shall be made from forfeitures occurring in the Plan Year of the restoration and, if necessary, by contributions of his Employer.

(h) **Transfer to Other Qualified Plans.** The Trustee, upon written direction by the Plan Administrator, shall transfer some or all of the assets held under the Trust to another plan or trust meeting the requirements of the Code relating to qualified plans and trust, whether such transfer is made pursuant to a merger or consolidation of this Plan with such other plan or trust or for any other allowable purpose.

(i) **Direct Rollovers** .

(1) Notwithstanding any provisions of the Plan to the contrary that would otherwise limit a distributee's (as defined below) election under this paragraph, a distributee may elect, at the time and in the manner prescribed by the Plan Administrator, to have any portion of an eligible rollover distribution (as defined below) that is equal to at least $500 paid directly to an eligible retirement plan (as defined below) specified by the distributee in a direct rollover (as defined below). If an eligible rollover distribution is less than $500, a distributee may not make the election described in the preceding sentence to rollover a portion of the eligible rollover distribution.

(2) For purposes of this paragraph, the following terms shall have the following meanings:

(A) An "eligible rollover distribution" is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Code Section 401(a)(9); the portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities); any hardship distribution described in Section 401(k)(2)(B)(i)(IV) of the Code; and any other distribution(s) that is reasonably expected to total less than $200 during a year.

(B) An "eligible retirement plan" is an individual retirement account described in Code Section 408(a), an individual retirement annuity described in Code Section 408(b), an annuity plan described in Code Section 403(a), or a qualified trust described in Code Section 401(a), that accepts the distributee's eligible rollover distribution. However, in the case of an eligible rollover distribution to the surviving spouse, an eligible retirement plan is an individual retirement account or individual retirement annuity. For distributions made after December 31, 2001, an eligible retirement plan shall also mean an annuity contract described in Section 403(b) of the Code and an eligible plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan. For purposes of the preceding sentence, the definition of eligible retirement plan shall also apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a qualified domestic relation order, as defined in Section 414(p) of the Code.

(C) A "distributee" includes an Employee or former Employee. In addition, the Employee's or former Employee's surviving spouse and the Employee's or former Employee's spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Code Section 414(p), are distributees with regard to the interest of the spouse or former spouse.

(D) A "direct rollover" is a payment by the Plan to the eligible retirement plan specified by the distributee.

ARTICLE IX

Hardship and Other Distributions

(a) **Hardship Distributions** . A Participant who is an Employee may request a Hardship Distribution from the Plan in accordance with the following:

(1) The distribution must be made on account of an immediate and heavy financial need. The distribution shall be deemed to be on account of an immediate and heavy financial need only if the distribution is for the purpose of:

(A) expenses incurred for or necessary to obtain medical care (as described in Code Section 213(d)) for the Participant, his or her spouse or any of the Participant's dependents;

(B) costs directly related to the purchase of a principal residence for the Participant (excluding mortgage payments);

(C) payment of tuition, related educational fees, and room and board expenses for the next twelve (12) months of post-secondary education for the Participant, his or her spouse, children, or dependents (as defined in Code Section 152);

(D) payments necessary to prevent eviction of the Participant from his or her principal residence or foreclosure of the mortgage on that residence;

(E) payments for funeral or burial expenses for the Participant's deceased parent, spouse, child or dependent; or

(F) expenses to repair damage to the Participant's principal residence that would qualify for a casualty loss deduction under Code §165 (determined without regard to whether the loss exceeds 10 percent of adjusted gross income).

(2) The distribution must be necessary to satisfy the financial need. The distribution shall be deemed necessary to satisfy the financial need if all of the following requirements are met:

(A) the Participant has obtained all distributions (other than Hardship Distributions) and all nontaxable loans available under all other plans maintained by the Employer;

(B) the distribution does not exceed the amount needed to satisfy the immediate financial need (including amounts necessary to pay any federal, state or local income taxes or penalties reasonably anticipated to result from the distribution); and

(C) the Participant does not make any further salary reduction contributions or employee contributions to the Plan or any other plan maintained by the Employer for at least six (6) months after receipt of the Hardship Distribution.

(3) A Participant shall request a Hardship Distribution under this Section by written application to the Plan Administrator, and shall complete such forms and provide such information as the Plan Administrator, in its sole discretion, may require to determine whether or not the distribution should be permitted. The determination of whether or not any individual Participant's circumstances permit a distribution hereunder shall be made by the Plan Administrator, in its sole discretion, and in a manner that does not discriminate in favor of Highly Compensated Employees.

(4) Any Hardship Distribution requested under this Section IX(a) shall not exceed the sum of the following amounts:

(A) The vested portion of his or her Matching Contribution Account, Nonelective Contribution Account, and ESOP Merger Account;

(B) All or any portion of his or her Rollover Contribution Account and Retirement Savings Plan Merger Account;

(C) Such portion of his or her vested Transfer Contribution Account that does not consist of elective deferrals;

(D) Such portion of his or her Elective Contribution Account and his or her Transfer Contribution Account consisting of elective deferrals which, when added to other Hardship Distributions made from the Plan and any transferor plan, does not exceed the Participant's total salary reduction contributions to the Plan and the transferor plan, increased by any income credited to such accounts as of December 31, 1988; and

(E) All or any portion of his or her Qualified Nonelective Contribution Account, and any income allocable thereto, to the extent the contributions or earnings were credited as of December 31, 1988.

(b) **Distributions After Age 59 1/2**. Upon reaching age 59 1/2, a Participant may apply to the Plan Administrator (but not more than once during any 12-month period) for a single sum distribution of all or any part of the vested portion of his Accounts.

(c) **In-Service Distribution of ESOP Merger Account .**

(1) Notwithstanding any other provisions of the Plan or the Trust, each Qualified Participant in the Plan may elect within 90 days after the close of each Plan Year in the Qualified Election Period (or more frequently, if permitted by the Plan Administrator on a uniform, nondiscriminatory basis) to receive a distribution of the value (determined as of the preceding Valuation Date) of no more than 25% (in whole multiples of 1%) of the number of shares of Employer Securities allocated to his ESOP Merger Account.

(2) The amount that may be distributed pursuant to this paragraph shall be determined by multiplying the number of shares of Employer Securities credited to the Participant's ESOP Merger Account (including shares of Employer Securities the value of which has been previously distributed pursuant to this paragraph) by 25% or, with respect to a Participant's final election, 50% reduced by the amount of any prior distributions received by such Participant pursuant to this paragraph.

(3) The Plan Administrator shall direct the Trustee to make distributions under this paragraph to Qualified Participants pursuant to their valid and timely elections within 180 days after the end of the Plan Year to which such elections apply.

(4) Notwithstanding the foregoing, a Qualified Participant shall not be entitled to make the election hereunder for a Plan Year within the Qualified Election Period if the fair market value of his Employer Securities Account as of the last day of such Plan Year is less than $500.

(5) For purposes of this paragraph, the following definitions shall apply:

(A) **" Qualified Election Period "** shall mean the six Plan Year period beginning with the first Plan Year in which the Participant first becomes a Qualified Participant.

(B) **" Qualified Participant "** shall mean any Participant who, prior to January 1, 2000, has attained age 55 and has been a Participant in the Tech Data Corporation Employee Stock Ownership Plan for at least ten years.

ARTICLE X

Investment Funds and Loans to Participants

(a) **Investment Funds** .

(1) Each Participant may direct the Plan Administrator to invest his Accounts, including his ESOP Merger Account, in one or more investment funds that may be made available from time to time and/or in Employer Securities. A Participant's Accounts shall be divided into sub-accounts to properly account for the various investment funds in which such Accounts are invested. Each sub-account shall be adjusted as of each Valuation Date in accordance with Article VI to account for distributions, withdrawals, loans, contributions and forfeitures allocated to it and with respect to its share of the income, loss, appreciation and depreciation of such investment fund.

(2) This Plan is intended to satisfy the requirements of an "ERISA Section 404(c) Plan" providing Participants (and beneficiaries) with the opportunity to exercise control over the investment of assets held in their Accounts and to select, from a broad range of investment funds, the manner in which some or all of the assets in their Accounts are invested. The Trustee intends to select and offer investment funds in accordance with Section 404(c) of ERISA and the regulations thereunder.

(3) The Plan Administrator shall establish procedures regarding Participant investment direction as are necessary, which procedures shall be communicated to all Participants and applied in a uniform, nondiscriminatory manner.

(4) Each investment fund shall be treated separately for purposes of (A) crediting dividends, interest, and other income on the investments in a particular investment fund, and all realized and unrealized gains shall be credited to that fund, and (B) charging brokerage commissions, taxes, and other charges and expenses in connection with the investments in a particular investment fund, and all realized and unrealized losses shall be charged to that fund. Other charges or fees separately incurred and not charged to an investment fund, and incurred as a result of an election made by a Participant associated with the investment of his Accounts, shall be charged against his Accounts in accordance with Article VI.

(5) Neither the Trustee, the Plan Administrator, nor any other person shall be under any duty to question any election by a Participant or to make any suggestions to him in connection therewith. Any loss occasioned by a Participant's election or failure to change an election of an investment fund shall not be the responsibility of the Trustee, the Plan Administrator, or any other person. Nor shall the Trustee or the Plan Administrator be liable to any

Participant for failure to make an investment in any investment fund elected by him if in the exercise of due diligence the Trustee has not been able to acquire satisfactory securities or other property for that fund satisfying the specifications and parameters established by the Plan Administrator and reasonable requirements as to price, terms, and other conditions, or for inability to liquidate an investment in a fund promptly upon receipt of a new election form from the Participant.

(b) **Loans to Participants** . Participant loans shall be available under the Plan in accordance with a written loan policy adopted by the Plan Administrator.

ARTICLE XI

Trust Fund and Expenses of Administration

(a) **Trustee** . The Trust Fund shall be held by the Trustee, or by a successor trustee or trustees, for use in accordance with the Plan under the Trust Agreement. The Trust Agreement may from time to time be amended in the manner therein provided. Similarly, the Trustee may be changed from time to time in the manner provided in the Trust Agreement.

(b) **Expenses of Administration** .

(1) (A) Unless otherwise paid or provided by the Company and the other Employers, the assets of the Trust Fund shall be used to pay all expenses of the administration of the Plan and the Trust Fund, including the Trustee's compensation, the compensation of any investment manager, the expense incurred by the Plan Administrator in discharging its duties, all income or other taxes of any kind whatsoever that may be levied or assessed under existing or future laws upon or in respect of the Trust Fund, and any interest that may be payable on money borrowed by the Trustee for the purpose of the Trust.

(B) (i) The Company and the other Employers may pay the expenses of the Plan and the Trust Fund. Any such payment by the Company or another Employer shall not be deemed a contribution to this Plan.

(ii) To the extent the Company and/or the other Employers pay expenses of the Plan and Trust Fund, the Plan Administrator may direct the Trustee to reimburse the Company and/or the other Employers from the Trust Fund.

(2) Notwithstanding anything contained herein to the contrary, no excise tax or other liability imposed upon the Trustee, the Plan Administrator or any other person for failure to comply with the provisions of any federal law shall be subject to payment or reimbursement from the assets of the Trust.

(3) For its services, any corporate trustee shall be entitled to receive reasonable compensation in accordance with its rate schedule in effect from time to time for the handling of a retirement trust. Any individual trustee shall be entitled to such compensation as shall be arranged between the Company and the Trustee by separate instrument; provided, however, that no person who is already receiving full-time pay from any Employer or any Affiliate shall receive compensation from the Trust Fund (except for the reimbursement of expenses properly and actually incurred).

ARTICLE XII

Amendment and Termination

(a) **Restrictions on Amendment and Termination of Plan** . It is the present intention of the Company to maintain the Plan set forth herein indefinitely. Nevertheless, the Company specifically reserves to itself the right at any time, and from time to time, to amend or terminate this Plan in whole or in part; provided, however, that no such amendment:

(1) shall have the effect of vesting in any Employer, directly or indirectly, any interest, ownership or control in any of the present or subsequent funds held subject to the terms of the Trust;

(2) shall cause or permit any property held subject to the terms of the Trust to be diverted to purposes other than the exclusive benefit of the Participants and their beneficiaries or for the administrative expenses of the Plan Administrator and the Trust;

(3) shall (A) reduce any vested interest of a Participant on the later of the date the amendment is adopted or the date the amendment is effective, except as permitted by law, or (B) reduce or restrict either directly or indirectly any benefit provided any Participant prior to the date an amendment is adopted;

(4) shall reduce the Accounts of any Participant;

(5) shall amend any vesting schedule with respect to any Participant who has at least three Years of Service at the end of the election period described below, except as permitted by law, unless each such Participant shall have the right to elect to have the vesting schedule in effect prior to such amendment apply with respect to him, such election, if any, to be made during the period beginning not later than the date the amendment is adopted and ending no earlier than sixty (60) days after the latest of the date the amendment is adopted, the amendment becomes effective or the Participant is issued written notice of the amendment by his Employer or the Plan Administrator;

(6) shall increase the duties or liabilities of the Trustee without its written consent, or

(7) No amendment to the Plan shall be effective to eliminate or restrict an optional form of benefit. The preceding sentence shall not apply to a Plan amendment that eliminates or restricts the ability of a Participant to receive payment of his or her account balance under a particular optional form of benefit if the amendment provides a single-sum distribution form that is otherwise identical to the optional form of benefit being eliminated or restricted. For this purpose, a single-sum distribution form is otherwise identical only if the single-sum distribution form is identical in all respects to the eliminated or restricted

optional form of benefit (or would be identical except that it provides greater rights to the Participant) except with respect to the timing of payments after commencement.

(b) **Amendment of Plan** . Subject to the limitations stated in paragraph (a), the Company shall have the power to amend this Plan in any manner that it deems desirable, and, not in limitation but in amplification of the foregoing, it shall have the right to change or modify the method of allocation of contributions hereunder, to change any provision relating to the administration of this Plan and to change any provision relating to the distribution or payment, or both, of any of the assets of the Trust.

(c) **Discontinuance of Contributions** .

(1) (A) Any Employer, in its sole and absolute discretion, may permanently discontinue making contributions under this Plan (with respect to all Employers if it is the Company, or with respect to itself alone if it is an Employer other than the Company) at any time without any liability whatsoever for such permanent discontinuance.

(B) In the event an Employer decides to permanently discontinue making contributions under this Plan, such decision shall be evidenced by an appropriate resolution (of the Board in the case of a corporate Employer) and a certified copy of such resolution shall be delivered to the Plan Administrator and the Trustee.

(2) (A) Upon the occurrence of any of the events described in subparagraph (1) above, the affected Participants, notwithstanding any other provisions of this Plan, shall have fully vested interests in the amounts credited to their respective Accounts at the time of such permanent discontinuance of contributions. All such vested interests shall be nonforfeitable.

(B) In the event there is a permanent discontinuance of contributions under this Plan without formal documentation, full vesting of the interests of the affected Participants in the amounts credited to their respective Accounts will occur as of the last day of the Plan Year in which a substantial contribution was made to the Trust.

(d) **Termination Procedure** .

(1) (A) The Company, in its sole and absolute discretion, may terminate this Plan and the Trust, completely or partially, at any time without any liability for such complete or partial termination.

(B) In the event the Company decides to terminate this Plan and the Trust, such decision shall be evidenced by an appropriate resolution and a certified copy of such resolution shall be delivered to the Plan Administrator and the Trustee.

(2) In the event the Plan is terminated, the affected Participants, notwithstanding any other provisions of this Plan, shall have fully vested interests in the amounts credited to their respective Accounts at the time of such complete or partial termination of this Plan and the Trust. All such vested interests shall be nonforfeitable.

(3) Following a termination, complete or partial, and after payment of all expenses and adjustments of individual accounts to reflect such expenses and other changes in the value of the Trust Fund each affected Participant (or the beneficiary of any such Participant) shall be entitled to receive a distribution of the amounts then credited to his Accounts in accordance with the provisions of Article VIII; provided, however, that no such distribution shall be made if the Employer maintains another defined contribution plan (other than an employee stock ownership plan as defined in Code §4975(e)(7) or 409(a), a simplified employee pension plan as defined in §408(k), a SIMPLE IRA plan as defined in §408(p), a plan or contract described in §403(b) or a plan described in §457(b) or (f)) at any time during the period beginning on the date of Plan termination and ending 12 months after all assets have been distributed from the Plan. Such a distribution must be made in a lump sum.

ARTICLE XIII

Miscellaneous

(a) **Merger or Consolidation** . This Plan and the Trust may not be merged or consolidated with, and the assets or liabilities of this Plan and the Trust may not be transferred to, any other plan or trust unless each Participant would receive a benefit immediately after the merger, consolidation or transfer, if the plan and trust then terminated, that is equal to or greater than the benefit the Participant would have received immediately before the merger, consolidation or transfer if this Plan and the Trust had then terminated.

(b) **Alienation** .

(1) Except as provided in subparagraph (2), no Participant or beneficiary of a Participant shall have any right to assign, transfer, appropriate, encumber, commute, anticipate or otherwise alienate his interest in this Plan or the Trust or any payments to be made thereunder; no benefits, payments, rights or interests of a Participant or beneficiary of a Participant of any kind or nature shall be in any way subject to legal process to levy upon, garnish or attach the same for payment of any claim against the Participant or beneficiary of a Participant; and no Participant or beneficiary of a Participant shall have any right of any kind whatsoever with respect to the Trust, or any estate or interest therein, or with respect to any other property or right, other than the right to receive such distributions as are lawfully made out of the Trust, as and when the same respectively are due and payable under the terms of this Plan and the Trust.

(2) (A) Notwithstanding the provisions of subparagraph (b)(1), the Plan Administrator shall direct the Trustee to make payments pursuant to a Qualified Domestic Relations Order as defined in Section 414(p) of the Code. This Plan shall permit distributions pursuant to a Qualified Domestic Relations Order at any time.

(B) The Plan Administrator shall establish procedures consistent with Section 414(p) of the Code to determine if any order received by the Plan Administrator, or any other fiduciary of the Plan, is a Qualified Domestic Relations Order.

(3) Notwithstanding any provision of the Plan to the contrary, an offset to a Participant's Accounts for an amount that the Participant is ordered or required to pay the Plan with respect to a judgment, order or decree issued, or a settlement entered into, on or after August 5, 1997, shall be permitted in accordance with Sections 401(a)(13)(C) and (D) of the Code.

(c) **Electronic Media and Other Technology** . Notwithstanding any provision of the Plan to the contrary, the Plan Administrator may use telephonic media, electronic media or other technology in administering the Plan to the extent not prohibited by applicable law, regulation or other pronouncement.

(d) **Waiver of Notice** . Any Participant, beneficiary or other person entitled to notice under the Plan may waive the right to such notice to the extent that such waiver is not inconsistent with applicable law, regulation or other pronouncement

(e) **USERRA Requirements.** This Plan shall comply with the requirements of the Uniformed Services Employment and Reemployment Rights Act (USERRA) and Section 414(u) of the Code, including the following:

(1) An individual reemployed under USERRA shall be treated as not having incurred a break in service with Employer by reason of such individual's qualified military service (as defined in Section 414(u) of the Code).

(2) Each period of qualified military service served by an individual is, upon reemployment, deemed to constitute service with the Employer for purposes of vesting and the accrual of benefits under the Plan.

(3) An individual reemployed under USERRA is entitled to accrued benefits that are contingent on the making of, or derived from, Employee contributions or elective deferrals only to the extent the individual makes payment to the Plan with respect to such contributions or deferrals; provided, however, that no such payment may exceed the amount the individual would have been permitted or required to contribute had the individual remained continuously employed by the Employer throughout the period of qualified military service. Any payment to the Plan under this subparagraph (3) shall be made during the period beginning with the date of reemployment and whose duration is 3 times the period of the qualified military service (but not greater than 5 years).

(f) **Governing Law** . This Plan shall be administered, construed and enforced according to the laws of the State of Florida, except to the extent such laws have been expressly preempted by federal law.

(g) **Action by Employer** . Whenever an Employer under the terms of this Plan is permitted or required to do or perform any act, it shall be done and performed, in the case of a corporate Employer, by the Board of Directors of such Employer and shall be evidenced by proper resolution of such Board of Directors of such Employer.

(h) **Alternative Actions** . In the event it becomes impossible for the Company, another Employer, the Plan Administrator or the Trustee to perform any act required by this Plan, then the Company, such other Employer, the Plan Administrator or the Trustee, as the case may be, may perform such alternative act that most nearly carries out the intent and purpose of this Plan.

(i) **Severability of Provisions** . In the event that any provision of the Plan shall be determined to be illegal, invalid or unenforceable, the remaining provisions of the Plan shall be construed as though the illegal, invalid or unenforceable provision is not part of the Plan.

(j) **Gender** . Throughout this Plan, and whenever appropriate, the masculine gender shall be deemed to include the feminine and neuter; the singular, the plural; and vice versa.

IN WITNESS WHEREOF , this Plan has been executed on the 20th day of April, 2007 and is effective as of the date first set forth above.

TECH DATA CORPORATION

By: /s/ Charles V. Dannewitz

By: Tech Data Corporation
"COMPANY"

FIRST AMENDMENT
TO THE
TECH DATA CORPORATION 401(K) SAVINGS PLAN
(as amended and restated effective January 1, 2006)

WHEREAS , Tech Data Corporation, by written agreement, established a certain qualified retirement plan named the Tech Data Corporation 401(k) Savings Plan (the "Plan") for its eligible employees effective January 1, 2000, and

WHEREAS , the Tech Data Corporation Retirement Savings Plan and the Tech Data Corporation Employee Stock Ownership Plan were merged into the Plan as of January 1, 2000; and

WHEREAS , the Plan has thereafter been amended from time to time, and was last restated effective January 1, 2006; and

WHEREAS, it is now deemed desirable to amend said Plan to add an automatic enrollment program, permit the Plan Administrator to limit the percentage of salary that can be contributed to the Plan by highly compensated employees, require that matching contributions be made solely in cash, and permit the Plan Administrator to delegate some of it responsibilities under this Plan to one or more committees.

NOW, THEREFORE , it is agreed by the undersigned that the said Plan is hereby amended in the following manner:

1. Paragraph (a) ("Participants' Elective Contributions") of Article V ("Contributions to the Trust") shall be amended, effective as of August 1, 2007, by adding a new subparagraph (a)(2)(C) to read as follows:

"(C) Automatic Enrollment . The Plan Administrator shall implement an automatic enrollment program with respect to each Employee who is hired by the

Employer on or after August 1, 2007. Such Employees, when they meet the eligibility requirements set forth in paragraph (a) of Article IV, shall be deemed to make a salary reduction election to contribute to the Participant's Elective Contribution Account, and the Employer shall so contribute, an elective contribution in an amount equal to two percent (2%) of the Participant's Compensation for the Plan Year, unless the Participant elects a greater or lesser percentage (including zero) in a salary reduction agreement entered into between the Participant and the Employer with respect to such Plan Year. Each such Participant shall have an effective opportunity to receive notice of availability of such election, as well as a salary reduction agreement, and the Participant shall have a reasonable period to make a salary reduction election change before the date on which the deemed election shall take place. The terms of the automatic enrollment program, including, but not limited to, changes in the salary deferral percentage, automatic increases to that percentage, if any, and the Participants to whom the program applies, may be as set forth in rules and procedures established by the Plan Administrator."

2. Subparagraph 6(B) of paragraph (a) ("Form and Timing of Contributions") of Article V ("Contributions to the Trust") shall be amended, effective as of August 1, 2007, by replacing the entire subparagraph with the following:

"(B) The Plan Administrator (or its delegate) shall have the right to set a maximum salary deferral percentage for Highly Compensated Employees, require any Participant to reduce his or her elective contributions under any such salary deferral agreement, or refuse deferral of all or part of the amount set forth in such agreement, if necessary to comply with the requirements of this Plan and the Code."

3. Paragraph (f) ("Form and Timing of Contributions") of Article V ("Contributions to the Trust") shall be amended, effective January 1, 2008, by replacing the entire paragraph with the following:

"(f) Form and Timing of Contributions . Payments on account of the contributions due from an Employer for any Plan Year shall be made in cash or Employer Stock; however, effective January 1, 2008, Matching Contributions shall be made solely in cash. Such payments may be made by a contributing Employer at any time, but payment of the Employer contributions for any Plan Year shall be completed on or before the time prescribed by law, including extensions thereof, for filing such Employer's federal income tax return for its taxable year with which or within which such Plan Year ends. Payment of any elective contribution must be made as soon as is administratively feasible following the date on which the contribution is withheld from a Participant's pay, but, in any case, no later than the fifteenth business day of the month following the month in which the contribution is withheld from a Participant's pay."

4. Article III ("Administration") shall be amended, effective January 1, 2008, by adding a new Paragraph (k) to read as follows:

"(k) Appointment of Committees . The Company may elect to delegate certain of its responsibilities as Plan Administrator or as Plan sponsor to one or more committee(s). Any action by a committee shall be by majority vote. Officers and directors of the Company will not be precluded from serving as members. A member will serve until his or her resignation, death, or disability, or until removed. In the event of a vacancy arising by reason of the death, disability, removal, or resignation of a member, the Company may, but is not required to, appoint a successor to serve in his or her place. The proper expenses of any such committee will be paid directly by the Company."

5. Paragraph (b) ("Amendment of Plan") of Article XII ("Amendment and Termination") shall be amended, effective January 1, 2008, by adding a new sentence to the end of the paragraph to read as follows:

"The Company may delegate its power to amend this Plan to a committee pursuant to paragraph (k) of Article III."

6. In all other respects, the said Plan is hereby ratified and confirmed.

IN WITNESS WHEREOF, TECH DATA CORPORATION has caused this instrument to be duly executed as of the day of November, 2007.

TECH DATA CORPORATION

By:
Name:
Title:

SECOND AMENDMENT
TO THE
TECH DATA CORPORATION 401(K) SAVINGS PLAN
(as amended and restated effective January 1, 2006)

WHEREAS , Tech Data Corporation, by written agreement, established a certain qualified retirement plan named the Tech Data Corporation 401(k) Savings Plan (the "Plan") for its eligible employees effective January 1, 2000, and

WHEREAS , the Tech Data Corporation Retirement Savings Plan and the Tech Data Corporation Employee Stock Ownership Plan were merged into the Plan as of January 1, 2000; and

WHEREAS , the Plan has thereafter been amended from time to time, was last restated effective January 1, 2006 and was thereafter amended; and

WHEREAS, it is now deemed desirable to further amend said Plan to change the timing requirements for participants who have a change in classification or are rehired to make salary deferrals and clarify the exclusion of temporary employees to comply with the minimum participation standards of Section 410(a) of the Internal Revenue Code.

NOW, THEREFORE , it is agreed by the undersigned that the said Plan is hereby amended in the following manner:

1. Paragraph (c) ("Change in Employment Classification") of Article IV ("Eligibility and Participation") shall be amended, in its entirety, to read as follows:

"(c) **Change in Employment Classification.**

(1) A Participant who ceases to be an Employee will no longer actively participate in the Plan after the date he ceases to be an Employee. If such individual subsequently resumes his status as an Employee, he shall be eligible again to become an active Participant on the date of his reemployment,

regardless of whether such date is a normal Entry Date. This requirement is satisfied if such Employee is permitted to commence or resume, as the case may be, making elective contributions as soon as is administratively feasible following the date he resumes his status as an Employee.

(2) If an individual who is employed by an Employer but who is not an Employee becomes an Employee, such Employee shall enter the Plan as an active Participant on the later of (1) the date the individual becomes an Employee or (2) the Entry Date on which he would have entered the Plan had he been an Employee throughout his employment with the Employer. If the Employee must enter the Plan as an active Participant on the date the he becomes an Employee, then he is permitted to commence or resume, as the case may be, making elective contributions as soon as is administratively feasible following the date he resumes his status as an Employee."

2. Subparagraph 1(F) of definition (n) ("Employees") of Article I ("Definitions") shall be amended by replacing the entire subparagraph with the following:

"(F) persons employed on a temporary basis, including but not limited to seasonal employees, interns, and other persons whose employment with the Employer is not intended to be of a, Permanent or regular nature; however, any person employed on a temporary basis who completes one Year of Service shall immediately become an Employee."

3. In all other respects, except as hereinbefore modified, the said Plan is hereby ratified and confirmed, the within amendment to be immediately effective.

IN WITNESS WHEREOF, TECH DATA CORPORATION has caused this instrument to be duly executed as of the day of March, 2008.

TECH DATA CORPORATION

/c/ Caryl N. Lucarelli

By:
Name: Caryl N. Lucarelli
Title: V.P. Human Resources

THIRD AMENDMENT
TO THE
TECH DATA CORPORATION 401(K) SAVINGS PLAN
(as amended and restated effective January 1, 2006)

WHEREAS , Tech Data Corporation, by written agreement, established a certain qualified retirement plan named the Tech Data Corporation 401(k) Savings Plan (the "Plan") for its eligible employees effective January 1, 2000, and

WHEREAS , the Tech Data Corporation Retirement Savings Plan and the Tech Data Corporation Employee Stock Ownership Plan were merged into the Plan as of January 1, 2000; and

WHEREAS , the Plan has thereafter been amended from time to time, was last restated effective January 1, 2006 and was thereafter amended; and

WHEREAS, it is now deemed desirable to further amend said Plan to clarify the definition of Employee and the procedure for a change in employment classification.

NOW, THEREFORE , it is agreed by the undersigned that the said Plan is hereby amended in the following manner:

1. Paragraph (1) of definition (n) ("Employees") of Article I ("Definitions") shall be amended by replacing the entire paragraph with the following:

"(1) any person employed by and on the payroll records of an Employer as an employee and who is deemed by the Employer to be a common law employee other than:

(A) a member of a collective bargaining unit if retirement benefits were a subject of good faith bargaining between such unit and an Employer; provided, however, that this subparagraph (A) shall not apply to a member of a collective bargaining unit if such unit and Employer agree that the member shall participate in the Plan;

(B) a non-resident alien who does not receive earned income from sources within the United States;

(C) an individual whose employment status has not been recognized by completion of Internal Revenue Service Form W-4 and who is not initially treated as a common law employee of an Employer on the payroll records of an Employer;

(D) leased employees, including any individual classified by an Employer as a leased employee, even if that individual is later determined to be an Employee;

(E) individuals who are classified as expatriates by the Employer and who become subject to the tax laws of a foreign country under circumstances where participation in the Plan is not practical, as determined by the Employer in its sole discretion; or

(F) persons employed on a temporary basis, including but not limited to seasonal employees, interns, and other persons whose employment with the Employer is not intended to be of a, Permanent or regular nature; however, any person employed on a temporary basis who completes one Year of Service shall immediately become an Employee."

2. Paragraph (c) ("Change in Employment Classification") of Article IV ("Eligibility and Participation") shall be amended, in its entirety, to read as follows:

"(c) **Change in Employment Classification.**

(1) A Participant who ceases to be an Employee will no longer actively participate in the Plan after the date he ceases to be an Employee. If such individual subsequently resumes his status as an Employee, he shall be eligible again to become an active Participant on the date of his reemployment, regardless of whether such date is a normal Entry Date. This requirement is satisfied if such Employee is permitted to commence or resume, as the case may be, making elective contributions as soon as is administratively feasible following the date he resumes his status as an Employee.

(2) If an individual who is employed by an Employer but who is not an Employee becomes an Employee, such Employee shall enter the Plan as an active Participant on the later of (1) the date the individual becomes an Employee or (2) the Entry Date on which he would have entered the Plan had he been an Employee throughout his employment with the Employer. If the Employee must

enter the Plan as an active Participant on the date the he becomes an Employee, then he is permitted to commence making elective contributions as soon as is administratively feasible following the date he resumes his status as an Employee.

(3) If an individual who provides services for an Employer but is not reported on the payroll records of an Employer as a common law employee is later determined by an Employer, a court, or governmental agency to be an Employee or to have been an Employee of an Employer, and so long as such individual is an eligible Employee, then such individual will only be eligible for Plan participation prospectively and will participate in the Plan as of the later of (1) the date that such determination is made, or (2) the Entry Date that coincides with or next follows such determination and after such individual has satisfied all other eligibility requirements. If the individual enters the Plan as an active Participant as of the date it is determined that he is an Employee, then he is permitted to commence or resume, as the case may be, making elective contributions as soon as is administratively feasible following the determination date."

3. In all other respects, except as hereinbefore modified, the said Plan is hereby ratified and confirmed, the within amendment to be immediately effective.

IN WITNESS WHEREOF, TECH DATA CORPORATION has caused this instrument to be duly executed as of the 22 day of September, 2009.

TECH DATA CORPORATION

/c/ Caryl N. Lucarelli

By:
Name: Caryl N. Lucarelli
Title: V.P. Human Resources

POST-EGTRRA "GOOD FAITH" AMENDMENT
FOR DEFINED CONTRIBUTION PLANS

ELECTION FORM

Plan Name **Tech Data Corporation 401(k) Savings Plan**

All references to the "Amendment" are to the Post-EGTRRA "Good Faith" Amendment for Defined Contributions Plan attached to this Election Form. The Amendment is comprised of 36 pages (not including the cover page and the table of contents page). The Amendment is a "good faith" amendment, is not part of the pre-approved EGTRRA document, and has not been reviewed by the IRS for compliance with post-EGTRRA statutory and Regulatory changes. However, pursuant to the provisions of Revenue Procedure 2007-44, this Amendment does not affect the status of reliance upon the Plan. Execution of the Amendment by the Sponsoring Employer is accomplished by the execution of this Election Form.

Section 1. Post-EGTRRA Provisions Effective 2006 And Earlier

1.1 ¨ **Revised Definition of Financial Hardship.** Section 1.5 of the Amendment regarding hardship distributions to a Participant's Primary Beneficiary is adopted effective _____.

1.2 ¨ **Distributions to a Qualified Reservist.** Section 1.6 of the Amendment regarding distributions to a Qualified Reservist is adopted effective _____.

1.3 ¨ **Hurricane Provisions.** Section 1.7 of the Amendment regarding distributions made from the Plan on account of Hurricanes Katrina, Rita, or Wilma is adopted, subject to the following elections: *(check any that apply)*

- ¨ The special financial hardship distribution provision in Section 1.7(c) of the Amendment applies
- ¨ The Participant loan provision in Section 1.7(d) of the Amendment applies
- ¨ The re-contribution of Qualified Hurricane Distributions provision in Section 1.7(e) of the Amendment applies
- ¨ The re-contribution of Qualified Distributions provision in Section 1.7(f) of the Amendment applies

1.4 ¨ **Revocation of Prior Amendment On Account Of Heinz.** Section 1.8 of the Amendment regarding the revocation of an Original Amendment on account of the Heinz decision is adopted effective _____. The Original Amendment is hereby revoked retroactively with respect to: *(check one)*

- ¨ All accrued benefits, which are allocations that were accrued as of the Applicable Amendment Date and allocations that were accrued after the Applicable Amendment Date.
- ¨ Only accrued benefits as of the Applicable Amendment Date, which are allocations that were accrued as of the Applicable Amendment Date. Allocations accrued after the Applicable Amendment Date will continue to be subject to the restrictions on the form or timing of distributions as set forth in the Original Amendment.

1.5 ¨ **Exclusion of 403(b) Participants.** Section 1.9 of the Amendment regarding the exclusion from the Plan of certain Employees who participate in a 403(b) plan sponsored by the tax-exempt Employer is adopted.

Section 2. Post-EGTRRA Provisions Effective 2007

2.1 X **Direct Rollovers and the $500 Threshold.** Pursuant to Section 2.2 of the Amendment, if a Distributee elects to have only a portion of an Eligible Rollover Distribution paid to an Eligible Retirement Plan in a Direct Rollover, then that portion must equal or exceed $500.

2.2 Code §415 Limitations under the Final §415 Regulations.

(a) **Code §415(c)(3) Compensation for Top Heavy Allocation Purposes and Key Employee Determinations.** Pursuant to Section 2.5(c)(2) of the Amendment, an Employee's Code §415(c)(3) Compensation which is used to determine any Top Heavy Minimum Allocations and whether an Employee is also a Key Employee is: *(check one)*

X FormW-2 Compensation
¨ Code §3401 Compensation
¨ Safe Harbor Code §415 Compensation
¨ Statutory Code §415 Compensation

(b) **Code §415(c)(3) Compensation for Code §415 Limitation Determinations.** Pursuant to Section 2.5(c)(2) of the Amendment, an Employee's Code §415(c)(3) Compensation used to determine the Employee's Annual Addition limitation under Article 6 of the Basic Plan is based on the selection below.

X FormW-2 Compensation
¨ Code §3401 Compensation
¨ Safe Harbor Code §415 Compensation
¨ Statutory Code §415 Compensation

(c) **Code §415(c)(3) Compensation for Highly Compensated Employee Determinations and Other Statutory Purposes.** Pursuant to Section 2.5(c)(2) of the Amendment, an Employee's Code §415(c)(3) Compensation used to determine whether the Employee is also a Highly Compensated Employee, and for other statutory purposes that do not appear elsewhere in this Adoption Agreement, is based on the selection below.

X FormW-2 Compensation
¨ Code §3401 Compensation
¨ Safe Harbor Code §415 Compensation
¨ Statutory Code §415 Compensation

(d) X **Compensation Earned in Limitation Year but Paid in Next Limitation Year.** Section 2.5(c)(2)(E) of the Amendment defines Code §415(c)(3) Compensation for a Limitation Year to include any amounts earned during that Limitation Year but not paid until the next Limitation Year.

(e) **Post-Severance Compensation.** For all Plan purposes, Section 2.5(c)(6) of the Amendment defines Post-Severance Compensation as including regular pay after Termination of Employment during the timeframe permitted by the Regulations, plus any/all of the items selected below: *(check all that apply)*

¨ Leave cash-outs and deferred compensation under Section 2.5(c)(6)(B) of the Amendment
¨ Imputed compensation when the Participant becomes disabled under Section 2.5(c)(6)(C) of the Amendment
¨ Continuation of compensation while in qualified military service under Section 2.5(c)(6)(D) of the Amendment

2.3 X **Vesting of Non-Safe Harbor Non-Elective Contributions.** Pursuant to Section 2.6 of the Amendment and PPA §904, the Vesting Schedule that applies to Non-Safe Harbor Non-Elective Contribution Accounts is effective as of the first day of the first Plan Year beginning after December 31, 2006, subject to the following elections:

(a) **Participants to Whom the Post-2006 Vesting Schedule Relates.** Under Section 2.6(a) of the Amendment, the Post-2006 Vesting Schedule applies to the Non-Safe Harbor Non-Elective Contribution Account of:

X Any Participant who completes an Hour of Service in any Plan Year beginning after December 31, 2006.
¨ Any Participant (regardless of whether he or she has Terminated Employment) who has a Non-Safe Harbor Non-Elective Contribution Account balance in any Plan Year beginning after December 31, 2006 and whose Non-Safe Harbor Non-Elective Contribution Account has not become subject to the Forfeiture provisions of the Plan prior to the first day of the first Plan Year beginning after December 31, 2006.

(b) **Account Balances to Which the Post-2006 Vesting Schedule Relates.** Under Section 2.6(b) of the Amendment, the Post-2006 Vesting Schedule applies to:

X The entire Non-Safe Harbor Non-Elective Contribution Account.
¨ The portion of the Non-Safe Harbor Non-Elective Contribution Account to which is allocated Non-Safe Harbor Non-Elective Contributions, Forfeitures, and earnings for Plan Years beginning after December 31, 2006 (and subsequent earnings attributable to such allocations). The portion of the Non-Safe Harbor Non-

Elective Contribution Account to which was allocated Non-Safe Harbor Non-Elective Contributions, Forfeitures, and earnings for Plan Years beginning prior to January 1, 2007 (and subsequent earnings attributable to such allocations) will remain subject to the Pre-2007 Vesting Schedule, without regard to this Section or the Vesting schedule enumerated in the current Plan document that applies to Non-Safe Harbor Non-Elective Contribution Accounts.

(c) **Pre-2007 Vesting Schedule.** Under Section 2.6(f)(3) of the Amendment, the Pre-2007 Vesting Schedule was:

X 7 Year Graded
¨ 5 Year Cliff
¨ The schedule set forth below

1 Year / Period of Service _____%
2 Years / Periods of Service _____%
3 Years / Periods of Service _____% *(must be at least 20% unless 100% Vesting occurs at 5 years)*
4 Years / Periods of Service _____% *(must be at least 40% unless 100% Vesting occurs at 5 years)*
5 Years / Periods of Service _____% *(must be at least 60%)*
6 Years / Periods of Service _____% *(must be at least 80%)*
7 Years / Periods of Service _____% *(must be 100%)*

2.4 X **Rollovers by a Non-Spouse Beneficiary.** Section 2.9 of the Amendment regarding rollovers by a Non-Spouse Designated Beneficiary is adopted effective _____**Jan 1, 2010**_____.

2.5 ¨ **Money Purchase or Target Benefit Plan In-Service Distributions.** Section 2.10 of the Amendment regarding in-service distributions from a money purchase or target benefit plan is adopted effective _____. A Participant who has reached Age _____*(cannot be earlier than Age 62)* and who has not yet Terminated Employment may elect to receive a distribution of his or her Vested Account Balance.

2.6 X **QDIA.** If the Plan has an Eligible Automatic Contribution Arrangement as described in Code §414(w)(3), then Section 2.11 of the Amendment regarding QDIAs is adopted effective as of the effective date of the Eligible Automatic Contribution Arrangement (unless an earlier effective date is indicated in the next sentence). Otherwise, Section 2.11 of the Amendment regarding QDIAs is adopted effective _____**Dec 24, 2007**_____.

2.7 ¨ **Modification of Normal Retirement Age.** Section 2.12 of the Amendment regarding the definition of Normal Retirement Age is adopted effective _____, subject to the following provisions:

(a) **Normal Retirement Age Amended in Plan or this Amendment.** Under Section 2.12(a) of the Amendment, the definition of Normal Retirement Age is amended as of the effective date above to be:

¨ The definition selected in the Adoption Agreement.
¨ Age _____(max. 65)

¨ Or the _____*(maximum. 5th)* anniversary of becoming a Participant in the Plan, if later.
¨ Or the date the Participant is credited with at least _____Years of Service/Periods of Service, if later, but in no event later than the later of Age 65 or the 5th anniversary of becoming a Participant.
¨ Or _____, but in no event later than the later of Age 65 or the 5th anniversary of becoming a Participant in the Plan.

(b) ¨ **Plan Provisions for Code §411(a)(10) and/or Code §411(d)(6) Compliance.** Under Section 2.12(c) of the Amendment, the Plan is amended by the following additional provisions: _____
_____.

Section 3. Post-EGTRRA Provisions Effective 2008

3.1 X **Elimination of Gap Period Income for Excess Contributions.** Section 3.1 of the Amendment regarding the elimination of gap period income for Excess Contributions is adopted effective _____**Jan 1, 2008**_____.

3.2 X **Elimination of Gap Period Income for Excess Aggregate Contributions.** Section 3.2 of the Amendment regarding the elimination of gap period income for Excess Aggregate Contributions is adopted by the Plan effective _____**Jan 1, 2008**_____.

3.3 ¨ **Qualified Automatic Contribution Arrangement.** Section 3.3 of the Amendment regarding a Qualified Automatic Contribution Arrangement is adopted effective _____, subject to the following:

(a) **QACA Contribution Requirement.** Pursuant to Section 3.3(a) of the Amendment, the Employer will make the following QACA Contribution to the following Participants: *(check one)*

¨ **QACA Non-Elective Contribution.** The Employer will make a QACA Non-Elective Contribution equal to 3% (or such higher percentage as may be elected by the Employer by resolution) of Compensation for the Plan Year. Such QACA Non-Elective Contribution will be made on behalf of: *(check one)*

- ¨ Any Participant in the Elective Deferral component of the Plan who is a NHCE, regardless of whether he or she makes Elective Deferrals or Voluntary Employee Contributions.
- ¨ Any Participant in the Elective Deferral component of the Plan, regardless of whether such Participant makes Elective Deferrals or Voluntary Employee Contributions.
- ¨ The following Participants _____*(Any Participant in the Elective Deferral component of the Plan who is a NHCE must be included regardless of whether he or she makes Elective Deferrals or Voluntary Employee Contributions)*

¨ **QACA "Basic" Matching Contributions.** The Employer will make a QACA Matching Contribution equal to the sum of (1) 100% of the Participant's Elective Deferrals that do not exceed 1% of Compensation for the Allocation Period, plus (2) 50% of the Participant's Elective Deferrals that exceed 1% of Compensation for the Allocation Period but do not exceed 6% percent of Compensation for the Allocation Period. Such QACA Matching Contribution will be made on behalf of: *(check one)*

- ¨ Any Participant in the Elective Deferral component of the Plan who is a NHCE and on whose behalf Elective Deferrals are made to the Plan.
- ¨ Any Participant in the Elective Deferral component of the Plan and on whose behalf Elective Deferrals are made to the Plan.
- ¨ The following Participants _____*(Any Participant in the Elective Deferral component of the Plan who is a NHCE must be included regardless of whether he or she makes Elective Deferrals or Voluntary Employee Contributions)*

¨ **QACA "Enhanced" Matching Contributions** . The Employer will make a QACA Matching Contribution equal to (1) 100% of the Participant's Elective Deferrals that do not exceed _____% *(must be at least 1% but not greater than 6%)* of Compensation for the Allocation Period; plus, if applicable, (2) _____% of Elective Deferrals that exceed _____% *(must be at least 1% but not greater than 6%)* of Compensation but do not exceed _____% *(must be greater than 1% but not greater than 6%)* of Compensation for the Allocation Period; plus, if applicable, (3) _____% of Elective Deferrals that exceed _____% *(must be greater than 1% but not greater than 6%)* of Compensation but do not exceed _____% *(must be greater than 1% but not greater than 6%)* of Compensation for the Allocation Period.

Note: If applicable, the first blank in (2) and the first blank in (3) must be completed so that, at any rate of elective deferrals, the QACA "Enhanced" Matching Contribution is at least equal to the Matching Contribution receivable if the Employer was making the QACA "Basic" Matching Contributions, but the rate of Matching Contributions cannot increase as Elective Deferrals increase.

Such QACA Matching Contribution will be made on behalf of:

- ¨ Any Participant in the Elective Deferral component of the Plan who is a NHCE and on whose behalf Elective Deferrals are made to the Plan.
- ¨ Any Participant in the Elective Deferral component of the Plan and on whose behalf Elective Deferrals are made to the Plan.
- ¨ The following Participants _____
  (Any Participant in the Elective Deferral component of the Plan who is a NHCE must be included regardless of whether he or she makes Elective Deferrals or Voluntary Employee Contributions)

(b) **Plan to Which QACA Contribution Will Be Made.** Pursuant to Section 3.3(a)(2) of the Amendment, the QACA Contribution will be made to: *(check one)*

- ¨ This Plan
- ¨ The following plan, so long as that other plan meets the requirements of Code §401(k)(12)(F) and the Regulations thereunder _____.

(c) **Compensation for QACA Contribution Purposes.** Pursuant to Section 3.3(a)(5) of the Amendment, a Participant's Compensation for QACA Contribution purposes is determined by the provisions selected below:

(1) **Compensation is defined as:** *(check one)*

- ¨ FormW-2 Compensation
- ¨ Code §3401 Compensation
- ¨ Safe Harbor Code §415 Compensation

(2) **Elective contributions under Code §125, §132(f)(4), §401(k), §402(h), §403(b), §457(b) and §414(h)(2) will:** *(check one)*

- ¨ Be included as Compensation
- ¨ Not be included as Compensation

(3) **The Compensation measuring period is the:** *(check one)*

- ¨ Plan Year
- ¨ Fiscal Year ending on or within the Plan Year
- ¨ Calendar year ending on or within the Plan Year

(4) ¨ **The following categories will not be counted as Compensation:** *(check all that apply)*

- ¨ **A)** Compensation received prior to becoming a Participant
- ¨ **B)** Compensation received while an ineligible Employee
- ¨ **C)** All items in Regulation §1.414(s)-1(c)(3) *(i.e., expense allowances, fringe benefit, etc.)*
- ¨ **D)** Post-Severance Compensation [1]
- ¨ **E)** Deemed 125 Compensation [1]
- ¨ **F)** Bonuses [1]
- ¨ **G)** Overtime [1]
- ¨ **H)** Commissions [1]
- ¨ **I)** Other *(describe)* [1] _____
  _____

[1] *If checked, the Plan's definition of compensation may fail to satisfy the safe harbor requirements unless such compensation is excluded only with respect to HCEs under paragraph (5) below.*

(5) ¨ **The amounts excluded under (4)(D) – (I) are only excluded with respect to:** *(check all that apply)*

¨ Highly Compensated Employees
¨ Other *(cannot be a class that only includes NHCEs)* _____

_____

(d) **Vesting of QACA Contribution Account.** Pursuant to Section 3.3(b) of the Amendment, a Participant's Vested Interest in his or her QACA Contribution Account will be determined by the provisions selected below:

(1) **The Vesting schedule for the QACA Contribution Account is:** *(check one)*

¨ 100% full and immediate
¨ 2-year cliff Vesting (1 year/0%; 2 years/100%)
¨ The Vesting schedule set forth below:

1 Year/Period of Service _____%
2 Years/Periods of Service 100 %

(2) ¨ **Service Excluded for Vesting.** All Service with the Employer is counted in determining a Participant's Vested Interest in the QACA Contribution Account except the following: *(check all that apply)*

¨ Service before age 18
¨ Service before the Employer maintained this Plan or a predecessor plan

(e) **Usage of Forfeitures of QACA Contribution Account.** If the Vesting schedule selected in Section 3.3(d) above is other than 100% full and immediate, then pursuant to Section 3.3(c) of the Amendment, Forfeitures that are not used for the purposes described in Section 3.3(c) of the Amendment will be: *(check one)*

¨ Used to reduce any, or any combination of, Employer contributions, as determined by the Administrator
¨ Added to any, or any combination of, Employer contributions, as determined by the Administrator

3.4 X **Eligible Automatic Contribution Arrangement.** Section 3.4 of the Amendment regarding an Eligible Automatic Contribution Arrangement is adopted effective **Jan 1, 2008**.

3.5 ¨ **Eligible Participant's Election for Permissible Withdrawal.** Section 3.5 of the Amendment regarding a Participant's election for a Permissible Withdrawal is adopted effective _____. *(the date cannot be earlier than the effective date of either Section 3.3 or Section 3.4 above)*

SIGNATURE OF THE SPONSORING EMPLOYER

By /s/ Caryl N. Lucanelli Title Vice President /Human Resources Americas

Print Name Caryl Lucanelli Date 12/15/09

Supplemental Amendment #1 to the
Post-EGTRRA "Good Faith" Amendment for Defined Contribution Plans

Covering Applicable Provisions of the HEART Act of 2008 and WRERA 2008

Plan Name **Tech Data Corporation 401(k) Savings Plan**

This Supplemental Amendment #1 (the "Supplemental Amendment") to the Post-EGTRRA "Good Faith" Amendment (the "Amendment") is intended as good faith compliance with certain provisions of the Heroes Earnings Assistance and Tax Relief Act of 2008 (HEART) and the Worker, Retiree and Employer Recovery Act of 2008 (WRERA), including Technical Corrections to the Pension Protection Act of 2006. This Amendment supersedes any conflicting provisions of the Plan, any administrative policy, the Plan's funding policy, and/or any previously-adopted "good faith" amendment of the same subject matter, as applicable. This Amendment is a "good faith" amendment, is not part of the pre-approved EGTRRA document, and has not been reviewed by the Internal Revenue Service for compliance with post-EGTRRA statutory and Regulatory changes. Furthermore, pursuant to Revenue Procedure 2007-44, this Amendment does not affect the status of reliance upon the Plan.

Section 1. WRERA Technical Corrections to the Pension Protection Act of 2006

1.1 Elimination of Gap Period Income Upon Distribution of Excess Elective Deferrals. This Section supersedes Section 2.8 of the Amendment. If the Plan is a Code §401(k) Plan, then Excess Elective Deferrals (as defined in Code §402(g)(2)(A)) which are distributed with respect to the 2008 Plan Year, or with respect to any later Plan Year, will be adjusted for any income or loss up to the last day of the Plan Year to which the distribution relates, without regard to the gap period (the period between the end of the Plan Year and the date of distribution) or any adjustment for income or loss during the gap period.

1.2 Rollover by a Non-Spouse Designated Beneficiary. This Section supersedes Section 2.9 of the Amendment. Unless an earlier date is selected by the Sponsoring Employer in the Election Form to the Amendment, then effective for Plan Years beginning on or after January 1, 2009, a Beneficiary who (a) is other than the Participant's Spouse and (b) is considered to be a Designated Beneficiary under Code §401(a)(9)(E) (known as a "Non-Spouse Designated Beneficiary") may establish an individual retirement account under Code §408(a) or an individual retirement annuity under Code §408(b) (known as an "Inherited IRA") into which all or a portion of a death benefit (to which such Non-Spouse Designated Beneficiary is entitled) can be transferred in a direct trustee-to trustee transfer (a direct rollover). Notwithstanding the above, any amount payable to a Non-Spouse Designated Beneficiary that is deemed to be a required minimum distribution pursuant to Code §401(a)(9) may not be transferred into such Inherited IRA. The Non-Spouse Designated Beneficiary may deposit into such Inherited IRA all or any portion of the death benefit that is deemed to be an eligible rollover distribution (but for the fact that the distribution is not an eligible rollover distribution because the distribution is being paid to a Non-Spouse Designated Beneficiary). In determining the portion of such death benefit that is considered to be a required minimum distribution that must be made from the Inherited IRA, the Non-Spouse Designated Beneficiary may elect to use either the 5-year rule or the life expectancy rule, pursuant to Regulation §1.401(a)(9)-3, Q&A-4(c). Any distribution made pursuant to this Section is not subject to the direct rollover requirements of Code §401(a)(31), the notice requirements of Code §402(f), or the mandatory withholding requirements of Code §3405(c). If a Non-Spouse Designated Beneficiary receives a distribution from the Plan, then the distribution is not eligible for the "60-day" rollover rule, which is available to a Beneficiary who is a Spouse. If the Participant's Non-Spouse Designated Beneficiary is a trust, then the Plan may make a direct rollover to an IRA on behalf of the trust, provided the trust satisfies the requirements to be a Designated Beneficiary within the meaning of Code §401(a)(9)(E). In order to be able to roll over the distribution, the distribution otherwise must satisfy the definition of an eligible rollover distribution. Any distribution made prior to January 1, 2010 is not subject to the direct rollover requirements of Code §401(a)(31) (including Code §401(a)(31)(B), the notice requirements of Code §402(f) or the mandatory withholding requirements of Code §3405(c)). If a non-spouse Beneficiary receives a distribution from the Plan, the distribution is not eligible for a "60-day" rollover. If the Participant's named Beneficiary is a trust, the Plan may make a direct rollover to an individual retirement account on behalf of the trust, provided the trust satisfies the requirements to be a Designated Beneficiary within the meaning of Code §401(a)(9)(E).

1.3 Qualified Default Investment Alternative. This Section supersedes Section 2.6 of the Amendment Election Form. If elected here X by the Sponsoring Employer, then, effective _____**Dec 24, 2007**_____, if the Plan gives Participants or Beneficiaries the opportunity to direct the investment of any assets in the Participant's Account (or any sub-account) and if any Participant or Beneficiary does not direct the investment of such assets, then such assets in the Participant's Account (or such sub-account(s)) will be invested in a Qualified Default Investment Alternative ("QDIA"), subject to the provisions of Section 2.11 of the Amendment.

Section 2. HEART Act of 2008

2.1 Contributions and Allocations. If elected here ¨ by the Sponsoring Employer, then the following provisions apply to a Qualified Reservist's rights to contributions and allocations under the Plan:

(a) **Determination of Amount.** If a Qualified Reservist dies or incurs a Disability on or after January 1, 2007 while performing Qualified Military Service, then in determining any contribution or allocation such Participant is otherwise entitled to under the terms of the Plan, such Participant will be deemed to have resumed employment with the Employer in accordance with the individual's reemployment rights under USERRA on the day preceding such death or Disability, and will be deemed to have Terminated Employment on the actual date of death or Disability.

(b) **Amount of Elective Deferrals and/or Voluntary Employee Contributions.** The amount of a Qualified Reservist's Elective Deferrals and/or Voluntary Employee Contributions which are considered for purposes of this Section 2.1 will be determined on the basis of the Qualified Reservist's average Elective Deferrals and/or Voluntary Employee Contributions which are actually made for the lesser of the following two computation periods: (1) the 12-month period of service with the Employer immediately prior to Qualified Military Service; or (2) the actual length of continuous service with the Employer.

2.2 Differential Wage Payment. For computation periods beginning after December 31, 2008, the following applies:

(a) **Employee Status** . An individual receiving a differential wage payment, as defined by Code §3401(h)(2), will be treated as an Employee of the Employer making such payment. Notwithstanding the foregoing, for purposes of Code §401(k)(2)(B)(i)(I), a Participant is treated as having Terminated Employment during any period he or she is performing service in the uniformed services described in Code §3401(h)(2)(A).

(b) **Treatment as Compensation.** Any amounts received by a Qualified Reservist as differential wage payments will be treated as Compensation (to the extent those payments do not exceed the amounts the individual would have received if the individual had continued to perform services for the Employer rather than entering Qualified Military Service).

(c) **Coordination With USERRA.** The Plan will not be treated as failing to meet the requirements of any provision described in Code §414(u)(1)(C) by reason of any contribution or benefit which is based on the Differential Wage Payments. However, this paragraph only applies if all Employees of the Employer performing service in the uniformed services described in Code §3401(h)(2)(A) are entitled to receive differential wage payments (as defined in Code §3401(h)(2)) on reasonably equivalent terms and, if eligible to participate in a retirement plan maintained by the employer, to make contributions based on the payments on reasonably equivalent terms (taking into account Code §§410(b)(3), (4), and (5)).

2.3 Suspension of Elective Deferrals. If a Qualified Reservist elects to receive a distribution of all or a portion of his or her Participant's Account under the provisions of Sections 5.1, 5.2 and/or 5.3 of the Plan by reason of death, Disability or Termination of Employment, such Participant will not be permitted to contribute Elective Deferrals and/or Employee Voluntary Contributions to the Plan for a period of 6 months. Such 6 month period will commence on the date of the distribution.

2.4 Death Benefits. If a Participant dies on or after January 1, 2007 while performing Qualified Military Service, such Participant will be deemed to have resumed employment with the Employer in accordance with the individual's reemployment rights under USERRA on the day preceding death, and will be deemed to have Terminated Employment on the actual date of death.

2.5 Definition of Qualified Reservist. The term "Qualified Reservist" means an individual who is a member of a reserve component, as defined in §101 of title 37, United States Code, and who is ordered or called to active duty after September 11, 2001 either for a period in excess of 179 days or for an indefinite period.

2.6 Definition of Qualified Military Service. The term "Qualified Military Service" means military service as that term is used in Code §414(u)(1).

Section 3. 2009 Required Minimum Distributions (RMDs)

3.1 2009 RMDs Will Be Made Unless the Participant or Beneficiary Elect Not to Receive Them. If this Section 3.1 is checked here ¨ , then notwithstanding Section 5.9 of the Plan to the contrary, a Participant or Beneficiary who would have been required to receive required minimum distributions for 2009 but for the enactment of Code §401(a)(9)(H) ("2009 RMDs"), and who would have satisfied that requirement by receiving distributions that are (1) equal to the 2009 RMDs or (2) one or more payments in a series of substantially equal distributions (that include the 2009 RMDs) made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancy) of the Participant and the Participant's Designated Beneficiary, or for a period of at least 10 years ("Extended 2009 RMDs"), will receive those distributions for 2009 unless the Participant or Beneficiary chooses not to receive such distributions.

3.2 2009 RMDs Will Not Be Made Unless the Participant or Beneficiary Elect to Receive Them. If this Section 3.2 is checked here X , then notwithstanding Section 5.9 of the Plan, a Participant or Beneficiary who would have been required to receive required minimum distributions for 2009 but for the enactment of Code §401(a)(9)(H) ("2009 RMDs"), and who would have satisfied that requirement by receiving distributions that are (1) equal to the 2009 RMDs or (2) one or more payments in a series of substantially equal distributions (that include the 2009 RMDs) made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancy) of the Participant and the Participant's Designated Beneficiary, or for a period of at least 10 years ("Extended 2009 RMDs"), will not receive those distributions for 2009 unless the Participant or Beneficiary chooses to receive such distributions.

3.3 Direct Rollovers. Notwithstanding Section 5.14 of the Plan to the contrary, and solely for purposes of applying the direct rollover provisions of the Plan, the additional distributions in 2009 checked below (if any) will be treated as eligible rollover distributions. However, if no election is made below, a direct rollover will be offered only for distributions that would be eligible rollover distributions without regard to Code §401(a)(9)(H).

¨ 2009 RMDs and Extended 2009 RMDs (both as defined in Sections 3.1 and 3.2 above).

¨ 2009 RMDs (as defined in Sections 3.1 and 3.2 above) but only if paid with an additional amount that is an eligible rollover distribution without regard to Code §401(a)(9)(H).

SIGNATURE OF THE SPONSORING EMPLOYER

By /s/ Caryl N. Lucanelli Title Vice President /Human Resources Americas

Print Name Caryl Lucanelli Date 12/15/09

POST-EGTRRA "GOOD FAITH" AMENDMENT

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Introduction

This Post-EGTRRA "Good Faith" Amendment (the "Amendment") is intended as good faith compliance with various post-EGTRRA provisions, including the Pension Protection Act of 2006 and various changes to the Regulations. This Amendment supersedes any conflicting provisions of the Plan, any administrative policy, the Plan's funding policy, and/or any previously-adopted "good faith" amendment of the same subject matter, as applicable. If this Amendment establishes/memorializes an Automatic Contribution Arrangement, then this Amendment supersedes any State (or Commonwealth) law that would directly or indirectly prohibit or restrict the inclusion of an Automatic Contribution Arrangement in the Plan, pursuant to ERISA § 514(e)(1) and Department of Labor Regulation §2550.404c–5(f).

This Amendment is a "good faith" amendment, is not part of the pre-approved EGTRRA document, and has not been reviewed by the IRS for compliance with post-EGTRRA statutory and Regulatory changes. Furthermore, pursuant to Revenue Procedure 2007-44, this Amendment does not affect the status of reliance upon the Plan.

The Amendment consists of this document (the Post-EGTRRA "Good Faith" Amendment) and the Post-EGTRRA "Good Faith" Amendment Election Form (the "Election Form"). Each Article of the Amendment is based upon the earliest effective year that a specific Section (or specific paragraph of a Section) can apply to the Plan, but the effective year of an Article is used for reference purposes only. The actual effective date of (a) a specific Section of this Amendment, (b) a specific paragraph in a Section of this Amendment, or (c) a specific Section of the Election Form, applies to the Plan and overrides any conflict with the effective year of an Article. Furthermore, the rules of the Plan's Section entitled "Interpretation of the Plan and Trust" apply to this Amendment.

Article 1
Post-EGTRRA Provisions Effective 2006 And Earlier

1.1 Bonding Requirements. Paragraph (a) below is effective as of the first day of the first Plan Year beginning after August 17, 2006. Furthermore, paragraph (b) below is effective as of the first day of the first Plan Year beginning after December 31, 2007.

(a) **Determination of Amount.** Every Plan fiduciary other than a bank, an insurance company, a broker-dealer who is registered under the Securities Exchange Act of 1934 §15(b) and who is subject to the fidelity bond requirements of a self-regulatory organization as defined in ERISA §412(a) as amended by PPA, or a fiduciary of a Sponsoring Employer that has no common-law employees, will be bonded in an amount that is not less than 10% of the amount of funds under such Plan fiduciary's direct or indirect control; however, such bond will not be less than $1,000 nor more than $500,000 (or such other amount as may be required by law). The bond will provide protection to the Plan against any loss for acts of fraud or dishonesty by a Plan fiduciary acting alone or in concert with others. The cost of such bond will be an expense of either the Sponsoring Employer or the Plan, at the election of the Sponsoring Employer.

(b) **Investment in Employer Securities.** If the Plan holds employer securities as defined in ERISA §407(d)(1), the maximum bond described in paragraph (a) is increased to $1,000,000 unless the Department of Labor prescribes a larger amount after notice and an opportunity for interested parties to be heard.

1.2 Service for Vesting Purposes When Previously Frozen Plan Resumes Allocations. If (a) the Plan becomes frozen; (b) the freezing of allocations under the Plan causes a partial termination of the Plan to occur; and (c) allocations later resume under the previously-frozen Plan, then all Years of Service or 1-Year Periods of Service, as applicable, after the Plan was established must be recognized for Vesting purposes. In addition, if allocations are made under a new plan maintained by the same Employer and if the new plan is merged with the frozen Plan, then all Years of Service or 1-Year Periods of Service, as applicable, after the frozen Plan was established must be recognized for Vesting purposes for any allocations under the new plan after the merger. The provisions of this Section comply with Revenue Ruling 2003-65.

1.3 Eliminating Forms of Distribution. In addition to rules that are enumerated by Regulations and other guidance concerning the modification of the Plan's Normal Form of Distribution and the modification and/or the elimination of the Plan's Optional Forms of Distribution, for any applicable Plan amendment that is adopted on or after August 12, 2005 (except as otherwise provided), the Plan may be amended to eliminate a form of distribution, subject to the following rules:

(a) **General Rule for Eliminating a Form of Distribution.** The Plan may eliminate a form of distribution previously available to Participants, so long as:

(1) **Single Sum Available.** A single sum payment is available to Participants at the same time or times as the form of distribution being eliminated;

(2) **Same or Greater Portion of Participant's Account.** Such single sum payment is based upon the same or greater portion of the Participant's Account as the form of distribution being eliminated; and

(3) **Single Sum Otherwise Identical.** Such single-sum distribution form is otherwise identical to the form of benefit being eliminated or restricted. For purposes of this subparagraph, a single-sum distribution form is otherwise identical to the form of benefit that is eliminated or restricted only if the single-sum distribution form is identical in all respects to the eliminated or restricted form of distribution (or would be identical except that it provides greater rights to the Participant) except with respect to the timing of payments after commencement. However, an otherwise identical distribution form need not retain rights or features of the form of benefit that is eliminated or restricted to the extent that those rights or features would not be protected from elimination or restriction under Code §411(d)(6).

(b) **Eliminating Optional Forms of Distribution Through Utilization Test.** If the Plan is a money purchase plan or a target benefit plan, then in addition to the provisions of paragraph (a) above, for any applicable Plan amendment adopted after December 31, 2006, the Plan may eliminate any/all Optional Forms of Distribution that comprise a Generalized Optional Form for a Participant with respect to allocations that occurred before the Applicable Amendment Date under the "Utilization Test" of Regulation §1.411(d)-3(f). The elimination of Optional Forms of Distribution of this paragraph (b) is subject to the following:

(1) **Not a Core Benefit.** The Optional Forms of Distribution being eliminated cannot be a Core Option.

(2) **Timeframe for Amendment.** The Plan amendment is not applicable with respect to an Optional Form of Distribution with an Annuity Starting Date that is earlier than the number of days in the maximum Applicable Election Period after the date that the amendment is adopted.

(3) **Requirements.** During the Look-Back Period, (1) the Generalized Optional Form has been available to at least the Applicable Number of Participants; and (2) no Participant has elected any Optional Form of Distribution that is part of the Generalized Optional Form with an Annuity Starting Date that is within the Look-Back Period.

(c) **Definitions.** As used in this Section, the following words and phrases have the following meanings:

(1) **Applicable Amendment Date.** The term "Applicable Amendment Date" means the later of the effective date of the amendment or the date that the amendment is adopted.

(2) **Applicable Election Period.** The term "Applicable Election Period" means the period described in Code §417(a)(6), to wit: with respect to an election to waive the Qualified Joint and Survivor Annuity, the period that begins not later than 180 days prior to the Annuity Starting Date (unless future guidance requires/permits otherwise).

(3) **Applicable Number of Participants.** The term "Applicable Number of Participants" means 50 Participants. However, the Applicable Number of Participants may include Participants Taken Into Account who elected an Optional Form of Distribution that included a single-sum distribution that applied with respect to at least 25% of the Participant's Account, but only if the Applicable Number of Participants is increased to 1,000 Participants.

(4) **Core Option.** The term "Core Option" means (A) a straight life annuity Generalized Optional Form under which the Participant is entitled to a level life annuity with no benefit payable after the Participant's death; (B) a 75% joint and contingent annuity Generalized Optional Form under which the Participant is entitled to a life annuity with a survivor annuity for any individual designated by the Participant (including a non-Spousal contingent annuitant) that is 75% of the amount payable during the Participant's life; (C) a 10-year term certain and life annuity Generalized Optional Form under which the Participant is entitled to a life annuity with a guarantee that payments will continue to any person designated by the Participant for the remainder of a fixed period of 10 years if the Participant dies before the end of the 10-year period; and (D) the most valuable option for a Participant with a short life expectancy, as defined in Regulation §1.411(d)-3(g)(5)(iii). The rules of Regulation §1.411(d)-3(g)(5) apply to the determination of Core Options.

(5) **Generalized Optional Form.** The term "Generalized Optional Form" means a group of Optional Forms of Distribution that are identical except for differences due to actuarial factors used to determine the amount of the distributions under those Optional Forms of Distribution and the Annuity Starting Dates.

(6) **Look-Back Period.** The term "Look-Back Period" means the period that includes: (A) the portion of the Plan Year in which such Plan amendment is adopted that precedes the date of adoption (known as the "Pre-Adoption Period"); and (B) the 2 Plan Years immediately preceding the Pre-Adoption Period. With regard to the Look-Back Period, the following rules apply: (A) in the Look-Back Period, at least 1 of the Plan Years must be a 12-month Plan Year; (B) the Plan may exclude, pursuant to an administrative policy that is promulgated by the Administrator, the calendar month in which the amendment is adopted from the Look-Back Period and the preceding 1 or 2 calendar months to the extent those preceding months are contained within the Pre-Adoption Period; and (C) in order to have a Look-Back Period that satisfies the requirement of the minimum Applicable Number of Participants, the Look-Back Period may be expanded pursuant to an administrative policy that is promulgated by the Administrator, to include the 3, 4, or 5 Plan Years immediately preceding the Plan Year in which the amendment is adopted. However, if the Plan does not satisfy the requirement of the minimum Applicable Number of Participants using the Pre-Adoption Period and the immediately preceding 5 Plan Years, then the Plan is not permitted to be amended in accordance with the Utilization Test of this Section.

(7) **Participant Taken Into Account.** The term "Participant Taken Into Account" means a Participant who was eligible to elect to commence payment of an Optional Form of Distribution that is part of the Generalized Optional Form being eliminated with an Annuity Starting Date that is within the Look-Back Period. A Participant is not a Participant Taken Into Account if the Participant (A) did not elect any Optional Form of Distribution with an Annuity Starting Date that was within the Look-Back Period; (B) elected an Optional Form of Distribution that included a single-sum distribution that applied with respect to at least 25% of the Participant's Account; (C) elected an Optional Form of Distribution that was only available during a limited period of time and that contained a retirement-type subsidy where the subsidy that is part of the Generalized Optional Form being eliminated was not extended to any Optional Form of Distribution with the same Annuity Starting Date; or (D) elected an Optional Form of Distribution with an Annuity Starting Date that was more than 10 years before Normal Retirement Age.

1.4 Application of Code §411(a) With Respect to Protected Benefits. Any applicable Plan amendment adopted after August 9, 2006 which decreases a Participant's Account balance, or otherwise places greater restrictions or conditions on a Participant's rights to Code §411(d)(6) protected benefits is not permitted, even if the Plan amendment merely adds a restriction or condition that is permitted under the Vesting rules in Code §411(a)(3) through (11). However, a Plan amendment does not violate Code §411(d)(6) to the extent that the amendment applies to allocations after the Applicable Amendment Date. Notwithstanding the first sentence of this Section, a Plan amendment that satisfies the requirements of Department of Labor Regulation 2530.203–2(c) (relating to Vesting Computation Periods) does not violate the requirements of Code §411(d)(6) even though the Plan amendment changes the Plan's Vesting Computation Periods. For purposes of this Section, the term "Applicable Amendment Date" means the later of the effective date of the amendment or the date the amendment is adopted.

1.5 Financial Hardship Distributions. If the Plan is either a profit sharing plan or a 401(k) Plan and if elected by the Sponsoring Employer in the Election Form, then this Section is effective as of the effective date elected in the Election Form, and the following provisions apply to the Plan:

(a) **Revised Definition of Financial Hardship.** With respect to financial hardship distributions made on or after the effective date of this Section, the determination of any deemed immediate and heavy financial need described in Regulation §1.401(k)-1(d)(3)(iii)(B) will be expanded to include any immediate and heavy financial need (expenses described in Regulation §1.401(k)-1(d)(3)(iii)(B)(1), (3), or (5), which relate to medical, tuition, and funeral expenses, respectively) of a Participant's Primary Beneficiary. For purposes of this Section, the term "Primary Beneficiary" means the individual(s) who is named and designated as a Beneficiary under the terms of the Plan and who has an unconditional right to all or a portion of the Participant's Account balance upon the Participant's death.

(b) **Amounts to Which the Revised Definition of Financial Hardship Applies.** The provisions of this Section apply to financial hardship distributions under the provisions of an administrative policy regarding financial hardship distributions that is promulgated by the Administrator.

1.6 Distribution to a Qualified Reservist. If the Plan is a 401(k) Plan and if elected by the Sponsoring Employer in the Election Form, then this Section is effective with respect to any Qualified Reservist Distribution that is taken after September 11, 2001 but before December 31, 2007 (but the December 31, 2007 date has been eliminated by the Heroes Earnings Assistance and Relief Tax Act of 2008 (HEART)), as follows:

(a) **Qualified Reservist Distribution Permitted for Any Reason.** A Qualified Reservist Distribution may be made to a Qualified Reservist under any circumstance and/or for any reason without violating the distribution restrictions of Code §401(k)(2)(B)(i).

(b) **Qualified Reservist Distribution Not Subject To Excise Tax and May Be Repaid To an IRA.** Notwithstanding anything in the Plan to the contrary, to the extent that any distribution is a Qualified Reservist Distribution, the otherwise applicable 10% excise tax of Code §72(t)(1) on early distributions will not apply. In addition, at any time during the two-year period beginning on the day after the last day of the Qualified Reservist's active duty (but the two-year period will end no earlier than August 17, 2008), a Qualified Reservist who has received one or more Qualified Reservist Distributions may make one or more repayment contributions to an IRA in an aggregate amount not to exceed the total amount of such Qualified Reservists Distributions. The dollar or compensation limitations otherwise applicable to contributions to an IRA will not apply to a repayment contribution of Qualified Reservist Distributions. No deduction is allowed for a repayment contribution of Qualified Reservist Distributions.

(c) **Definitions.** As used in this Section, the following words and phrases have the following meanings:

(1) **Qualified Reservist.** The term "Qualified Reservist" means an individual who is a member of a reserve component, as defined in §101 of title 37, United States Code, and who is ordered or called to active duty after September 11, 2001 and before December 31, 2007 (but the December 31, 2007 date has been eliminated by the Heroes Earnings Assistance and Relief Tax Act of 2008 (HEART)) either for a period in excess of 179 days or for an indefinite period.

(2) **Qualified Reservist Distribution.** The term "Qualified Reservist Distribution" means a distribution of Elective Deferrals to a Qualified Reservist that is made during the period beginning on the date that the Qualified Reservist is ordered or called to duty and ending on the last day of active duty.

1.7 Hurricane Provisions. If elected by the Sponsoring Employer in the Post-EGTRRA "Good Faith" Amendment Election Form, then except as otherwise provided in paragraphs (c) through (f) below, this Section applies to any Participant in the Plan that was affected by Hurricanes Katrina, Rita, or Wilma:

(a) **Qualified Hurricane Distributions.** The following provisions apply to Qualified Hurricane Distributions:

(1) **Qualified Hurricane Distribution Not Subject to Code §72(t).** Any Qualified Hurricane Distribution will not be subject to Code §72(t). The aggregate amount of distributions received by an individual which may be treated as Qualified Hurricane Distributions for any taxable year shall not exceed the excess (if any) of (A) $100,000, minus (B) the aggregate amounts treated as Qualified Hurricane Distributions received by such individual for all prior taxable years.

(2) **Clarification of Qualified Hurricane Distribution.** If a distribution to an individual would (without regard to subparagraph (c)(1)) be a Qualified Hurricane Distribution, then this Plan shall not be treated as violating any requirement of subparagraph (c)(1) merely because the Plan treats such distribution as a Qualified Hurricane Distribution, unless the aggregate amount of such distributions from all plans (including this Plan) maintained by the Sponsor Employer (and any Affiliated Employer of the Sponsoring Employer) to such individual exceeds $100,000.

(3) **Exemption of Qualified Hurricane Distributions from Trustee to Trustee Transfer and Withholding Rules.** For purposes of Code §401(a)(31), §402(f), and §3405, Qualified Hurricane Distributions shall not be treated as eligible rollover distributions.

(4) **Qualified Hurricane Distributions Treated as Meeting Plan Distribution Requirements.** A Qualified Hurricane Distribution will be treated as meeting the requirements of Code §401(k)(2)(B)(i), §403(b)(7)(A)(ii), §403(b)(11), and §457(d)(1)(A).

(b) **Procedural Requirements.** Any otherwise applicable procedural requirements that are imposed by the Plan, any administrative policy, or any procedure may be disregarded with respect to any provision of this Section, so long as the Administrator makes a good-faith effort under the circumstances to comply with such requirements of the Plan, administrative policy, or procedure and makes a reasonable attempt to assemble any required documentation as soon as practical including, if applicable, Spousal consent.

(c) **Special Financial Hardship Distributions on Account of Hurricane Disasters** . If elected by the Sponsoring Employer in the Election Form, then regardless of any other distribution provisions in the Plan to the contrary, a Participant or former Participant (1) whose Principal Place of Abode is/was located in the Hurricane Katrina Disaster Area, Hurricane Rita Disaster Area, or Hurricane Wilma Disaster Area; (2) whose place of employment is/was located in the Hurricane Katrina Disaster Area, Hurricane Rita Disaster Area, or Hurricane Wilma Disaster Area; or (3) whose lineal ascendant or descendant, dependent or Spouse has/had a Principal Place of Abode or place of employment in the Hurricane Katrina Disaster Area, Hurricane Rita Disaster Area, or Hurricane Wilma Disaster Area; and the Participant or former Participant, or the Participant's (or former Participant's) lineal ascendant or descendant, dependent, or Spouse faces an immediate and heavy financial need, may receive a special financial hardship distribution on or after August 29, 2005 and not later than March 31, 2006 of the Participant's Elective Deferrals (as well as the Participant's Vested Interest in the Participant's Account or any sub-account of the Participant's Account that is not prohibited by law or Regulation from being distributed as a hardship distribution). The determination of whether a Participant or former Participant, or the Participant's (or former Participant's) lineal ascendant or descendant, dependent, or Spouse has an immediate and heavy financial need will be made by the Administrator, subject to the following provisions:

(1) **Immediate and Heavy Financial Need.** The determination by the Administrator of an immediate and heavy financial need will be based upon such severity that a Participant or former Participant, or the Participant's (or former Participant's) lineal ascendant or descendant, dependent, or Spouse is confronted or endangered by present or impending financial ruin, present or impending want, or privation. The Administrator will determine whether an immediate and heavy financial need exists based on all relevant facts and circumstances in a nondiscriminatory manner, and will not be limited to the circumstances enumerated in subparagraph (2) below. The Participant or former Participant must demonstrate the immediate and heavy financial need with positive evidence submitted to the Administrator, if positive evidence is readily available. However, the Administrator may rely upon representations from the Participant or former Participant as to the need for and amount of a financial hardship distribution, unless the Administrator has actual knowledge to the contrary.

(2) **Deemed Immediate and Heavy Financial Need.** A distribution is deemed to be on account of an immediate and heavy financial need of a Participant or former Participant, or the Participant's (or former Participant's) lineal ascendant or descendant, dependent, or Spouse if the distribution is for (A) expenses for (or necessary to obtain) medical care that would be deductible under Code §213(d) (determined without regard to whether the expenses exceed 7.5% of adjusted gross income); (B) costs directly related to the purchase of a principal residence (excluding mortgage payments); (C) payment of tuition, related educational fees, and room and board expenses, for up to the next 12 months of post-secondary education; (D) payments necessary to prevent the eviction from the principal residence or foreclosure on

the mortgage on that residence; (E) payments for burial or funeral expenses; or (F) expenses for the repair of damage to the principal residence that would qualify for the casualty deduction under Code §165 (determined without regard to whether the loss exceeds 10% of adjusted gross income).

(3) **Certain Restrictions Do Not Apply to Special Financial Hardship Distributions.** If this Plan (or any other plan of the Sponsoring Employer) is a 401(k) Plan or permits Voluntary Employee Contributions, then a Participant who receives a special financial hardship distribution of Elective Deferrals pursuant to this paragraph (c) is not prohibited from making Elective Deferrals or Voluntary Employee Contributions to the Plan (or any other plan of the Sponsoring Employer) at any time after receipt of the special financial hardship distribution.

(d) **Participant Loans** . If elected by the Sponsoring Employer in the Election Form, then the following provisions apply to a Qualified Individual with respect to loans made during the Applicable Period:

(1) **Increase in Limit on Loans Not Treated as Distributions.** In the case of any Participant loan to a Qualified Individual made during the Applicable Period, the following Participant loan limits that are contained in the separate written loan program are increased as follows: (A) the $50,000 aggregate limit on a Participant's loans of Code §72(p)(2)(A)(i) is increased to $100,000; and (B) the aggregate amount of a Participant's loans which is limited to 50% of the Participant's Vested Account balance of Code §72(p)(2)(A)(ii) is increased to 100% of the Participant's Vested Account balance.

(2) **Adequate Security.** The requirements of ERISA with respect to adequate loan security are not enforced with respect to any Participant loan to a Qualified Individual during the Applicable Period.

(3) **Delay of Repayment.** In the case of a Qualified Individual with an outstanding Participant loan from this Plan on or after the Qualified Beginning Date, the following will apply: (A) (A) if the due date for any repayment with respect to such Participant loan pursuant to Code §72(p)(2)(B) and (C) occurs during the period beginning on the Qualified Beginning Date and ending on December 31, 2006, then such due date for any repayment will be delayed for one (1) year. Such 1-year delay period will not trigger a deemed distribution of the Participant loan under the Plan or the Regulations; (B) in determining the 5-year period (assuming that the Participant loan is not a principal residence loan) and the term of a Participant loan under Code §72(p)(2)(B) and (C), the 1-year delay period described in subparagraph (A) shall be disregarded; and (C) any subsequent repayments with respect to any such Participant loan will be appropriately adjusted to reflect the delay in the due date for any repayment under subparagraph (A) and any interest accruing during such delay. After the 1-year period described in subparagraph (A), the Participant loan shall be repaid by amortizing the outstanding balance (including accrued interest) in substantially level installments over the remaining period of the Participant loan (i.e., five (5) years from the date of the origination of the Participant loan (assuming that the Participant loan is not a principal residence loan) plus the 1-year delay period).

(4) **Applicable Period and Qualified Beginning Date.** In applying this paragraph (d), the following will apply: (A) in the case of any Qualified Hurricane Katrina Individual, the Applicable Period is the period beginning on September 24, 2005 and ending on December 31, 2006 and the Qualified Beginning Date is August 25, 2005; (B) in the case of any Qualified Hurricane Rita Individual, the Applicable Period is the period beginning on December 21, 2005 and ending on December 31, 2006 and the Qualified Beginning Date is September 23, 2005; and (C) in the case of any Qualified Hurricane Wilma Individual, the Applicable Period is the period beginning on December 21, 2005 and ending on December 31, 2006 and the Qualified Beginning Date is October 23, 2005.

(e) **Re-Contribution of Prior Qualified Hurricane Distributions to the Plan.** If elected by the Sponsoring Employer in the Election Form, then the following provisions apply to the re-contribution of Qualified Hurricane Distributions to the Plan:

(1) **Re-Contribution of Qualified Hurricane Distribution.** Any individual who receives a Qualified Hurricane Distribution may make, at any time during the 3-year period beginning on the day after the date on which such distribution was received, one or more re-contributions in an aggregate amount not to exceed the amount of such Qualified Hurricane Distribution to this Plan (which is an eligible

retirement plan as defined in Code §402(c)(8)(B)), so long as such individual is a beneficiary of the Plan and such Qualified Hurricane Distribution is (or is deemed to be, pursuant to subparagraph (2)) an eligible rollover distribution as described in Code §402(c)(4) from the Plan.

(2) **Treatment of Repayments of Distributions from Eligible Retirement Plan.** If a re-contribution is made pursuant to subparagraph (1) with respect to a Qualified Hurricane Distribution from an eligible retirement plan, then the individual will, to the extent of the amount of the re-contribution, be treated as having received the Qualified Hurricane Distribution in an eligible rollover distribution (as defined in Code §402(c)(4)) and as having transferred the amount to the eligible retirement plan in a direct trustee to trustee transfer within 60 days of distribution. The following rules apply to any such re-contribution of a prior Qualified Hurricane Distribution: (A) required minimum distributions of Code §401(a)(9) are not permitted to be re-contributed to this Plan or any eligible retirement plan; (B) any Qualified Hurricane Distribution paid to an individual as a Beneficiary of a Participant (other than the surviving Spouse of a Participant) cannot be re-contributed to the Plan. However, any Qualified Hurricane Distribution paid to the surviving Spouse of a Participant can be re-contributed to the Plan (unless prohibited by clause (A) above); and (C) any financial hardship distribution that is a Qualified Hurricane Distribution will not be treated as being made on account of hardship for purposes of the Plan and the Code; any portion of such financial hardship distribution is permitted to be re-contributed to this Plan.

(f) **Re-Contribution of Prior Qualified Distributions for Home Purchases to the Plan.** If elected by the Sponsoring Employer in the Election Form, then this paragraph (f) apply to the re-contribution of prior Qualified Distributions. Any individual who received a Qualified Distribution may, during the Applicable Period, make one or more re-contributions to this Plan (which is an eligible retirement plan as defined in Code §402(c)(8)(B)) in an aggregate amount not to exceed the amount of such Qualified Distribution, so long as such individual is a beneficiary in the Plan and such Qualified Distribution is (or is deemed to be, pursuant to subparagraph (e)(2)) an eligible rollover distribution as described in Code §402(c)(4). Rules similar those in subparagraph (e)(2) will apply to such re-contributions. For purposes of this paragraph, the term "Applicable Period" means (1) with respect to any Qualified Katrina Distribution, the period beginning on August 25, 2005 and ending on February 28, 2006; (2) with respect to any Qualified Rita Distribution, the period beginning on September 23, 2005 and ending on February 28, 2006; and (3) with respect to any Qualified Wilma Distribution, the period beginning on October 23, 2005 and ending on February 28, 2006.

(g) **Definitions.** As used in this Section, the following words and phrases have the following meanings:

(1) **Hurricane Katrina Disaster Area.** The term "Hurricane Katrina Disaster Area" means an area with respect to which a major disaster has been declared by the President before September 14, 2005 by reason of Hurricane Katrina, including the states of Louisiana, Mississippi, Alabama, and Florida.

(2) **Hurricane Rita Disaster Area.** The term "Hurricane Rita Disaster Area" means an area with respect to which a major disaster has been declared by the President before October 6, 2005 by reason of Hurricane Rita.

(3) **Hurricane Wilma Disaster Area.** The term "Hurricane Wilma Disaster Area" means an area with respect to which a major disaster has been declared by the President before November 14, 2005 by reason of Hurricane Wilma.

(4) **Principal Place of Abode.** The term "Principal Place of Abode" means the household where a Qualified Individual lives. A temporary absence by a Qualified Individual from the Principal Place of Abode due to special circumstances, such as illness, education, business, vacation, or military service, will not change a Qualified Individual's Principal Place of Abode. The following provisions apply to a Qualified Individual's Principal Place of Abode:

(A) **Hurricane Katrina.** If a Qualified Individual's Principal Place of Abode was in the Hurricane Katrina Disaster Area immediately before August 28, 2005, and the Qualified Individual evacuated because of Hurricane Katrina, then the Qualified Individual's Principal Place of Abode will be considered to be in the Hurricane Katrina Disaster Area on August 28, 2005.

(B) **Hurricane Rita.** If a Qualified Individual's Principal Place of Abode was in the Hurricane Rita Disaster Area immediately before September 23, 2005, and the Qualified Individual evacuated because of Hurricane Rita, then the Qualified Individual's Principal Place of Abode will be considered to be in the Hurricane Rita Disaster Area on September 23, 2005.

(C) **Hurricane Wilma.** If a Qualified Individual's Principal Place of Abode was in the Hurricane Wilma Disaster Area immediately before October 23, 2005, and the Qualified Individual evacuated because of Hurricane Wilma, then the Qualified Individual's Principal Place of Abode will be considered to be in the Hurricane Wilma Disaster Area on October 23, 2005.

(5) **Qualified Distribution.** The term "Qualified Distribution" means any Qualified Katrina Distribution, Qualified Rita Distribution, and Qualified Wilma Distribution. For purposes of this definition:

(A) **Qualified Katrina Distribution.** The term "Qualified Katrina Distribution" means any distribution (i) described in Code §401(k)(2)(B)(i)(IV), §403(b)(7)(A)(ii) (but only to the extent it relates to financial hardship), §403(b)(11)(B), or §72(t)(2)(F); (ii) received after February 28, 2005 and before August 29, 2005; and (iii) which was to be used to purchase or construct a principal residence in the Hurricane Katrina Disaster Area, but which was not so purchased or constructed on account of Hurricane Katrina.

(B) **Qualified Rita Distribution.** The term "Qualified Rita Distribution" means any distribution (other than a Qualified Katrina Distribution) (i) described in Code §401(k)(2)(B)(i)(IV), §403(b)(7)(A)(ii) (but only to the extent it relates to financial hardship), §403(b)(11)(B), or §72(t)(2)(F); (ii)received after February 28, 2005 and before September 24, 2005; and (iii) which was to be used to purchase or construct a principal residence in the Hurricane Rita Disaster Area, but which was not so purchased or constructed on account of Hurricane Rita.

(C) **Qualified Wilma Distribution.** The term "Qualified Wilma Distribution" means any distribution (other than a Qualified Katrina Distribution or a Qualified Rita Distribution) (i) described in Code §401(k)(2)(B)(i)(IV), §403(b)(7)(A)(ii) (but only to the extent it relates to financial hardship), §403(b)(11)(B), or §72(t)(2)(F); (ii) received after February 28, 2005 and before October 24, 2005; and (iii) which was to be used to purchase or construct a principal residence in the Hurricane Wilma Disaster Area, but which was not so purchased or constructed on account of Hurricane Wilma.

(6) **Qualified Hurricane Distribution.** The term "Qualified Hurricane Distribution" means (A) any distribution from an eligible retirement plan made on or after August 25, 2005 and before January 1, 2007, to an individual whose Principal Place of Abode on August 28, 2005 is located in the Hurricane Katrina Disaster Area and who has sustained an economic loss by reason of Hurricane Katrina; (B) any distribution which is not described in subparagraph (A) from an eligible retirement plan made on or after September 23, 2005 and before January 1, 2007, to an individual whose Principal Place of Abode on September 23, 2005 is located in the Hurricane Rita Disaster Area and who has sustained an economic loss by reason of Hurricane Rita; and (C) any distribution which is not described in subparagraphs (A) or (B) from an eligible retirement plan made on or after October 23, 2005 and before January 1, 2007, to an individual whose Principal Place of Abode on October 23, 2005 is located in the Hurricane Wilma Disaster Area and who has sustained an economic loss by reason of Hurricane Wilma. An individual is permitted to designate any distribution as a Qualified Hurricane Distribution. Qualified Hurricane Distributions are permitted to be periodic payments and required minimum distributions. A Qualified Hurricane Distribution is permitted to be a distribution received by an individual as a Beneficiary.

(7) **Qualified Individual.** The term "Qualified Individual" means any Qualified Hurricane Katrina Individual, any Qualified Hurricane Rita Individual, and any Qualified Hurricane Wilma Individual. For purposes of this definition:

(A) **Qualified Hurricane Katrina Individual.** A "Qualified Hurricane Katrina Individual" means an individual whose Principal Place of Abode on August 28, 2005, was located in the Hurricane Katrina Disaster Area and who has sustained an economic loss by reason of Hurricane Katrina.

(B) **Qualified Hurricane Rita Individual.** A "Qualified Hurricane Rita Individual" means an individual (other than a Qualified Hurricane Katrina Individual) whose Principal Place of Abode on September 23, 2005, was located in the Hurricane Rita Disaster Area and who has sustained an economic loss by reason of Hurricane Rita.

(C) **Qualified Hurricane Wilma Individual.** A "Qualified Hurricane Wilma Individual" means an individual (other than a Qualified Hurricane Katrina Individual or a Qualified Hurricane Rita Individual) whose Principal Place of Abode on October 23, 2005, was located in the Hurricane Wilma Disaster Area and who has sustained an economic loss by reason of Hurricane Wilma.

1.8 Retroactive Revocation of Prior Amendment on account of the Heinz Decision. If elected by the Sponsoring Employer in the Election Form, then this Section is effective as of the effective date elected in the Election Form. This Section is based upon the Supreme Court decision of Central Laborers' Pension Fund v. Heinz, et al. that was decided on June 7, 2004 and Regulation §1.411(d)-3 (b)(4) that became effective June 7, 2004. The Plan is subject to the following rules and provisions:

(a) **Retroactive Revocation.** As elected by the Sponsoring Employer in the Election Form, the Original Amendment is hereby revoked retroactively with respect to either (1) all accrued benefits, which are allocations that had accrued as the Applicable Amendment Date and allocations that have accrued after the Applicable Amendment Date; or (2) only accrued benefits as the Applicable Amendment Date, which are allocations that had accrued as the Applicable Amendment Date. Allocations that have accrued after the Applicable Amendment Date will continue to be subject to the restrictions with respect to the form or timing of distributions from the Plan as enumerated in the Original Amendment.

(b) **Effect of Revocation on Benefits to Affected Participants.** Benefit payments (including any appropriate interest or actuarial increase) will resume to Affected Participants on the execution date of this Section in the applicable optional form of benefit.

(c) **Opportunity for Eligible Participants.** An Eligible Participant must be given an opportunity to elect retroactively the commencement of payment of benefits as of the first date on which (1) this Section is effective and (2) the Participant was eligible to commence receipt of benefits. The following provisions apply to Eligible Participants:

(1) **Election Period.** The election period begins within a reasonable time period after Eligible Participants have received notification of the option in accordance with paragraph (2) below and ends no sooner than six months after notification. Reasonable efforts must be taken to notify all Eligible Participants, including the use of the Internal Revenue Service Letter Forwarding Program.

(2) **Notification Requirement.** The Plan must provide notice of the option set forth in this paragraph to each Eligible Participant. In addition to satisfying generally applicable notice requirements, the notice of the option to commence payment of benefits must be designed to be readily understood by the average Participant, and it must explain the period for making the election as described in subparagraph (1).

(d) **Definitions.** As used in this Section, the following words and phrases have the following meanings:

(1) **Affected Participant.** The term "Affected Participant" means either (A) a Participant who commenced receipt of benefits and whose benefit payments had ceased as a result of the Original Amendment, or (B) a Participant who had applied for benefits (including election of the optional form of benefit) and whose application for benefits (including the form of payment) either was approved but benefits were suspended before payments commenced as a result of the Original Amendment, or was denied as a result of the Original Amendment.

(2) **Applicable Amendment Date.** The term "Applicable Amendment Date" means the later of the effective date of the Original Amendment or the date that the Original Amendment was adopted.

(3) **Eligible Participant.** The term "Eligible Participant" is a Participant who (A) at any time after the Applicable Amendment Date, was eligible to commence the receipt of benefits under the Plan, determined without regard to the suspension of benefit provisions of the Original Amendment; (B) at the same time, engaged in service for which benefits were not permitted to commence, as determined taking into account the Original Amendment; and (C) is not an Affected Participant (*e.g.* , is a Participant who did not apply for benefits).

(4) **Original Amendment.** The term "Original Amendment" means a previously-executed amendment that impermissibly restricted the form or timing of distributions from the Plan.

1.9 Certain Employees of Tax Exempt Entity Excluded From 401(k) Plan or 401(m) Plan. If (a) the Plan is a Code §401(k) Plan and/or a Code §401(m) Plan; (b) the Sponsoring Employer and/or an Adopting Employer is a tax-exempt entity described in Code §403 (b)(1)(A)(i); (c) the Plan excludes Employees who participate in a Code §403(b) plan; and (d) if elected by the Sponsoring Employer in the Election Form, then this Section is effective for Plan Years beginning after December 31, 1996. Employees of the tax-exempt Employer who are eligible to make Elective Deferrals to a Code §403(b) plan are treated as excludable with respect to the Code §401(k) Plan and/or the Code §401(m) Plan that is provided under the same general arrangement as the Code §401(k) Plan, pursuant to Regulation §1.410(b)-6(g)(3) that was modified July 21, 2006, provided (a) Employees of the tax-exempt Employer are not Eligible Employees in the Code §401(k) Plan and/or the Code §401(m) Plan; and (b) at least 95% of the Employees who are not Employees of the tax-exempt Employer are Eligible Employees in the Code §401(k) Plan and/or the Code §401(m) Plan.

Article 2
Post-EGTRRA Provisions Effective 2007

2.1 Notice and Consent Requirements. This Section applies to any Notices/Forms and Participant Elections under the Plan and is effective as of January 1, 2007:

(a) **Right to Defer Distribution.** Notices/Forms that relate to distributions will include a description of a Participant's right (if any) to defer receipt of a distribution and will describe the consequences of failing to defer receipt of the distribution, pursuant to the Regulations and other guidance provided by the Treasury and/or Labor. Notices/Forms that are delivered to Participants before the 90th day after the issuance of Regulations (unless future guidance requires otherwise) will include at a minimum: (1) a description indicating the investment options available under the Plan (including fees) that will be available if the Participant defers distribution; and (2) the portion of the summary plan description that contains any special rules that might materially affect a Participant's decision to defer.

(b) **Electronic Notice and Consent.** The use of an electronic medium to provide Notices/Forms and to make Participant Elections with respect to the Plan is permitted pursuant to the rules of this Section.

(1) **Requirements of Electronic System.** The following rules relate to the design of an electronic system used to deliver Forms/Notices and to make Participant Elections:

(A) **Understandable as Paper Document.** The electronic system must be reasonably designed to provide the information in the Form/Notice to a Recipient in a manner that is no less understandable to the Recipient than a written paper document.

(B) **Significance of Form/Notice.** The electronic system must be designed to alert the Recipient, at the time that a Form/Notice is provided, to the significance of the information in the Form/Notice (including identification of the subject matter of the Form/Notice), and provide any instructions needed to access the Form/Notice, in a manner that is readily understandable.

(2) **Consumer Consent Requirements.** With respect to a Notice/Form, the following consumer consent requirements must be satisfied and, in accordance with E-SIGN §101(c)(6), the Notice/Form is not provided through the use of oral communication or a recording of an oral communication:

(A) **Consent to Electronic Delivery.** The Recipient must affirmatively consent to the delivery of the Notice/Form using an electronic medium. This consent must be either (i) made electronically in a manner that reasonably demonstrates that the Recipient can access the Notice/Form in the electronic medium in the form that will be used to provide the notice; or (ii) made using a written paper document (or any other permitted form under the Regulations), but only if the Recipient confirms the consent electronically in a manner that reasonably demonstrates that the Recipient can access the Notice/Form in the electronic medium in the form that will be used to provide the notice.

(B) **Withdrawal of Consumer Consent .** The consent under paragraph (A) to receive electronic delivery of Notices/Forms may be withdrawn by the Recipient at any time, and subsequent Notices/Forms cannot be delivered electronically.

(C) **Required Disclosure Statement .** The Recipient, prior to consenting under paragraph (A), must be provided with a clear and conspicuous statement containing the following disclosures:

(i) **Right to Receive Paper Document.** The statement informs the Recipient [a] of any right to have the Notice/Form provided using a written paper document or other non-electronic form; and [b] how, after having provided consent to receive the Notice/Form electronically, the Recipient may, upon request, obtain a paper copy of the Notice/Form and whether any fee will be charged for such copy.

(ii) **Right to Withdraw Consumer Consent .** The statement informs the Recipient of the right to withdraw consent to receive electronic delivery of a Notice/Form on a prospective basis at any time and explains the procedures for withdrawing that consent and any conditions, consequences, or fees in the event of the withdrawal.

(iii) **Scope of Consumer Consent .** The statement informs the Recipient whether the consent to receive electronic delivery of a Notice/Form applies only to the particular transaction that gave rise to the Notice/Form or to other identified transactions that may be provided or made available during the course of the parties' relationship. The statement may provide that a Recipient's consent to receive electronic delivery will apply to all future Forms/Notices of the Recipient relating to the Plan until the Recipient is no longer a Participant in the Plan (or withdraws the consent).

(iv) **Description of the Contact Procedures .** The statement describes the procedures to update information needed to contact the Recipient electronically.

(v) **Hardware or Software Requirements .** The statement describes the hardware and software requirements needed to access and retain the Notice/Form.

(D) **Post-Consent Change in Hardware or Software Requirements .** If there is a change in the hardware or software requirements needed to access or retain the Notice/Form after a Recipient provides consent to receive electronic delivery and such change creates a material risk that the Recipient will not be able to access or retain the Notice/Form in electronic format, then (i) the Recipient must receive a statement of [a] the revised hardware or software requirements for access to and retention of the Notice/Form; and [b] the right to withdraw consent to receive electronic delivery without the imposition of any fees for the withdrawal and without the imposition of any condition or consequence that was not previously disclosed in paragraph (C); and (ii) The Recipient must reaffirm consent to receive electronic delivery in accordance with subparagraph (A).

(E) **Exemption from Consumer Consent Requirements.** If the requirements of this paragraph (E) are satisfied, then the other requirements of paragraph (2) do not apply. This paragraph (E) constitutes an exemption from the Consumer Consent Requirements of E-SIGN §101(c).

(i) **Effective Ability to Access .** The electronic medium used to provide a Notice/Form must be a medium that the Recipient has the effective ability to access; and

(ii) **Free Paper Copy of Notice/Form.** At the time that the Notice/Form is provided, the Recipient must be advised that he or she may request and receive the Notice/Form in writing on paper at no charge, and, upon request, that Notice/Form must be provided to the Recipient at no charge.

(3) **Participant Elections via Electronic Delivery.** Participant Elections may be made electronically, subject to the following rules:

(A) **Effective Ability to Access.** The electronic medium used to make a Participant Election must be a medium that the person eligible to make the election is effectively able to access. If the appropriate individual is not effectively able to access the electronic medium for making the Participant Election, then the Participant Election will not be treated as made available to that individual.

(B) **Authentication.** The electronic system used in making Participant Elections must be reasonably designed to preclude any person other than the appropriate individual from making the election, based upon the facts and circumstances, including, but not limited to, whether the Participant Election has the potential for a conflict of interest between the individuals involved in the election.

(C) **Opportunity to Review.** The electronic system used in making Participant Elections must provide the person making the Participant Election with a reasonable opportunity to review, confirm, modify, or rescind the terms of the election before the election becomes effective.

(D) **Confirmation of Action.** The person making the Participant Election must receive, within a reasonable time, a confirmation of the effect of the election through a written paper document or an electronic medium under a system that satisfies the requirements of subparagraph (2) above.

(E) **Witnessing by a Plan Representative or Notary Public.** If a Participant Election is required to be witnessed by a Plan representative or a notary public (such as a spousal consent under Code §417), then the signature of the individual making the Participant Election must be witnessed in the physical presence of a Plan representative or a notary public. An electronic notarization acknowledging a signature (in accordance with E-SIGN §101(g) and state law applicable to notary publics) will be given legal effect if the signature of the individual is witnessed in the physical presence of a notary public. Future guidance by the Treasury will apply to this paragraph, without the necessity of amending this paragraph.

(4) **Non-applicability of Rules.** The rules of this Section do not apply to any notice, election, consent, disclosure, or obligation required under the provisions of Title I or IV of ERISA, over which the Department of Labor or the Pension Benefit Guaranty Corporation has interpretative and enforcement authority. The rules in this Section also do not apply to Code §411(a)(3)(B) (relating to suspension of benefits) or any other Code provision over which Department of Labor or the Pension Benefit Guaranty Corporation has similar interpretative authority.

(5) **Retention of Electronic Records.** If an electronic record of a Notice/Form or a Participant Election is not maintained in a form that is capable of being retained and accurately reproduced for later reference, then the legal effect, validity, or enforceability of such electronic record may be denied, pursuant to E-SIGN §101(e).

(c) **Notification Period.** With respect to any Notice/Form that describes the Normal Form of Distribution and/or the Optional Forms of Distribution, and any Participant Election with respect to any distribution delivered to a Participant, the window for giving such Notice/Forms and Participant Elections will begin not later than 180 days and not earlier than 30 days prior to the Annuity Starting Date (unless future guidance requires/permits otherwise). Notwithstanding anything in this Section to the contrary, distribution of a benefit may begin less than 30 days after such Notice/Form and/or Participant Election is given if (1) the Administrator clearly informs the Participant that he or she has a right to a period of at least 30 days after receiving such Notice/Form and/or Participant Election to consider the decision of whether or not to elect a distribution; (2) the Participant, after receiving such Notice/Form and/or Participant Election, affirmatively elects a distribution (or a particular distribution option); and (3) if the Plan is a money purchase plan or the Normal Form of Distribution is a Qualified Joint and Survivor Annuity, the Participant does not revoke the election at any time prior to the expiration of the 7-day period that begins on the date such Notice/Form and/or Participant Election is given.

(d) **Definitions.** As used in this Section, the following words and phrases have the following meanings:

(1) **Notice/Form.** The term "Notice/Form" means any notice, report, statement, or other document required to be provided to a Recipient under this Plan.

(2) **Participant Election.** The term "Participant Election" includes any consent, election, request, agreement, or similar communication made by or from a Participant, Beneficiary, alternate payee, or an individual entitled to benefits under the Plan.

(3) **Recipient.** The term "Recipient" means a Plan Participant, Beneficiary, Employee, alternate payee, or any other person to whom a Notice/Form is to be provided.

2.2 Direct Rollovers. Notwithstanding any provision of the Plan to the contrary that would otherwise limit a Distributee's election, this Section is effective for tax years beginning after December 31, 2006 (except as otherwise provided). If the $500 threshold is elected by the Sponsoring Employer in the Election Form, then (a) a Distributee may elect, at the time and in the manner prescribed by the Plan, to have any portion of an Eligible Rollover Distribution that is equal to at least $500 paid directly to an Eligible Retirement Plan specified by the Distributee in a Direct Rollover; and (b) if an Eligible Rollover Distribution is less than $500, then a Distributee

may not make the election described in clause (a) to rollover a portion of the Eligible Rollover Distribution. If the $500 threshold is not elected by the Sponsoring Employer in the Election Form, then a Distributee may elect, at the time and in the manner prescribed by the Plan, to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan specified by the Distributee in a Direct Rollover.

(a) **Voluntary and Mandatory Employee Contributions as Eligible Rollover Distributions.** An Eligible Rollover Distribution may include Voluntary Employee Contributions, Mandatory Employee Contributions, or other nontaxable amounts which are not includible in gross income; however, the portion of an Eligible Rollover Distribution attributable to Voluntary Employee Contributions, Mandatory Employee Contributions, or other nontaxable amounts can be paid only in a direct Trustee-to-trustee transfer to (1) an individual retirement account or annuity described in Code §408(a) or Code §408(b); (2) a qualified defined contribution plan described in Code §401(a) or Code §403(a); (3) effective for tax years beginning after December 31, 2006, a qualified defined benefit plan described in Code §401(a) or Code §403(a); or (4) effective for tax years beginning after December 31, 2006, to an annuity contract described in Code §403(b). Such transferee plan, trust, IRA or contract must provide separate accounting for amounts so transferred (and earnings thereon), including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible. Furthermore, in accordance with the Job Creation and Worker Assistance Act of 2002, when a distribution includes Voluntary Employee Contributions, Mandatory Employee Contributions, or other nontaxable amounts which are not includible in gross income, the amount that is rolled over will first be attributed to amounts includible in gross income.

(b) **Direct Rollover Rules for Roth Elective Deferral Account.** If the Plan permits Roth Elective Deferrals to be made on behalf of Participants, then the provisions of this paragraph apply to the Plan. The Plan will not provide for a Direct Rollover for distributions from a Participant's Roth Elective Deferral Account if the amount of the distributions that are Eligible Rollover Distributions are reasonably expected to total less than $200 during a year. In addition, any distribution from a Participant's Roth Elective Deferral Account is not taken into account in determining whether distributions from the other Participant's Account(s) are reasonably expected to total less than $200 during a year. Furthermore, if the $500 threshold is elected by the Sponsoring Employer in the Election Form, then the provision of this Section that allows a Participant to elect a Direct Rollover of only a portion of an Eligible Rollover Distribution (but only if the amount rolled over is at least $500) is applied by treating any amount distributed from the Participant's Roth Elective Deferral Account as a separate distribution from any amount distributed from the other Participant's Account(s), even if the amounts are distributed at the same time.

(c) **Definitions.** As used in this Section, the following words and phrases have the following meanings:

(1) **Direct Rollover.** The term "Direct Rollover" means a payment by the Plan to the Eligible Retirement Plan that is specified by the Distributee.

(2) **Distributee.** The term "Distributee" means an Employee or former Employee. In addition, an Employee's or former Employee's surviving Spouse and an Employee's or former Employee's Spouse or former Spouse who is the alternate payee under a qualified domestic relations order as defined in Code §414(p), are Distributees with regard to the interest of the Spouse or former Spouse.

(3) **Eligible Retirement Plan.** The term "Eligible Retirement Plan" means, with respect to any portion of an Eligible Rollover Distribution that is paid in a Direct Rollover: (A) an individual retirement account described in Code §408(a); (B) an individual retirement annuity described in Code §408(b); (C) an annuity plan described in Code §403(a); (D) an annuity contract described in Code §403(b); (E) a qualified trust described in Code §401(a); (F) an eligible deferred compensation plan under Code §457(b) which is maintained by a State (or Commonwealth), a political subdivision of a State (or Commonwealth), or any agency or instrumentality of a State (or Commonwealth) or political subdivision of a State (or Commonwealth); and which agrees to separately account for amounts transferred into such plan from this Plan; or (G) effective January 1, 2008, a Roth individual retirement account as described in Code §408A(b), subject to the restrictions of Code §408A(c)(3)(B) for tax years beginning prior to January 1, 2010. This definition of Eligible Retirement Plan will also apply in the case of a distribution to a surviving Spouse, or to a Spouse or former Spouse who is the alternate payee under a qualified domestic relation order, as defined in Code §414(p); such distribution will be made in the same manner as if the Spouse was the Employee. If any portion of an Eligible Rollover Distribution

is attributable to payments or distributions from an individual's Roth Elective Deferral Account (or the segregated portion of an individual's Rollover Contribution Account that is attributable to Roth Elective Deferrals), then an Eligible Retirement Plan with respect to such portion will only be either another plan's designated Roth account of the individual from whose account the payments or distributions were made, or such individual's Roth individual retirement account as described in Code §408A(b).

(4) **Eligible Rollover Distribution.** The term "Eligible Rollover Distribution" means any distribution of all or any portion of the balance to the credit of the Distributee, except that an Eligible Rollover Distribution does not include: (A) any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the Distributee or the joint lives (or joint life expectancies) of the Distributee and the Distributee's designated beneficiary, or for a specified period of ten years or more; (B) any distribution to the extent that such distribution is a required minimum distribution under Code §401(a)(9); (C) if applicable to the Plan, the portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to Employer securities); (D) if applicable to the Plan, corrective distributions of: (i) Excess Deferrals as described in Regulation §1.402(g)–1(e)(3) including any income allocable to such corrective distributions; (ii) Excess Contributions under a 401(k) Plan described in Regulation §1.401(k)–1(f)(4) including any income allocable to such corrective distributions; and (iii) Excess Aggregate Contributions described in Regulation §1.401(m)–2(b)(2) including any income allocable to such distributions; (E) if applicable to the Plan, loans that are treated as deemed distributions pursuant to Code §72(p) (F) if applicable to the Plan, dividends paid on Employer securities as described in Code §404(k); (G) if applicable to the Plan, the costs of life insurance coverage (P.S. 58 costs); (H) if applicable to the Plan, prohibited allocations that are treated as deemed distributions pursuant to Code §409(p); (I) if applicable to the Plan, the portion of any distribution which is attributable to a financial hardship distribution; (J) if applicable to the Plan, effective for Plan Years beginning on or after January 1, 2008, a distribution that is a permissible withdrawal from an eligible automatic contribution arrangement within the meaning of Code §414(w); and (K) any other distribution that is reasonably expected to total less than $200 during a year.

2.3 Qualified Domestic Relations Orders . This Section is effective as of April 6, 2007. The term "Qualified Domestic Relations Order" or "QRDO" is amended to include (a) an order that is issued with respect to another domestic relations order or QDRO, including an order that revises or amends a prior order; (b) an order issued after the Participant's Annuity Starting Date or death; or (c) an order that names as the alternate payee a person deemed financially dependent upon the Participant, provided that the other requirements for a QDRO as set forth in the Plan's QDRO procedure and/or as defined in Code §414(p) are satisfied.

2.4 Determination Whether Partial Termination of the Plan Has Occurred. The determination of whether a partial termination of the Plan has occurred under Code §411(d)(3) depends on the facts and circumstances, pursuant to Revenue Ruling 2007-43. This determination is based upon the following provisions:

(a) **Extent to which Participants have a Termination of Employment.** If the Turnover Rate is at least 20 percent, there is a presumption that a partial termination of the Plan has occurred.

(b) **Transfer to Affiliated Employer.** Employees who have a Termination of Employment with the Employer on account of a transfer to an Affiliated Employer are not considered as having a Termination of Employment for purposes of calculating the Turnover Rate, if those Employees continue to be covered by the Plan or a plan that is a continuation of the Plan under which they were previously covered.

(c) **Facts and Circumstances.** Whether a partial termination of the Plan occurs on account of Participant turnover (and the time of such event) depends on all the facts and circumstances in a particular case. Facts and circumstances indicating that the Turnover Rate for an Applicable Period is routine for the Employer favor a finding that there is no partial termination for that Applicable Period. For this purpose, information as to the Turnover Rate in other Applicable Periods and the extent to which Employees who Terminated Employment were actually replaced, whether the new Employees performed the same functions, had the same job classification or title, and received comparable Compensation are relevant to determining whether the turnover is routine for the Employer.

(d) **Effect of Partial Termination.** If a partial termination occurs on account of turnover during an Applicable Period, then all Participants who had a Termination of Employment during the Applicable Period must be fully Vested in the amounts credited to their Participant's Accounts.

(e) **Other Circumstances that May Trigger Partial Termination.** A partial termination of the Plan can also occur for reasons other than turnover. A partial termination can occur due to Plan amendments that adversely affect the rights of Employees to Vest in benefits under the Plan, or Plan amendments that exclude a group of Employees who have previously been covered by the Plan.

(f) **Definitions.** As used in this Section, the following words and phrases have the following meanings:

(1) **Applicable Period.** The term "Applicable Period" means a period that depends upon the facts and circumstances: the Applicable Period is a Plan Year (or, if a Plan Year that is less than 12 consecutive months, then the Plan Year plus the immediately preceding Plan Year) or a longer period if there are a series of related Terminations of Employment.

(2) **Employer-Initiated Termination of Employment.** The term "Employer-Initiated Termination of Employment" means generally any Termination of Employment other than a Termination of Employment on account of death, Disability, or retirement on or after Normal Retirement Age. An Employee's Termination of Employment is an Employer-Initiated Termination of Employment even if it is caused by an event outside of the Employer's control, such as Termination of Employment due to depressed economic conditions. In certain situations, the Employer may be able to verify that a Termination of Employment is not an Employer-Initiated Termination of Employment; a claim that a Termination of Employment is purely voluntary can be supported through items such as information from personnel files, Employee statements, and other corporate records.

(3) **Turnover Rate.** The term "Turnover Rate" means the percentage equal to the number of Participants who had an Employer-Initiated Termination of Employment during the Applicable Period, divided by the sum of (A) all Participants at the start of the Applicable Period, plus (B) the Employees who became Participants during the Applicable Period. All Participants are taken into account in calculating the Turnover Rate, including Vested Participants and non Vested Participants.

2.5 Code §415 Limitations Under the Final Code §415 Regulations. This Section is effective as of the first day of the first Limitation Year beginning on or after July 1, 2007 except as may otherwise be provided herein, and this Section applies for all Plan purposes.

(a) **Maximum Annual Addition.** The maximum Annual Addition made to a Participant's Account maintained under the Plan for any Limitation Year will not exceed the lesser of the Dollar Limitation set forth in paragraph (a)(1) or the Compensation Limitation set forth in paragraph (a)(2), as adjusted in the remainder of this Section (a), as follows:

(1) **Dollar Limitation.** The Dollar Limitation is $40,000, as adjusted by the Treasury in accordance with Code §415(d).

(2) **Compensation Limitation.** The Compensation Limitation is an amount equal to 100% of the Participant's Code §415(c)(3) Compensation for the Limitation Year. However, this limitation will not apply to any contribution made for medical benefits within the meaning of Code §401(h) or Code §419A(f)(2) after separation from service which is otherwise treated as an Annual Addition under Code §415(l)(1) or Code §419A(d)(2).

(3) **Adjustments to Maximum Annual Addition.** In applying the limitation on Annual Additions set forth herein, the following adjustments must be made:

(A) **Short Limitation Year.** In a Limitation Year of less than 12 months, the Defined Contribution Dollar Limitation in paragraph (a)(1) will be adjusted by multiplying it by the ratio that the number of months in the short Limitation Year bears to 12.

(B) **Plans with Different Limitation Years.** If a Participant participates in multiple Defined Contribution Plans sponsored by the Employer with different Limitation Years, the maximum Annual Addition in this Plan for the Limitation Year will be reduced by the Annual Additions credited to the Participant's accounts in the other plans for such Limitation Year.

(C) **Plans with the Same Limitation Year.** If a Participant participates in multiple Defined Contribution Plans sponsored by the Employer which have the same Limitation Year, then (i) if only one of the plans is subject to Code §412, Annual Additions will first be credited to the Participant's accounts in the plan so subject; and (ii) if none of the plans are subject to Code §412, the maximum Annual Addition in this Plan for a given Limitation Year will either [a] equal the product of the maximum Annual Addition for such Limitation Year minus any other Annual Additions previously credited to the Participant's account, multiplied by the ratio that the Annual Additions which would be credited to a Participant's accounts hereunder without regard to the limitations regarding the Aggregation of Plans in paragraph (b) bears to the Annual Additions for all plans described in this paragraph, or [b] be reduced by the Annual Additions credited to the Participant's accounts in the other plans for such Limitation Year.

(D) **Adjustment for Excessive Annual Additions.** If for any Limitation Year the Annual Additions allocated to a Participant's Account exceeds the maximum Annual Addition permitted under this Section, then the Sponsoring Employer will follow the rules of any Employee Plans Compliance Resolution System (EPCRS) that is issued by the Internal Revenue Service.

(b) **Aggregation of Plans.** This Section (b) aggregates plans for purposes of applying the provisions of this Section and the rules of Regulation §1.415(f)-1.

(1) **General Rule.** Except as provided in this Section and Regulation §1.415(f)-1, for purposes of applying the limitations of this Section and Code §415(c) applicable to a Participant for a particular Limitation Year (A) all Defined Contribution Plans (without regard to whether a plan has been terminated) ever maintained by the Employer (or a predecessor Employer) under which the Participant receives Annual Additions are treated as one Defined Contribution Plan; and (B) all 403(b) annuity contracts purchased by an Employer (including plans purchased through salary reduction contributions) for the Participant are treated as one 403(b) annuity contract.

(2) **Affiliated Employers and Leased Employees.** All Employees of all Affiliated Employers are treated as employed by a single Employer for Code §415 purposes. Any Defined Contribution Plan maintained by any Affiliated Employer is deemed maintained by all Affiliated Employers. Furthermore, under Code §414(n), with respect to any recipient for whom a Leased Employee performs services, the Leased Employee is treated as an Employee of the recipient, but contributions or benefits provided by the leasing organization that are attributable to services performed for the recipient are treated as provided under the plan maintained by the recipient. However, under Code §414(n)(5), the rule of the previous sentence does not apply to a Leased Employee with respect to services performed for a recipient if (A) the Leased Employee is covered by a plan that is maintained by the leasing organization and that meets the requirements of Code §414(n)(5)(B); and (B) Leased Employees do not constitute more than 20% of the recipient's non-highly compensated workforce.

(3) **Formerly Affiliated Plan of an Employer.** A Formerly Affiliated Plan of an Employer is taken into account for purposes of applying the aggregation rules of this Section to the Employer, but the Formerly Affiliated Plan of an Employer is treated as if it had terminated immediately prior to the cessation of affiliation, and had purchased annuities to provide benefits. For purposes of this paragraph, the term "Formerly Affiliated Plan of an Employer" means a plan that, immediately prior to the Cessation of Affiliation, was actually maintained by one or more of the entities that constitute the Employer (as determined under the employer affiliation rules described in Regulation §1.415(a)-1(f)(1) and (2)), and immediately after the Cessation of Affiliation, is not actually maintained by any of the entities that constitute the Employer (as determined under the employer affiliation rules described in Regulation §1.415(a)-1(f)(1) and (2)). For purposes of this paragraph, the term "Cessation of Affiliation" means the event that causes an entity to no longer be aggregated with one or more other entities as a single Employer under the employer affiliation rules described in Regulation §1.415(a)-1(f)(1) and (2) (such as

the sale of a subsidiary outside a controlled group), or that causes a plan to not actually be maintained by any of the entities that constitute the Employer under the employer affiliation rules of Regulation §1.415(a)-1(f)(1) and (2) (such as a transfer of plan sponsorship outside of a controlled group).

(4) **Predecessor Employer.** For purposes of Code §415 and Regulations promulgated thereunder, a former employer is a predecessor employer with respect to a Participant in the Plan maintained by the Employer if the Employer maintains the Plan under which the Participant had accrued a benefit while performing services for the former employer (for example, the Employer assumed sponsorship of the former employer's plan, or the Plan received a transfer of benefits from the former employer's plan), but only if that benefit is provided under the Plan maintained by the Employer. In applying the limitations of Code §415 to a Participant in the Plan maintained by the Employer, the Plan must take into account benefits provided to the Participant under plans that are maintained by the predecessor employer and that are not maintained by the Employer; the Employer and predecessor employer constituted a single Employer under the rules described in Regulation §1.415(a)-1(f)(1) and (2) immediately prior to the cessation of affiliation (as if they constituted two, unrelated employers under the rules described in Regulation §1.415(a)-1(f)(1) and (2) immediately after the cessation of affiliation) and cessation of affiliation was the event that gives rise to the predecessor employer relationship, such as a transfer of benefits or plan sponsorship. However, with respect to the Employer of the Participant, a former entity that antedates the Employer is a predecessor employer with respect to the Participant if, under the facts and circumstances, the Employer constitutes a continuation of all or a portion of the trade or business of the former entity. This occurs where formation of the Employer constitutes a mere formal or technical change in the employment relationship and continuity otherwise exists in the substance and administration of the business operations of the former entity and the Employer.

(5) **Nonduplication.** In applying the limitations of Code §415 to the Plan maintained by an Employer, if the Plan is aggregated with another plan pursuant to the aggregation rules of this Section, then a Participant's benefits are not counted more than once in determining the Participant's aggregate Annual Additions, pursuant to the rules of Regulation §1.415(f)-1(d)(1).

(6) **Previously Unaggregated Plans.** The following rule applies to situations in which two or more existing plans, which previously were not required to be aggregated pursuant to Code §415(f), are aggregated during a particular Limitation Year and, as a result, the limitations of Code §415(b) or (c) are exceeded for that Limitation Year. Two or more Defined Contribution Plans that are not required to be aggregated pursuant to Code §415(f) as of the first day of a Limitation Year satisfy the requirements of Code §415 with respect to a Participant for the Limitation Year if they are aggregated later in that Limitation Year, provided that no Annual Additions are credited to the Participant's Account after the date on which the plans are required to be aggregated.

(7) **Multiple Plan Fraction.** The provisions of Code §415(e) shall not apply to this Plan for Limitation Years beginning on or after January 1, 2000 (or, if later, the first day of the Limitation Year in which Code §415(e) is not applicable to the Plan in whole or in part, pursuant to the provisions of the prior Plan document or separate Plan amendment).

(c) **Definitions.** As used in this Section and for all Plan purposes, the following words and phrases have the following meanings:

(1) **Annual Additions.** The term "Annual Additions" means the sum of the following amounts credited to a Participant's Account for the Limitation Year:

(A) **Amounts That Are Included.** The following amounts are included as Annual Additions: (i) Employer contributions, even if such contributions are Excess Contributions (as described in Code §401(k)(8)(B)) or Excess Aggregate Contributions (as described in Code §401(m)(6)(B)), or such Excess Contributions or Excess Aggregate Contributions are corrected through distribution; (ii) Employee Contributions, including Mandatory Employee Contributions (as defined in Code §411 (c)(2)(C) and the Regulations thereunder) and Voluntary Employee Contributions; (iii) Forfeitures; (iv) contributions allocated to any individual medical account, as defined in Code §415(l)(2), which is part of a pension or annuity plan established pursuant to Code §401(h) and maintained by the Employer; (v) amounts attributable to post-retirement medical benefits allocated

to a separate account for a Key Employee (any Employee who, at any time during the plan year or any preceding plan year, is or was a Key Employee pursuant to Code §419A(d)), maintained by the Employer; and (vi) effective as of the first day of the first Limitation Year beginning on or after July 1, 2007, the difference between the value of any assets transferred to the Plan and the consideration, where an Employee or the Employer transfers assets to the Plan in exchange for consideration that is less than the fair market value of the assets transferred to the Plan.

(B) **Amounts That Are Not Included.** Notwithstanding subparagraph (A), a Participant's Annual Additions do not include the following: (i) the restoration of an Employee's accrued benefit by the Employer under Code §411(a)(3)(D) or Code §411 (a)(7)(C) or resulting from the repayment of cashouts (as described in Code §415(k)(3)) under a governmental plan (as defined in Code §414(d)) for the Limitation Year in which the restoration occurs, regardless of whether the Plan restricts the timing of repayments to the maximum extent allowed by Code §411(a); (ii) Catch-Up Contributions made under Code §414 (v) and Regulation §1.414(v)-1; (iii) effective as of the first day of the first Limitation Year beginning on or after July 1, 2007, a Restorative Payment that is allocated to a Participant's Account. For purposes of this clause, the term "Restorative Payment" means a payment made to restore some or all of the Plan's losses resulting from an action (or a failure to act) by a fiduciary for which there is reasonable risk of liability for breach of a fiduciary duty (other than a breach of fiduciary duty arising from failure to remit contributions to the Plan) under ERISA or under other applicable federal or state law, where Participants who are similarly situated are treated similarly with respect to the payments. This includes payments to the Plan made pursuant to a Department of Labor order, the Department of Labor's Voluntary Fiduciary Correction Program, or a court-approved settlement, to restore losses to a qualified Defined Contribution Plan. Payments made to the Plan to make up for losses due merely to market fluctuations and other payments that are not made on account of a reasonable risk of liability for breach of a fiduciary duty under Title I of ERISA are not Restorative Payments and generally constitute contributions that give rise to Annual Additions; (iv) Excess Elective Deferrals that are distributed in accordance with Regulation §1.402 (g)-1(e)(2) or (3); (v) Rollover Contributions (as described in Code §401(a)(31), §402(c)(1), §403(a)(4), §403(b)(8), §408(d) (3), and §457(e)(16)); (vi) repayments of loans made to a Participant from the Plan; (vii) repayments of prior Plan distributions described in Code §411(a)(7)(B) (in accordance with Code §411(a)(7)(C)) and Code §411(a)(3)(D) or repayment of contributions to a governmental plan (as defined in Code §414(d)) as described in Code §415(k)(3); (viii) Transfer Contributions from a qualified plan to a Defined Contribution Plan; (ix) the reinvestment of dividends on Employer securities under an employee stock ownership plan pursuant to Code §404(k)(2)(A)(iii)(II); and (x) Employee contributions to a qualified cost of living arrangement within the meaning of Code §415(k)(2)(B).

(2) **Code §415(c)(3) Compensation.** The term "Code §415(c)(3) Compensation" means, for the specific purposes and as elected by the Sponsoring Employer in the Election Form, either Form W-2 Compensation, Code §3401 Compensation, Safe Harbor Code §415 Compensation, or Statutory Code §415 Compensation during the entire Compensation Determination Period that statutorily applies, subject to the following rules:

(A) **Exclusions to Compensation Do Not Apply.** Code §415(c)(3) Compensation includes any amounts that may be excluded from Compensation for purposes of allocation purposes.

(B) **Inclusion of Certain Amounts.** Code §415(c)(3) Compensation includes any Elective Deferral as defined in Code §402 (g)(3) and any amount which is contributed or deferred by the Employer at the election of the Employee which are not includible in gross income by reason of Code §125 (and Deemed Code §125 Compensation), Code §132(f)(4), or Code §457.

(C) **Treatment of Post-Severance Compensation.** Effective January 1, 2005, Code §415(c)(3) Compensation includes Post-Severance Compensation.

(D) **Code §401(a)(17) Annual Compensation Limit.** Effective as of the first day of the first Limitation Year beginning on or after July 1, 2007, Code §415(c)(3) Compensation for any Limitation Year shall not exceed the Code §401(a)(17) Compensation Limit that applies to that Limitation Year. If the Limitation Year is not the calendar year, then the Code §401 (a)(17) Compensation Limit that applies to such Limitation Year is the Code §401(a)(17) Compensation Limit in effect for the respective calendar year in which such Limitation Year begins.

(E) **Compensation Earned in Limitation Year but Paid in Next Limitation Year.** If elected by the Sponsoring Employer in the Election Form, then effective as of the first day of the first Limitation Year beginning on or after July 1, 2007, Code §415(c)(3) Compensation for any Limitation Year will include any amounts earned during that Limitation Year but not paid during that Limitation Year solely because of the timing of pay periods and pay dates if: (i) these amounts are paid during the first few weeks of the next Limitation Year; (ii) the amounts are included on a uniform and consistent basis with respect to all similarly situated Employees; and (iii) no Code §415(c)(3) Compensation is included in more than one Limitation Year.

(F) **Self-Employed Individuals.** Code §415(c)(3) Compensation of a Self-Employed Individual will be equal to his or her Earned Income, plus amounts deferred at the election of the Self-Employed Individual that would be includible in gross income but for the rules of Code §402(e)(3), §402(h)(1)(B), §402(k), or §457(b).

(3) **Defined Contribution Plan.** The term "Defined Contribution Plan" means a defined contribution plan within the meaning of Code §414(i) (including the portion of a plan treated as a defined contribution plan under the rules of Code §414(k)) that is (A) a plan described in Code §401(a) which includes a trust which is exempt from tax under Code §501(a); (B) an annuity plan described in Code §403(a); (C) a simplified employee pension described in Code §408(k); (D) an arrangement which is treated as a Defined Contribution Plan for purposes of this Section, Code §415 and the Regulations promulgated thereunder, according to the following rules: (i) Mandatory Employee Contributions (as defined in Code §411(c)(2)(C) and Regulation §1.411(c)-1(c)(4), regardless of whether the Plan is subject to the requirements of Code §411) to a defined benefit plan, are treated as contributions to a Defined Contribution Plan. For this purpose, contributions that are picked up by the Employer as described in Code §414(h)(2) are not considered Employee Contributions; (ii) contributions allocated to any individual medical benefit account which is part of a pension or annuity plan established pursuant to Code §401(h) are treated as contributions to a Defined Contribution Plan pursuant to Code §415(l)(1); (iii) amounts attributable to post-retirement medical benefits allocated to an account established for a Key Employee (any Employee who, at any time during the plan year or any preceding plan year, is or was a Key Employee pursuant to Code §419A(d)(1)) are treated as contributions to a Defined Contribution Plan pursuant to Code §419A(d)(2); and (iv) Annual Additions under an annuity contract described in Code §403(b) are treated as Annual Additions under a Defined Contribution Plan.

(4) **Safe Harbor Code §415 Compensation.** The term "Safe Harbor Code §415 Compensation" means an Employee's compensation determined under Regulation §1.415(c)-2(d)(2), to wit: the Employee's wages, salaries, fees for professional services, and other amounts received (without regard to whether or not an amount is paid in cash) for personal services actually rendered in the course of employment with the Employer maintaining the Plan, to the extent that the amounts are includible in gross income (or to the extent amounts would have been received and includible in gross income but for an election under Code §125(a), 132(f)(4), 402(e)(3), 402(h)(1)(B), 402(k), or 457(b)). These amounts include, but are not limited to, commissions paid to salespersons, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips, bonuses, fringe benefits, and reimbursements or other expense allowances under a non-accountable plan as described in Regulation §1.62-2(c); and in the case of an Employee who is an Employee within the meaning of Code §401(c)(1) and Regulations promulgated under Code §401(c)(1), the Employee's Earned Income (as described in Code §401(c)(2) and Regulations promulgated under Code §401(c)(2)), plus amounts deferred at the election of the Employee that would be includible in gross income but for the rules of Code §402(e)(3), 402(h)(1)(B), 402(k), or 457(b); An Employee's Safe Harbor Code §415 Compensation will be determined in accordance with the following provisions:

(A) **Exclusion of Certain Amounts.** Safe Harbor Code §415 Compensation does not include (1) Contributions (other than elective contributions described in Code §402(e)(3), §408(k)(6), §408(p)(2)(A)(i), or §457(b)) made by the Employer to a plan of deferred compensation (including a simplified employee pension described in Code §408(k) or a simple retirement account described in Code §408(p), and whether or not qualified) to the extent that the contributions are not includible in the gross income of the Employee for the taxable year in which contributed. In addition, any distributions from a plan of deferred compensation (whether or not qualified) are not considered Safe Harbor Code §415 Compensation, regardless of whether such amounts are includible in the gross income of the Employee when distributed. However, any amounts received by an Employee pursuant to a nonqualified unfunded deferred compensation plan are Safe Harbor Code §415 Compensation in the year the amounts are actually received, but only to the extent such amounts are includible in the Employee's gross income; (2) Amounts realized from the exercise of a nonstatutory option (which is an option other than a statutory option as defined in Regulation §1.421-1(b)), or when restricted stock or other property held by an Employee either becomes freely transferable or is no longer subject to a substantial risk of forfeiture pursuant to Code §83 and Regulations promulgated under Code §83); (3) Amounts realized from the sale, exchange, or other disposition of stock acquired under a statutory stock option (as defined in Regulation §1.421-1(b)); (4) Other amounts that receive special tax benefits, such as premiums for group term life insurance (but only to the extent that the premiums are not includible in the gross income of the Employee and are not salary reduction amounts that are described in Code §125); and (5) Other items of remuneration that are similar to any of the items listed in clauses (1) through (4) of this paragraph.

(B) **Inclusion of Certain Amounts.** Safe Harbor Code §415 Compensation includes any Elective Deferral as defined in Code §402(g)(3) and any amount which is contributed or deferred by the Employer at the election of the Employee which are not includible in gross income by reason of Code §125 (and Deemed Code §125 Compensation), Code §132(f)(4), or Code §457.

(C) **Treatment of Post-Severance Compensation.** Effective January 1, 2005, Safe Harbor Code §415 Compensation includes Post-Severance Compensation.

(5) **Statutory Code §415 Compensation.** The term "Statutory Code §415 Compensation" means, in applying the Code §415 limits, an Employee's compensation as determined under Regulation §1.415(c)-2(b) and (c), to wit:

(A) **Amounts Includable.** Statutory Code §415 Compensation includes remuneration for services of the following types: (1) The Employee's wages, salaries, fees for professional services, and other amounts received (without regard to whether or not an amount is paid in cash) for personal services actually rendered in the course of employment with the Employer maintaining the Plan, to the extent that the amounts are includible in gross income (or to the extent amounts would have been received and includible in gross income but for an election under Code §125(a), 132(f)(4), 402(e)(3), 402(h)(1)(B), 402 (k), or 457(b)). These amounts include, but are not limited to, commissions paid to salespersons, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips, bonuses, fringe benefits, and reimbursements or other expense allowances under a nonaccountable plan as described in Regulation §1.62-2(c); (2) In the case of an Employee who is an Employee within the meaning of Code §401(c)(1) and Regulations promulgated under Code §401(c)(1), the Employee's Earned Income (as described in Code §401(c)(2) and Regulations promulgated under Code §401 (c)(2)), plus amounts deferred at the election of the Employee that would be includible in gross income but for the rules of Code §402(e)(3), 402(h)(1)(B), 402(k), or 457(b); (3) Amounts described in Code §104(a)(3), 105(a), or 105(h), but only to the extent that these amounts are includible in the gross income of the Employee; (4) Amounts paid or reimbursed by the Employer for moving expenses incurred by an Employee, but only to the extent that at the time of the payment it is reasonable to believe that these amounts are not deductible by the Employee under Code §217; (5) The value of a nonstatutory option (which is an option other than a statutory option as defined in Regulation §1.421-1(b)) granted to an Employee by the Employer, but only to the extent that the value of the option is includible in the gross income of the Employee for the taxable year in which granted; (6) The

amount includible in the gross income of an Employee upon making the election described in Code §83(b); and (7) Amounts that are includible in the gross income of an Employee under the rules of Code §409A or §457(f)(1)(A) or because the amounts are constructively received by the Employee.

(B) **Exclusion of Certain Amounts.** Statutory Code §415 Compensation does not include (1) Contributions (other than elective contributions described in Code §402(e)(3), §408(k)(6), §408(p)(2)(A)(i), or §457(b)) made by the Employer to a plan of deferred compensation (including a simplified employee pension described in Code §408(k) or a simple retirement account described in Code §408(p), and whether or not qualified) to the extent that the contributions are not includible in the gross income of the Employee for the taxable year in which contributed. In addition, any distributions from a plan of deferred compensation (whether or not qualified) are not considered Statutory Code §415 Compensation, regardless of whether such amounts are includible in the gross income of the Employee when distributed. However, any amounts received by an Employee pursuant to a nonqualified unfunded deferred compensation plan are Statutory Code §415 Compensation in the year the amounts are actually received, but only to the extent such amounts are includible in the Employee's gross income; (2) Amounts realized from the exercise of a nonstatutory option (which is an option other than a statutory option as defined in Regulation §1.421-1(b)), or when restricted stock or other property held by an Employee either becomes freely transferable or is no longer subject to a substantial risk of forfeiture pursuant to Code §83 and Regulations promulgated under Code §83); (3) Amounts realized from the sale, exchange, or other disposition of stock acquired under a statutory stock option (as defined in Regulation §1.421-1(b)); (4) Other amounts that receive special tax benefits, such as premiums for group term life insurance (but only to the extent that the premiums are not includible in the gross income of the Employee and are not salary reduction amounts that are described in Code §125); and (5) Other items of remuneration that are similar to any of the items listed in clauses (1) through (4) of this paragraph.

(C) **Inclusion of Certain Amounts.** Statutory Code §415 Compensation includes any Elective Deferral as defined in Code §402(g)(3) and any amount which is contributed or deferred by the Employer at the election of the Employee which are not includible in gross income by reason of Code §125 (and Deemed Code §125 Compensation), Code §132(f)(4), or Code §457.

(D) **Treatment of Post-Severance Compensation.** Effective January 1, 2005, Statutory Code §415 Compensation includes Post-Severance Compensation.

(6) **Post-Severance Compensation.** The term "Post-Severance Compensation" means, for Limitation Years beginning on or after July 1, 2007, the following amounts that would have been included as Code §415(c)(3) Compensation if the amounts were paid prior to the Employee's Termination of Employment and that are paid to the Employee by the later of 2 1/2 months after Termination of Employment or the end of the Limitation Year that includes the Employee's date of Termination of Employment:

(A) **Regular Pay After Termination.** Regular pay after Termination of Employment will be considered Post-Severance Compensation if (i) the payment is regular compensation for services during the Employee's regular working hours, or compensation for services outside the Employee's regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar payments; and (ii) the payment would have been paid prior to Termination of Employment if the Employee had continued in employment with the Employer.

(B) **Leave Cashouts and Deferred Compensation.** If elected by the Sponsoring Employer in the Election Form, then leave cashouts and deferred compensation will be considered Post-Severance Compensation if the amount is either (i) payment for unused accrued bona fide sick, vacation, or other leave, but only if the Employee would have been able to use the leave if employment had continued; or (ii) received by an Employee pursuant to a nonqualified unfunded deferred compensation plan, but only if the payment would have been paid to the Employee at the same time if the Employee had continued in employment with the Employer and only to the extent that the payment is includible in the Employee's gross income.

(C) **Imputed Compensation when Participant Becomes Disabled.** If elected by the Sponsoring Employer in the Election Form and a Participant in a Defined Contribution Plan becomes permanently and totally disabled as defined in Code §22(e)(3), then notwithstanding anything in the Plan or this Section to the contrary, Code §415(c)(3) Compensation will be imputed during the time the Participant is permanently and totally disabled. The rate that Code §415(c)(3) Compensation will be imputed to such Participant is equal to the rate of Code §415(c)(3) Compensation that was paid to the Participant immediately before becoming permanently and totally disabled. The total period in which Code §415(c)(3) Compensation will be imputed to a Participant in the Defined Contribution Plan who becomes permanently and totally disabled will be determined pursuant to a nondiscriminatory policy established by the Administrator; however, if Code §415 (c)(3) Compensation is imputed to a Participant who is a Highly Compensated Employee pursuant to this paragraph, then the continuation of any Non-Safe Harbor Non-Elective Contributions to such Participant will be for a fixed or determinable period pursuant to Code §415(c)(3)(C).

(D) **Continuation of Compensation while in Qualified Military Service.** If elected by the Sponsoring Employer in the Election Form, then notwithstanding anything in the Plan or this Section to the contrary, Code §415(c)(3) Compensation includes payments by the Employer to an individual who does not currently perform services for the Employer by reason of qualified military service (as that term is used in Code §414(u)(1)), to the extent those payments do not exceed the amounts the individual would have received if the individual had continued to perform services for the Employer rather than entering qualified military service.

2.6 Vesting of Non-Safe Harbor Non-Elective Contribution Accounts. If elected by the Sponsoring Employer in the Election Form, then this Section is effective as of the first day of the first Plan Year beginning after December 31, 2006. This Section applies to the Non-Safe Harbor Non-Elective Contribution Accounts of the Plan, subject to the following rules and provisions:

(a) **Participants to Whom the Post-2006 Vesting Schedule Relates.** As elected by the Sponsoring Employer in the Election Form, the Post-2006 Vesting Schedule applies to the Non-Safe Harbor Non-Elective Contribution Account of either: (1) any Participant who completes an Hour of Service during any Plan Year beginning after December 31, 2006; or (2) any Participant (regardless of whether such Participant has Terminated Employment) who has a Non-Safe Harbor Non-Elective Contribution Account balance during any Plan Year beginning after December 31, 2006 and whose Non-Safe Harbor Non-Elective Contribution Account has not become subject to the Forfeiture provisions of the Plan prior to the first day of the first Plan Year beginning after December 31, 2006.

(b) **Account Balances to Which the Post-2006 Vesting Schedule Relates.** As elected by the Sponsoring Employer in the Election Form, the Post-2006 Vesting Schedule applies to either (1) the entire Non-Safe Harbor Non-Elective Contribution Account; or (2) the portion of the Non-Safe Harbor Non-Elective Contribution Account to which is allocated Non-Safe Harbor Non-Elective Contributions, Forfeitures, and earnings for Plan Years beginning after December 31, 2006 (and subsequent earnings attributable to such allocations). The portion of the Non-Safe Harbor Non-Elective Contribution Account to which was allocated Non-Safe Harbor Non-Elective Contributions, Forfeitures, and earnings for Plan Years beginning prior to January 1, 2007 (and subsequent earnings attributable to such allocations) will remain subject to the Pre- 2007 Vesting Schedule without regard to this Section or the Vesting schedule selected in the current Plan document that applies to Non-Safe Harbor Non-Elective Contribution Accounts.

(c) **Protection of Participant's Vested Interest.** This Section will not directly or indirectly reduce a Participant's Vested Interest in his or her Non-Safe Harbor Non-Elective Contribution Account. Notwithstanding the foregoing, in the case of an Employee who is a Participant as of the later of (1) the date that this Section is adopted or (2) the date that this Section becomes effective, the Participant's Vested Interest in his or her Non-Safe Harbor Non-Elective Contribution Account determined as of such date will not be less than the Participant's Vested Interest in his or her Non-Safe Harbor Non-Elective Contribution Account computed by using the Pre-2007 Vesting Schedule.

(d) **Participant's Special Election.** Any Participant with at least three Years of Service or 1-Year Periods of Service, as applicable, for Vesting purposes may, by filing a written request with the Administrator, elect to have the Vested Interest in his or her Non-Safe Harbor Non-Elective Contribution Account computed by using the Pre-2007 Vesting Schedule. A Participant who fails to make an election will have the Vested Interest in his or her Non-Safe Harbor Non-Elective Contribution Account computed by using the Post-2006 Vesting Schedule. The period in which the election may be made will begin on the date that this Section is adopted or is deemed to have been made and will end on the latest of: (1) sixty days after this Section is adopted; (2) sixty (60) days after this Section becomes effective; or (3) sixty days after the Participant is given written notice of this Section by the Sponsoring Employer or Administrator. However, no election need be provided to any Participant whose Vested percentage on and after the first day of the first Plan Year beginning after December 31, 2006, at any time is not less than the Vested percentage computed by using the Pre-2007 Vesting Schedule. Notwithstanding anything in this Section to the contrary, a Participant with at least three Years of Service or 1-Year Periods of Service, as applicable, for Vesting purposes will be provided at all times with a Vested percentage of his or her Non-Safe Harbor Non-Elective Contribution Account that is not less than the Vested percentage of his or her Non-Safe Harbor Non-Elective Contribution Account computed by using Post-2006 Vesting Schedule and the Vesting percentage of his or her Non-Safe Harbor Non-Elective Contribution Account computed by using the Pre-2007 Vesting Schedule.

(e) **Application of this Section to the Participant's Account.** If the Plan is a profit sharing volume submitter plan, a money purchase volume submitter plan, or a target benefit volume submitter plan, then the "Employer's contribution" is substituted for the "Non-Safe Harbor Non-Elective Contribution;" and the "Participant's Account" is substituted for the "Non-Safe Harbor Non-Elective Contribution Account" throughout this Section. Furthermore, if the Plan had Prevailing Wage Accounts that did not comply with the Vesting requirements of PPA§ 904 as of the first day of the first Plan Year beginning after December 31, 2006, then the "Prevailing Wage Contribution" is substituted for the "Non-Safe Harbor Non-Elective Contribution;" and the "Prevailing Wage Account" is substituted for the "Non-Safe Harbor Non-Elective Contribution Account" throughout this Section

(f) **Definitions.** As used in this Section, the following words and phrases have the following meanings:

(1) **Post-2006 Vesting Schedule.** The term "Post-2006 Vesting Schedule" means the Vesting schedule that applies to the Non-Safe Harbor Non-Elective Contribution Accounts as set forth in the Plan document.

(2) **PPA.** The term "PPA" means the Pension Protection Act of 2006.

(3) **Pre-2007 Vesting Schedule.** The term "Pre-2007 Vesting Schedule" means the Vesting schedule that applied to the Non-Safe Harbor Non-Elective Contribution Accounts which was enumerated in the prior Plan document. As elected by the Sponsoring Employer in the Election Form, the Pre-2007 Vesting Schedule was either subparagraphs (A), (B) or (C) below:

(A) **7 Year Graded.**	1 Year/Period of Service	0% Vested Interest
	2 Years/Periods of Service	0% Vested Interest
	3 Years/Periods of Service	20% Vested Interest
	4 Years/Periods of Service	40% Vested Interest
	5 Years/Periods of Service	60% Vested Interest
	6 Years/Periods of Service	80% Vested Interest
	7 Years/Periods of Service	100% Vested Interest
(B) **5 Year Cliff.**	1 Year/Period of Service	0% Vested Interest
	2 Years/Periods of Service	0% Vested Interest
	3 Years/Periods of Service	0% Vested Interest
	4 Years/Periods of Service	0% Vested Interest
	5 Years/Periods of Service	100% Vested Interest

(C) **Other.** A Participant's Non-Safe Harbor Non-Elective Contribution Account will be Vested in accordance with the schedule selected in the Election Form, provided that any schedule selected for a non-Top Heavy Plan Year must be at least as favorable as either the 7 Year Graded Vesting schedule or the 5 Year Cliff Vesting schedule of set forth in (A) or (B) above.

2.7 Diversification. If all or a portion of a Participant's Account is invested in Employer Securities on or after the first day of the first Plan Year beginning after December 31, 2006, then this Section is effective as of the first day of the first Plan Year beginning after December 31, 2006, and the Plan is subject to the following:

(a) **General Divestment Provisions.** Subject to paragraph (b) below, the Participant (and the Participant's Beneficiary who has an account in the Plan with respect to which the Beneficiary is entitled to exercise the rights of the Participant) may elect to divest the Participant's Account of Employer Securities and reinvest the proceeds in alternative investment options described in paragraph (c) below. Notice must be given to Participants and/or Beneficiaries not later than 30 days prior to the date on which they will have the right to divest Employer Securities. Furthermore, this paragraph applies to a Participant's Voluntary Employee Contribution Account, Mandatory Employee Contribution Account, and/or Elective Deferral Account, if applicable to the Plan, without applying the restrictions of paragraph (b).

(b) **Special Restrictions and Conditions on Employer Contributions (Other Than Elective Deferrals).** Special restrictions and conditions apply to a Participant's Account attributable to Employer contributions (other than a Participant's Elective Deferral Account) that are invested in Employer Securities:

(1) **Individuals Who Are Affected.** The individuals who will have the right to divest a Participant's Account of amounts attributable to Employer contributions (other than Elective Deferrals) that are invested in Employer Securities will be limited to the following: (A) a Participant who has completed at least three (3) Years of Service or 1-Year Periods of Service, as applicable; (B) a Beneficiary of a Participant who has completed at least three (3) Years of Service or 1-Year Periods of Service, as applicable; and (C) a Beneficiary of a deceased Participant.

(2) **Employer Securities Acquired on or After January 1, 2007.** To the extent that all or a portion of a Participant's Account attributable to Employer contributions (other than a Participant's Elective Deferral Account) consists of Employer Securities that were acquired in a Plan Year beginning on or after January 1, 2007, the divestment requirements will apply to the total amount of the Employer Securities acquired with such Employer contributions.

(3) **Employer Securities Acquired Before January 1, 2007.** To the extent that all or a portion of a Participant's Account attributable to Employer contributions (other than a Participant's Elective Deferral Account) consists of Employer Securities acquired in a Plan Year beginning before January 1, 2007, the divestment requirements only apply to a portion of the Employer Securities acquired with such Employer contributions. Such portion will be equal to 33% of such Employer Securities for the first Plan Year, 66% for the second such Plan Year, and 100% for the third Plan Year.

(4) **Restrictions Applied Separately to Each Class of Employer Securities.** The special restrictions and conditions of this paragraph (b) will be applied separately with respect to each class of Employer Securities held in the Participant's Account. Furthermore, the special restrictions and conditions of this paragraph (b) will not apply to the extent that a Participant has attained age 55 or completed at least three (3) Years of Service or 1-Year Periods of Service, as applicable, before the first Plan Year beginning after December 31, 2005; instead, paragraph (a) will apply.

(c) **Alternative Investment Options.** The Plan will offer at least three (3) investment options other than Employer Securities, to which a Participant or, if applicable, his or her Beneficiary can direct the proceeds from the divestment of Employer Securities. Each investment option will be diverse from the other investment options, having materially different risk and return characteristics. The divestment direction can be limited to periodic, reasonable opportunities no less frequently than quarterly, in accordance with procedures set forth by the Administrator. The Plan will not impose restrictions or conditions with respect to the investment of Employer Securities which are not imposed on the investment of other assets of the Plan, except as required by securities laws or other Regulations.

(d) **Definitions.** As used in this Section, the term "Employer Securities" means employer securities as defined ERISA §407(d)(1) that are readily tradable on an established securities market.

2.8 Calculation of Gap Period Income for Excess Elective Deferrals. If the Plan is a Code §401(k) Plan, then this Section is effective for distributions of Excess Elective Deferrals (as defined in Code §402(g)(2)(A)) in taxable years beginning on or after January 1, 2007, and will apply to Excess Elective Deferrals that occur in taxable years beginning on or after January 1, 2006. Excess Elective Deferrals will be adjusted for any income or loss up to the end of the Plan Year and during the end of the Plan Year and the actual date of distribution (the "gap period"), until repealed by any Regulation, IRS pronouncement, or statute. Any adjustment for income or loss during the gap period will be allocated in a consistent manner to all Participants and to all corrective distributions of Excess Elective Deferrals made for the Plan Year, and will be the amount determined by one of the methods set forth in paragraphs (a), (b) or (c), as elected by the Administrator:

(a) **Method 1.** The amount determined by multiplying the income or loss allocable to the Participant's Elective Deferrals for the taxable year and the gap period, by a fraction, the numerator of which is the Participant's Excess Elective Deferrals for the taxable year and the denominator of which is the Participant's Elective Deferral Account balance as of the beginning of the Participant's taxable year plus any Elective Deferrals allocated to the Participant during the taxable year and the gap period.

(b) **Method 2.** The sum of (1) and (2) as follows: (1) the amount determined by multiplying the income or loss allocable to the Participant's Elective Deferrals for the taxable year, by a fraction, the numerator of which is the Participant's Excess Elective Deferrals for the taxable year and the denominator of which is the Participant's Elective Deferral Account balance as of the beginning of the Participant's taxable year plus any Elective Deferrals allocated to the Participant during such taxable year; plus (2) the amount of gap period income or loss equal to 10% of the amount determined under clause (1) above multiplied by the number of whole months between the end of the Participant's taxable year and the distribution date, counting the month of distribution if the distribution occurs after the 15th day of such month.

(c) **Method 3.** The amount determined by any reasonable method of allocating income or loss to the Participant's Excess Elective Deferrals for the taxable year and for the gap period, provided the method used is the same method used for allocating income or losses to the Participant's Account (or any sub-account of the Participant's Account). This Plan will not fail to use a reasonable method for computing the income allocable to excess deferrals merely because the income allocable to such excess deferrals is determined on a date that is no more than 7 days before the distribution.

2.9 Rollover by a Non-Spouse Designated Beneficiary. If elected by the Sponsoring Employer in the Election Form, then this Section is effective as of the effective date elected in the Election Form. A Beneficiary who (a) is other than the Participant's Spouse and (b) is considered to be a Designated Beneficiary under Code §401(a)(9)(E) (known as a "Non-Spouse Designated Beneficiary") may establish an individual retirement account under Code §408(a) or an individual retirement annuity under Code §408(b) (known as an "Inherited IRA") into which all or a portion of a death benefit (to which such Non-Spouse Designated Beneficiary is entitled) can be transferred in a direct trustee-to trustee transfer (a direct rollover). Notwithstanding the above, any amount payable to a Non-Spouse Designated Beneficiary that is deemed to be a required minimum distribution pursuant to Code §401(a)(9) may not be transferred into such Inherited IRA. The Non-Spouse Designated Beneficiary may deposit into such Inherited IRA all or any portion of the death benefit that is deemed to be an eligible rollover distribution (but for the fact that the distribution is not an eligible rollover distribution because the distribution is being paid to a Non-Spouse Designated Beneficiary). In determining the portion of such death benefit that is considered to be a required minimum distribution that must be made from the Inherited IRA, the Non-Spouse Designated Beneficiary may elect to use either the 5-year rule or the life expectancy rule, pursuant to Regulation §1.401(a)(9)-3, Q&A-4(c). Any distribution made pursuant to this Section is not subject to the direct rollover requirements of Code §401(a)(31), the notice requirements of Code §402(f), or the mandatory withholding requirements of Code §3405(c). If a Non-Spouse Designated Beneficiary receives a distribution from the Plan, then the distribution is not eligible for the "60-day" rollover rule, which is available to a Beneficiary who is a Spouse. If the Participant's Non-Spouse Designated Beneficiary is a trust, then the Plan may make a direct rollover to an IRA on behalf of the trust, provided the trust satisfies the requirements to be a Designated Beneficiary within the meaning of Code §401(a)(9)(E).

2.10 Money Purchase or Target Benefit Plan In-Service Distributions. If the Plan is either a money purchase plan or a target benefit plan and if elected by the Sponsoring Employer in the Election Form, then this Section is effective as of the effective date elected in the Election Form. A Participant who has attained the Age that is elected by the Sponsoring Employer in the Election Form and who has not yet Terminated Employment may elect to receive a distribution of his or her Vested Account Balance.

2.11 Qualified Default Investment Alternative. If the Plan has an Eligible Automatic Contribution Arrangement as described in Code §414(w)(3), then this Section is effective as of the date of the Eligible Automatic Contribution Arrangement (unless an earlier effective date is elected in the Election Form). If the prior sentence does not apply to the Plan and if elected by the Sponsoring Employer in the Election Form, then this Section is effective as of the date elected in the Election Form. If the Plan gives Participants or Beneficiaries the opportunity to direct the investment of any assets in the Participant's Account (or any sub-account) and if any Participant or Beneficiary does not direct the investment of such assets, then such assets in the Participant's Account (or such sub-account(s)) will be invested in a Qualified Default Investment Alternative ("QDIA"), subject to the following:

(a) **Transfer from QDIA.** Any Participant or Beneficiary on whose behalf assets are invested in a QDIA may transfer, in whole or in part, such assets to any other investment alternative available under the Plan with a frequency consistent with that afforded to a Participant or Beneficiary who elected to invest in the QDIA, but not less frequently than once within any 3-month period.

(1) **No Fees During First 90 Days.** A Participant's or Beneficiary's election to make such transfer from the QDIA during the 90-day period beginning on the date of the first investment in a QDIA on behalf of a Participant or Beneficiary or, if the Participant has the opportunity to receive a Permissible Withdrawal, a Permissible Withdrawal during the 90-day period beginning on the date of the Participant's first Elective Deferral under Code §414(w)(2)(B), will not be subject to any restrictions, fees or expenses (including surrender charges, liquidation or exchange fees, redemption fees and similar expenses charged in connection with the liquidation of, or transfer from, the investment), except as permitted in Department of Labor Regulation §2550.404c–5(c)(5)(ii)(B).

(2) **Limited Fees after First 90 Days.** Following the end of the 90-day period described in paragraph (1), any transfer from the QDIA or, if the Participant has the opportunity to receive a Permissible Withdrawal, a Permissible Withdrawal, will not be subject to any restrictions, fees or expenses not otherwise applicable to a Participant or Beneficiary who elected to invest in that QDIA.

(b) **Broad Range of Investment Alternatives.** The Plan must offer a ‘‘broad range of investment alternatives" within the meaning of Department of Labor Regulation §2550.404c–1(b)(3).

(c) **Materials Must Be Provided.** A fiduciary must provide to a Participant or Beneficiary the materials in Department of Labor Regulation §2550.404c-1(b)(2)(i)(B)(1)(viii) and (ix) and Department of Labor Regulation §404c-1(b)(2)(i)(B)(2) relating to a Participant's or Beneficiary's investment in a QDIA.

(d) **Content and Timing of Notice.** The following provisions apply to the notice required by a QDIA:

(1) **Manner and Content.** Such notice must be written in a manner calculated to be understood by the average Participant, and must contain the following: (A) a description of the circumstances under which assets in the Participant's Account (or any sub-account of the Participant's Account) of a Participant or Beneficiary may be invested on behalf of the Participant or Beneficiary in a QDIA; and, if applicable, an explanation of the circumstances under which Elective Deferrals will be made on behalf of a Participant, the percentage of such Elective Deferrals, and the right of the Participant to elect not to have such Elective Deferrals made on the Participant's behalf (or to elect to have such Elective Deferrals made at a different percentage); (B) an explanation of the right of Participants and Beneficiaries to direct the investment of assets in their Participant's Accounts (or any sub-accounts of the Participant's Account); (C) a description of the QDIA, including a description of the investment objectives, risk and return characteristics (if applicable), and fees and expenses attendant to the QDIA; (D) a description of the right of the Participants and Beneficiaries on whose behalf assets are invested in a QDIA to direct the

investment of those assets to any other investment alternative under the Plan, including a description of any applicable restrictions, fees or expenses in connection with such transfer; and (E) an explanation of where the Participants and Beneficiaries can obtain investment information concerning the other investment alternatives available under the Plan.

(2) **Timing.** The Participant or Beneficiary on whose behalf an investment in a QDIA may be made must be furnished such notice during the following periods: (A) at least 30 days in advance of the Participant's Entry Date of the Plan (or any component of the Plan in which a Participant's Account (or any sub-account of the Participant's Account) may be invested in a QDIA); or at least 30 days in advance of the date of any first investment in a QDIA on behalf of a Participant or Beneficiary; or if the Participant has the opportunity to receive a Permissible Withdrawal, on or before the Participant's Entry Date of the Elective Deferral component of the Plan; and (B) within a reasonable period of time of at least 30 days in advance of each subsequent Plan Year.

(e) **Definitions.** As used in this Section, the following words and phrases have the following meanings:

(1) **Eligible Automatic Contribution Arrangement.** The term "Eligible Automatic Contribution Arrangement" means the definition of Section 3.4 of this Amendment.

(2) **Permissible Withdrawal.** The term "Permissible Withdrawal" means the definition of Section 3.5 of this Amendment.

(3) **QDIA.** The term "QDIA" means a qualified default investment alternative as described in Department of Labor Regulation § 2550.404c–5, which is an investment alternative available to Participants and Beneficiaries, subject to the following rules:

(A) **No Employer Securities.** The QDIA cannot hold or permit the acquisition of Employer securities, except as permitted by Department of Labor Regulation §2550.404c–5(e)(1)(ii);

(B) **Transfer Permitted.** The QDIA permits a Participant or Beneficiary to transfer, in whole or in part, his or her investment from the QDIA to any other investment alternative available under the Plan, pursuant to the rules of Department of Labor Regulation §2550.404c–5(c)(5);

(C) **Management.** The QDIA is (i) managed by an investment manager, within the meaning of ERISA §3(38), a Plan Trustee that meets the requirements of ERISA §3(38)(A), (B) and (C), or the Sponsor Employer who is a named fiduciary within the meaning of ERISA §402(a)(2); (ii) an investment company registered under the Investment Company Act of 1940; or (iii) an investment product or fund described in Department of Labor Regulation §2550.404c–5(e)(4)(iv) or (v).

(D) **Types of Permitted Investments.** The QDIA is one of the following:

(i) An investment fund product or model portfolio that applies generally accepted investment theories, is diversified so as to minimize the risk of large losses and that is designed to provide varying degrees of long-term appreciation and capital preservation through a mix of equity and fixed income exposures based on the Participant's age, target retirement date (such as Normal Retirement Age under the Plan) or life expectancy, but is not required to take into account risk tolerances, investments or other preferences of an individual Participant or Beneficiary.

(ii) An investment fund product or model portfolio that applies generally accepted investment theories, is diversified so as to minimize the risk of large losses and that is designed to provide long-term appreciation and capital preservation through a mix of equity and fixed income exposures consistent with a target level of risk appropriate for Participants of the Plan as a whole, but is not required to take into account the age, risk tolerances, investments or other preferences of an individual Participant or Beneficiary.

(iii) An investment management service with respect to which a fiduciary, within the meaning of Department of Labor Regulation §2550.404c–5(e)(3)(i), applying generally accepted investment theories, allocates the assets of a Participant's Account to achieve varying degrees of long-term appreciation and capital preservation through a mix of equity and fixed income exposures, offered through investment alternatives available under the Plan, based on the Participant's age, target retirement date (such as Normal Retirement Age under the Plan) or life expectancy, but is not required to take into account risk tolerances, investments or other preferences of an individual Participant.

(iv) An investment product or fund designed to preserve principal and provide a reasonable rate of return, whether or not such return is guaranteed, consistent with liquidity. Such investment product will seek to maintain, over the term of the investment, the dollar value that is equal to the amount invested in the product, and be offered by a State or federally regulated financial institution. Such investment product or fund described in this paragraph shall constitute a QDIA for not more than 120 days after the date of the first investment; or the Participant's first Elective Deferral as determined under Code §414(w)(2)(B).

(v) An investment product or fund designed to guarantee principal and a rate of return generally consistent with that earned on intermediate investment grade bonds, while providing liquidity for withdrawals by Participants and Beneficiaries, including transfers to other investment alternatives. Such investment product must meet the following requirements: [a] there are no fees or surrender charges imposed in connection with withdrawals initiated by a Participant or Beneficiary; and [b] principal and rates of return are guaranteed by a State or federally regulated financial institution. Such product or fund described herein will constitute a QDIA solely for purposes of assets invested in such product or fund before December 24, 2007.

An investment fund product or model portfolio that meets the requirements of this paragraph (4) may be offered through variable annuity or similar contracts, common or collective trust funds, or pooled investment funds without regard to whether such contracts or funds provide annuity purchase rights, investment guarantees, death benefit guarantees, or other features ancillary to the investment fund product or model portfolio.

2.12 Modification to Normal Retirement Age. If the Plan is either a money purchase plan or a target benefit plan and if elected by the Sponsoring Employer in the Election Form, then the Plan is subject to the following:

(a) **Revised Normal Retirement Age.** As elected by the Sponsoring Employer in the Election Form, either:

(1) **Normal Retirement Age Enumerated in Plan.** The definition of "Normal Retirement Age" as set forth in the amended and restated Plan is effective as of the date elected in the Election Form; or

(2) **Normal Retirement Age Amended by this Section.** Effective as of the date elected in the Election Form, the Plan's definition of "Normal Retirement Age" is amended and means, as elected by the Sponsoring Employer in the Election Form, either:

(A) **Age Only.** The time that a Participant attains the Age that is elected by the Sponsoring Employer in the Election Form.

(B) **Age and Participation.** The later of (i) the time that a Participant attains the Age that is elected by the Sponsoring Employer in the Election Form, or (ii) the anniversary that is elected by the Sponsoring Employer in the Election Form of becoming a Participant in the Plan.

(C) **Age and Years/Periods of Service.** The later of (i) the time that a Participant attains the Age elected by the Sponsoring Employer in the Election Form, or (ii) the date the Participant is credited with at least the number of Years of Service/Periods of Service elected by the Sponsoring Employer in the Election Form; but in no event later than the later of Age 65 or the 5th anniversary of becoming a Participant in the Plan.

(D) **Other.** The time elected by the Sponsoring Employer in the Election Form, but in no event later than the later of (i) the time that a Participant attains Age 65, or (ii) the 5th anniversary of becoming a Participant in the Plan.

(b) **Limited Exemption from Code §411(d)(6).** Although either the amended Plan or this Section, as applicable, has amended/amends the definition of "Normal Retirement Age" to a later "Normal Retirement Age" under Regulation §1.401(a)-1(b)(2) which may eliminate a right to an in-service distribution prior to the effective date of the amended definition of "Normal Retirement Age," the Plan and this Section do not violate Code §411(d)(6) pursuant to Regulation §1.411(d)-4, Q&A-12 with respect to in-service distributions.

(c) **No Exemption from Other Code Provisions.** The Plan and this Section are not exempt from the requirements of Code §411(a)(10) (if this Section changes the Plan's vesting rules) and/or Code §411(d)(6) (other than elimination of the right to an in-service distribution prior to the amended Normal Retirement Age). If elected by the Sponsoring Employer in the Election Form, then the Plan is amended by the additional provision(s) as elected by the Sponsoring Employer in the Election Form.

2.13 Mid-Year Changes Permitted for Safe Harbor 401(k) Plan. If the Plan is a Safe Harbor 401(k) Plan, then the Plan will continue to satisfy the requirements of Code §401(k)(12) and will continue to be a Safe Harbor 401(k) Plan even if mid-year design changes are implemented to permit Roth Elective Deferrals or to amend the definition of financial hardship distributions under Notice 2007-7, Part III. This Section does not implement such mid-year design changes but only confirms the continuing status of the Plan as a Safe Harbor 401(k) Plan should such mid-year Plan design changes occur pursuant to IRS Announcement 2007-59.

Article 3
Post-EGTRRA Provisions Effective 2008

3.1 Elimination of Gap Period Income for Excess Contributions. If elected by the Sponsoring Employer in the Election Form, then this Section is effective as of the date elected in the Election Form. Excess Contributions will be adjusted for any income or loss up to the last day of the Plan Year, without regard to the gap period (the period between the end of the Plan Year and the date of distribution) or any adjustment for income or loss during the gap period.

3.2 Elimination of Gap Period Income for Excess Aggregate Contributions. If elected by the Sponsoring Employer in the Election Form, then this Section is effective as of the date elected in the Election Form. Excess Aggregate Contributions will be adjusted for any income or loss up to the last day of the Plan Year, without regard to the gap period (the period between the end of the Plan Year and the date of distribution) or any adjustment for income or loss during the gap period.

3.3 Qualified Automatic Contribution Arrangement. If elected by the Sponsoring Employer in the Election Form, this Section establishes/memorializes a Qualified Automatic Contribution Arrangement ("QACA") and is effective as of the date elected in the Election Form, and the Plan is subject to the following provisions:

(a) **QACA Contribution Requirement.** The Employer will make a QACA Contribution as elected by the Sponsoring Employer in the Election Form, to the Participants as elected by the Sponsoring Employer in the Election Form. The QACA Contribution is subject to the following rules and provisions:

(1) **Rules of QACA Matching Contribution.** If the QACA Contribution is satisfied with a QACA Matching Contribution, then the ratio of QACA Matching Contributions to Elective Deferrals of any Participant who is a Highly Compensated Employee must not exceed the ratio of QACA Matching Contributions to Elective Deferrals of any Participant who is a Non-Highly Compensated Employee with Elective Deferrals at the same percentage of Compensation as any Highly Compensated Employee. Also, the ratio of a Participant's QACA Matching Contributions to the Participant's Elective Deferrals may not increase as the amount of a Participant's Elective Deferrals increases.

(2) **Plan to Which QACA Contribution Will Be Made.** As elected by the Sponsoring Employer in the Election Form, the QACA Contribution will be made to either (A) this Plan; or (B) another plan as elected by the Sponsoring Employer in the Election Form, so long as that other plan meets the requirements of Code §401(k)(12)(F) and the Regulations thereunder.

(3) **QACA Contribution Subject to Withdrawal Restrictions.** The QACA Contribution is subject to the withdrawal restrictions set forth in Code §401(k)(2)(B) and Regulation §1.401(k)-1(d).

(4) **QACA Contribution Must Not Be Used for Permitted Disparity Purposes.** The QACA Contribution will be met without regard to Code §401(l); furthermore, the QACA Contribution will not be taken into account for purposes of Code §401 (l).

(5) **Compensation for QACA Contribution Purposes.** The term "Compensation" means, for purposes of the QACA Contribution, an Employee's Form W-2 Compensation, Code §3401 Compensation, or Safe Harbor Code §415 Compensation, as elected by the Sponsoring Employer in the Election Form, for the Compensation Determination Period as elected by the Sponsoring Employer in the Election Form, subject to the following provisions:

(A) **Treatment of Elective Deferrals and Certain Other Amounts.** Any Elective Deferral as defined in Code §402(g)(3) and any amount which is contributed or deferred by the Employer at the election of the Employee which are not includible in gross income by reason of Code §125 (and if elected in the in the Election Form, Deemed Code §125 Compensation), Code §132(f)(4), or Code §457 will be included in Compensation or will be excluded from Compensation, as elected by the Sponsoring Employer in the Election Form.

(B) **Compensation Prior to Becoming a Participant.** If the Sponsoring Employer elects in the Election Form that Compensation received prior to becoming a Participant is not taken in account for purposes of the QACA Contribution, then the Entry Date of Section 2.2 when an Eligible Employee becomes a Participant in the Elective Deferral component of the Plan will be used to determined the Entry Date when an Eligible Employee becomes a Participant for purposes of the QACA Contribution.

(C) **Compensation of Self-Employed Individuals.** For purposes of the QACA Contribution, the Compensation of a Self-Employed Individual is equal to his or her Earned Income; however, such Compensation will not exceed the Code §401(a)(17) Compensation Limit.

(D) **Code §401(a)(17) Compensation Limit.** In determining Compensation for purposes of the QACA Contribution, a Participant's Compensation for any Compensation Determination Period will not exceed the Code §401(a)(17) Compensation Limit.

(E) **Compensation for QACA Contribution Must Comply With Code §414(s).** Compensation for QACA Contribution purposes excludes the amounts, if any, elected by the Sponsoring Employer in the Election Form. However, such Compensation must qualify as a nondiscriminatory definition of compensation under Code §414(s) and the Regulations thereunder. Furthermore, no dollar limit, other than the Code §401(a)(17) Compensation Limit, applies to the Compensation of a NHCE.

(b) **Vesting of QACA Contribution Account.** A Participant's Vested Interest in a QACA Contribution Account will be determined by the Vesting schedule elected by the Sponsoring Employer in the Election Form. If the Counting of Hours Method is used for Vesting purposes, then a Participant's Vested Interest will be based on the Years of Service that are credited to such Participant. If the Elapsed Time Method is used for Vesting purposes, then a Participant's Vested Interest will be based on the 1-Year Periods of Service that are credited to the Participant. If elected by the Sponsoring Employer in the Election Form, then in determining a Participant's Vested Interest under this paragraph, a Participant's Years of Service or 1-Year Periods of Service will be disregarded: (1) during any period for which the Employer did not maintain this Plan or a predecessor plan; (2) if the Counting of Hours Method is used for Vesting purposes, then before the Vesting Computation Period in which the Participant attains Age 18; and/or (3) if the Elapsed Time Method is used for Vesting purposes, then before the 1-Year Period of Service in which the Participant attains Age 18. The Vesting schedules available in the Election Form are:

(1) **100% Full and Immediate.** A Participant's QACA Contribution Account will be 100% Vested upon the Participant entering the Elective Deferral component of Plan and at all times thereafter.

(2) **2 Year Cliff.**

1 Year/Period of Service	0% Vested Interest
2 Years/Periods of Service	100% Vested Interest

(3) **Other.** A Participant's QACA Contribution Account will be Vested in accordance with the schedule selected in the Election Form, provided that the Participant's QACA Contribution Account is 100% Vested upon the Participant being credited with at least 2 Years/1-Year Periods of Service.

(c) **Usage of Forfeitures.** If the QACA Contribution is subject to a Vesting schedule other than 100% Vested upon the Participant entering the Elective Deferral component of Plan and at all times thereafter, then with respect to any Forfeiture of the non-Vested Interest in a Participant's QACA Contribution Account, the Administrator may elect to use all or a portion of the Forfeitures to pay administrative expenses incurred by the Plan. The portion that is not used to pay administrative expenses may be used to restore previous Forfeitures of Participants' Accounts as necessary and permitted pursuant to the provisions of the Plan. As elected by the Sponsoring Employer in the Election Form, the portion of the Forfeitures that are not used to pay administrative expenses and are not used to satisfy the provisions of the previous sentence then either: (1) will be used to reduce any Employer contribution or combination of Employer contributions, as determined by the Administrator; or (2) will be added to any Employer contribution or combination of Employer contributions, as determined by the Administrator.

(d) **Exemption from ADP Test.** Notwithstanding anything in the Plan or this Amendment to the contrary, the Plan will be treated as meeting the ADP Test as set forth in Code §401(k)(3)(A)(ii) in any Plan Year in which the Plan includes a Qualified Automatic Contribution Arrangement pursuant to PPA §902(a), which added Code §401(k)(13)(A).

(e) **Limited Exemption from ACP Test.** Notwithstanding anything in the Plan or this Amendment to the contrary, the Plan will be treated as having satisfied the ACP Test under Code §401(m)(2) only with respect to the QACA Matching Contributions in any Plan Year in which the Plan includes a Qualified Automatic Contribution Arrangement pursuant to PPA §902(b), which revised Code §401(m)(12).

(f) **Limited Exemption from Top Heavy.** Notwithstanding anything in the Plan or this Amendment to the contrary, with respect to any Plan Year in which the allocations of the Plan consist solely of (1) Elective Deferrals under a Qualified Automatic Contribution Arrangement which meets the requirements of Code §401(k)(13); and (2) either (A) QACA Non-Elective Contributions which meet the requirements of Code §401(k)(13), or (B) QACA Matching Contributions which meet the requirements of Code §401(m)(12), then the Plan will not be treated as a Top Heavy Plan and is exempt from the Top Heavy requirements of Code §416. Furthermore, if the Plan (but for the prior sentence) would be treated as a Top Heavy Plan because the Plan is a member of either a Required Aggregation Group which is a Top Heavy or a Permissive Aggregation Group which is a Top Heavy, then the QACA Contributions under this Plan may be taken into account in determining whether any other plan in either the Required Aggregation Group or the Permissive Aggregation Group meets the Top Heavy requirements of Code §416.

(g) **QDIA.** If (1) a Participant or Beneficiary has the opportunity to direct the investment of the assets in his or her Elective Deferral Account (and/or any other assets in the Participant's Account (or any sub-account) that the Participant or Beneficiary can direct the investment); (2) any Participant or Beneficiary does not direct the investment of the assets described in clause (1); and (3) the Sponsoring Employer elects in the Election Form that the provisions of Section 2.11 (QDIA) apply to the Plan, then the assets described in clause (1) will be invested in a QDIA pursuant to Section 2.11 of this Amendment.

(h) **Permissible Withdrawal.** If (1) a Participant or Beneficiary has the opportunity to direct the investment of the assets in his or her Elective Deferral Account; (2) the Sponsoring Employer elects in the Election Form that the provisions of Section 2.11 (QDIA) apply to the Plan; and (3) the Sponsoring Employer elects in the Election Form that the provisions of Section 3.5 (Permissible Withdrawal) apply to the Plan, then an Eligible Participant may elect to receive a Permissible Withdrawal pursuant to Section 3.5 hereof.

(i) **Definitions.** As used in this Section, the following words and phrases have the following meanings:

(1) **Automatic Contribution Arrangement.** The term "Automatic Contribution Arrangement" means any arrangement under which (A) a Participant may elect to have the Employer make payments as Elective Deferrals under the Plan on his or her behalf, or to receive such payments directly in cash, and (B) an Eligible Participant is treated as having elected to have the Employer make Elective Deferrals to the Plan, in an amount equal to a specified percentage of Compensation until such Eligible Participant executes an Automatic Contribution Overriding Election as defined in the administrative policy regarding Elective Deferrals; such percentage is set forth in either the administrative policy regarding Elective Deferrals or such other Plan documentation as permitted by the Plan or law. An Automatic Contribution Arrangement includes a QACA.

(2) **Eligible Participant.** The term "Eligible Participant" means a Participant who is subject to the Qualified Automatic Contribution Arrangement as described in the administrative policy regarding Elective Deferrals.

(3) **Permissible Withdrawal.** The term "Permissible Withdrawal" means the definition of Section 3.5 of this Amendment.

(4) **PPA.** The term "PPA" means the Pension Protection Act of 2006.

(5) **QACA Contribution.** The term "QACA Contribution" means either a QACA Matching Contribution or a QACA Non-Elective Contribution.

(6) **QACA Contribution Account.** The term "QACA Contribution Account" means the account to which a Participant's QACA Contributions are credited.

(7) **QACA Matching Contribution.** The term "QACA Matching Contribution" means a Matching Contribution which meet the requirements of Code §401(m)(12).

(8) **QACA Non-Elective Contribution.** The term "QACA Non-Elective Contribution" means a Non-Elective Contribution which meet the requirements of Code §401(k)(13).

(9) **QDIA.** The term "QDIA" means the definition of Section 2.11 of this Amendment.

(10) **Qualified Automatic Contribution Arrangement.** The term "Qualified Automatic Contribution Arrangement" means an Automatic Contribution Arrangement that meets all of the requirements set forth in Code §401(k)(13)(B) including, but not limited to, the applicable Qualified Percentage for the Applicable Plan Year (which terms are defined in the administrative policy regarding Elective Deferrals), the required QACA Contributions, and the applicable notice requirements.

3.4 Eligible Automatic Contribution Arrangement. If elected by the Sponsoring Employer in the Election Form, then this Section establishes/memorializes an Eligible Automatic Contribution Arrangement in the Plan and is effective as of the date elected in the Election Form, and the Plan is subject to the following:

(a) **Extension of Time for Correcting Failed ADP and/or ACP Test.** Notwithstanding anything in the Plan or this Amendment to the contrary, in any Plan Year in which the Plan includes an Eligible Automatic Contribution Arrangement, the excise tax in Code §4979 on Excess Contributions and/or Excess Aggregate Contributions does not apply to the Employer if the Excess Contributions and/or Excess Aggregate Contributions (and earnings attributable thereto) are distributed or forfeited (based upon the Participant's Vested Interest in such Excess Contributions and/or Excess Aggregate Contributions) within 6 months after the end of the Plan Year. Any Excess Contributions and/or Excess Aggregate Contributions (and earnings attributable thereto) that are distributed within this 6-month period are treated as earned and received by the Participant in the Participant's taxable year in which the distribution was made. Only income or loss through the end of the Plan Year to which the Excess Contributions and/or Excess Aggregate Contributions relate must be distributed, without regard to any income or loss during the "gap period" (the period between the end of the Plan Year and the date of distribution).

(b) **Mandatory Directed Investments and QDIA.** In order for an Eligible Automatic Contribution Arrangement to be established/memorialized in the Plan, the Plan must give Participants or Beneficiaries the opportunity to direct the investment of his or her Elective Deferral Account (and may permit Participants or Beneficiaries to direct the investment of other assets in the Participant's Account (or any sub-account of the Participant's Account)). If any Participant or Beneficiary does not direct the investment of the assets described in the first sentence, then those assets must be invested in a QDIA pursuant to Section 2.11 of this Amendment.

(c) **Permissible Withdrawal.** If the Sponsoring Employer elects in the Election Form that the provisions of Section 3.5 (Permissible Withdrawal) apply to the Plan, then an Eligible Participant may elect to receive a Permissible Withdrawal pursuant to Section 3.5 of this Amendment.

(d) **Definitions.** As used in this Section, the following words and phrases have the following meanings:

(1) **Automatic Contribution Arrangement.** The term "Automatic Contribution Arrangement" means any arrangement under which (A) a Participant may elect to have the Employer make payments as Elective Deferrals on his or her behalf, or to receive such payments directly in cash, and (b) an Eligible Participant is treated as having elected to have the Employer make Elective Deferrals to the Plan, in an amount equal to a specified percentage of Compensation until such Eligible Participant executes an Automatic Contribution Overriding Election as defined in the administrative policy regarding Elective

Deferrals; such percentage is set forth in either the administrative policy regarding Elective Deferrals or such other Plan documentation as permitted by the Plan or law. An Automatic Contribution Arrangement includes an Eligible Automatic Contribution Arrangement.

(2) **Eligible Automatic Contribution Arrangement.** The term "Eligible Automatic Contribution Arrangement" means an Automatic Contribution Arrangement that meets all of the requirements of Code §414(w)(3) including, but limited to, a QDIA and the applicable notice requirements.

(3) **Eligible Participant.** The term "Eligible Participant" means a Participant who is subject to the Eligible Automatic Contribution Arrangement as described in the Elective Deferral administrative policy.

(4) **Permissible Withdrawal.** The term "Permissible Withdrawal" means the definition of Section 3.5 of this Amendment.

(5) **QDIA.** The term "QDIA" means the definition of Section 2.11 of this Amendment.

3.5 Eligible Participant's Election for Permissible Withdrawal. If (a) elected by the Sponsoring Employer in the Election Form and (b) the Plan has an Eligible Automatic Contribution Arrangement, then this Section is effective as of the date elected in the Election Form. Alternatively, if (a) elected by the Sponsoring Employer in the Election Form; (b) the Plan has a Qualified Automatic Contribution Arrangement; (c) a Participant or Beneficiary has the opportunity to direct the investment of the assets in his or her Elective Deferral Account; and (d) the Sponsoring Employer elects in the Election Form that the provisions of Section 2.11 (QDIA) apply to the Plan, then this Section is effective as of the effective date elected in the Election Form. The Plan permits an Eligible Participant to elect to receive a Permissible Withdrawal, subject to the following:

(a) **Includable in Gross Income.** The amount of such Permissible Withdrawal is includible in the gross income of the Eligible Participant for the taxable year of the Eligible Participant in which the distribution is made.

(b) **No Premature Distribution Excise Tax.** No premature distribution excise tax will be imposed under Code §72(t) with respect to the Permissible Withdrawal.

(c) **Distribution Restrictions Not Violated.** The Plan does not violate the distribution restrictions of Code §401(k)(2)(B)(i) with respect to Elective Deferrals, even though the Plan allows Permissible Withdrawals.

(d) **Matching Contributions Forfeited.** If a Permissible Withdrawal is made to an Eligible Participant and such Elective Deferrals are matched, then any related Matching Contributions will be forfeited or subject to such other treatment as the Treasury may prescribe.

(e) **Definitions.** As used in this Section, the following words and phrases have the following meanings:

(1) **Eligible Automatic Contribution Arrangement.** The term "Eligible Automatic Contribution Arrangement" means the definition of Section 3.4 of this Amendment.

(2) **Eligible Participant.** The term "Eligible Participant" means a Participant who is subject to either the Qualified Automatic Contribution Arrangement or the Eligible Automatic Contribution Arrangement, as applicable, as described in the administrative policy regarding Elective Deferrals.

(3) **Permissible Withdrawal.** The term "Permissible Withdrawal" means any withdrawal of Elective Deferrals from either the Qualified Automatic Contribution Arrangement or the Eligible Automatic Contribution Arrangement, as applicable, which meets the following requirements:

(A) **Employee's Election and Timing.** The distribution is made pursuant to an election by an Eligible Participant, and such election is made no later than 90 days after the date of the first Elective Deferral with respect to the Eligible Participant under either the Qualified Automatic Contribution Arrangement or the Eligible Automatic Contribution Arrangement, as applicable;

(B) **Only Elective Deferrals and Earnings.** The distribution consists of only Elective Deferrals (and earnings attributable thereto);

(C) **Amount of Distribution.** The amount of the distribution is equal to the amount of Elective Deferrals made with respect to the first payroll period to which either the Qualified Automatic Contribution Arrangement or the Eligible Automatic Contribution Arrangement, as applicable, applies to the Eligible Participant and any succeeding payroll period beginning before the effective date of the election pursuant to paragraph (A) (and earnings attributable thereto).

(4) **QDIA.** The term "QDIA" means the definition of Section 2.11 of this Amendment.

(5) **Qualified Automatic Contribution Arrangement.** The term "Qualified Automatic Contribution Arrangement" means the definition of Section 3.3 of this Amendment.

3.6 Qualified Optional Survivor Annuity. If the Plan is (a) a money purchase plan, (b) a target benefit plan, (c) a 401(k) Plan in which either the Normal Form of Distribution is a Qualified Joint and Survivor Annuity or an Optional Form of Distribution is annuities, or (d) a profit sharing plan in which either the Normal Form of Distribution is a Qualified Joint and Survivor Annuity or an Optional Form of Distribution is annuities, then this Section is effective as of first day of the first Plan Year beginning after December 31, 2007 and the Plan is to subject to the following rules and provisions:

(a) **Election to Waive.** Unless a mandatory cash-out of benefits is permitted and occurs under the Plan, subject to the Spousal consent requirements of the Plan and provided the required written explanations of paragraph (b) are given, each Participant (1) may elect at any time during the Applicable Election Period to waive the Qualified Joint and Survivor Annuity form of benefit or the Qualified Pre-Retirement Survivor Annuity form of benefit (or both); (2) if the Participant elects a waiver under subparagraph (1) above, may elect the Qualified Optional Survivor Annuity at any time during the Applicable Election Period; and (3) may revoke any such election at any time during the Applicable Election Period.

(b) **Written Explanations.** The Plan will provide to each Participant, within a reasonable period of time before the Annuity Starting Date and consistent with Regulations, a written explanation of: (1) the terms and conditions of the Qualified Joint and Survivor Annuity and the Qualified Optional Survivor Annuity; (2) the Participant's right to make and the effect of an election to waive the Qualified Joint and Survivor Annuity form of benefit; (3) the rights of a Participant's Spouse; and (4) the right to make, and the effect of, a revocation of a previous election to waive the Qualified Joint and Survivor Annuity.

(c) **Definitions.** As used in this Section, the following words and phrases have the following meanings:

(1) **Applicable Election Period.** The term "Applicable Election Period" means the period described in Code §417(a)(6), to wit: with respect to an election to waive the Qualified Joint and Survivor Annuity, the period that begins not later than 180 days prior to the Annuity Starting Date (unless future guidance requires/permits otherwise).

(2) **Applicable Percentage.** The term "Applicable Percentage" means the following: (A) if the Survivor Annuity Percentage is less than 75%, then the Applicable Percentage is 75%; and (B) if the Survivor Annuity Percentage is greater than or equal to 75%, then the Applicable Percentage is 50%.

(3) **Qualified Optional Survivor Annuity.** The term "Qualified Optional Survivor Annuity" means an annuity (A) for the life of the Participant with a survivor annuity for the life of the Participant's Spouse which is equal to the Applicable Percentage of the amount of the annuity which is payable during the joint lives of the Participant and the Participant's Spouse; and (B) which is the actuarial equivalent of a single annuity for the life of the Participant. Such term also includes any annuity in a form having the effect of an annuity described in this Section.

(4) **Survivor Annuity Percentage.** The term "Survivor Annuity Percentage" means the percentage which the survivor annuity under the Plan's Qualified Joint and Survivor Annuity bears to the annuity payable the joint lives of the Participant and the Participant's Spouse.

AMENDMENT
TO THE
TECH DATA CORPORATION 401(K) SAVINGS PLAN
(as amended and restated effective January 1, 2006)

For the Final Treasury Regulations Issued under Code Section 401(a)(9)

WHEREAS , Tech Data Corporation, by written agreement, established a certain qualified retirement plan named the Tech Data Corporation 401(k) Savings Plan (the "Plan") for its eligible employees effective January 1, 2000, and

WHEREAS , the Tech Data Corporation Retirement Savings Plan and the Tech Data Corporation Employee Stock Ownership Plan were merged into the Plan as of January 1, 2000; and

WHEREAS , the Plan has thereafter been amended from time to time, was last restated effective January 1, 2006 and was thereafter amended; and

WHEREAS , the Plan was submitted to the IRS for a compliance statement under the Voluntary Compliance Program of Revenue Procedure 2008-50; and

WHEREAS , the IRS has requested that the Plan be further amended for the final Treasury Regulations issued under Section 401(a)(9) of the Code's Required Minimum Distribution rules; and

WHEREAS, it is now deemed desirable to further amend said Plan for the final Treasury Regulations issued under Section 401(a)(9) of the Code.

NOW, THEREFORE , it is agreed by the undersigned that the said Plan is hereby amended in the following manner:

4. Paragraph (a)(4) of Article VIII ("PAYMENT OF BENEFITS") shall be amended, in its entirety, to read as follows:

(4) Notwithstanding anything contained herein to the contrary, any distribution paid to a Participant (or, in the case of a death benefit, to his beneficiary or beneficiaries) pursuant to this paragraph shall commence not later than the earlier of:

(A) the 60th day after the last day of the Plan Year in which the Participant's employment is terminated or, if later, in which occurs the Participant's Normal Retirement Date, provided the Participant or his beneficiary(ies) consents to such distribution; or

(B) as required under the required minimum distribution rules of Section 401(a)(9) of the Code and under paragraph (j) of this Article VIII.

5. Article VIII ("PAYMENT OF BENEFITS") shall be amended, by adding a new paragraph (j), as follows:

(j) **Required Minimum Distributions.** All distributions from the Plan will be determined and made in accordance with the final and temporary Treasury Regulations under Section 401(a)(9) of the Code on April 17, 2002. Pursuant to those Treasury Regulations, all distributions will be determined in accordance with the following provisions:

(1) **General Rules.** All distributions under this section will be made in accordance with these general rules:

(A) **Effective Date.** The provisions of this Section will apply for purposes of determining required minimum distributions for calendar years beginning with the 2003 calendar year.

(B) **Precedence.** The requirements of this Section will take precedence over any inconsistent provisions of the Plan and any prior Plan amendments.

(C) **Requirements of Treasury Regulations Incorporated.** All distributions required under this Section will be determined and made in accordance with the Treasury Regulations under Section 401(a)(9) of the Code.

(D) **TEFRA §242(b)(2) Elections.** Notwithstanding the other provisions of this Section, distributions may be made under a designation made before January 1, 1984, in accordance with Tax Equity and Fiscal Responsibility Act (TEFRA) §242(b)(2) and the provisions of the Plan that relate to TEFRA §242(b)(2).

(2) **Time and Manner of Distribution.** All required minimum distributions will be made from the Plan in the following time and in the following manner:

(A) **Required Beginning Date.** The Participant's entire interest will be distributed, or begin to be distributed, to the Participant no later than the Participant's Required Beginning Date.

(B) **Death of Participant Before Distributions Begin.** If the Participant dies before distribution begins, the Participant's entire interest will be distributed (or begin to be distributed) not later than as follows:

(i) **5-Year Rule Applies to All Distributions to Designated Beneficiaries.** If the Participant dies before distributions begin and there is a Designated Beneficiary, the Participant's entire interest will be distributed to the Designated Beneficiary by December 31 of the calendar year containing the fifth anniversary of the Participant's death. If the Participant's surviving Spouse is the sole Designated Beneficiary and the surviving Spouse dies after the Participant but before distributions to either the Participant or the surviving Spouse begin, this subparagraph will apply as if the surviving Spouse were the Participant. This subparagraph also applies to all distributions.

(ii) **Date Distributions Are Deemed To Begin.** For purposes of this subparagraph (2)(B) and paragraph (4), distributions are considered to begin on the Participant's Required Beginning Date. If distributions under an annuity purchased from an insurance company irrevocably commence to the Participant before the Participant's Required Beginning Date, then the date distributions are considered to begin is the date distributions actually commence.

(C) **Forms of Distribution.** Unless the Participant's interest is distributed as an annuity purchased from an insurance company or in a single sum on or before the Required Beginning Date, as of the first Distribution Calendar Year distributions will be made in accordance with paragraphs (3) and (4). If the Participant's interest is distributed as an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of Section 401(a)(9) of the Code and the Treasury Regulations.

(3) **Required Minimum Distributions During the Participant's Lifetime.** The amount of required minimum distributions during a Participant's lifetime will be determined as follows:

(A) **Amount of Required Distribution for Each Distribution Calendar Year.** During the Participant's lifetime, the minimum amount that will be distributed each Distribution Calendar Year is the lesser of (i) the quotient obtained by dividing the Participant's Account balance by the distribution period in the "Uniform Lifetime Table" as set forth in Treasury Regulation §1.401(a)(9)-9, using the Participant's age as of the Participant's birthday in the Distribution Calendar Year; or (ii) if the Participant's sole Designated Beneficiary for the Distribution Calendar Year is the Participant's Spouse, then the quotient obtained by dividing the Participant's Account balance by the number in the "Joint and Last Survivor Table" set forth in Treasury Regulation §1.401(a)(9)-9, using the Participant's and Spouse's attained ages as of the Participant's and Spouse's birthdays in the Distribution Calendar Year.

(B) **Required Minimum Distributions Continue Through Year of Death.** Required minimum distributions will be determined under this paragraph (3) beginning with the first Distribution Calendar Year and up to and including the Distribution Calendar Year that includes the Participant's date of death.

(4) **Required Minimum Distributions After the Participant's Death.** Required minimum distributions will be made after a Participant's death in accordance with the following provisions:

(A) **Death On or After Date Distribution Begins.** If a Participant dies on or after the date distribution begins, then the amount of a required minimum distribution will be determined as follows:

(i) **Participant Survived by Designated Beneficiary.** If the Participant dies on or after the date distributions begin and there is a Designated Beneficiary, then the minimum amount that will be distributed for each Distribution Calendar Year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the longer of the remaining Life Expectancy of the Participant or the remaining Life Expectancy of the Designated Beneficiary, determined in accordance with the following provisions:

a. **Calculation of Remaining Life Expectancy.** The Participant's remaining Life Expectancy is calculated using his or her age in the year of death, reduced by one for each subsequent year.

b. **Surviving Spouse Is the Sole Designated Beneficiary.** If the Participant's surviving Spouse is the Participant's sole Designated Beneficiary, then the remaining Life Expectancy of the surviving Spouse is calculated for each Distribution Calendar Year after the year of the Participant's death using the surviving Spouse's age as of the Spouse's birthday in that Distribution Calendar Year. For Distribution Calendar Years after the year of the surviving Spouse's death, the remaining Life Expectancy of the surviving Spouse is calculated using the age of the surviving Spouse as of the Spouse's birthday in the calendar year of the Spouse's death, reduced by one for each subsequent calendar year.

c. **Surviving Spouse Is the Not Sole Designated Beneficiary.** If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary, then the Designated Beneficiary's remaining Life Expectancy is calculated using the age of the beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent calendar year.

(ii) **No Designated Beneficiary.** If the Participant dies on or after the date distributions begin and there is no Designated Beneficiary as of September 30 of the year after the year of the Participant's death, then the minimum amount that will be distributed for each Distribution Calendar Year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the Participant's remaining Life Expectancy calculated using the age of the Participant in the year of death, reduced by one each subsequent year.

(B) **Death Before the Date Distribution Begins.** If a Participant dies before the date distribution begins, then the amount of a required minimum distribution will be determined as follows: If a Participant dies before the date distributions begin and there is no Designated Beneficiary as of September 30 of the year following the year of the Participant's death, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of such death.

(5) **Other Plan Provisions Control.** Notwithstanding any other provision in this Section, to the extent that a Plan provision which is not contained in this Section requires that a Participant or beneficiary receive a distribution (A) on a date that is earlier than the date required by this Section or (B) in a form of distribution other than the form of distribution provided under this Section, such other Plan provision will control the time and form of distribution to the Participant or beneficiary so long as the time of the distribution is not later than the date that is required by Section 401(a)(9) of the Code and this Section and the amount of the distribution is not less than the required minimum distribution of Section 401(a)(9) of the Code and this Section.

(6) **Definitions.** For purposes of Section VIII(j), the following definitions shall apply:

(A) **Designated Beneficiary.** The term Designated Beneficiary means, for purposes of required minimum distributions, the individual who is designated as the beneficiary pursuant to the provisions of the Plan and is the Designated Beneficiary under Code Section 401(a)(9), the previously final Treasury Regulation §1.401(a)(9)-1, Q&A-4, and the final Treasury Regulation §1.401(a)(9)-4.

(B) **Distribution Calendar Year.** The term Distribution Calendar Year means, for purposes of required minimum distributions, a calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first Distribution Calendar Year is the calendar year immediately preceding the calendar year that contains the Participant's Required Beginning Date.

(C) **Life Expectancy.** The term Life Expectancy means, for purposes of required minimum distributions, life expectancy as computed by use of the Single Life Table in Treasury Regulation §1.401(a)(9)-9, Q&A 1.

(D) **Required Beginning Date.** The term Required Beginning Date means, with respect to a Participant who is a 5% owner as defined in Code Section 416(i)(1)(B)(i), April 1st of the calendar year following the calendar year in which the Participant reaches Age 70 $^{1}/_{2}$. With respect to Participants who are not 5% owners, Required Beginning Date means April 1st of the calendar year following the later of the calendar year in which the Participant reaches Age 70 $^{1}/_{2}$ or the calendar year in which the Participant actually retires, subject to paragraphs (i), (ii) and (iii) below:

(i) **Election to Defer Distribution.** Any Participant (other than a 5% owner) who attains Age 70 $^{1}/_{2}$ in years after 1995 may elect by April 1 of the calendar year following the year in which the Participant attains Age 70 $^{1}/_{2}$ (or by December 31,

1997 in the case of a Participant who attains Age 70 1/2 in 1996), to defer distributions until April 1 of the calendar year following the calendar year in which the Participant retires. If no such election is made, the Participant will begin receiving distributions by April 1 of the calendar year following the calendar year in which the Participant attains Age 70 1/2.

(ii) **Election to Suspend Distribution.** Any Participant (other than a 5% owner) who attains age 70 1/2 in years prior to 1997 may elect to stop distributions and then recommence such distributions by April 1 of the calendar year following the calendar year in which the Participant retires. In such an event, the Plan Administrator may, on a uniform non-discriminatory basis, elect that a new Annuity Starting Date will begin upon the Participant's distribution recommencement date.

(iii) **Elimination of Pre-Retirement Age 70 1/2 Distribution Option.** The pre-retirement Age 70 1/2 distribution option will only be eliminated for Employees who reach Age 70 1/2 in or after a calendar year that begins after the later of December 31, 1998, or the adoption date of this amended Plan. The pre-retirement Age 70 1/2 distribution option is an optional form of benefit under which benefits payable in a particular distribution form (including any modifications that may be elected after benefit commencement) begin at a time during the period that begins on or after January 1st of the calendar year in which an Employee reaches Age 70 1/2 and ends April 1 of the immediately following calendar year.

(E) **Spouse.** The term Spouse means the person to whom a Participant is legally married, provided however that the Participant must be married to such person throughout the one year period ending on the earlier of the Annuity Starting Date or the Participant's death in order for the person to be considered the Participant's Spouse. Furthermore, a former Spouse will be treated as the Participant's Spouse or surviving Spouse to the extent provided under a qualified domestic relations order as described in Code Section 414(p).

(7) **2009 Required Minimum Distributions.** A Participant or beneficiary who would have been required to receive required minimum distributions for 2009 but for the enactment of Code Section 401(a)(9)(H) (the "2009 RMDs"), and who would have satisfied that requirement by receiving distributions that are (1) equal to the 2009 RMDs or (2) one or more payments in a series of substantially equal distributions (that include the 2009 RMDs) made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancy) of the Participant and the Participant's designated beneficiary, or for a period of at least 10 years, will not receive those distributions for 2009 unless the Participant or beneficiary chooses to receive such distributions.

6. In all other respects, except as hereinbefore modified, the said Plan is hereby ratified and confirmed, the within amendment to be immediately effective.

IN WITNESS WHEREOF, TECH DATA CORPORATION has caused this instrument to be duly executed as of the 22nd day of December, 2010.

TECH DATA CORPORATION

/c/ Caryl N. Lucarelli

By:
Name: Caryl N. Lucarelli
Title: V.P. Human Resources

Exhibit 21-A

Name of Subsidiary	State or Country of Incorporation
A.V.C Nederland B.V.*	Netherlands
Activate IT, Inc.**	US (Illinois)
AKL Telecommunications GmbH	Austria
Azlan European Finance Limited	UK (non trading)
Azlan GmbH	Germany (dormant)
Azlan Group Limited	UK (non trading)
Azlan Limited	UK
Azlan Logistics Limited	UK
Azlan Overseas Holdings Ltd.	UK (non trading)
Azlan Scandinavia AB	Sweden
Battrex B.V.	Netherlands
Brightstar Acquisition Limited*	UK (non trading)
Brightstar Cooperatief W.A.*	Netherlands
Brightstar Europe Limited*	UK
Computer 2000 Distribution Ltd.	UK
Computer 2000 Publishing AB	Sweden (dormant)
Datatechnology Datech Ltd.	UK (non trading)
Datech 2000 Ltd.	UK (non trading)
Expander Express AB	Sweden (dormant)
Expander Informatic AB	Sweden (dormant)
Expander Technical AB	Sweden (dormant)
Frontline Distribution Ltd.	UK (non trading)
Frontline Distribution (Ireland) Ltd.	Ireland (non trading)
Hakro-Ooseterberg-Nijkerk B.V.	Netherlands
Horizon Technical Services (UK) Limited	UK (non trading)
Horizon Technical Services AB	Sweden (dormant)
Hotlamps Limited	UK (non trading)
M.C.C. Belgium BVBA*	Belgium
Managed Training Services Limited	UK (non trading)
Maneboard Ltd	UK (non trading)
Maverick Presentation Products Limited	UK (non trading)
MCC Spain SL*	Spain (non trading)
Mobile Communication Company (MCC) B.V.*	Netherlands
ProDesk N.V	Belgium
Quadrangle Technical Services Limited	UK (non trading)
Screen Expert Limited UK	UK (non trading)
TD Brasil, Ltda	Brazil
TD Facilities, Ltd. (Partnership)	Texas
TD Fulfillment Services, LLC	Florida
TD Tech Data AB	Sweden
TD Tech Data Portugal Lda	Portugal
TD United Kingdom Acquisition Limited	UK
Tech Data (Netherlands) B.V.	Netherlands
Tech Data (Schweiz) GmbH	Switzerland
Tech Data bvba/sprl	Belgium
Tech Data Canada Corporation	Canada – Nova Scotia
Tech Data Chile S.A.	Chile
Tech Data Colombia S.A.S.	Colombia
Tech Data Corporation (“TDC”)	Florida
Tech Data Denmark ApS	Denmark
Tech Data Deutschland GmbH	Germany (non trading)
Tech Data Distribution s.r.o.	Czech Republic
Tech Data Education, Inc.	Florida

Name of Subsidiary	State or Country of Incorporation
Tech Data Espana S.L.U.	Spain
Tech Data Europe GmbH	Germany
Tech Data Europe Services and Operations, S.L.	Spain
Tech Data European Management GmbH	Germany
Tech Data Finance Partner, Inc.	Florida
Tech Data Finance SPV, Inc.	Delaware
Tech Data Financing Corporation	Cayman Islands
Tech Data Finland OY	Finland
Tech Data Florida Services, Inc.	Florida
Tech Data France Holding Sarl	France
Tech Data France SAS	France
Tech Data GmbH & Co OHG	Germany
Tech Data Information Technology GmbH	Germany (non trading)
Tech Data Global Finance LP	Cayman Islands
Tech Data International Sárl	Switzerland
Tech Data Italia s.r.l.	Italy
Tech Data Latin America, Inc.	Florida
Tech Data Ltd	UK (non trading)
Tech Data Luxembourg Sárl	Luxembourg
Tech Data Management GmbH	Austria
Tech Data Marne SNC	France
Tech Data Mexico S. de R. L. de C. V.	Mexico
Tech Data Midrange GmbH	Germany (non trading)
Tech Data Nederland B.V.	Netherlands
Tech Data Norge AS	Norway
Tech Data Operations Center, SA	Costa Rica
Tech Data Österreich GmbH	Austria
Tech Data Peru S.A.C.	Peru
Tech Data Polska Sp.z.o.o.	Poland
Tech Data Product Management, Inc.	Florida
Tech Data Resources, LLC	Delaware
Tech Data Service GmbH	Austria
Tech Data Servicios, S. de R.L. de C.V.	Mexico
Tech Data Strategy GmbH	Germany
Tech Data Tennessee, Inc.	Florida
Tech Data Uruguay S.A.	Uruguay
Triade Holding B.V.	Netherlands
Triade Rosenmeier Electronics AS	Norway (non trading)

* Entities are part of the Brightstar Europe Limited legal structure, the Company's consolidated joint venture with Brightstar Corporation, which the Company owns 50%.

** Joint Venture entity

All subsidiaries are directly or indirectly owned at least 99% by Tech Data Corporation with the exception of the Joint Venture entities which are owned 50% by Tech Data Corporation (indirectly) and 50% by Brightstar Corp. (indirectly).

Exhibit 23-A

Consent of Independent Registered Certified Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

(1) Registration Statement (Form S-3 No. 333-176665) of Tech Data Corporation and in the related Prospectus, and

(2) Registration Statements (Forms S-8 Nos. 33-62181, 33-60479, 333-93801, 333-59198, 333-144298 and 333-161687) pertaining to the Tech Data Corporation incentive plans of our reports dated March 21, 2012, with respect to the consolidated financial statements and schedule of Tech Data Corporation and subsidiaries and the effectiveness of internal control over financial reporting of Tech Data Corporation, included in this Annual Report (Form 10-K) for the year ended January 31, 2012.

/s/ Ernst & Young LLP

Tampa, Florida
March 21, 2012

Exhibit 31-A

Certification of Chief Executive Officer
Pursuant to
Exchange Act Rules 13a-14(a) and 15d-14(a)
As Adopted Pursuant to
Section 302 of The Sarbanes-Oxley Act of 2002

I, Robert M. Dutkowsky, certify that:

1. I have reviewed this annual report on Form 10-K of Tech Data Corporation (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)), and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 21, 2012

/s/ ROBERT M. DUTKOWSKY

Robert M. Dutkowsky
Chief Executive Officer

Exhibit 31-B

Certification of Chief Financial Officer
Pursuant to
Exchange Act Rules 13a-14(a) and 15d-14(a)
As Adopted Pursuant to
Section 302 of The Sarbanes-Oxley Act of 2002

I, Jeffery P. Howells, certify that:

1. I have reviewed this annual report on Form 10-K of Tech Data Corporation (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)), and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 21, 2012

/ S / J EFFERY P. H OWELLS

Jeffery P. Howells
Executive Vice President and
Chief Financial Officer

Exhibit 32-A

Certification of Chief Executive Officer
Pursuant to
18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of The Sarbanes-Oxley Act of 2002

I, Robert M. Dutkowsky, Chief Executive Officer of Tech Data Corporation ("the Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to my knowledge:

(i) The Annual Report on Form 10-K of Tech Data Corporation for the annual period ended January 31, 2012 (the "Report") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934, (15 U.S.C. 78m), and

(ii) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: March 21, 2012

/s/ ROBERT M. DUTKOWSKY

Robert M. Dutkowsky
Chief Executive Officer

Exhibit 32-B

Certification of Chief Financial Officer
Pursuant to
18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of The Sarbanes-Oxley Act of 2002

I, Jeffery P. Howells, Executive Vice President and Chief Financial Officer of Tech Data Corporation ("the Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to my knowledge:

(i) The Annual Report on Form 10-K of Tech Data Corporation for the annual period ended January 31, 2012 (the "Report") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934, (15 U.S.C. 78m), and

(ii) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: March 21, 2012

/S / J EFFERY P. H OWELLS

Jeffery P. Howells
Executive Vice President and
Chief Financial Officer