EXHIBIT 10.8  
 Distribution Agreement  
  
THIS AGREEMENT, made and entered into as of this 9TH day of November, 1999, by  
and between XxxxxxXxxxxx.xxx, Inc. a corporation organized and existing under  
the laws of the State of Florida, with offices located at: 1440 X.X. Xxxxxxx  
Xxxxxxxx, #000, Xxxxx Xxx Xxxxxxx, XX 00000 (Hereinafter referred to as the  
"Company") and CTI-PRO, s.r.o., a corporation organized and existing under the  
laws of the Czech Republic with its principal place of business at U Vystaviste  
9/229, 000 00 Xxxxx 0, Xxxxx Xxxxxxxx. (Hereinafter referred to as the  
"Distributor"). 1. DISTRIBUTORSHIP Company hereby appoints the Distributor as  
its non-exclusive Distributor in the territories of Central and Eastern Europe  
for the products and services hereinafter described:  
  
(a) Golden Xxxxxx.xxx Internet Telephony Software  
  
(b) Golden Xxxxxx.xxx Global Termination Network  
  
(c) The products and services covered by this Agreement are those listed in the  
price lists attached as Schedule "A" and "B" by this reference made a part  
hereof. The prices to be charged by Company to Distributor for the products and  
materials may be changed by Company from time to time. Company reserves the  
rights to modify, alter, improve, change or discontinue any and all of the  
products and materials covered by this Agreement and this Agreement shall cover  
the sale of such products and materials as they may be modified, altered,  
improved or changed.  
  
2. VALIDATION  
  
A Purchase by the Distributor of products as listed on attached schedule "A"  
shall validate this Agreement.  
  
3. TERMS OF SALE AND PAYMENT  
  
Distributor shall pay Company for the products and  
services sold to Distributor by a 25% down payment upon ordering and the  
remaining 75% balance Net 30 days from Invoice. The Company shall extend these  
payment terms for orders up to a limit of $US 25,000; provided, however, that if  
at any time in Company's opinion the financial condition of Distributor so  
warrants, Company may alter or suspend any credit terms granted. For orders  
above the $US 25,000 limit, the terms of payment shall be cash with order,  
C.O.D. or as otherwise determined by the Company. Company further reserves the  
right to assess an interest penalty on past due accounts of 1.5% per month on  
any outstanding balances, including reasonable attorneys fees incurred in  
collection of said past due accounts.  
  
4. RELATIONSHIP OF PARTIES  
  
(a) It is agreed that Distributor is not an agent or representative of Company,  
but is solely an independent contractor without the power to bind, act for, or  
  
  
  
  
  
obligate Company expressly, implied or in any manner whatsoever. Accordingly,  
any resale of the products and materials of the Company by Distributor shall be  
in Distributor's name only with no representations concerning Company. However,  
Distributor is authorized to represent itself as an authorized Distributor of  
Company. All salesmen or other employees used by Distributor shall be and be  
deemed to be exclusively Distributor's employees, and the entire management,  
direction and control of all such salesmen and employees shall be exclusively  
vested in the Distributor. Without limiting the generality of the foregoing,  
Distributor shall be exclusively responsible for all social security, state,  
federal and foreign taxes, unemployment compensation and workmen's compensation  
insurance for all such salesmen or other employees of the Distributor. The  
Distributor shall be exclusively responsible for all wages, salaries, traveling  
expenses or any other expenses of any kind whatsoever incurred by the  
Distributor or by any of its salesmen or other employees. Neither the  
Distributor nor anyone associated with the Distributor shall be entitled to  
receive any payments from Company by way of compensation, wages, remuneration or  
expenses.  
  
(b) Company shall have the sole right to accept or reject all orders submitted  
to it for sales to the Distributor, to fix the terms and conditions of sales to  
the Distributor on an order by order basis and to approve returns, allowances or  
other adjustments with reference to such sales.  
  
(c) Company shall have no liability with respect to alleged defective products  
and materials sold by Company except as set forth in Company's warranty at  
stated in Clause 6 herein, as part of the terms and conditions of any sale made  
by Company, and Distributor shall have no authority to, and shall make no  
representation for a warranty with respect to the Company's products and  
materials contrary to or inconsistent with Company's warranty.  
  
The Company specifically disclaims all warranties expressed or implied,  
including but not limited to, implied warranties of merchantability and fitness  
for a particular purpose with respect to defects in the diskette, or other  
physical media and documentation, operation of the programs, source code and any  
particular application or use of the software or hardware. In no event shall the  
Company be liable for any loss of use, interruption of business, or any  
indirect, special, incidental, or consequential damages of any kind including  
loss of profits regardless of the cause of action including tort liability.  
  
(d) Neither party hereto shall be liable to the other for any failure to perform  
its obligations hereunder except for failure to pay, if such failure is due to  
fires, floods, strikes by third parties, work stoppages, accidents, wars, acts  
of God, Force Majeure, or any other cause beyond the control of the party  
failing to perform,  
  
(e) Company reserves the right to sell its products directly to the end user.  
  
  
  
  
  
  
5. RESPONSIBILITIES OF DISTRIBUTOR  
  
(a) Distributor shall use its best efforts to promote the use and sale of  
Company products and services to users of the same in the Distributor's primary  
area of marketing responsibility.  
  
(b) No order placed by Distributor shall be binding upon the Company until and  
unless the Company has acknowledged it in writing.  
  
(c) Distributor, at their discretion, can refer to the Company any of their  
customers who wish to purchase an Internet Telephony Gateway direct from the  
Company. In the event a Purchase and/or Service Agreement is concluded between  
the Company and the referral, the Company agrees to pay the Distributor a  
commission of 5% on the value of the sale.  
  
(d) Distributor shall not authorize the return of any product or materials  
unless given specific advance written authorization by the Company to do so.  
Failure to request product return within 10 days of receipt will connote the  
acceptance of the products so sold. (See section 12)  
  
(e) Distributor agrees that all information supplied by Company including, but  
not limited to, information pertaining to the conduct or details of Company's  
business, its processes, formulae, machines, devices, products and materials,  
and list of Company's customers are furnished for Distributor under this  
Agreement only and shall be kept in confidence by Distributor. Distributor  
further agrees that the Documents containing such information shall not be  
duplicated or the information contained therein disclosed to others or used for  
manufacturing or any other purpose without the prior written approval of  
Company. However, Company agrees that such information maybe disclosed to a user  
by Distributor's employees to the extent necessary to reasonably perform under  
this Agreement. Upon termination, Distributor agrees to immediately return to  
Company all processes, formulae, devices materials etc.  
  
Distributor acknowledges and agrees that the Software licensed hereunder and all  
copies thereof constitute valuable trade secrets of Company or proprietary and  
confidential information of Company and title thereto remains in Company. All  
applicable copyrights, trade secrets, patents and other intellectual and  
property rights in the Software and all other items licensed hereunder are and  
remain in Company. All other aspects of the Software and all other items  
licensed hereunder, including without limitation, programs, methods of  
processing, specific design, and structure of individual programs and their  
interaction and unique programming techniques employed therein, as well as  
screen formats shall remain the sole and exclusive property of Company and shall  
not be sold, revealed, disclosed or otherwise communicated, directly or  
indirectly by Distributor to any person, company or institution whatsoever other  
than for the purposes set forth herein. It is expressly understood that no title  
or ownership of the Software or any part thereof is hereby transferred to the  
Distributor.  
  
The core product may be stored or installed on a storage device, such as a  
network server, used only to install or run the Core product on other computers  
over an internal network; however, a license must be acquired and dedicated for  
each separate computer on which the core product is installed or run from the  
  
  
  
  
  
  
storage device. A license for the Core product may not be shared or used  
concurrently on different computers.  
  
(f) Distributor agrees that it will indemnify and hold harmless the Company, its  
officers, agents, servants and employees from and against any loss, cost damage,  
claim, expense or liability, including reasonable attorneys fees and costs in  
the defense and or prosecution of such actions on the trial and appellate levels  
by reason of property damage, personal injury, suit, or other claim against the  
Company resulting from or in connection with the actions of Distributor's  
officers, agents, servants or employees.  
  
(g) Distributor shall be liable for all costs incurred as a result of its  
failure to timely correct erroneous instructions to the Company. Examples of  
such erroneous instructions include but are not limited to erroneous information  
pertaining to sales orders and telephone or telegraphed instructions.  
  
(h) Distributor agrees not to use the Company' s trademarks or trade names in  
any manner except as authorized by Company or in connection with Company's  
literature. Distributor agrees to forthwith discontinue such usage upon the  
cancellation of this Agreement. (i) Service: the Distributor shall, at his  
expense, perform, when needed, conventional field servicing of the products and  
materials sold through him. Distributor agrees to use only Company factory  
approved plans and procedures or equivalent to repair Company products and  
materials and to charge the end user customer for such repairs at reasonable  
rates.  
  
(j) The Distributor shall co-operate with Company in the fixing from time to  
time, in advance, of a yearly sales quota for sale by the Distributor of the  
products included in this Agreement, The Distributor agrees that it will use  
sufficient sales efforts to achieve such quotas and to that end, the Distributor  
agrees:  
  
 (1) to demonstrate such products and materials and such other products and  
 materials as may hereafter be included in this Agreement to potential  
 customers,  
 (2) to follow up promptly any leads within the territory that Company may  
 refer to him hereunder,  
 (3) to permit Company's representatives from time to time to address sales  
 meetings to the Distributor's sales force.  
  
(k) Distributor shall purchase sufficient amounts of Company products,  
materials, and parts to enable Distributor to meet demands for users of the same  
within its primary areas of marketing responsibility  
  
  
  
  
  
  
6. RESPONSIBILITIES OF THE COMPANY  
  
(a) Company shall provide Distributor with appropriate books, other specimens  
and/or exhibits of products and materials, including 2 copies of 4-port NFR (Not  
For Resale) demonstration software. Such sample books, specimens and/or exhibits  
and/or other paraphernalia for exhibit purposes are the exclusive property of  
the Company and Distributor shall fully protect and safeguard them against loss  
and/or damage, and said items and/or paraphernalia shall be subject to be used,  
disposed of, transferred, and/or handled as directed by Distributor by Company  
  
(b) Company shall from time to time provide Distributor with suggested resale  
prices for Company products and materials sold to Distributor hereunder;  
provided, however, that nothing in such suggested prices so furnished shall be  
such as to obligate Distributor to follow the same in reselling products or  
materials purchased by it from Company hereunder.  
  
(c) Warranty: Company warrants for a period of ninety (90) days that the media  
containing the product shall be free from defects. The Company does not warrant  
that the product will meet the Distributor's requirements or that the product  
will operate in the configurations which the Distributor may select to use,  
unless previously approved in writing by the Company or that the operation of  
the Product will be uninterrupted or error-free, or that all error conditions  
will be corrected. In the case of a detected software error, Company will try to  
fix it and send a patch or new version to Distributor within a reasonable time.  
  
(d) Change Notices: Company agrees to give Distributor thirty (30) days advance  
notice of significant model changes and changes in Company current price lists,  
provided. However, that company shall not be liable for failure to notify  
Distributor due to inadvertence, accident, or mistake.(e) So long as this  
Agreement shall remain in full force and effect, and Distributor has not  
defaulted hereunder, Company agrees:  
  
1. To provide to Distributor sales information and advice on a continuing  
 basis, and to provide such sales leads as may develop from Company's  
 own advertising and sales promotion.  
  
2. To train personnel designated by Distributor in the operation of the  
 Golden Access Internet Telephony software as purchased by Distributor  
 and to further help Distributor in increasing business by providing  
 information on successful selling techniques, notice of business  
 practices and policies, technical information relating to the operation  
 of Golden Access Internet Telephony software as purchased by  
 Distributor, competitive information, and other such information as may  
 enhance the opportunities for conducting a profitable business.  
3. To provide remote Technical Support, on an as-required basis to the  
 Distributor only and not their end-users. The Distributor may either  
 contact the Company by email at xxxxxxx@xxxxxxxxxxxx.xxx or by  
 telephone at x00-000-000-0000 and report the problem. Golden Access  
 will makes it best effort to respond to the Distributor within the next  
 available business day to provide further assistance.  
  
  
  
  
  
  
7. DURATION OF AGREEMENT AND TERMINATION  
  
(a) This Agreement shall continue in effect for a period of one (1) year from  
the date of its execution, and Distributor has not defaulted hereunder, and  
thereafter from year to year unless either party shall give the other thirty  
(30) days written notice prior to the end of the initial or any extended term  
thereof, of its desire to terminate the Agreement at the expiration of such  
term.  
  
(b) In the event that at any time during the duration of this Agreement or any  
extension thereof the Distributor is adjudged bankrupt or shall make an  
assignment for the benefit of its creditors, or a receiver is appointed for it  
or for any of its properties or it is adjudged to be insolvent, the Company  
shall have the right, at its election, to cancel this Agreement forthwith by  
giving written notice to that effect.  
  
8. USE OF NAME  
  
(a) Upon written notice from Company or upon expiration or termination of this  
 Agreement, Distributor agrees to promptly discontinue using the  
 XxxxxxXxxxxx.xxx name, logo, or trade name and trademarks.  
  
(b) Distributor shall have no rights, other than those specifically set forth  
 in this Agreement, to use any trademark, trade name or names or any  
 contraction, abbreviation or similitude thereof belonging to Company,  
 without the prior specific approval of Company. Distributor may not  
 incorporate Golden Xxxxxx.xxx name or logo or trade name into company name.  
  
9. WAIVER  
  
The failure of either party hereto to exercise any right hereunder shall not be  
deemed to be a waiver of such right, and the failure of either party to cancel  
this Agreement for breach or default shall not be deemed to be a waiver of the  
right to do so for any subsequent breach.  
  
10. ASSIGNMENT  
  
This Agreement cannot be transferred and/or assigned by the Distributor to any  
Third party without the prior written approval of the Company, which approval  
may be unreasonably withheld. Any change in ownership or control of the  
Distributor can be cause for cancellation.  
  
11. ENTIRE AGREEMENT  
  
This Agreement constitutes the full and complete understanding between  
Distributor and Company and no amendments hereof shall be considered binding  
and/or effective unless such amendment is effectuated in writing, by mutual  
consent, in the form of an addendum to this Agreement. No renewals and/or  
extensions of this Agreement or any addendum shall be made except by specific  
  
  
  
  
  
written agreement thereof by the parties hereto. If it is necessary to employ an  
attorney to enforce any provision of this agreement, Company shall be entitled  
to recover reasonable attorney's fees and costs on trial and appellate levels.  
  
12. RETURN OF MERCHANDISE  
  
Should an error occur due to Company personnel's misinterpretation, entering,  
filling or shipping of a Distributor order, the merchandise is returnable by  
Distributor for full replacement, providing the merchandise is in good  
condition, and Company will accept the return transportation charge, if the  
error is reported within 10 business days. Where the Distributor desires to  
return merchandise for any reason other than Company errors in filling orders,  
the merchandise must be in (a) In original containers, (b) saleable according to  
Company standards, and (c) must be authorized for return by Company prior to  
issuance of any allowable credits.  
  
1. When Distributor requests the return of merchandise within 30 days after  
 the receipt of shipment and such return is authorized, Company will allow  
 100% of the invoice value in the form of a credit memorandum after  
 Company's receipt of the returned goods.  
2. When Distributor requests the return of merchandise from 30 - 90 days after  
 the receipt of shipment and such return is authorized, Company will allow  
 80% of the invoice value in the form of a credit memorandum after Company's  
 receipt of the returned goods.  
3. Transportation charges applicable to merchandise authorized for return must  
 be pre-paid by the Distributor.  
4. Merchandise in the Distributor's possession longer than 90 days is not  
 returnable.  
  
13. DAMAGED SHIPMENTS AND CLAIMS  
  
In the Event that equipment or supplies are received in damaged condition, the  
following procedure shall be used.  
  
1. Distributor shall not repack the merchandise or attempt to return it to the  
 Company.  
2. Distributor shall immediately notify the carrier and ask that an inspection  
 of the damage be made.  
3. Distributor shall notify Company of the receipt of damaged shipment, giving  
 particulars of the damage so that Company will know which items are to be  
 replaced.  
4. Distributor shall file claim for the damage after the inspection report has  
 been received from the carrier. 5. Company will advise Distributor what  
 disposition is to be made of the damaged articles.  
  
14. TAXES  
  
Distributor shall pay any and all applicable sales, use or excise taxes, or  
amounts legally levied in lieu thereof imposed under the authority of a federal,  
state or local taxing jurisdiction, so long as they are billed as a separate  
item on each invoice, or Distributor shall furnish Company with appropriate  
exemption certificates.  
  
  
  
  
  
  
15. NOTICES  
  
Any notice to be given hereunder shall be in writing and shall be sent by  
registered or certified mail postage prepaid to the party to be notified,  
addressed to such party at it's address appearing herein or such other address  
as such party may by written notice have substituted therefore and the  
depositing of such notice in the mail, so addressed, shall constitute the giving  
thereof.  
  
Distributor Notification Address:  
CTI-PRO, s.r.o.  
U Vystaviste 9/229  
000 00 Xxxxx 0  
Xxxxx Xxxxxxxx  
  
Company Notification Address:  
Golden Xxxxxx.xxx, Inc.  
0000 Xxxx Xxxxxx Xxxxx, Xxxxx 000  
Xxxxx, Xxxxxxx,  
00000, XXX  
  
16. APPLICABLE LAW  
  
This Agreement shall be interpreted and governed in accordance with the laws of  
the State of Florida, venue to be Dade County, Florida, United States of  
America.  
  
IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed  
by a duly authorized officer and have caused their seals to be affixed hereto on  
the date first written above.  
  
(Attest) (Witness) Company: XxxxxxXxxxxx.xxx, Inc  
  
(Seal) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Seal) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
  
(By) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (By) Xxxx Xxxxxxxx  
 Print name.  
(Title)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Title) VP, Business Development  
  
  
(Attest) (Witness) Distributor:  
  
(Seal) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Seal) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
  
(By) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (By)  
 Print name.  
(Title)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Title)  
  
  
  
 SCHEDULE A  
  
  
  
Notes:  
  
- Price segments are on a "per system" basis.  
  
- For systems upgrades, the applicable price is that of the segment of  
 the final number of lines.