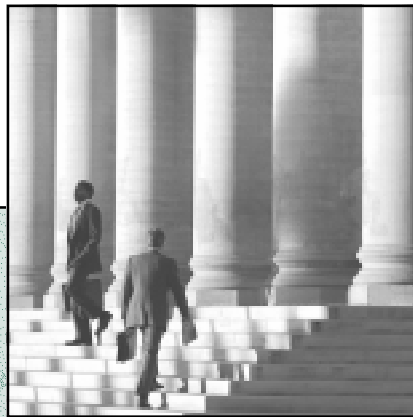




Build Your
State and Local Government

Capitol...



with 3Com



AGR Introduction

Dear 3Com GIP Partner:

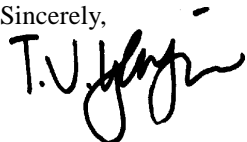
State and Local Government is a huge marketplace within the U.S. that is continuing to grow at unprecedented rates. Last year alone, more than \$2.3 billion was spent in networking integration technologies. 3Com, in an attempt to capitalize on this opportunity, has recognized the need to provide a dedicated program to aid its channel partners when selling into the State and Local Government market.

We are pleased to announce the launch of the **3Com Authorized Government Reseller (AGR) Program**. This program will give approved resellers additional market competitive discounts to compete for and win State and Local Government business (Note: The AGR program is replacing 3Com's current GIP pricing program). Effective February 1, 1998, resellers must have an AGR authorization number (GIP authorization will no longer be accepted) to obtain the additional program discounts directly from 3Com, or through the appropriate distributor partner.

Between now and February 1, 1998, 3Com will be actively recruiting resellers to become authorized for the AGR Program. Please find the inserted Letter of Understanding for you to sign, which specifies the requirements of the program. 3Com Channel Sales Managers will be responsible for reseller certification. Upon receipt of the signed paperwork, 3Com will issue AGR numbers that resellers will reference when selling into State or Local Government accounts. Resellers should call 1 800 NET-3Com if they are unfamiliar with their Channel Sales Manager.

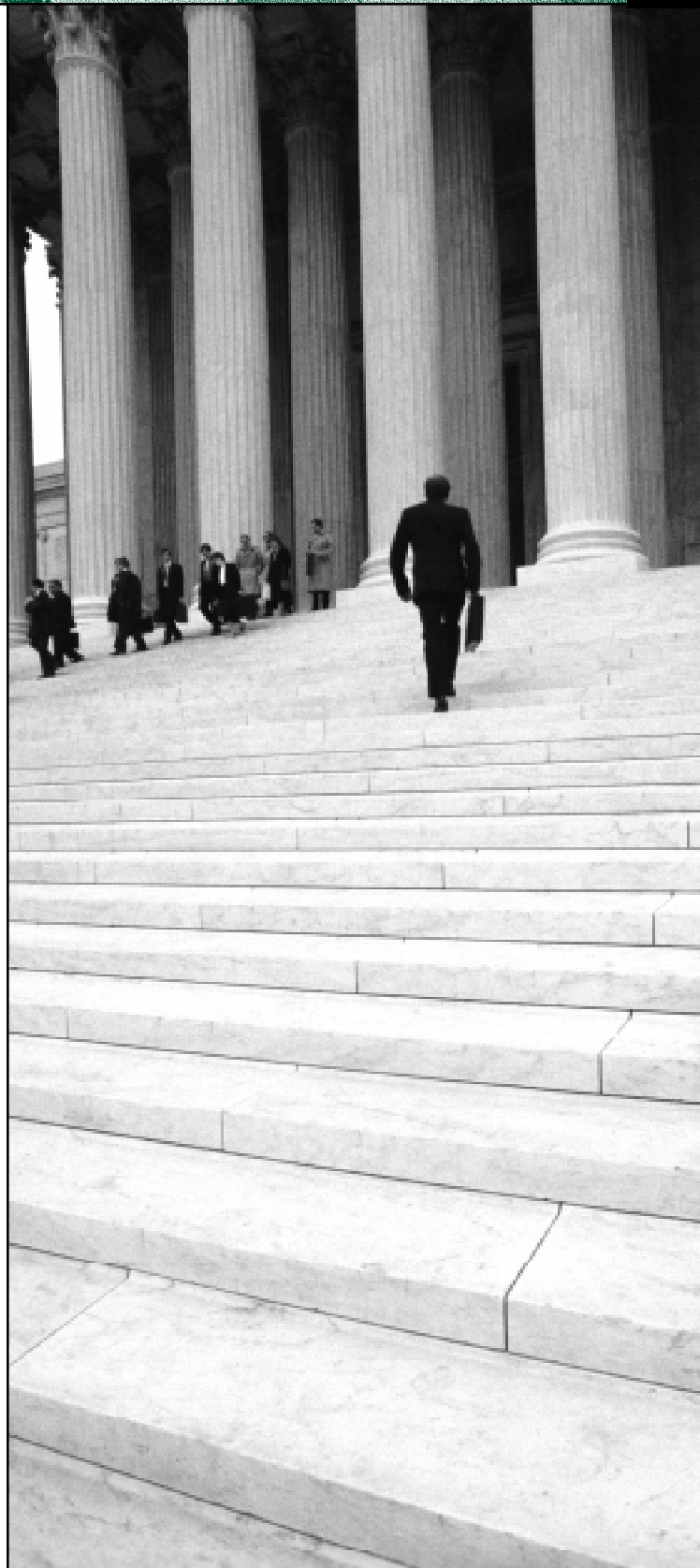
3Com is committed to providing AGR resellers with the most beneficial partner program in the industry. We look forward to including your company as an integral part of the 3Com AGR team as we prepare to capture an estimated \$600 million in business over the next year.

Sincerely,



Tobias Yergin

Industry Manager for State and Local Government



AGR Guidelines

FOR 3COM INDIRECT PARTNERS

3

3Com Partners must be PREAUTHORIZED by 3Com Exception Pricing to sell under the Authorized Government Reseller (AGR) Program. The AGR Partner must complete a Government Enrollment Form and 3Com Letter of Understanding and submit a signed hard copy of each to their local 3Com sales representative. Only completed application packages containing both of these documents will be reviewed.

Authorized Government Reseller Program Objective

To allow 3Com AGR Partners, who themselves have established government programs, to compete for State and Local Government business (NOT Federal Government, GSA) by offering them market-competitive discounts on a timely basis.

Program Guidelines

Qualifying Government Institutions: State or Local Governments (cities/municipalities/counties). Open-market government business is eligible to procure under the Authorized Government Reseller Program. GSA customers do not qualify under the AGR Program and must take standard GSA discounts.

It is the responsibility of the 3Com AGR Partner to ensure that its end users qualify under the AGR Program requirements/guidelines and understand which products are eligible under the program.

Program Restrictions

The following products are not eligible to be sold under the Authorized Government Reseller (AGR):

- Starter Kits (two or more constituent products with their own distinctive part number that are bundled and sold under one new part number)
- Bundled Products (two or more constituent products with their own distinctive part number that are bundled and sold under one new part number)
- Promotional Products or Promotional Rebates
- Service/Support/Training and product categories D and E

It is the responsibility of the 3Com AGR Partner to know/ensure that its end users understand which products are eligible/not eligible under the Program.



What are the Program Discounts?

3Com offers market-competitive discounts off the 3Com list price for the AGR Program. Please contact your local 3Com sales representative for more information on AGR discounts.

How Does the 3Com AGR Partner Procure Discounts?

Order Fulfillment/Processing

AGR Program orders must be fulfilled out of 3Com's distribution inventory (ship-from-stock). The 3Com AGR Partner must provide their AGR number and the name of the qualifying government end user at the time the order is placed.

Authorized Government Reseller Program Audits

All AGR procurement is subject to an audit for verification that the end user is a Qualifying Government Institution. 3Com reserves the right to deny AGR pricing and makes no guarantee that government pricing will be honored/approved if the end user is determined not to be a Qualifying Government Institution. Audits will include selecting and reviewing indirect reseller purchase orders, end user purchase orders, and direct contact with identified government end users. Auditing will be a two-part procedure evaluating both the 3Com Directly-Contracted AGR Partners and the 3Com Indirect AGR Partners.

3Com's AGR Partner must follow the program guidelines by providing Exception Pricing discounts only to approved entities. Any violation of these restrictions may result in permanent termination from participation in these programs.

Authorized Government Reseller Program discounts cannot be combined with any other Exception Pricing programs.

Note: 3Com reserves the right to terminate or modify the Authorized Government Reseller Program upon ten (10) days written notice.

Americas Sales Organization Only - United States of America only.

AGR Benefits



3

- 3Com will provide exposure on the 3Com State and Local Government web site.
- 3Com will provide a license for AGR Partners to use the 3Com Government logo in promotional activities.
- 3Com will provide advertising exposure to AGR Partners (as determined by 3Com).
- 3Com will provide co-op marketing development funds in accordance with existing agreement(s) between 3Com and AGR Partners.
- 3Com will provide presentation material (pertaining to State and Local Government) to AGR Partners for the purposes of sales calls, seminars, and conferences as they deem appropriate.
- 3Com will provide training seminars for AGR Partners' Government sales force as determined by 3Com.

**3Com Corporation**

P.O. Box 58145
5400 Bayfront Plaza
Santa Clara, CA 95052-8145
Phone: 1 800 NET 3Com
or 1 408 764 5000
Fax: 1 408 764 5001
World Wide Web:
<http://www.3com.com>

Asia Pacific Rim

Sydney, Australia: 61 2 9937 5000
Melbourne, Australia: 61 3 9866 8022
Beijing, China: 86 10 68492 568
Shanghai, China: 86 21 6350 1581
Hong Kong: 852 2501 1111
India: 91 11 644 3974
Indonesia: 62 21 572 2088
Osaka, Japan: 81 6 536 3303
Tokyo, Japan: 81 3 3345 7251
Korea: 82 2 3455 6300
Malaysia: 60 3 732 7910
New Zealand: 64 9 366 9138
Philippines: 632 892 4476
Singapore: 65 538 9368
Taiwan: 886 2 377 5850
Thailand: 662 231 8151 5

3Com Benelux B.V.

Belgium: 32 2 725 0202
Netherlands: 31 0346 586211

3Com Canada

Calgary: 1 403 265 3266
Edmonton: 1 403 423 3266
Montreal: 1 514 683 3266
Ottawa: 1 613 566 7055
Toronto: 1 416 498 3266
Vancouver: 1 604 434 3266

3Com Eastern Europe/CIS

Czech/Slovak Republics: 420 2 21845 800
Hungary: 36 1 250 83 41
Poland: 48 22 6451351
Russia: 7 095 258 09 40

3Com France

33 1 69 86 68 00

3Com GmbH

Austria: 43 1 580 17 0
Berlin, Germany: 49 30 3498790
Munich, Germany (Central European HQ): 49 89 627320
Switzerland: 41 31 996 14 14

3Com Iberia

Portugal: 351 1 3404505
Spain: 34 1 5096900

3Com Ireland

353 1 820 7077

3Com Latin America

U.S. Headquarters: 1 408 326 2093
3Com Northern Latin America (Miami, Florida): 1 305 261 3266
Argentina: 54 1 312 3266
Brazil: 55 11 5181 0869
Chile: 56 2 633 9242
Colombia: 57 1 629 4847
Mexico: 52 5 520 7841/7847
Peru: 51 1 221 5399
Venezuela: 58 2 953 8122

3Com Mediterraneo

Milan, Italy: 39 2 253011
Rome, Italy: 39 6 5279941

3Com Middle East

971 4 349049

3Com Nordic AB

Denmark: 45 39 27 85 00
Finland: 358 0 435 420 67
Norway: 47 22 58 47 00
Sweden: 46 8 632 56 00

3Com Southern Africa

27 11 807 4397

3Com UK Ltd.

Edinburgh: 44 131 240 2900
Manchester: 44 161 873 7717
Marlow: 44 1628 897000

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World Wide Web:
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Asia Pacific Rim

Sydney, Australia:
Phone: 61 2 9937 5000
Fax: 61 2 9956 6247
Melbourne, Australia:
Phone: 61 3 9866 8022
Fax: 61 3 9866 8219

Beijing, China

Phone: 86 10 68492 568
Fax: 86 10 68492 789

Shanghai, China

Phone: 86 21 6350 1581
Fax: 86 21 6350 1531

Hong Kong

Phone: 852 2501 1111
Fax: 852 2537 1149

India

Phone: 91 11 644 3974
Fax: 91 11 623 3192

Indonesia

Phone: 62 21 572 2088
Fax: 62 21 572 2089

Osaka, Japan

Phone: 81 6 536 3303
Fax: 81 6 536 3304

Tokyo, Japan

Phone: 81 3 3345 7251
Fax: 81 3 3345 7261

Korea

Phone: 82 2 3455 6300
Fax: 82 2 319 4710

Malaysia

Phone: 60 3 732 7910
Fax: 60 3 732 7912

New Zealand

Phone: 64 9 366 9138
Fax: 64 9 366 9139

Philippines

Phone: 632 892 4476
Fax: 632 811 5493

Singapore

Phone: 65 538 9368
Fax: 65 538 9369

Taiwan

Phone: 886 2 377 5850
Fax: 886 2 377 5860

Thailand

Phone: 662 231 8151 5
Fax: 662 231 8158

3Com Benelux B.V.

Belgium:
Phone: 32 2 725 0202
Fax: 32 2 720 1211
Netherlands:
Phone: 31 0346 586211
Fax: 31 0346 586222

3Com Canada

Calgary:
Phone: 1 403 265 3266
Fax: 1 403 265 3268
Edmonton:
Phone: 1 403 423 3266
Fax: 1 403 423 2368
Montreal:
Phone: 1 514 683 3266
Fax: 1 514 683 5122

Ottawa:
Phone: 1 613 566 7055
Fax: 1 613 233 9527

Toronto:
Phone: 1 416 498 3266
Fax: 1 416 498 1262

Vancouver:
Phone: 1 604 434 3266
Fax: 1 604 434 3264

3Com Eastern Europe/CIS
Czech/Slovak Republics
Phone: 420 2 21845 800
Fax: 420 2 21845 811

Hungary
Phone: 36 1 250 8341
Fax: 36 1 250 8347

Poland
Phone: 48 22 6451351
Fax: 48 22 6451352

Russia
Phone: 7 095 258 09 40
Fax: 7 095 258 09 41

3Com France

Phone: 33 1 69 86 68 00
Fax: 33 1 69 07 11 54

3Com GmbH

3Com Austria
Phone: 43 1 580 17 0
Fax: 43 1 580 17 20
Berlin, Germany
Phone: 49 30 3498790
Fax: 49 30 34987999

Munich, Germany
(Central European HQ)
Phone: 49 89 627320
Fax: 49 89 62732233
Switzerland
Phone: 41 31 996 14 14
Fax: 41 31 996 14 10

3Com Iberia

Portugal
Phone: 351 1 3404505
Fax: 351 1 3404575
Spain
Phone: 34 1 5096900
Fax: 34 1 3076663

3Com Ireland

Phone: 353 1 820 7077
Fax: 353 1 820 7101

3Com Latin America

U.S. Headquarters
Phone: 1 408 326 2093
Fax: 1 408 764 5730
3Com Northern Latin America
(Miami, Florida)
Phone: 1 305 261 3266
Fax: 1 305 261 4901

Argentina
Phone: 54 1 312 3266
Fax: 54 1 314 3329

Brazil
Phone: 55 11 5181 0869
Fax: 55 11 5182 7399

Chile
Phone: 56 2 633 9242
Fax: 56 2 633 8935

Colombia
Phone: 57 1 629 4847
Fax: 57 1 629 4503

Mexico

Phone: 52 5 520 7841/7847
Fax: 52 5 520 7837

Peru

Phone: 51 1 221 5399
Fax: 51 1 221 5499

Venezuela

Phone: 58 2 953 8122
Fax: 58 2 953 9686

3Com Mediterraneo

Milan, Italy
Phone: 39 2 253011
Fax: 39 2 27304244
Rome, Italy
Phone: 39 6 5279941
Fax: 39 6 52799423

3Com Middle East

Phone: 971 4 349049
Fax: 971 4 349803

3Com Nordic AB

Denmark
Phone: 45 39 27 85 00
Fax: 45 39 27 08 44
Finland
Phone: 358 0 435 420 67
Fax: 358 0 455 51 66

Norway
Phone: 47 22 58 47 00
Fax: 47 22 58 47 01

Sweden
Phone: 46 8 632 56 00
Fax: 46 8 632 09 05

3Com Southern Africa
Phone: 27 11 807 4397
Fax: 27 11 803 7405

3Com UK Ltd.
Edinburgh
Phone: 44 131 240 2900
Fax: 44 131 240 2903

Manchester
Phone: 44 161 873 7717
Fax: 44 161 873 8053

Marlow
Phone: 44 1628 897000
Fax: 44 1628 897003

To learn more about 3Com products and services, visit our World Wide Web site at <http://www.3com.com>.

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Printed in U.S.A. on recycled paper

AGR Program Enrollment Form

Main Contact

Name _____
 Title _____
 Full Business/Company Name _____

 Address _____
 City _____
 State _____ Zip Code _____
 Phone _____
 Fax _____
 E-mail Address _____
 Corporate E-mail Domain _____

Customer and Market Focus

What percentage of your *total* sales is to government institutions? 0-25% 25-50% 50-75% 75-100%

Return This Form

MAIL or FAX completed AGR Enrollment Form and AGR Letter of Understanding (signed by your local 3Com Sales Representative) to:

3Com Corporation
 Attn: Exception Pricing Claims
 Bldg. 100, 4th Floor MS 1404
 5400 Bayfront Plaza, Santa Clara, CA 95052-8145
 FAX: (408) 326-2900

If you do not know the name of your local 3Com Sales Representative, please call 1 800 NET-3COM.

Additional Contacts

Please provide the contact names for the following areas. Program benefits and communications will be forwarded to the persons indicated.

Name _____ Marketing Contact
 Title _____ Sales Lead Contact
 Address _____ Purchasing Contact
 City _____ State _____ Zip _____
 Phone _____ Fax _____
 email _____

Name _____ Marketing Contact
 Title _____ Sales Lead Contact
 Address _____ Purchasing Contact
 City _____ State _____ Zip _____
 Phone _____ Fax _____
 email _____

Name _____ Marketing Contact
 Title _____ Sales Lead Contact
 Address _____ Purchasing Contact
 City _____ State _____ Zip _____
 Phone _____ Fax _____
 email _____

Program available in USA only.



| |
|-----------------------------|
| F o r 3 C o m u s e o n l y |
| AGR# _____ |

AGR Letter of Understanding

This Authorized Government Reseller Agreement (“Agreement”) between 3Com Corporation (“3Com”) and its Authorized Government Reseller (“Reseller”) _____ is entered into on the date last signed below (“Effective Date”) and shall remain in effect until one year from the Effective Date. This Agreement may be renewed for additional one (1) year periods with the written agreement of the parties prior to the end of the then-current term. This Agreement details the terms and conditions pursuant to which Reseller may qualify to use the title “3Com Authorized Government Reseller,” participate in 3Com’s Authorized Government Reseller Program (“Program”) and receive the Program benefits described in Attachment A, hereto. 3Com reserves the right to change the Program requirements or benefits or to terminate the Program at any time in its sole discretion, on ten (10) days prior written notice to Reseller. Reseller agrees and acknowledges that it will maintain its status as a 3Com Authorized Government Reseller in the Program only so long as Reseller continues to meet ALL of the terms and conditions set forth herein. At the time that Reseller ceases to comply with all of the terms and conditions, it will cease to receive the Program benefits described in Attachment A, hereto, and shall no longer be entitled to identify itself as a 3Com Authorized Government Reseller.

Reseller represents and warrants to 3Com that it meets all of the following requirements including those requirements described in Attachment A, hereto, and that it will notify 3Com promptly in the event that it ceases to comply with all of the requirements hereof. Reseller understands and agrees that 3Com shall not be liable to Reseller for any compensation however denominated or for any direct, special, incidental or consequential damages arising out of Reseller ceasing to be a 3Com Authorized Government Reseller, even if 3Com was advised of the possibility of such damage.

Terms and Conditions:

1. Reseller must have available, for audit purposes, invoices to the end user customer documenting which Qualifying Government Institution purchased the products, products sold, and the quantity of each product sold. 3Com shall have the right upon reasonable advance notice and during standard business hours to audit such invoices for the sole purpose of ensuring compliance with the terms and conditions hereof. Any non-compliance shall be grounds for termination if not cured within ten (10) days as set out below.
 2. Except as limited by paragraph 6, below, Qualifying Governmental Institutions includes all State or Local (cities/municipalities/counties) Government entities except for State or Local educational institutions.
 3. Qualifying Governmental Institutions does not include United States or foreign Federal Government entities.
 4. The following products are not eligible to be sold under the Program:
 - Starter Kits (two or more constituent products with their own distinctive part number that are bundled and sold under one new part number)
 - Bundled Products (two or more constituent products with their own distinctive part number that are bundled and sold under one new part number)
 - Service/Support/Training and product categories D and E
 - Promotional Products or Promotional Rebates
- It is the responsibility of the Reseller to know/ensure which products are eligible/not eligible under the Program.
5. Discounts under the Program can not be combined with meet comp Exception Pricing requests, demo orders, or Government Institution Program (GIP) discounts.
 6. Reseller agrees that it will not directly contract, propose, bid, or otherwise respond to business opportunities from entities of any of the states of the United States which are identified as 3Com Brand Name Contracts, State Term Contracts, State Multiple Award Schedules, State Blanket Purchase Agreements, State Electronic Catalog Systems, or the like. If Reseller directly contracts, proposes, bids or

(over)

otherwise responds in violation of the provisions of this paragraph, in addition to being subject to the rights and remedies of 3Com pursuant to this Agreement, then Reseller will not be deemed eligible to obtain discounts under 3Com's Advance Solution Provider Program (ASP) or Network Partners Program (NPP) when selling into government accounts.

7. Either party may terminate the relationship described herein at any time (a) on written notice to the other if the other party fails to perform any material obligation contained herein and does not remedy the breach within ten (10) days following receipt of such notice, or (b) without cause on sixty (60) days written notice.

8. All required notices will be sent to the following business contacts by facsimile and confirmed by first class mail or overnight courier and will be deemed delivered upon receipt:

If to 3Com:

Attn: _____

If to Reseller:

Attn: _____

9. This Agreement will be construed in accordance with and any disputes will be governed by California law, excluding its conflict of laws rules.

The parties hereto have caused this Agreement to be executed by their duly authorized representatives on the date(s) below.

3Com Corporation

By: _____

Printed Name: _____

Title: _____

Date: _____

Reseller

By: _____

Printed Name: _____

Title: _____

Date: _____



| | |
|----------------|--|
| 3Com use only: | |
| AGR # _____ | |

**AUTHORIZED GOVERNMENT RESELLER PROGRAM ENROLLMENT FORM
(PROGRAM AVAILABLE IN USA AND CANADA ONLY)**

Full Business/Company Name _____

Address _____

City _____ State/Province _____ Zip/Postal code _____

Phone _____ Fax _____

E-mail address _____ Corporate e-mail domain _____

Contact Name _____ Title _____

CUSTOMER AND MARKET FOCUS

1) What percentage of your *total* sales is to government institutions?
 0-25% _____ 25-50% _____ 50-75% _____ 75-100% _____

➤ ***MAIL OR FAX Completed AGR Enrollment Form and AGR Partner Agreement (signed by your local 3Com Sales Representative) TO:***
3Com Corporation
Attn: Exception Pricing Claims
Bldg. 100, 4th Floor MS 1404
5400 Bayfront Plaza
Santa Clara, CA 95052-8145
FAX: (408) 326-2900

If you do not know the name of your local 3Com Sales Representative, please call 1(800) NET-3COM

PARTNER CONTACTS

To provide program benefits and communications, please provide the contact names for the following areas:

Main Partner Program & 3Com Contact

Name: _____

Title: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____

Fax: _____

email: _____

Sales Lead Referral Contact (receives leads from 3Com)

Name: _____

Title: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____

Fax: _____

email: _____

Designated Marketing Contact

Name: _____

Title: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____

Fax: _____

email: _____

Purchasing Contact

Name: _____

Title: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____

Fax: _____

email: _____