DISTRIBUTION AGREEMENT  
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 This Distribution Agreement ("Agreement") is made this 8th day of  
September 1999, by and between XXXX-XXX.XXX, Inc., a Florida corporation  
("PHON-NET"), and Wazzu Corporation. ("Distributor").  
  
 RECITALS  
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 WHEREAS, PHON-NET is the owner of a software program called DIRECT  
CONNECT ("Software").  
  
 WHEREAS, the Software permits calls to be made, using a modem and  
single touch tone phone line, from the Internet, by causing a temporary  
interruption of the Internet connection, and placing a call to a designated  
number, determined by a limited license account, allowing the computer user to  
engage in conversation while viewing their (business) web page, using a phone  
and regular phone call, with a sales or marketing agent or any designate of the  
web site owner or agent, and to re-establish connection by clicking an icon on a  
web page or by whatever means currently exist within the Software, now or later,  
and to allow computer user to utilize an e-coupon/information feature, a voice  
mail feature, and any other feature that may be available now or later.  
  
 WHEREAS, the management of Distributor has sales and marketing  
expertise.  
  
 WHEREAS, PHON-NET desires to engage Distributor as the non-exclusive  
value added reseller/distributor of the Software throughout only the U.S.A.. All  
other countries need prior written approval from PHON-NET to Distributor.  
  
 NOW, THEREFORE, the parties have agreed as follows:  
  
1. Appointment. PHON-NET grants Distributor the non-exclusive right to  
 distribute, market and license the Software throughout the U.S.A. only, in  
 accordance with the terms and conditions of this Agreement.  
  
2. Obligations of XXXX-XXX.XXX  
  
 a) Promotional Material. PHON-NET will provide Distributor with draft  
 marketing materials for use in marketing, installing and using the  
 Software, without charge to Distributor.  
  
 b) Bug Fixes. PHON-NET will provide and handle all bug fixes for the  
 Software, without charge to Distributor or any of its customers.  
  
 c) Enhancements. PHON-NET, at its sole discretion, may provide Distributor  
 with enhancements for the Software, without cost to Distributor or any  
 of its customers.  
  
 d) Training. PHON-NET will provide Distributor with technical training  
 without charge as requested from time to time by Distributor. All  
 technical support provided by PHON-NET to all customers.  
  
 e) Reserved Rights. PHON-NET reserves the right to substantially modify  
 the Software for the purpose of eliminating any code, which infringes  
 any third party's proprietary rights. In such event that a modification  
 is made by PHON-NET, PHON-NET agrees to provide such number of free  
  
  
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 limited license units of Software that Distributor can provide copies  
 to all customers who currently hold a limited license unit of Software  
 that has not expired prior to the date the Software is modified.  
  
 f) Technical Requirements. PHON-NET shall ensure the technical  
 requirements for installing and running the Software and all technical  
 support for each customer are performed and provided by PHON-NET.  
  
 g) Software Support. PHON-NET will provide full and complete Software  
 Support to all customers of the Software by providing a toll free  
 telephone number that will be staffed for a minimum of eight (8) hours  
 per day, seven days per week.  
  
3. Obligations of Distributor. Distributor will bear all expenses for its  
 operation and staff. Distributor will use best efforts to advertise and  
 promote the Software, including but not limited to the method of promotion  
 as set out in EXHIBIT "C", at Distributor's expense, and to license the  
 Software. Distributor may prepare marketing materials, which PHON-NET and  
 Distributor jointly shall review and approve prior to use. Any and all  
 marketing materials created and prepared by or for Distributor shall be  
 exclusively owned by PHON-NET, and any of its other value added resellers  
 or any third party shall have rights to those materials developed and owned  
 by PHON-NET, including, but not limited to, intellectual property rights  
 such as copyrights.  
  
4. Demonstration Copies. PHON-NET will provide 5 samples licenses for  
 demonstration purposes for the term of this agreement.  
  
5. Price and Payment. PHON-NET will sell to Distributor and Distributor will  
 purchase from PHON-NET, Software on the following terms and conditions:  
  
 a) Orders and payment for the Software shall be as follows:  
  
 i) Distributor shall acquire limited use license for the Software as  
 set forth in EXHIBIT "A" attached hereto.  
  
 ii) The parties to this Agreement contemplate that the customer of  
 Distributor shall be charged an installation charge, monthly  
 charge and transaction charge as set forth in EXHIBIT "B".  
 Distributor shall pay PHON-NET the amounts set forth in EXHIBIT  
 "B" for each limited license unit of Software electronically  
 activated by PHON-NET, there being no charge for any monthly  
 charge or transaction fee, if any, that Distributor may charge its  
 customers. Distributor shall make payment for the Software by  
 check within ten (10) days of the end of the month for the  
 installation charges on new sales of Software licenses activated  
 by PHON-NET made in the prior calendar month. For example,  
 Distributor shall make payment on October 10, 1999 for charges  
 invoiced by each party in the month of September 1999. PHON-NET  
 may change the charges set forth on EXHIBIT "B" upon thirty (30)  
 days prior written notice. Distributor must disclose all final  
 sale figures and revenues to PHON-NET.  
  
 b) PHON-NET may add or delete Products from EXHIBIT "A" from time to  
 time; provided, however, Distributor shall be given fifteen (15)  
 days notice of any Software added or deleted, or changes in the  
 license thereto.  
  
 c) PHON-NET shall electronically activate the Software in the form  
 of blank license accounts, as required by Distributor's sales, and  
 that  
  
  
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 means to distribute, electronically by e-mail and manually by phone or  
 fax or mail or any other applicable means, all purchased accounts will  
 be provided to Distributor by PHON-NET. Orders may be placed by the  
 Distributor for any quantities at any time, provided such orders are  
 set forth in writing. PHON-NET shall confirm the orders with  
 Distributor prior to electronically activating the customer's license.  
 Distributor shall have the right to cancel all or any portion of any  
 order prior to electronic activation of the customer Software  
 license(s). PHON-NET shall use its best efforts to electronically  
 activate each customer's license account as soon as practicable, but in  
 all cases within 72 hours of date of order provided PHON-NET has the  
 appropriate client information. In the event that PHON-NET does not  
 have the ability to electronically activate the Software license within  
 72 hours, it shall immediately inform Distributor in writing, and  
 Distributor shall pay the license fee to PHON-NET when such Software is  
 electronically activated.  
  
6. Product Promotion; Costs of Promotion. Distributor agrees to take all steps  
 reasonably necessary to continue to protect the corporate image of the  
 Software and of the name of PHON-NET. Distributor agrees to provide  
 PHON-NET with all promotional and advertising materials that Distributor  
 may produce for the advertisement, promotion or sale of the Software prior  
 to the use thereof. PHON-NET has the right, in its sole discretion, to  
 approve or disapprove of the use of the promotional and advertising  
 materials. Distributor agrees to use no other promotional and advertising  
 materials relating to the Software unless it has first obtained the consent  
 to use such promotional and advertising materials from PHON-NET.  
 Distributor agrees to bear all costs and expenses related to the  
 promotional and advertising materials.  
  
7. Limitation of Liability. In no event shall either party be liable for any  
 indirect, special or consequential damages (including but not limited to  
 loss of anticipated profits) in connection with or arising out of this  
 Agreement or the furnishing, functioning, use, distribution or marketing of  
 the Software or any related item or service provided by PHON-NET or  
 Distributor.  
  
8. Term and Termination. This Agreement shall not be terminated or subject to  
 cancellation by either party for before September 8th, 2000, except as  
 provided for herein below.  
  
 a) Either party has materially defaulted on or breached any section of  
 this Agreement which has not been cured within ten (10) business days  
 of notice of the material default or breach alleged by the notifying  
 party;  
  
 b) Either party becomes insolvent, bankrupt or the subject of a  
 receivership;  
  
 c) Either party makes a general assignment for the benefit of  
 creditors;  
  
 d) Mutual consent of the parties;  
  
9. Relationship of Parties. Neither PHON-NET nor Distributor is authorized to  
 oblige the other party or act in the name of the other party other than as  
 stated in this Agreement. The Agreement does not create a joint venture,  
 partnership or association.  
  
10. Proprietary Rights.  
  
 a) Ownership by PHON-NET. The parties agree that PHON-NET owns all  
 proprietary rights, including copyrights, patents and trade secrets, in  
 and to the Software and that this Agreement does not transfer ownership  
 of any of these rights.  
  
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 b) Limitation on Use of Software. Distributor will use all computer  
 programs, documentation and information consisting of or containing  
 proprietary information related to the Software solely for the purpose  
 of performing under this Agreement if provided by PHON-NET. Distributor  
 will not modify or cause others to modify the Software, without the  
 prior written consent of PHON-NET.  
  
11. Indemnification. PHON-NET shall indemnify and hold harmless Distributor  
 against any and all liability, suits, claims, losses, damages and  
 judgements, and shall pay all costs (including reasonable attorney's fees)  
 and damages to the extent that such liability, costs or damages arise from  
 a claim that the Software infringes any third party's United States patent  
 or copyright. PHON-NET, at its option, may defend or settle any such  
 action, or any part thereof brought against Distributor arising from a  
 claim that such infringement as described herein has occurred. PHON-NET's  
 obligations under this Section are conditioned upon its being given (i)  
 prompt notice of each such claim received in writing by Distributor and  
 (ii) the right to control and direct the investigation, defense and  
 settlement of each such claim. The provisions of this Section shall survive  
 any termination of this Agreement.  
  
12. No Warranty to Distributor. PHON-NET PROVIDES DISTRIBUTOR NO WARRANTIES,  
 CONDITIONS, GUARANTEES OR REPRESENTATIONS AS TO MERCHANTABILITY OR FITNESS  
 FOR A PARTICULAR PURPOSE OR ANY OTHER WARRANTIES, CONDITIONS, GUARANTEES OR  
 REPRESENTATIONS, EXPRESS OR IMPLIED, ORAL OR IN WRITING, REGARDING THE  
 SOFTWARE, ITS PERFORMANCE OR OTHERWISE RELATED TO THIS AGREEMENT.  
  
13. Attorney's Fees. The parties will bear their own legal fees and costs in  
 connection with the disputed, negotiations and document preparation leading  
 up to and covered by this Agreement. If any party institutes any action or  
 proceeding in connection with this Agreement, the prevailing party shall be  
 entitled, in addition to such other relief as may be granted, to be  
 reimbursed by the losing party for all costs and expenses incurred thereby,  
 including, but not limited to, reasonable attorney's fees (including  
 pre-judgement and post-judgement) and costs.  
  
14. Entire Agreement. Except as provided herein, this Agreement is the entire  
 agreement between the parties, and all prior negotiations, representations  
 or agreements between the parties are merged into this Agreement.  
  
15. Severability. The invalidity, in whole or in part, of any provision of this  
 Agreement shall not affect the validity or enforceability of any other of  
 its provisions.  
  
16. Headings. The paragraph or section headings in this Agreement are used for  
 convenience only. They form no part of this Agreement and are in no way  
 intended to alter or affect the meaning of this Agreement.  
  
17. Applicable Law; Venue. This Agreement shall be construed in accordance with  
 and all disputes hereunder shall be governed by the laws of the State of  
 Florida and the United States of America. All actions or proceedings  
 connected with this Agreement shall be brought only in the Federal court of  
 the United States of America. The parties, including any assignee of this  
 Agreement, hereby consent to the jurisdiction and venue of such courts.  
  
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18. Counterparts. This Agreement may be executed in two or more counterparts,  
 each of which shall be an original, but all of which shall constitute one  
 and the same instrument.  
  
19. Binding effect. This Agreement shall bind and inure to the benefit of the  
 heirs, personal representatives, successors and permitted assigns of the  
 parties.  
  
20. Notices.  
  
 a) Communication. All notices, requests, demands, or other communications  
 under the Agreement shall be in writing. Notice shall be sufficiently  
 given for all purposes as follows:  
  
 i) Personal delivery. When personally delivered to the recipient.  
 Notice is effective on delivery.  
  
 ii) First-class mail. When mailed first class to the last address of  
 the recipient known to the party giving notice. Notice is  
 effective three (3) mail delivery days after deposit in a United  
 States Postal Service office or mailbox.  
  
 iii) Certified mail. When mailed certified mail, return receipt  
 requested. Notice is effective on receipt, if delivery is  
 confirmed by a return receipt.  
  
 iv) Overnight delivery. When delivered by overnight delivery Federal  
 Express/Airborne/United Parcel Service/DHL WorldWide Express,  
 charges prepaid or charged to the sender's account. Notice is  
 effective on delivery, if delivery is confirmed by the delivery  
 service.  
  
 v) Telex or facsimile transmission. When sent by telex or fax to the  
 last telex or fax number of the recipient known to the party  
 giving notice. Notice is effective on receipt, provided that (a) a  
 duplicate copy of the notice is promptly given by first-class or  
 certified mail or by overnight delivery, or (b) the receiving  
 party delivers a written confirmation of receipt. Any notice given  
 by telex or fax shall be deemed received on the next business day  
 if it is received after 5:00 p.m. (recipient's time) or on a  
 nonbusiness day. Addresses for purposes of giving notice are as  
 follows:  
  
 Distributor: Xx. Xxxxx Xxxxxx, CEO  
 Wazzu Corporation  
 00000 Xxxxxx Xxxxxx, Xxxxx 000  
 Xxxxxxxx Xxxxxx, XX 00000  
  
 PHON-NET: Mr. Xxxxx Xxxxxxx, President  
 XXXX-XXX.XXX  
 000-000 Xxxx Xxxxxx Xxxxxx  
 Xxxxxxxxx, Xxxxxxx Xxxxxxxx  
 Xxxxxx X0X 0X0  
 Facsimile (000) 000-0000  
  
 b) Any correctly addressed notice that is refused, unclaimed, or  
 undeliverable because of an act or omission of the party to be notified  
  
  
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 shall be deemed effective as of the first date that said notice was  
 refused, unclaimed, or deemed undeliverable by the postal authorities,  
 messenger, or overnight delivery service.  
  
 c) Any party may change its address or telex or fax number by giving the  
 other party notice of the change in any manner permitted by this  
 Agreement.  
  
21. Amendment. This Agreement and the exhibits set forth the entire  
 understanding of the parties with respect to the subject matter of this  
 Agreement and supersede all prior agreements, understandings and  
 negotiations with respect to the subject matter hereof. Any amendment to  
 this Agreement must be in writing and signed by both parties.  
  
22. Waiver. Failure by either party to enforce at any time or for any period of  
 time the provisions of this Agreement shall not be construed as a waiver of  
 such provisions, and shall in no way affect such party's right to later  
 enforce such provisions.  
  
23. Exhibits. Each of the Exhibits described in this Agreement shall be deemed  
 to be incorporated herein by this reference as if fully set forth herein.  
  
  
IN WITNESS WHEREOF, the parties hereto have executed this Agreement in duplicate  
to be effective as of the date and year first above written.  
  
  
 "PHON-NET"  
 XXXX-XXX.XXX, Inc.,  
  
  
  
 By: /S/ XXXXX XXXXXXX  
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 Xxxxx Xxxxxxx, President and CEO  
  
  
 Wazzu Corporatioin  
 00000 Xxxxxx Xxxxxx, Xxxxx 000  
 Xxxxxxxx Xxxxxx, XX 00000  
  
  
  
 By: /S/ XXXXX XXXXXX 9/23/99  
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 Xxxxx Xxxxxx, CEO  
  
  
  
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 EXHIBIT A  
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 Software License  
  
 XXXX-XXX.XXX DIRECT CONNECT SOFTWARE LICENSE AGREEMENT  
  
BY INSTALLING OR USING DIRECT CONNECT SOFTWARE (THE "PRODUCT"), THE INDIVIDUAL  
OR ENTITY LICENSING THE PRODUCT ("LICENSEE") IS CONSENTING TO BE BOUND BY AND IS  
BECOMING A PARTY TO THIS AGREEMENT. IF LICENSEE DOES NOT AGREE TO ALL OF THE  
TERMS OF THIS AGREEMENT, THE LICENSEE MUST NOT INSTALL OR USE THE SOFTWARE.  
  
1. LICENSE AGREEMENT. As used in this Agreement "Licensor" shall mean  
XXXX-XXX.XXX except under the following circumstance: if Licensee acquired the  
Product through an authorized Distributor or as a bundled component of a third  
party product or service, then such third party and/or Distributor shall be  
Licensor.  
  
2. RESTRICTIONS. Except as otherwise expressly permitted in this Agreement, or  
in another XXXX-XXX.XXX agreement to which Licensee is a party, Licensee may  
not: (i) modify or create any derivative works of the Product or documentation,  
including translation or localization; (ii) decompose, disassemble, reverse  
engineer, or otherwise attempt to derive the source code for the Product; (iii)  
redistribute, encumber, sell, rent, lease, sublicense, or otherwise transfer  
rights to the Product; (iv) remove or alter any trademark, logo, copyright or  
other proprietary notices, legends, symbols or labels in the Product; or (v)  
publish any results of benchmark tests run on the Product to a third party  
without XXXX-XXX.XXX's prior written consent.  
  
3. FEES. Purchase of the Product is for 12 months. Licensee will be notified of  
expiry after 11 months with option to renew at whatever current market price is.  
  
4. TERMINATION. Without prejudice to any other rights, Licensor may terminate  
this Agreement if Licensee breaches any of its terms and conditions. Upon  
termination, Licensor may delete license account.  
  
5. PROPRIETARY RIGHTS. Title, ownership rights, and intellectual property rights  
in the Product shall remain in XXXX-XXX.XXX and/or its suppliers. Licensee  
acknowledges such ownership and intellectual property rights and will not take  
any action to jeopardize, limit or interfere in any manner with XXXX-XXX.XXX's  
or its suppliers' ownership of or rights with respect to the Product. The  
Product is protected by copyright and other intellectual property laws and by  
international treaties. Title and related rights in the content accessed through  
the Product is the property of the applicable content owner and is protected by  
applicable law. The license granted under this Agreement gives Licensee no  
rights to such content.  
  
6. DISCLAIMER OF WARRANTY. THE PRODUCT IS PROVIDED WITH A 365 DAY LICENSE, AND  
WITH WARRANTIES THAT IT IS FREE OF DEFECTS, AS OUTLINED IN THE OWNER/TECHNICAL  
MANUAL. MERCHANTABLE, FIT FOR A PARTICULAR PURPOSE OR NON-INFRINGING. SHOULD THE  
PRODUCT PROVE DEFECTIVE IN ANY RESPECT, LICENSOR SHALL ASSUME THE RESPONSIBILITY  
  
  
  
OF CORRECTING ANY SUCH DEFECT. NO USE OF THE PRODUCT IS AUTHORIZED HEREUNDER  
EXCEPT UNDER THIS DISCLAIMER.  
  
7. LIMITATION OF LIABILITY. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW,  
IN NO EVENT WILL LICENSOR OR ITS SUPPLIERS OR RESELLERS BE LIABLE FOR ANY  
INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF THE USE OF  
OR INABILITY TO USE THE PRODUCT, INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS  
OF GOODWILL, WORK STOPPAGE, COMPUTER FAILURE OR MALFUNCTION, OR ANY AND ALL  
OTHER COMMERCIAL DAMAGES OR LOSSES, EVEN IF ADVISED OF THE POSSIBILITY THEREOF,  
AND REGARDLESS OF THE LEGAL OR  
  
EQUITABLE THEORY (CONTRACT, TORT OR OTHERWISE) UPON WHICH THE CLAIM IS BASED. IN  
ANY CASE, LICENSOR'S ENTIRE LIABILITY UNDER ANY PROVISION OF THIS AGREEMENT  
SHALL NOT EXCEED IN THE AGGREGATE THE SUM OF THE FEES LICENSEE PAID FOR THIS  
LICENSE (IF ANY).  
  
8. MISCELLANEOUS. (a) This Agreement constitutes the entire agreement between  
the parties concerning the subject matter hereof. (b) This Agreement may be  
amended only by a writing signed by both parties. (c) Except to the extent  
applicable law, if any, provides otherwise, this Agreement shall be governed by  
the laws of the U.S.A. and CANADA, excluding its conflict of law provisions.  
  
  
  
  
  
  
  
  
  
 EXHIBIT B  
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Limited (one year) software license unit - $99.00 U.S. Dollars /each  
  
Installation Charge - $0.00 U.S. Dollars  
  
Monthly Charge - $0.00 U.S. Dollars  
  
Per Transaction Charge $0.00 U.S. Dollars  
  
  
  
  
  
  
  
 EXHIBIT C  
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 Distributor being a source of web page development and e-commerce solutions  
 for small and medium businesses in the U.S.A., Distributor agrees to  
 add the DIRECT CONNECT icon software limited license to all business  
 customer web pages (main index page) in Distributor's database for a  
 period of six months and to market for sale to said businesses for  
 continued limited license service of the Software.  
  
 XXXX-XXX.XXX agrees to supply required number of limited licenses,  
 numbering approximately 20,000 (not to exceed 25,000), for a period of  
 six months, to Distributor's customers, to aid in promotion and sale of  
 the Software.  
  
 XXXX-XXX.XXX and Distributor agrees to share and use the list of businesses  
 that receive the six month limited license Software for use in  
 promotion of the Software.  
  
 Thisagreement is based on providing limited license service to all members  
 of Distributor's database for an initial six months. Distributor agrees  
 to invoice all businesses that receive the limited license service,  
 within 30 days of the limited license service installation.  
  
 Promotion is not a six-month free limited license, but constitutes an  
 opportunity for businesses to receive 18 months of service for the cost  
 of twelve months of service. However businesses will not be obligated  
 to purchase a Software limited license for the installation and use of  
 the Software limited license in the first six months.  
  
 Any limited license issued to businesses and not purchase after the elapse  
 of six months, under the terms of this contract will be terminated. The  
 license issues under the terms of "EXHIBIT C" may be terminated at any  
 time it is determine that Distributor is unable to invoice businesses  
 or properly promote the sale of the software.